See, Charles M., [redacted], USMC.

The following-named temporary disability retired officer for reappointment to the grade of lieutenant colonel in the Marine Corps, subject to the qualifications therefor as provided by law:

Arceneaux, Ewell J., [redacted], USMC.

The following-named (commissioned warrant officers/warrant officers) for temporary appointment to the grade of first lieutenant in the Marine Corps, for limited duty, subject to the qualifications therefor as provided by law:

Alnutt, Ronald H.
Armstrong, Russell P.
Armstead, Willie A.
Bancroft, Alfred M.
Barton, Charles H., Jr.
Beatty, Richard J.
Bixler, Roy H.
Borowitz, Thomas J.
Braund, Dennis A.
Brewer, Francis W., Jr.
Broughton, William C., Jr.
Caroway, Donald L.
Carr, Francis J.
Chronister, Hershel G.
Cope, Garnet E.
Craig, Hilton, Jr.
Craynon, Charles R.
Cunningham, Frederick M.
Dale, Wayne, R.
Dodd, Howard G.
Ehrler, Richard E.
Ellis, Jerry L.
English, Fred C.
Estrada, Sergion E.
Ferrell, Roy A.
Flihan, Frederick J.
Francis, George M.
Furman, Dallas D.
Goble, Philip E.
Grebas, James A.
Hall, Robert I.
Halloway, Henry D.
Hatfield, Joseph B.
Heinbaugh, Harold S.
Henry, Harold L.
Hester, Franklin R.
Hisle, William J., III
Hoffman, Paul R.
Johnson, Ernest E.
Kaonohi, Alexander K., Jr.
Labarge, Paul J.
Lafreniere, Aurel E.
Lambert, Charles E.
Lane, Donald A.
Long, Paul E., Jr.
Marcucci, John R.
McIntyre, Thomas J.
McRae, James R., Jr.
Morris, James T.
Morris, John V.
Mott, Frank W.
Mullin, Lawrence T.
Muschette, James, Jr.
Odell, Jerry W.
Pallett, Porter G.
Phillips, Robert P.
Richardson, Herbert C., Jr.
Robinson, Lloyd A.
Rodney, Marvin C.
Roman, Ramon, Jr.
Rossano, Paul A.
Scroggins, John D.
Sheldon, Albert W.
Sherman, Roger A.
Shivers, Stephen L.
Smith, Herbert S., Jr.
Songne, Lloyd D.
Showalter, Dan W., Jr.
Simmons, Gary G.
St. Ours, Joseph J. C.
Strawser, Robert L.
Stutler, Robert R.
Sweeney, John M., Jr.
Thomas, James M.
Turner, James A.
Tyler, Marcelo J.
Venegas, David
Webb, Ronald E.
Williams, Gene R., Sr.
Williams, George E.
Williams, Leroy
Wohlfarth, Jerrold A.

The following-named (staff noncommissioned officers) for temporary appointment to the grade of second lieutenant in the Marine Corps, for limited duty, subject to the qualifications therefor as provided by law:

Allen, Myron E.
Anaya, Richard C.
Anderson, Lawrence J.
Aquilina, Albert J.
Arnold, Clifford
Barrett, Charles M.
Barrett, James R.
Barth, Terrence G.
Beard, Fred W.
Bennett, Dellas R.
Bicknel, Philip A.
Bland, David J.
Brunstad, David P.
Budd, Ricky G.
Butler, Mathew A.
Cassell, Daniel C.
Chambers, Ronald R.
Chapman, William D.
Chastain, Wendell H.
Coco, Joseph D.
Connolly, Joel R.
Cork, James E.
Coyne, James J., Jr.
Cunningham, Wilbur L.
Daigger, Roger W.
Detrich, Homer D.
Dorsch, Albert G., Jr.
Dreher, Stephen M.
Duprez, Donald A.
Duran, Jerome M.
Esrey, John J.
Evans, Ronald E.
Fitzmaurice, Kermit E.
Gardner, Kerry D.
Gehrlein, Richard C.
Gelinas, Paul A.
Gibbs, Leon O.
Gipson, Melvin O.
Hacker, Robert E., Jr.
Haycock, Douglas M.
Haynes, Robert L.
Hearlson, Phillip R.
Hogans, Halie C.
Horrobin, William P.
Hughes, Leon D.
Johnson, Raymond K.
Keyes, Jerome
Keyes, John O.
Kimbler, Eugene
Koran, John G., Jr.
Kossick, Charles W.
Larson, Albert L.
Leath, Clay D.
Linder, Thomas L.
Lindley, Eugene W.
Lohmeier, Donald L.
Longworth, Stanley W.
Manaea, Frank S.
McCarty, James D.
McClain, Edward T.
McTier, John H.
Moranha, John P., Jr.
Nelson, Edward A.
Nickerson, George W., III
Orem, Wilbert E., Jr.
Osburn, James N.
Perales, Edward Y.
Pereira, Ronald V.
Perry, Richard A.
Pippin, Jerreld D.
Pomalesortiz, Jonas
Quinones-Tavarez, Pedro J.
Raedel, Gerald G.
Ralston, Lee F.
Rivers, William D.
Roamer, Richard H.
Roddy, Clarence J.
Rose, Charles W., Jr.
Roos, George D.
Schrader, Herbert M., Jr.
Simpson, Chester L.
Skelding, John T.
Smith, Gilbert M.
Smith, Robert L.
Stanton, Carl D.
Stewart, Ronald A.
Strickland, Gobel N.
Stride, Robert D.
Sullivan, Jerry W.
Swinson, Coral L.
Taylor, Floyd E.
Taylor, Lewis R.
Teel, Charles L., Jr.
Tench, Winfield J., Jr.
Thomas, Gerald M.
Thomas, Richard H., Jr.
Tokarz, Edward R.
Tonkens, Charles T.
Turley, Jerry W.
Turner, Andrew C.
Van Meter, Larry O.
Ward, Andrew L.
Weber, Allen R.
Wheaton, Ralph L.
White, Fred E.

The following-named U.S. Military Academy graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Borje, Donald J.
Fenton, George P.
Kinnaman, James M.
Marsh, William T.
Miller, John H., Jr.
Thielke, Frederick L.

HOUSE OF REPRESENTATIVES—*Tuesday, April 2, 1974*

The House met at 12 o'clock noon.

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

See that none render evil for evil unto any man, but ever follow that which is good, both among yourselves and to all men.—I Thessalonians 5: 15.

O God, our Father, humbly and reverently we lift our hearts unto Thee praying that Thy grace may cleanse us, Thy power may strengthen us, Thy love may purify us, and Thy wisdom may make us wise. Set us free from the bonds that separate us from each other and draw us together as a people united in spirit and in truth determined to keep freedom, justice, and cooperation growing in our world.

Grant unto us those deep and abiding convictions which make our Nation great in goodness, wise in wisdom, steady in spirit, honest in heart, and fruitful in the faith of our Founding Fathers. May noble virtues live nobly in us as we give them hands and feet in this day.

In the spirit of Him who is the Way, the Truth, and the Life, 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 PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On March 16, 1974:

H.R. 8245. An act to amend Reorganization Plan Numbered 2 of 1973, and for other purposes; and

H.J. Res. 905. Joint resolution extending the filing date of the 1974 Joint Economic Committee report.

On March 22, 1974:

H.R. 5450. An act to amend the Marine Protection, Research, and Sanctuaries Act of 1972, in order to implement the provisions of the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, and for other purposes; and

H.R. 6119. An act for the relief of Arturo Robles.

On March 28, 1974:

H.R. 13025. An act to increase the period during which benefits may be paid under title XVI of the Social Security Act on the basis of presumptive disability to certain individuals who received aid, on the basis of disability, for December 1973, under a State plan approved under title XIV or XVI of that act, and for other purposes.

On March 29, 1974:

H.R. 2533. An act for the relief of Raphael Johnson.

PRIVATE CALENDAR

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

MRS. ROSE THOMAS

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

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

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

There was no objection.

COL. JOHN H. SHERMAN

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

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

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

There was no objection.

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

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

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

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

There was no objection.

MR. AND MRS. JOHN F. FUENTES

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

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

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

There was no objection.

MURRAY SWARTZ

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

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

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

There was no objection.

ESTELLE M. FASS

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

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

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

There was no objection.

RITA SWANN

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

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

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

There was no objection.

LEONARD ALFRED BROWNRIGG

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

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

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

There was no objection.

BOULOS STEPHAN

The Clerk called the bill (H.R. 4438) for the relief of Boulos Stephan.

There being no objection, the Clerk read the bill as follows:

H.R. 4438

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a)(23) of the Immigration and Nationality Act, Boulos Stephan may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of the Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FAUSTINO MURGIA-MELENDREZ

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

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

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

There was no objection.

ROMEO LANCIN

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

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

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

There was no objection.

RUSSELL G. WELLS

The Clerk called the bill (H.R. 8545) for the relief of Russell G. Wells.

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

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

There was no objection.

AUTHORIZING SECRETARY OF INTERIOR TO SELL RESERVED PHOSPHATE INTERESTS OF THE UNITED STATES IN CERTAIN LANDS IN FLORIDA TO JOHN CARTER AND MARTHA B. CARTER

The Clerk called the bill (H.R. 10626) to authorize the Secretary of the Interior to sell reserved phosphate interests of the United States in certain lands in Florida to John Carter and Martha B. Carter.

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

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

There was no objection.

JORGE MARIO BELL

The Clerk called the Senate bill (S. 205) for the relief of Jorge Mario Bell.

There being no objection, the Clerk read the Senate bill as follows:

S. 205

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Jorge Mario Bell may be classified as a child within the meaning of section 101(b)(1)(F) of such Act upon approval of a petition filed in his behalf by James Francis Bell III, a citizen of the United States, pursuant to section 204 of such Act. The natural brothers and sisters of the said Jorge Mario Bell shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KAMAL ANTOINE CHALABY

The Clerk called the Senate bill (S. 245) for the relief of Kamal Antoine Chalaby.

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

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

There was no objection.

ERNEST EDWARD SCOFIELD (ERNESTO ESPINO)

The Clerk called the Senate bill (S. 428) for the relief of Ernest Edward Scofield (Ernesto Espino).

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

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

There was no objection.

WILHELM J. R. MALY

The Clerk called the Senate bill (S. 507) for the relief of Wilhelm J. R. Maly.

There being no objection, the Clerk read the Senate bill as follows:

S. 507

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That, the periods of time Wilhelm J. R. Maly has resided in the United States since his lawful admission for permanent residence on October 6, 1966, shall be held and considered to meet the residence and physical requirements of section 316 of the Immigration and Nationality Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. JOZEFA SOKOLOWSKA DOMANSKI

The Clerk called the Senate bill (S. 816) for the relief of Mrs. Jozefa Sokolowska Domanski.

There being no objection, the Clerk read the Senate bill as follows:

S. 816

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Mrs. Jozefa Sokolowska Domanski shall be held and considered to be within the purview of section 203(a)(2) of that Act and the provisions of section 204 of that Act shall not be applicable in this case.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAHMOOD SHAREEF SULEIMAN

The Clerk called the Senate bill (S. 912) for the relief of Mahmood Shareef Suleiman.

There being no objection, the Clerk read the Senate bill as follows:

S. 912

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the periods of time Mahmood Shareef Suleiman has resided in the United States and any State since his lawful admission for permanent residence in February 1957 shall be held and considered to meet the residence and physical presence requirements of section 316 of the Immigration and Nationality Act. In this case the petition for naturalization may be filed with any court having naturalization jurisdiction.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VO THI SUONG (NINI ANNE HOYT)

The Clerk called the Senate bill (S. 2112) for the relief of Vo Thi Suong (Nini Anne Hoyt).

There being no objection, the Clerk read the Senate bill as follows:

S. 2112

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Vo Thi Suong (Nini Anne Hoyt) may be classified as a child within the meaning of section 101(b)(1)(E) of the Act, upon approval of a petition filed in her behalf by Lieutenant Colonel and Mrs. Max B. Hoyt, citizens of the United States, pursuant to section 204 of the Act: *Provided,* That the brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MILDRED CHRISTINE FORD

The Clerk called the bill (H.R. 1961) for the relief of Mildred Christine Ford.

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

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

There was no objection.

LIDIA MYSLINSKA BOKOSKY

The Clerk called the bill (H.R. 2537) for the relief of Lidia Myslinska Bokosky.

There being no objection, the Clerk read the bill as follows:

H.R. 2537

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in the administration of the Immigration and Nationality Act, Mrs. Lidia Myslinska Bokosky, the widow of a citizen of the United States, shall be held and considered to be within the purview of section 201(b) of that Act and the purview of section 204 of such Act, shall not be applicable in this case.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NEPTY MASAUO JONES

The Clerk called the bill (H.R. 3203) for the relief of Nepty Masauo Jones.

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

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

There was no objection.

MELISSA CATAMBAY GUITERREZ

The Clerk called the bill (H.R. 4590) for the relief of Melissa Catambay Guiterrez.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Melissa Catambay Guiterrez, may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Mr. and Mrs. Ulpian F. Guiterrez, citizens of the United States, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

Amend the title so as to read: "A bill for the relief of Melissa Catambay Gutierrez."

With the following committee amendments:

On page 1, line 4, strike out the name "Melissa Catambay Guiterrez" and substitute the name "Melissa Catambay Gutierrez".

On page 1, lines 7 and 8, strike out the names "Mr. and Mrs. Ulpian F. Guiterrez" and substitute the names "Mr. and Mrs. Ulpiano F. Gutierrez,".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended so as to read: "For the relief of Melissa Catambay Gutierrez."

A motion to reconsider was laid on the table.

EMMETT A. AND AGNES J. RATHBUN

The Clerk called the bill (H.R. 7207) for the relief of Emmett A. and Agnes J. Rathbun.

There being no objection, the Clerk read the bill as follows:

H.R. 7207

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Emmett A. and Agnes J. Rathbun, Twenty-nine Palms, California, the sum of $1,221. The payment of such sum shall be in full settlement of all claims of the said Emmett A. and Agnes J. Rathbun against the United States arising out of overpayments of the Federal income tax for the taxable years 1962, 1963, 1964, and 1965. The said Emmett A. Rathbun was unable to file claims for refund of such overpayments during the period provided by law therefor because of his disabilities.

SEC. 2. No part of the amount appropriated in the first section of this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof be fined in any sum not exceeding $1,000.00.

With the following committee amendment:

Page 2, line 4: Strike "in excess of 10 per centum thereof".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GIUSEPPE OTTAVIANO-GRECO

The Clerk called the bill (H.R. 7685) for the relief of Giuseppe Ottaviano-Greco.

There being no objection, the Clerk read the bill as follows:

H.R. 7685

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Giuseppe Ottaviano-Greco may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Mr. and Mrs. Giuseppe Greco, citizens of the United States, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

Amend the title so as to read: "A bill for the relief of Giuseppe Greco."

With the following committee amendment:

On page 1, line 4, strike out the name "Giuseppe Ottaviano-Greco" and substitute the name "Giuseppe Greco."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "For the relief of Giuseppe Greco."

A motion to reconsider was laid on the table.

MARY NOTARTHOMAS

The Clerk called the bill (H.R. 9393) for the relief of Mary Notarthomas.

There being no objection, the Clerk read the bill as follows:

H.R. 9393

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the statute of limitations in section 904 of title 38 of the United States Code or any other statute of limitations, the claim for burial allowance filed in 1970 by Mrs. Mary Notarthomas as the widow of Joseph Notarthomas (Veterans' Administration claim number XC 25 918 432), also known as Joseph Noville, shall be deemed to be a timely claim for such allowance and shall be considered and paid in accordance with otherwise applicable law.

SEC. 2. The Administrator of Veterans' Affairs shall pay, out of current appropriations for the payment of pension, to Mrs. Mary Notarthomas the amount which would

have been payable to her as pension from October 2, 1967, to April 9, 1970, as the widow of Joseph Notarthomas (Veterans' Administration claim number XC 25 918 432), also known as Joseph Noville, if application therefor had been appropriately made under the laws administered by the Veterans' Administration.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RAYMOND MONROE

The Clerk called the bill (H.R. 11392) for the relief of Raymond Monroe.

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

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

There was no objection.

MRS. GERTRUDE BERKLEY

The Clerk called the bill (H.R. 2950) for the relief of Mrs. Gertrude Berkley.

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

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

There was no objection.

WILLIAM L. CAMERON, JR.

The Clerk called the bill (H.R. 8322) for the relief of William L. Cameron, Jr.

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

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

There was no objection.

JAMES A. WENTZ

The Clerk called the bill (H.R. 8823) for the relief of James A. Wentz.

There being no objection, the Clerk read the bill as follows:

H.R. 8823

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That James A. Wentz, of Wausau, Wisconsin, is relieved of liability to the United States in the amount of $504 for overpayments of pay and allowances as a member of the United States Marine Corps from November 1967 through March 1969, due to administrative errors on the part of Marine Corps personnel, and received by him in good faith without fault on his part. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for amounts for which liability is relieved by this section.

SEC. 2. (a) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James A. Wentz an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him, with respect to the indebtedness to the United States specified in the first section of this Act.

(b) No part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UHEL D. POLLY

The Clerk called the bill (S. 71) for the relief of Uhel D. Polly.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the patent laws of the United States, with respect to United States patent numbered 3,459,614 (Uhel D. Polly, of Fort Lauderdale, Florida, patentee) that the period in regard to public use or sale in this country as stated in section 102(b), title 35 of the United States Code be enlarged to two years prior to the date of the application of aforesaid patent. Nothing contained in this Act shall bar any person from exercising any rights which vested prior to the effective date of this Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CPL. PAUL C. AMEDEO

The Clerk called the bill (H.R. 1715) for the relief of Cpl. Paul C. Amedeo, U.S. Marine Corps Reserve.

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

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

There was no objection.

LESTER H. KROLL

The Clerk called the bill (H.R. 3534) for the relief of Lester H. Kroll.

There being no objection, the Clerk read the bill as follows:

H.R. 3534

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lester H. Kroll of West Seneca, New York, the sum of $416. The payment of such sum shall be in full settlement of all claims against the United States for overtime compensation to which he was entitled during the fiscal year 1948 as an employee of the Immigration and Naturalization Service under the Act of March 2, 1931 (8 U.S.C. 109(a) and 109(b)), but which he was not paid at the time on account of the erroneous application to him of the first proviso under the heading "Immigration and Naturalization Service" in the Department of Justice Appropriation Act, 1948 (61 Stat. 292): *Provided,* That no part of the amount appropriated in this Act excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 11: Strike "(8 U.S.C. 109(b))" and insert: ", ch. 368 §§ 1, 2, 46 Stat. 1467 (8 U.S.C. §§ 1353a, 1353b)". Page 2, lines 6 and 7: Strike "in excess of 10 per centum thereof".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPT. BRUCE B. SCHWARTZ, U.S. ARMY

The Clerk called the bill (H.R. 5907) for the relief of Capt. Bruce B. Schwartz, U.S. Army.

There being no objection, the Clerk read the bill, as follows:

H.R. 5907

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Captain Bruce B. Schwartz, [redacted], U.S. Army, of Miami, Florida, the sum of $16,352.74 in full settlement of all his claims against the United States for the loss of his household goods, and professional books and equipment, which were totally destroyed by fire on August 25, 1970, while in nontemporary storage in El Paso, Texas, incident to his assignment overseas.

SEC. 2. No part of the amount appropriated in the first section of this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 7: Strike "$16,352.74" and insert "$2,774.57".

Page 2, line 4: Strike "in excess of 10 per centum thereof".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GABRIEL EDGAR BUCHOWIECKI

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

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

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

There was no objection.

JAMES LENNON

The Clerk called the bill (H.R. 5011) for the relief of James Lennon.

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

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

There was no objection.

JOSEPHINE GONZALO (NEE CHARITO FERNANDEZ BAUTISTA)

The Clerk called the bill (H.R. 5477) for the relief of Josephine Gonzalo (nee Charito Fernandez Bautista).

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

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

There was no objection.

LINDA JULIE DICKSON (NEE WATERS)

The Clerk called the bill (H.R. 5667) for the relief of Linda Julie Dickson (nee Waters).

There being no objection, the Clerk read the bill as follows:

H.R. 5667

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a)(23) of the Immigration and Nationality Act, Linda Julie Dickson (nee Waters) may be issued a visa and admitted to the United States for permanent resident if she is found to be otherwise admissible under the provisions of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEONOR LOPEZ

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

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

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

There was no objection.

CONFERRING CITIZENSHIP POSTHUMOUSLY UPON LANCE CORPORAL FEDERICO SILVA

The Clerk called the bill (H.R. 7682) to confer citizenship posthumously upon Lance Corporal Federico Silva.

There being no objection, the Clerk read the bill as follows:

H.R. 7682

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Lance Corporal Federico Silva, a national of Mexico, who was serving in the United States Marine Corps in the vicinity of Que Son, Republic of Vietnam, when he was killed in action on December 18, 1965, shall be held and considered to have been a citizen of the United States at the time of his death.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF PETER BOSCAR, DECEASED

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

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

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

There was no objection.

VIORICA ANNA GHITESCU, ALEXANDER GHITESCU, AND SERBAN GEORGE GHITESCU

The Clerk called the bill (H.R. 8543) for the relief of Viorica Anna Ghitescu, Alexander Ghitescu, and Serban George Ghitescu.

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

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

There was no objection.

"MISS KEKU" DOCUMENTATION

The Clerk called the bill (H.R. 12627) to authorize and direct the Secretary of the Department under which the United States Coast Guard is operating to cause the vessel *Miss Keku* owned by Clarence Jackson of Juneau, Alaska, to be documented as a vessel of the United States so as to be entitled to engage in the American fisheries.

There being no objection, the Clerk read the bill as follows:

H.R. 12627

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of section 4132 of the Revised Statutes of the United States, as amended (46 U.S.C. 11), or any other provision of law, the Secretary of the Department under which the United States Coast Guard is operating shall cause the vessel *Miss Keku,* owned by Clarence Jackson of Juneau, Alaska, to be documented as a vessel of the United States, upon compliance with the usual requirements, with the privilege of engaging in the American fisheries so long as such vessel is owned by a citizen of the United States.

Mr. YOUNG of Alaska. Mr. Speaker, H.R. 12627 is concerned with the documentation of the vessel *Miss Keku.*

As you know, the law states that in order for a vessel to be documentated for use in American fisheries it must be established that it was wholly built within the United States. Due to circumstances beyond Mr. Jackson's control, the *Miss Keku* is not eligible for documentation under these conditions. The *Miss Keku* was built in a Washington State shipyard and was completed for use with the exception of her cabin. The shipyard which built *Miss Keku* did not have the tools and expertise to build the cabin. The Seattle shipyard which had been contracted to complete the job burned to the ground shortly before the *Miss Keku* was scheduled to arrive at the yard.

No other shipyard that Mr. Jackson approached in either Oregon, Washington or Alaska was able to work on the *Miss Keku* due to heavy workloads which had been contracted long in advance. Since time was of extreme importance to Mr. Jackson, he contacted a shipyard in Prince Rupert, a small Canadian town which lies to the immediate south of Ketchikan, Alaska. The shipyard was able to complete the cabin for Mr. Jackson in time for the vessel to be used during the current fishing season. Mr. Jackson had sought legal counsel prior to contracting with the Canadian shipyard and was advised that no significant legal obstacles should arise.

To the contrary, Mr. Jackson has encountered many legal problems not only with the Coast Guard but also with the Bureau of Customs. The Bureau of Customs problem has been resolved at great legal cost to Mr. Jackson. However, the documentation problem with the Coast Guard remains.

Senator GRAVEL has sought resolution of this case through administrative channels and has been unsuccessful. When Mr. Jackson visited my office, I informed him it would be best to make certain that all possible administrative remedies had been exhausted. Accordingly, we met with Mr. Robert O. McDonald, Chief of the Merchant Vessel Documentation Division, U.S. Coast Guard, who is quite familiar with this case. In short, Mr. McDonald advised us that the only remedy possible would be to introduce special legislation.

This case is of great interest to me because I feel that Mr. Jackson has done everything possible to resolve the unfortunate situation in which he is involved. He has invested every cent of his savings, he has a large bank mortgage, his livelihood and his children's college education are at stake. Mr. Jackson has no out. Through no intention of his own, Mr. Jackson has found himself in a legal entanglement that could possibly result in his bankruptcy and put his family in an extreme hardship situation.

Clearly, the matter revolves around the Coast Guard's interpretation of the phrase "wholly built within the United States." In this instance we have a vessel which was built complete with hull, motor, and decking within the United States. The *Miss Keku,* for all practical purposes, could have been navigated without a cabin. However, Mr. Jackson prudently decided that the ship should not be put to sea without first completing the cabin.

All facts considered, I urge that H.R. 12627 be favorably considered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

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

MRS. DONINGA PETTIT (DOMINGA PETTIT)

Mr. EILBERG. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 1321) an act for the relief of Mrs. Doninga Pettit, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Amend the title so as to read: "An Act for the relief of Dominga Pettit."

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

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, will the gentleman comment as to whether there is any substantial change made by the Senate amendment?

Mr. EILBERG. Mr. Speaker, the bill has been amended by the Senate to correct an error in the beneficiary's name as it appeared in the title of the bill.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania (Mr. EILBERG)?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

FLORA DATILES TABAYO

Mr. EILBERG. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 5106), an act for the relief of Flora Datiles Tabayo, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 1, lines 7 and 8, strike out "a citizen of the United States and a lawful resident alien," and insert "citizens of the United States,".

Page 1, line 9, strike out "natural parents or".

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

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, will the gentleman explain what the changes are which are made as a result of the Senate amendments?

Mr. EILBERG. Mr. Speaker, the adoptive mother of the beneficiary has become a U.S. citizen since the bill passed the House, and it has been amended by the Senate to reflect that change of circumstances.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania (Mr. EILBERG)?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

RITO E. JUDILLA

Mr. EILBERG. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 7363), an act for the relief of Rito E. Judilla, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Strike out all after the enacting clause and insert:

"That, in the administration of the Immigration and Nationality Act, Rito E. Judilla and Virna J. Pasicaran may be classified as children within the meaning of section 101(b)(1)(F) of the Act, upon approval of petitions filed in their behalf of Adoracion J. Gonzaga and Robert S. Gonzaga, citizens of the United States, pursuant to section 204 of the said Act: *Provided*, That the brothers or sisters of the beneficiaries shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act."

Amend the title so as to read: "An Act for the relief of Rito E. Judilla and Virna J. Pasicaran."

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

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, will the gentleman please explain how the House version differs from the Senate version?

Mr. EILBERG. Mr. Speaker, if the gentleman will yield, the bills H.R. 7363 and H.R. 7364 passed the House as individual bills, and the Senate has combined these two bills under one bill, the beneficiaries having been adopted by the same adopting parents.

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman for his explanation.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 2, EMPLOYEE SECURITY BENEFIT ACT

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2) to provide for pension reform, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? The Chair hears none, and the Chair appoints as managers on the part of the House the following Members: On title I of the House bill, and modifications thereof which have been committed to conference: Messrs. PERKINS, THOMPSON of New Jersey, DENT, BURTON, QUIE, ERLENBORN, and SARASIN; and on title II of the House bill, and modifications thereof which have been committed to conference: Messrs. ULLMAN, BURKE of Massachusetts, Mrs. GRIFFITHS, Messrs. ROSTENKOWSKI, SCHNEEBELI, COLLIER, and BROYHILL of Virginia.

APPOINTMENT OF CONFEREES ON H.R. 7824, LEGAL SERVICES CORPORATION ACT

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7824) to establish a Legal Services Corporation, and for other purposes, with Senate amendments thereto, disagree to the amendments of the Senate, and agree to the conference asked by the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? The Chair hears none, and appoints the following conferees: Messrs. PERKINS and HAWKINS, Mrs. MINK, Messrs. MEEDS, QUIE, ASHBROOK, and STEIGER of Wisconsin.

CONFERENCE REPORT ON H.R. 6186, DISTRICT OF COLUMBIA REVENUE ACT OF 1947 AMENDMENT ACT

Mr. DIGGS. Mr. Speaker, I call up the conference report on the bill (H.R. 6186) to amend the District of Columbia Revenue Act of 1947 regarding the taxability of dividends received by a corporation from insurance companies, banks, and other savings institutions, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of March 27, 1974.)

Mr. DIGGS (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

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

There was no objection.

The SPEAKER. The gentleman from Michigan is recognized for one hour.

Mr. DIGGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of the conference report on H.R. 6186. This legislation must be viewed in the context of the Home Rule Act. The need for this legislation arose when the Civil Service Commission rendered an opinion indicating that the current appointed Mayor-Commissioner, Chairman, and members of the City Council of the District of Columbia would have to resign their offices in order to seek one of the elective offices created under the Home Rule Act. The legislation has a twofold purpose. First, the legislation prevents a possible hiatus in governance in the District of Columbia by allowing the current appointed officials to run for elective office without resigning. Second, the legislation is intended to actively promote the widest possible participation in the first elections held under the Home Rule Act.

This legislation provides that persons employed by the U.S. Government or by the government of the District of Columbia shall be permitted to be candidates in the first elections for the offices of Mayor, Chairman, or member of the Council. Without this legislation, the Hatch Act, which prohibits Federal and District employees from taking an active part in political management or political campaigns, would have prevented such persons from being candidates. The

legislation provides that an individual who works for the U.S. Government or the government of the District of Columbia who becomes a candidate may take an active part in political management or political campaigns in the elections for the office of Mayor, Chairman, and member of the Council. The exemptions apply only to candidates.

The exemptions are very limited and are intended to allow Federal and District employees to be candidates for these offices without resigning their employment. It is important to stress that participation in political management and political campaigns will still be prohibited by persons who do not qualify as bona fide candidates. It is also important to stress that all of the other provisions of the Hatch Act will continue to apply to both candidates and noncandidates.

The conference report limits the duration of the candidacy so as to insure as far as possible that only bona fide candidates will qualify for and continue to operate under the exemption. Candidacy is specifically defined as the period of time from which the candidate secures a nominating petition until: first, the day following the day he does not qualify to be a candidate by failing to secure the appropriate number of signatures; second, 30 days after he loses in the primary election; third, 30 days after he loses in the general election; or fourth, if elected, on the day he takes office.

The exemptions contained in the conference report applying to Federal and District employees will take effect on the day the residents in the District ratify the charter, May 7, 1974. These provisions will terminate, however, on January 2, 1975. This will insure that the exemptions will be available for only Federal or District employees who intend to run for office in the first elections held under the Home Rule Act.

In order to have the fullest assessment of the impact of this legislation, it is the sense of the managers of the conference that the U.S. Civil Service Commission should review the administration and operation of this legislation to determine its effect on elections in the District of Columbia and to report to the Congress on its findings and recommendations.

The conference report also adopts language which would exempt the offices of Mayor, Chairman, and member of the Council as established under the self-government legislation from the prohibitions against active participation in political management and political campaigns contained in the Hatch Act. The intent of this provision is to put these elected officials in the same position as elected State and local officials nationwide, and thereby allow them to be politically active.

In order to specifically deal with the possible hiatus in governance in the District of Columbia, the Commissioner of the District of Columbia and the members of the District of Columbia Council, including the Chairman and Vice Chairman, are exempted from the provisions of the Hatch Act prohibiting participation in political management and political campaigns for the first election. The operative effect of this section will be that the current appointed Mayor-Commissioner and City Council members would not have to resign their positions in order to run for elective office under the Home Rule Act.

This legislation is very limited in what it does do and intentionally so. Allow me to indicate specifically what the legislation does not do. The legislation does not exempt anyone from any provisions of the Hatch Act except that section which prohibits active participation in political management or political campaigns. The limitations on political contributions and services, political use of authority or influence, and influencing elections still stand. Every person in the District of Columbia is covered by these provisions. Further, the legislation does not exempt any person who is not a candidate from the prohibition against taking an active part in political management or political campaigns.

Therefore, Mr. Speaker, I urge the House to adopt this conference report in order to effectuate the goals of preventing a hiatus in government in the District of Columbia, encouraging the widest participation in the local elections and allowing the locally elected officials to be politically active. These goals will be effectuated through this legislation with the bare minimum incursion into the protections of the Hatch Act.

Mr. GROSS. Mr. Speaker, will the gentleman yield for one question?

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

Mr. GROSS. Mr. Speaker, are all the amendments adopted in the conference germane to the bill?

Mr. DIGGS. Yes, they are.

Mr. GROSS. I thank the gentleman.

Mr. DIGGS. Mr. Speaker, I yield to the distinguished ranking minority member on the committee, the gentleman from Minnesota (Mr. NELSEN).

Mr. NELSEN. Mr. Speaker, it is too bad we have to handle a situation such as this on a local bill dealing with the Hatch Act which is a part of the Civil Service Act of our country, but it is unfortunately necessary and I am supporting this bill. Here we have an insurance bill which is a local bill and we have amended provisions which touch the Federal Civil Service laws of our Nation, which I think perhaps could be a mistake and might be opening the door to a national trend to amend the Hatch Act in other geographic areas with fairly large Federal employees.

The House of Representatives did not support a bill that had partisan elections in it when the Home Rule Act was passed. The feeling in the House was if we wanted wide participation in the District of Columbia where we have more than 100,000 Federal employees, it would be better to do it on a nonpartisan basis where everybody could be free to participate. But when we went to conference on the other side we had those who insisted on partisan elections, which gave me a little bit of a feeling that there was more concern about a political machine than there was about the freedom of the people here to participate in politics. So finally we had to yield. I did not sign the conference report on the home rule bill for that very reason, because I have had a great deal of experience with the civil service laws in our own State of Minnesota where we found the spoils system was devastating.

When the home rule bill finally came out of conference we found the Mayor and the Council were under the Hatch Act, so if they ran for office they would have to resign. The city would be deprived of their services in the meantime and continuity would be lacking. I think many of us feel the incumbent officers in the City Council ought to run again because we have some very good men there. So we were left with only one thing to do, and that is to provide a temporary exemption of the Hatch Act as it applies to those who file for office, Federal employees, local employees, and the existing government, those presently in the office of the Mayor and Council members of the District of Columbia. So we proceeded in this manner to take care of this exemption which I think will free the choices of the existing officers and permit anyone to file for office, giving them certain freedom, that is to file as candidates, but not touching the Hatch Act on a permanent basis.

The provision that called for termination of this freedom in this Hatch Act provision was my suggestion in the conference and only on that basis would I go along. I want to say to our good chairman, he went along with me and so did the conference, and I thank them for it. I think it was a constructive move. I believe this bill should pass and I hope the House adopts the measure this afternoon.

The basic piece of legislation here, H.R. 6186, is a relatively minor piece of legislation, but one which would aid the District of Columbia in increasing its ability to maintain business in the District rather than have certain businesses move out to the suburbs because of a provision in the District of Columbia Revenue Act of 1947, regarding the taxability of dividends received by a corporation from insurance companies, banks, and other savings institutions. Certainly the basic legislation here having to do with amendment of the District of Columbia Revenue Act of 1947 is a good piece of legislation, minor though it is.

There is a much more important amendment attached to this bill having to do with an amendment to the Hatch Act to permit the appointed Mayor and members of the City Council, and other District and Federal employees to participate as candidates in the first election provided for under the District of Columbia Self-Government and Governmental Reorganization Act, which we passed some time ago and which the President signed into law on December 24, 1973.

I wish to state that I support the conference report as a unique and near emergency measure to provide continuity in the Government of the District of Columbia during the transition from the appointed government to the elected government provided for under the District of Columbia Self-Government and Governmental Reorganization Act.

I opposed partisan elections in the District in the full committee when home rule legislation was being discussed and voted upon there. My dissenting views to

H.R. 9682, which appeared in House Report No. 93-482—inserted below—set forth my objections:

HATCH ACT EXEMPTIONS

Section 740 of H.R. 9682 would exempt from the provisions of the Hatch Act—which prohibits Federal (including District of Columbia) employees "in the competitive or excepted service" from taking an "active part in political management or in political campaigns (5 U.S.C. S. 7324(a)(2))."—Federal and District employees who qualify as candidates for the Council or Mayor during a primary or general election.

In addition, it would appear that a further exemption of the Hatch Act exists in that Section 733 of H.R. 9682 would permit Federal and District employees to be appointed and serve on a political partisan Board of Elections.

Furthermore, Section 402(d), setting forth the qualifications for holding the office of member of the Council, provides, among other things, that "No person shall hold the office for member of the Council, including the office of Chairman, unless he . . . (d) holds no public office (other than his employment in and position as a member of the Council), for which he is compensated in an amount in excess of his actual expenses in connection therewith . . ."

The foregoing provision could lend itself to an interpretation that gives further exemption under the Hatch Act. For instance, if a Council member were to service in the Federal Government as a consultant and be paid actual expenses, he would under the existing provisions of the Hatch Act be prevented from participating in partisan political activity on the day for which he was so paid. Section 402(d) would appear to grant an exemption for these kinds of employees.

There is little, or no, question but what a provision permitting Federal and District employees to participate in local politically partisan elections (Section 740) or to serve on a locally partisan politically appointed Board of Elections (Section 733), or to serve on the Council (Section 302(d)), while at the same time serving as a consultant to the Federal Government compensated for actual expenses (even though this latter status may be subject to interpretation on a factual case-by-case determination by either the Civil Service Commission or the courts as to whether or not the individual comes within the provisions of the Hatch Act) will to a large extent totally nullify the effect of the Hatch Act prohibiting certain political activity in the District of Columbia.

It is difficult to conceive of an exemption that is more likely to strike a death blow to the Hatch Act than one that offers the protection of the career service to one who is seeking a politically partisan elective office. Whether intended or as a result of oversight, it is highly probable that the foregoing provisions in this bill would have that result.

Proponents of this bill might well see a golden harvest in political contributions from the pockets of Federal and local employees were they able to successfully and indirectly initiate the repeal of the Hatch Act. Exemptions such as those contained in this bill could well open the door to a reversion to the "spoils system" which the Hatch Act was initially enacted to correct.

The Supreme Court decision on June 25, 1973, in *U.S. Civil Service Commission* v. *Letter Carriers*, _____ U.S. _____ (1973) upholds a constitutional challenge to the Hatch Act and its reasoning is worth calling to the attention of Members of Congress:

We unhesitatingly reaffirm the *Mitchell* holding that Congress had, and has, the power to prevent Mr. Poole and others like him from holding a party office, working at the polls and acting as party paymaster for other party workers. An Act of Congress going no further would in our view unquestionably be valid. So would it be if, in plain and understandable language, the statute forbade activities such as organizing a political party or club; actively participating in fund-raising activities for a partisan candidate or political party; becoming a partisan candidate for, or campaigning for, an elective public office; actively managing the campaign of a partisan candidate for public office; initiating or circulating a partisan nominating petition or soliciting votes for a partisan candidate for public office; or serving as a delegate, alternate, or proxy to a political party convention. Our judgment is that neither the First Amendment nor any other provision of the Constitution invalidates a law barring this kind of partisan political conduct by federal employees.

* * * * *

Such decision on our part would no more than confirm the judgment of history, a judgment made by this country over the last century that it is in the best interest of the country, indeed essential, that federal service should depend upon meritorious performance rather than political service, and that the political influence of federal employees on others and on the electoral process should be limited.

* * * * *

In 1966, Congress determined to review the restrictions of the Hatch Act on the partisan political activities of public employees. For this purpose, the Commission on Political Activity of Government Personnel was created. 80 Stat. 868. The Commission reported in 1968, recommending some liberalization of the political activity restrictions on federal employees, but not abandoning the fundamental decision that partisan political activities by government employees must be limited in major respects. 1 Report of Commission on Political Activity of Government Personnel, *supra*.

* * * * *

This account of the efforts by the Federal Government to limit partisan political activities by those covered by the Hatch Act should not obscure the equally relevant fact that all 50 States have restricted the political activities of their own employees."

* * * * *

Until now, the judgment of Congress, the Executive and the country appears to have been that partisan political activities by federal employees must be limited if the Government is to operate effectively and fairly, elections are to play their proper part in representative government and employees themselves are to be sufficiently free from improper influence. *E.g.*, 84 Cong. Rec. 9598, 9603; 86 Cong. Rec. 2360, 2621, 2864, 9376. The restrictions so far imposed on federal employees are not aimed at particular parties, groups or points of view, but apply equally to all partisan activities of the type described. They discriminate against no racial, ethnic or religious minorities. Nor do they seek to control political opinions or beliefs, or to interfere with or influence anyone's vote at the polls.

* * * * *

What was discussed above are express exemptions to the Hatch Act contained in H.R. 9682. There still remains for discussion the question of how the locally elected District government would institute its own local District merit system under its delegated authority to legislate.

H.R. 9682 would (under Section 422) permit the District of Columbia government to enact its own District government merit system or systems once the charter were approved and the local government established. Section 422(3) provides that "The system may provide for continued participation in *all or part* of the Federal Civil Service System . . ." The only apparent guideline in this section in delegating this authority to the Council is that the system should be "at least equal" *in benefits* to legislation now in effect enacted by Congress.

Thus, no doubt the locally elected Council under H.R. 9682 would be permitted to retain all the benefits and advantages that District employees now enjoy under the Federal Civil Service, and it would give total exemption from any restriction over political activities of their own employees, notwithstanding the fact that, as noted by the Supreme Court in *CSV* v. *Letter Carriers, supra*, ". . . that all 50 states have restricted the political activities of their own employees," and the fact that we in the Congress have consistently applied the Hatch Act to District government employees.

The committee deleted partisan elections when they brought "home rule" legislation to the floor—committee substitute to H.R. 9682—and that concession was instrumental, in my opinion, in obtaining House passage of the measure.

In the House-Senate Conference on the District of Columbia Self-Government Act, partisan elections were inserted back in the legislation, and for that reason I refused to support it by signature as a conferee. The reason for this is that:

First. Hatch Act coverage of Federal employees or those local employees employed with Federal grant or loan funds is absolutely essential to a merit system.

Second. Partisan elections in the District prevent full participation by the electorate which includes some 100,000 Federal employees and some 17,000 District employees paid for with Federal grants or loans.

Third. Partisan elections in the District are contradictory to the concept of "home rule." It is evidence to me that some "home rule" proponents were not completely honest with District residents. Some proponents were perfectly willing to sacrifice the "full participation" in local government to thousands of District of Columbia residents who could participate in nonpartisan elections—to the partisan concept of control of the District government by a partisan political party.

I note that the statement of managers states that:

While the exemption for District and Federal employees terminates as of January 2, 1975, the managers intend to actively promote and support legislation assuring the widest possible participation in all District elections held subsequent to the first elections.

To this conferee, those words mean that Congress will hopefully amend the District of Columbia Home Rule Act to provide nonpartisan elections after January 2, 1975. I shall work for that legislative result.

The Civil Service Commission will observe the first elections in the District of Columbia provided for in the District of Columbia Home Rule Act. It is my belief and hope that the Commission will endorse nonpartisan elections for the District of Columbia in the future. That would be the fair and just result and would provide full participation by all District of Columbia residents in future elections in the District.

My views of this issue were stated in the Commission on Political Activity of Government Personnel's Findings and Recommendations, volume 1—of which I was a member:

CONGRESSMAN ANCHER NELSEN

Public Law 89-617 enacted by the Congress in 1966, establishing the Commission on Political Activity of Government Personnel, had my complete support. Its stated purpose is to make a full and complete investigation and study of the Federal laws having to do with the limitation on participation of Federal and State employees in political affairs with a view to the determination of any need for strengthening, revision, or elimination of the same and the possible undesirable results which might come from such changes. My support for the achieving of this goal has not changed over the life of the Commission during the past year.

The Commission, through hearings, surveys and related research has unanimously come to certain excellent conclusions and recommendations: (1) for realistic clarification of provisions of current statutes relating to those activities permitted and prohibited so that the employee may have a clearer understanding of his position under the law, (2) for the revision of the enforcement procedures to give a more automatic response to violations when they occur, and (3) for the revision of the penalty provisions to enable the Civil Service Commission to mete out punishment for violations without doing an injustice to the employee, i.e., to make the punishment fit the crime. Added to these are a number of other changes which will facilitate the administration and enforcement of the Hatch Act and related statutes by the Civil Service Commission. In these matters there has been a gratifying unanimity among the members of the Commission. In all our labors there has been a dedication by the Commission to meet the responsibility given us by the Congress.

Unfortunately, there cannot be unanimous support for all of the recommendations the majority of the Commission has seen fit to make. I must respectfully depart from that position taken by a majority of my colleagues on the Commission on the crucial recommendations concerning the expansion of certain permitted activities, particularly recommendation III. It would open the door to participation by the Federal employee as a partisan candidate or for partisan political management activity in local elections.

I believe the sincere position of some in seemingly wanting to grant to the Federal employee all the political rights enjoyed by his fellow American not employed in the public service beclouds facts which I consider undeniable. In order to maintain a completely impartial and effective public service, those involved in such service must owe primary loyalty to the government by which they are employed, and not to a particular individual, party, or faction. For this reason it is necessary to impose certain limited restrictions upon the political activity by those governmental employees. The journey from the spoils system in many local and State governments and in the Federal Government has been a long and arduous one. The limits to which we have advanced the merit principles in those governments are most certainly not inviolate. There are still certain areas of the Nation in which the spoils system is not dead, as we learned in our hearings in Chicago, and other areas. There still are persons who would not hesitate to utilize the government employee for whatever political purposes possible, whether through pressures for contributions or of some other kind.

We have seen abundant evidence in the news during the past few years of an increasing tendency toward the "arm twisting" of the Federal employee for political contributions, both in the form of "suggested" purchase of political dinner tickets and otherwise. This has been especially true in impacted areas of Federal employment. Congressmen and others have been the reported beneficiaries of such functions. As a result of the long periods required for investigative and final administrative action in cases of reported violations, the Federal employee (especially in the area where these abuses have taken place) has had no alternative but to believe that no certain protection is offered him under the law as now written and administered.

It was my expressed opinion within the Commission that we had sufficient authority and reason to investigate specific violations of the Hatch Act, especially in the Washington area, in order to better understand the extent and nature of such violations to the end of recommending adequate remedial legislation. The majority was not in agreement with me on this point. However, I do believe that we can eliminate some of these practices through the implementation of our recommendations for improved enforcement procedures by the Civil Service Commission. I firmly support those recommendations. But I further believe that experience has shown that much of the protection for the employee against such pressures must come through the restrictions regarding political activity placed on each employee, wherever he may be in the governmental structure.

The proposal to open the door to partisan political activity by the career Federal employee within either of the two major political parties of this country, in my judgment, is a first dangerous step toward a return to the political spoils system. There are numerous examples of testimony in the Commission hearings from Federal and State employees recommending that the present policy of the Hatch Act in this respect be maintained. If we are unable to adequately police pressures put on the Federal employee at the present time, operating as they are under the nonpartisan restrictions, how can we but believe that the injection of major partisan activities into the structure will make such enforcement virtually impossible? Under our political system I do not believe it is practically possible to deny any partisan candidate the freedom to manage and conduct his campaign in all respects allowed to his opponent, whether those activities go to solicitation of funds or other political action. Also, the local party organization is inextricably connected with the national party organizations. Local leaders almost inevitably play a part in the State and National political affairs. To think that we can confine a person's involvement in partisan politics to certain limits on the local level is wishful thinking.

The possible benefits to be gained by allowing a desirous few to participate in partisan political candidacy and political management activity, when weighed against the dangers that such activity poses to an impartial, efficient public service and the hundreds of thousands of employes in it, is simply not worth the inherent risk in such action. The benefits of the impartial public service, whether they be of tenure, job assignments, and promotions on merit, or simply freedom from the many insidious types of pressures present in partisan operations, compensate the employee many times over in return for the relatively few restriction placed on his action. Indeed, under the present Hatch Act, and surely under a revised act should the Congress see fit to accept many of our recommendations, the Federal employee is and will be allowed far more liberty in political action than is actually taken by all but a very minor percentage of our population as a whole.

In the Federal employee survey which the Commission conducted, it is significant that among those persons stating they would like to see some change in the Hatch Act, only 4.2 percent said the employee should be allowed to campaign for a political party or candidate of his choice, a mere 1.5 percent stated that the employee should be allowed to hold political or partisan office, and only 1.6 percent stated he should be allowed local participation of all kinds.

In response to the arguments concerning the inequality of treatment of the Federal employee from one geographical area to another through the greater freedom of political action given those persons living in the so-called federally impacted areas, I can state that I am in agreement that such inequality exists. I offered the suggestion that this might be cured by the extension of what is now the nonpartisan exemption in the impacted areas to the entire United States. This was rejected by a majority of the Commission. However, I believe the idea merits the consideration of any future Congress studying the proposed legislation we submit as a Commission.

For substantially the same reasons I have stated above in my opposition to the extension of permissive candidacy and active political management to the partisan realm, I also find myself one of the six members of the Commission voting to oppose inclusion in the other limited area of disagreement, that concerning the extent to which Federal employees should be permitted to serve as officers in political organizations. Specifically, I oppose the inclusion in permitted activities of the right to serve as partisan ward and precinct committeemen or committeewomen.

The points upon which the Commission has been able to agree are numerous and will receive my full support in future legislation. But the unwise recommendation for expansion of activities permitted the Federal employee in the partisan realm involving political activity within both our major parties in the candidacy and active political management fields is unwarranted. Well-reasoned testimony before our Commission cautioned against it. Even our survey of Federal employees did not support it. Certainly if enacted into law, it would open a Pandora's box of troubles in the continuing fight for the preservation of a true merit system and an efficient, impartial public service.

For the benefit of the Civil Service Commission study that is contemplated, I believe it important to point out to them that in addition to the Federal employees, there are 17,535 employees in the District of Columbia who are employed and paid with Federal grants—see exerpted pages i–iv District of Columbia Fiscal Year 1975 Operating Budget Summary, which appear in Justifications for the 1975 Budget District of Columbia:

DISTRICT OF COLUMBIA, FISCAL YEAR 1975 OPERATING BUDGET SUMMARY—TOTAL RESOURCES

[Dollars in thousands]

	1973 obligations		1974 allotment		1975 Mayor's recommendation		1975 Federal grants [1]		Other grants reimbursements (non-District of Columbia)		1975 total resources	
	Positions	Amount	Positions	Amount	Positions	Amount	Positions	Amount	Positions	Amount	Positions	Amount
GENERAL OPERATING EXPENSES												
Office of the Commissioner	20	$574.1	20	$485.2	28	$600.8	----	----	----	----	28	$600.8
City Council	36	538.7	36	588.5	43	707.3	----	$10.0	----	----	43	717.3

Footnotes at end of table.

DISTRICT OF COLUMBIA, FISCAL YEAR 1975 OPERATING BUDGET SUMMARY—TOTAL RESOURCES—Continued

[Dollars in thousands]

	1973 obligations		1974 allotment		1975 Mayor's recommendation		1975 Federal grants [1]		Other grants reimbursements (non-District of Columbia)		1975 total resources	
	Positions	Amount	Positions	Amount	Positions	Amount	Positions	Amount	Positions	Amount	Positions	Amount
Executive Office:												
Office of the Secretariat	30	$556.4	30	$648.3	24	$543.1					24	$543.1
Office of Public Affairs	12	207.2	12	240.4	12	248.5					12	248.5
Office of Budget and Financial Management	161	2,744.9	179	2,833.9	181	2,820.4	9	$875.0			190	3,695.4
Office of Planning and Management	75	1,068.3	74	1,165.2	127	2,354.3	44	815.4			171	3,169.7
Personnel Office	43	920.5	59	1,200.6	70	1,367.9		75.0			70	1,442.9
Compensation funds:												
Disability compensation		1,925.3		2,475.0		2,375.0						2,375.0
Unemployment compensation		2,400.0		2,470.0		3,970.0						3,970.0
Workmen's compensation		529.7		572.4		572.4						572.4
Municipal audit	33	578.1	36	636.9	36	705.3	2	35.9			38	741.2
Office of Civil Defense	8	152.2	8	158.3	8	152.1	8	218.3			16	370.4
Office of Consumer Affairs			14	186.7	14	223.9					14	223.9
Revenue sharing				186.7								
Office of Human Rights	34	498.6	37	567.3	42	611.3	4	56.0		$14.0	46	681.3
Bicentennial activities				150.0		175.0						175.0
Revenue sharing				150.0								
Total, Executive Office	396	11,581.2	449	13,305.0	514	16,119.2	67	2,075.6		14.0	581	18,208.0
General fund		11,581.2		12,968.3		16,119.2						
Revenue sharing				336.7								
Department of Finance and Revenue	512	7,688.1	533	8,522.4	531	8,222.1					531	8,222.1
General fund		7,440.4		8,263.5		7,947.5						
Highway fund, regular		121.6		127.1		131.1						
Highway fund, parking		75.8		79.2		79.2						
Water fund		38.8		40.6		49.6						
Sanitary sewage works fund		11.5		12.0		14.7						
Office of the Corporation Counsel	185	3,069.9	185	3,210.4	185	3,485.7					185	3,485.7
General fund		2,935.2		3,036.1		3,346.9						
Revenue sharing				35.5								
Highway fund—regular		120.2		123.6		123.6						
Water fund		7.8		8.1		8.1						
Sanitary sewage works fund		6.7		7.1		7.1						
Department of General Services	637	12,991.8	657	16,299.2	595	16,086.8					595	16,086.8
General fund		12,571.0		15,877.5		15,665.1						
Highway fund—regular		320.8		321.7		321.7						
Water fund		50.0		50.0		50.0						
Sanitary sewage works fund		50.0		50.0		50.0						
Department of Economic Development	539	7,501.7	544	8,493.9	548	8,137.0					548	8,137.0
General fund		7,501.7		7,751.5		8,137.0						
Revenue sharing				742.4								
Public Library	569	7,111.5	565	7,027.3	625	7,681.2				2.0	625	7,683.2
General fund		7,027.5		7,027.3		7,681.2						
Revenue sharing		84.0										
District of Columbia Manpower Administration							423	23,916.5			423	23,916.5
Other independent agencies and offices:												
Assistant to the Commissioner for Youth Opportunity Services	28	2,005.5	28	1,991.1	28	2,876.8	11,428	3,846.8		72.1	11,456	6,795.7
Assistant to the Commissioner for Housing Programs	12	262.4	27	469.0	27	442.0	700	28,529.2		24.0	727	28,995.2
Parole Board	25	374.6	25	426.1	24	426.1	3	33.0			27	459.1
Department of Insurance	24	452.7	24	476.9	24	449.5					24	449.5
Minimum Wage and Industrial Safety Board	39	537.9	42	703.3	43	712.9	17	289.3			60	1,002.2
Recorder of Deeds	71	717.2	71	732.3	77	771.3					77	771.3
Public Service Commission	27	461.8	28	492.4	28	503.4					28	503.4
Zoning Commission	21	281.5	23	380.4	(2)	(2)						
Board of Appeals and Review	4	37.1	4	71.2	4	73.8					4	73.8
Board of Elections	7	446.8	7	540.5	22	757.9					22	757.9
Office of the Surveyor	40	393.9	40	412.0	40	423.5					40	423.5
Commission on the Status of Women	2	28.9	2	45.9	3	45.2	3	37.9			6	83.1
Commission on Judicial Disabilities and Tenure		32.4	1	47.1	1	44.4					1	44.4
Board of Labor Relations	2	37.9	2	97.7	2	87.5					2	87.5
Total, other independent agencies and offices	302	6,070.6	324	6,885.9	323	7,614.3	12,151	32,736.2		96.1	12,474	40,446.6
Contributions to metropolitan area agencies:												
Metropolitan Washington Council of Governments		161.4		176.0		170.6						170.6
General fund		156.9		171.5		166.1						
Highway fund, regular		4.5		4.5		4.5						

Footnotes at end of table.

	1973 obligations		1974 allotment		1975 Mayor's recommendation		1975 Federal grants [1]		Other grants reimbursements (non-District of Columbia)		1975 total resources	
	Positions	Amount	Positions	Amount	Positions	Amount	Positions	Amount	Positions	Amount	Positions	Amount
Executive Office—Continued												
Washington Metropolitan Area Transit Commission		$118.7		$85.9		$76.7						$76.7
Total, contributions to metropolitan area agencies		280.1		261.9		247.3						247.3
General fund		275.6		257.4		242.8						
Highway fund, regular		4.5		4.5		4.5						
Miscellaneous contributions:												
Redevelopment Land Agency		6.0		6.0		6.0	505	$37,842.2			505	37,848.2
Apprenticeship Council		3.4		5.0		5.0	12	176.0			12	181.0
School transit subsidy		3,205.6		4,112.3		4,112.3						4,112.3
Washington Convention and Visitors Bureau		252.0		252.0		252.0						252.0
Metrobus subsidy						9,700.0						9,700.0
Total, miscellaneous contributions		3,467.0		4,375.3		14,075.3	517	38,018.2			517	52,093.5
Total, general operating expenses	3,196	60,874.7	3,313	69,455.0	3,392	82,977.0	13,158	96,756.5		$112.1	16,550	179,845.6
General fund		59,983.0		67,516.5		82,137.4						
Revenue sharing		84.0		1,114.6								
Highway fund, regular		567.1		576.9		580.9						
Highway fund, parking		75.8		79.2		79.2						
Water fund		96.6		98.7		107.7						
Sanitary sewage works fund		68.2		69.1		71.8						
Public safety:												
Metropolitan Police	6,035	107,591.4	6,034	110,750.4	5,783	111,875.8		93.1		1,223.8	5,783	113,192.7
General fund		93,022.4		98,541.6		103,758.6						
Revenue sharing		6,714.4		4,354.2								
Highway fund, regular		7,742.6		7,742.6		8,005.2						
Highway fund, parking		112.0		112.0		112.0						
Fire Department	1,512	35,296.5	1,544	36,228.1	1,544	36,732.7				1.0	1,544	36,733.7
General fund		32,880.0		34,983.7		36,732.7						
Revenue sharing		2,416.5		1,244.4								
Courts:												
Appeals	42	1,202.3	53	1,371.9	56	1,450.2					56	1,450.2
General fund		1,190.1		1,371.9		1,450.2						
Revenue sharing		12.2										
Superior	828	15,551.8	1,042	17,657.4	1,034	18,048.4					1,034	18,048.4
General fund		15,341.9		17,657.4		18,048.4						
Revenue sharing		209.9										
Court System	52	2,851.6	68	1,523.3	68	3,946.0					68	3,946.0
General fund		2,812.7		1,523.3		3,946.0						
Revenue sharing		38.9										
U.S. courts—Reimbursement for Justice Department (services for District of Columbia)		6,821.7		8,112.1		6,625.0						6,625.0
General fund		6,676.5		8,112.1		6,625.0						
Revenue sharing		145.2										
Public Defender Service	109	1,730.4	109	1,781.5	95	1,679.2					95	1,679.2
Bail Agency	49	594.2	54	680.3	54	696.6					54	696.6
General fund		575.9		610.4		696.6						
Revenue sharing		18.3		69.9								
Total, courts	1,080	28,752.0	1,326	31,126.5	1,307	32,445.4					1,307	32,445.4
General fund		28,327.5		31,056.6		32,445.4						
Revenue sharing		424.5		69.9								
Department of Corrections	1,699	27,345.5	1,858	30,179.7	1,802	31,593.7	9	289.9		2,002.2	1,811	33,885.8
General fund		26,740.8		27,585.9		31,593.7						
Revenue sharing		604.7		2,593.8								
National Guard	20	256.9	20	288.3	20	271.7					20	271.7
General fund		252.0		288.3		271.7						
Revenue sharing		4.9										
Total, public safety	10,346	199,242.3	10,782	208,573.0	10,456	212,919.3	9	383.0		3,227.0	10,465	216,529.3
General fund		181,222.7		192,456.1		204,802.1						
Revenue sharing		10,165.0		8,262.3								
Highway fund, regular		7,742.6		7,742.6		8,005.2						

Footnotes at end of table.

DISTRICT OF COLUMBIA, FISCAL YEAR 1975 OPERATING BUDGET SUMMARY—TOTAL RESOURCES—Continued

[In thousands of dollars]

	1973 obligations		1974 allotment		1975 Mayor's recommendation		1975 Federal grants [1]		Other grants reimbursements (non-District of Columbia)		1975 total resources	
	Positions	Amount	Positions	Amount	Positions	Amount	Positions	Amount	Positions	Amount	Positions	Amount
Highway fund, parking		$112.0		$112.0		$112.0						
Education:												
Public schools	10,303	153,542.1	10,480	167,807.5	10,974	177,381.0	1,601	$32,279.7		$136.3	12,575	$209,797.0
General fund		150,532.0		156,325.7		177,210.6						
Revenue sharing		2,845.0		11,316.7								
Highway fund, regular		165.1		165.1		170.4						
Board of Higher Education			6	80.0	9	149.7					9	149.7
District of Columbia Teachers College	194	3,412.4	200	3,322.6	204	3,594.6	80	727.8		29.2	284	4,351.6
Federal City College	967	19,478.3	974	19,706.7	984	20,477.7	682	6,428.3		148.8	1,666	27,054.3
General Fund		19,478.3		19,079.4		20,477.7						
Revenue sharing				627.3								
Washington Technical Institute	410	9,022.0	429	9,198.2	432	10,417.6	168	3,459.2			600	13,876.8
GENERAL OPERATING EXPENSES												
Education:												
General fund		9,022.0		8,875.4		10,417.6						
Revenue sharing				322.8								
Total, Education	11,874	185,454.8	12,089	200,115.0	12,603	212,020.6	2,531	42,895.0		314.3	15,134	255,229.9
General fund		182,444.7		187,683.1		211,850.2						
Revenue sharing		2,845.0		12,266.8								
Highway fund, regular		165.1		165.1		170.4						
Recreation:												
Recreation Department	760	14,078.3	779	14,800.0	891	14,939.8	6	1,044.2		257.3	897	16,241.3
General fund		14,078.3		14,164.5		14,939.8						
Revenue sharing				635.5								
Human Resources:												
Department of Human Resources	8,997	215,862.1	9,435	222,939.0	9,573	223,739.0	1,652	109,226.1		387.9	11,225	333,353.0
General fund		207,114.1		210,558.8		223,739.0						
Revenue sharing		8,748.0		12,380.2								
Highways and Traffic:												
Department of Highways and Traffic	1,541	18,339.9	1,549	19,962.0	1,549	20,395.7	2	11,223.2			1,551	31,618.9
General fund		1,534.3		4,187.2		5,156.6						
Revenue sharing				2,000.0								
Highway fund, regular		16,284.1		13,134.0		14,598.3						
Highway fund, parking		521.5		640.8		640.8						
Motor vehicles	245	3,544.6	269	4,080.2	262	3,748.2	33	1,150.6			295	4,898.8
General fund		110.4		119.7		119.7						
Highway fund, regular		3,434.2		3,960.5		3,628.5						
Total, highways and traffic	1,786	21,884.5	1,818	24,042.2	1,811	24,143.9	35	12,373.8			1,846	36,517.7
General fund		1,644.7		4,306.9		5,276.3						
Revenue sharing				2,000.0								
Highway fund, regular		19,718.3		17,094.5		18,226.8						
Highway fund, parking		521.5		640.8		640.8						
Environmental Services:												
Department of Environmental Services	3,120	39,067.3	3,122	41,345.9	3,222	43,131.4	144	40,184.8		250.0	3,366	83,566.2
General fund		19,135.4		19,807.5		20,298.3						
Revenue sharing				747.6								
Water fund		6,487.8		6,778.2		7,173.2						
Sanitary sewage works fund		13,428.4		13,996.9		15,596.6						
Metropolitan area sanitary sewage works fund		15.7		15.7		63.3						
Washington Aqueduct—Water fund	325	5,280.4	325	5,650.1	325	5,917.0				263.0	325	6,180.0
Total, Environmental Services	3,445	44,347.7	3,447	46,996.0	3,547	49,048.4	144	40,184.8		513.0	3,691	89,746.2
General fund		19,135.4		19,807.5		20,298.3						
Revenue sharing				747.6								
Water fund		11,768.2		12,428.3		13,090.2						
Sanitary sewage works fund		13,428.4		13,996.9		15,596.6						

	1973 obligations		1974 allotment		1975 Mayor's recommendation		1975 Federal grants [1]		Other grants reimbursements (non-District of Columbia)		1975 total resources	
	Positions	Amount	Positions	Amount	Positions	Amount	Positions	Amount	Positions	Amount	Positions	Amount
Metropolitan area sanitary sewage works fund		$15.7		$15.7		$63.3						
Personal services (annualization of pay increases)						12,987.0						$12,987.0
General fund						11,573.2						
Highway fund, regular						529.4						
Highway fund, parking						6.2						
Water fund						504.8						
Sanitary sewage works fund						373.4						
Repayment of loans and interest		28,039.1		39,633.0		49,066.5						49,066.3
General fund		19,462.8		29,988.8		37,989.6						
Highway fund, regular		5,503.2		6,110.1		6,977.1						
Water fund		1,904.6		2,041.4		2,219.0						
Sanitary sewage works fund		1,053.1		1,436.0		1,747.4						
Metropolitan area sanitary sewage works fund		115.4		56.7		113.4						
Inaugural ceremonies		866.6										
General fund		767.4										
Highway fund, regular		99.2										
Settlement of claims and suits		156.1										
General fund		6.3										
Revenue sharing		149.8										
Total, District of Columbia, operating expenses	40,404	770,806.2	[2] 41,663	826,553.2	42,273	881,841.5	17,535	$302,863.4		$4,811.6	59,808	1,189,516.5
General fund		685,859.4		726,482.2		812,605.9						
Revenue sharing		21,991.8		37,407.0								
Highway fund, regular		33,795.5		31,689.2		34,489.8						
Highway fund, parking		709.3		832.0		838.2						
Water fund		13,769.4		14,568.4		15,921.7						
Sanitary sewage works fund		14,549.7		15,502.0		17,789.2						
Metropolitan area sanitary sewage works fund		131.1		72.4		196.7						

[1] Includes grants for capital outlay.
[2] Transferred to Office of Planning and Management.
[3] Does not include 234 permanent positions approved on a temporary basis for Department of Corrections.

In my own State of Minnesota, local employees paid with Federal grants and local employees paid out of Federal loans are subject to the provisions of the Hatch Act (5 U.S.C. 1501 et seq.). I would not want to see the authority delegated to the District of Columbia to alter or change this provision of the Hatch Act, which applies in my own State of Minnesota. It is rightfully applied in my opinion because it is an integral part of the merit system in the hiring of individuals paid with Federal funds.

If we look particularly at 5 U.S.C., section 1501, we note that a State or local officer or employee is defined as one whose principal employment is in connection with an activity which is financed in whole or in part by loans or grants made by the United States or a Federal agency. In this first election and first election only, such individuals may participate as candidates in the election under the provisions of this bill as amended.

However, I see no reason to continue to exempt them and I would strongly oppose such continuance. I should also point out that title 5 of the United States Code, section 1501, et seq., provides substantial prohibitions against State or local officers or employees using their influence for the purpose of interfering with or affecting the result of an election or a nomination for office. This prohibition goes to Governors and Lieutenant Governors of States and mayors of cities in the States that receive Federal grants and loans. Here again, I feel strongly that this prohibition provided for in the Hatch Act is one that is protective of the public interest and should not be tampered with in the future.

As I indicated in my opening remarks, I support the amendments to H.R. 6186 that provide certain exemptions to the Hatch Act, basically because I feel that by going to partisan elections in the Home Rule Act we have forced an emergency situation in the local government which could be detrimental to the local residents of the Nation as a whole by interrupting or not providing continuity of government during the period that the Government will go from appointive officials to elective officials in the offices of mayor and city council. In my opinion, we find ourselves in this situation because we—unwisely in my opinion—went the route of partisan elections.

I strongly urge the Members of this Congress and Members of future Congresses to reconsider the provisions of the Home Rule Act providing for partisan elections and turn to the more just and equitable type of election for the Nation's Capital, that of nonpartisan elections, which gives the broadest kind of participation and gives real meaning to "home rule" in the broadest sense of that word.

Mr. DIGGS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. CLANCY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 388, nays 6, not voting 38, as follows:

[Roll No. 126]

YEAS—388

Abdnor	Brademas	Cleveland
Abzug	Brasco	Cochran
Adams	Bray	Cohen
Addabbo	Breaux	Collier
Alexander	Breckinridge	Collins, Ill.
Anderson, Calif.	Brinkley	Collins, Tex.
	Brooks	Conable
Anderson, Ill.	Broomfield	Conte
Andrews, N.C.	Brotzman	Conyers
Andrews, N. Dak.	Brown, Calif.	Corman
	Brown, Mich.	Cotter
Annunzio	Brown, Ohio	Coughlin
Archer	Broyhill, N.C.	Crane
Arends	Broyhill, Va.	Cronin
Armstrong	Buchanan	Culver
Ashbrook	Burgener	Daniel, Dan
Ashley	Burke, Calif.	Daniel, Robert W., Jr.
Aspin	Burke, Fla.	
Badillo	Burke, Mass.	Daniels, Dominick V.
Bafalis	Burlison, Mo.	
Baker	Burton	Danielson
Barrett	Butler	Davis, Ga.
Bauman	Byron	Davis, S.C.
Beard	Carney, Ohio	Davis, Wis.
Bell	Carter	de la Garza
Bennett	Casey, Tex.	Delaney
Bergland	Cederberg	Dellenback
Biaggi	Chamberlain	Dellums
Bingham	Chappell	Denholm
Blackburn	Chisholm	Dennis
Blatnik	Clancy	Dent
Boggs	Clark	Derwinski
Boland	Clausen, Don H.	Devine
Bolling		Dickinson
Bowen	Clawson, Del	Diggs

Donohue	Leggett	Rosenthal
Downing	Lehman	Rostenkowski
Drinan	Lent	Roush
Dulski	Litton	Rousselot
Duncan	Long, La.	Roy
du Pont	Long, Md.	Roybal
Eckhardt	Lott	Ruth
Edwards, Ala.	Luken	Ryan
Edwards, Calif.	McClory	St Germain
Eilberg	McCloskey	Sandman
Erlenborn	McCollister	Sarasin
Esch	McCormack	Sarbanes
Eshleman	McDade	Satterfield
Evans, Colo.	McEwen	Scherle
Evins, Tenn.	McFall	Schneebeli
Fascell	McKay	Schroeder
Findley	McKinney	Sebelius
Fish	McSpadden	Seiberling
Fisher	Madden	Shipley
Flood	Madigan	Shoup
Flowers	Mahon	Shuster
Flynt	Mallary	Sikes
Foley	Mann	Sisk
Ford	Maraziti	Skubitz
Forsythe	Martin, Nebr.	Slack
Fountain	Mathias, Calif.	Smith, Iowa
Fraser	Mathis, Ga.	Smith, N.Y.
Frelinghuysen	Matsunaga	Snyder
Frey	Mayne	Spence
Froehlich	Mazzoli	Staggers
Fulton	Meeds	Stanton,
Fuqua	Melcher	J. William
Gaydos	Metcalfe	Stanton,
Giaimo	Mezvinsky	James V.
Gibbons	Michel	Stark
Ginn	Miller	Steed
Goldwater	Mills	Steelman
Gonzalez	Minish	Steiger, Ariz.
Goodling	Mink	Steiger, Wis.
Grasso	Minshall, Ohio	Stratton
Green, Oreg.	Mitchell, Md.	Stuckey
Green, Pa.	Mitchell, N.Y.	Studds
Griffiths	Mizell	Sullivan
Grover	Moakley	Symington
Gude	Mollohan	Symms
Gunter	Montgomery	Talcott
Haley	Moorhead,	Taylor, Mo.
Hamilton	Calif.	Taylor, N.C.
Hammer-	Moorhead, Pa.	Teague
schmidt	Morgan	Thompson, N.J.
Hanley	Mosher	Thomson, Wis.
Hanna	Moss	Thone
Hanrahan	Murphy, Ill.	Thornton
Hansen, Idaho	Murphy, N.Y.	Tiernan
Harrington	Murtha	Towell, Nev.
Harsha	Myers	Treen
Hawkins	Natcher	Udall
Hays	Nedzi	Ullman
Hébert	Nelsen	Van Deerlin
Hechler, W. Va.	Nichols	Vander Jagt
Heinz	Nix	Vander Veen
Helstoski	Obey	Vanik
Henderson	O'Brien	Veysey
Hicks	O'Hara	Vigorito
Hillis	O'Neill	Waggonner
Hinshaw	Owens	Waldie
Hogan	Parris	Walsh
Holifield	Passman	Wampler
Holt	Patten	Ware
Holtzman	Pepper	Whalen
Horton	Perkins	White
Hosmer	Pettis	Whitehurst
Howard	Peyser	Whitten
Huber	Pike	Widnall
Hudnut	Podell	Wiggins
Hungate	Powell, Ohio	Wilson, Bob
Hunt	Preyer	Wilson,
Hutchinson	Price, Ill.	Charles H.,
Ichord	Price, Tex.	Calif.
Jarman	Pritchard	Wilson,
Johnson, Calif.	Quie	Charles, Tex.
Johnson, Colo.	Quillen	Winn
Johnson, Pa.	Railsback	Wolff
Jones, Ala.	Randall	Wright
Jones, N.C.	Rangel	Wyatt
Jones, Okla.	Regula	Wydler
Jones, Tenn.	Reuss	Wylie
Jordan	Rhodes	Wyman
Karth	Riegle	Yates
Kastenmeier	Rinaldo	Yatron
Kemp	Roberts	Young, Alaska
Ketchum	Robinson, Va.	Young, Ill.
King	Robison, N.Y.	Young, S.C.
Kluczynski	Rodino	Young, Tex.
Koch	Roe	Zablocki
Kyros	Rogers	Zion
Lagomarsino	Roncalio, Wyo.	Zwach
Landrum	Roncallo, N.Y.	
Latta	Rooney, Pa.	

NAYS—6

Burleson, Tex.	Gross	Rarick
Dingell	Landgrebe	Young, Fla.

NOT VOTING—38

Bevill	Camp	Clay
Biester	Carey, N.Y.	Conlan
Dorn	Kuykendall	Rose
Frenzel	Lujan	Runnels
Gettys	Macdonald	Ruppe
Gilman	Martin, N.C.	Shriver
Gray	Milford	Steele
Gubser	Patman	Stephens
Guyer	Pickle	Stokes
Hansen, Wash.	Poage	Stubblefield
Hastings	Rees	Williams
Heckler, Mass.	Reid	Young, Ga.
Kazen	Rooney, N.Y.	

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Bevill with Mr. Williams.
Mr. Rooney of New York with Mr. Steele.
Mr. Pickle with Mr. Shriver.
Mr. Carey of New York with Mr. Ruppe.
Mr. Stubblefield with Mr. Camp.
Mr. Stokes with Mr. Gray.
Mr. Reid with Mr. Biester.
Mr. Rose with Mr. Hastings.
Mr. Macdonald with Mr. Clay.
Mr. Dorn with Mr. Conlan.
Mr. Gettys with Mr. Frenzel.
Mr. Young of Georgia with Mr. Rees.
Mrs. Hansen of Washington with Mr. Gilman.
Mr. Kazen with Mr. Guyer.
Mr. Milford with Mr. Kuykendall.
Mr. Runnels with Mrs. Heckler of Massachusetts.
Mr. Stephens with Mr. Lujan.
Mr. Patman with Mr. Martin of North Carolina.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

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

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

There was no objection.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO SIT DURING SESSIONS TOMORROW AFTERNOON, APRIL 3, 1974

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be permitted to sit during the sessions of the House tomorrow afternoon.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, I would ask if the gentleman from West Virginia has checked this matter with the ranking minority member on the committee?

Mr. STAGGERS. Mr. Speaker, if the gentleman from Iowa will yield, the answer is "Yes," I have discussed this matter with the ranking member, the gentleman from Ohio (Mr. DEVINE), and he is in complete accord with it.

Mr. GROSS. Mr. Speaker, I thank the gentleman and I withdraw my reservation of objection.

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

There was no objection.

THE PRICE OF WHEAT—THE PRICE OF BREAD

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

Mr. SEBELIUS. Mr. Speaker, this morning the prices of wheat in Dodge City, Kans., in the heart of wheat country, was $3.43 a bushel. This $3.43 price has already dropped today and represents a continued price reduction from $3.74 on Friday and $3.66 on Monday. Since we experienced prices at the $5.50 level several months back, this means the price of wheat has plummeted some $2 a bushel in a very short time.

Now what I would like to know is, if the price of bread is directly related to the cost of wheat, as the American Bakers Association would have us believe, why are we not witnessing a corresponding decrease in bread prices today?

If this price deterioration continues, the wheat farmer will be in the same boat with the cattleman, hog producer and dairy farmer. I know that my colleagues are most interested in food prices. I would like to point out the beef cattle industry is already going through an economic crisis that is endangering the future of the industry. With production costs going up and the farmer still experiencing shortages, I think it is imperative consumer oriented members of this body realize the farmer must receive equity at the marketplace or we will soon be talking about food shortages instead of consumer prices.

BRING UNITED STATES INTO LINE WITH U.N. SANCTIONS REGARDING RHODESIA

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

Mr. GUDE. Mr. Speaker, once again the House of Representatives will have an opportunity to show its commitment to world order and justice by voting to reinstate sanctions against Rhodesia.

It goes without saying that reinstating the sanctions will put the United States back into conformity with the United Nations Charter and will do much to restore our credibility and standing among the other African nations who have been shocked by our deliberate violation of a United Nations decision. Many of these same nations, I might add, are important exporters of raw materials vital to our economy, including oil (Nigeria), and a variety of minerals.

The irony of the Rhodesian question is that the economic arguments also support the reimposition of sanctions. I will not take the time to go into detail at this point, but let me simple say:

First. That Rhodesian chrome is not essential to our national security, as the administration—which strongly supports the reimposition of sanctions—has made clear on numerous occasions;

Second. The Soviet Union is unlikely to

cut off its shipments of chrome ore to the United States;

Third. Even so, Rhodesia and the U.S.S.R. are not the only sources of chrome ore in the world; and

Fourth. The experience of the last several years shows that our domestic ferrochrome industry, despite a temporary boom, has been unable to compete with the Rhodesian ferrochrome produced by cheap labor. This has caused significant losses of employment in the domestic industry and has caused the United Steelworkers to come out in favor of sanctions.

Mr. Speaker, it is clear that the time has come to bring the United States into line with the United Nations' sanctions. Such a move is sound on legal grounds, on moral grounds, and also on economic grounds.

ECONOMIC STABILIZATION PROGRAM QUARTERLY REPORT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Banking and Currency:

To the Congress of the United States:

I herewith transmit to the Congress, in accordance with section 216 of the Economic Stabilization Act of 1970, as amended, the most recent quarterly report of the Economic Stabilization Program, covering the period October 1, 1973 through December 31, 1973.

The fourth quarter of 1973 was a period of continued although slower growth for the American economy. Our gross national product grew to $1,338 billion, an increase of $33 billion over the previous quarter. Employment increased by approximately one million workers to 85.7 million. The American dollar continued to regain strength abroad.

During the fourth quarter, inflation remained our most serious economic problem. Prices here and abroad continued to rise at an unacceptably rapid pace, due in large part to the worldwide shortages of many raw materials. The pattern of price increases also began to reflect the impact of the Arab oil embargo against the United States and higher world prices for oil.

By the beginning of the fourth quarter, the fourth phase of the Economic Stabilization Program had been fully underway. The increases anticipated after the summer freeze on prices were spread out over time with the help of the Phase IV regulatory mechanism.

Phase IV was also designed to provide an effective system of tight standards and compliance procedures that would lead to a gradual return of industry and labor to the free market. Throughout the fourth quarter, decontrol proceedings demonstrated that the public and private sectors of our economy can work cooperatively and effectively to meet common goals of price restraint. As part of the commitments under which they were removed from mandatory controls, many firms have pledged voluntary price control. More importantly for the future, many have stepped-up their capital expenditure plans to enlarge supplies—the only really effective way to halt inflation.

We are firm in our commitment to meet the challenge of inflation. The energy shortage and the problems resulting from it have significantly added to this challenge. We can, however, look with satisfaction to the efforts and sacrifices our Nation has made in response to these problems.

The Congress is presently debating the Administration's recommendation for continued stabilization authority and this Administration stands ready to work with the Congress to develop effective machinery for economic stabilization.

RICHARD NIXON.

THE WHITE HOUSE, April 2, 1974.

SUPPLEMENTAL MARITIME AUTHORIZATION—1974

Mrs. SULLIVAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12925) to amend the act to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce.

The Clerk read as follows:

H.R. 12925

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of July 10, 1973 (87 Stat. 168; Public Law 93–70), is amended by striking out in paragraph (b), section 1, the figure "$221,515,000" and inserting in lieu thereof the figure "$244,515,000".

The SPEAKER. Is a second demanded?

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

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

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 12925, to amend the act to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce.

The purpose of this bill is to authorize certain supplemental appropriations for the operating-differential subsidy program of the Maritime Administration within the Department of Commerce for fiscal year 1974.

Operating-differential subsidies are paid to U.S.-flag ship operators under authority of the Merchant Marine Act of 1936 as amended and subsidy contracts are entered into with qualified American operators performing passenger, general cargo, and bulk services over essential trade routes. This operating subsidy assists U.S. operators in competing on a more equal cost basis with foreign operators. These operating subsidies are payable in amounts determined as the difference between the fair and reasonable amount of certain U.S. vessel operating costs and the estimated amount of the same items of operating costs if the vessel were operated under the registries of foreign competitors. These subsidized cost items are generally wages, subsistence—for passenger vessels only—maintenance and repairs, and insurance.

For the purpose of making initial operating subsidy payments, tentative subsidy rates are established, based on estimated differentials between United States and competitive foreign costs. Final subsidy rates are determined after actual United States and competitive foreign cost data have been collected and administratively processed. Final settlements and payments for the year are made after all final rates have been established and the operator's expenses have been verified. At present, there is about a 3-year interval between initial payment and final settlement.

Hearings on H.R. 12925 indicated that the major portion of the requested funds, $18,511,000, is for the payment of obligations incurred under subsidy contracts for subsidized operators in calendar years 1969 and 1970. The balance of $4,489,000 is for the payment of an increase in obligations for subsidized operators in fiscal year 1974. Final subsidy rates for 1969 and 1970 showed that the balances of subsidy due were understated. This has resulted from the fact that the actual competitive foreign costs that were used to determine United States and foreign cost differentials proved to be significantly lower than had been projected, which has the effect of increasing the amount of subsidy to be paid. This same factor caused a similar underestimation in subsidies due for subsidized operations during the calendar year. We have concluded, Mr. Speaker, that if balances payable for prior year settlements and current year operations are to be paid in fiscal year 1974, this supplemental authorization under consideration must be provided. The Maritime Administration has indicated that the subsidized operators who are due these payments are not in a position to postpone receipt of payment without a potentially serious effect on their financial liquidity. For this reason, I urge my colleagues to support enactment of H.R. 12925.

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

Mrs. SULLIVAN. I am happy to yield to the distinguished gentleman from Iowa.

Mr. GROSS. Mr. Speaker, does the operating differential go also to cruise ships?

Mrs. SULLIVAN. Yes; we still have two passenger ships in operation on the west coast that are under subsidies.

Mr. GROSS. And this supplemental authorization is due in part to devaluation of the dollar and inflation?

Mrs. SULLIVAN. Not particularly. The amount in question would have been greater if it had not been for the dollar devaluation. When these subsidy amounts are estimated for the current year, for instance, a deficit may result. For example, if the U.S. cost for ODS is $10 and the estimate of foreign cost is $9, then the subsidy to be paid will be $1. But when they go to pay the actual foreign cost, they find that the actual cost was $8 rather than the estimated $9, so that an additional dollar of subsidy has to be paid, and that is what this represents for the year 1969 and the year 1970.

Mr. GROSS. The report seems to indicate that devaluation of the dollar was at least a contributing reason for the request.

Mrs. SULLIVAN. The devaluation of

the dollar as I understand it has cut the subsidy down. This is the information we have.

Mr. GROSS. I could not hear the gentlewoman.

Mrs. SULLIVAN. The amount of subsidy to be paid is reduced because of the devaluation of the dollar. This is the information we have.

Mr. GROSS. By the same token, it also requires additional appropriations because of the lowering of the value of the dollar through inflation.

Mrs. SULLIVAN. These are the amounts, after going over the years 1969 and 1970, that they figured with the devaluation and the underestimation of the subsidy, they needed these supplemental amounts in order to maintain the financial liquidity of the subsidized operators.

Mr. WYLIE. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I am happy to yield to the gentleman from Ohio.

Mr. WYLIE. On page 4 of the report there is reference to the Russian grain purchases. The Russian grain purchases have been very controversial. I would like to know what that one sentence means, the last two words on line 4:

> These increases are partially offset by a reduction of $949,000 in payments for fiscal year 1973 carriage of Russian grain purchases, resulting in a requirement for a supplemental authorization of $23 million.

Was less money required to ship the grain to Russia than was originally anticipated?

Mrs. SULLIVAN. We had to subsidize the ships that were used, the large ships that were used to ship the grain to Russia, yes.

Mr. WYLIE. And we anticipated in fiscal year 1973 that $949,000 more would be needed than was actually needed; is that what that figure represents?

Mrs. SULLIVAN. I have not found the figures the gentleman is citing.

Mr. WYLIE. At the top of page 5, I think, that item indicating reduction in the amount that was originally appropriated for the Russian grain purchases.

Mrs. SULLIVAN. Let me ask the chairman of the subcommittee. I think that figure represents an overestimation of the subsidy needed at that time so that this figure actually represents a reduction in the ODS amount.

Mr. CLARK. That is correct.

Mr. WYLIE. The $949,000 payment then represents an overextension for the fiscal year 1973; that is an amount which is carried over to this budget and, therefore, reduces the amount under this item?

Mrs. SULLIVAN. That is what I understand.

Mr. GROVER. Mr. Speaker, I join the chairman of our committee in urging passage of H.R. 12925, the supplemental maritime authorization bill for fiscal year 1974. As previously indicated, the additional funds are necessary for the operating-differential subsidy program.

The operating-differential subsidy, which is paid to American ship operators performing passenger, general cargo and bulk services over the essential trade areas, allows U.S. operators to compete on a cost basis with foreign operators. Tentative—estimated—subsidy rates are established for the purpose of making initial subsidy payments since final subsidy rates cannot be determined until after actual United States and competitive foreign cost data have been collected and processed. The Maritime Administration is making progress in its effort to eliminate the excessive lag that previously existed in the establishment of final subsidy rates used for final settlement. Now there is an interval of about 3 years between the initial payment and final settlement.

The major portion, $18,511,000, of the additional $23 million which was requested by the Maritime Administration is to complete final settlement on obligations incurred under subsidy contracts in calendar years 1969 and 1970. The remaining $4,489,000 is for payment of an increase in obligations for subsidized operations in fiscal year 1974. The previously understated final subsidy rates for 1969 and 1970, as well as the tentative rates for 1974, resulted from the fact that the actual competitive foreign costs that were used to determine United States and foreign cost differentials proved to be significantly lower than had been projected, thus increasing the amount of subsidy payable.

The efforts of the Maritime Administration to use more current cost information and more reliable cost indexes should obviate problems of this sort in the future.

Again, Mr. Speaker, I urge my colleagues to support this measure.

Mr. CLARK. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield to the chairman of the subcommittee.

Mr. CLARK. Mr. Speaker, I join the distinguished chairman of the Committee on Merchant Marine and Fisheries in full support of H.R. 12925, a bill which would authorize a $23 million supplemental appropriation for the operating subsidy program of the Maritime Administration for fiscal year 1974.

The need for this bill arose because of unanticipated increases in operating differential subsidy payments payable by the Maritime Administration for fiscal years 1969 and 1970, as well as because of an increase in the obligation of the Maritime Administration for subsidized operations in fiscal year 1974.

As you know, the purpose of these payments is to offset the difference between the operating costs of U.S.-flag vessels and those of their foreign competitors. These payments are initially made on the basis of tentative rates. In analyzing the rates for these prior years, the Maritime Administration discovered that in its computations of these payments it had overestimated certain foreign costs which, in turn, produced underpayments of subsidy to our operators.

The amount of money involved in this bill is de minimus when compared with the total program for which funds are authorized in Public Law 93–70. Nonpayment of these obligations incurred by the Maritime Administration could jeopardize the financial position of many operators of vessels under the U.S. flag.

There was no opposition to this bill in the hearings which were held before the Merchant Marine Subcommittee, and the bill is unanimously reported from both the Merchant Marine Subcommittee and the full Committee on Merchant Marine and Fisheries. I believe H.R. 12925 should be passed.

Mr. MURPHY of New York. Mr. Speaker, I join the distinguished chairman of the Committee on Merchant Marine and Fisheries and the chairman of the Merchant Marine Subcommittee in full support of H.R. 12925.

This bill would authorize a $23 million supplemental appropriation for the operating subsidy program of the Maritime Administration for fiscal year 1974. This amount would be an increase of only about 2 percent in the total funds authorized for the program in Public Law 93–70, in order to enable the Maritime Administration to meet all of its current operating differential subsidy obligations.

The need for this legislation was clearly demonstrated in hearings before the Merchant Marine Subcommittee. There was no opposition to the request of the Maritime Administration for these additional funds and the bill was unanimously reported from both the subcommittee and the full committee. I believe H.R. 12925 should be passed.

The SPEAKER. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill H.R. 12925.

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

A motion to reconsider was laid on the table.

FOREIGN SALE OF SS "INDEPENDENCE"

Mr. CLARK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8586) to authorize the foreign sale of the passenger vessel steamship *Independence*, as amended.

The Clerk read as follows:

H.R. 8586

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law or of prior contract with the United States, the laid-up passenger vessel steamship Independence may be sold and transferred to foreign ownership, registry, and flag, with the prior approval of the Secretary of Commerce. Such approval shall require (1) approval of the purchaser; (2) payment of existing debt and private obligations related to the vessel; (3) approval of the price, including terms of payment, for the sale of the vessel; (4) the seller to enter into an agreement with the Secretary whereby an amount equal to the net proceeds received from such sale in excess of existing obligations and expenses in-

cident to the sale shall within a reasonable period be deposited in its capital construction fund or capital reserve fund; and (5) the purchaser to enter into an agreement with the Secretary, binding upon such purchaser and any later owner of the vessel and running with title to the vessel, that (a) the vessel will not carry passengers or cargo in competition, as determined by the Secretary, with any United States-flag passenger vessel for a period of two years from the date the transferred vessel goes into operation; (b) the vessel will be made available to the United States in time of emergency and just compensation for title or use, as the case may be, shall be paid in accordance with section 902 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1242); (c) the purchaser will comply with such further conditions as the Secretary may impose as authorized by sections 9, 37, and 41 of the Shipping Act, 1916, as amended (46 U.S.C. 808, 835, and 839); and (d) the purchaser will furnish a surety bond in an amount and with a surety satisfactory to the Secretary to secure performance of the foregoing agreements.

In addition to any other provision such agreement may contain for enforcement of (4) and (5) above the agreement therein required may be specifically enforced by decree for specific performance or injunction in any district court of the United States. In the agreement with the Secretary, the purchaser shall irrevocably appoint a corporate agent within the United States for services or process upon such purchaser in any action to enforce the agreement.

The SPEAKER. Is a second demanded?

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

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

There was no objection.

Mr. CLARK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 8586, a bill which would authorize the foreign sale of the laid-up U.S.-flag passenger vessel SS *Independence* in a manner similar to that authorized by Public Law 92–296, for our other laid-up passenger vessels.

During the 92d Congress, the Committee on Merchant Marine and Fisheries held comprehensive hearings on the plight of U.S.-flag passenger vessels. At that time seven of these vessels were in layup. Since they had been constructed with the aid of construction-differential subsidy, they were prohibited by section 503 of the Merchant Marine Act of 1936 from being sold foreign for 25 years. Since none of these vessels were that old, legislation was required to permit their sale foreign.

Those hearings provide conclusively that the introduction of jet aircraft on international trade routes, more than any other factor, was responsible for the layup of these vessels. Faced with the loss of point-to-point passengers to jet aircraft, passenger vessels have been forced to turn to the cruise market. However, these U.S.-flag passenger ships were not built for cruising and, therefore, they were unable to compete in this market.

At the time of these hearings in the 92d Congress, the total lay-up costs for all of these passenger vessels to the end of their statutory life was estimated to be about $59 million. At that time, the Merchant Marine and Fisheries Committee concluded that the only alternative to the foreign sale of these U.S. passenger vessels would be a massive infusion of operating differential subsidy of about $80 million annually. The committee could not reconcile such an expenditure with the other requirements of our national economy. Thereafter, Public Law 92–296 was enacted to authorize the foreign sale of these vessels. However, the SS *Independence* was specifically excluded from the provision of that law because a prospective American purchaser testified at the hearings that his firm could operate the SS *Independence* under the U.S. flag in the cruise trade. That firm has since notified American Export Lines, the owner of the SS *Independence*, that it is no longer interested in purchasing the ship. The vessel remains in layup causing a financial drain on its owner of about $700,000.

The Maritime Administration of the Department of Commerce supports enactment of H.R. 8586 for the same reason that they recommended enactment of Public Law 92–296, namely that the vessel cannot be operated under the American flag without incurring heavy losses, and that the financial burden of continuing to keep the vessel in lay-up interferes with implementation of the Merchant Marine Act of 1970.

H.R. 8586 would authorize the sale foreign of the laid-up U.S. flag passenger vessel, SS *Independence*, in a manner similar to that provided by Public Law 92–296. The bill would require that the existing Government mortgage on the vessel in the amount of $708,109, to be paid off in full, and an amount equal to the net proceeds of sale in excess of existing obligations and expenses incident to the sale be deposited in American Export Line's capital reserve fund within a reasonable period.

Since there is no possible employment for the SS *Independence* under the U.S. flag, I think equity demands that the vessel be permitted to be sold foreign pursuant to the provisions of H.R. 8586. To do otherwise would penalize American Export Lines for making a good faith effort to retain this vessel under the U.S. flag when the other laid-up passenger vessels were permitted to be sold foreign by Public Law 92–296. I believe H.R. 8586 should be passed.

Mr. CLARK. Mr. Speaker, I yield 8 minutes to the gentlewoman from Missouri.

Mrs. SULLIVAN. Mr. Speaker, I rise in opposition to H.R. 8586. This measure would authorize the foreign sale of the passenger vessel SS *Independence*. My opposition to allowing U.S.-flag passenger vessels to pass to foreign interests has been strong and long standing and I have not altered my position. I presented dissenting views in the report accompanying H.R. 8586 and I will vote against the bill.

As chairman of the House Merchant Marine and Fisheries Committee, despite my opposition to the legislation, I did allow the bill to come before the committee and be reported out, although I voted against it.

I allowed the bill to come out of committee because I recognize that the SS *Independence* in layup status constitutes a serious financial drain on its owners, American Export Isbrandtsen Lines, Inc., and that none of our steamship operators are in such a sound financial position that they can afford to sustain continuous financial drains. Also, as much as I would like to see this vessel operate again under the U.S. flag, I am aware that this is not likely to eventuate because of the vessel's age and its configuration. I know that point-to-point passenger service is dead, probably forever, and that the only service left over is the lucrative cruise trades. Unfortunately, because of the factors I just mentioned, this vessel does not lend itself to these cruise trades. I do think that if the vessel cannot be operated again under U.S. flag, perhaps it is better to have the ship operate under foreign flag with a possibility of repatriation in the event of an emergency rather than scrapping. Once scrapped, it is gone forever.

In spite of the reasons I just mentioned for allowing this bill to proceed, I cannot support the measure and I still hold steadfastly to my belief that it is not in the best interests of the United States to permit our U.S.-flag passenger vessels to pass to foreign interests. The once mighty U.S.-flag passenger fleet has now dwindled to but two U.S.-flag passenger vessels—the SS *Mariposa* and the SS *Monterey* operating out of the west coast under the Pacific Far East Lines flag. When the present subsidy contracts on these two vessels expire in 4 or 5 years then they too will cease operation and the United States, one of the foremost maritime nations in the world, will be without any operating U.S.-flag passenger vessels. For the last several years there have not been any U.S.-flag passenger vessels operating out of the gulf and east coasts. To me, this is truly a tragic situation.

In 1971 this was a large issue before the Merchant Marine and Fisheries Committee and the Congress itself. Ultimately, a measure was enacted (Public Law 92–296) which permitted the foreign sale of the American-flag passenger ships SS *Brasil*, SS *Argentina*, SS *Constitution*, SS *Santarosa*, and SS *Santa Paula*. I opposed that legislation at that time for the following reasons:

First. Because the American taxpayer had invested $60 million in the construction of those five U.S.-flag passenger vessels within the past 20 years and that heavy U.S. taxpayer investment would have been wiped out;

Second. Because of the thousands of American seamen jobs which could never be reclaimed if those vessels went under foreign flag;

Third. Because of the damage to our balance-of-payments situation;

Fourth. Because of my strong belief that it was necessary to keep the American flag flying on American-built, American-crewed U.S.-flag passenger vessels;

Fifth. Because I felt no real effort had been made to study the U.S.-flag passenger ship problem;

Sixth. Because I felt no real effort had been made to operate the remaining U.S.-flag passenger vessels under one operating company; and

Seventh. Because I felt that no real effort had been made by the responsible Federal agencies and officials to keep passenger service under the U.S. flag in operation.

At that time, I pointed out that almost a million American citizens took cruises each year out of our east coast ports. Today, we have even more U.S. citizens going on cruises out of these east coast ports, but they are cruises on foreign-flag vessels—not U.S. ships. Aside from the loss of seamen's jobs, consider the loss of U.S. dollars to these foreign interests. This just does not seem right or sensible to me and it is difficult to understand why we cannot have at least one, or possibly two, U.S.-flag passenger vessels operating in the cruise trades out of Florida and other east coast ports.

Because of my conviction that the United States has suffered a tremendous monetary, psychological, and maritime loss with the decline and final extinction of the U.S.-flag passenger fleet, I could not in 1971, and I cannot now, support the sale of this or any U.S.-flag passenger vessel to foreign interests. I believe such a sale is contrary to the best interests of the U.S.-flag merchant fleet and to the best interests of our Nation.

Mr. DAVIS of South Carolina. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I am happy to yield to the distinguished gentleman from South Carolina.

Mr. DAVIS of South Carolina. Mr. Speaker, I thank the gentlewoman for yielding to me, and I too rise in opposition to this legislation, and would like to associate myself with the remarks of the distinguished and great chairman, the gentlewoman from Missouri (Mrs. SULLIVAN.)

Mrs. SULLIVAN. I thank the gentleman from South Carolina.

Mr. GROVER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, while I am frustrated by the same patriotic and nostalgic feelings, and saddened by the disappearance of our passenger fleet, reason and practicality compel me as our chairman to join the chairman of our Subcommittee on Merchant Marine (Mr. CLARK) in urging passage of H.R. 8586, which would authorize the sale foreign of the laid-up passenger vessel, SS *Independence*.

In 1972, Public Law 92–296 was enacted to authorize the sale foreign of five other U.S.-flag passenger vessel. The SS *Independence* was excluded from the provisions of Public Law 92–296 because a witness at the hearings representing Wall Street Cruises, Inc., expressed confidence that the SS *Independence* could be operated in the cruise trade under the U.S. flag. Despite tremendous effort, the SS *Independence* remains in layup, costing the owner, American Export Lines, Inc., about $700,000 annually.

Legislation is required in such cases because these passenger vessels were constructed with the aid of Government subsidy which requires them to remain under the U.S.-flag for 25 years, and the 25 years have not elapsed.

As the gentleman from Pennsylvania has stated, tremendous growth in commercial aviation on international routes following the introduction of jet aircraft has led to a steady decline in the use of passenger ships from point-to-point transportation. At the same time, the passenger ship cruise business has mushroomed. Unfortunately, most U.S.-flag passenger vessels were not built for cruising and cannot be operated economically in such trades.

Since Wall Street Cruises, Inc. has cancelled its option to purchase the vessel and efforts to find an American buyer since the fall of 1968 have been fruitless, your committee has concluded that the laid-up SS *Independence* cannot compete as a U.S.-flag passenger vessel with foreign-flag cruise vessels. Further, it represents a complete economic waste and serious financial drain on the owning company as long as it is laid up.

The only possibility of the availability in case of a naval emergency, is the passage of this bill. The other alternative is that the vessel be scrapped.

Mr. Speaker, I urge my colleagues to support this measure.

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

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

Mr. GROSS. Mr. Speaker, I would ask the gentleman from New York (Mr. GROVER) what assurances do we have that if this authorizing legislation is passed that there will be a buyer for the SS *Independence?*

Mr. GROVER. There is no assurance, it merely makes the ship available for that purpose.

Mr. GROSS. Mr. Speaker, if the gentleman will yield further, the fact of the matter is that there is no potential buyer; is that not true, since Wall Street Cruises termed it too expensive?

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

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

Mr. DOWNING. Mr. Speaker, in response to the inquiry of the gentleman from Iowa (Mr. GROSS) the answer is "yes," there is a potential buyer for the SS *Independence,* and I think that there are negotiations going on now pending the passage of this bill.

The American Export Lines owns this ship, and they have two alternatives. They can sell the ship for scrap to the same buyer for $2.4 million, or they can sell the ship as a passenger ship for $2.9 million. If she goes out as a passenger ship, then we would still have the right to reclaim the ship in the event of an emergency. But there is a potential buyer for this ship.

Mr. GROSS. Mr. Speaker, if the gentleman will yield still further, is it a foreign or domestic purchaser?

Mr. CLARK. Mr. Speaker, if the gentleman will yield, since 1968, as the gentleman from New York (Mr. GROVER) said, we have been trying to sell this ship. We thought we had a buyer when this law was passed in 1968. So far we have not had a domestic buyer; we do have a foreign buyer.

Mr. GROSS. What use would be made of a vessel sold to foreign interests? Would that be in a cruise operation or a point-to-point operation?

Mrs. SULLIVAN. It is our understanding that the same individual who wants to buy the *Constitution* also wants to buy the *Independence*. From what we have been told, these interests want to use them as cruise ships or passenger vessels in their part of the world; that is, the Orient.

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

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

Mr. GROSS. I thank the gentleman for yielding. That would not be Aristotle Onassis; would it?

Mr. GROVER. No, not at the present time.

Mr. CLARK. The name of the gentleman is C. Y. Tung.

Mr. DINGELL. Mr. Speaker, I rise to urge support of H.R. 8586, a bill that would cure an existing inequity, by authorizing the foreign sale of the laid-up U.S.-flag passenger vessel, SS *Independence*.

As the chairman of the Merchant Marine Subcommittee and the gentleman from Virginia have explained, the rationale for denying this vessel the right to be sold foreign no longer exists.

Since the fall of 1968, American Export Lines has been endeavoring, without success, to find an American buyer. It is clear there is no feasible employment for the SS *Independence* under the U.S. flag. In layup, the vessel represents a total economic waste and a serious financial drain on the owning company.

I think that equity demands that the vessel be permitted to be sold foreign pursuant to the provisions of H.R. 8586. To do otherwise would penalize American Export Lines for making a good-faith effort to retain this vessel under the U.S. flag when the other laid-up passenger vessels were permitted to be sold foreign by Public Law 92–296.

I strongly urge the House to support H.R. 8586.

Mr. DOWNING. Mr. Speaker, I join my colleague, the distinguished chairman of the Merchant Marine Subcommittee, in full support of H.R. 8586 which would authorize the foreign sale of the U.S.-flag passenger vessel SS *Independence*.

The need for this type of legislation was clearly established in the hearings which were held before the Merchant Marine and Fisheries Committee prior to the enactment of Public Law 92–296, which authorized the foreign sale of almost all of our other U.S.-flag passenger

ships. The SS *Independence* was specifically excluded from the provisions of that legislation because one prospective American purchaser testified that his firm could operate the ship in the cruise trade. They have since notified American Export Lines, Inc., the owner of the SS *Independence*, that they do not intend to exercise their option to purchase the vessel.

The vessel remains in layup and is causing an annual financial drain on its owner of about $700,000.

This situation is not peculiar to passenger vessels under the U.S. flag. Shipping lines all over the world have found it increasingly difficult and burdensome to continue to operate their passenger ships, and as a result many of these vessels are no longer sailing.

In the hearings on H.R. 8586 before the Merchant Marine Subcommittee, it became apparent that there is no possible employment for the SS *Independence*. I do not think it would be fair to require American Export Lines to either continue to maintain this vessel in layup or sell it for scrap, when it is possible to sell the ship to a foreign operator. I believe H.R. 8586 should be passed.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. CLARK) that the House suspend the rules and pass the bill, H.R. 8586, as amended.

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

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CLARK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

C–4's IN GUAM TRADE

Mr. CLARK. Mr Speaker, I move to suspend the rules and pass the bill (H.R. 11223) to authorize amendment of contracts relating to the exchange of certain vessels for conversion and operation in unsubsidized service between the west coast of the United States and the territory of Guam.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce (hereinafter referred to as the "Scretary"), acting by and through the Maritime Administration, is authorized to remove from any and all contracts made under authority of the Act of December 14, 1967 (Public Law 90–195) or otherwise affecting the two C–4-type vessels traded out under authority of that Act, the terms and conditions which were deemed necessary to insure that if the person who acquired the two C–4-type vessels discontinues his operation of unsubsidized service between the west coast of the United States and the territory of Guam, the vessels will be sold to his successor in such service at their fair and reasonable value as determined by the Secretary, and any other requirements the Secretary determined were necessary to insure continued operation of the two C–4-type vessels in such unsubsidized service. At the request of the other party to any such contract, the Secretary shall amend such contract in accordance with the provisions of this Act.

The SPEAKER pro tempore. Is a second demanded?

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

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

There was no objection.

Mr. CLARK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 11223, a bill which would enable Pacific Far East Line to sell the vessels *Guam Bear* and the *Hawaii Bear* to purchasers other than its successor in the trade between the west coast of the United States and Guam.

These vessels are converted C–4 containerships which were acquired by Pacific Far East Lines from the National Defense Reserve Fleet pursuant to Public Law 90–195. Legislation was required because the Martime Administration had ruled that Pacific Far East Lines, a subsidized operator, was not eligible for vessels from the Reserve Fleet even if they were to be operated in the unsubsidized Guam trade. Pacific Far East Lines was the only operator in the trade at that time. In order to assure adequate service to Guam, it was required by Public Law 90–195 to agree that the vessels would be operated only in the unsubsidized Guam trade and that these vessels could only be sold to Pacific Far East Lines' successor in that service.

Since the enactment of Public Law 90–195, both Seatrain Lines and United States Lines have entered this service as part of their Far East service. Since neither of these lines are subsidized, they have the flexibility to provide service from the west coast to Guam as a segment of longer trade routes or in connection with feeder services elsewhere. Pacific Far East Lines now finds itself locked into a round trip service on which there is virtually no cargo to be carried from Guam to the United States. As a result of competition from other lines and the inflexibility built into Pacific Far East Lines own Guam service, this company is now sustaining losses from its Guam service in excess of $100,000 per month.

Pacific Far East Lines has a substantial investment in Guam, and has maintained a liner service in this trade for the past 27 years. If H.R. 11223 is enacted, removing the contractual restrictions on the sale of these two Pacific Far East Line vessels, the company plans to continue to service Guam if it is at all possible for them to do so. However, even if Pacific Far East Lines is forced to discontinue this service, the service presently being provided by United States Lines and Seatrain Lines would be more than adequate to insure that the quality and frequency of service to Guam would not be compromised.

The purpose of this bill is to remove a restriction on the use of two converted vessels for which the rationale has all but disappeared. H.R. 11223 was unanimously reported from the Committee on Merchant Marine and Fisheries, and it should be passed.

Mr. Speaker, I yield to the chairman of the committee for any further discussion.

Mrs. SULLIVAN. Mr. Speaker, I join the chairman of the Merchant Marine Subcommittee, the gentleman from Pennsylvania, in support of H.R. 11223, which would generally authorize Pacific Far East Line to either sell two C–4 type container ships, the SS *Guam Bear* and the SS *Hawaii Bear*, to a purchaser other than its successor in the service between the west coast of the United States and Guam or, if circumstances permit, operate these vessels in some other trade.

At the present time, Public Law 90–195 and regulations issued thereunder, restrict the operation of the SS *Guam Bear* and SS *Hawaii Bear* to trade between the west coast of the United States and Guam. If such service is discontinued, these vessels are required by statute to be sold to the successor of Pacific Far East Line in such service.

At the time of the enactment of Public Law 90–195 in 1967, Pacific Far East Line was the only line servicing this trade. Since that time, circumstances have changed considerably. Two unsubsidized lines, United States Lines and Seatrain, have entered this trade. Both have the flexibility to provide service from the west coast to Guam as a portion of longer trade routes or in connection with feeder services elsewhere.

Pacific Far East Line is locked into a round trip service in which there is virtually no cargo to be carried from Guam to the United States. As a result of the competition from the other two lines and the inherent inflexibility of its own Guam operation, Pacific Far East Line is sustaining heavy losses from this service.

Passage of H.R. 11223 would afford Pacific Far East Line greater flexibility and, according to the information presented to us, would not jeopardize either the adequacy or the quality of service between the west coast and Guam. The Maritime Administration testified in support of the bill as a sound solution to a situation which was not anticipated at the time these restrictions were imposed on Pacific Far East Line. I believe the bill should be passed.

Mr. GROVER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to add my support for passage of H.R. 11223, a bill designed to correct an inequity created by a situation that was not anticipated or intended.

Pacific Far East Lines is a subsidized operator, but for several years, it has

provided unsubidized service between the west coast of the United States and Guam. In the late sixties, PFEL tried to avail itself to the provisions of the now-expired Vessel Exchange Act in order to upgrade this unsubsidized service between the west coast and Guam. The Maritime Administration ruled that PFEL was ineligible because they were generally a subsidized operator.

In 1967, the Merchant Marine and Fisheries Committee commenced consideration of a proposal which would in effect permit PFEL to act as an unsubsidized operator in this instance and trade in its two old vessels operating in the west coast-Guam unsubsidized service for newer vessels in the National Defense Reserve Fleet. At that time, your committee and the Maritime Administration were rightfully concerned that adequate service be provided to Guam. PFEL at that time was the only operator providing service between the west coast and Guam. Further, no other company appeared interested in improving service to Guam.

Committee consideration resulted in the enactment of Public Law 90–195 which permitted PFEL to trade in the old vessels, pay the difference in value, and obtain two C–4's. The C–4's were converted, became the SS *Guam Bear* and the SS *Hawaii Bear*, and have been in service to Guam since that time, making approximately two sailings per month.

Now, the picture has changed substantially in that two other lines provide regular service to Guam. Seatrain Lines entered into service in 1970 with approximately the same number of sailings as PFEL and United States Lines entered the service in 1972 with 4 to 5 sailings per month.

Since both United States Lines and Seatrain are unsubsidized operators, they have the flexibility to provide service from the west coast to Guam as a portion of longer trade routes or in connection with feeder services elsewhere. PFEL, on the other hand, is still considered a subsidized operator and is committed to round-trip service on which there is virtually no cargo to be carried on the return trip to the United States. The result is that PFEL's unsubsidized service to Guam has become highly unprofitable.

While there is no guarantee that United States Lines and Seatrain will continue to provide service to Guam, there is no reason to believe that they will discontinue such service, particularly since it is a part of more extensive routes. Although PFEL hopes to continue its Guam service—PFEL has a substantial investment in Guam at this point—Guam service would not, in our opinion, be compromised if PFEL did discontinue service.

In the interest of equity, I urge passage of H.R. 11223 which would remove the restrictions placed on PFEL in the 1968 action and permit PFEL to sell the SS *Guam Bear* and the SS *Hawaii Bear* to a purchaser other than their successor in the same trade, or permit them to operate the vessels in some other trade if circumstances warrant it.

The SPEAKER pro tempore (Mr. McFALL). The question is on the motion offered by the gentleman from Pennsylvania (Mr. CLARK) that the House suspend the rules and pass the bill H.R. 11223.

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

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CLARK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bills just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CONTAINER BARGE SERVICE

Mr. DINGELL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12208) to confer exclusive jurisdiction on the Federal Maritime Commission over certain movements of merchandise by barge in foreign and domestic offshore commerce.

The Clerk read as follows:

H.R. 12208

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Shipping Act, 1916, as amended (46 U.S.C. 801–842), is amended by inserting a new section 3 to read as follows:

"SEC. 3. Notwithstanding part III of the Interstate Commerce Act, as amended (49 U.S.C. 901 et seq.), or any other provision of law, rates and charges for the barging and affreighting of containers or containerized cargo by barge between points in the United States, shall be filed solely with the Federal Maritime Commission in accordance with rules and regulations promulgated by the Commission where (a) the cargo is moving between a point in a foreign country or a noncontiguous State, territory, or possession and a point in the United States, (b) the transportation by barge between points in the United States is furnished by a terminal operator as a service substitute in lieu of a direct vessel call by the common carrier by water transporting the containers or containerized cargo under a through bill of lading. (c) such terminal operator is a Pacific Slope State, municipality, or other public body or agency subject to the jurisdiction of the Federal Maritime Commission, and the only one furnishing the particular circumscribed barge service in question as of the date of enactment hereof, and (d) such terminal operator is in compliance with the rules and regulations of the Federal Maritime Commission for the operation of such barge service. The terminal operator providing such services shall be subject to the provisions of the Shipping Act, 1916.".

SEC. 2. Within one hundred and twenty days after enactment of this Act, the Federal Maritime Commission shall promulgate rules and regulations for the barge operations described in the amendment made by the first section of this Act. Such rules shall provide that the rates charged shall be based upon factors normally considered by a regular commercial operator in the same service.

The SPEAKER pro tempore. Is a second demanded?

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

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

There was no objection.

Mr. DINGELL. Mr. Speaker, I rise to urge passage of H.R. 12208, a bill that would resolve the question whether the Interstate Commerce Commission or the Federal Maritime Commission has regulatory jurisdiction over the movement by the Port of Sacramento of containers and containerized cargo between Sacramento and San Francisco, California.

The genesis of this legislation was the advent of the container vessel in international trade. These fast, highly productive vessels cannot afford to call at more than one or two ports on one leg of a voyage. Usually, these are the larger ports on each coast of the United States. Other ports are bypassed.

The Port of Sacramento, located 79 miles up river from San Francisco, was losing business, and came up with an innovative solution to the problem. The port instituted what they call a container barge service. This service consists of a tug and barge that transports containers between Sacramento and the San Francisco Bay area. As a result, a container vessel with cargo for Sacramento can either proceed up river to that port or transfer the containers to the container barge service at San Francisco.

The Container Barge Service is offered to ocean carriers only. The shipper pays the ocean carrier the freight rate for the movement to or from the Port of Sacramento, and the ocean carrier absorbs the cost of the Container Barge Service from this rate. The obvious advantage to the ocean container vessel is that the charge of the Container Barge Service is usually less than the vessel cost of a direct call to the Port of Sacramento.

Since the Federal Maritime Commission has jurisdiction over the ocean freight rate of the container vessel, and the terminals at both San Francisco and Sacramento, interposing the jurisdiction of the Interstate Commerce Commission for the Container Barge Service movement between San Francisco and Sacramento on what is essentially a nondomestic movement would serve no useful purpose. The Interstate Commerce Commission agrees that the Federal Maritime Commission should exercise this jurisdiction, but that legislation is required. This, the bill H.R. 12208, would provide.

The bill was reported unanimously, and I am unaware of any opposition to it.

I strongly urge the House to support H.R. 12208.

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

Mr. DINGELL. I am happy to yield to the gentleman.

Mr. McFALL. Mr. Speaker, we notice the qualifying language contained in this bill and would appreciate clarification on one point. Would jurisdiction of the Federal Maritime Commission extend to another service if the qualifying restrictions are met, presuming that initiation of the service began prior to approval of the bill by the President?

Mr. DINGELL. Mr. Speaker, in answer to the question of the gentleman, I would like to read the committee report, page 5 at the end of the fourth paragraph:

> However, on the remote chance that another terminal operator should institute such service that is otherwise qualified under the severe restrictions of H.R. 12208, prior to enactment, then the bill would also apply to such operator.

Mr. McFALL. I would assume this would apply not only to the Port of Sacramento, but to another port in the river area, the Yolo Port.

The SPEAKER. The time of the gentleman has expired.

Mr. DINGELL. I yield myself an additional 1 minute.

Mr. Speaker, the answer to the question is yes, as interpreted in the language of the report.

Mr. McFALL. I thank the gentleman.

Mr. GROVER. Mr. Speaker, I rise to add my support for passage of H.R. 12208, the container barge service bill.

Ocean shipping has, during the past decade, experienced a technological revolution. New systems for movement of cargo include container ships and barge carrying vessels. These ships speed the movement of cargo in international trade by permitting rapid loading and discharge, and greatly minimize damage and loss of cargo en route. This revolution, however, has created a problem for many ports in that container vessels now limit calls to one or two ports on each coast.

The Port of Sacramento faced this problem and in an effort to adapt itself to modern transportation, inaugurated its innovative container barge service in January 1970. The Port of Sacramento is a public corporation which operates the Sacramento River deepwater ship channel project and is approximately 80 nautical miles from the Pacific Ocean. The port's service, which involves the movement of merchandise in containers between the Port of Sacramento and ports in the San Francisco Bay on a barge leased by the port, is offered only to ocean common carriers and is offered only in lieu of direct call at the Port of Sacramento when that port is named as the port of origin or destination on a port-to-port ocean bill of lading. No local cargo is carried between Sacramento and the San Francisco Bay ports.

Before inaugurating the container barge service in 1970, the Port of Sacramento informally consulted both the Federal Maritime Commission and the Interstate Commerce Commission in an effort to determine which agency would exercise regulatory authority over the service. Since agreement could not be reached, the port filed its rate sheet with the Federal Maritime Commission as a part of its terminal tariff. No agreement between the Maritime Commission and the Interstate Commerce Commission was reached until August 4, 1972, when they informed the Merchant Marine and Fisheries Committee that they had no objection to the measure then before the committee. That measure gave the Federal Maritime Commission exclusive regulatory jurisdiction over domestic barge movements of cargo moving in foreign trade where the barge service is provided as a substitute service by the port agency so that the deep sea vessel will not have to call at the port. Without legislation, there is an open question as to whether this matter might come under the jurisdiction of the ICC. That measure did pass the House during the 92d Congress; however, the Senate failed to complete its consideration of the bill.

After the bill was reintroduced in the 93d Congress, your committee reviewed the entire record. Although the bill was generally supported by the FMC, the ICC, and the Port of Sacramento, the committee agreed that the private towing industry did have a basis for objecting to passage of the bill. The bill before you today is a clean bill incorporating two amendments to the original measure which prevent the measure from being applied to public terminals in ports throughout the United States, which was the fear of the towing industry.

Mr. Speaker, I urge my colleagues to support this measure which would permit the Port of Sacramento to continue operation of its innovative container barge service under the regulation of the Federal Maritime Commission, and resolve the jurisdictional issue between the ICC and the FMC.

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

Mr. DINGELL. I yield such time as he may consume to the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. Mr. Speaker, I do want to commend the very aggressive chairman of this ad hoc subcommittee that heard this legislation, the gentleman from Michigan (Mr. DINGELL) and also the gentleman from Pennsylvania (Mr. CLARK) for their cooperative efforts in seeing that the bill was properly amended, that it had the support of both the Federal Maritime Commission and the ICC, and passed unanimously out of the Merchant Marine Subcommittee.

Mr. Speaker, I rise to join my colleagues on both sides of the aisle in strong support of H.R. 12208.

The jurisdiction of the Interstate Commerce Commission generally extends to water carriers operating between points in the United States. The jurisdiction of the Federal Maritime Commission generally extends to water carriers operating in our foreign and domestic offshore commerce.

In 1970, when the Port of Sacramento instituted their container barge service between Sacramento and San Francisco, the question arose whether this was, in effect, a substituted service for an ocean vessel operating in our foreign or domestic offshore commerce and thus subject to the jurisdiction of the Federal Maritime Commission.

I am pleased to inform the House that there is no disagreement between the two regulatory agencies involved. Both the Federal Maritime Commission and the Interstate Commerce Commission feel that as the ocean freight rate and the terminals at both San Francisco and Sacramento are under the jurisdiction of the Federal Maritime Commission, and as the container barge service is a substitute service for an ocean common carrier operating in our foreign or domestic offshore commerce, that the Federal Maritime Commission should have this jurisdiction. However, legislation is required to clarify this point.

H.R. 12208 would resolve this question, and vest such jurisdiction in the Federal Maritime Commission.

Mr. Speaker, the bill was reported unanimously, and I am unaware of any opposition to it.

I strongly urge the House to support H.R. 12208.

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

Mr. DINGELL. I yield to my good friend, the gentleman from California (Mr. Moss).

Mr. MOSS. Mr. Speaker, as cosponsor with my distinguished colleague, Hon. ROBERT L. LEGGETT, of H.R. 12208, I will use the time available to me today to explain the measure and urge its passage in this body.

The bill would confirm exclusive jurisdiction in the Federal Maritime Commission over certain movements of merchandise by barge in foreign and domestic commerce. Its provisions represent the end product of intensive consideration of various bills on the same subject spanning a 3-year period. Involved in these discussions were proponents of the legislation, the responsible Federal administrative agencies; namely, the Interstate Commerce Committee, and the Federal Maritime Commission, representatives of the waterborne commerce industry, and the majority and minority staff counsel of both the committees on Interstate and Foreign Commerce and Merchant Marine and Fisheries.

I have seldom seen legislation receive more painstaking and conscientious consideration by responsible spokesmen representing the executive and legislative branches of the Federal Government, local public interests, and private industry. The culmination of these efforts is H.R. 12208 as reported last week by the distinguished gentlewoman from Missouri and chairman of the Committee on Merchant Marine and Fisheries (Mrs. SULLIVAN).

During the second session of the 92d Congress, H.R. 9128, a predecessor to the bill before us today, was favorably reported (H. Rept. 92–1277). The bill was granted a rule by the Committee on Rules, and passed the House on September 26, 1972. Due to the adjournment of Congress shortage after the bill's pas-

sage there was insufficient time for its consideration in the Senate.

The more immediate predecessors of H.R. 12208 in this Congress were H.R. 736 and H.R. 4009, identical bills by my respected colleagues in the California delegation, Mr. Mailliard and Mr. LEGGETT. Based on the record developed at hearings on those bills held last June by the Merchant Marine Subcommittee under the direction of its able chairman, the Honorable FRANK M. CLARK, of Pennsylvania, and on subsequent discussions with all interested parties, a new bill, H.R. 12208, was introduced and subsequently considered and reported out by the Committee on Merchant Marine and Fisheries.

With your kind permission, Mr. Speaker, I would now like to set forth some information first about the Port of Sacramento, a small inland port on the outskirts of my home city of Sacramento, Calif., and second about a unique operation, called the Container Barge Service, conceived by its port director, Mr. Melvin Shore, and placed in operation under his capable direction. The bill now under consideration in this chamber would resolve a jurisdictional "gray" area between two Federal agencies over regulation of the Container Barge Service.

The Sacramento Yolo Port District is a public corporation formed under the law of the State of California to operate the Sacramento River Deepwater Ship Channel project.

That project, better known as the Port of Sacramento, consists of an inland port with a terminal in West Sacramento, Calif. At that location there is a harbor and turning basin, and a shallow barge canal and navigation lock connecting the harbor area and the Sacramento River. Its outlet to the sea is a 25-mile-long manmade ship channel connecting the harbor and the turning basin with the lower reaches of the Sacramento River which empties into deep water at Carquinez Straights and San Francisco Bay.

The port, which received its first vessel call on June 29, 1963, was constructed by the U.S. Corps of Engineers at a Federal cost in excess of $41 million. The Sacramento-Yolo Port District, as the responsible local agency, provided all the terminal facilities and appurtenances in the harbor area at a cost in excess of $15 million.

SACRAMENTO'S CONTAINER BARGE SERVICE

The advent of containerization has been responsible for tremendous changes in the ocean transportation industry. Included among them has been the design of gigantic containerships which are both expensive to construct and operate. In their efforts to hold down costs steamship companies have had to limit calls to a few larger ports on each coast. Needless to say, the consequences of this could spell disaster for the Nation's smaller inland ports.

Faced with the need to serve the shippers in its area and this challenge to its economic well being and in order to adapt itself to the new realities of ocean transportation, the Port of Sacramento pioneered a unique method of attracting general cargo which it inaugurated on January 1, 1970, and designated as its container barge service. This new service involves the movement of merchandise in containers between the Port of Sacramento and ports in the San Francisco Bay area on a barge leased by the port. The barge is moved by a tug which has operating rights granted by the Interstate Commerce Commission.

The Container Barge Service is used only to transport container cargo moving wholly by water between a port in a foreign country or a non-contiguous State or Territory and the Port of Sacramento under a port-to-port ocean bill of lading naming Sacramento as the port of origin or destination. The service is offered solely to ocean common carriers by water. The Port of Sacramento acts as the carrier's agent in transporting the merchandise under a Sacramento bill of lading as part of a single continuous port-to-port water movement. The movement of merchandise on the barge is offered only as a service substituted in lieu of the direct physical call of the vessel at the Port of Sacramento which is named in the bill of lading. Since inaugurated on January 1, 1970, the service has been covered by the rate schedule which the Port of Sacramento filed with the Federal Maritime Commission pursuant to General Order No. 15 under the Shipping Act of 1916. Charges as set forth in the port's published rate schedule for the service are paid by the steamship companies which find it an economically advantageous alternative to the costs represented by the 8 hours steaming time, layover time, and other additional expenses incurred in sending the vessel directly to Sacramento for less than a large volume of cargo. The service offered includes the loading and unloading of the containers at the Port of Sacramento to and from the barge as well as the land carrier. The entire service is on a single per container rate basis as proved in the published rate schedule.

By letter dated August 11, 1970, addressed to both the Interstate Commerce Commission and the Federal Maritime Commission, the Port of Sacramento requested an opinion as to which of those two agencies had jurisdiction over its container barge service. In a reply dated October 19, 1970, George M. Stafford, Chairman, Interstate Commerce Commission, stated in part, as follows:

It is our position that your container barge service is subject to the regulatory authority of this Commission.

Chairman Stafford's letter went on to say:

The question is governed by an interpretation of Part III of the Interstate Commerce Act. Transportation in interstate or foreign commerce which is subject to the Act is defined in part as transportation of persons or property wholly by water, or partly by water and partly by railroad, or motor vehicle, to or from a place outside the United States, but (1) only insofar as such transportation by water takes place from any place in the United States to any other place therein after transshipment at a place within the United States in a movement to a place outside thereof or (2) in the case of a reverse movement, only insofar as the transportation from a foreign point takes place between two United States points after transshipment at the first point.

The Chairman's letter continued:

The word "transshipment" has never been formally interpreted by the Commission. However, for some time it has been our informal view that transshipment in this context means the transfer of ladings between different lines.

In a reply dated December 23, 1970, the Port of Sacramento advised Chairman Stafford that it would seek a legislative clarification of the issue of which the two commissions had regulatory jurisdiction over the container barge service.

THE PORT OF SACRAMENTO IN THE MIDDLE

As previously indicated, the necessity for this legislation arises because an ambiguity exists as to which of two Federal Commissions should have jurisdiction over the container barge service.

The port filed a rate schedule with the Federal Maritime Commission in the belief that since all other aspects of the movement are under that Commission's jurisdiction, logic dictates that the tiny segment comprising its container barge service be under the same regulatory control. The carrier itself and the ports at both end of the feeder system are subject to the Federal Maritime Commission's regulatory authority.

It would seem that under such circumstances where only one small portion of a continuous movement in foreign or offshore domestic commerce is provided as a substitute for a direct vessel call, the portion should be subject to the same regulatory scheme applicable to every other aspect of the same movement. The facts that, first, the service is offered as a substituted feeder service to the carrier which utilizes it is part and parcel of his service to the shipper, and, second, the port serves as the prime carrier's agent and is reimbursed by the carrier for the services rendered, bear repreating.

DECLARATORY ORDER

In an effort to resolve the ambiguity administratively the Port of Sacramento filed with the Interstate Commerce Commission a petition for a declaratory order that its container barge service is not subject to the Commission's regulatory jurisdiction.

By decision dated June 5, 1972, the Commission found that the container barge service "constitutes transportation in interstate or foreign commerce pursuant to the Interstate Commerce Act and therefore subject to economic regulation by this Commission."

In its decision, however, the Commission made the following statements, among others:

Nevertheless, we also recognize that, to a limited extent, operations of the specific type performed by petitioner through its Container Barge Service has no more than a *de minimis* effort on interstate or foreign commerce as regulated by us. And within those limits we can foresee no adverse effects to the public or the inland water carriers of the Congress were to remove such operations from our jurisdiction and place them entirely in the hands of the FMC. Water trans-

portation in foreign commerce would be subject to less regulation.

SUPPORT FOR THIS LEGISLATION

Starting on page 6 of House Report No. 93-938 on H.R. 12208 are departmental reports on H.R. 736 and H.R. 4009 (predecessors to H.R. 12208) on which the Merchant Marine Subcommittee held hearings last June.

In Federal Maritime Commission's report dated June 20, 1973, Helen Delich Bentley described the "fragmented duplication of regulation" between the FMC and the ICC which now occurs when foreign bound cargo originating at a point in California is moved from the Port of Sacramento to San Francisco by barge for loading aboard the seagoing ship. Referring to such a movement Chairman Bentley makes the following statements, among them.

This fragmentation would be avoided under H.R. 4009. The Interstate Commerce Commission would relinquish jurisdiction at the Port of Sacramento and the entire movement beyond the port would be subject to the exclusive jurisdiction of the Federal Maritime Commission in those instances where the conditions heretofore specified are met, thereby removing unnecessary obstacles to newly developing water services.

It is our understanding that the Interstate Commerce Commission endorsed an identical measure, H.R. 9128, during the 92nd Congress. That bill was ordered reported by your Committee.

Chairman Bentley's letter concludes thusly:

The Commission urges enactment of H.R. 4009 as so amended.

The Office of Management and Budget has advised that there would be no objection to the submission of this letter from the standpoint of the Administration's program.

In its report on H.R. 736 and H.R. 4009 dated June 14, 1973, the Office of Management concluded as follows:

For the reasons stated by the Federal Maritime Commission in its report to you on these bills, the Office of Management and Budget would have no objection to enactment of either H.R. 736 or H.R. 4009.

As pointed out in the committee report the Interstate Commerce Committee did not believe a report to be necessary in view of its favorable testimony. Following is an excerpt from ICC Chairman George M. Stafford's statement before the committee:

This proposed shift in jurisdiction is the outgrowth of operations of the Port of Sacramento, which offers a container barge service to ocean common carriers. A full discussion of these operations is contained in our report No. W-C-21, *Sacramento-Yolo Port District, Petition for Declaratory Order*, a copy of which is hereby submitted for the record. In that report, we found that although the operations are within our jurisdiction, they have only a very minor effect on interstate and foreign commerce . . .

As you will recall, we objected to H.R. 9128 and H.R. 9614 as introduced into the 92nd Congress in our testimony before this Subcommittee on November 29, 1971; however, the bills, as revised in the interim, now reflect most of the legislative recommendations set forth and endorsed by us in the *Sacramento-Yolo Port District case*. There are some differences between the bills suggested by us and those being considered. We view them as not affecting the jurisdictional base, but merely as clarifying the Federal Maritime Commission's jurisdiction over a barge movement (1) where part of the through movement is by land, and (2) where someone other than the common carrier by water issues the bill of lading.

At this time, we wish to repeat that our support of these bills should be construed as endorsement of only a change in jurisdiction covering only the one type of operation as conducted by the Port of Sacramento, and that the remaining regulatory balance created by Congress be kept intact.

CONCLUSION

H.R. 12208 would resolve a jurisdictional ambiguity between the Interstate Commerce Commission and the Federal Maritime Commission over a unique service pioneered by a small inland port in California which is endeavoring to accommodate itself to the economic realities of modern ocean transportation.

I believe that anyone reviewing all the facts will agree with the conclusion of the House Committee on Merchant Marine, the Federal Maritime Commission, and the Interstate Commerce Committee in favor of this legislation.

It seems clear that keeping regulatory jurisdiction in two Federal agencies would first, create a wasteful duplication; second, fragment regulatory authority over a through movement which constitutes essentially a single, indivisible transportation service; third, place the burden of regulation of a part of that service under the authority of a regulatory agency which, unlike the FMC, has had only limited experience in handling such transportation; and (4) place an unnecessary obstacle in the course of a newly developing through water service.

The ICC found in its Declaratory Order that—

The Container Barge Service (will) have no more than a *de minimus* effect on interstate or foreign commerce as regulated by us. And . . . we see no adverse effects to the public or the inland water carriers if the Congress were to remove such operations from our jurisdiction and place them entirely in the hands of the FMC.

In closing I might also note that the committee found that enactment of H.R. 12208 will not result in any additioal cost to the Federal Government.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan that the House suspend the rules and pass the bill H.R. 12208.

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

A motion to reconsider was laid on the table.

MIGRATORY BIRD CONVENTION WITH JAPAN

Mr. DINGELL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 10942) to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 775), as amended, to extend and adapt its provisions to the Convention between the United States and the Government of Japan for the protection of migratory birds and birds in danger of extinction, and their environment, concluded at the city of Tokyo, March 4, 1972, as amended.

The Clerk read as follows:

H.R. 10942

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Migratory Bird Treaty Act (16 U.S.C. 703) is amended—

(1) by striking out ", or any part, nest, or egg of any such birds," and insert in lieu thereof ", any part, nest, or egg of any such bird, or any product, whether or not manufactured, which consists, or is composed in whole or part, of any such bird or any part, nest, or egg thereof,";

(2) by striking out "and" immediately after "1916,"; and

(3) by striking out the period at the end thereof and inserting in lieu thereof the following: ", and the United States and the Government of Japan for the protection of migratory birds and birds in danger of extinction, and their environment concluded March 4, 1972.".

SEC. 2. The title of the Migratory Bird Treaty Act is amended to read as follows: "An Act to give effect to the conventions between the United States and other nations for the protection of migratory birds, birds in danger of extinction, game mammals, and their environment.".

SEC. 3. The amendments made by this Act shall take effect on the date on which the President proclaims the exchange of ratifications of the convention between the United States and the Government of Japan for the protection of migratory birds and birds in danger of extinction, and their environment, concluded March 4, 1972, or on the date of the enactment of this Act, whichever date is later.

The SPEAKER. Is a second demanded?

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

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

There was no objection.

Mr. DINGELL. Mr. Speaker, the purpose of H.R. 10942 is to implement the convention between the United States and Japan for the protection of migratory birds and birds in danger of extinction, and their environment.

Mr. Speaker, the convention between the United States and Japan concerning migratory birds is the third of this type entered into by the United States. The first bilateral convention was entered into with Canada in 1916 and the second with Mexico in 1936. The majority of the species covered by the convention with Japan are protected in the United States under the Canadian and Mexican conventions, but several species, mostly sea birds, will be added by this convention to those already protected by the United States under the other two conventions.

Mr. Speaker, the convention with Japan—like the conventions with Canada and Mexico—covers species of birds common to both countries and for which there is positive evidence of migration between the two countries.

The convention, in general, prohibits the taking of any migratory bird, part, nest, egg, or products thereof, of birds listed in the annex to the convention of which there are 189. Under regulations prescribed by the respective countries, taking would be permitted in certain ex-

cepted cases, such as for scientific, educational, and propagative purposes; during open hunting seasons; and by Eskimos, Indians, and indigenous peoples of the Trust Terrritory of the Pacific Islands for their own food and clothing.

One of the highlights of this convention is that each country would be required to preserve and enhance the environment of birds protected under the convention. In particular, each country would be required to seek means to prevent damage to such birds and their environment, including damage from pollution of the seas.

The convention would remain in force for 15 years and would continue in force thereafter until terminated by either contracting party giving 1-year's written notice at the end of the 15-year period, or at any time thereafter.

Mr. Speaker, the convention between the United States and Japan was signed in Tokyo on March 4, 1972. The Senate gave its advice and consent on March 27, 1973. The convention will enter into force on the date of exchange of ratifications.

Mr. Speaker, briefly explained, section 1 of H.R. 10942 would amend the Migratory Bird Treaty Act to make it clear that not only does the prohibition of the act against the taking of these protected birds extend to the bird, or any part, nest, or egg thereof, but also to any product of any such bird, or any part, nest, or egg thereof as may be included in the terms of the conventions between the United States and other nations.

Mr. Speaker, although the word "product" was not mentioned in the Canadian convention, it is mentioned in the Mexican and Japanese conventions and in the regulations of the Department of the Interior implementing the Migratory Bird Treaty Act. Nevertheless, the Merchant Marine and Fisheries Committee felt that the act should specifically cover products and therefore amended the act to make it clear that any product, whether or not manufactured, which consists, or is composed in whole or part, of any such bird, or any part, nest, or egg thereof would be covered under the prohibition provision of the act.

Also, section 1 of the bill would amend the Migratory Bird Treaty Act to add the Japanese Convention to the list of Conventions covered by the act.

Section 2 of the bill would rewrite the official title of the Migratory Bird Treaty Act and in doing so would eliminate the necessity of amending the title of the act each time a similar convention is entered into in the future.

Section 3 of the bill would provide that the amendments made to the act by this legislation would take effect on the date of exchange of ratifications between the United States and Japan or on the date of the enactment of this legislation, whichever is later.

Mr. Speaker, H.R. 10942 was introduced as a result of an Executive Communication from the Department of the Interior and it was unanimously ordered reported by our Committee on Merchant Marine and Fisheries and I urge its prompt passage.

Mr. GROVER. Mr. Speaker, I rise in support of the legislation.

Mr. Speaker, I would like to add my support to that expressed by my colleague, the gentleman from Michigan (Mr. DINGELL) for H.R. 10942, a bill to amend the Migratory Bird Treaty Act of July 3, 1918, as amended.

In essence, that act makes the taking, killing, possessing or transporting of migratory birds unlawful unless and except as provided by regulations promulgated by the Secretary of the Interior and approved by the President. Attempts at taking, killing, or possessing also are made unlawful. The act applies to birds or any part, nest or egg of any such bird, or any product thereof. In 1936, the act was amended to include a convention between the United States and Mexico covering game mammals in addition to migratory birds. H.R. 10942 will now amend the Migratory Bird Treaty Act to conform its provisions to the provisions of a convention between the United States and Japan for the protection of migratory birds and birds in danger of extinction, and their environment.

This convention was concluded in Tokyo on March 4, 1972 and was ratified by the U.S. Senate on March 27, 1973. The convention resulted from 4 years of negotiation and covers 189 species of migratory birds. Special protection is afforded endangered species and provisions are made for enhancing the birds' habitats, exchanging research data, and regulating hunting. The Japanese Government has both ratified the convention and enacted implementing legislation. The instruments of ratification cannot be exchanged until we enact implementing legislation.

The Secretary of the Interior has called this legislation "a significant step forward in international cooperation for the conservation of the world's wildlife resources." During the past year, the United States and Japan have disagreed on steps to be taken in other areas of wildlife conservation, especially with reference to the International Whaling Commission's quotas on the taking of certain kinds of whales. The implementation of this convention could help dispel misunderstandings left by the whaling disagreement and provide an avenue of cooperation which could have indirect influence on the developing constructive Japanese attitudes in favor of conservation.

Mr. Speaker, I urge that my colleagues vote favorably on H.R. 10942.

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

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

Mr. GROSS. Mr. Speaker, I would like to ask a question of the gentleman from Michigan. With ratification of these articles of the convention, the report indicates that there will be no cost to this Government. Is that correct?

Mr. DINGELL. Mr. Speaker, if the gentleman will yield, there would be cost, but those costs are already being undergone because of the earlier conventions. It was the view of the agencies that there would be no additional cost. We have two previous conventions, which relate to the conventions with Canada and Mexico.

This convention will cover almost exactly the same species as the others, with just a few variations.

Mr. Speaker, we inquired of the agencies at the time as to the additional cost. It was their view that there would be no additional cost.

Mr. GROSS. Mr. Speaker, I will ask the gentleman further: This is a new convention containing articles of agreement with Japan, is it not?

Mr. DINGELL. The gentleman is correct. There is a new convention, but we can find no additional cost to be imposed upon the Federal Government by this convention.

Mr. GROSS. No additional cost?

Mr. DINGELL. The gentleman is correct, no additional cost.

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

Mr. DINGELL. Mr. Speaker, I yield such time as she may consume to my dear friend, the gentlewoman from Missouri, the chairman of the full committee (Mrs. SULLIVAN).

Mrs. SULLIVAN. I rise in support of H.R. 10942, a bill to implement the convention between the United States and Japan concerning migratory birds.

Mr. Speaker, this convention with Japan will provide additional protection to 189 species of birds. Among those species covered are such endangered species as the peregrine falcon, the short-tailed albatross, the Aleutian Canada goose, and the Japanese sacred crane.

Although the majority of the species covered by this convention are protected under the convention between the United States and Canada entered into in 1916, and the convention between the United States and Mexico entered into in 1936, there are a number of other species, mostly sea birds, which will be given protection by this convention.

Mr. Speaker, this convention was signed between the United States and Japan in Tokyo on March 4, 1972, ratified by the Senate on March 27, 1973, and I urge the prompt passage of H.R. 10942, the legislation to implement this convention.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan (Mr. DINGELL) that the House suspend the rules and pass the bill H.R. 10942, as amended.

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

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

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

There was no objection.

TO ABOLISH THE POSITION OF COMMISSIONER OF FISH AND WILDLIFE

Mr. DINGELL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13542) to abolish the position of Commissioner of Fish and Wildlife, and for other purposes.

The Clerk read as follows:

H.R. 13542

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Fish and Wildlife Act of 1956 (16 U.S.C. 742b) is amended—

(1) by striking out ", and the position of Commissioner of Fish and Wildlife" in the first sentence of subsection (a);

(2) by striking out all of that part of subsection (a) which follows the second sentence thereof; and

(3) by striking out subsections (b) through (f) and inserting in lieu thereof the following:

"(b) There is established within the Department of the Interior the United States Fish and Wildlife Service. The functions of the United States Fish and Wildlife Service shall be administered under the supervision of the Director, who shall be subject to the supervision of the Assistant Secretary for Fish and Wildlife. The Director of the United States Fish and Wildlife Service shall be appointed by the President, by and with the advice and consent of the Senate. No individual may be appointed as the Director unless he is, by reason of scientific education and experience, knowledgeable in the principles of fisheries and wildlife management.

"(c) The United States Fish and Wildlife Service established by subsection (b) shall succeed to and replace the United States Fish and Wildlife Service (as constituted on June 30, 1974) and the Bureau of Sport Fisheries and Wildlife (as constituted on such date). All laws and regulations in effect on June 30, 1974, which relate to matters administered by the Department of the Interior through the United States Fish and Wildlife Service (as constituted on such date) and the Bureau of Sport Fisheries and Wildlife (as constituted on such date) shall remain in effect.

"(d) All functions and responsibilities placed in the Department of the Interior or any official thereof by this Act shall be included among the functions and responsibilities of the Secretary of the Interior, as the head of the Department, and shall be carried out under his direction pursuant to such procedures or delegations of authority as he may deem advisable and in the public interest."

SEC. 2. Paragraph (42) of section 5316 of title 5, United States Code, is amended by striking out "Commisisoner of Fish and Wildlife" and inserting in lieu thereof "Director, United States Fish and Wildlife Service".

SEC. 3. The amendments made by this Act shall take effect on July 1, 1974.

The SPEAKER. Is a second demanded?

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

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

There was no objection.

Mr. DINGELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Fish and Wildlife Act of 1956 provides the administrative framework for the exercise of the Department of the Interior's responsibility in the area of fish and wildlife resources.

In this regard, the act established the position of Assistant Secretary for Fish and Wildlife. Under the Assistant Secretary is the U.S. Fish and Wildlife Service, which is comprised of two bureaus—the Bureau of Sport Fisheries and Wildlife, and the Bureau of Commercial Fisheries. Each of the Bureaus is administered by a Director under the supervision of the Commissioner of Fish and Wildlife who is, in turn, under the supervision of the Assistant Secretary for Fish and Wildlife.

Mr. Speaker, the need for this legislation arises from the fact that pursuant to Reorganization Plan No. 4 of 1970, the Bureau of Commercial Fisheries and the office of its Director were abolished and, in general, all functions vested by law in the Bureau and its Director were transfered to the Department of Commerce and subsequently vested in the National Marine Fisheries Service within that Department.

Thus, the U.S. Fish and Wildlife Service now consists only of the Bureau of Sport Fisheries and Wildlife. Consequently, the position of Commissioner of Fish and Wildlife now entails the exercise of no responsibility not also assigned to the Director of the Bureau of Sport Fisheries and Wildlife. The Office of the Commissoner is now vacant since the incumbent resigned shortly after implementation of the Reorganization Plan of 1970.

Mr. Speaker, briefly explained, H.R. 13542 would eliminate this dilemma by abolishing the Office of Commissioner of Fish and Wildlife. At the same time, as a result of suggestions of the Department of the Interior, the legislation would further realine the administrative framework of the Department by abolishing the Bureau of Sport Fisheries and Wildlife and the Office of the Director. Then, all responsibilities presently vested in the Bureau would be vested in the redesignated U.S. Fish and Wildlife Service, which would be headed by a Director with the same responsibilities as the present Bureau Director. In addition, the pay scale of the Director would be changed from a GS–18 to a level V of the executive schedule, which incidentally, because of salary limitations, are the same, which is $36,000 per year. However, I might point out, Mr. Speaker, that there still could be a saving to the Federal Government, should this legislation be enacted into law, to the extent that there is one position that could be filled except for this legislation.

Mr. Speaker, changing the pay scale of this appointee to a level V of the executive scale places him at the level now occupied by most other heads of Bureaus within the Department of the Interior.

Mr. Speaker, H.R. 13542 would make two other changes in existing law, both of which were suggested by the Merchant Marine and Fisheries Committee. In an effort to upgrade the position of the Director, the legislation would require the Director to be appointed by the President by and with the advice and consent of the Senate and, in making his appointment, the President would be required to select an individual who—by reason of scientific education and experience—is knowledgeable in the principles of fisheries and wildlife management.

Mr. Speaker, I think the passage of this legislation will lend added stature to the position of Director, U.S. Fish and Wildlife Service, and at the same time, will enable him to carry out his functions and responsibilities with new spirit and vigor.

Mr. Speaker, I urge prompt passage of H.R. 13542.

Mr. GROVER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the present administrative setup under which the Department of the Interior exercises its area of responsibility over fish and wildlife resources was established by the Fish and Wildlife Act of 1956. Under this act, the functions of the Bureau of Sport Fisheries and Wildlife and the Bureau of Commercial Fisheries were carried on under the aegis of the U.S. Fish and Wildlife Service and were supervised by a Commissioner of Fish and Wildlife. However, Reorganization Plan No. 4 of 1970 transferred the Bureau of Commercial Fisheries to the Department of Commerce along with the marine sport fish program formerly administered by the Bureau of Sport Fisheries and Wildlife. As a result of the reorganization, the U.S. Fish and Wildlife Service now includes only the Bureau of Sport Fisheries and Wildlife. Also, the position of Commissioner of Fish and Wildlife now entails the exercise of no responsibility not also assigned to the Director of the Bureau of Sport Fisheries and Wildlife. The office of Commissioner has remained vacant since shortly after the implementation of Reorganization Plan No. 4 of 1970.

In addition to abolishing the unneeded position of Commissioner of Fish and Wildlife, H.R. 13542 also abolishes the present Bureau of Sport Fisheries and Wildlife and the Office of the Director. In place of the Bureau, all of its present responsibilities would be vested in the redesignated U.S. Fish and Wildlife Service. The redesignated organization would be headed by a Director who would have the same responsibilities as the present Bureau's Director. The Director's pay scale would be changed from the present GS–18 to level V of the executive schedule. The Director is to be appointed by the President subject to the advice and consent of the Senate. The President is given congressional guidance in selecting the Director. The selection must be from among persons "by reasons of scientific education and experience knowledgeable in the principles of fisheries and wildlife management."

H.R. 13542 provides the Department of the Interior with an opportunity to modify its internal organization in light of the Reorganization Plan. The Department of the Interior gave the following as reasons favoring the adoption of the bill:

* * * by providing for Presidential appointment of the Director, and by providing that the Director, United States Fish and Wildlife Service succeed to the direct program responsibilities now exercised by the Director, Bureau of Sport Fisheries and Wildlife, the Congress would lend added stature to this important position, and place the appointee at a level now occupied by most other heads of bureaus within the Department. It is appropriate that the person who occupies this position, and who administers programs which relate directly to our guest for environmental quality, be nominated by the President and confirmed by the Senate. A newly established United States Fish and Wildlife Service which would succeed to the responsibilities and authorities of the United States Fish and Wildlife Service as now constituted and the Bureau of Sport Fisheries and Wildlife except as prescribed by Reorganization Plan No. 4 of 1970, could address with new spirit the task assigned to its predecessor agencies.* * *

I concur with my colleague, the distinguished chairman of the Fish and Wildlife Subcommittee (Mr. DINGELL) and the Department of the Interior and urge this House to act favorably on H.R. 13542.

Mrs. SULLIVAN. Mr. Speaker, I rise in support of H.R. 13542, and urge its immediate passage.

Mr. Speaker, the purpose of this legislation is to realine the administrative makeup of the offices under the direction of the Assistant Secretary for Fish and Wildlife of the Department of the Interior. Mr. Speaker, as a result of Reorganization Plan No. 4 of 1970, the Bureau of Commercial Fisheries and the Office of its Director no longer exist. Also, there is no further need for the position of Commissioner of Fish and Wildlife since the holder of this office, which incidentally is now vacant, would perform the same functions that the Director of the Bureau of Sport Fisheries and Wildlife now performs.

Mr. Speaker, this legislation would have the net effect of eliminating one position in the bureaucracy while, at the same time, elevating the position of the present Director to the level now occupied by most other heads of Bureaus within the Department of the Interior.

Mr. Speaker, I wholeheartedly endorse the passage of this legislation.

The SPEAKER pro tempore (Mr. LANDRUM). The question is on the motion offered by the gentleman from Michigan (Mr. DINGELL) that the House suspend the rules and pass the bill H.R. 13542.

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

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed, H.R. 13542.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

LOAN OF PERSONNEL AND EQUIPMENT TO BUREAU OF SPORT FISHERIES AND WILDLIFE

Mr. DINGELL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8101) to authorize the Secretary of Transportation and the Secretary of Defense to detail certain personnel and equipment to the Fish and Wildlife Service, as amended.

The Clerk read as follows:

H.R. 8101

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the paragraph headed "Propagation of Food Fishes" of the Act of March 3, 1885 (23 Stat. 494; 16 U.S.C. 743), is amended—

(1) by inserting "(1)" immediately after "Fishes:";

(2) by striking out the last sentence thereof; and

(3) by adding at the end thereof the following new subparagraph:

"(2)(A) As used in this subparagraph, the term 'agency' means the department in which the Coast Guard is operating, the Department of the Army, the Department of the Navy, the Department of the Air Force, the Atomic Energy Commission, and the National Aeronautics and Space Administration.

"(B) The chief executive officer of each agency may from time to time—

"(i) detail from the agency for duty under the Director of the Bureau of Sport Fisheries and Wildlife, Department of the Interior, such commissioned and enlisted personnel and civilian employees as may be spared for such duty; and

"(ii) consonant with the operational needs of the agency, loan equipment of the agency to the Director."

The SPEAKER pro tempore. Is a second demanded?

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

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

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, the purpose of H.R. 8101 is to provide for the detailing of personnel and the loaning of equipment by certain Federal agencies to the Bureau of Sports Fisheries and Wildlife in order to enable the Bureau to more effectively carry out its functions and responsibilities to manage and protect fish and wildlife resources.

Mr. Speaker, under present law, the Coast Guard is authorized to detail for duty to the Bureau of Sport Fisheries and Wildlife officers and men of the Coast Guard who can be spared from time to time. Under present practice, the Department of Defense has made available to the Bureau personnel and equipment of that Department from time to time.

In fact, Mr. Speaker, both the Coast Guard and the Department of Defense have been most helpful to the Bureau in the past. For instance, in many cases, routine practice and training flights have been coordinated with the Bureau in such a way that the Bureau has been able to obtain valuable information on waterfowl regulations, wildlife habitat, and illegal dredge and fill activities during some of these routine flights. And, Mr. Speaker, this has been accomplished with little or no additional cost to the taxpayer.

Mr. Speaker, the need for this legislation arises from the fact that many of these base commanders—even though willing to make available such personnel and equipment—have been reluctant to do so because they felt that they lacked sufficient authority.

Mr. Speaker, H.R. 8101 would make it clear that such authority does exist with respect to the Department in which the Coast Guard is operating, the Department of the Army, the Department of the Navy, and the Department of the Air Force.

In addition, H.R. 8101 would provide this same authority to the Atomic Energy Commission and to the National Aeronautics and Space Administration.

Mr. Speaker, H.R. 8101 has the strong support of the Department of the Interior and it was unanimously ordered reported by the Merchant Marine and Fisheries Committee.

Mr. Speaker, I urge its prompt passage.

Mr. GROVER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the bill, H.R. 8101, which would authorize certain Federal agencies to detail personnel and to loan equipment to the Bureau of Sport Fisheries and Wildlife, Department of the Interior.

Under present law, the Secretary of Transportation is authorized to detail from time to time, for duty under the Director of the Fish and Wildlife Service, any officers and men of the Coast Guard whose services can be spared for such duty. H.R. 8101 would amend the present law to authorize equipment to be loaned as well, and not only from the Coast Guard but also from the Department of Defense, the Atomic Energy Commission, and the National Aeronautics and Space Administration. It does not require the assignment of personnel and equipment, but is permissive, only coming into use when the personnel and equipment can be spared from their primary functions and duties. This is strictly on a loan basis—no permanent personnel assignments are contemplated.

The Department of the Interior sees great benefit in the passage of the bill. This extra personnel and equipment could aid greatly in controlling violations of fish and wildlife laws and in conducting special fish and wildlife inventories involving endangered species. These special inventories often require the use of specialized equipment for short periods of time. The use of military personnel and equipment in such short-term situations will obviate the neces-

sity for the Department of the Interior to purchase expensive equipment which is only rarely used. This would be in addition to a substantial increase in the effectiveness and efficiency of management and protection programs. The bill would leave it to the discretion of the loaning agency as to whether to require reimbursement for any services rendered.

The enactment of this bill would be in keeping with national policy. The National Environmental Policy Act of 1969, which came out of this committee in the 91st Congress, committed the Federal Government to using all practicable means and measures to coordinate Federal functions in order to protect the environment. The Endangered Species Act of 1973, also one of this committee's bills, directs all Federal agencies to utilize their authorities in furtherance of the purposes of that act.

Mr. Speaker, I therefore urge enactment of H.R. 8101.

Mrs. SULLIVAN. Mr. Speaker, I rise in strong support of H.R. 8101, a bill to authorize the detailing of personnel and the loaning of equipment by certain Federal agencies to the Bureau of Sport Fisheries and Wildlife.

Mr. Speaker, although the Coast Guard and the Department of Defense have been cooperating to a certain extent with the Bureau in the past, in some cases base commanders have either refused to provide this assistance or have reluctantly done so because they felt that explicit authority for them to provide this assistance did not exist.

Therefore, by making it clear that such authority does exist and by encouraging these agencies to provide this assistance when they can do so without interfering with their operational needs, this legislation will help the Bureau considerably in carrying out such functions as taking bird counts, checking on violations of the Migratory Bird Treaty Act and the Endangered Species Act of 1973, and apprehending violators of such acts.

Mr. Speaker, with proper coordination between the various agencies concerned, this assistance can be provided with little or no extra cost to the Federal Government. I think H.R. 8101 is good legislation and I urge its passage.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan (Mr. DINGELL) that the House suspend the rules and pass the bill H.R. 8101, as amended.

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

The title was amended so as to read: "A bill to authorize certain Federal agencies to detail personnel and to loan equipment to the Bureau of Sport Fisheries and Wildlife, Department of the Interior."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

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

There was no objection.

TAX ON BOWS AND ARROWS

Mr. DINGELL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 10972) to delay for 6 months the taking effect of certain measures to provide additional funds for certain wildlife restoration projects, as amended.

The Clerk read as follows:

H.R. 10972

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to provide additional funds for certain wildlife restoration projects, and for other purposes", approved October 25, 1972 (Public Law 92–558, 86 Stat. 1172–1173), is amended by striking out "July 1, 1974" in sections 101(c) and 201(b) thereof and inserting in lieu thereof "January 1, 1975".

The SPEAKER. Is a second demanded?

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

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

There was no objection.

Mr. DINGELL. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, the purpose of this legislation is to delay for 6 months the date on which the new 11-percent excise tax on the sale of bows and arrows would be imposed.

Mr. Speaker, as my colleagues will recall, the Committee on Merchant Marine and Fisheries reported legislation in the 92d Congress designed to provide additional funds for carrying out wildlife restoration projects and hunter safety programs. The legislation ultimately became Public Law 92–558. To provide those additional funds there was authorized to be imposed—effective July 1, 1974—an 11 percent excise tax by maunfacturers, producers, and importers on the sale of bows and arrows, parts, and accessories.

Since title II of Public Law 92–558 amended the Internal Revenue Code, a matter over which the Committee on Ways and Means has jurisdiction, our Committee on Merchant Marine and Fisheries requested the views of that committee on the revenue aspects of the legislation.

After careful consideration of the legislation and the departmental reports, the Committee on Ways and Means provided our committee with language which was included in the committee report on the legislation.

Our committee followed the same procedure for the legislation under consideration today and on pages 4 and 5 of the committee report you will find a letter from Chairman MILLS and the ranking minority member of that committee, Congressman SCHNEEBELI, indicating their committee's unanimous support for the proposed postponement of the tax contained in this legislation.

Mr. Speaker, under present law—the Pittman-Robertson Act—an amount equal to the 11 percent tax on shotguns, rifles, and ammunition is now deposited in a special fund in the Treasury known as the Federal aid to wildlife restoration fund. In addition, an amount equal to the 10-percent tax on pistols and revolvers is deposited in that same fund. After deducting administrative expenses, the remainder of the fund is used to carry out wildlife restoration projects with the States on a 75–25 matching fund basis.

Public Law 92–558 further amended the Pittman-Robertson Act to provide that beginning July 1, 1974, an amount equal to the new 11-percent tax on bows and arrows would be deposited in that fund.

However, because of the undue hardship that would be imposed on the archery industry of this Nation by requiring that its pricing schedule be changed from a calendar year basis to a fiscal year basis—as called for by the 1972 law—the archery industry asked that the effective date of the new 11 percent tax be postponed from July 1, 1974, to January 1, 1975.

Mr. Speaker, the only thing this legislation does is to accommodate this industry—which has gone all out in its support of this legislation—by postponing the effective date of the new tax to January 1, 1975.

Mr. Speaker, this legislation has the support of the Department of the Interior, the Department of the Treasury, and it was unanimously ordered reported by the Merchant Marine and Fisheries Committee. I think it only fair that we go along with this industry in view of its past cooperation and I urge the prompt passage of this legislation.

Mr. GROVER. Mr. Speaker, I rise to urge the passage of H.R. 10972, as amended. The primary purpose of this bill is to delay for 6 months—from July 1, 1974, to January 1, 1975—the imposition of the 11-percent excise tax on bows and arrows. Public Law 92–558, which was enacted from a bill before our committee at the last Congress, authorized the imposition of the tax on manufacturers and importers of bows with draw weights of 10 pounds or more and arrows 18 or more inches in length. The tax also applies to the parts of or accessories or attachments to taxable bows or arrows. The net tax receipts will be added to a special fund in the Treasury known as the Federal aid to wildlife restoration fund.

The Archery Manufacturers' Organization first requested the delay proposed in H.R. 10972 because the archery industry operates and prepares pricing schedules on a calendar year basis. The shift from this procedure to a fiscal year basis required under the public law would, it was felt, impose an undue hardship on the industry. The Department of the Treasury and the Department of

the Interior have indicated they have no objection to the passage of H.R. 10972.

The Ways and Means Committee, which retains jurisdiction over the tax aspects of this matter, unanimously agreed to the proposed postponement of this tax.

I also would like to point out the fact that the tax laws provide a general exemption from the manufacturers' excise tax on any article of native Indian handcraft manufactured by Indians on Indian reservations or in Indian schools. Therefore, any bows and arrows, or their parts and accessories, manufactured by Indians on a reservation are not subject to the tax imposed by Public Law 92–558.

I urge the favorable consideration of my colleagues for H.R. 10972.

Mrs. SULLIVAN. Mr. Speaker, I rise in support of H.R. 10972.

Mr. Speaker, as a result of legislation reported by my Committee on Merchant Marine and Fisheries in the 92d Congress—which resulted in the enactment of Public Law 92–588—there is to be imposed effective July 1, 1974, a new 11-percent tax on bows and arrows, parts, and accessories to provide additional funds for wildlife restoration projects.

Mr. Speaker, following enactment of Public Law 92–558, it was brought to our attention that the law as it presently stands would impose considerable hardship on the archery manufacturers of our Nation—whose burden it will be to collect this new tax—because it will require that they reschedule prices on a fiscal year basis instead of their normal practice of instituting price changes at the beginning of the calendar year.

Mr. Speaker, the legislation before us today would eliminate this problem by delaying the effective date of the act for 6 months, from July 1, 1974, to January 1, 1975. I urge immediate passage of H.R. 10972.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan (Mr. DINGELL) that the House suspend the rules and pass the bill H.R. 10972, as amended.

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

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

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

There was no objection.

"WOODSY OWL"

Mr. EDWARDS of California. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1585) to prevent the unauthorized manufacture and use of character the "Woodsy Owl," and for other purposes, as amended.

S. 1585

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. As used inthis Act—

(1) the term "Woodsy Owl" means the name and representation of a fanciful owl, who wears slacks (forest green when colored), a belt (brown when colored), and a Robin Hood style hat (forest green when colored) with a feather (red when colored), and who furthers the slogan, "Give a Hoot, Don't Pollute", originated by the Forest Service of the United States Department of Agriculture;

(2) the term "Smokey Bear" means the name and character "Smokey Bear" orignated by the Forest Service of the United States Department of Agriculture in cooperation with the Association of State Foresters and the Advertising Council.

(3) the term 'Secretary" means the Secretary of Agriculture.

SEC. 2. The following are hereby declared the property of the United States:

(1) The name and character "Smokey Bear".

(2) The name and character "Woodsy Owl" and the associated slogan, "Give a Hoot, Don't Pollute".

SEC. 3. (a) The Secretary may establish and collect use or royalty fees for the manufacture, reproduction, or use of the name or character "Woodsy Owl" and the associated slogan, "Give a Hoot, Don't Pollute", as a symbol for a public service campaign to promote wise use of the environment and programs which foster maintenance and improvement of environmental quality.

(b) The Secretary shall deposit into a special account all fees collected pursuant to this Act. Such fees are hereby made available for obligation and expenditure for the purpose of furthering the "Woodsy Owl" campaign.

SEC. 4 (a) Whoever, except as provided by rules and regulations issued by the Secretary, manufacturers, uses, or reproduces the character "Smokey Bear" or the name "Smokey Bear", or a facsimile or simulation of such character or name in such a manner as suggests "Smokey Bear" may be enjoined from such manufacture, use, or reproduction at the suit of the Attorney General upon complaint by the Secretary.

(b) Whoever, except as provided by rules and regulations issued by the Secretary, manufactures, uses, or reproduces the character "Woodsy Owl", the name "Woodsy Owl", or the slogan "Give a Hoot, Don't Pollute", or a facsimile or simulation of such character, name, or slogan in such a manner as suggests "Woodsy Owl" may be enjoined from such manufacture, use, or reproduction at the suit of the Attorney General upon complaint by the Secretary.

SEC. 5. Section 711 of title 18 of the United States Code is amended—

(1) by inserting "and for profit" immediately after "knowingly", and

(2) by deleting "as a trade name or in such manner as suggests the character 'Smokey Bear' ".

SEC. 6. Chapter 33 of title 18 of the United States Code is amended by adding after section 711 a new section, as follows:

"§ 711a. 'Woodsy Owl' character, name, or slogan

"Whoever, except as authorized under rules and regulations issued by the Secretary, knowingly and for profit manufactures, reproduces, or uses the character 'Woodsy Owl', the name 'Woodsy Owl', or the associated slogan, 'Give a Hoot, Don't Pollute' shall be fined not more than $250 or imprisoned not more than six months, or both.".

SEC. 7. Section 3 of the Act entitled "An Act prohibiting the manufacture or use of the character 'Smokey Bear' by unauthorized persons" (31 U.S.C. 488a) is amended by striking out "under the provisions of section 711 of title 18".

SEC. 8. The table of sections of chapter 33 of title 18, United States Code, is amended by inserting immediately after the item relating to section 711 the following:

"711a. 'Woodsy Owl' character, name, or slogan.".

Passed the Senate June 14, 1973.

The SPEAKER. Is a second demanded?

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

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

There was no objection.

Mr. EDWARDS of California. Mr. Speaker, the House Committee on the Judiciary, by unanimous vote, reported out favorably S. 1585, as amended, a copy of which is before you.

S. 1585 is the enactment of a request of the Department of Agriculture. The purpose of the bill is to protect the name and character "Woodsy Owl" from unauthorized manufacture or use. The committee has reported a clean bill for the purpose of changing S. 1585 in primarily two ways.

"Woodsy Owl" is the symbol of the Department of Agriculture's environmental protection program, and as such receives extensive national publicity. This program is modeled after the Department's "Smokey Bear" program to promote forest fire prevention. A private enterprise is authorized by this statute to use the name and character "Woodsy Owl" if licensed to do so by the Department of Agriculture. Royalty fees are paid for this privilege and used by the Department to further the environmental program. This follows the "Smokey Bear" program.

The Department requested a criminal statute providing misdemeanor penalties for unauthorized use. Such a statute now exists regarding the "Smokey Bear" program (18 U.S.C. 711). In view of the provisions of title 17, United States Code, section 104, which protects the infringement of privately held copyrights by criminal sanctions in the case of infringement "for profit," the Department of Agriculture should stand in the same position as a private citizen. Therefore, a section has been added to the criminal sanction to provide in S. 1585 the element "for profit," and amended 18 U.S.C. 711 to conform.

The Department of Agriculture requests that civil injunctive powers be granted to stop unauthorized use of "Woodsy Owl." This proposal was agreed to and the same powers were provided to the Secretary to protect the "Smokey Bear" program.

Therefore, Mr. Speaker, I urge my colleagues to support S. 1585.

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

Mr. EDWARDS of California. I yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Speaker, I have read this report. Am I in error that if this bill

becomes law and if I say, "Give a hoot, don't pollute" I can go to jail for 6 months unless I get the Secretary of Agriculture to approve my saying it?

Mr. EDWARDS of California. In answer to the gentleman from Kentucky, if he does as he describes knowingly and for profit, then he would be subject to the penalties.

Mr. SNYDER. If somebody would pay me for saying that, I could be fined $250 or sent to jail for 6 months or both?

Mr. EDWARDS of California. I suppose the gentleman could. I think that is highly unrealistic.

Mr. SNYDER. A great many unrealistic things are running around loose in this country. Angela Davis is loose. The Chicago Seven are loose. Ellsberg is loose after giving away the secrets of the country, and so on. Now we want to send somebody to jail for saying, "If you give a hoot, don't pollute."

Did the gentleman's committee have hearings on this?

Mr. EDWARDS of California. That does not fall within our jurisdiction.

Mr. SNYDER. Did the gentleman's committee have hearings on this bill?

Mr. EDWARDS of California. Hearings on this bill? I thought the gentleman was talking about other items. We had a hearing on this legislation and the Department of Agriculture sent a witness.

Mr. SNYDER. The gentleman's committee has had hearings on this bill. Has the committee had any hearing on the antibusing amendment?

Mr. EDWARDS of California. No, we have not.

Mr. SNYDER. Any hearings on the antiabortion amendment?

Mr. EDWARDS of California. No, we have not, but both of these items are under study by the committee.

Mr. SNYDER. But the committee has had time for hearings for "Woodsy Owl"?

Mr. EDWARDS of California. Actually, we consented to the Department of Agriculture's request both in the interests of their environmental program and also partly because the entire matter did not take more than an hour of the committee's time.

Mr. SNYDER. The committee had to delay the impeachment proceedings to get to "Woodsy Owl," is that right?

Mr. EDWARDS of California. That is not correct.

Mr. SNYDER. The committee did this before that was referred to the committee?

Mr. EDWARDS of California. The impeachment work is going along without any interference by any of the work our subcommittee is doing. We do try to comply with the requests of the administration and of the various departments in areas such as this.

Mr. SNYDER. I do not know that there is anything wrong with having the Woodsy Owl emblem and the slogan, "Give a Hoot, Don't Pollute"; but I do not know about this committee putting aside important antibusing legislation and important antiabortion legislation while they are considering the "Woodsy Owl."

Mr. Speaker, I suppose it is no wonder that our country is in the turmoil and stress that it is in.

Under this legislation to "use" the character "Woodsy Owl" or the associated slogan "Give a Hoot, Don't Pollute" for profit without the authorization of the Secretary of Agriculture can cause one to be sent to jail for 6 months, fined $250, or both; all this while Angela Davis, the Chicago Seven, and Daniel Ellsberg, are free.

While the Judiciary Committee is busy reporting out "all American" legislation like this "Woodsy Owl" bill, the committee lets languish antibusing legislation, the antibusing constitutional amendment, the antiabortion constitutional amendment, and delays on its impeachment proceedings.

Well, Mr. Speaker, I suppose the "All American" vote is "aye" and I will go along but the Congress should shoulder its responsibility and face the important issues that are before our Nation.

The country is in distress.

The President blames the Congress.

The Congress blames the President.

They both blame the courts.

The American people can rightfully blame all three.

It is time we "tend to our knittin' " and quit avoiding the serious issues of the day.

Mr. DERWINSKI. Mr. Speaker, will the gentleman from California yield for a question?

Mr. EDWARDS of California. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Mr. Speaker, may I say to my distinguished friend, the gentleman from California, he knows that, unlike the gentleman from Kentucky, I do not engage in needling or say anything that might be directed to anything but the chairman's most immediate concern.

Mr. EDWARDS of California. I feel very secure with the gentleman standing there, I might say. He is always courteous and responsible.

Mr. DERWINSKI. Did I correctly understand the gentleman when he stated in answer to a question about the antiabortion amendment that the subcommittee was studying the subject?

Mr. EDWARDS of California. Yes. There is considerable study going on by the staff of the committee.

Mr. DERWINSKI. That is fine. Will the staff eventually report to the subcommittee in much the same procedure that the special staff will eventually inform the full committee of the possible impeachment proceedings?

Mr. EDWARDS of California. The staff will report to the full subcommittee and the subcommittee will take whatever action the majority of the subcommittee so desires.

Mr. DERWINSKI. I thank the gentleman.

Mr. WIGGINS. Mr. Speaker, I have no requests for time.

I support the legislation. I wish to allay any fears that any Member may have about the indiscriminate use of the criminal penalty in connection with protecting the trademark "Woodsy Owl" and "Smokey Bear." These are property interests owned by the Federal Government. There are both civil and criminal penalties available to the courts for the protection of these property interests. This merely accords to the Department of Agriculture rights which are otherwise available in other cases. This is not new ground we are plowing here. We are simply giving the right to the Government to protect the name "Woodsy Owl" and "Smokey Bear." It is meritorious legislation.

I am the first to concede that it is not the most important legislation before Congress, but it is nevertheless necessary.

Mr. Speaker, I support passage of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from California that the House suspend the rules and pass the bill S. 1585, as amended.

The question was taken.

Mr. ASPIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 384, nays 15, not voting 33, as follows:

[Roll No. 127]

YEAS—384

Abdnor	Broyhill, N.C.	Delaney
Abzug	Broyhill, Va.	Dellenback
Adams	Buchanan	Dellums
Addabbo	Burgener	Denholm
Alexander	Burke, Calif.	Dennis
Anderson, Calif.	Burke, Mass.	Dent
	Burleson, Tex.	Derwinski
Anderson, Ill.	Burlison, Mo.	Dickinson
Andrews, N.C.	Burton	Dingell
Andrews, N. Dak.	Butler	Donohue
	Byron	Downing
Annunzio	Carney, Ohio	Drinan
Archer	Carter	Dulski
Arends	Casey, Tex.	Duncan
Armstrong	Cederberg	du Pont
Ashley	Chamberlain	Eckhardt
Aspin	Chappell	Edwards, Ala.
Badillo	Chisholm	Edwards, Calif.
Bafalis	Clark	Eilberg
Baker	Clausen, Don H.	Erlenborn
Barrett		Esh leman
Bauman	Clawson, Del	Evans, Colo.
Beard	Cleveland	Evins, Tenn.
Bell	Cochran	Fascell
Bennett	Cohen	Findley
Bergland	Collier	Fish
Blaggi	Collins, Ill.	Fisher
Biester	Collins, Tex.	Flood
Bingham	Conable	Flowers
Blatnik	Conte	Flynt
Boggs	Corman	Foley
Boland	Cotter	Ford
Bowen	Coughlin	Forsythe
Brademas	Cronin	Fountain
Brasco	Culver	Fraser
Bray	Daniel, Dan	Frelinghuysen
Breaux	Daniel, Robert W., Jr.	Frey
Breckinridge		Froehlich
Brinkley	Daniels, Dominick V.	Fulton
Brooks		Fuqua
Broomfield	Danielson	Gaydos
Brotzman	Davis, Ga.	Giaimo
Brown, Calif.	Davis, S.C.	Gibbons
Brown, Mich.	Davis, Wis.	Gilman
Brown, Ohio	de la Garza	Ginn

Goldwater	Mann	Sarasin
Gonzalez	Maraziti	Sarbanes
Goodling	Martin, Nebr.	Satterfield
Grasso	Martin, N.C.	Scherle
Green, Oreg.	Mathias, Calif.	Schneebeli
Green, Pa.	Mathis, Ga.	Schroeder
Griffiths	Matsunaga	Sebelius
Grover	Mayne	Seiberling
Gubser	Mazzoli	Shipley
Gude	Meeds	Shoup
Gunter	Melcher	Shuster
Haley	Metcalfe	Sikes
Hamilton	Mezvinsky	Sisk
Hammer-schmidt	Miller	Skubitz
	Mills	Slack
Hanley	Minish	Smith, Iowa
Hanna	Mink	Smith, N.Y.
Hanrahan	Minshall, Ohio	Snyder
Hansen, Idaho	Mitchell, Md.	Spence
Hansen, Wash.	Mitchell, N.Y.	Staggers
Harrington	Mizell	Stanton,
Harsha	Mollohan	J. William
Hastings	Montgomery	Stanton,
Hawkins	Moorhead,	James V.
Hays	Calif.	Stark
Hébert	Moorhead, Pa.	Steed
Moakley	Morgan	Steele
Hechler, W. Va.	Mosher	Steelman
Heinz	Moss	Steiger, Wis.
Helstoski	Murphy, Ill.	Stokes
Henderson	Murphy, N.Y.	Stratton
Hicks	Murtha	Stubblefield
Hillis	Myers	Studds
Hinshaw	Natcher	Sullivan
Holt	Nedzi	Symington
Holtzman	Nelsen	Talcott
Horton	Nichols	Taylor, N.C.
Hosmer	Nix	Thompson, N.J.
Howard	Obey	Thomson, Wis.
Huber	O'Brien	Thone
Hudnut	O'Hara	Thornton
Hungate	O'Neill	Tiernan
Hunt	Owens	Towell, Nev.
Hutchinson	Passman	Treen
Ichord	Patten	Udall
Jarman	Pepper	Ullman
Johnson, Calif.	Perkins	Van Deerlin
Johnson, Colo.	Pettis	Vander Jagt
Johnson, Pa.	Peyser	Vander Veen
Jones, Ala.	Pike	Vanik
Jones, N.C.	Podell	Veysey
Jones, Okla.	Powell, Ohio	Vigorito
Jones, Tenn.	Preyer	Waggonner
Jordan	Price, Ill.	Waldie
Karth	Price, Tex.	Walsh
Kastenmeier	Pritchard	Wampler
Kemp	Quie	Ware
Kluczynski	Quillen	Whalen
Kyros	Railsback	White
Lagomarsino	Randall	Whitehurst
Landgrebe	Rangel	Whitten
Landrum	Rarick	Widnall
Latta	Rees	Wiggins
Koch	Regula	Wilson, Bob
Leggett	Reuss	Wilson,
Lehman	Rhodes	Charles H.,
Lent	Riegle	Calif.
Litton	Rinaldo	Wilson,
Long, La.	Roberts	Charles, Tex.
Long, Md.	Robinson, Va.	Winn
Lott	Robison, N.Y.	Wolff
Luken	Rodino	Wright
McClory	Roe	Wyatt
McCloskey	Rogers	Wydler
McCollister	Roncallo, Wyo.	Wylie
McCormack	Roncallo, N.Y.	Wyman
McDade	Rooney, Pa.	Yates
McEwen	Rose	Yatron
McFall	Rosenthal	Young, Alaska
McKay	Rostenkowski	Young, Fla.
McKinney	Roush	Young, Ga.
McSpadden	Roy	Young, Ill.
Macdonald	Roybal	Young, S.C.
Madden	Ruth	Young, Tex.
Madigan	Ryan	Zablocki
Mahon	St Germain	Zion
Mallary	Sandman	Zwach

NAYS—15

Ashbrook	Devine	Parris
Burke, Fla.	Gross	Rousselot
Clancy	Hogan	Steiger, Ariz.
Conyers	Ketchum	Symms
Crane	King	Taylor, Mo.

NOT VOTING—33

Bevill	Clay	Frenzel
Blackburn	Conlan	Gettys
Bolling	Diggs	Gray
Camp	Dorn	Guyer
Carey, N.Y.	Esch	Heckler, Mass.
Holifield	Patman	Ruppe
Kazen	Pickle	Shriver
Kuykendall	Poage	Stephens
Lujan	Reid	Stuckey
Michel	Rooney, N.Y.	Teague
Milford	Runnels	Williams

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

The Clerk announced the following pairs:

Mr. Teague with Mr. Runnels.
Mr. Rooney of New York with Mr. Michel.
Mr. Bevill with Mr. Kuykendall.
Mr. Carey of New York with Mrs. Heckler of Massachusetts.
Mr. Pickle with Mr. Guyer.
Mr. Clay with Mr. Gray.
Mr. Reid with Mr. Frenzel.
Mr. Stephens with Mr. Conlan.
Mr. Diggs with Mr. Kazen.
Mr. Dorn with Mr. Camp.
Mr. Gettys with Mr. Ruppe.
Mr. Holifield with Mr. Blackburn.
Mr. Milford with Mr. Shriver.
Mr. Stuckey with Mr. Williams.
Mr. Patman with Mr. Lujan.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PAY STRUCTURE FOR MEDICAL OFFICERS AND OTHER HEALTH PROFESSIONALS OF UNIFORMED SERVICES

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1017 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1017

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2770) to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment recommended by the Committee on Armed Services now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Texas (Mr. YOUNG) is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from California (Mr. DEL CLAWSON), pending which I yield myself such time as I may require.

Mr. Speaker, House Resolution 1017 provides for an open rule with 1 hour of general debate on S. 2770, a bill revising the special pay structure relating to medical officers and other health professionals of the uniformed services.

House Resolution 1017 also provides that it shall be in order to consider the amendment recommended by the Committee on Armed Services now printed in the bill as an original bill for the purpose of amendment.

S. 2770 increases the pay differential provided to medical, dental, veterinary, and optometry officers in the uniformed services in an attempt to meet the problems in attracting health professionals to an all-volunteer service. The bill provides permissive authority to pay a bonus of up to $15,000 per year for each additional year of service that the person agrees to continue on active service. There is no limit as to the length of the agreement. This authority would be used in varying amounts by the Department of Defense as the need arises.

Enactment of the bill will cost approximately $479.1 million over the next 5 fiscal years. A similar bill passed the House in the second session of the 92d Congress, but no action was taken in the other body.

Mr. Speaker, I urge the adoption of House Resolution 1017 in order that we may discuss and debate S. 2770.

Mr. Speaker, I reserve the balance of my time. I have several requests for time, and I will yield for the purpose of debate only.

Mr. DEL CLAWSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as has been explained, this is an open rule, providing for 1 hour of general debate on S. 2770 and making the committee substitute in order as an original bill for the purpose of amendment.

While there are no problems with the rule, Mr. Speaker, there are some definite problems with the bill. In the Rules Committee it was pointed out that this bill, as originally requested by the Defense Department, was to pay bonuses to military doctors because the military faces a shortage of doctors. The bonus requested by the Department was a mandatory $350 per month plus up to $15,000 per year on a discretionary basis. What the Department requested was very similar to what the Senate passed and to what was recommended by the House Armed Services Subcommittee.

However, in the full Committee on Armed Services a number of amendments were adopted. One amendment provided these bonuses to dentists. Another amendment provided the same treatment for optometrists. Then the veterinarians were added to the bonus list. Mr. Speaker, I do not mean to disparage these other groups in any way, because they are all necessary. However, the shortage of doctors is more critical than the shortages in these other areas.

I understand the Committee on Armed Services did not hold hearings on the specific amendments offered. And there is real question whether a need exists to include veterinarians, for example, in a bill which could provide bonuses totaling nearly $20,000 per year per medical officer. Testimony presented before the Rules Committee indicated that there is no shortage of veterinarians in the military.

Mr. Speaker, I hope this bill can be improved during the amending process. In its present form, the bill is not fair to the American taxpayer who will have to foot the bill for these extra bonuses.

Mr. Speaker, I have no further request for time and reserve the balance of my time.

Mr. YOUNG of Texas. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. ASPIN).

Mr. ASPIN. Mr. Speaker, the legislation which we are considering today is a horrendous piece of legislation. It started out as a bonus bill for doctors. The doctor draft is ending on June 30 and there is a projected shortage of doctors for this year. So the Department of Defense requested money to pay bonuses to doctors, a fairly large amount of bonuses, up to nearly $20,000 a year per doctor for the military services. The plan was to do this as an emergency measure to take care of the doctors. All of the other health professions are scheduled to have hearings held later during the summer. That was the agreement. The bill was to cover just doctors.

The bill to cover just doctors went first to the Senate, where it passed with minor amendments. Then it came to the House and passed the subcommittee, again with minor amendments. Then it came to the full committee on its way to the floor of the House, and it was just one of those days. Everything came loose. Somebody offered an amendment to add on dentists, and the dentists got added on. And then there was an amendment offered to add on optometrists, and the optometrists got added on. Then an amendment was offered to add the veterinarians, and the veterinarians got added on. And then finally an amendment was added to put on the lawyers, and that was ruled out of order because this is a medical bill which does not cover lawyers.

By the time the dust had settled we had spent an extra $31 million according to the DOD estimate, and we did this in spite of the fact that the administration wanted a bill just for doctors, the Department of Defense wanted a bill just for doctors, and the subcommittee wanted a bill just for doctors.

There was no evidence presented to show that there was any immediate shortage in any of the other professions and there was not 10 seconds' worth of hearings on any of them.

So we have made a Christmas tree out of this bill. But maybe even worse than that, we have made a half Christmas tree or maybe three-quarters of a Christmas tree, because in the ugly rush to get many of these professions on board we have left out a few. We left out for example the podiatrists and the clinical psychologists and the nurses. So there are amendments lying here waiting in the weeds for when we get to that time that we may add on those amendments and add on those people. So we are going to be asked to vote for more money and yet we cannot even justify the money we have already spent. We are being asked to add on others, and it is going to be very difficult to argue against them because we arbitrarily stuck in some and left out others in the committee proceedings.

Mr. Speaker, we are spending millions of dollars without any real thought as to any rationale being given to it all.

Military pay is really costing us. It is these little boondoggles that are really breaking us in this military pay system; so we are going to be putting in an amendment to take out the dentists and put in the nurses and take out the optometrists and put in the podiatrists, without any idea about what we are doing.

How can we deal with that piece of legislation like this here on the floor in such a way that will be fair to the taxpayer and equitable to all of the various military medical professions we are talking about?

Mr. Speaker, the only way to deal with this bill in a way that is both fair to the taxpayer and equitable to the military medical professions is to vote against the rule, send the bill back to the committee, get it into the committee, where the choices are two: They can either take all the ornaments off and hold hearings during the summer, as was the original plan, and bring forth the doctors, or if they want to put the ornaments on the tree, let us not put just a few ornaments on, let us put them all on. Let us hold detailed hearings and decide how much each of these ornaments is going to get and put them all in together.

Mr. Speaker, a vote against the rule is not a vote against any one of the particular ornaments. All it is is a vote in favor of dealing with all the ornaments in an equitable way.

The SPEAKER. The time of the gentleman has expired.

Mr. DEL CLAWSON. I yield the gentleman from Wisconsin an additional 3 minutes.

Mr. ASPIN. Mr. Speaker, we had a bill here before the Congress 2 years ago which we passed. Some people have said that bill is the same as this bill today.

It is not the same bill. In fact, in that bill, we dealt with all the ornaments, and we had some kind of heirarchy; for example, the doctors got more than the optometrists. It was a fair bill. It was an equitable bill.

This bill we have today is just a mess. It has some professions in and some professions out.

Mr. Speaker, we have a time problem. We have to do something about the doctors. I think most people recognize we ought to do something about the doctors. The way to deal with the doctors is to vote down this bill, send it back to the committee, take the ornaments off, hold hearings on the ornaments this summer, vote out the bill covering doctors only and put it on suspension and pass it and go to conference with the Senate. That is the way to deal with the time problem.

Mr. Speaker, half a Christmas tree is not the way to deal with the time problem. Half a Christmas tree is not the kind of bill we had 2 years ago. There is no way of dealing with half a Christmas tree that we can come up with anything on the floor that will be fair to the taxpayers and equitable to the various medical professions involved.

Mr. Speaker, half a Christmas tree is the kind of bill which should never be brought to the floor.

I urge my colleagues to vote down the rule, to send the bill back to the committee and deal with it in a much more competent manner.

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

Mr. YOUNG of Texas. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. Mr. Speaker, I bring this large file down to the podium, not that I need these notes, but to indicate to the House that this is a matter that has been before the House Committee on Armed Services for a number of years, every member of the committee.

I am not on the subcommittee, but the subcommittee has accumulated a file on the problems of health professional retentions, much like I have here.

Our committee 2 years ago in October, under the direction of the distinguished gentleman from Texas, Mr. CLARK FISHER, held hearings on the question of extending special pay for doctors, veterinarians, dentists, optometrists, clinical psychologists, podiatrists, and providing bonuses to those people.

We also held hearings on the question of providing bonuses to nuclear technologists and to a great number of other people whom we thought we needed in the military service to make for an effective service in what we called a volunteer military service.

We passed a general bill providing discretionary authority to the Department of Defense to pay $3,000 or $4,000 a year to certain specialists who are not in the health professions. We passed the bill, as I indicated, back in 1972 to provide for bonuses and for special pay for health professionals, and it passed this House by a vote of 337 to 35. I do not recall the gentleman from Wisconsin voicing any objections whatsoever to that distinguished piece of legislation that passed this House rather resoundingly, and in a very short debate. But what happened?

The bill went over to the Senate and it died, and all the bills died at the end of the 92d Congress. So, we are faced again with the same problem at the beginning of the 93d Congress. The Department of Defense sent a letter to the Speaker of the House and to the President of the Senate and said:

We still face problems with all of the health professions, and we need legislation for spe-

cial pay and for bonuses. On the bonuses we want discretion to handle that.

The chairman of our committee responded to the demands of the Department of Defense and appointed Mr. STRATTON at that time to hold hearings on special pay. He discharged his mission. We held hearings on special pay. We separated that from the bonus bill. We sent the bill over to the Senate, and enacted it into law.

Then this year we still have the same problem, how to handle the bonus bill, how to handle the differential of the doctor paid maybe $20,000 for military service and perhaps $100,000 on his second year in private practice of medicine, under our private enterprise system of the practice of medicine in the United States.

So what happened? The Senate decided that it would respond on the bonus bill. It passed out just the doctor bill, and it ignored the other requests of the Department of Defense. A kind of a deal was made with the Department of Defense, "You go ahead and pass out the doctors, and we will let you ignore the other professions at this time."

Then the bill came back over to the House.

Then, the chairman requested Mr. Stratton again to hold hearings on this, legislation generally along the lines of the Senate bill. That is why the Stratton subcommittee did not go into optometrists, dentists, and veterinarians, but they knew that situation. We have got the facts. It is all in our record, in our full committee. The facts have not changed. We are going to be, on the average, 15 percent shy of veterinarians and optometrists in the military service over the next year and 2 years and 3 years.

If the Members want the draft back again; if they want the volunteer army or volunteer service to fail, then they will vote against this rule; cripple the military service, do not give the DOD the discretion they need to attract the proper people with the proper carrot at the proper time.

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

Mr. LEGGETT. Mr. Speaker, not at this time.

Try to let the military service live with this situation where better than 50 percent of their optometrists and veterinarians leave the service every year, and then they have to retrain.

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

Mr. DEL CLAWSON. Mr. Speaker, I yield 2 additional minutes to the gentleman from California.

Mr. LEGGETT. Try to recruit these people every year, and look where the training costs go—right through the roof. That is why we have got 56 percent of our defense costs tied up in housing and fringe benefits. We have to get away from that. We have got to get professionals.

Mr. Speaker, I will now yield to the gentleman from Wisconsin for a question.

Mr. ASPIN. Mr. Speaker, I thank the gentleman for yielding to me. I think his explanation here shows just what kind of a mess we are in. The gentleman from California says he is not a member of the subcommittee.

Mr. LEGGETT. Mr. Speaker, I yielded to the gentleman for a question.

Mr. ASPIN. Mr. Speaker, the gentleman is a member of the subcommittee. He was not at the hearings. One of the reasons we do not know what is in this bill is because nobody even knows whether they are a member of the subcommittee or not.

Mr. Speaker, I will ask the questions. My first question is, if this is the same as the bill we passed last year, why, in the bill we passed last year, did we pay less for optometrists than we did for doctors; and yet, in this bill, they are the same?

Mr. Speaker, my second question is, if this is the same as the bill we passed last year, why did we include podiatrists or others in some kind of a rational manner last year, but haphazardly picked out only two or three medical professions and stuck them into this bill?

Mr. LEGGETT. Well, Mr. Speaker, one of the reasons is that I really did not want to recite an endless list of professionals, but I thought if the House got the hint and if we had problems concerning deficiencies in some of these other categories and some Members from Wisconsin or from some other State wanted to offer an amendment at the proper time to add in about 70 podiatrists and about 50 clinical psychiatrists, certainly I would go along with that amendment.

Let us face it, this is a $100 million bill. As I understand it, $75 million is for doctors, $25 million is for dentists, and $5 million covers all other categories. So if that makes this bill a "Christmas tree," it is a funny looking Christmas tree, because the base is pretty well defined.

Mr. Speaker, to answer the gentleman's question as to why we have to take care of the optometrists, let me read from the Optometric magazine this month.

Here is the first one:

Indianapolis, Indiana, Optometrist, interested in earning $40,000 to $50,000 per year. Quality oriented. No investment.

Here is the next one, Mr. Speaker:

Ohio Optometrist: exeprienced refractionist and contact lens fitter. Earn first year $40,000–$50,000 with possible association.

And so forth.

That is why we need this, because we have this very great difference between the professionals on the outside and the professionals on the inside.

Mr. DEL CLAWSON. Mr. Speaker, I yield 4 minutes to the gentleman from New York (Mr. PEYSER).

Mr. PEYSER. Mr. Speaker, I seldom take the floor in any argument with the Committee on Armed Services, because I have strongly supported them in the past and have helped them to keep our country strong.

However, I do have a point of disagreement at this time on a portion of this legislation.

Mr. Speaker, I have a letter here that quotes Secretary Clements—this is a letter addressed to Senator JOHN STENNIS—dated March 25, 1974, in which Secretary Clements says that it is his belief that the only priority matters are those relating to the medical officers.

He says that the medical officers—M.D.'s—are in need of the bonus compensation, and the other health fields are not, but that they will keep them under close observation in order to see if there is a need for this type of bonus arrangement for the other medical officers.

Mr. Speaker, they make it very explicit in this letter that they do not believe there is any need for this extra help. If the Defense Department takes this position themselves, I cannot understand why there is the figure of $31 million of extra money in this bill to provide bonus arrangements for those other officers.

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

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

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

Let me ask the gentleman this question: What date appears on that letter?

Mr. PEYSER. What date?

Mr. HUNT. Yes.

Mr. PEYSER. March 25, 1974.

Mr. HUNT. Who signed the letter?

Mr. PEYSER. The letter is signed by James R. Cowan.

Mr. HUNT. Mr. Speaker, did I understand the name is James R. Cowan?

Mr. PEYSER. The gentleman is correct. This is from the office of the Assistant Secretary of Defense.

Mr. HUNT. Mr. Speaker, if the gentleman will yield further, does my learned colleague, the gentleman from New York, know who James Cowan is?

Mr. PEYSER. I do not know the gentleman, other than his name appears on the stationery. The name appears on the stationery of the Assistant Secretary of Defense, and I do not know Mr. James Cowan personally.

Mr. HUNT. Mr. Speaker, if I were to tell the gentleman from New York that James Cowan was formerly in the service of the State of New Jersey prior to the first of the year and he recently became an employee of this Department and is not fully apprised of all the subjects involved as yet, would the gentleman take my word for it?

Mr. PEYSER. Mr. Speaker, I would take the gentleman's word for it without any question. However, he gives a direct quote here from Secretary Clements. There is a direct quote in this letter from Secretary Clements' letter, and I would assume the quote is correct.

Mr. HUNT. Mr. Speaker, the gentleman would agree that we do not need dentists in the Armed Services?

Mr. PEYSER. No, I do not agree——

Mr. HUNT. Mr. Speaker, the gentle-

man is a former commanding officer in the armed services.

Let me ask the gentleman, has he ever had a man under his command who had a toothache?

Mr. PEYSER. Mr. Speaker.

Believe me, if I felt that the Defense Department were asking for this, I would vote for it without any question. But here the Secretary is stating very flatly in his letter to Senator STENNIS that he does not believe there is any need for it.

Mr. HUNT. Mr. Speaker, I would like to assure my colleague, the gentleman from New York, that the Defense Department does recognize the need for dentists and the need for additional physicians. They do recognize that now.

Mr. ASPIN. Will the gentleman yield?

Mr. PEYSER. I am glad to yield to the gentleman.

Mr. ASPIN. The information of the gentleman from New Jersey is out of date. The Pentagon has discussed this issue several times, and the latest word is in the hands of the gentleman from New York, that is, the letter sent from the Deputy Secretary of Defense Cowan to Mr. STENNIS. The Department of Defense is now stating that they do not want the legislation for anything other than the doctors.

Mr. DEL CLAWSON. Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. MITCHELL).

Mr. MITCHELL of New York. Mr. Speaker, I intend to make a more lengthy statement after the passage of the rule. I am confident that it will pass because we do need this support legislation.

I am extremely shocked by the conclusions of Dr. James Cowan that my colleague from New York (Mr. PEYSER) alluded to, to the effect that there was no need to include optometrists, dentists, and veterinarians in this bill. If Mr. Cowan does not thing that losing 90 percent of our young health professionals constitutes a problem, well, I would like to see a situation arise that he thinks is catastrophic.

In light of information available his position would seem totally unrealistic and demonstrates a woefully poor grasp of this situation.

Mr. Speaker, I also disagree with the position that my colleague from Wisconsin has taken regarding this bill. It is true that the Department of Defense in their testimony before the Senate in December 1973 and before the House on March 5 and 7 addressed themselves chiefly to the physician manpower problems but, instead of worrying about the lack of hearings on this, I decided to see whether information was readily available on the subject. I found that it was.

The Department of Defense and the organizations representing the health professions and the individual practitioners cooperated fully with all of my inquiries. As a result of my study, I feel strongly the legislative history relating to incentive proposals for military health professionals is available to decide this issue and there are sufficient statistics. These statistics support the case for the inclusion of dentists, optometrists, and veterinarians within the provisions of S. 2770. Far from being a so-called Christmas tree bill, this is a fiscally responsible measure which when compared to existing incentives for military health professionals will provide necessary incentives and will be less costly both over the long and short term.

Mr. LEGGETT. Will the gentleman yield?

Mr. MITCHELL of New York. Yes. I am glad to yield to the gentleman.

Mr. LEGGETT. On the same tenor, some comment has been made about a three-quarter page letter sent this week by the Department of Defense that had a sentence in it that would seem to derogate the bill we are about to enact on the floor today. I discussed that letter in the CONGRESSIONAL RECORD yesterday, if anybody would care to look at my remarks on that score. The letter sent to the chief negotiator in the Senate on their conference committee, and I have alleged that perhaps was probably pursuant to an arrangement whereby that bill was originally released out of the Senate committee, but as opposed so that I am sure the gentleman in the well is familiar with the 75-page analysis that was sent to our committee by the General Counsel of the Department of Defense asking for these bonuses last year. That was dated April 2, 1973.

I am sure you are also familiar with the several hundred pages of testimony taken by our committee in 1972 whereby we reviewed thoroughly the need with the advice and consent and urging of the Department of Defense to enact legislation substantially like we are considering today.

Mr. MITCHELL of New York. I would agree with the gentleman and state that the problem is not that of having too little information but, rather, of having too much. We are nearly overwhelmed with documentation demonstrating the need to include these professionals.

I would like to wrap up my remarks by saying that there can be confusion, perhaps, for someone who is not immediately apprised of this situation, because we have four different professions involved and three different services and we have several years of experience to consider. But as one reviews the evidence, the conclusions to be drawn for each profession in each service are basically the same.

No. 1, the retention rate of doctor participants in subsidized programs averages less than 15 percent, and can go as low as 1 percent. In other words, Mr. Speaker, we can lose as many as 99 percent of these people whose education we have subsidized under the present system. The major reason for this retention problem is that the service professional earns about one-half of the income of his civilian counterpart. I would just like to cite an example from something called the Optometrist Weekly. In the early portion of the magazine—and this is last month's issue—it says, "Be an optometrist in the U.S. Air Force," and it cites the benefits. But the pay it does not allude to—is about $10,000 a year. Then just a few pages away in the back of the same publication is a whole column of "optometrists wanted." Here is one in Nebraska for $30,000; Illinois, $35,000; Pittsburgh, $30,000; and Ohio, $40,000 to $50,000.

We cannot begin to compete on the basis of present military pay scales.

I feel that the vast majority of these doctors could be retained by upping the $100 monthly incentive pay to $350 after 2 years. It costs approximately $10,000 to subsidize each year of obligated service. Thus we pay $10,000 a year to get 1 year of service and, since it would cost only $3,000 a year, or $250 a month a year to retain them, we can save $7,000 a year per retained doctor; $7,000 additional that it would cost to replace them.

Let us keep them and let us save the money. Let us get away from our revolving door policy of losing most of the doctors after their short service concludes, by passing S. 2270. The first step of passing this bill is an affirmative vote on this rule. I urge favorable consideration of this rule.

Mr. YOUNG of Texas. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Louisiana (Mr. HÉBERT) the chairman of the Committee on Armed Services.

Mr. HÉBERT. Mr. Speaker, and Members of the House, I will not use the entire 5 minutes, but I just wanted to bring to the attention of the Members that all of the conversation we have been having on this matter so far is on everything except the rule, and the rule is what we have under consideration.

It is a simple question. I rise in support of the rule, and I will not even discuss the merits of the legislation now because that will come after the rule is adopted. That is the way the situation stands. We should either adopt or reject the rule.

The gentleman from Wisconsin (Mr. ASPIN) appeared before the Committee on Rules and attempted to block the House from consideration of this legislation. The gentleman did not want the House to have a chance to vote on the legislation. The gentleman wanted to give the Members an end run so they could run into a corner somewhere, and hide, if they wanted to hide, and not give the Members a chance to vote.

The gentleman from New York read the letter from Dr. Cowan. But the Members will not have a chance to vote against the bill's provisions unless the rule is adopted first.

The gentleman from Wisconsin (Mr. ASPIN) has told the Members what will happen. The gentleman has told the Members what the Committee on Armed Services will do; that they can do this, and then the Committee on Armed Services will do this. The gentleman from Wisconsin may think that he is the chairman of the House Committee on Armed Services, but I happen to be the chairman of the House Committee on Armed Services, and the House Committee on Armed Services is not going to do any-

thing that the gentleman says. Unless the rule is adopted here today, then the Members will not have a chance to vote up or down on these matters.

I personally express no preference in how the matter is going to be voted at this point. I am asking that the rule be adopted so as to give the Members an opportunity to express themselves by voting up or down, whichever way they desire.

But, I repeat, unless this rule is adopted there will be no legislation. I can assure the Members of that.

I deeply appreciate the Committee on Rules being so gracious in granting this rule to the Committee on Armed Services in order that the Members may have an opportunity to discuss this bill in detail, make up their own minds, and then vote whichever way they desire.

Mr. YOUNG of Texas. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from New York, the chairman of the subcommittee (Mr. STRATTON).

Mr. STRATTON. Mr. Speaker, I will not take the 5 minutes.

I simply want to second what the chairman of the Committee on Armed Services has said. We have before us in this House today, I think, a rather surprising and shocking attempt to undermine the normal processes of democracy simply because one member of the committee does not happen to like everything that is in the bill. I think those of us who have been here a few years know that the legislative process is a compromise. Probably none of us ever likes everything that is in a bill, but we allow the legislative process to function; we allow the House to work its will; and that is precisely what we are proposing here.

This is an open rule. If somebody does not like the optometrists or the veterinarians or the dentists, he has an opportunity to offer an amendment to exclude them. If he wants to put somebody else in, he has that opportunity. But the ultimate determiner of the legislation ought to be the House, it would seem to me, and we ought not to be sandbagged with the requirement that either we agree with the legislation as the gentleman from Wisconsin wants it, or else we have none at all.

The committee voted for this 32 to 6, so I think it is clear what the Committee on Armed Services would do even if the bill went back to the committee.

The point has been made that we have not had any hearings. But the entire matter was the subject of hearings in 1972, and a bill almost identical with this, as has already been pointed out, with a $12,000 bonus, was passed by the House almost without anybody making any objections, and it died in the Senate.

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

Mr. STRATTON. I yield to the Gentleman from California.

Mr. BURGENER. I thank the gentleman for yielding.

Could the gentleman tell me if he knows what the official position of the Department of Defense is on the bill in its present form?

Mr. STRATTON. The official position of the Department of Defense was that they were perfectly agreeable to having dentists included. They gave us in this particular hearing no official position on the optometrists or the veterinarians. However, in 1972 before we had the shortages we have now, the Department came to us and said: We want a $12,000 bonus for all health professionals, and that is what we gave them. We gave them the opportunity to pay such a bonus if future retention problems should require it.

I think, as the gentleman from New Jersey has said, there is some confusion within the Department of Defense, and we in the committee have seen that confusion before. The Assistant Secretary for Health and Environmental Affairs just came down here from New Jersey. I do not think he is fully familiar with the position that the Department took a couple of years ago. He has never appeared before our full committee, although he did appear briefly before the subcommittee.

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

Mr. STRATTON. I yield to the gentleman from Wisconsin.

Mr. ASPIN. I thank the gentleman from New York for yielding.

The gentleman from New York says this is the legislative process. If this is the legislative process, then Gold help us.

Mr. STRATTON. I yielded for a question; I did not yield for the gentleman to make a speech. If the gentleman has a question, I will be glad to comment on it.

Mr. ASPIN. Let me ask the gentleman a question, and I will put it in the form of a question. The gentleman well knows there is in the military a tremendous kind of caste system where doctors are considered at certain levels. Then we come to the dentists and optometrists, and there are different gradations. We also know that we have to be fair to the taxpayer.

Mr. STRATTON. My time is running out. I just do not want the gentleman from Wisconsin to make a speech on my time.

Mr. ASPIN. The question of the gentleman from New York is, How on the floor are we ever going to legislate in this manner when we have not had any hearings in a manner which is equitable to the medical profession?

Mr. STRATTON. I think the answer to that is that the Members of this House are intelligent enough to know where they stand on a matter of this kind. They have before them the recommendation of the Committee on Armed Services, 32 to 6. They have had communications, I am sure, from their districts. They know what the House did 2 years ago. So it seems to me if we cannot work our will on a bill as simple as this in this House, we might as well abandon the whole democratic process.

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

Mr. STRATTON. I yield to the gentleman from New York for a question.

Mr. MITCHELL of New York. I just wondered if the gentleman from New York recalls that I asked the question of Mr. McKenzie at one of our hearings if he had any objection or opposition to the inclusion of optometry and veterinary medicine in the bill, and he said, "None whatsoever," so DOD has taken this position on this measure.

Mr. STRATTON. The gentleman is absolutely right. Not only that, but, as the gentleman from California (Mr. LEGGETT) pointed out a moment ago, the Department of Defense sent us a communication on the 2d of April 1973 in which they asked for bonuses for all professions.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ASPIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The vote was taken by electronic device, and there were—yeas 288, nays 112, not voting 32, as follows:

[Roll No. 128]

YEAS—288

Abdnor	Clawson, Del	Fulton
Anderson, Calif.	Cleveland	Fuqua
	Cochran	Gaydos
Anderson, Ill.	Cohen	Gilman
Andrews, N.C.	Collier	Ginn
Andrews, N. Dak.	Collins, Ill.	Goldwater
	Collins, Tex.	Gonzalez
Annunzio	Conable	Goodling
Archer	Conte	Grasso
Arends	Corman	Green, Pa.
Armstrong	Crane	Grover
Ashley	Cronin	Gubser
Bafalis	Daniel, Dan	Gude
Baker	Daniel, Robert W., Jr.	Haley
Bauman		Hamilton
Beard	Daniels, Dominick V.	Hammer-schmidt
Bell		
Bennett	Davis, Ga.	Hanley
Biester	Davis, S.C.	Hanna
Boggs	Davis, Wis.	Hanrahan
Bowen	de la Garza	Hansen, Idaho
Brasco	Dent	Harsha
Bray	Derwinski	Hastings
Breaux	Devine	Hawkins
Breckinridge	Dickinson	Hays
Brinkley	Donohue	Hébert
Brooks	Downing	Henderson
Broomfield	Dulski	Hicks
Brown, Calif.	Eckhardt	Hillis
Brown, Mich.	Edwards, Ala.	Hinshaw
Brown, Ohio	Eilberg	Hogan
Broyhill, N.C.	Erlenborn	Holt
Broyhill, Va.	Esch	Horton
Buchanan	Eshleman	Hosmer
Burke, Mass.	Evins, Tenn.	Huber
Burleson, Tex.	Fascell	Hudnut
Burlison, Mo.	Findley	Hungate
Byron	Fish	Hunt
Carter	Fisher	Hutchinson
Casey, Tex.	Flood	Jarman
Cederberg	Flowers	Johnson, Calif.
Chamberlain	Flynt	Johnson, Pa.
Clancy	Forsythe	Jones, Ala.
Clark	Fountain	Jones, N.C.
Clausen, Don H.	Frelinghuysen	Jones, Okla.
	Frey	Jones, Tenn.

Kemp	O'Brien	Steelman
King	O'Hara	Steiger, Ariz.
Kluczynski	O'Neill	Steiger, Wis.
Kyros	Parris	Stratton
Lagomarsino	Passman	Stubblefield
Landgrebe	Patten	Stuckey
Landrum	Pepper	Sullivan
Latta	Perkins	Symington
Leggett	Pettis	Symms
Lent	Peyser	Talcott
Long, La.	Podell	Taylor, Mo.
Lott	Preyer	Taylor, N.C.
McClory	Price, Ill.	Teague
McCloskey	Price, Tex.	Thomson, Wis.
McCollister	Randall	Thornton
McCormack	Rarick	Towell, Nev.
McDade	Regula	Treen
McEwen	Rhodes	Udall
McFall	Rinaldo	Ullman
McSpadden	Roberts	Van Deerlin
Madden	Robinson, Va.	Vander Jagt
Madigan	Roe	Veysey
Mahon	Rogers	Vigorito
Mann	Roncalio, Wyo.	Waggonner
Maraziti	Roncallo, N.Y.	Walsh
Martin, Nebr.	Rooney, Pa.	Wampler
Martin, N.C.	Rose	Ware
Mathias, Calif.	Rosenthal	White
Mathis, Ga.	Rostenkowski	Whitehurst
Mayne	Roush	Whitten
Meeds	Rousselot	Widnall
Melcher	Roy	Wiggins
Metcalfe	Ruth	Wilson, Bob
Michel	Ryan	Wilson, Charles H., Calif.
Miller	Sandman	
Mills	Sarasin	
Minish	Satterfield	Winn
Mink	Scherle	Wolff
Minshall, Ohio	Schneebeli	Wright
Mitchell, N.Y.	Sebelius	Wyatt
Mizell	Shipley	Wydler
Mollohan	Shoup	Wylie
Montgomery	Shuster	Wyman
Moorhead, Calif.	Sikes	Yatron
	Sisk	Young, Alaska
Morgan	Skubitz	Young, Fla.
Moss	Slack	Young, Ill.
Murphy, Ill.	Smith, N.Y.	Young, S.C.
Murphy, N.Y.	Snyder	Young, Tex.
Murtha	Spence	Zablocki
Myers	Staggers	Zion
Natcher	Stanton, J. William	Zwach
Nelsen		
Nichols	Steed	

NAYS—112

Abzug	Foley	Nedzi
Adams	Ford	Nix
Addabbo	Fraser	Obey
Alexander	Froehlich	Owens
Ashbrook	Giaimo	Pike
Aspin	Gibbons	Pritchard
Badillo	Green, Oreg.	Quie
Barrett	Griffiths	Quillen
Bergland	Gross	Railsback
Biaggi	Gunter	Rangel
Bingham	Hansen, Wash.	Rees
Boland	Harrington	Reuss
Bolling	Hechler, W. Va.	Riegle
Brademas	Heinz	Robison, N.Y.
Brotzman	Helstoski	Rodino
Burgener	Holifield	Roybal
Burke, Calif.	Holtzman	St Germain
Burke, Fla.	Howard	Sarbanes
Burton	Johnson, Colo.	Schroeder
Carney, Ohio	Jordan	Seiberling
Chappell	Karth	Smith, Iowa
Chisholm	Kastenmeier	Stanton, James V.
Conyers	Ketchum	
Cotter	Koch	Stark
Coughlin	Lehman	Steele
Culver	Litton	Stokes
Danielson	Long, Md.	Studds
Delaney	Luken	Thompson, N.J.
Dellenback	McKay	Thone
Dellums	McKinney	Tiernan
Denholm	Mallary	Vander Veen
Dennis	Matsunaga	Vanik
Dingell	Mazzoli	Waldie
Drinan	Mezvinsky	Whalen
Duncan	Mitchell, Md.	Wilson, Charles, Tex.
du Pont	Moakley	
Edwards, Calif.	Moorhead, Pa.	Yates
Evans, Colo.	Mosher	Young, Ga.

NOT VOTING—32

Bevill	Clay	Gray
Blackburn	Conlan	Guyer
Blatnik	Diggs	Heckler, Mass.
Butler	Dorn	Ichord
Camp	Frenzel	Kazen
Carey, N.Y.	Gettys	Kuykendall
Lujan	Poage	Ruppe
Macdonald	Powell, Ohio	Shriver
Milford	Reid	Stephens
Patman	Rooney, N.Y.	Williams
Pickle	Runnels	

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Williams.
Mr. Bevill with Mr. Lujan.
Mr. Diggs with Mr. Blatnik.
Mr. Carey of New York with Mr. Ichord.
Mr. Stephens with Mr. Kuykendall.
Mr. Gettys with Mr. Ruppe.
Mr. Reid with Mr. Blackburn.
Mr. Kazen with Mr. Frenzel.
Mr. Clay with Mr. Gray.
Mr. Macdonald with Mr. Butler.
Mr. Pickle with Mr. Guyer.
Mr. Runnels with Mr. Camp.
Mr. Milford with Mr. Shriver.
Mr. Dorn with Mr. Conlan.
Mr. Patman with Mrs. Heckler of Massachusetts.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. STRATTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the Senate bill (S. 2770) to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services.

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

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the Senate bill S. 2770, with Mr. FLOWERS in the chair.

The Clerk read the title of the Senate bill.

By unanimous consent, the first reading of the Senate bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from New York (Mr. STRATTON) will be recognized for 30 minutes, and the gentleman from New Jersey (Mr. HUNT) will be recognized for 30 minutes.

The Chair recognizes the gentleman from New York, (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, I yield myself 7 minutes.

Mr. Chairman, on behalf of the Committee on Armed Services, I bring to the floor today S. 2770, which would authorize increased pay differentials for physicians, dentists, optometrists, and veterinarians.

Mr. Chairman, we are now in the process, as everybody is aware, of attempting to make the Volunteer Armed Forces work. We have found that the two categories which represent the most difficult personnel problems of the uniformed services in the voluntary environment are enlisted men in certain skilled categories and health professionals. Two weeks ago this House passed a bill to deal with the first problem, a bill to increase the enlistment bonus and reenlistment bonus for enlisted personnel in the armed services.

Today we bring to the Members the second phase of this legislative drive, a bill to meet the second problem, a bill which provides additional pay incentives in order to attract and retain a sufficient number of physicians and other health professionals.

For some years now, Mr. Chairman, we have paid, in addition to special monthly pay, a differential called continuation pay to physicians and dentists. This continuation pay has run as high as $8,700. So even when the draft was in effect, we had to pay this additional money to retain physicians.

It, therefore, should come as no surprise that with the elimination of the persuasion that the draft provided, we have to pay substantially higher bonuses in order to retain a sufficient number of doctors in our Armed Forces and in order to attract them into the Armed Forces.

Now, because this bill allows a maximum of $15,000 a year bonus and because four health professional categories are included in the bill rather than physicians alone, there has been, as we have heard during the presentation on the rule, considerable confusion, and many Members are asking: Why do we have to pay such bonuses to optometrists, to veterinarians, and to dentists?

Well, we should understand clearly that it is not necessary under this bill to pay anybody a bonus at all. This is permissive legislation. It is permissive, and it is only to be paid in cases where it is certified that there is a serious shortage.

Second, the $15,000 is not the floor but, rather, it is the maximum. There is no minimum figure.

It is not contemplated, for example, that any bonus will be paid at this time to dentists, optometrists, or veterinarians. This is a standby legislation and it will be available if it is passed today, so that it can be used when and if the shortages develop. It is the same kind of standby legislation that we passed a couple of years ago. The bonus authority for those professionals would be used only begining next year if the expected shortage develops, and in any case it is not contemplated that the maximum figure of $15,000 is going to be paid to dentists, optometrists, and veterinarians. When it is required, they will be paid a proportionate amount sufficient to increase retention in their specialty to the desired level. That proportionate amount would vary to some exent depending on what they can expect to get on the outside.

For example, it is estimated eventually that dentists will be paid bonuses of approximately one-half of those paid to physicians and that optometrists and veterinarians would be paid bonuses in the $3,000 to $5,000 range.

So let us not be confused. This bill is one that is easy to demagog against. You can say why should we pay $15,000 to a veterinarian? The point is we are not going to pay $15,000. We are going to pay only what is necessary to get enough veterinarians in the armed services to insure

the quality of the meat and the food that our servicemen are eating.

These are not firm estimates that I have given, of course, because no bonus is required at this specific time. The exact figure will depend on what the exact circumstances are at the given time.

Mr. Chairman, questions have been raised, also because it is alleged that the committee did not have exensive testimony with regard to the dentists, optometrists, and veterinarians and because of the fact that the Defense Department indicated they need only the bonus authority now for physicians.

A case could be made, I suppose, for limiting this bill to physicians right now. That is what the subcommittee considered and that is what the subcommittee, in fact, reported and it is what the other body did as well. However, the full committee in considering this matter determined by a wide margin that these other medical specialties ought also be included in the bill on a permissive basis, and that action, as I said earlier, was consistent with the past committee and House action with regard to these specialties.

Mr. LEGGETT. Will the gentleman yield to me at that point?

Mr. STRATTON. I yield to the gentleman.

Mr. LEGGETT. Is it not a fact that the Department of Defense sent our committee a letter under date of April 2 of last year at the time when we were considering holding hearings on the general legislation? Is it not a fact that they said in one paragraph in the letter that historically the most difficult officer group to retain in active duty beyond the first tour is that of the health care professions? A major cause of this difficulty is the disparity between the income of these professions in a military status and their civilian counterparts. As the 1971 quadrennial review indicated, this gap is significant and is likely to continue in the future. They referred there, of course, to all of the classes that the gentleman just mentioned.

Mr. STRATTON. The gentleman from California is absolutely correct. That is the position that the Department of Defense took 2 years ago, and it is the position they took a year ago when they asked us to reenact the special pay legislation which had originally been enacted by the subcommittee under the direction of the gentleman from Texas (Mr. FISHER).

I may also say, since the gentleman from California has brought that point up, the letter read on this floor a moment ago by the gentleman from New York (Mr. PEYSER) that indicated that the Department of Defense was opposed to our bill actually does not say that.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STRATTON. Mr. Chairman, I yield myself 7 additional minutes.

Here is what Mr. Cowan's letter actually says:

> There is no need at this time for special pay legislation covering any of the other health professions . . . the most immediate and critical problem in the health professions area involves Medical Corps officers.

Well, we do not dispute that. We do not dispute that the Medical Corps has the most urgent priority. That is what the committee has been saying all along. But we think we know something of the problems that occur with legislative scheduling, and is it not better to have the medicine in the medicine closet before you get the temperature and before you get the sore throat, rather than having to rush out to the drugstore when the illness hits, and perhaps find the drugstore closed?

In the 92d Congress, Mr. Chairman, as I have stated, the House passed H.R. 16924, which would have provided bonuses of up to $12,000 a year for physicians, dentists, veterinarians, and optometrists. This was done on the basis of a projected shortage that the Defense Department told us 2 years ago was going to develop when the draft came to an end. Now we have had the draft come to an end, and nothing has happened certainly in the meantime to make the projections any more encouraging. In fact, comparative earnings available in civilian life have been increasing and, therefore, including these professionals in the present bill, is certainly consistent with the action the House took in the 92d Congress, recognizing that the Defense Department recommended a year ago a bill to revise the special pay structure for members of the uniformed services, and that is the document the gentleman from California (Mr. LEGGETT) was referring to a moment or so ago, and that letter requested the reenactment of a portion of the provisions in the bill passed in the 92d Congress.

At the time that our hearings were held the Defense Department indicated it still supported the Special Pay Act, and was prepared to testify in favor of it whenever we took it up as separate legislation. So any statement by Defense Department officials to the letter that was sent to the Senate is really not to the contrary, and would in any event be inconsistent with the position of the Department that they took up to and including the time of the committee hearings.

For those Members who may be interested in the Defense Department position, it is contained on page 144 of the hearings where Mr. McKenzie indicated that the shortage with respect to dentists is not serious this year, but it becomes more serious next year, and increasingly serious the third year. There is no question but that we will have a procurement and retention problem in the Dental Corps.

For instance, if your son is in the Navy and he gets a toothache, would you not like to have the dentists available when the need for treatment of that toothache occurs, rather than having the House delay action on an emergency bill while he is still suffering from that toothache?

The four professions in this bill, Mr. Chairman, have been historically shortage areas. There has been some sneering because we put in optometrists and veterinarians. These are the health professions who were called by Selective Service when the draft was operating. These are also the four professions that have received special pay in the past. The Department of Defense projected that there will be a shortage ranging from 10 to 20 percent in these specialities over the next 4 years.

Mr. Chairman, the committee has made some changes in the bill, and I will try quickly to run through them.

First of all, the Senate bill provided a maximum bonus of $10,000 a year, and we have provided $15,000 a year, and the Defense Department supports that. We know this, that the critical period when a young man or young woman decides to get out of the armed services and go into private practice is at about the ranks of lieutenant commander and major. They are then getting under $20,000, and they know that they can earn $40,000 or more on the outside. Who can expect somebody to stay in the service if there is that much of an opportunity for gain on the outside? Because of that we recommend that we give these people the extra $15,000 to bring their salaries up to $35,000, and then perhaps they will stay in the service and provide some experience in the Medical Corps in the armed services.

When we put in the bonus incentive we eliminated the continuation pay, so actually the extra cost is less than the $15,000 indicates.

The Senate limited bonuses to officers in the grade of O–5, which are lieutenant colonels or commanders. Our committee extended the bonus to grade O–6, colonels or Navy captains because the Surgeons General of the three services testified that these colonels, and captains in the Navy, are extremely necessary——

The CHAIRMAN. The time of the gentleman has again expired.

Mr. STRATTON. Mr. Chairman, I yield myself 2 additional minutes.

In an effort to try to retain people in the armed services, we recently created a Medical University of the Armed Forces, the inspiration of the distinguished chairman of our committee, the gentleman from Louisiana (Mr. HÉBERT), and that is going to be built here in this city out at Bethesda. But if we are going to have a medical college of the armed services which will bring career medical personnel into the services, we need to give them the best kind of training, and these senior officers are the ones who can do that training best.

Flag and general officers will get no bonus, but would continue under the present continuation pay system. The Department of Defense had indicated that it intended to use the bonus authority only to prevent pay inversions. This can be done with continuation pay.

The Senate bill also was limited just to the Armed Forces. We have included doctors of the Public Health Service—and, incidentally, that means that we include doctors for the Indian Health Service.

As the Members know, the bill was ex-

tended to include dentists, veterinarians, and optometrists. Finally, the bill does exclude from getting this bonus those who are serving an initial, active duty obligation and who are undergoing either intern or residency training.

The committee bill would be effective on the 1st of April and result in an additional cost of $59 million in the current fiscal year and $106 million in fiscal year 1975, and the cost is projected at about that level through fiscal year 1978. Of this $106 million—incidentally, we hear talk about all of these "Christmas tree" add-ons—$75 million is for the physicians, $26 million is for the dentists, and we come down to only $3 million for veterinarians and $2 million for optometrists.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STRATTON. Mr. Chairman, I yield myself 2 additional minutes.

Let me just say that I hope that this bill will be speedily enacted because it is urgently needed. This summer some 3,500 of the doctors who are still in the service under the draft will be released. We desperately need this legislation so that we can continue to provide adequate medical service for our young men and women in the armed services.

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

Mr. STRATTON. I yield to the distinguished gentleman from Texas.

Mr. FISHER. I thank the gentleman for yielding.

The gentleman referred to comparable legislation which was approved by this House in the 92d Congress. It will be recalled that at that time we were warned by the Surgeons General of the pending shortage because of the expiration of the draft. We know today that their projections were very accurate and that there is a developing shortage. It is becoming more realistic today, of course, as time has gone along. I am sure the gentleman who has presented this case so well recognizes that we are up to the point now where there is no more time for delay, but immediate action is imperative.

Mr. STRATTON. The gentleman from Texas is absolutely correct. What we are trying to prove here today, I might say to the gentleman, is simply to reenact the legislation which he so ably got out of this House 2 years ago and without any of the problems that we seem to have attached to this bill. In fact, if it had not been for the other body, we would have that legislation on the books today.

Mr. HUNT. Mr. Chairman, I yield 7 minutes to the gentleman from New York (Mr. MITCHELL).

Mr. MITCHELL of New York. Mr. Chairman, it was suggested during the debate on the rule that there was insufficient opportunity to study this issue because of the lack of hearings. I heartily disagree with that position. I should like to state that the issue of incentive pay for physicians, optometrists, and veterinarians has been discussed and debated by both Houses of Congress for years. Because these professions have been subjected to the so-called doctors' draft and have been drafted as health professions, Congress has singled them out among all the other health professions for incentive pay.

And as early as June 1973 the House Armed Services Committee considered extended special pay provisions for the four professions until June of 1975. Moreover legislation dealing with incentive or bonus pay was proposed by DOD in 1972 and passed by this House, as has been alluded to before. Last year's bill was H.R. 16924. This legislation would have authorized the DOD to pay bonuses to officers in any of the health professions which were experiencing severe retention problems. It was not acted upon by the Senate, as has been stated, so DOD resubmitted its proposed legislation in 1973 with very similar provisions. When no action was taken on this proposal by the other body, DOD submitted a new bill limiting special pay and bonuses for reenlistments to physicians only. This was passed and sent from the Senate as S. 2770.

I would like to state that there has been a great deal of discussion. The issue has been discussed and debated ad nauseam by past Congresses and information on the manpower problems in these professions has been available since that time. The facts warrant the inclusion of dentists and optometrists and veterinarians within S. 2770. Each group faces long education and manpower shortages in the services and they have suffered low retention rates and lack of continuity in all the medical professions. They live with the full knowledge that a much more lucrative pay scale awaits them in private practice.

According to DOD, the projected shortage of military dentists and optometrists by 1978 will be 18 percent; of veterinarians, 20 percent. According to my calculations the general retention rate for dentists, optometrists, and veterinarians throughout all the branches average roughly 15 percent. About 85 percent of them do not return once their obligated service is completed. It is important to realize that this 15-percent retention rate means that out of 100 incoming health professionals, the military keeps only 15 after 2 years. This I state is a pretty sorry record.

These retention problems relate primarily to the fact that civilian health practitioners far outdistance their military counterparts in income. I have the DOD figures, and according to them after 3 years a civilian optometrist earns $25,000 on the average; a dentist, $32,000; a veterinarian, $22,000. After 12 years a civilian optometrist earns $42,000; a dentist, $38,000; a veterinarian, $31,000. Present pay scales for military dentists, optometrists, and veterinarians are light years away from these civilian averages.

We must make some attempt, given the Voluntary Army concept, to narrow this gap. We get what we pay for. If the gap between the civilian and military pay scales continues to widen we will be short-changing the members of our armed services and their families in health care services. These factors—the shortages, retention rates, and pay disparities—have been addressed in the past by Congress. One partial solution was the military health scholarship program, which subsidizes a student's professional education on a yearly basis in return for 1 obligated year of service in the military for each year of education provided.

Yet this scholarship program, which is costly, does not prevent the health professional from leaving the services once he has fulfilled his obligation. It is incentive for entering the military, but not for remaining within the military. On the other hand S. 2770 attacks the problem of retention.

For example 123 optometry students are enrolled under the military scholarship program. They incur 1 year of obligated service for each year of subsidization. The costs are considerable. A military scholarship student would have his tuition, instruments, books, and fees paid directly by DOD, besides receiving $400 per month for 9 months and approximately $600 per month for 3 months of active duty. At one of the schools of optometry the breakdown is as follows: tuition, $5,200; instruments, $500; books, $300; fees, $150; which is approximately $6,150 plus income of $5,400, for a total of $11,150. That is just one of the colleges, and this is probably on the high side. But the total cost to subsidize this young man's education is $11,150 each year.

The total cost for all 423 students would be more than $1 million. This is a sizable investment and we will lose most all of them once their obligated service is completed, unless we do something about it. We should protect this investment. We do not. S. 2770 will. Let us not forget that S. 2770's provision for bonus reenlistments up to $15,000 is only discretionary—only discretionary.

The Secretary of Defense will not spend any amount of money that is not needed. From my investigation, and I have talked with several military professionals in these three health care fields, I doubt that the Secretary would need to spend much, if any, of the $15,000 to retain these people after the 2 years of obligated service is completed. If we merely pass S. 2770 and provide for the additional $350 a month after 2 years at $100 a month, it will solve most of our retention problem.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HUNT. Mr. Chairman, I yield the gentleman from New York 1 additional minute.

Mr. MITCHELL of New York. Mr. Chairman, I would like in conclusion to say briefly that S. 2770 makes very sound fiscal sense. The basic problem, the retention rate of doctor participants in the subsidized programs averages less than 15 percent and is as low as 1 percent.

The major reason for the retention problem is that the service professional

earns far less than the income of his civilian counterpart in civilian life.

A vast majority of these doctors could be retained by increasing the $100 monthly incentive pay to $350 after 2 years of service.

Since it costs approximately $10,000 to subsidize each year of obligated service, we would be saving $7,000 per military professional for each one we are able to retain.

I think we have to get away from this revolving door policy of losing most of our doctors after a very brief obligated service is completed by passing S. 2770. I strongly urge its favorable consideration.

Mr. STRATTON. Mr. Chairman, I yield 3 minutes to the distinguished chairman of the committee, the gentleman from Louisiana (Mr. HÉBERT).

Mr. HÉBERT. Mr. Chairman, I merely rise to reexpress what I said briefly under the rule. We now have the opportunity to vote up or down on these changes that have been made to the bill. As far as I am personally concerned, I will support my committee, as I always have done. The committee comes to the House with the support of the House Committee on Armed Services by a good vote, five to one. This is the opportunity to offer any amendment Members desire, to strike from the bill anything they care to strike or to add to the bill anything they care to add. I shall accept that as the will of the House. That was the one thing I was fighting for, against the efforts of the gentleman from Wisconsin to prevent the vote of the House.

I want to say in one very emphatic manner that what we do today is not mandatory or compulsory. This bonus in this legislation is permissive. Not one dollar has to be spent by the military for a bonus for any of these professions. The military in its own judgment can expend the funds.

May I pause to pay particular tribute to the subcommittee that considered this so long, particularly the gentleman from New York (Mr. STRATTON) and the gentleman from New Jersey (Mr. HUNT) and the other members of the subcommittee and Mr. FORD, the counsel. They have done an outstanding job. They have received a vote of confidence of the House Committee on Armed Services. I am sure they will appreciate the support of the Members who I hope will display the same ardor and enthusiasm that I intend to give to it.

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

Mr. HUNT. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Chairman, I am deeply grateful to the distinguished gentleman from New Jersey for yielding to me this time.

Mr. Chairman, I voted for the rule. I concur with the distinguished chairman of the Armed Services Committee in that I think this is a matter that deserves the attention of the House. It is something with which this House ought to act in the very near future. The decision ought to be made on the substance, the question as to whether or not the Committee on Armed Services was correct in the decision to add to the Senate bill, or whether or not there are in fact some medical professionals who were left out of the bill as reported by the Committee on Armed Services.

I, for one, intend to vote for an amendment, if it is offered, to strike from the bill those portions other than medical doctors that were added by the Armed Services Committee. I do believe that this subject is one that could be more carefully considered by the Armed Services Committee and by the House at some future time.

If that fails, however, Mr. Chairman, then I have an amendment pending at the desk which I intend to offer, which would add to the medical professionals that would be eligible for this bonus. That is, podiatrists and Ph. D. psychologists. I have noted with great interest the approach that has been taken by the Armed Services Committee in pointing to the action taken in the 92d Congress when this House passed H.R. 16924. I was one of those who very strongly supported the passage of the bill. I thought it was necessary, and I was disappointed that the other body did not take action.

However, the Members will note if they look at the debate on that bill and the committee report, among those listed by the Department of Defense in the critical categories for bonuses were in fact doctors of medicine, dentists, podiatrists, optometrists, veterinarians, and psychology Ph. D.'s. Thus, I am somewhat uncertain as to the reason why the Armed Services Committee decided to add optometry and veterinary medicine and did not decide to add podiatry and psychology.

I think the logic that was present in the 92d Congress, in the bill that was passed, is every bit as present in this bill. Thus, the deficiency in the bill, if we do not strike out those that were added by the Armed Services Committee, is that it did not include those critically needed professions for which there is a case; and those two professions include podiatry and pyschology Ph. D.'s.

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

Mr. STEIGER of Wisconsin. Mr. Chairman, I yield to the gentleman from California.

Mr. LEGGETT. Mr. Chairman, I wish to commend the gentleman for his position, where he indicates that he wants to add on podiatrists and medical psychologists. I think his prior position is not consistent with his vote 2 years ago.

We considered adding on these two additional professions, but we thought that we could do that by proper amendment on the floor. What we wanted to do was show that this matter had been considered by this House as a body, some of the health professions of 2 years ago. We consistently tried not to fractionalize the health professions.

Doctors, of course, are the most important. There should be some 13,000 or 14,000 at least, but there are not. Then, dentists are next most important in volume of numbers. We do have less than a thousand optometrists; we have three or four hundred veterinarians, and of course veterinarians, as the gentleman knows, do not necessarily treat dogs and cats but are the food nutrition experts in most of our hospitals and in other areas of food and feeding in military service.

Of course, podiatry is important because we still have an infantry that depends on its feet, and we need foot specialists to make that infantry work. So, this is a matter that has been thoroughly studied. The doctors will cost $75 million on an annual basis beginning next year. The dentists will cost about $25 million, and all of the other professions, including the podiatrists and clinical psychologists—if the gentleman's amendment carries—all others combined will be about $6 million, or about 6 percent of this bill. The gentleman is adding, by the amendment he intends to offer, about 1 percent to the total cost of the bill.

Certainly, I think it is warranted, and I commend the gentleman for bringing up that point.

Mr. STEIGER of Wisconsin. Mr. Chairman, I thank the gentleman for that statement and for his contribution.

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

Mr. STEIGER of Wisconsin. Mr. Chairman, I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I just want to comment on the gentleman's amendment in this respect: In the 1972 legislation, as the gentleman, I think is aware, we did not spell out any particular health professions.

We simply said, "the health professions." So that technically the gentleman is correct. Under that legislation, conceivably a bonus could be paid to podiatrists or to clinical psychologists.

Mr. STEIGER of Wisconsin. Mr. Chairman, let me just comment on that point.

I concur fully that it did not spell out, in the way this bill does in specifics, the health professions. However, the committee report that accompanied that bill, and with the understanding that the Committee on Armed Services had with the Department of Defense in terms of what was listed in the critical category, listed medical doctors, dentists, podiatrists, optometrists, doctors of veterinary medicine and clinical psychologists.

Mr. STRATTON. Yes. Mr. Chairman, the legislation dealt with projected shortages. So it turns out that we have no shortage whatsoever, in podiatrists, and none is projected through this year, or until 1978. The projected shortage for psychologists is only 3 percent, as projected through fiscal year 1977.

Mr. STEIGER of Wisconsin. Mr. Chairman, I recognize the point the gentleman is making.

To answer the argument concerning shortages, I will only say to the gentleman respectfully that there is a far greater argument which is equity. If we do it for these, then, by golly, it seems to me the only reasonable, fair, and equitable position would be to take in all in the health care field, rather than to deal with only some of the critical categories. In addition, this authority is permissible and if there is no shortage then no bonus needs to be paid.

If we look, for example, at the projected earnings capability of a podiatrist in the civilian economy versus the military, we find that they get in their first 3 years of service something like $13,588 with housing and other benefits, as contrasted with an income of $21,550 in the civilian economy.

So I would say to the gentleman from New York, that I think there is every reason to modify the bill if the amendment to strike does not succeed. It does, as the gentleman from California has pointed out, provide about $1 million in additional costs when we include clinical psychologists and podiatrists. It does take care of what I consider to be reasonably needed services for military men and for women in the military on a permissible basis.

We now have 41 podiatrists in the Army, 13 in the Navy, 10 in the Air Force, and we have 50 new commissioned podiatrist billets in the Armed Services. There are 235 clinical psychologists in the military at the present time.

Mr. Chairman, I urge support for my amendment.

Mr. STRATTON. Mr. Chairman, I yield 3 minutes to the gentleman from Alabama (Mr. NICHOLS).

Mr. NICHOLS. Mr. Chairman, I thank the distinguished chairman of the subcommittee for yielding time to me.

Mr. Chairman, since veterinarians were included by the full committee in the markup session of S. 2770, I would like to very briefly comment on the present strength of veterinarians in all branches of the military service and anticipated shortfalls which are predicted by the Department of Defense in the immediate years ahead.

But first let me remind this body that doctors of veterinary medicine, like medical doctors and like dentists must also undergo a rather lengthy period of schooling before they are licensed to practice veterinary medicine. The average veterinarian graduating today spends almost 8 years in college. This is equal to dental education requirements and approaches that of medical doctors.

It is a demanding profession and requires extensive background in chemistry, anatomy, pathology, bacteriology, psychology, and surgery. I should add that there are only 19 schools of veterinary medicine throughout the country, and consequently students who aspire to become doctors of veterinary medicine are selected under a quota system from their respective States, and like dentists and medical doctors, only the very highest qualified students are accepted into our accredited veterinary schools.

Their duties in the military service are varied and quite extensive. They are charged with the responsibility of food service; sanitary conditions of each and every military installation throughout the country; they do considerable medical research toward preventing the spread of disease in both humans and animals; and of course to these duties they care for both large and small animals on post.

Like medical doctors there is an overall scarcity of doctors of veterinary medicine in America, and the average veterinarian is doing quite well in his civilian practice. Last year's average income of America's veterinarians, 6 years out of college, was $30,000, and so Mr. Chairman, veterinarians can and do earn a substantial income in civilian practice, and unless there are professional incentives provided they are simply not going to be attracted to the military, and hence I believe that there ought to be some incentives provided for doctors of veterinary medicine.

Now, as to the anticipated shortfalls, I am advised by the Department of Defense that they are presently authorized as of June 30 this year 855 veterinary officers and that we actually have on board in all branches of the military 806 veterinarians, a shortfall of some 6 percent. I am further advised that out of an anticipated need of 800 veterinarians for 1975 through 1978, that we may anticipate actual veterinarians in uniform to approach 750 during 1975, reducing to 720 in fiscal 1976, and further reducing down to a low of 620 by 1978. This low figure would, of course, represent a shortage in excess of 20 percent of the needed veterinary officers.

Unless incentives such as are contained in this bill are available to attract and retain veterinary officers in the uniformed services we are simply going to come up short in this important field and for this reason I strongly support and urge the support of my colleagues of Senate Bill 2770.

Mr. STRATTON. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Florida (Mr. BENNETT) who is the original author of this special pay legislation.

Mr. BENNETT. Mr. Chairman, I strongly support this legislation.

In response to remarks made earlier as to why we do not include other people because it would be only fair and equitable to do so, let me say that the criterion here is to try to approach problems where we have a shortage of particular types of educated people who can get a lot more money on the outside and who we hope will be attracted by this legislation to stay in the service.

We would not be justified in using a different criterion. If we did, we would have to consider historians, artists, lawyers, and a host of other people who have advanced degrees, in many cases at least as advanced as a physician, and we would have to pay them on that basis whether in short supply in the services or not.

On the contrary, this is a bill which is designed to try to bring into the services the needed professional aid required and to do equity among those brought in by paying them an equitable sum of money. If we start equating only the educational aspects of people outside and paying them on that basis, we would not be doing what the main thrust of this bill is designed to do, that is to attract professional people who are needed and in short supply in the services.

Mr. Chairman, I believe this is a workable and sound bill that can go to the Senate and be enacted into law, and I hope we will do just that.

I do not think I am being melodramatic to say that our military health system dramatically needs legislative input to meet an emergency in fact.

Soon, very soon, we are not going to have enough physicians to conduct this health system unless we enact this legislation. This House passed a bill similar to what we have before us in the second session of the 92d Congress—only to see it not be acted on in the Senate. As a result of this inaction, the Defense Department now has requested expeditious relief from the Congress. The Senate has acted and now it is up to us.

In 1972, when this legislation was originally considered, it was apparent a severe shortage of military physicians would occur as the fruits of the Berry Plan, or doctor's draft, dried up. That situation has now arrived. In a total existent force of approximately 11,500 physicians, this summer will see the departure of 3,500 physicians, with an equal number scheduled to depart during the summer of 1975. If you subtract these 7,000 from the present total, even with certain accessions, the number left is alarmingly insufficient. And if it is alarming to you and me, you can imagine how infinitely more alarming it is to our military men and their families who depend on these physicians for necessary medical care.

The Senate bill set the maximum amount of this permissive bonus authority at $10,000. The Department of Defense has requested authority to go up to $15,000 where necessary. The $15,000 figure is appropriate. The $15,000 reported by our committee is not based on guesswork, rather our hearings indicated that when asked in a survey as to the effect of different amounts of bonus money on their decision to extend their military duty, a significant number of these physicians reacted favorably to this amount and not so to lesser amounts.

A $15,000 bonus is a lot of money, but it still does not place these physicians in complete parity with their civilian counterparts and intentionally so. While we do not expect to match the salary structure for civilian physicians, we must at least be in the same ball park in order to allow the military health system to remain viable.

If we do not act now, we will certainly be faced with a future situation that may not be resolvable in any manner. For the health of the military health system, I urge support of this legislation.

Mr. STRATTON. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. BRINKLEY).

Mr. BRINKLEY. Mr. Chairman, I rise in support of this legislation.

There is a case to be made and there is much to be said for paying a man or a woman exactly what he or she is worth, taking into account his or her ability and training. To pay less than that is robbing him of something to which he is entitled. An abundant supply of personnel does not detract one iota from that principle, and I do not believe that the American people or the American taxpayer would want to take advantage of anyone by paying less than what he or she is worth.

In the past years in my service in Congress I think I have been very close to the medical profession and I think I know something about them, their training and the skills required of them. I certainly want them to have a full seat at the table and to be a meaningful and continuing part of the military services.

This pay incentive bill is also an investment in the future of our military services and will attract the best in the professions and it will retain them without retraining costs.

I think we need to attract professionals to the armed services, especially among the medical professions, the clinical psychologists, the veterinarians, podiatrists, dentists, optometrists, all of them.

Much has been said about an all-volunteer army and the fact that we might have difficulty in achieving it. Now I think the two most important ingredients toward the success of an all-volunteer army are, first, good housing, and that means providing enlisted men with good barracks, for those who are single, and good family housing for the married men and women; and then I think the second most important thing is to provide good health services. And that goes to the quality of the physicians available. I think we want to be very adequate with them so as to attract able and dedicated personnel in the first place, and so as to retain them in the second place.

This goes to eye care, it goes to teeth care, and right on down the line. What is there more precious than good vision?

So, Mr. Chairman, I rise in wholehearted support of this legislation. I do not believe we should ever be pennywise and pound foolish. I think we need generosity when it comes to dealing with people, and attracting the top talent should be the order of the day. I think the military service is that important. I think the men and women who serve our country deserve the best—and the "best" themselves deserve fair, competitive remuneration.

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

Mr. Chairman, because statements have been made about the lack of testimony on certain specialties in the bill and because amendments will be offered to delete some health professions from the bill, a few remarks about the committee procedure on the bill appear in order.

The Department of Defense stated an urgent requirement for the authority in the bill for dealing with the retention of physicians. Because of the desire for prompt action and the pressure of other work, the subcommittee which considered the bill limited itself to departmental witnesses. The subcommittee indicated it will take up special pay for other health professionals later in the session.

The Department of Defense indicated that it continued to support a general special-pay bill it has proposed earlier in the Congress which dealt with the other health professionals, but also said it did not object to the inclusion of these other principal health professions as long as it did not delay the bill.

Our committee and the House approved legislation in the 92d Congress which would extend bonus authority to these other health professionals. Defense Department statistics indicate that shortages of varying amounts will begin to appear in the professions of dentistry, veterinary medicine and optometry next year. Therefore, the full committee, in its consideration of S. 2770, elected to include dentists, veterinarians, and optometrists at this time so that the Department of Defense would not have to seek additional authority later in the year. Since the Stratton subcommittee had indicated its intention to take up these specialties in a few months in the special pay act, it seemed reasonable to include them in the bill now.

The vote in the committee to include optometrists and dentists was 21 to 12. It came after almost 2 hours of discussion. The vote was on an amendment to an amendment to include dentists.

The original amendment—to include dentists—as amended—to include optometrists and veterinarians—was then approved 32 to 6.

The committee acted in a free and open meeting, consistent with the rules of the House. It is now up to the House to act. I hope the House will support the bill.

Mr. Chairman, much has been said about S. 2770 today, and as to why we need it, and why we should or should not have it, so I would just like to take this time to bring to the attention of the Members the real reasons why we need it. I wish that everybody in this House could visit the Naval Training Station at Orlando, Fla., and see the special medical attention and examination that is given to our incoming naval recruits, and that they could also visit the great dental section that is located down there, and so that they could see the fine work that they do on the teeth of the young men and women coming in there—and I am sure the Members now know that the Orlando Training Base is coeducational.

Also I wish that the Members could be there to see the work that optometrists do in finding the young men and women who have gone into service who have deficient eyesight, and most of them never knew this until they came there. If the Members could be there to see these things, then I am sure that they would know the reason why we seek to pass S. 2770 today.

Mr. Chairman, I believe that the chairman of the full Committee on Armed Services, the gentleman from Louisiana (Mr. HÉBERT) for whom I have the greatest respect, has put this bill into proper perspective when he said earlier that either you want a bill or you do not want a bill, and that is where we stand today.

I think that much credit should go to the distinguished gentleman from New York, our colleague, Mr. STRATTON, for the work that the gentleman has put in on this bill, and for the very succinct arguments the gentleman put up today, and for the clarifying statements the gentleman made on this bill I think should leave no doubt in anyone's mind as to what they should do.

I think, too, that perhaps the Members should know about another area on the eastern seaboard where we have a very concrete example on why this bill should be passed. There we have Fort Dix, N.J., with a large army hospital. That army hospital treats many of the outpatients in that area, many of the men and women who are veterans go there for treatment. We have living in that general area around roughly 60,000 retired service people. I get mail from women whose husbands have been in the service, and who have given birth to their children at that hospital when their husbands were in service, asking me to see if I can get them back into the hospital again for the birth of another child because their husbands are now no longer in the service, and, of course, as the Members know, that is not permissible.

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

Mr. HUNT. I am happy to yield to the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. Mr. Chairman, I appreciate the gentleman yielding to me on that point, because I think that most of us have all had that same experience. We have all got military installations and hospitals in our districts, and we are all plagued with mail from retired veterans and their dependents because they cannot be served on those bases. The Committee on Appropriations has made the point that the Champus type program of treating these people on the outside has cost the country in excess of half a billion dollars, and they have said, "Let us use the military hospitals." But how can we use the military hospitals, I would ask the gentleman, unless we can get the proper professionals to put inside?

Mr. HUNT. That is exactly why we need this bill today. I thank my colleague from California for his contribution.

Let me come down a little bit further. Let me explain to the Members why we need this. Many of us who are on the Committee on Armed Services have likewise served our time in the services, not as a penal institution but as a duty to our country. I can recall my time in a

combat area when I was hit, and my regimental surgeon who came to treat the gunshot wounds appeared to be a bit naive. I asked him what he was in private life. He said he was a gynecologist and obstetrician. That was before we had the co-educational processes in the armed services or women's lib. I want to tell in all sincerity all of the gals who are in this great body that they had better support this bill, because we are coming more and more to the fact that we need obstetricians and gynecologists in the armed services. We did not need them back in the days when I was in service, because we were treated for gunshot wounds. I do not think the classification can be otherwise extended except by a wide range of imagination, but we do need these people. We need this bill primarily because it is going to be a stopgap measure between now and 1978.

This is not a bill that says, "Now we shall pay this money." This is a bill that is permissive, and it says, "If the money is needed, if the incentive is needed, then the Department of Defense has the leeway to extend to them the added emoluments of money insofar as the bonus is concerned" but until that time comes, we must be ready to do exactly what we have promised the men in service that we would do, that is, to take care of them physically, to take care of their dental work, to make sure they can see, and all of the other related health requirements that go with it. This is what we are supposed to do, and this is what this bill will do. It will guarantee that between now and 1978 when the armed services graduates from the medical schools will come onstream, hopefully we will have a new crop of professionals and have this money that we can use in case we need it.

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

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

Mr. CHAPPELL. I thank the gentleman for yielding.

Did the Department of Defense request the bill in this form, or was it limited to the physicians and the dentists?

Mr. LEGGETT. Mr. Chairman, would the gentleman yield so I may assist in an answer?

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

Mr. LEGGETT. The Department of Defense under date of April 2, 1973, asked for legislation for bonuses for all of the health professions up to $15,000, and this bill gives bonuses for most professions up to $15,000. They asked for special pay legislation which we enacted partially last year, and they did not ask for the special pay in precisely the form of this bill, but, as I understand the objections to this legislation, it is not necessarily to give special pay, but the special bonus provisions.

The Department of Defense is on record requesting that assistance.

Mr. CHAPPELL. Will the gentleman further yield?

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

Mr. CHAPPELL. I thank the gentleman for yielding.

I understand what the gentleman is saying is that insofar as special pay, this bill was not requested, but as to the classification that the medical people requested, their request was limited to physicians; was it not?

Mr. LEGGETT. The request for bonuses at this time was limited to physicians, mainly to drag it out of the Senate and to get our bill that we had passed 2 years ago rejuvenated.

Mr. HUNT. Let me answer the gentleman further on that. The bill, for the edification of my colleague, the gentleman from Florida, came up in 1972 and encompassed at that time all of the medical services, all of the professional services, so that at that time it included in the bill, as the gentleman recalls—I am sure he supported it with us—all of the categories that we have encompassed in this bill today.

So what we have today is essentially about the same bill that we had then, except that we had spelled out in category those portions of the professions which are allied together in the health services. It is the same thing; it simply is spelled out in category.

Mr. CHAPPELL. Will the gentleman yield further?

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

Mr. CHAPPELL. What was the recommendation of the subcommittee to the full committee on this bill?

Mr. HUNT. On the recommendation of the subcommittee, the subcommittee voted it out and the full committee voted it out by an overwhelming majority in the full committee.

Mr. CHAPPELL. I understand that but did the subcommittee recommend these other provisions?

Mr. HUNT. No, it did not.

Mr. CHAPPELL. It added on these other provisions in the bill?

Mr. HUNT. No, it did not. As I recall, it was the physicians.

Mr. STRATTON. Mr. Chairman, if the gentleman will yield I will respond.

Mr. HUNT. I will yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, the subcommittee limited the bill exclusively to physicians. We had a 3-to-2 vote in the subcommittee and it was the full committee that added dentists, optometrists, and veterinarians, I will say to the gentleman from Florida.

Mr. CHAPPELL. I thank the gentleman.

Mr. STRATTON. Mr. Chairman, if the gentleman will yield further, I think the point the gentleman from California (Mr. LEGGETT) is making is correct. The DOD wanted this legislation on a standby basis for all health professions in 1972. They came back in 1973 and said that since we had not enacted that special pay bill, they still wanted it and they wanted bonuses up to $15,000 for all these professionals.

Finally in 1974, or at the end of 1973, as the situation became more urgent, they were willing to place their top priority on physicians simply as a matter of urgency but they still wanted the standby legislation for the others.

Mr. HUNT. I thank my colleague, the gentleman from New York.

To go a little bit further, today some mention was made on the floor about a letter which had been received from Dr. James R. Cowan, who is now part of the establishment of the Secretary of Defense. This letter was brought to the floor of the House and we had not seen it prior to that time. I happen to know Dr. Cowan and I would like to read a portion of the letter for clarification and I can state now what Dr. Cowan meant when he stated this in the letter:

> The most immediate and critical problem in the health profession involves the Medical Corps officers.

That we agree with and we have said that consistently. Later on he said:

> Other categories in the health field should be kept under close and continuing review.

That is exactly what we intended to do by this bill. This bill does not say we intend to pay them now. It is permissive and says we can use it. That is exactly what Dr. Cowan meant. I would like to have talked with Dr. Cowan and warned him before this letter was sent as to how it would be interpreted. This seems to be at the crux of the problem in the House these days, that is to go back and give broad interpretations.

Let me say finally that I would like to ask how many Members of the House today are willing to gamble on having no physicians and no dentists and no optometrists available to treat the men who are in the armed services in case they require those services. I have just enumerated those services. How many of the Members are willing to answer the mail from the mothers or will have the courage to stand up and face the mother who complains because her son or daughter had an accident because he could not see and did not realize what was going on, that an optometrist was not available to take care of him and had been denied him because the House of Representatives would not pass this bill. How many Members are ready if the doctor is needed and we do not have him and have a short-fall in 1976 and 1977 before these become available in 1978, to hear the mother say: "My son passed away because you denied him medical service he was entitled to"? How many Members can stand up to that? Not one. They will all backwater and crawfish because they all know as I do that we should try to provide the services in the health fields for those men and women who are in the armed services, and provide them until 1978, with these stopgaps, until our own Armed Services Medical College catches up on the short-fall.

We have no draft in the medical health professions. It has ceased. Perhaps Members would like to reinstate that draft just for doctors and for health officers, and if the Members do, I challenge anyone to introduce that bill saying that we

should have a draft for doctors and dentists and optometrists and veterinarians. Members do not have the courage to do that. All some can do is to come to the floor and find fault with a good bill. The Members have been told that either we bring this bill up and pass it today or we will not have this bill. We will not have a bill. That is how simple it is.

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

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

Mr. CHAPPELL. I thank the gentleman for yielding. I take this position. I believe the people of this country are interested in having us have a look at this and other bills on the basis of need. I completely concur that there is a need for physicians and dentists.

There is the necessity for providing incentive, but I think from all the recommendations which I have been able to ascertain from the Department of Defense, their concern is about physicians and dentists at this time. It is not about the others.

I, for one, am willing to stand up and say "yes," we are going to provide everything we can to get doctors and keep doctors in the service and dentists in the service or anybody else we need; but I am willing as we consider this legislation to go on the basis of demonstrated need and solve that need as we go along, rather than anticipting a need in the future that we might not get into at this time.

So I am willing to give that kind of answer and accept it and I believe the gentleman is, too.

Mr. HUNT. By the same token, is the gentleman willing to say to them when their sons are denied the opportunity to have glasses prepared for them and there is no one to do that, is he prepared to say it should not be done?

Mr. CHAPPELL. Not, not at all.

Mr. STRATTON. Mr. Chairman, I have no further requests for time.

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

Mr. STRATTON. Yes, I yield to the gentleman.

Mr. LEGGETT. Mr. Chairman, this bill, as reported by the Armed Services Committee, constitutes a continuation of a policy agreed on by the House and the Department of Defense several years ago. The 92d Congress passed and sent to the Senate a bill which would have granted the Secretary of Defense the authority to pay bonuses of up to $12,000 to military health professionls if they agreed to serve a specified number of years on active duty. Although this bill was never acted on in the Senate, the House clearly put itself on the record by a 337 to 35 vote as favoring this approach to solving the problem of retaining military health professionals.

In requesting this legislation, the Department of Defense stated that—

Traditionally, the most difficult officer group to retain on active duty beyond their first obligated tour is that of health care professionals. A major cause of the difficulty is the discrepancy between the income of the military health professional and his civilian counterpart. As the 1971 Quadrennial Review of Military Compensation indicated, this gap is likely to continue into the future.

This single paragraph sums up both the problem and its cause. It is significant that while Defense could have limited these remarks to physicians, they did not; the phrase "health professionals" was used because the problem is not confined to physicians. Obviously, then, the solution must also apply to the health professions, not just to physicians.

Exactly which health professions are in the greatest shortage was addressed in the hearings held on the Defense proposal in September of 1972. Dr. Vernon McKenzie, then Assistant Secretary of Defense for Health and Environment, told a subcommittee of the Armed Services Committee:

I have used the situation of physicians as an example because the physician is the central figure in the health team, but our situation with regard to other health professions is just as critical. In fact, in the case of dentists the shortages would occur next year rather than in fiscal year 1975 because we do not have a supply of Reserve dental officers in a deferred status as we do with medical officers in the Berry Plan.

Later in the hearings, Dr. McKenzie stated:

There are a few other professionals that we believe it will be necessary to attract with bonuses during the first year, such as veterinarians and optometrists. . . . Accordingly, we plan to offer a bonus . . . to selected officers with less than 10 years of active duty.

I cite this Defense Department testimoney as evidence of the strong need that has been demonstrated by the Department. The evidence also indicates that that position has not changed; by letter of April 2, 1973, Defense has requested of the 93d Congress a measure very similar to that passed by the House in 1972, and has much the same language in requesting it. That request has not been withdrawn.

The policy that the Defense Department and the House have agreed on is a sound one, backed by facts. A few of those facts are:

By fiscal year 1975, the Armed Forces will be 17 percent short of dentists and 15 percent short of veterinarians and optometrists;

Particularly in the early years of their careers, military compensation cannot compete with earnings available to these health professions in the civilian sector;

All of these specialties are critical enough to have been subjected to the "doctor's draft" over the last 5 years; and

The "doctor's draft" is no longer available; so we can expect to see many fewer health professionals voluntarily entering the services at current rates of pay.

There is little the Secretary can do to reverse this outward flow of experienced health professionals unless we give him the tools to work with. That is what the bill reported by the Armed Services Committee attempts to do.

There are several points which have been raised in opposition to this bill that I would like to address. It has been alleged that the Defense Department did not request the additions to this bill; but by letter of April 2, 1973, the Department did in fact request legislation almost identical to that which passed the House in the 92d Congress. That proposal contains a bonus provision identical to the one in S. 2770 for health professionals, not just physicians.

It has also been alleged that no evidence was presented to show that there are shortages in any of these professions. In fact, I presented such evidence regarding optometrists and veterinarians at the markup session of the Armed Services Committee, and I would like to insert that into the record at this point. Additionally, the subject of shortages in the health professions was dealt with at some length in the hearings held by Subcommittee No. 2 in late 1972.

On the subject of hearings, it has further been alleged that no hearings were held on the subject of the committee's amendments to S. 2770. It is true that there have been no hearings on this subject in the 93d Congress; however, there were extensive hearings into this matter in September of 1972, and those hearings have been printed and available for some time. The committee has been monitoring the problem of military manpower in the health professions for a long time, so the charge that we were legislating in the blind just does not wash.

I have left the least objection to last just because it is so wildly improbable. It has been suggested that the Secretary of Defense would be paying $20,000 bonuses without bothering to find out if there is a shortage. First, there is no way to make the bonus figures in this bill add up to $20,000 a person no matter how hard you try. The best you can do is $19,200, and that is the absolute ceiling which has been proposed only for a very few physicians. Second, the bill requires a finding by the Secretary that the specialty involved is in fact critical. This should lay to rest any fears of an unjustified windfall to undeserving recipients.

ARMY AND AIR FORCE VETERINARY STRNGTH PROJECTIONS

Fiscal year (4th quarter)	Army			Air Force		
	Authorized	Actual [1]	Net	Authorized	Actual	Net
1974	507	481	−26	348	325	−23
1975	465	443	−22	344	310	−34
1976	450	434	−16	342	289	−53
1977	450	407	−43	340	268	−72
1978	450	363	−87	340	258	−82

[1] The "actual" figures for the Army Veterinary Corps are superficial; for example, the end fiscal year 1974 strength of 481 is obtained through bringing 54 officers on active duty in June rather in July to meet urgent requirements. Losses in July 1974, the first month of fiscal year 1975, will reduce this figure to 458. By September 1974 the actual strength will be only 432. This same situation will prevail in the ensuing years through fiscal year 1978.

AMERICAN VETERINARY MEDICAL ASSOCIATION,
Washington, D.C., February 12, 1974.

HOUSE ARMED SERVICES COMMITTEE,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE: The American Veterinary Medical Association appreciates the opportunity to provide a written statement to the com-

mittee concerning compensation of military veterinarians and, in particular, the effect of S2770 on these skilled health professionals.

Because of the complexity and magnitude of this problem, this letter will serve as a transmitting vehicle for a fact sheet which describes the situation clearly and concisely. It is sufficient for this letter to aid or reinforce the following key points:

a. The absence of the draft has resulted in a severe shortage of military veterinarians.

b. There is a national shortage of veterinarians which will become more severe annually.

c. The shortage has resulted in improved income to the civilian veterinary medical practitioner and has created a wide disparity in life stream income between civilian and military veterinarians.

d. Military veterinarians have received $100 per month special pay since 1953. This amount has been unchanged for over 20 years.

e. Military veterinarians provide the mobility and response required to provide the first line of defense when national emergencies due to livestock disease are declared. The shortage will hamper severely the effectiveness of the response capability.

INCLUSION OF MILITARY OPTOMETRISTS UNDER S. 2770'S SPECIAL PAY AND BONUS PROVISIONS

S. 2770 should be amended to include military optometrists under its Bonus and Special Pay provisions.

The 571 optometrists in the Armed Services are the primary providers of basic vision care for the entire military.

OPTOMETRY RETENTION RATES

Yet, since 1966, the retention rates for noncareer military optometrists have ranged from *10% for the Army, 7% for the Navy and 3% for the Air Force.*

These figures spell critical problems for the military in meeting the vision care needs of the Armed Services. The constant turnover of optometrists creates a continuing instability in one of the military's crucial health components.

FUTURE OPTOMETRY MANPOWER SHORTAGES

Moreover, DoD's projection on the *shortages of military optometrists* in the next three years is *5% in 1975, 10% in 1976 and 15% in 1977.*

CIVILIAN OPTOMETRY PAY SCALES

What's more, the average income of an optometrist in private practice is approximately $32,000 per year. Lucrative incomes in private practice make it increasingly difficult for the Armed Services to attract qualified young optometrists.

Therefore, military optometry's critical retention rates and future manpower shortages, which are related to the military's lack of income incentives, can only be rectified by 1) *increasing their present special pay from $100 to a graduated rate extending from $100 for the first two years of service to $350 for service after two years,* and 2) *by giving the Secretary of the DoD the authority to use, if needed, bonus reenlistment payments up to $15,000.*

Since, in the past, optometry officers, along with medical and dental officers, have been singled out by the Congress for special pay benefits, the following two amendments to S. 2770 are timely, relevant and necessary.

Mr. STRATTON. Mr. Chairman, I just want to wind up the debate on this measure first of all by paying tribute to the members of the subcommittee who have worked so hard on this legislation and who are responsible for bringing the legislation out: on the Democratic side, the gentleman from Alabama (Mr. NICHOLS); the gentleman from Wisconsin (Mr. ASPIN); the gentleman from California (Mr. LEGGETT); the gentleman from California (Mr. DELLUMS); and the gentleman from South Carolina (Mr. DAVIS).

On the Republican side, the gentleman from New Jersey (Mr. HUNT) who has just spoken so ably; the gentleman from Ohio (Mr. POWELL); and the gentleman from New York (Mr. MITCHELL).

The only other point that I want to say in addition is in response to the point raised by the gentleman from Florida (Mr. CHAPPELL) a moment ago. It seems to me it is a question whether we want to put the aspirin in the medical closet before it is needed or wait until we have to have it and then find perhaps the drugstore is closed. It is just that simple.

We pride ourselves on being able to come up with legislation quickly when an emergency arises; yet we all know the difficulties we had with the emergency energy bill. We can see the difficulties we are having with this bill.

The Department of Defense has told us they expect critical shortages with dentists next year; they expect shortages with other professions very possibly in ensuing years.

Does it not make more sense as we are going through the legislative process to put the legislation on the books on a standby basis and it only needs to be used when the emergency arises?

Therefore, we have put the medicine in the medicine chest. If the shortages do not arise, we do not have to lose and nobody will be losing any money. That is the basic question.

I urge approval of the bill in the form offered by the committee.

Mr. MURPHY of New York. Mr. Chairman, I take this opportunity to speak in behalf of my proposal to extend the bonus pay provision of S. 2770 to medical officers of the commissioned corps of the U.S. Public Health Service. As you know, compensation for medical officers of the commissioned corps is determined in exactly the same manner as that for the military services. Under acts considered by the Senate and House Armed Services Committees in the past to adjust and add compensation for physicians, the committees have continued to recognize the PHS corps as one of the uniformed services and have asserted time and again a claim to a commonality of interests and responsibilities among these public servants. To end this special relationship and to create a disparity in levels of remuneration for medical officers in the uniformed services would have disastrous consequences for the health of Americans. This is especially true now, at a point in time when the Public Health Service is at a critical crossroads in its history.

The Public Health Service has been charged by Congress with major responsibilities for maintaining, improving, and upgrading the health of this Nation. Programs for which commissioned corps personnel are required for execution and operation include: First, supporting the development of and improvement in the organization and delivery of comprehensive health services for all Americans, as well as providing direct health-care services to specific Federal beneficiary populations, such as members of active duty, uniformed services personnel, seamen, American Indians, and Alaska Natives; second, conducting and supporting research in the medical sciences, promoting the dissemination of knowledge in these sciences, and developing programs of health education and training to insure an adequate supply of qualified health manpower in the Nation; and third, identifying health hazards to which Americans are subject and developing standards for control and elimination of such hazards.

For purposes of fulfilling its obligations in this critical responsibility, the Public Health Service commissioned corps has estimated its total physician need for July 1974 at the 1,200 level. This total need is determined by the sum of an existing shortage of 300 physicians and an anticipated turnover by July of an additional 900 physicians. Present and foreseen supply of physicians will reduce total need by 700 and leave the commissioned corps with a net shortage of approximately 500 physicians.

This anticipated shortage has been aggravated by the end of the military draft in June 1973. For 25 years recruitment of physicians into the commissioned corps was accomplished primarily through the mechanism of allowing a physician to fulfill his military obligation to the Government by agreeing to serve in the corps for 2 years. Since the expiration of the draft law, the corps has already experienced considerable difficulty in recruitment of health personnel.

Applications for physician positions in the corps are down 60 percent.

Any further disparity between the salary level of physicians in the commissioned corps of the Public Health Service and physicians in the Armed Forces can only exacerbate a serious recruitment problem.

As Members are aware, the Committee on Merchant Marine and Fisheries held hearings last April and May, which I chaired, on the administration's proposal to dismantle the major portion of the Public Health Service hospital system. During these hearings, and from my previous involvement in this area, I became intimately involved in the problems of and the potential of the Public Health Service hospitals—not simply as they directly affect the health and welfare of our seamen, but also as they contribute to our Nation's health.

Among other things, these hearings revealed that the quality and level of health care rendered at these hospitals are directly related to the quality and quantity of staff available to provide care. The commissioned corps has traditionally supplied these facilities with professionals whose qualifications, motivation, and devotion are of the highest caliber known in this country. If for no other reason than to reward quality of service and dedication which we are too apt to take for granted, the bonus supplement should be extended to these medical officers.

As I see it, the beneficiary also has a vital interest in this issue of remuneration for commissioned corps physicians.

From his point of view, to limit the proposed bonus provision solely to military physicians and thereby reinforce a dangerous shortage of medical officers in the commissioned corps would serve only to diminish and demean the quality and level of care available at Public Health Service hospitals.

It is the consumer of care, the beneficiary entitled to health care by law who would suffer most in this situation.

To aggravate a doctor shortage at Public Health Service hospitals means, ultimately to transfer a burden and cost to the beneficiary. For medical officers in the commissioned corps, there are virtually no barriers to career opportunities outside the Public Health Service, especially at a time when this Nation faces a limited supply of health manpower. Without the proposed supplementary salary incentive the corps physician is likely to simply leave the corps to seek such opportunities. For the Public Health Service beneficiary, on the other hand, an alternative to medical care outside the system which Congress has provided him may not exist and, in fact, in many cases does not exist. For tens of thousands of people, doing without necessary medical care would be the only alternative.

But there is even more at stake here.

To refuse to apply the salary bonus to the commissioned corps physician would likely deal the final death blow to hospitals which for too long have suffered the consequences of an unrelenting and remorseless policy of attrition and neglect.

As such, it would deprive the Nation of an unusual opportunity for experimentation in health-care delivery. Our hearings last spring revealed that it is possible for PHS hospitals to be innovators for a hospital industry that is fragmented and subject to a seemingly uncontrollable escalation of costs. PHS hospitals could prove the ideal testing ground for developing a system of greater productivity in the Nation's hospitals, involving more efficient manpower utilization, more effective employment of equipment, and new treatment procedures.

Lessons learned in Public Health Service hospitals could and should be applied in private hospitals across the country.

Further, our hearings suggested that the PHS hospital system is in a unique position to provide and demonstrate alternative methods of health-care delivery, to serve as regional centers for medical research activities. This Nation needs new initiatives in its approaches to health problems; medical services designed to improve the quality and accessibility of care; and the development of career health personnel to execute America's health policy.

One such program has demonstrated that all the necessary ingredients exist in the PHS hospital system to provide a basis for demonstration and experimentation. The Emergency Health Personnel Act, first enacted in 1970, provided the hospital system with a new direction and a pioneering responsibility.

The act, reauthorized in 1972, gives the Public Health Service the authority to provide—through the PHS hospital system—health care and services to those Americans living in rural and urban areas of our Nation that have critical shortages of health personnel. The National Health Service Corps is specifically directed, under the terms of this legislation, to use the facilities of the Public Health Service to provide service and care in these underserved areas.

I point out to Members a variety of other community service and research activities in which the PHS hospital system is involved and which demonstrate its capacity to assume leadership in the health field.

The hospitals share specialities services when such services are unavailable in the local communities. Under the partnership for health legislation, provision was made to discourage the duplication of expensive health services—by sharing resources. The PHS hospitals have followed through on this.

The Seattle PHS facility, for example, provides the largest number of bone marrow transplants in the world.

The Staten Island hospital has provided 50 percent of the community's needs for renal dialysis.

The New Orleans facility has five renal dialysis units.

The cooperative hypertension study conducted through Seattle, San Francisco, Staten Island, New Orleans, and Boston Public Health Service hospitals is one of the few long-range evaluations of the treatment and control of high blood pressure in America.

Clinical research in cancer and cardiovascular disease is being conducted at Baltimore, San Francisco, and New Orleans.

The PHS hospital system also participates in a number of health manpower training and development activities. The system offers medical internships and a variety of residencies. Several medical schools rotate their students through a PHS hospital as a part of their clinical experience. The physicians' assistant program at the Staten Island facility is one of the five programs accredited by the American Medical Association. Agreements with 75 schools of nursing, physical therapy, pharmacy, and other health professions provide on-the-job training experience for students as a basic portion of their degree requirements.

The possibilities for experimentation afforded by a hospital system so rich in experience and expertise are numerous.

Individual PHS hospitals could serve as focal points for the development of communitywide health delivery systems through technological support and coordination of fragmented community efforts. They could coordinate medical research and training activities in a community in order to maximize the sharing of resources and to minimize duplication of effort. Or a PHS hospital could serve as a regional headquarters of a trained cadre of health professionals organized to respond with required personnel and equipment to aid the ill and injured in a natural disaster.

The possibilities are infinite.

But it is not possible to pursue new directions in health care delivery, to provide new solutions to health care problems in this country without an adequate supply of qualified personnel.

Just as quality health care at a Public Health Service hospital requires the availability of highly qualified and dedicated health professionals, so too does innovation demand the supply of unexcelled expertise which may be drawn upon for leadership and guidance. By extending the bonus pay provisions to the commissioned corps physician, the Congress will be going a long way toward eliminating shortages of manpower in the corps, providing compensation which begins to be competitive with income levels in the private sector, guaranteeing quality health care to beneficiaries of the Public Health Service system, and offering an unparalleled opportunity for innovation in health-care delivery in this country.

Mr. Chairman, for all these reasons, I support the provision in S. 2770, which extends the bonus pay provision for military doctors to medical officers of the commissioned corps of the U.S. Public Health Service.

I urge all Members to do likewise.

Mr. MEEDS. Mr. Chairman, I rise in support of the inclusion of Public Health Service physicians in S. 2770, as reported, a bill to revise the special pay structure relating to medical officers of the uniformed services.

The Federal Government has an obligation to provide health services to Indian tribes.

This obligation stems from the unique relationship between the Federal Government and the tribes, which relationship is documented in the U.S. Constitution, together with treaties and statutes.

To meet this obligation, a necessary item is the Federal employment of physicians who can deliver the required services where Indians are located.

The Bureau of Indian Affairs provided health services to Indian tribes until 1955.

The Department of Health, Education, and Welfare then assumed the responsibility of Indian health care through its Indian Health Service under the Public Health Service.

Since that time, the health of Indians has substantially improved, but Indian health is still significantly worse than that of the general population.

The Indian birth rate is twice that of other Americans, yet the Indian infant mortality rate is 1½ times the national average.

The incidence of tuberculosis, respiratory disorders, and gall bladder illnesses, is significantly higher in Native Americans than in the general population.

Otitis media, infection of the middle ear, also continues to be a leading cause of disability in Native Americans.

While every other American can expect to live 71 years, Native Americans can expect to live to age 65 years.

As chairman of the House Indian Affairs Subcommittee, I have been made well aware of the shortage of physicians already experienced by the Indian Health Service since the end of the draft on June 30, 1973.

Like the other uniformed services, the Public Health Service and the Indian Health Service depended on the draft to meet their professional personnel needs.

The Public Health Service now employs approximately 2,500 physicians out of a full force of 2,800.

As of July 1, 1974, PHS expects approximately 900 to 1,000 vacancies unless some pay incentive is provided to retain those whose period of service ends this year.

Between 150 and 200 of these vacancies are expected to occur in the Indian health service alone, out of a possible full force of 500 physicians.

Indian reservations are remote areas and physicians are not generally attracted even to rural areas.

There are few attractions to an Indian reservation in an isolated area far from the Anglo-American social and cultural centers and the modern conveniences many of us take for granted.

The only incentive that can be offered to attract and retain physicians in the Indian Health Service is higher pay in the form of special pay rates and special bonus pay for continuous active duty for a specified number of years.

The Public Health Service has many vital national health and health research programs.

The Indian Health Service is only one of its many programs serving the American people.

I believe that the health of the first Americans—the Indians—and the many other beneficiaries of the Public Health Service is of great importance to the Nation's well-being as a whole.

I support the inclusion of Public Health Service physicians in S. 2770 and urge enactment of the bill.

Mr. KAZEN. Mr. Chairman, I support S. 2770, because I believe it is a good start on meeting a major problem. The shortage of medical professionals, as we have been told, is one of the most difficult personnel problems of the armed services. The figures are contained in the committee report. They tell us that only one-sixth of the physicians on active duty are true volunteers. Another one-sixth serve because of obligations incurred in military-subsidized training programs, and two-thirds came in through the doctor draft.

I believe most Members know that "volunteer" physicians come in for only 2 years. Under present force levels, some 3,500 young physicians will be eligible for release this summer and as many more next summer, and the Department of Defense estimates only 1 percent of these numbers will be retained.

I have talked with these young doctors in San Antonio, a major military center, as well as the people in the Air Force Association and the Association of the U.S. Army who have been deeply concerned about the problem. They tell me that a young doctor in military service, with all his pay and allowances, receives about $20,000 a year. They also tell me that the median income of civilian doctors in the 5th year of practice is $43,000—more than twice as much as the doctor in uniform.

The mathematics of the question are simple. If we are to have a medical force adequate to meet our needs—and we must recognize that we must consider needs as manpower to take care of casualties if war should come again—we must provide adequate financial rewards. I believe this bill meets that need.

I would not want to assure my fellow Members that I believe this solves the problem. I remind you that I began these comments by saying the bonuses would be a good start. But I say here that if we think we are going to buy good medical care with money alone, we fail to understand these young men.

I know from my conversations with them that most of them will genuinely and honestly say, "It's not the money; it's the principle of the thing." By that, they mean that they only want to remain in service if they can be assured ample opportunity to practice their skills, and the essential ingredient is patient availability. That means that the Department of Defense must see to it that they can treat dependents and military retired personnel. Certainly there are human reasons for providing medical care for the wives and children of our men in uniform—or the husbands of our women in uniform—just as we have a continuing obligation to our retired military. But there are two sides to this coin.

The doctor in uniform who is limited to the active duty forces for his patients will have a few accident cases, an occasional appendectomy and perhaps some hernia surgery. But remember that the man on active duty who has serious health problems gets a medical discharge. I trust my point is clear: We must assure our health professionals that their skills will be kept sharp by actual practice of medicine. Dependents and retirees provide the patient load that will fill this need. If these young doctors know that, and know we plan to see that they are adequately paid, I believe we can achieve the force level in the health services that we need.

We know that we have enacted statutory provision for military medical care for retirees and dependents, but we also know that the Department of Defense is eliminating this care at some installations, because of the personnel shortage. Our need now is to retain doctors in service, and I believe I have shown that we must be concerned about adequate patient availability for the doctors as well as proper payment for their services.

I, therefore, urge support for this bill, with awareness that we must continue to work on solutions for medical service problems.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute, printed in the reported bill as an original bill for purposes of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 5 of title 37, United States Code, is amended as follows:

(1) Section 302 is amended to read as follows and the item in the chapter analysis is amended to correspond with the revised catchline:

"§ 302. Special pay: physicians, dentists, veterinarians or optometrists

"An officer of the Army or Navy in the Medical or Dental Corps or in the Medical Service Corps if he is designated as an optometry officer, an officer of the Army in the Veterinary Corps, an officer of the Air Force who is designated as a medical, dental, veterinary, or optometry officer, or a medical, dental, veterinary, or optometry officer of the Public Health Service, who is on active duty for a period of at least one year is entitled, in addition to any other pay or allowances to which he is entitled, to special pay at the following rates—

"(1) $100 a month for each month of active duty if he has not completed two years of active duty in a category named in this section; or

"(2) $350 a month for each month of active duty if he has completed at least two years of active duty in a category named in this section.

The amounts set forth in this section may not be included in computing the amount of an increase in pay authorized by any other provision of this title or in computing retired pay or severance pay."

(2) That portion of the first sentence of section 311

(a) preceding clause (1) is amended to read as follows:

"(a) Under regulations to be prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, an officer of the Army or Navy in the Medical or Dental Corps above the pay grade of O–6, an officer of the Air Force who is designated as a medical or dental officer and is above the pay grade of O–6, or a medical or dental officer of the Public Health Service above the pay grade of O–6 who—".

(3) By adding the following new section after section 312a and by inserting a corresponding item in the chapter analysis:

"§ 313. Special pay: medical, dental, veterinary or optometry officers who execute active duty agreements

"(a) Under regulations prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, an officer of the Army or Navy in the Medical or Dental Corps or in the Medical Service Corps if he is designated as an optometry officer, an officer of the Army in the Veterinary Corps, an officer of the Air Force who is designated as a medical, dental, veterinary or optometry officer, or a medical, dental, veterinary or optometry officer of the Public Health Service, who—

"(1) is below the pay grade of O–7;

"(2) is designated as being qualified in a critical specialty by the Secretary concerned;

"(3) is determined by a board composed of officers in the medical, dental, veterinary or optometry profession under criteria prescribed by the Secretary concerned to be qualified to enter into an active duty agreement for a specified number of years;

"(4) is not serving an initial active duty obligation;

"(5) is not undergoing intern or residency training; and

"(6) executes a written active duty agreement under which he will receive incentive pay for completing a specified number of years of continuous active duty subsequent to executing such an agreement;

may, upon acceptance of the written agreement by the Secretary concerned, or his designee, and in addition to any other pay or allowances to which he is entitled, be paid an amount not to exceed $15,000 for each year of the active duty agreement. Upon acceptance of the agreement by the Secretary concerned, or his designee, and subject to subsections (b) and (c) of this section, the total amount payable becomes fixed and may be paid in annual, semiannual, or monthly installments, or in a lump sum after completion of the period of active duty specified in the agreement, as prescribed by the Secretary concerned.

"(b) Under regulations prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, the Secretary concerned, or his designee, may terminate, at any time, an officer's entitlement to the special pay authorized by this section. In that event, the officer is entitled to be paid only for the fractional part of the period of active duty that he served, and he may be required to refund any amount he received in excess of that entitlement.

"(c) Under regulations prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, an officer who has received payment under this section and who voluntarily, or because of his misconduct, fails to complete the total number of years of active duty specified in the written agreement shall be required to refund the amount received that exceeds his entitlement under those regulations. If an officer has received less incentive pay than he is entitled to under those regulations at the time of his separation from active duty, he shall be entitled to receive the additional amount due him.

"(d) This section does not alter or modify any other service obligation of an officer. Completion of the agreed period of active duty, or other termination of an agreement, under this section does not entitle an officer to be separated from the service, if he has any other service obligation.

"(e) The Secretary of Defense and the Secretary of Health, Education, and Welfare shall each submit a written report each year to the Committees on Armed Services of the Senate and House of Representatives regarding the operation of the special pay program authorized by this section. The report shall be on a fiscal year basis and shall contain—

"(1) a review of the program for the fiscal year in which the report is submitted; and

"(2) the plan for the program for the succeeding fiscal year.

This report shall be submitted not later than April 30 of each year, beginning in 1975.".

(4) By repealing sections 302a and 303 and the corresponding items in the chapter analysis.

SEC. 2. The amendments made by this Act become effective on April 1, 1974. Except for the provisions of section 313 of title 37, United States Code, as added by section 1(3) of this Act, which will expire on June 30, 1976, the authority for the special pay provided by this Act shall, unless otherwise extended by Congress, expire on June 30, 1977.

Mr. STRATTON (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute 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.

The CHAIRMAN. Are there any amendments?

AMENDMENT OFFERED BY MR. ASPIN TO THE COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

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

The Clerk read as follows:

Amendment offered by Mr. ASPIN to the committee amendment in the nature of a substitute: Page 7, strike out line 4 and all that follows thereafter down through line 20 on page 11 and insert the following: That chapter 5 of title 37, United States Code, is amended as follows:

(1) Section 302 is amended to read as follows and the item in the chapter analysis is amended to correspond with the revised catchline:

"§ 302. Special pay: physicians

"An officer of the Army or Navy in the Medical Corps, an officer of the Air Force who is designated as a medical officer, or a medical officer of the Public Health Service, who is on active duty for a period of at least one year is entitled, in addition to any other pay or allowances to which he is entitled, to special pay at the following rates—

"(1) $100 a month for each month of active duty if he has not completed two years of active duty in a category named in this section; or

"(2) $350 a month for each month of active duty if he has completed at least two years of active duty in a category named in this section.

The amounts set forth in this section may not be included in computing the amount of an increase in pay authorized by any other provision of this title or in computing retired pay or severance pay.".

(2) The following new section is added after section 302a and a corresponding item is inserted in the chapter analysis:

"§ 302b. Special pay: dentists

"An officer of the Army or Navy in the Dental Corps, an officer of the Air Force who is designated as a dental officer, or a dental officer of the Public Health Service, who is on active duty for a period of at least one year is entitled, in addition to any other pay or allowances to which he is entitled, to special pay at the following rates—

"(1) $100 a month for each month of active duty if he has not completed two years of active duty in the Dental Corps or as a dental officer;

"(2) $150 a month for each month of active duty if he has completed at least two years of active duty in the Dental Corps or as a dental officer;

"(3) $250 a month for each month of active duty if he has completed at least six years of active duty in the Dental Corps or as a dental officer; or

"(4) $350 a month for each month of active duty if he has completed at least ten years of active duty in the Dental Corps or as a dental officer.

The amounts set forth in this section may not be included in computing the amount of an increase in pay authorized by any other provision of this title or in computing retired pay or severance pay.".

(3) That portion of the first sentence of section 311(a) preceding clause (1) is amended to read as follows:

"(a) Under regulations to be prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, an officer of the Army or Navy in the Medical Corps above the pay grade of O–6, an officer of the Air Force who is designated as a medical officer and is above the pay grade of O–6, a medical officer of the Public Health Service above the pay grade of O–6, an officer of the Army or Navy in the Dental Corps, an officer of the Air Force who is designated as a dental officer, or a dental officer of the Public Health Service who—".

(4) By adding the following new section after section 312a and by inserting a corresponding item in the chapter analysis:

"§ 313. Special pay: medical officers who execute active duty agreements

"(a) Under regulations prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, and approved by the President, an officer of the Army or Navy in the Medical Corps, or an officer of the Air Force who is designated as a medical officer, who—

"(1) is below the pay grade of O–7;

"(2) is designated as being qualified in a critical specialty by the Secretary concerned;

"(3) is determined by a board composed of officers in the medical profession under criteria prescribed by the Secretary concerned to be qualified to enter into an active duty agreement for a specified number of years;

"(4) is not serving an initial active duty obligation;

"(5) is not undergoing intern or residency training; and

"(6) executes a written active duty agreement under which he will receive incentive pay for completing a specified number of years of continuous active duty subsequent to executing such an agreement;

may, upon acceptance of the written agreement by the Secretary concerned, or his designee, and in addition to any other pay or allowances to which he is entitled, be paid an amount not to exceed $15,000 for each year of the active duty agreement. Upon acceptance of the agreement by the Secretary concerned, or his designee, and subject to subsections (b) and (c) of this section, the total amount payable becomes fixed and may be paid in annual, semiannual, or monthly installments, or in a lump sum after completion of the period of active duty specified in the agreement, as prescribed by the Secretary concerned.

"(b) Under regulations prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, the Secretary concerned, or his designee, may terminate, at any time, an officer's entitlement to the special pay authorized by this section. In that event, the officer is entitled to be paid only for the fractional part of the period of active duty that he served, and he may be required to refund any amount he received in excess of that entitlement.

"(c) Under regulations prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, an officer who has received payment under this section and who voluntarily, or because of his misconduct, fails to complete the total number of years of active duty specified in the written agreement shall be required to refund the amount received that exceeds his entitlement under those regulations. If an officer has received less incentive pay than he is entitled to under those regulations at the time of his separation from active duty, he shall be entitled to receive the additional amount due him.

"(d) This section does not alter or modify any other service obligation of an officer. Completion of the agreed period of active

duty, or other termination of an agreement, under this section does not entitle an officer to be separated from the service, if he has any other service obligation.

"(e) The Secretary of Defense and the Secretary of Health, Education, and Welfare shall each submit a written report each year to the Committee on Armed Services of the Senate and House of Representatives regarding the operation of the special pay program authorized by this section. The report shall be on a fiscal year basis and shall contain—

"(1) a review of the program for the fiscal year in which the report is submitted; and

"(2) the plan for the program for the succeeding fiscal year.

This report shall be submitted not later than April 30 of each year, beginning in 1975.".

Page 11, line 24, strike out "(3)" and insert "(4)".

Mr. ASPIN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

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

The CHAIRMAN. Evidently a quorum is not present. The call will be taken by electronic device.

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

[Roll No. 129]

Addabbo	Fraser	Milford
Alexander	Frelinghuysen	Minshall, Ohio
Anderson, Ill.	Frenzel	Patman
Badillo	Gettys	Pickle
Bevill	Gray	Poage
Blackburn	Gubser	Powell, Ohio
Blatnik	Guyer	Reid
Butler	Heckler, Mass.	Robison, N.Y.
Camp	Huber	Rooney, N.Y.
Carey, N.Y.	Hutchinson	Rooney, Pa.
Chisholm	Jarman	Runnels
Clark	Kazen	Ruppe
Clay	Kluczynski	Shriver
Conlan	Kuykendall	Sisk
Culver	Lujan	Smith, N.Y.
Dennis	McClory	Steed
Diggs	McKinney	Stephens
Dingell	Madigan	Wiggins
Dorn	Maraziti	Williams
Drinan	Martin, Nebr.	Yates
Eckhardt	Mayne	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FLOWERS, 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. 2770, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 370 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 Committee rose the gentleman from Wisconsin (Mr. ASPIN) had been recognized.

The gentleman from Wisconsin is recognized for 5 minutes in support of his amendment.

Mr. ASPIN. Mr. Chairman, the amendment which I have just offered is an amendment to the bill which would in effect put the bill back to where it was when it came out of the subcommittee.

Mr. Chairman, in the full committee was where we added the dentists, the optometrists, the veterinarians, and almost added the lawyers. The bill that came out of the subcommittee was a rational bill. We had held hearings on the bill up to that point, that is the bill that included just the physicians. That was the bill which was just the emergency legislation that the Department of Defense had requested. That was the bill which the administration is supporting. That was the bill the subcommittee sent to the full committee.

Mr. Chairman, the position of the Department of Defense has been the subject of some discussion here during today's debate.

Originally the Department of Defense made a request for this legislation just to cover the physicians. During the field day that we had in the full committee when all of these other ornaments on the Christmas tree were added on, the Department of Defense said that their position was that they did not object to any other measure being added on, but they still would like to have the bill just for the physicians.

Now we have a piece of paper, a letter, from Mr. Cowan, the Deputy Secretary, which has been sent to Mr. STENNIS that the position of the Department of Defense right now is that they would prefer legislation just to deal with the physicians.

Mr. Chairman, in voting for this amendment, which would be the amendment to strip all of the ornaments from the Christmas tree, we are not doing it with any prejudice against those other ornaments. There always has been, and there still is, a commitment for later in the year to have a hearing and to have some legislation on special pay for all of these other things. It is not just the veterans and the optometrists and the dentists who will be heard at that time; the podiatrists will be heard, and the clinical psychologists, and the nurses. We want to hold hearings to determine whether we should have those.

Mr. Chairman, we do want to hold hearing on these other matters, on these other pieces of legislation, on these other medical bonuses. We do want to hold hearings; we do want to have some legislation; in fact, we are more likely to get some legislation if they are all in there together. If we pass the medical bonuses and cover some of them in this bill, it is less likely that we are going to get the legislation covering the others later in the year. I think it is important that we vote for just the doctors today. That is the bill which we ought to have.

The point is that this bill right now costs us more than it was supposed to—$31 million more. The military pay costs are increasing at all times. The military pay costs are really damaging us. If we are going to do something about that, we have got to stop putting in money without any hearings, without any evidence to show that it is needed. We need the hearings before we can go ahead with the bonuses for the other groups.

It has been said many times during the day that the money in this bill is discretionary. It is not entirely discretionary. There is $350 a month which is not discretionary. Some of it is discretionary; some of it is not; but even the amounts that are discretionary there is going to be pressure to increase the pay and it will be hard to resist.

The Department of Defense has in fact already caved in. They have already said they are going to pay the dentists at two-thirds of the rate of the doctors, and they are going to pay the optometrists and the veterinarians at one-third of the rate of the doctors. So it is not going to be discretionary. So do not count on the Secretary of Defense to save the taxpayers any money.

Mr. Chairman, we are dealing with legislation which is very short term. It is talking about how we ought to have standby authority because in so many years down the line we are going to have shortages. It says we do not have a shortage of dentists now; we do not have a shortage of optometrists now; we do not have a shortage of veterinarians right now; but we will have at some time in the future, so let us put it in and allow it in the future. It is a waste of money until we get it. Besides, this bill runs out in 1977. By 1977 this bill will be finished. It expires at that time.

Mr. Chairman, I urge adoption of the amendment

The CHAIRMAN. The time of the gentleman has expired.

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

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

Mr. BERGLAND. Mr. Chairman, I recognize that the elimination of the draft has caused manpower shortages in the Armed Services of the United States. I certainly recognize, and fully support, our responsibility to provide adequate health care for active military personnel and their dependents.

My questions are: How many doctors are needed by the Pentagon and how many are needed by the general public.

According to the Pentagon, their average patient-doctor ratio is 610 to 1. The Department of the Navy claims it is worse than that, but when pressed, admitted to a ratio of only 750 to 1.

Mr. Chairman, it is not unusual for doctors in the Seventh Congressional District of Minnesota to provide services to 5, even 7, times that number of patients.

The Department of Health, Education and Welfare does not consider there is a shortage of doctors unless the ratio reaches 1,500 to 1; 20 of the 28 counties in my district fall within this criteria; and 55 of Minnesota's 87 counties qualify. Rural or urban, this trend of shortages is found throughout the country.

My efforts to have doctors who hold a commission under the Armed Services Berry plan diverted to these acute shortage areas have met with a complete lack of concern on the part of the military for

the deep needs of the civilian population. A total unwillingness to even weigh the merits of individual cases. Their attitude is, we want him—you look elsewhere.

If it were a case of greater, or at least equal need on the part of the military, I would not be asking my questions. But it seems to be wants rather than realistic needs that govern their policies.

As we consider providing bonuses and incentives to retain doctors in the military services, I think we should also review the claimed needs of these services and ask ourselves if we could not make a more honest and fair allocation of medical services, one of our most limited resources.

Why is it that the Armed Services can ask and receive adequate medical personnel and our rural health needs are not being met even minimally?

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

Mr. Chairman, the gentleman's amendment is not well taken. We have considered, as I indicated on the rule, legislation to help out all of the health professions for the last several years. The gentleman is not entirely frank with this House when he says, Let us take care of the doctors now and then let us come back and have a very neat hearing on all of the other health professions and really decorate that particular part of the Christmas tree totally separately.

The gentleman knows very well that we did this in a very regular way 2 years ago. We wanted to give the DOD exactly what they asked for, the discretion to provide the incentives for the health professions if they needed it by regulation. But what happened? After we passed that bill, as we previously indicated, that bill went to the Senate and it died.

I can assure this House if we want vacant military hospitals, if we want excessive costs in the CHAMPUS program which are now exceeding one-half a billion dollars a year we will have them. Why? Because the Appropriations Committee says our military hospitals are not being used. And why are they not being used? Because they do not have the doctors and dentists and the eye people and veterinarians to do the work, to handle the dependents and the retired.

I do not think there is a single military hospital in the United States today that is fully utilized. The main reason for that is very simple. We just do not have the personnel.

When the gentleman from Wisconsin says we do not have a shortage today in veterinarians, we do have, but the shortage is only of the magnitude of 5 percent, but it is going to be 10 percent next year and 15 percent the year after that. The same goes for the optometrists. We are talking about only a small number of people, maybe a few hundred veterinarians and maybe less than a thousand optometrists.

But what happens when we cannot handle these people in house? They have to go downtown. The costs are not going to be covered under a program like this? No, we are going to have to pay for them under the very expensive CHAMPUS program, which runs up the military costs.

A great deal has been said about the high cost of personnel and we are spending on the order of $50 billion a year to take care of the fringe benefits and the housing benefits and the pay and the bonus benefits of our military businessmen and civilians who go along with them.

The $31 million we pay in this bill to help out primarily the dentists and perhaps 20 percent of the increase to help out the other professionals is not a large amount. I say if we want to be myopic and if we want to be pennywise and pound foolish, we should go along with the amendment and strike out the $31 million and say we have made our economy vote for the day. But I will tell the Members we are going to have to pay it back in spades on the CHAMPUS program and in many very hidden ways on some of the other pieces of legislation.

The Department of Defense has asked for this legislation. They asked for it last year. They asked for it the year before. We are giving it to them because we have got a bill that is dead over in the Senate. Somebody has said, I believe the gentleman from Wisconsin, that parts of this bill are going to be operative immediately and they are talking about the $350 special pay for some of the people who have been in longer than 2 years. But if we kill the special pay for veterinarians, the $100 for them was enacted in 1953, and if we were to have a simple cost-of-living escalator on that item, we would be paying the $350. So if that was good legislation in 1953, it is good legislation today. It is not a very expensive program.

I think if we want to avoid a doctor draft and not be mousetrapped by the Department of Defense and have the Department of Defense come back to us and say, "We have got to have the draft again, boys," we will then say, "Why do you have to have it?"

They will say, "Because there are certain specialties we cannot get volunteers for and we have to have a general draft because we cannot draft just the doctors but we have to have authority to draft everybody." If we want to avoid that situation and avoid being mousetrapped by the Department of Defense, let us turn down this amendment and accept the cogitations of the Armed Services Committee which I think are rather thoroughly thought out. They were well thought out in 1972 and last year. We have a great deal of testimony and recommendations from the Department of Defense. We can avoid I think reinstating the draft, but we have got to give the authority to the Department and give discretionary authority to them so they have the tools. This is the kind of bill they need.

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

I think the Members of the House are familiar with this amendment. I do not intend to take the full 5 minutes. This is an amendment that would eliminate the dentists, the optometrists, and veterinarians.

I think the basic question is whether we are going to try to put the medicine in the medicine cabinet before it is needed or whether we are going to wait until we get sick and then get the medicine and maybe the drug store will be closed on that particular night.

The Department of Defense wanted this measure on a standby basis 2 years ago. They asked for it last year. All we are doing is giving them this legislation on a standby basis so it can be used.

It is permissive legislation. It is only going to be used if shortages develop. It is not going to be used if they are not developing; so it is not a Christmas tree. It is not going to bust the budget or anything of that kind.

Mr. Chairman, I urge the amendment be defeated.

AMENDMENT OFFERED BY MR. CHAPPELL AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. ASPIN TO THE COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

Mr. CHAPPELL. Mr. Chairman, I offer an amendment as a substitute for the amendment offered by the gentleman from Wisconsin (Mr. ASPIN) to the committee amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. CHAPPELL as a substitute for the amendment offered by Mr. ASPIN to the committee amendment in the nature of a substitute:

Page 7, strike out line 4 and all that follows thereafter down through line 20 on page 11 and insert the following: That chapter 5 of title 37, United States Code, is amended as follows:

(1) Section 302 is amended to read as follows and the item in the chapter analysis is amended to correspond with the revised catchline:

"§ 302. Special pay: physicians and dentists

"An officer of the Army or Navy in the Medical Corps, an officer of the Air Force who is designated as a medical officer or dentist or a medical officer or dentist of the Public Health Service, who is on active duty for a period of at least one year is entitled, in addition to any other pay or allowances to which he is entitled, to special pay at the following rates—

"(1) $100 a month for each month of active duty if he has not completed two years of active duty in a category named in this section; or

"(2) $350 a month for each month of active duty if he has completed at least two years of active duty in a category named in this section.

The amounts set forth in this section may not be included in computing the amount of an increase in pay authorized by any other provision of this title or in computing retired pay or severance pay.".

"§ 313. Special pay: medical officers and dentists who execute active duty agreements

"(a) Under regulations prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, and approved by the President, an officer of the Army or Navy in the Medical Corps or Dental Corps or an officer of the Air Force who is designated as a medical officer, who—

"(1) is below the pay grade of 0–7;

"(2) is designated as being qualified in a critical specialty by the Secretary concerned;

"(3) is determined by a board composed of officers in the medical profession under criteria prescribed by the Secretary concerned to be qualified to enter into an active duty agreement for a specified number of years;

"(4) is not serving an initial active duty obligation;

"(5) is not undergoing intern or residency training; and

"(6) executes a written active duty agreement under which he will receive incentive pay for completing a specified number of years of continuous active duty subsequent to executing such an agreement;

may, upon acceptance of the written agreement by the Secretary concerned, or his designee, and in addition to any other pay or allowances to which he is entitled, be paid an amount not to exceed $15,000 for each year of the active duty agreement. Upon acceptance of the agreement by the Secretary concerned, or his designee, and subject to subsections (b) and (c) of this section, the total amount payable becomes fixed and may be paid in annual, semiannual, or monthly installments, or in a lump sum after completion of the period of active duty specified in the agreement, as prescribed by the Secretary concerned.

"(b) Under regulations prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, the Secretary concerned, or his designee, may terminate, at any time, an officer's entitlement to the special pay authorized by this section. In that event, the officer is entitled to be paid only for the fractional part of the period of active duty that he served, and he may be required to refund any amount he received in excess of that entitlement.

"(c) Under regulations prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, an officer who has received payment under this section and who voluntarily, or because of his misconduct, fails to complete the total number of years of active duty specified in the written agreement shall be required to refund the amount received that exceeds his entitlement under those regulations. If an officer has received less incentive pay than he is entitled to under those regulations at the time of his separation from active duty, he shall be entitled to receive the additional amount due him.

"(d) This section does not alter or modify any other service obligation of an officer. Completion of the agreed period of active duty, or other termination of an agreement, under this section does not entitle an officer to be separated from the service, if he has any other service obligation.

"(e) The Secretary of Defense and the Secretary of Health, Education, and Welfare shall each submit a written report each year to the Committees on Armed Services of the Senate and House of Representatives regarding the operation of the special pay program authorized by this section. The report shall be on a fiscal year basis and shall contain—

"(1) a review of the program for the fiscal year in which the report is submitted; and

"(2) the plan for the program for the succeeding fiscal year.

This report shall be submitted not later than April 30 of each year, beginning in 1975.".

Page 11, line 24, strike out "(3)" and insert "(4)".

Mr. CHAPPELL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. CHAPPELL. Mr. Chariman, this is the first time in my experience in Congress of finding myself in opposition to the Committee on the Armed Services. The subcommittee in this particular instance brought this bill to the full committee with physicians only in it. The full committee, for some reason, expanded the bill to include other professions which the Department of Defense said was no need for including.

I want to make it clear I am not opposed to veterinarians. I am not opposed to the other health services. I feel however, that this is no time to be expanding upon what the Department of Defense clearly says is its need. This is no time to be expanding our expenditures unnecessarily.

I have a letter in here which is addressed to Senator STENNIS from the Secretary of Defense. I want to read the pertinent paragraph:

The main purpose of this letter is to advise you that the position taken on this matter by Secretary Clements approximately four months ago remains unchanged and that, consequently, there is no need at this time for special pay legislation covering any of the other health professions.

The letter is dated March 25, 1974.

I think this is a time when we need to be talking about frugality. It is not a matter of putting aspirin in the shelf or on the shelf to be used at a future time. It is a matter of considering the current and anticipated need. That is what we ought to be doing. That is what the amendment proposes to do. The amendment to the amendment simply adds the dentists, because there is a demonstrated need on an incentive basis for physicians and dentists.

We ought to limit this bill, at this time, to those two professions where the need is demonstrated, where the Department of Defense clearly says it is needed and not to others before the anticipated or real need occurs.

At another time, as we proceed with the military budget and as we proceed with legislation on the special pay and other matters, we can then consider expansion to other professions if need be. I think we owe it to the American people in this year to do everything we can to solve our problems on the basis of need and what is right. At this moment it is right to put the two in and at this moment it is wrong to expand.

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

Mr. CHAPPELL. Mr. Chairman, I yield to the gentleman from California.

Mr. LEGGETT. Mr. Chairman, the gentleman puts great credibility on what is the latest statement of the Department of Defense. Of course, if he does that, does that not then preclude consideration of dentists, optometrists and veterinarians if the gentleman believes that can be correct?

Mr. CHAPPELL. Mr. Chairman, my position simply is this: That oral surgeons, as I understand it, are physicians. If they intended to include physicians, who are part of the profession, it includes them. Let us be sure of their demonstrated need. I understand exactly what the gentleman is saying.

Mr. Chairman, I am not yielding further.

Now, Mr. Chairman, the demonstrated need on the part of the physicians' staffing is a report many Members are familiar with, a 1973 Department of Defense study which clearly shows that the need through fiscal 1974 is for some 11,300. This authorization is going to give us something around 13,000 physicians in authorization. There is no question but what this is going to give the Department of Defense what is needed. Adding to it as a matter of clarification to take care of oral surgeons and others who might be classified as physicians to take care of the dental needs of our armed services.

Mr. Chairman, I urge the adoption of the amendment to the amendment.

Mr. MITCHELL of New York. Mr. Chairman, will the gentleman yield?

Mr. CHAPPELL. Mr. Chairman, I yield to the gentleman from New York.

Mr. MITCHELL of New York. Mr. Chairman, I would like to ask the gentleman if he is aware of the differences in shortages between dentists, optometrists, and veterinarians? Does the gentleman know which of the professions has the most severe shortage?

Mr. CHAPPELL. Mr. Chairman, the severe shortage is with, clearly, doctors.

Mr. MITCHELL of New York. Mr. Chairman, I am talking about the other three.

Mr. CHAPPELL. Mr. Chairman, according to my information and my contact with the Department of Defense, there is no shortage and problem except for physicians and dentists.

Mr. MITCHELL of New York. Mr. Chairman, I would like to point out to the gentleman that the shortage in veterinary medicine is the most severe, 20 percent. Substantially 18 percent in optometry, and dentistry is less than either of those two.

Does the gentleman know also that the cost to retain dentists in the bill is something like $26 million, and to retain veterinarians, $3 million; optometrists, $2 million? Is the gentleman aware of this?

Mr. CHAPPELL. Mr. Chairman, let me say this: I intend to support this amendment. If the amendment is not agreed to, I intend to support the amendment, because that is clearly where it is demonstrated that the need is and where the Department of Defense says it has difficulty.

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

Mr. Chairman, of course the committee is in favor of the dentists, because we have included the dentists in the bill. I think, rather than going through this parliamentary procedure of having this amendment decided, somebody else of-

fering to put the optometrists back into the Aspin amendment and somebody else putting the veterinarians back, we ought to vote down all these amendments and get to the bill.

Mr. Chairman, I oppose the amendment.

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

Mr. MITCHELL of New York. Mr. Chairman, will the gentleman yield?

Mr. HUNT. Mr. Chairman, I yield to the gentleman from New York.

Mr. MITCHELL of New York. Mr. Chairman, I just want to speak very briefly against the amendment. This is the same procedure we went through in committee. I would like to point out the error in the Chappell amendment. If he is trying to save money, he is sure going about it in a backward fashion, because the group he is trying to include costs about five times as much as the two we are excluding combined. Also, the shortage is more severe in veterinary medicine and optometry than it is in dentistry. The Department of Defense was quick to point this out to us.

Mr. Chairman, I would like to say that, contrary to Mr. ASPIN's assertions, there has been ample opportunity for study. The committee voted 32 to 6 to include optometrists, dentists, and veterinarians. There is strong documentation that we will have a severe shortage in these fields in the very near future. To eliminate the shortages, Mr. Chairman, we have got to pay the price. We have got to retain the young men. We have got to offer them more money, because they are getting paid about twice as much in civilian life as in the military.

The nicest part of this whole bill is that we are only going to spend about $3,000 a year to keep some people who are costing us $10,000 a year to get. For every one of these young professionals we retain at $3,000 a year, we do not have to replace them at $10,000, so there is a savings of $7,000.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. CHAPPELL), as a substitute for the amendment offered by the gentleman from Wisconsin (Mr. ASPIN), to the committee amendment in the nature of a substitute.

The amendment offered as a substitute for the amendment to the committee amendment in the nature of a substitute was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. ASPIN), to the committee amendment in the nature of a substitute.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 194, noes 201, not voting 37, as follows:

[Roll No. 130]

AYES—194

Abzug	Fascell	O'Hara
Adams	Findley	Owens
Addabbo	Fish	Patten
Alexander	Foley	Peyser
Anderson, Ill.	Ford	Pike
Archer	Forsythe	Podell
Ashbrook	Fraser	Powell, Ohio
Ashley	Frey	Quie
Aspin	Froehlich	Quillen
Badillo	Giaimo	Railsback
Baker	Gibbons	Rangel
Barrett	Gilman	Rees
Bauman	Ginn	Regula
Bell	Goodling	Reuss
Bergland	Grasso	Riegle
Biaggi	Gross	Rinaldo
Bingham	Gunter	Robison, N.Y.
Blatnik	Haley	Rodino
Bolling	Hamilton	Rosenthal
Brademas	Hanna	Rostenkowski
Brasco	Hansen, Wash.	Roush
Breckinridge	Harrington	Rousselot
Brooks	Harsha	Ryan
Brown, Calif.	Hastings	St Germain
Brown, Mich.	Hays	Sarasin
Brown, Ohio	Hechler, W. Va.	Sarbanes
Burgener	Heinz	Schneebeli
Burke, Calif.	Helstoski	Schroeder
Burke, Fla.	Holifield	Seiberling
Burlison, Mo.	Holtzman	Shoup
Burton	Howard	Shuster
Carney, Ohio	Huber	Sisk
Chappell	Hungate	Slack
Chisholm	Johnson, Colo.	Smith, Iowa
Clawson, Del	Jones, Okla.	Snyder
Cleveland	Jordan	Stanton, J. William
Cohen	Karth	Stanton, James V.
Collier	Kastenmeier	Steele
Conable	Ketchum	Steelman
Conte	Koch	Steiger, Wis.
Cotter	Kyros	Stokes
Coughlin	Lehman	Stuckey
Culver	Litton	Studds
Daniels, Dominick V.	Long, La.	Sullivan
Danielson	Long, Md.	Symington
Davis, Wis.	Luken	Symms
Delaney	McCollister	Taylor, Mo.
Dellenback	McDade	Thompson, N.J.
Dellums	McFall	Thone
Denholm	McKay	Tiernan
Dennis	McKinney	Udall
Dent	Macdonald	Van Deerlin
Diggs	Mallary	Vanik
Dingell	Martin, Nebr.	Vigorito
Drinan	Mathias, Calif.	Waldie
Dulski	Matsunaga	Whalen
Duncan	Mazzoli	Widnall
du Pont	Mezvinsky	Wilson, Charles, Tex.
Eckhardt	Minish	Wyatt
Edwards, Calif.	Mitchell, Md.	Wyman
Erlenborn	Moakley	Yates
Esch	Moorhead, Pa.	Young, Ga.
Eshleman	Mosher	Young, S.C.
Evans, Colo.	Moss	
Evins, Tenn.	Nix	
	Obey	

NOES—201

Abdnor	Clausen, Don H.	Gaydos
Anderson, Calif.	Cochran	Goldwater
Andrews, N.C.	Collins, Ill.	Gonzalez
Andrews, N. Dak.	Collins, Tex.	Gray
Annunzio	Conyers	Green, Oreg.
Arends	Corman	Green, Pa.
Armstrong	Crane	Griffiths
Bafalis	Cronin	Grover
Beard	Daniel, Dan	Gubser
Bennett	Daniel, Robert W., Jr.	Gude
Boggs	Davis, Ga.	Hammer-schmidt
Boland	Davis, S.C.	Hanley
Bowen	de la Garza	Hanrahan
Bray	Derwinski	Hansen, Idaho
Breaux	Devine	Hébert
Brinkley	Dickinson	Henderson
Broomfield	Donohue	Hicks
Brotzman	Downing	Hillis
Broyhill, N.C.	Edwards, Ala.	Hinshaw
Broyhill, Va.	Eilberg	Hogan
Buchanan	Fisher	Holt
Burke, Mass.	Flood	Horton
Burleson, Tex.	Flowers	Hosmer
Byron	Flynt	Hudnut
Carter	Fountain	Hunt
Casey, Tex.	Frelinghuysen	Hutchinson
Chamberlain	Fulton	Ichord
Clancy	Fuqua	Jarman
		Johnson, Calif.
		Johnson, Pa.
		Jones, Ala.
		Jones, N.C.
		Jones, Tenn.
		Kemp
		King
		Lagomarsino
		Landgrebe
		Landrum
		Latta
		Leggett
		Lent
		Lott
		McClory
		McCormack
		McEwen
		McSpadden
		Madden
		Mahon
		Mann
		Maraziti
		Martin, N.C.
		Mathis, Ga.
		Mayne
		Meeds
		Melcher
		Metcalfe
		Michel
		Miller
		Mills
		Mink
		Mitchell, N.Y.
		Mizell
		Mollohan
		Montgomery
		Moorhead, Calif.
		Morgan
		Murphy, Ill.
		Murphy, N.Y.
		Murtha
		Myers
		Natcher
		Nedzi
		Nelsen
		Nichols
		O'Brien
		O'Neill
		Parris
		Passman
		Pepper
		Perkins
		Pettis
		Preyer
		Price, Ill.
		Price, Tex.
		Randall
		Rarick
		Rhodes
		Roberts
		Robinson, Va.
		Roe
		Rogers
		Roncalio, Wyo.
		Roncallo, N.Y.
		Rooney, Pa.
		Rose
		Roy
		Roybal
		Ruth
		Sandman
		Satterfield
		Scherle
		Sebelius
		Shipley
		Sikes
		Skubitz
		Smith, N.Y.
		Spence
		Staggers
		Steed
		Steiger, Ariz.
		Stratton
		Stubblefield
		Talcott
		Taylor, N.C.
		Teague
		Thomson, Wis.
		Thornton
		Towell, Nev.
		Treen
		Ullman
		Vander Jagt
		Vander Veen
		Veysey
		Waggonner
		Walsh
		Wampler
		Ware
		White
		Whitehurst
		Whitten
		Wilson, Bob
		Wilson, Charles H., Calif.
		Winn
		Wolff
		Wright
		Wydler
		Wylie
		Yatron
		Young, Alaska
		Young, Fla.
		Young, Ill.
		Young, Tex.
		Zablocki
		Zion
		Zwach

NOT VOTING—37

Bevill	Guyer	Poage
Biester	Hawkins	Pritchard
Blackburn	Heckler, Mass.	Reid
Butler	Kazen	Rooney, N.Y.
Camp	Kluczynski	Runnels
Carey, N.Y.	Kuykendall	Ruppe
Cederberg	Lujan	Shriver
Clark	McCloskey	Stark
Clay	Madigan	Stephens
Conlan	Milford	Wiggins
Dorn	Minshall, Ohio	Williams
Frenzel	Patman	
Gettys	Pickle	

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENTS OFFERED BY MR. STEIGER OF WISCONSIN TO THE COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

Mr. STEIGER of Wisconsin. Mr. Chairman, I offer a series of amendments to the committee amendment in the nature of a substitute.

The Clerk read as follows:

Amendments offered by Mr. STEIGER of Wisconsin to the committee amendment in the nature of a substitute: Page 7, lines 9 and 10, strike out "or optometrists" and insert ", optometrists, podiatrists, or psychologists".

Page 7, line 13, immediately after "optometry" insert ", podiatry, or psychology".

Page 7, line 15, strike out "or optometry" and insert "optometry, podiatry, or psychology".

Page 7, line 16, strike out "or optometry" and insert "optometry, podiatry, or psychology".

Page 8, lines 20 and 21, strike out "or optometry" and insert ", optometry, podiatry, or psychology".

Page 9, line 1, immediately after "optometry" insert ", podiatry, or psychology".

Page 9, line 3, strike out "or optometry" and insert ", optometry, podiatry, or psychology".

Page 9, line 4, strike out "or optometry" and insert ", optometry, podiatry, or psychology".

Page 9, line 10, strike out "or optometry"

and insert ", optometry, podiatry, or psychology".

Mr. STEIGER of Wisconsin (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read, printed in the RECORD, and that they may be considered en bloc.

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

There was no objection.

Mr. STEIGER of Wisconsin. Mr. Chairman, the amendments I offer today propose to qualify commissioned podiatry and psychology—Ph. D.—officers in the uniformed services for the "special and bonus pay" benefits contained in S. 2770. These benefits, presently proposed for doctors of medicine, osteopathy, dentistry, optometry and veterinary medicine, are equally deserved by doctors of podiatric medicine and psychology—Ph. D.—the substantive reasons for which I will subsequently evaluate.

First, however, a word of explanation, since I was among those who supported the previously defeated amendment of my distinguished colleague, Mr. ASPIN. His effort was designed to return the legislation to what it was originally intended to be—an emergency measure, recommended and supported by DOD, giving the administration the necessary authority to counter a growing problem it faced in recruiting and retaining medical corps personnel. And since each of the Surgeons General—Army, Navy, and Air Force—has testified that no such emergency exists at this time with respect to recruiting and retaining other health professionals in the uniformed services, it was my strong opinion that—as a first priority—the "emergency situation" which prompted S. 2770 in the first place be the only issue debated here and now. This seemed particularly valid, since both the Senate Armed Services Committee and the House Armed Services Subcommittee on Military Compensation have already agreed to examine later this session the "special pay needs" of other health professionals in the uniformed services.

But the full House Armed Services Committee, contrary to the recommendation of its own Subcommittee on Military Compensation and the full Senate, chose to "doctor-up" S. 2770 by adding to the bill's beneficiaries dentists, optometrists and veterinarians. And since the House has earlier this afternoon chosen to follow the full committee's lead, I would hope, for reasons of equity, my amendment might merit favorable consideration and support.

In addition to "equity", however, a clear precedent also exists for my amendments. When the House passed H.R. 16924 late in the 92d Congress, 6 months prior to the effective date of a "zero draft environment", authority was therein given DOD to pay "bonuses" as needed to those health professions of critical importance to the military. Among those health professions listed by DOD in this "critical category" included, in addition to those presently specified in S. 2770, doctors of podiatric medicine and psychology—(Ph. D.). But the 92d Congress adjourned before the Senate could consider this House-passed bill and the measures have been once again introduced in the Congress, where they are presently pending items of business in both the Senate and House Armed Services Committees.

In keeping with this previous action by the House, with which my amendments today are fully consistent, I would urge a favorable vote to bring needed equity to the measure. Otherwise, should S. 2770 pass the House in its present form and in some way carry at the conference committee level, the ball game would be over, since what had been proposed to be an "emergency bill" dealing with medical doctors would have become an unjustifiable, inequitable and pseudo comprehensive military health professionals' special pay measure.

Podiatrists in the Military

U.S. Army	41
(1 colonel; 9 majors; 29 captains; and 2 1st lieutenants).	
U.S. Navy	13
U.S. Air Force*	10
Psychologists in the military (Ph.D.)	235

*50 new commissioned podiatry billets in the USAF have recently been approved by the Surgeon General. Within three years, a minimum of 60 podiatry billets will be occupied in this branch of military service.

All my amendment would do is simple. It would add the clinical psychologist and podiatrists. It is justified and is an amendment legitimately designed to take care of the men and women of the armed services from head to toe.

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

I think we are all familiar with the issue. This is an attempt to add something more to the bill, to add psychologists and podiatrists. The fact of the matter is that the information provided to us by the Department of Defense shows there is absolutely no shortage in the podiatrists and only a very minor shortage is anticipated in the clinical psychologists. The fact of the matter is that of the four professionals included in the bill, which the House sustained a moment ago by the vote, those are the ones that have traditionally suffered through the draft and traditionally received special pay. I think that is as far as we ought to go and I think we should reject the amendment offered by the gentleman from Wisconsin (Mr. STEIGER).

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

Mr. Chairman, I am pleased to express my support for the amendment offered by my friend, the distinguished gentleman from Wisconsin (Mr. WILLIAM STEIGER), which would add to the bill authority for special pay and bonuses to podiatrists and optometrists.

As the House will remember, both of these professions were included in similar legislation passed by this body in 1972. The Defense Department considered them, along with dentistry, optometry and veterinary medicine, "critical health professions." That legislation died in the Senate.

The incremental cost of adding these two professions to the bill should be minimal. I understand, for example, that there are only about 75 podiatrists currently on active military duty. But the principle involved here is an important one, Mr. Chairman. If the Congress expects to make the voluntary Army work, it must be willing to provide the incentive tools needed to attract the skills the military requires.

I believe it is important to emphasize that, as far as annual bonuses authorized by the amendment are concerned, they are completely discretionary on the part of DOD. Not until a shortage in a particular profession actually appears will a bonus be offered to attract and retain people in that profession.

No one contends, Mr. Chairman, that an emergency shortage of podiatrists or psychologists exists today. But neither do the Armed Forces face an emergency shortage of any of the health professionals other than medical doctors. There is fully as much justification for including these two critical health specialties in this legislation.

One final point, Mr. Chairman: It is expected that, by 1978, just 4 years from now, we can expect a reasonable supply of health professionals from the Uniformed Services Health Academy. Until then, Congress should provide the authority for DOD to maintain the necessary level of health professionals in all of those areas deemed critical by the services.

I therefore urge the adoption of the pending amendment.

Mr. PIKE. Mr. Chairman, will the gentleman yield for a question?

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

Mr. PIKE. Mr. Chairman, does the gentleman not think under the circumstances it would be appropriate also if we added the acupuncturists?

Mr. MATSUNAGA. There is no shortage of acupuncturists. In fact there are no acupuncturists in the Army.

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

Mr. MATSUNAGA. I yield to the gentleman from New York (Mr. WOLFF).

Mr. WOLFF. Mr. Chairman, not in a facetious vein, but as I understand it chiropractors are included under medicare. Would it not be in order, if we are taking the podiatrists and the psychologists, to consider the chiropractors?

Mr. MATSUNAGA. I am not certain about the situation.

Mr. LEGGETT. Mr. Chairman, if the gentleman will yield for an answer to that, there are no chiropractors in the medical services.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. STEIGER) to the committee amendment in the nature of a substitute.

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. STEIGER of Wisconsin. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment to the committee amendment in the nature of a substitute was rejected.

The CHAIRMAN. Are there further amendments?

If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. FLOWERS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (S. 2770) to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services, pursuant to House Resolution 1017, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted in the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. SCHERLE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 291, nays 106, not voting 35, as follows:

[Roll No. 131]

YEAS—291

Abdnor	Breaux	Cohen
Alexander	Breckinridge	Collier
Anderson, Calif.	Brinkley	Collins, Ill.
	Brooks	Collins, Tex.
Anderson, Ill.	Broomfield	Conable
Andrews, N.C.	Brown, Calif.	Corman
Andrews, N. Dak.	Brown, Mich.	Crane
	Brown, Ohio	Cronin
Annunzio	Broyhill, N.C.	Culver
Archer	Broyhill, Va.	Daniel, Dan
Arends	Buchanan	Daniel, Robert W., Jr.
Armstrong	Burke, Calif.	
Ashley	Burke, Mass.	Daniels, Dominick V.
Bafalis	Burleson, Tex.	
Bauman	Byron	Danielson
Beard	Carter	Davis, Ga.
Bell	Casey, Tex.	Davis, S.C.
Bennett	Chamberlain	de la Garza
Bingham	Chappell	Dellenback
Blatnik	Clancy	Dent
Boggs	Clausen, Don H.	Derwinski
Boland		Devine
Bowen	Cleveland	Dickinson
Bray	Cochran	Donohue
Downing	Long, La.	Roy
du Pont	Lott	Ruth
Eckhardt	Luken	Sandman
Edwards, Ala.	McClory	Sarasin
Eilberg	McCollister	Satterfield
Erlenborn	McCormack	Scherle
Esch	McDade	Schneebeli
Eshleman	McEwen	Sebelius
Evans, Colo.	McFall	Seiberling
Fascell	McKay	Shipley
Fish	McSpadden	Shoup
Fisher	Macdonald	Sikes
Flood	Madden	Sisk
Flowers	Madigan	Skubitz
Flynt	Mahon	Slack
Forsythe	Mallary	Smith, Iowa
Fountain	Mann	Smith, N.Y.
Frelinghuysen	Maraziti	Snyder
Frey	Martin, Nebr.	Spence
Fuqua	Martin, N.C.	Staggers
Gaydos	Mathias, Calif.	Stanton, J. William
Gibbons	Mathis, Ga.	
Gilman	Matsunaga	Steed
Ginn	Mayne	Steele
Goldwater	Meeds	Steelman
Gonzalez	Melcher	Steiger, Ariz.
Goodling	Mezvinsky	Steiger, Wis.
Gray	Miller	Stokes
Green, Oreg.	Mills	Stratton
Green, Pa.	Minish	Stubblefield
Grover	Mink	Sullivan
Gubser	Mitchell, N.Y.	Symington
Gude	Mizell	Taylor, Mo.
Gunter	Mollohan	Taylor, N.C.
Haley	Montgomery	Teague
Hamilton	Moorhead, Calif.	Thompson, N.J.
Hammer-schmidt		Thomson, Wis.
	Moorhead, Pa.	Thornton
Hanley	Morgan	Towell, Nev.
Hanrahan	Mosher	Treen
Hansen, Idaho	Moss	Udall
Hansen, Wash.	Murphy, Ill.	Ullman
Harsha	Murphy, N.Y.	Van Deerlin
Hastings	Murtha	Vander Jagt
Hébert	Myers	Veysey
Henderson	Natcher	Waggonner
Hicks	Nelsen	Waldie
Hillis	Nichols	Walsh
Hinshaw	O'Brien	Wampler
Hogan	O'Neill	Ware
Holifield	Parris	White
Holt	Passman	Whitehurst
Horton	Patten	Whitten
Hosmer	Pepper	Widnall
Hudnut	Perkins	Wiggins
Hungate	Pettis	Wilson, Bob
Hunt	Peyser	Wilson, Charles H., Calif.
Hutchinson	Podell	
Ichord	Preyer	
Jarman	Price, Ill.	Wilson, Charles, Tex.
Johnson, Calif.	Price, Tex.	
Johnson, Colo.	Randall	Winn
Johnson, Pa.	Rarick	Wright
Jones, Ala.	Regula	Wyatt
Jones, N.C.	Rhodes	Wydler
Jones, Okla.	Rinaldo	Wylie
Jones, Tenn.	Roberts	Wyman
Jordan	Robinson, Va.	Yatron
Kemp	Roe	Young, Alaska
King	Rogers	Young, Fla.
Kyros	Roncalio, Wyo.	Young, Ill.
Lagomarsino	Roncalio, N.Y.	Young, S.C.
Landgrebe	Rooney, Pa.	Young, Tex.
Landrum	Rose	Zablocki
Latta	Rostenkowski	Zion
Leggett	Roush	Zwach
Lent	Rousselot	

NAYS—106

Abzug	Delaney	Helstoski
Adams	Dellums	Holtzman
Addabbo	Denholm	Howard
Ashbrook	Dennis	Huber
Aspin	Diggs	Karth
Badillo	Dingell	Kastenmeier
Baker	Drinan	Ketchum
Barrett	Dulski	Koch
Bergland	Duncan	Lehman
Biaggi	Edwards, Calif.	Litton
Bolling	Evins, Tenn.	Long, Md.
Brademas	Findley	McKinney
Brasco	Foley	Mazzoli
Brotzman	Ford	Metcalfe
Burgener	Fraser	Michel
Burke, Fla.	Froehlich	Mitchell, Md.
Burlison, Mo.	Fulton	Moakley
Burton	Giaimo	Nedzi
Carney, Ohio	Grasso	Nix
Chisholm	Griffiths	Obey
Clawson, Del	Gross	O'Hara
Conte	Hanna	Owens
Conyers	Harrington	Pike
Cotter	Hays	Powell, Ohio
Coughlin	Hechler, W. Va.	Pritchard
Davis, Wis.	Heinz	Quie
Quillen	Ryan	Thone
Railsback	St Germain	Tiernan
Rangel	Sarbanes	Vander Veen
Rees	Schroeder	Vanik
Reuss	Shuster	Vigorito
Riegle	Stanton, James V.	Whalen
Robison, N.Y.		Wolff
Rodino	Stuckey	Yates
Rosenthal	Studds	Young, Ga.
Roybal	Symms	

NOT VOTING—35

Bevill	Gettys	Pickle
Biester	Guyer	Poage
Blackburn	Hawkins	Reid
Butler	Heckler, Mass.	Rooney, N.Y.
Camp	Kazen	Runnels
Carey, N.Y.	Kluczynski	Ruppe
Cederberg	Kuykendall	Shriver
Clark	Lujan	Stark
Clay	McCloskey	Stephens
Conlan	Milford	Talcott
Dorn	Minshall, Ohio	Williams
Frenzel	Patman	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Kluczynski with Mr. Clay.
Mr. Bevill with Mr. Cederberg.
Mr. Rooney of New York with Mr. Frenzel.
Mr. Stark with Mrs. Heckler of Massachusetts.
Mr. Kazen with Mr. Hawkins.
Mr. Carey of New York with Mr. Kuykendall.
Mr. Reid with Mr. Biester.
Mr. Clark with Mr Blackburn
Mr. Runnels with Mr. McCloskey.
Mr. Pickle with Mr. Butler.
Mr. Dorn with Mr. Camp.
Mr. Milford with Mr. Guyer.
Mr. Gettys with Mr. Conlan.
Mr. Patman with Mr. Lujan.
Mr. Stephens with Mr. Minshall of Ohio.
Mr. Shriver with Mr. Ruppe.
Mr. Talcott with Mr. Williams.

The result of the vote was announced as above recorded.

The title was amended so as to read: "An act to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers and other health professionals of the uniformed services."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD on the bill (S. 2770) just passed.

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

There was no objection.

PERSONAL EXPLANATION

Mr. BIAGGI. Mr. Speaker, I was not present yesterday when the House voted on House Resolution 937, authorizing funds for the expenses of the Committee on Internal Security. In my absence, I was incorrectly paired as against the resolution.

I wish to correct now the impression made by this mistake. I am a strong supporter of the House Committee on Internal Security, and have consistently voted for their budget ever since I came to Congress.

I believe the House Committee on Internal Security is one of the most important means by which we protect the in-

ternal security of this country. It has done effective and important work in the past, and I hope will continue to do so. If I had been present, I would definitely have voted for House Resolution 937.

PERMISSION FOR MANAGERS TO HAVE UNTIL MIDNIGHT TO FILE CONFERENCE REPORT ON H.R. 12253

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that the managers have until midnight tonight to file the conference report on (H.R. 12253) to amend the General Education Provisions Act to provide that funds appropriated for applicable programs for fiscal year 1974 shall remain available during the succeeding fiscal year and that such funds for fiscal year 1973 shall remain available during fiscal years 1974 and 1975.

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

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, and I shall not object, has this matter been cleared with the ranking minority member on the committee?

Mr. PERKINS. Yes, it was yesterday and we did not reach agreement. We have today.

Mr. ROUSSELOT. Mr. Chairman, may I understand the nature of this request?

Mr. PERKINS. Yes. It is on the Tydings amendment to permit the school boards to have another school year to spend the money.

The SPEAKER pro tempore (Mr. DANIELSON). Is there objection to the request of the gentleman from Kentucky?

There was no objection.

CONFERENCE REPORT (H. REPT. No. 93-965)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the amendment of the Senate to the text of the bill (H.R. 12253) to make certain appropriations available for obligation and expenditure until June 30, 1975, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That, (a) as used in this section, the term "applicable program" means any program to which the General Education Provisions Act applies.

(b)(1) Notwithstanding any other provision of law, unless enacted in express and specific limitation of the provisions of this section—

(A) any funds appropriated to carry out any applicable program for the fiscal year 1973; and

(B) any funds appropriated to carry out any applicable program for fiscal year 1974;

shall remain available for obligation and expenditure until June 30, 1975.

(2) Nothing in this section shall be construed to approve of the withholding from expenditure or the delay in expenditure of any funds appropriated to carry out any applicable program for fiscal year 1973 beyond the period allowed for apportionment under subsection (d) of section 3679 of the Revised Statutes (31 U.S.C. 665).

SEC. 2. Paragraph (2), (3), (4), and (5) of section 428(a) of the Higher Education Act of 1965, and all references thereto, are redesignated as paragraphs (3), (4), (5), and (6) thereof, respectively, and such section 428(a) is amended by striking out paragraph (1) thereof and inserting in lieu thereof the following:

"(1) Each student who has received a loan for study at an eligible institution—

"(A) which is insured by the Commissioner under this part;

"(B) which was made under a State student loan program (meeting criteria prescribed by the Commissioner), and which was contracted for, and paid to the student, within the period specified by paragraph (5); or

"(C) which is insured under a program of a State or of a nonprofit private institution or organization which was contracted for, and paid to the student, within the period specified in paragraph (5), and which—

"(i) in the case of a loan insured prior to July 1, 1967, was made by an eligible lender and is insured under a program which meets the requirements of subparagraph (E) of subsection (b)(1) and provides that repayment of such loan shall be in installments beginning not earlier than sixty days after the student ceases to pursue a course of study (as described in subparagraph (D) of subsection (b)(1)) at an eligible institution, or

"(ii) in the case of a loan insured after June 30, 1967, is insured under a program covered by an agreement made pursuant to subsection (b).

shall be entitled to have paid on his behalf and for his account to the holder of the loan a portion of the interest on such loan at the time of execution of the note or written agreement evidencing such loan under circumstances described in paragraph (2).

"(2)(A) Each student qualifying for a portion of an interest payment under paragraph (1) shall—

"(i) have provided to the lender a statement from the eligible institution, at which the student has been accepted for enrollment, or at which he is in attendance in good standing (as determined by such institution), which—

"(I) sets forth such student's estimated costs of attendance, and

"(II) sets forth such student's estimated financial assistance; and

"(ii) meet the requirements of subparagraph (B).

"(B) For the purposes of clause (ii) of subparagraph (A), a student shall qualify for a portion of an interest payment under paragraph (1) if such student's adjusted family income—

"(i) is less than $15,000, and—

"(I) the amount of such loan would not cause the total amount of the student's loans insured by the Commissioner under this part or by a State or nonprofit private institution or organization which has an agreement under subsection (b) to exceed $2,000 in any academic year, or its equivalent, or

"(II) the amount of such loan would cause the total amounts of the loans described in clause (I) of this subparagraph of that student to exceed $2,000 in any academic year or its equivalent, and the eligible institution has provided, with respect to the amount of such loans in excess of $2,000, the lender with a statement recommending the amount of such excess; or

"(ii) is equal to or greater than $15,000, and the eligible institution has provided the lender with a statement evidencing a determination of need and recommending a loan in the amount of such need.

"(C) For the purposes of paragraph (1) and this paragraph—

"(i) a student's estimated cost of attendance means, for the period for which the loan is sought, the tuition and fees applicable to such student together with the institution's estimate of other expenses reasonably related to attendance at such institution, including, but not limited to, the cost of room and board, reasonable commuting costs, and costs for books;

"(ii) a student's estimated financial assistance means, for the period for which the loan is sought, the amount of assistance such student will receive under parts A, C, and E of this title, plus other scholarship, grant, or loan assistance;

"(iii) the term 'eligible institution' when used with respect to a student is the eligible institution at which the student has been accepted for enrollment or, in the case of a student who is in attendance at such an institution is in good standing (as determined by such institution);

"(iv) the determination of need and the amount of a loan recommended by an eligible institution under subparagraph (B)(ii) and the amount of loans in excess of $2,000 recommended by an eligible institution under subparagraph (B)(i)(II) with respect to a student shall be determined by subtracting from the estimated cost of attendance at such institution the total of the expected family contribution with respect to such student (as determined by means other than one formulated by the Commissioner under subpart 1 of part A of this title) plus any other resources or student financial assistance reasonably available to such student.

"(D) In addition, the Commissioner shall pay an administrative cost allowance in the amount established by paragraph (3)(B) of this subsection with respect to loans to any student without regard to the borrower's need. For the purposes of this paragraph, the adjusted family income of a student shall be determined pursuant to regulations of the Commissioner in effect at the time of the execution of the note or written agreement evidencing the loan. Such regulations shall provide for taking into account such factors, including family size, as the Commissioner deems appropriate. In the absence of fraud by the lender, such determination of the need of a student under this paragraph shall be final insofar as it concerns the obligation of the Commissioner to pay the holder of a loan a portion of the interest on the loan.".

SEC. 3. Section 428(a) of the Higher Education Act of 1965, as amended by this Act, is amended by adding at the end thereof the following new paragraph:

"(7) Nothing in this or any other Act shall be construed to prohibit or require unless otherwise specifically provided by law, a lender to evaluate the total financial situation of a student making application for a loan under this part, or to counsel a student with respect to any such loan, or to make a decision based on such evaluation and counseling with respect to the dollar amount of any such loan.".

SEC. 4. Clause (H) of paragraph 428(b)(1) of the Higher Education Act of 1965 is amended to read as follows:

"(H) provides that the benefits of the loan insurance program will not be denied any student who is eligible for interest benefits under section 428(a) (1) and (2) except in the case of loans made by an instrumentality of a State or eligible institution;".

SEC. 5. Section 2(a)(7) of the Emergency Insured Student Loan Act of 1969 is amended by striking out "July 1, 1974" and inserting in lieu thereof "July 1, 1975".

SEC. 6. The amendments made by section 2 shall be effective forty-five days after enactment of this Act and be applicable to a loan for which a guarantee commitment is made on or after that date.

And the House agree to the same.

CARL D. PERKINS,
JOHN BRADEMAS,
JAMES G. O'HARA,
ALBERT H. QUIE,
JOHN DELLENBACK,
Managers on the Part of the House.

CLAIBORNE PELL,
JENNINGS RANDOLPH,
HARRISON A. WILLIAMS,
EDWARD M. KENNEDY,
WALTER F. MONDALE,
THOMAS F. EAGLETON,
ALAN CRANSTON,
WILLIAM D. HATHAWAY,
PETER H. DOMINICK,
JACOB K. JAVITS,
RICHARD S. SCHWEIKER,
J. GLENN BEALL, JR.,
ROBERT T. STAFFORD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the amendment of the Senate to the text of the bill (H.R. 12253) to make certain appropriations available for obligation and expenditure until June 30, 1975, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amended H.R. 12253 by striking all after the enacting clause and inserting in lieu thereof a new text, and by amending the title. The House amended the new text substituted by the Senate amendment by inserting a new substitute text. The differences between the Senate and House amendments and the substitute agreed to by the committee of conference are noted below, except for minor clerical corrections, conforming changes made necessary by agreements reached by the conferees and minor drafting and clarifying changes.

CARRYOVER OF FUNDS APPROPRIATED FOR APPLICABLE PROGRAMS

The House amendment to the amendment of the Senate amends section 414(b) of the General Education Provisions Act to allow for the obligation and expenditure through June 30, 1975, of impounded FY 1973 funds for certain education programs which were made available in FY 1974, and of all FY 1974 appropriated funds for education programs administered by the Office of Education.

The Senate amendment contains a similar provision which accomplishes the same result without amending the General Education Provisions Act. The House recedes.

The Senate amendment also contains a provision that the authority provided in the Senate amendments for an additional period of time in which to expend funds for certain education programs for FY 1973 which were impounded is not to be construed to approve of the delay in expenditure or of the withholding of such funds. The House amendment to the Senate amendments to the bill contain no comparable provision. The House recedes.

GUARANTEED LOAN INTEREST BENEFIT ELIGIBILITY

The Senate amendment amends section 428(a) of the Higher Education Act, as amended, to remove the requirement that the amount of insured student loan needed be determined as a condition of eligibility for interest payments for borrowers whose adjusted family incomes are below $15,000. The House amendment removed this requirement for borrowers whose adjusted family incomes are below $15,000 and who are borrowing no more than $1,500 in a given academic year. The House recedes and concurs in the Senate amendment with a further amendment removing the need determination requirement for borrowers with adjusted family incomes below $15,000, who are borrowing no more than $2,000 in a given academic year.

The main effect of the Conference Report is to change the circumstances under which a formal needs analysis is required as part of the subsidized guaranteed loan program.

If a student with an adjusted family income of less than $15,000 applies for a loan which would cause the total amount of guaranteed loans during an academic year to be $2,000 or less, no needs analysis is required and the educational institution does not make a recommendation to the lender. In effect, a request for a loan of $2,000 or less automatically entitles the student to interest subsidies on any such loans made.

If a student with an adjusted family income of less than $15,000 applies for a loan which would cause the total amount of subsidized loans to exceed $2,000 for an academic year, a needs analysis is required. Conferees wish to stress that the needs analysis is to help the institution determine what amount, if any, to recommend in excess of $2,000. For the purpose of such recommendation, the $2,000 loan for which the student is eligible for a subsidy shall be treated as a contribution from the student's resources. The results of a needs analysis are in no way intended to affect the student's automatic eligibility for a subsidized loan of up to $2,000 for the appropriate academic period. In fact, when such a needs analysis shows no need for an amount in excess of $2,000, the information relating to the needs analysis should not be made a part of the student's application and that application would be treated as if the requested loan was for $2,000.

The conference agreement is not intended to change the manner in which applications are treated for students whose adjusted family incomes are $15,000 or more. Although these students can qualify for interest subsidies on loans up to $2,500 per year, the institution must carry out a formal needs analysis and report on the student's application to the lender the results of such a needs analysis together with the institution's recommendation for a subsidized loan related to the student's need.

It is the express intention of the conferees that nothing in this legislation may be utilized as a basis for rules, regulations, guidelines or other administrative efforts to require any form of needs assessment except in the circumstances specifically set forth in the bill, and described in this joint statement—nor may such administrative devices be utilized in any effort to require lenders to engage in loan counseling, to make a judgment as to the family's capacity to assist the student financially, or to limit their loans according to any estimate of anticipated family contribution, except as provided by law.

The amendment further requires, for all loans, that the school advise the lender of the cost of attendance for such a student, and the amount of that student's financial assistance under parts A, C, and E of title IV of the Higher Education Act, or any other scholarship, grant or loan.

In making such needs assessment as is permitted, the amendment prohibits the use of any family contribution schedule developed by the Commissioner of Education under the basic educational opportunity grant program.

The House amendment states that nothing in this or any other Act shall be construed to prohibit a lender from evaluating the total financial situation of a student making application for a loan under this program, or from counseling a student with respect to any such loan, or from making a decision based on such evaluation and counseling with respect to the dollar amount of such loan. The Senate amendment contained no comparable provision. The Senate receded, with a further amendment stating that nothing in this or any other Act "shall be construed to prohibit or require, unless otherwise specifically provided by law" the lender activities listed above.

The House amendment makes a technical conforming amendment to Clause H of paragraph 428(b)(1) of the Higher Education Act. The Senate bill contains no comparable provision. The Senate recedes.

The House amendment extends for one year, from June 30, 1974 to June 30, 1975, the expiration date of the authority of the Secretary of Health, Education, and Welfare to prescribe a "special allowance" payable to lenders by the Commissioner of Education, in excess of the 7% interest payable under the program. The Senate amendment contains no comparable provision. The Senate recedes.

The House amendment makes the provisions of Section 2 effective sixty days after the enactment of the legislation, with respect to loans for which a guarantee commitment is made on or after such date. The Senate amendment was made effective thirty days after enactment. The Senate recedes with an amendment changing the sixty days to forty-five days.

CARL D. PERKINS,
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Managers on the Part of the Senate.

REFORM OR POLITICAL COMPROMISE?

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

Mr. CHARLES H. WILSON. Mr. Speaker, several weeks ago the Select Committee on Committees, chaired by RICHARD BOLLING, Democrat of Missouri, made its report of suggested changes in the House committee structure. Although their proposals have been referred to by some, mostly select committee members themselves, as reforms, the truth is that the Bolling package is in many instances a hypocritical mixture of political deals and change for the sake of change.

In fact, what emerges in their final recommendations obviously contradicts their initial intent, which to significantly decrease the number of standing

committees of the House. After dispensing with considerable rigamarole about A or B committees, it becomes clear that the net change is a loss of only one committee. Through a process ruled by political Darwinism, not the interests of reform, the select committee did, however, arrive at proposals for jurisdictional changes and the elimination of one extremely important committee, the Post Office and Civil Service Committee.

Many of my colleagues now realize that the Bolling committee proposals will not have a beneficial effect on the operations of the House, and I doubt that the proposals will ever be implemented.

Unfortunately, very little investigative reporting has been done on the subject, however, and many citizens are unaware that Bolling committee "reform" is a misnomer.

Last week, however, the widely respected young reporter for the Federal Times, Bob Williams, turned his incisive critical eye upon the select committee recommendations and outlined some serious problems which would face Federal, and especially postal, workers if the proposals were ever ratified.

His article from the March 27, 1974, issue of the Federal Times follows:

COMPROMISED BY MISSOURI

(By Bob Williams)

A sharp Democrat from Missouri is intent on making some fundamental changes to the life styles of the men who represent U.S. Postal Service employees.

In itself this drive for the topsy-turvy is not a bad idea, but such a move—providing it is bought by the House of Representatives—could temporarily at least leave the work force without one of its most effective forums in Washington.

The man is Rep. Richard Bolling, chairman of the Select Committee on Committees, a House member for a quarter of a century.

Bolling wants to abolish the Post Office and Civil Service Committee, which despite the collective bargaining advantages of postal reorganization, remains one of the best instruments for change that USPS workers possess.

The Missourian's rationale at this point is not particularly important. What is noteworthy is that the PO&CS Committee, particularly the subcommittees headed by Reps. Jim Hanley and Charley Wilson, has done yeoman work in keeping the postal service straight during the last three years.

It seems clear that revelations of the discredited Westinghouse Corp. job evaluation contract, disclosures of hanky panky in the selection of postal bond underwriters and reports on the bulk mail system boondoggle would never have seen the light of day had it not been for Rep. Thad Dulski and his boys.

On second thought it may be advisable to examine the reasons Bolling wants to quash the committee. He is convinced, as are many others on Capitol Hill, that the House must be reorganized.

In any reorganization, heads must fall and kingdoms must be partitioned. In this shakeup, it is the post office committee that has been tagged for a footnote in the history books.

Several years ago this might have been a wise choice, but it is my conviction that the PO&CS Committee, especially those two subcommittees with postal oversight functions, has grown in stature. It is no longer a second rate House unit congressmen reluctantly join only because there is no place else to go.

Most of those on the committee are doing an excellent job. They do their homework. And they have enviable reputations. Wilson and Hanley know that postal service. They are not afraid to tackle the issues.

Dulski has emerged as a force to be reckoned with. H. R. Gross, minority leader, while not always on the side of federal workers, nevertheless keeps the bureaucrats on their toes. Jerome Waldie has fearlessly pushed for employee rights.

There are others, but why belabor the obvious? The committee is no longer a haven for lightweights, misfits and neophytes of either party.

And it is because of this that the Bolling plan is incomprehensible. Congressional reorganization makes sense so long as it doesn't kill a good thing.

This is the situation: Bolling's committee as this issue went to press was preparing to report a bill that would dismantle the post office committee.

Under the plan, postal oversight functions would be transferred to the Labor Committee. This does not mean the same team would be in charge. Several staffers predicted substantial changes in committee assignments.

One of Bolling's experts predicted the measure could go to the House floor for a vote as early as April 23.

This does not guarantee the House will endorse the Bolling blueprint. But observers concede that a real fight must be waged if the committee is to be salvaged.

A final note: Consider this excerpt from a letter by Donald N. Ledbetter, president of the National Association of Postal Supervisors. It was sent to every member of the House.

"We realize that members of Congress cannot become expert in all fields. The members of the Committee on Post Office and Civil Service, however, have become experts not only through their years of service but also through their active interest in postal and other federal activities.

"This knowledge is not gained overnight. If the PO&CS Committee is absorbed by other committees, we can foresee a lessening of interest in postal affairs and postal insight . . ."

That would be unfortunate.

JOSEPH F. FRIEDKIN, DISTINGUISHED PUBLIC SERVANT

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

Mr. DE LA GARZA. Mr. Speaker, I take pleasure in calling to the attention of my colleagues the achievements of a man who today, April 2, 1974, rounds out 40 years of distinguished public service.

I refer to Joseph F. Friedkin, U.S. Commissioner on the International Boundary and Water Commission, United States and Mexico.

This is an agency of the utmost importance to my district, the 15th Congressional District of Texas, which borders on the Republic to the South. I, therefore, have firsthand knowledge of the tremendous value of Commissioner Friedkin's work. He is a dedicated public servant of the highest caliber.

Joe Friedkin joined the United States-Mexico International Boundary Commission in 1934 shortly after his graduation from Texas Western College, now the University of Texas at El Paso. From the first, his thorough and competent work marked him as a man destined for high achievement.

Under U.S. Commissioner L. M. Lawson, he carried out for the United States the field studies on water uses and flood control in preparation for the negotiation of the 1944 water treaty with Mexico. During World War II he was a major in the Corp of Engineers, serving as assistant to the president of the Mississippi River Commission.

On his return to civilian life in 1946, he was placed in charge of the San Diego office of the U.S. section of the International Boundary and Water Commission. The agency was at that time taking up its new and greatly expanded responsibilities resulting from the conclusion of the 1944 water treaty.

In 1952 he was assigned to the El Paso headquarters of the U.S. section as a principal engineer. In that capacity he supervised for the United States the engineering, construction, operation, and maintenance activities in the rapidly developing joint international projects along the 1,900-mile boundary with Mexico. These included the completion of Falcon Dam, near Zapata, Tex., and the early investigations, planning, and design for Amistad Dam, near Del Rio, Tex.

These two projects together have achieved probably the highest practical control of the Rio Grande in the Lower Rio Grande Valley of Texas. They have substantially decreased the incidence of flooding from the river and insured the valley a greatly augmented and dependable water supply.

On April 2, 1962, President Kennedy appointed Joe Friedkin U.S. Commissioner. That date marked the beginning of the most fruitful phase of his career. The last 12 years have been packed with one remarkable achievement after another undertaken by the Commission for the benefit of the people of the United States-Mexican border. High among these benefits is additional flood control for residents of the Lower Rio Grande Valley.

The list of accomplishments is long and varied. It includes the following:

1963—Chamizal Boundary Settlement—Commissioner Friedkin served as technical adviser to the Department of State in the negotiations leading to the settlement of that century-old dispute. He was in charge of the relocation of people, railroads, bridges, and highways in the city of El Paso at a cost of $45 million.

1961–74—International Colorado River Salinity Control Problem—Serving as technical adviser to the Department of State, Commissioner Friedkin coordinated efforts with the seven Colorado River Basin States, helping to devise the basic elements of the first major agreement concluded in 1965 and subsequently renewed through 1972. He similarly served Ambassador Brownell in negotiations leading to the definitive solution now before the Congress for implementation.

1967—International Tijuana River Flood Control Project—He negotiated an agreement with Mexico for the international project as desired by San Diego. Construction awaits completion of local arrangements.

1967—International Rio Grande Salinity Problem—Commissioner Friedkin concluded a satisfactory agreement with Mexico for a solution designed to preserve the quality of Rio Grande Waters in the Lower Rio Grande Valley.

1964–69—Construction of the International Amistad Dam—Joe Friedkin was the U.S. of-

ficial responsible for the joint construction with Mexico of this $100 million project.

1969–74—Lower Rio Grande Flood Control Improvement Project—He negotiated with Mexico a revised division of Rio Grande flood waters. He then planned and supervised construction of works costing $31 million to provide assured river flood control for the Lower Rio Grande Valley.

1971—International Nogales Clean Water Project—Commissioner Friedkin negotiated an agreement with Mexico for enlargement and relocation of this international sanitation project for adjoining Mexican and U.S. communities.

1970–74—1970 Boundary Treaty with Mexico—He served as technical adviser to the Department of State in the negotiation of what has been described as the most comprehensive boundary agreement ever concluded by the United States. It resolves ownership of all disputed and uncertain tracts, and provides a basis for preventing such disputes and uncertainties in the future. He is responsible for the implementation now under way.

Numerous awards and honors have deservedly been bestowed on Commissioner Friedkin. In 1964 the Department of State conferred on him its "Superior Honor Award" for initiative and enterprise in this discharge of his duties as U.S. Commissioner. In 1968 President Johnson accorded the Commissioner the personal rank of Ambassador. In 1969 Joe Friedkin was named one of the "Top Ten Public Works Men of the Year" by Kiwanis International and the American Public Works Association.

Mr. Speaker, I have known and worked with Commissioner Friedkin before and since my election to Congress in 1964. Through all these years I have observed his determination, not only to improve relations with our neighbor to the south that fall within his reponsibilities, but also to improve the quality of life for the people living along the United States-Mexican border. I speak from personal experience when I say that his is indeed a career of public service in the highest tradition.

I extend to my friend, Joe Friedkin, my sincere personal appreciation, and I respectfully ask all of my colleagues to join with me in extending to Commissioner Friedkin our official commendation for his dedication to duty. That dedication relates not only to his official position but also, and above all, to the best interests of his country.

TIME AND THE PRESIDENT'S TAXES

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

Mr. VANIK. Mr. Speaker, today as we witness the spectacle of the President's lawyers seeking to delay the issuance of the report on the President's taxes which has been long promised by the Joint Committee on Internal Revenue Taxation, we must be mindful of the fact that time is working vigorously to save the President money on his tax obligations.

The statute of limitations has already run out on the President's 1969 tax returns on which the President claimed a tax saving of $63,333 for the highly questionable gift of his papers. If the finding of the joint committee—or if the Internal Revenue Service over which the President remains as overlord—fails to make a deficiency finding on the President's 1970 tax return before April 15—the statute of limitations will permit the President to prevail in his 1970 savings of $32,099 for the questionable gift.

Engineered delay and IRS oversight will save the President almost $100,000 in his potential tax liability.

In the Wall Street Journal of today there is an interesting article which outlines the manner in which the Internal Revenue Service handles an average taxpayer. The article follows:

UNHAPPY RETURNS: IRS AUDITS TAXPAYERS WITH VARYING FERVOR, ONE COUPLE DISCOVERS

(By David McClintick)

WEST CALDWELL, N.J.—As far as Robert and Frances Crissy know, they have only one important thing in common with Richard and Pat Nixon. Both couples' tax returns are being audited by the Internal Revenue Service.

Under public and congressional pressure, the IRS is checking the Nixon returns a second time and presumably is doing a thorough job. The first audit, as has been well documented, was cursory.

But the Revenue Service has been thorough from the start with the Crissys. Their case, in fact, shows just how deeply the IRS can dig if it chooses to and how the agency's thoroughness can vary from one taxpayer to another. That variation in audit ardor isn't lost on the Crissys. "We have nothing to hide but it's discouraging to realize the IRS doesn't treat everyone the same," Bob Crissy says.

Apart from demonstrating that audits can differ, the Crissy case also shows how both taxpayers and the IRS make mistakes, and how an audit can be useful in correcting errors on both sides.

A FRIEND OF THE FAMILY

Tax audits normally are secret, but the Crissys invited The Wall Street Journal to examine details of their audit, including their financial records, tax returns and correspondence with the IRS. In addition, this reporter, posing as a friend of the Crissys, sat in on a three-hour session at which an IRS agent and his supervisor questioned the Crissys about their returns.

Bob Crissy—a slender, 60-year-old six-footer with close-cropped gray hair—is self-employed and maintains his office in a converted bedroom on the second floor of his home, a modest, two-story yellow frame house in this quiet New York City suburb. Frances, Bob's 60-year-old wife, is a retired school teacher.

Mr. Crissy makes roughly half his living by selling sophisticated printing equipment in the eastern U.S. The other half comes from inventing printing devices and selling the patents on them to manufacturers. For 1972, the year in which the IRS seems most interested, Mr. Crissy paid $7,573 in federal taxes on an adjusted gross income of $34,039.

As an independent businessman who travels a lot, Mr. Crissy takes a range of tax deductions familiar to millions of Americans. Among many other things, he writes off business travel expenses, the cost of his home office, and the part of his country-club dues and bills attributable to business entertaining.

Mr. Crissy keeps detailed records to support his deductions, but it appears they aren't detailed enough for the IRS.

A FOUR-DAY INVESTIGATION

Revenue Agent Thomas H. Zick of the Newark IRS office sent a form letter to Mr. Crissy last Aug. 31 saying the Crissy 1972 return had been selected for audit. (Later the IRS told Mr. Crissy it also would audit 1971.)

Mr. Zick, a modishly dressed man in his 20s with a mustache and fashionably long brown hair, spent four days in Mr. Crissy's office in October and November. Armed with pencils, large lined pads of paper and a portable calculator, he pored over Mr. Crissy's cancelled checks, receipts and other records, asking questions as he went.

Fran Crissy, who travels frequently with her husband, keeps many of the records. She maintains a daily diary of activities, noting car, meal and hotel expenses, the clients Mr. Crissy calls on, and whom and where he entertains. Checks and receipts to document the expenditures are kept in envelopes. At the end of each month, Mrs. Crissy enters the expenses and payments on large gray-green lined sheets of paper by category and adds up the grand totals at the end of the year. A lawyer prepares their tax returns.

Mr. Crissy estimates he missed at least $1,000 in earnings by staying home those four days to answer Mr. Zick's questions instead of being on the road. But that initial examination turned out to be only a prelude to a three-hour session at the Newark IRS offices on Friday, Jan. 18.

The Crissys and I arrive at the 13th-floor IRS offices in Newark's modern federal office building just before 9 a.m. (Mr. Crissy's lawyer didn't attend the session. The lawyer says he thinks in many cases it's better strategy for the taxpayer to go alone.) We're shown into a small, windowless, fluorescent-lit conference room with tan walls and ceiling. The room is sterile and uncomfortably chilly. Mr. Zick closes the door, which bears a bright blue "Do Not Disturb" sign, and the four of us sit down around a rectangular table. A few minutes later we're joined by Mr. Zick's supervisor, James Hall, who is slim and fortyish, has a receding hairline and wears black-rimmed glasses.

QUESTIONS ABOUT CUSHIONS

Mr. Zick questions the Crissys on dozens of individual expenses they deducted for 1972.

"What's this $68 check to Austin Cushion & Canvas for?"

"It's for cushions I use as part of a display at conferences," Mr. Crissy says. The agent asks him to produce an invoice as proof. (The invoice, which Mr. Crissy had at home, confirmed the payment was for cushions but didn't say precisely what use they were put to, as the IRS would prefer.)

Mr. Zick says $100 seems like a lot to spend for postage in one month. Mr. Crissy disagrees and says he sometimes spends $200 on a single mailing of material to potential clients.

The agent asks about a $104.47 check to Montgomery Ward. Mr. Crissy says it was for a filing cabinet.

After several such exchanges, Bob Crissy begins to get angry. The pitch of his already rather high voice rises. He thumps the floor with his foot. "This is pretty goddamn picayune when the President of the country pays almost no tax," he says.

The IRS agents don't react or respond to this bitter remark immediately, though Mr. Hall later admits to us that many taxpayers currently being audited are angry about the Nixon disclosures and says this may make the IRS's tax-collecting job more difficult. "Our system depends on voluntary self-assessment, everybody filing an honest return," he says. "If they don't do this, the system breaks down. We can't audit everybody. If they see the President getting away with something, they're less likely to be honest."

(The comparison with Mr. Nixon seems particularly apt in the light of Tom Zick's repeated requests for documentation that the Crissys spent money as they claimed. The IRS didn't ask for documentation to support the President's main deductions in its first audit of his returns, even though his write-offs cut his tax bill below $1,000 on his $200,000-plus income in each of two years.)

Mr. Zick, meanwhile, continues scrutinizing the Crissys' deductions. He says a taxpayer's meals while he's away from home overnight on business aren't deductible. The Crissys look shocked. Mr. Hall, the supervisor, quickly corrects the agent. Those expenses are deductible.

Mr. Zick notes that the amounts of the checks for a particular period sometimes don't add up to the total amount deducted. Bob Crissy explains that he doesn't always get a receipt for small expenditures. "I tell you what, Tom. Why don't you just follow me around and get receipts from every taxi driver and subway clerk I see. Maybe that would satisfy you. I don't have the time."

Again, Messrs. Zick and Hall show no anger. They obviously are trained to ignore taxpayer grumblings and remain polite.

CHALLENGING DEDUCTIONS

The IRS men also challenge Mr. Crissy's deduction of his country-club expenses and legal fees associated with patent applications. And they question the way he depreciates some of his business property.

Questioning of the legal-fee deduction demonstrates a common IRS tactic in an audit—taking advantage of taxpayer ignorance. An agent will assert that the law covering a particular matter runs clearly against the taxpayer, when in fact the law may be vague, contradictory or even lean in the taxpayer's favor.

In attempting to justify a finding that Mr. Crissy's legal fees should be capitalized (written off over a period of years) rather than deducted for the year they're incurred, Agent Zick cites an Internal Revenue regulation that calls for capitalizing such fees under certain circumstances. But he neglects to mention that the regulation mightn't apply in the Crissy case and that other regulations appear to support a straight deduction.

SILENCE AND FOOT-TAPPING

The Crissys admit they made at least one rather serious mistake on their return. Mrs. Crissy, for instance, totaled both principal and interest payments made on a small bank loan and the entire payment of $1,334 was deducted. Only interest is legally deductible.

There are long periods of silence as Mr. Zick writes down long columns of figures from the Crissy records. Mr. Crissy continues to look annoyed and tap his foot. Fran Crissy leafs through a pamphlet the IRS men give her on keeping travel and entertainment records. Supervisor Hall scans a copy of the 1973 version of "Your Federal Income Tax," the IRS's primary publication on how to fill out returns.

More than two hours after the session began, Messrs. Zick and Hall leave the room to confer and Bob Crissy continues grumbling.

"Don't fret, honey, life's too short," Fran Crissy says. Bob isn't appeased. "You could spend half your life with these guys, and that isn't my idea of how to spend it," he replies.

The two IRS men return. They haven't reached a final judgment on the 1972 return (and at last report still hadn't), but they remind the Crissys that their 1971 returns also will be audited. Mr. Hall mentions, however, that the 1971 audit will be confined to the items questioned in 1972 and that 1970 won't be audited at all.

"Gee, that's sporting of you," Mr. Crissy gibes.

The Crissys' experience tends to support a widely held belief that if the IRS audits a person once, it probably will audit him again.

The IRS has audited Bob Crissy three times in the past. It got a combined total of $504 in extra tax from him in an audit covering 1959 and 1960, and $900 for 1969. Mr. Crissy's favorite audit, however, was of his 1966 return. By his account, at least, the agent, after looking through his records said: "It's obvious that you aren't trying to cheat us, Mr. Crissy, but it wouldn't look good on my record if I let you go for nothing. So why don't we just pick a nominal sum and that will be that. I have some shopping to do."

Bob has forgotten exactly what they settled on but says he believes it was under $20.

GENERAL LEAVE

Mr. GOLDWATER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order on the right of privacy, and to include extraneous material.

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

There was no objection.

CONGRESSIONAL COMMITMENT TO PRIVACY

The SPEAKER. Under a previous order of the House, the gentleman from California (Mr. GOLDWATER) is recognized for 60 minutes.

Mr. GOLDWATER. Mr. Speaker, the preservation of the rights of privacy of all Americans is a vital national issue. We have called this special order to serve notice that Congress intends to act to restore this personal liberty of all our citizens. The collectors of information must be held to high standards to insure against abuse. The intrusions so prevalent in this electronic age must be strictly controlled.

Joining me today as principal sponsors of this special order are the gentlemen from New York (Messrs. KOCH, HORTON, and KEMP), the gentleman from California (Mr. EDWARDS), and the gentleman from Pennsylvania (Mr. MOORHEAD).

We represent a bipartisan coalition diverse in our political philosophy but united in the goal of enacting right to privacy legislation.

We strive to correct the imbalance now existing between the public need for information and private rights against undue collection of personal facts.

We call for an end to secrecy of personal files, for individuals to be able to inspect and correct their files, and control their use.

Mr. Speaker, I welcome my colleagues who have come to discuss privacy issues this afternoon.

Mr. Speaker, these days, applying for or renewing your drivers' license is getting like being processed by the police for a criminal offense. Almost all States require the applicant's social security number and 29 States and the District of Columbia now provide photographs on drivers' licenses. Considerable additional information is being placed in motor vehicles and drivers' license files making up small dossiers, in some cases.

One of the more onerous practices is that some 14 States, when a person is photographed for his or her license, a negative of each photograph is placed on file. The citizen is normally unaware of this practice. These negatives create a statewide file on mug shots on virtually every adult.

Laws and regulations are only part of the solution to reduce unwarranted intrusions into personal privacy. Corporations manufacturing computers, electronics and photographic equipment should exercise restraint in encouraging excessive data surveillance. I am pleased to call attention to the fact that Polaroid Corp. produces identification cards as do other firms. However, they have refused to supply equipment where they believe control rather than simply administrative requirements are intended. We need more of this corporate responsibility.

FIFTY-FOUR MILLION CREDIT FILES

Mr. Speaker, the volume of credit files in active use in the United States is staggering. According to recent statistics, each of the five largest investigatory reporting firms has an additional 37 million reports on these and other individuals. When we hear the statement "there is a record on you," we seldom need to challenge it. But we must begin asking how many such records are kept, where they are located, and what they contain. I have proposed legislation to permit these questions to be answered for every person about whom records are maintained.

The following table clearly demonstrates the scope of information on hand in but one area of recordkeeping.

OPERATING STATISTICS FOR 5 LARGE INVESTIGATIVE REPORTING FIRMS

Company	Number of files, 1972	Total number of investigative reports, 1972	Insurance reports, 1972	Credit reports, 1972	Employment reports, 1972	Inspector man-years, 1972	Consumer Interviews since April 1971
Retail Credit	46,000,000	13,731,049	12,537,328	152,437	1,041,284	(1)	135,662
Service Review	50,000	3,396,812	3,375,889	(2)	20,923	738	(1)
Hooper-Holmes	2,500,000	1,443,661	1,368,439	25,734	49,488	361	5,708
O'Hanlon	4,000,000	492,298	492,298	(2)	(2)	(1)	1,299
American Service Bureau	1,970,000	784,379	781,241	(2)	3,138	1,160	980
Total	54,520,000	19,848,199	18,555,195	178,171	1,114,833		

[1]Not available.
[2]Negligible.

Source: Data submitted by each firm.

COMPLAINTS ABOUT THE SOCIAL SECURITY NUMBER

Mr. Speaker, public opposition to the social security number being used as a universal identifier is deeply felt by a great many Americans. Commercial and government interests which go blithely along demanding a person's number on every type of transaction are only asking for a public hostility which will soon overturn these practices.

I am not against the use of identifica-

tion numbers on bank accounts, student records, or any other occasion where this will serve to separate different files, expedite transactions, and raise the level of accuracy. However, the social security account number was never intended for that purpose. It is the identification number for people's pension system. I have sponsored legislation to disallow this number for any purpose but that called for by statute. Let the people's dignity be restored by abandoning once and for all this practice.

To illustrate personal feelings over the use of the social security number let me include actual quotations from letters I have received from persons living in 15 different States.

"The state of Pennsylvania is going to have this (SS) number on our drivers license and hunting license starting next year . . . this is frightening, 1984 is here . . ."

"The hassle that is incurred upon me with SS bothers me the most. Many places won't cash your check without your SS number . . . you purchase stock, they want your SS number . . . you open a bank account, they want your SS number . . . you rent a car . . ."

"I resent the need for me to put this (SS) number on my physical for the FAA."

"It seems everytime I turn around I am asked for my SS number . . . the bureaus both state and federal want it for boat ownership (federal documentation), auto driver's licenses, applications for Mississippi state auto tags, etc. etc."

"You are on the right track . . . I am 43 years old and I have always prided myself on paying my bills and being honest and truthful. I recently had to go to a lot of trouble to get a bad credit report removed from my name because I had an argument with a merchant over a $16.00 bill for bad merchandise. It was only through the help of a man in the Retail Credit Assn. that I was able to do this, and I was cleared . . . isn't that one hell of a set of circumstances to have to get together to clear a bad credit report for $16 when I have money in savings certificates."

"The last time I registered to vote (with the Women's League of Voters) on the registration slip there was a space for the SS number . . . the very thought that SS should even be linked up to voting is a disturbing thought."

"For some time, many I know, and myself, have been worried about that situation and having to use the SS number on all documents. Germany and Russia started that way to gain control of everyone and everything they did."

"There are very few, if any, persons who have not at one time or another been victimized by information obtained from computer banks . . . you have my full support."

"Seems we can't even save a few dollars now and then without some spy selling the information to a credit reporting agency and they in turn publish the information in printed form and mail to other subscribers. This in turn fires up the promoters who would like to talk us out of the last dollar we've got."

"The over zealous efforts of those who insist upon making hay out of credit information—it even extends to telephone directory publishing companies and those publishing city directories, who lease lists of addresses to businesses and finance companies—have become a nightmare for the average private citizen."

"There is almost no privacy left now. When I enrolled at the LA Valley College in Van Nuys, would you believe on one of their forms they gave you to fill out they asked if you took the pill, had hot flashes . . . and about 20 more questions just as personal and NONE OF THEIR BUSINESS. Now, they want our medical records to be available to HEW . . ."

"As files expand and become interconnected through various communication links, the possibilities for unauthorized access will surely grow."

"I am a computer system analyst with 18 years of continual professional involvement in data processing . . . the updating of computer-stored arrest record is no different than the updating of a name and address file. Unfortunately, most systems developed during the past 20 years have been unable to update records rapidly, accurately or even efficiently. There is little doubt in my mind that a person once entered into the Criminal History File would be, and remain for all time, as "guilty as he ever was, or worse yet, might be."

"My mother is elderly, living in Illinois, and thinks that she must have her SS number tattooed on her brow.'

"I believe that in another year each person's toilet tissue will have to bear his SS number so that the government will be able to compute how many times a year the individual flushes his toilet!"

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

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

Mr. KOCH. I thank my colleague from California for yielding.

Mr. Speaker, I first want to thank the Speaker for sitting with us this afternoon at this late hour. I know that he establishes, as he has established commitments over the past, the congressional commitment for privacy. I want to thank him on behalf of the sponsors for his being with us. I am just very proud to be sponsoring with my congressional colleagues this Commitment to Privacy.

Mr. Speaker, I am very pleased to be sponsoring the congressional commitment to privacy with our colleagues, BARRY GOLDWATER, JR., DON EDWARDS, WILLIAM MOORHEAD, FRANK HORTON, and JACK KEMP. And, we are honored to have you presiding during this special order. Many Members are in agreement that the area of personal privacy needs the attention of the Congress. The issue of privacy is one that transcends political partisanship and we are working together to develop ideas to help us deal with the problem in a balanced and comprehensive way. Congress must focus its attention on the massive collection of information and compilation of dossiers that are taking place. Recordkeeping, both computerized and manual, has already become a hydra-headed monster.

An individual does not really know who has the information about him, or how many agencies or corporations are using it or for what purposes. He has no mechanisms for providing explanations, or to add mitigating facts. And, most important there are no limits on what can be collected either by the Government or the private sector.

There should be a strong new disincentive for the establishment of unnecessary files on individuals. Where records are maintained, they should be treated more carefully and with more respect than presently is the case. Irrelevant, incorrect and dubious material must be weeded out.

To protect this right of privacy, I have introduced legislation in each Congress since the 91st Congress. It was 5 years ago in 1969 that I introduced the first Federal Privacy Act.

That bill pending before this Congress is H.R. 667 as amended, now known as H.R. 12206 and H.R. 12207 and it was recently the subject of hearings before the House Government Operations Committee. It responds to the problem that individuals face today in not knowing what Government agencies maintain files on them—and most important whether these files contain erroneous, irrelevant and sometimes unfairly damaging material. My Federal Privacy Act, which now has 96 cosponsors, requires that any Federal agency maintaining manual or automated records on a person, organization or corporation, permit the person to inspect his own record and have copies made at his own expense; permit the person to supplement the information contained in his own record; permit the removal of erroneous information of any kind, and provide that all agencies and persons to whom the erroneous material has been previously transferred be notified of its removal; require the notification of the person if the record is disclosed to any other agency or person not employed by the agency maintaining such record; prohibit the disclosing of information of any kind in the record to individuals in the agency other than those who need to examine the record in the performance of their duties; and finally, would require the maintenance of a record of all persons inspecting such records. Exceptions would be made in the case of records required by Executive order to be withheld in the interest of the national defense and foreign policy and investigatory files compiled for criminal law enforcement purposes.

H.R. 12207, creates a Federal Privacy Board to supervise the administration of the provisions in the bill. It would permit an appeal by an individual seeking the removal of erroneous or misleading information contained in his file. The Board would also hear complaints that an agency had not complied with other requirements of the bill. The Federal Privacy Board would also establish what an agency could collect, and limit the collection to material relating to the agency.

There are presently numerous agencies collecting information about individuals—the Department of Defense, Social Security Administration, Internal Revenue Service, and the Civil Service Commission to cite a few. All kinds of information are collected: academic achievement, health, court cases, credit standing, census data, police records, birth and marriage, employment history, loyalty-security clearances, military service records, and tax returns.

Often the data is acquired by Government agencies from private sources—not necessarily using skilled investigators. The combination of fact, opinion and rumor may create a false picture. This bill would allow the individual the right to rebut any false or incomplete information which might, under ordinary circumstances, be used against him without his full knowledge.

To extend the central premise of this

legislation to all computerized data banks, not just Federal data banks, I introduced with Mr. BELL from California on August 1, 1973, H.R. 9786 to regulate the use of all computer data banks in the country. This bill will not prevent the collection of valid data either by private or governmental agencies, but will impose reasonable controls on what can be collected, or how it can be dispersed so as to protect the privacy of our citizens.

It is about time that the Federal Government establish a national policy regarding computers and computer abuses in the interests of protecting the privacy of our citizens. No amount of State legislation will insure that residents of another State will be protected. We must have Federal oversight in this matter.

Under the bill, all data banks, State, local government and private, would be required to register with the Federal Privacy Board. The Board would issue guidelines for the collection, and maintenance of information to assure that the material in a person's file is correct, current and pertinent to the approved purpose of the data system.

This bill is similar to Sweden's national law covering the operation of data banks containing personal information.

In 1971, I introduced a bill, which is H.R. 694 in this Congress, which extends the same disclosure requirements contained in H.R. 667 to the House Internal Security Committee. It requires the committee to notify persons of files maintained on them and to allow such persons to examine their files, and supplement the information in the record. An accurate record of the names and positions of all persons inspecting such records and the purposes for which the inspections were made must be maintained.

There is a special dimension to the privacy problem created when the executive branch of the Government collects information about the legislative branch. The problem emerged in 1972 when then Acting Director of the FBI, L. Patrick Gray admitted that the FBI had been maintaining files on Members of Congress. His concession came only after columnist Jack Anderson had discovered FBI files on Representatives FRELINGHUYSEN, REUSS, FAUNTROY, Speaker ALBERT, FORD, and others.

It has been revealed by the media that the FBI has made available files on Members of Congress and the public for the purposes of intimidation. The New York Times on February 25 stated:

> The source recalled one Senator who had been told of an investigation concerning his daughter, a college student who had "gotten involved in demonstrations and free love," and a Republican Representative who had been told the Bureau possessed evidence indicating that he was a homosexual. "We had him in our pocket after that," the source said of the Representative. He added that he could not recall the Senator, a liberal Democrat, ever criticizing the FBI in public.

When I ascertained that the FBI had been accumulating dossiers on Members of Congress, I along with Congressmen BENJAMIN ROSENTHAL and JONATHAN BINGHAM asked the Director of the FBI to provide us with our respective files. The FBI did not do so and so the three of us initiated a lawsuit to compel the opening of those files to us. Subsequent to the lawsuit, FBI Director Kelley announced he was modifying his prior refusal to make our files available to us. I have received my file which includes newspaper clippings, a flyer which lists my opposition to the ABM, my correspondence with the FBI on the subject of dossiers, my testimony against Acting Director Patrick Gray's confirmation before the Senate Judiciary Committee and a fact sheet which opened my file with the FBI when I was elected. That fact sheet is very interesting and I am setting forth the information exactly as it appears.

NOVEMBER 7, 1968.

U.S. GOVERNMENT MEMORANDUM

Mr. Bishop.
Mr. A. Jones.
Edwin I. Koch (D–New York), Congressman-elect—17th District.

DETAILS

On 11–5–68 Democrat Edwin I. Koch of New York City, was elected to the 17th Congressional District seat held by retiring Repr. Theodore R. Kupferman (R). Koch who was born in 1924 in New York City attended the College of the City of New York and received his LL.B. degree from New York University. He is a former councilman and has been a Democratic leader since 1963.

INFORMATION IN BUFILES

A check of Bureau indices reflects no reference identifiable with Koch.

RECOMMENDATION

None. For information.

If the FBI failed to ascertain correctly what my name was, it has always been Edward and never Edwin, one cannot help but speculate on what other inaccuracies its voluminous dossiers contain. There is no question that there must be limitations on the kind of information collected and how it is used. There is a balance to be maintained, however, between the need for information and the need for personal privacy. The problems have been recognized. Now we must make certain we deal with them, not with more studies, but with legislation long overdue.

I have initiated legislation, cosponsored by 21 other Members of Congress, to prohibit the FBI from maintaining files on the Congress, except where they are required in pursuit of a criminal investigation, or as part of an investigation where a Member might be appointed to the executive or judicial branch. Other than these two areas, there is no bona fide reason to maintain files on Members of Congress by the executive. And, the practice of doing so should cease. The bill would require the destruction of FBI files on Members of Congress after a period of 60 days. Each Senator and Representative would have the opportunity during the 60-day period to examine the contents of his or her file.

I would like, Mr. Speaker, at this time to discuss in greater detail one recent victory in the area of privacy. On March 22, Defense Secretary James R. Schlesinger authorized the removal of separation program numbers and reenlistment code numbers from all discharge papers. As you know, the Honorable LES ASPIN from Wisconsin and I have been urging that this decision be made and we are the sponsors of legislation to effect that change. We were pleased to see that at the urging of over 50 Members of the House who were cosponsors of the bill, and through the efforts of House Armed Services Chairman F. EDWARD HÉBERT, the administration changed its policy in this matter, voiding the necessity for legislative action.

At the time of discharge, a serviceman is given a discharge paper, DD Form 214, Report of Separation from Active Duty, which contains a numerical code specifying the specific reason for release. The code, called separation program numbers—SPN's—can unfortunately penalize a veteran for life. The code numbers and what they designate, while intended to be confidential, have become publicly known. The consequent invasion of privacy may never end for a veteran with a prejudicial SPN. Employers who have been able to get copies of the number designation often use this information in an adverse way, undoubtedly preventing veterans from obtaining jobs when they were either equally or better qualified than the nonveteran applicant.

The SPN numbers which appear on honorable as well as undesirable and dishonorable discharges can be pejorative. In fiscal year 1973, 35,640 servicemen who received honorable or general—under honorable conditions—discharges were also branded with a SPN marking them as unsuitable; 21,000 were identified as possessing "character and behavior disorders"; 10,000 others were labeled as suffering from "apathy, defective attitudes, and an inability to expend effort constructively," and nearly 3,000 were simply charged with "inaptitude."

Not one of these veterans was guilty of an offense under military or civilian law, and not one of them was allowed a hearing before an administrative board—nor was he permitted counsel. The SPN was in every case an arbitrary decision made by others, and the serviceman could have been completely unaware of its meaning or significance.

Under the new rules, the SPN's will be maintained in the file of the individual and releasable only at the request of the veteran.

Also, DOD regulations will provide that a veteran who would like a new discharge paper without a SPN number of reenlistment code number will be able to request it from the Defense Department as a result of this new policy.

However, I feel that it is not enough to let the veteran request a new discharge certificate. A great part of the problem has to do with the fact that veterans do not know that the SPN's exist on their discharge papers. I believe that the DOD should send without a request to all those veterans discharged since the ealy 1950's when SPN's were instituted, updated DD forms 214—superseding the discharge paper issued when they were discharged from the service—which would not show these SPN's or reenlistment code numbers.

I have written to Defense Secretary Schlesinger urging that he comply with this suggestion. I also believe that there can be coercion on the part of employers

who request that veterans authorize the release of SPN's to them. I propose that the information not be supplied to an employer or third parties even with the veteran's consent, so as to protect the veteran against undue pressure. If my colleagues in the House concur, I would urge them also to write to Secretary Schlesinger.

I originally became interested in the subject of SPN's as a result of an inquiry made by a serviceman who advised me that he was being given a discharge which would bear on it a reference to his "suspected homosexual involvement." At that time my inquiry was directed to the fact that this particular serviceman was being denied the opportunity of contesting the allegation and so I commenced the correspondence which begins with my letter of July 7, 1971. The issue developed however, so as not simply to involve this one serviceman but ultimately to involve tens of thousands of servicemen. When I sent my first letter, I did not know what a SPN number was. I do now and there can be few victories that can provide as much satisfaction as this one, in that in a relatively short war with the Department of Defense beginning with July 7, 1971, and ending with the announcement of Defense Secretary Schlesinger on March 22, 1974, a wrong was righted and tens of thousands of veterans will benefit.

The correspondence follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., July 7, 1971.

Secretary MELVIN LAIRD,
Department of Defense,
Washington, D.C.

DEAR MR. SECRETARY: I have on occasion received complaints from young men in the Army who have been discharged as the result of their being homosexuals. The discharge which they receive as I understand it is often less than honorable and obviously has a chilling effect upon their personal and professional lives after they leave the service.

I would appreciate your advising me whether the barring of homosexuals in the Armed Forces is by law or by regulation, and if the type of discharge they receive, which often appears to be punitive, is by law or regulation. I would appreciate receiving your comments on this matter and informing me, if the policy is governed by regulation, whether you would consider changing those regulations so as to permit honorable discharges to those discharged for homosexual conduct.

Further, I should like your point of view on the proposal advanced by some that private homosexual conduct off the base should not bar service in the Armed Forces. Prime Minister Pierre Trudeau summed up my feelings when he said "the state has no business in the bedrooms of the nations."

Sincerely,

EDWARD I. KOCH.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., July 20, 1971.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: This is in response to your letter of July 7, 1971, regarding Department of Defense policy concerning homosexuals in the Armed Forces.

The enclosed Fact Sheet regarding Department of Defense policy on homosexuals in the Armed Forces is provided for your information. No changes are contemplated regarding this policy.

The policy regarding the type and character of administrative discharge governing the separation of homosexuals from the Armed Forces is contained in Department of Defense Directive 1332.14, "Administrative Discharges," dated December 20, 1965 [Sections VII.G 6, and 1.2). A copy is enclosed for your information.

The nature of a discharge issued as a result of being adjudged by court-martial is specifically governed by Federal statute, 10 United States Code 925. This section encompasses all unnatural sexual intercourse between humans or between humans and animals. Some homosexual relations could come within the provisions of this section. The maximum punishment which may be imposed for a violation of Section 925 is outlined in paragraph 127c, Table of Maximum Punishment, *Manual for Courts-Martial, supra* as follows:

By force and without consent: Dishonorable Discharge, confinement at hard labor for 10 years, total forfeiture of all pay and allowances.

With a child under the age of 16 years: Dishonorable Discharge, confinement at hard labor for 20 years, total forfeiture of all pay and allowances.

Other cases: Dishonorabe Discharge, confinement at hard labor for 5 years, total forfeiture of all pay and allowances.

The accused may be charged with assault with intent to commit sodomy in violation of 10 United States Code 934. The maximum punishment in violation of Section 934 is a Dishonorable Discharge, confinement at hard labor for 10 years, and total forfeiture of all pay and allowances.

The *Manual for Courts-Martial* is an Executive Order of the President of the United States as prescribed by Section 836, 10 United States Code. All branches of the Armed Services are bound by its provisions.

I trust that the information provided will be of assistance to you. Your interest in matters pertaining to the Military Services is appreciated.

Sincerely,

LEO E. BENADE,
Major General, USA,Deputy Assistant Secretary of Defense.

HOUSE OF REPRESENTATIVES,
Washington, D.C., August 11, 1971.

Secretary MELVIN LAIRD,
Department of Defense,
Washington, D.C.

DEAR MR. SECRETARY: I am writing to you with further reference to the question of homosexuals in the Armed Services, about which I wrote to you on July 1, 1971.

While I do not approve of the Department of Defense's policy to discharge all homosexuals automatically from the military, I would like to direct this letter to change which could be made in current policy regarding the type of discharge given to homosexuals. When referring to a homosexual in this letter, I mean only a consenting adult who has engaged in homosexual acts on his or her own time and not in public.

Apparently, each branch of the service has a certain discretion in deciding how such an individual is to be discharged, and that such persons usually are not given court martials but are discharged administratively. According to existing regulations as set forth in the Department of Defense Directive No. 1332.14, December 20, 1965, a homosexual could be given administratively either an honorable (Unsuitability G–6) or undesirable (Unfitness I–2 or Misconduct J–1) discharge.

With an undesirable discharge, it is my understanding that any veteran benefits to which an individual might otherwise be entitled can be cut off at the discretion of the administering agency. Furthermore, the discharge papers are marked "under terms other than honorable" accompanied by a code number signifying sexual deviation. This type of discharge is, in effect, a harsh, punitive measure, one that hardly reflects the contemporary and more enlightened attitude of society today towards an individual's sexual preferences.

Not only is present military policy on this matter cruelly out of date, but I believe that what little discretion exists relating to the method of discharging homosexuals is being abused. By way of illustration, I refer you to SECNAV Instruction 1900.9, April 20, 1964, which in my estimation encourages Naval personnel to give undesirable discharges to any homosexual or suspected homosexual. On the first page of this document, paragraph 4f states:

"When processing an individual by administrative action in accordance with this instruction and when the conditions prompting such action are essentially voluntary participation in aberrant sexual activity, the separation of the individual will normally be characterized as having been "under conditions other than honorable." Administrative processing of cases should therefore contemplate such an ultimate disposition."

I cannot see that homosexual behavior in the military is an "offense" which merits this type of discharge. While it is apparent that the leaders of the military, in order to maintain discipline, feel it necessary to exclude homosexuals; there is no need to gratuitously punish them with an undesirable discharge.

Usually these individuals are being punished for a failure to comply with the special dictates or an artificial society which they were forced to join. Many, no doubt, were unaware of their homosexual tendencies before joining the service. Furthermore, the present policy of indicating the reason for discharge as sexual deviation constitutes an invasion of privacy. The military can, of course, keep its own records indicating why an individual was separated, but that information ought not in any way be made public.

What might be argued by some to be the concern of the military in one's personal life while an active military duty certainly ought not to be the concern of others in civilian life.

I would hope that you would give serious attention to this matter and advise me whether or not you would be willing to alter present Department of Defense policy, so that homosexuals, as defined in this letter, are given honorable discharges. Particular attention should be given to issuing new directives to supersede any documents such as SECNAV 1900.9 referred to above.

Sincerely,

EDWARD I. KOCH.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., August 19, 1971.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: This is in response to your letter of August 11, 1971, requesting that the Department of Defense alter current discharge policy so that a homosexual would be given an honorable discharge when the consenting adult engages in homosexual acts on his or her own time and not in public.

We cannot agree that Department of Defense policy concerning the discharge of homosexuals, as enumerated in my letter of July 7, 1971, is "cruelly out of date and does not reflect the contemporary and more enlightened attitude of society."

It is noted that in your reference to paragraph 4f, SECNAV Instruction 1900.9 dated April 20, 1964, the following was omitted:

"Whenever a higher character of separation is found to be warranted upon departmental review, such will be effected and command submitting case shall take pains to note all circumstances favorable to the individual which would affect the type of discharge to be awarded."

Accordingly, we do not believe this paragraph, when considering its full meaning and coupled with the total intent of the Instruction, encourages the issuance of undesirable discharges to homosexuals.

At the time a person is separated from the military service he is furnished a DD Form 214 (Armed Forces of the United States Report of Transfer or Discharge) which reflects the type of discharge, reason and authority. A separation designator number instead of a narrative statement is used to reflect the reason for separation. This is done to afford the individual who receives a less than honorble discharge some protection from stigmatism which could result from words used to describe the reason for his discharge. The release of these separation designator numbers is closely monitored and provided only to governmental agencies indicating a "need to know." Accordingly, this information is not made a matter of public knowledge.

I trust that the information provided will be of assistance to you. Your interest in matters pertaining to the military services is appreciated.

Sincerely,

LEO E. BENADE,
Major General, USA, Deputy Assistant Secretary of Defense.

HOUSE OF REPRESENTATIVES,
Washington, D.C., January 7, 1972.

Maj. Gen. LEO E. BENADE, USA,
Deputy Assistant Secretary of Defense, Department of Defense, Washington, D.C.

DEAR GENERAL BENADE: I am writing to you with further reference to the question of homosexuals in the Armed Services. I thank you for the response which you sent and which I am enclosing.

I assume from the reference to paragraph 4f, SECNAV Instruction 1900.9, that it is your intent that the Department of Defense whenever possible will provide an honorable separation as opposed to an undesirable discharge to homosexuals. I would appreciate being provided with the number of undesirable discharges issued as the result of homosexual activity each year for the last 5 years, and, if the records are available within that same period, the number of honorable discharges issued to homosexuals.

With respect to the separation designator numbers and your belief that they are not a matter of public knowledge, may I tell you that they indeed are. Employment agencies are well aware of these numbers and as I am sure are many others. What purpose does it serve to place the designator number on the discharge when that information can be kept in the file? In view of that, I would ask you to consider reviewing a change in this area.

Thank you for your interest in this matter.

Sincerely,

EDWARD I. KOCH.

DEPARTMENT OF DEFENSE—ADMINISTRATIVE DISCHARGES
HOMOSEXUAL TENDENCIES

	Honorable	General	Total
1967	64	414	478
1968	230	322	552
1969	254	192	446
1970	250	182	432
1971	204	214	418
Total	1,002	1,324	2,326

	Sexual perversion			
	Honorable	General	Undesirable	Total
1967 [1]				
1968	117	294	654	1,065
1969	140	370	586	1,096
1970	119	481	419	1,019
1971	93	439	235	767
Total	469	1,584	1,894	3,947

[1] Data not available.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., January 17, 1972.

Hon. EDWARD I. KOCH,
House of Representatives, Washington, D.C.

DEAR MR. KOCH: This is in response to your letter of January 7, 1972, requesting additional information on the matter of homosexuals in the Armed Forces.

The enclosed chart depicts, the administrative discharges issued for homosexual tendencies or sexual perversion during fiscal years 1967–1971.

In regard to your comment regarding separation designator numbers (SDN) being public knowledge, it is re-emphasized that the Department of Defense does not make SDNs a matter of public knowledge.

It should be noted that the purpose of DD Form 214 is threefold: (1) provides the recipient with a brief record of a term of net service during his current term of service, (2) provides various Governmental agencies with an authoritative source of information, and (3) provides the military service information for administrative purposes. The form serves a multitude of purposes and the elimination of data such as "reason for separation and authority" would drastically reduce the value and use of the document. For example, the elimination of SDNs from the data element "reason for separation and authority" on the DD Form 214 would cause a lengthy delay by the Veterans' Administration in determining an individual's eligibility for veterans' benefits inasmuch as a time-consuming search and review would have to be made of the veteran's record which is retired to the appropriate record center of the Service upon his discharge.

While the Department of Defense is committed to a periodic re-examination of policies relating to the preparation of and the inclusion of data on the DD Form 214, no changes are contemplated concerning the elimination of SDNs from the document.

I trust the information provided will be of assistance to you. Your interest in matters pertaining to the Armed Forces is appreciated.

Sincerely,

LEO E. BENADE,
Major General, USA,
Deputy Assistant Secretary of Defense.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., February 4, 1972.

Hon. EDWARD I. KOCH,
House of Representatives, Washington, D.C.

DEAR MR. KOCH: This is in response to your letter of January 28, 1972 regarding homosexuals.

The administrative discharge statistics provided in my letter of January 17, 1972 represents the complete break out of data maintained by this office.

Thank you for your letter.

Sincerely,

LEO E. BENADE,
Major General, USA, Deputy Assistant Secretary of Defense.

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 29, 1972.

CONGRESSIONAL LIAISON,
Department of the Navy, Washington, D.C.

DEAR SIR: I am writing to you concerning RM3 Robert A. Martin, Jr., [redacted], AF South Box 148, FPO New York 09524.

In view of the gravamen of the charges against him and what the effect of a general discharge given for homosexuality will have on his career in the future, I believe justice requires that he be given a court martial, as he has requested, so that he might defend himself against the charges.

It was never intended, in my judgment, to permit discharges under less than honorable conditions as a way of allowing the Navy to avoid proving charges in a serious case. He is aware of the penalties that might flow from a conviction at a court martial which are greater in degree than those from administrative proceedings, and he is willing to take his chances because he believes he is not guilty of the charges.

I would therefore appreciate your giving him the opportunity to defend himself in court and your advising me of the disposition of the matter.

Sincerely,

EDWARD I. KOCH.

HOUSE OF REPRESENTATIVES,
Washington, D.C., January 28, 1972.

Maj. Gen. LEO E. BENADE, USA,
Deputy Assistant Secretary of Defense, Department of Defense, Washington, D.C.

DEAR GENERAL BENADE: Thank you for your letter of January 17th responding to my earlier correspondence concerning homosexuals in the Armed Services.

Because the military's definition of "sexual perversion" includes more than homosexual acts between consenting adults it is impossible for one to interpret how many of those undesirable discharges, listed in your table of administrative discharges, were for homosexual activity between consenting adults. Only a comparison of honorable, general, and undesirable discharges specifically relating to homosexual activity between consenting adults would reflect the military's present policy towards this so-called "offense." If you have such specific figures, I would appreciate receiving them.

It appears from your letters that the Department of Defense has no intention at this time of altering its present policy regarding homosexuals. While I do not want to prolong this correspondence endlessly, I do want to state that in my opinion your reasons for refusing to eliminate SDN's from discharge-papers are not persuasive. If and when the Department of Defense conducts a "periodic re-examination of policy, I trust the elimination of SDN's will be approved, for indeed their meaning is public and their effect harmful.

Sincerely,

EDWARD I. KOCH.

HOUSE OF REPRESENTATIVES,
Washington, D.C., March 12, 1973.

Maj. Gen. LEO E. BENADE,
Deputy Assistant Secretary of Defense, Department of Defense, Washington, D.C.

DEAR GENERAL BENADE: We had some correspondence in 1971 and 1972 concerning DOD discharge policy. In a letter to me of January 17, 1972 you stated that "In regard to your comment regarding separation designator numbers (SDN) being public knowledge, it is re-emphasized that the Department of Defense does not make SDN's a matter of public knowledge".

Recently, a news reporter requested the list defining the Separation Program Numbers, which allegedly was unavailable. It was readily supplied to him by the Army. I understand, too, that companies are able to obtain this list and use it to evaluate an applicant for a job.

I am most concerned that the information you gave me last year regarding this matter was misleading. I understood from you that this information is not available, that it is not a matter of public knowledge. Now, I know that you give it out to anyone who calls and requests it. And, that a person who has an individual's SPN number from his discharge papers can readily check this code list to see what that individual's separator designator number or separation program number signifies.

I ask you to discontinue listing these numbers on the discharge papers. The numbers serve no purpose except to make more dif-

ficult or destroy the possibilities of an individual's obtaining a job.

Sincerely,

EDWARD I. KOCH.

WASHINGTON, D.C., *March 23, 1973.*

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: This is in response to your letter of March 12, 1973, regarding the availability of lists of Separation Program Numbers (SPN's).

I appreciate your feelings in this matter. The release of a partial list of SPN's to a news reporter by an individual in the Army is of concern to this office. Unfortunately, the reporter obtained the list through an Army activity which was not a user of the SPN's, nor responsible for the administration of discharge practices and procedures. Accordingly, we have taken action to reiterate the Department's policy that SPN lists will be restricted from non-governmental organizations and individuals. You may be assured that this policy will continue to be closely monitored by this office and by the Military Departments.

Notwithstanding the above, a new set of SPN's has been developed by a special joint service committee. Estimated date of publication of the new SPN's is June 1, 1973. In accordance with a Department of Defense Instruction, the list of new SPN's, including supplemental lists will be stamped "For official use only" and will be restricted from non-governmental organizations and individuals.

I trust that the information provided will be of assistance. Your continued interest in matters concerning the Military Services is appreciated.

Sincerely,

LEO E. BENADE,
Lieutenant General, USA,
Deputy Assistant Secretary of Defense.

HOUSE OF REPRESENTATIVES,
Washington, D.C., March 29, 1973.

Maj. Gen. LEO F. BENADE,
Deputy Assistant Secretary of Defense,
Department of Defense,
Washington, DC.

DEAR GENERAL BENADE: I have your letter of March 23. The fact that the SPN code is known to those who would not otherwise be authorized makes my original comments on this matter in my letter of March 12 even more relevant. You can change that listing every month and someone will give out the information, and it will adversely affect many of the returning veterans—and for no good purpose. If you require the information for your files, why not keep it in those files? Why continue to put it on the discharge papers?

I reiterate, there is no valid reason for such action to continue. I urge you to revise the policy and to cease including the SPN listing on discharges.

Sincerely,

EDWARD I. KOCH.

WASHINGTON, D.C., *April 5, 1973.*

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: This is in response to your letter of March 29, 1973, regarding Separation Program Numbers (SPN's).

Although it is recognized that differing views will continue to be expressed on the use of SPN's on the DD Form 214, the information on the form, including SPN's, is necessary for administrative and statutory purposes. Nevertheless, this matter has and will continue to be scrutinized to insure that our discharge policies and procedures are consistent with the Department's policy which protects against invasion of an individual's privacy. Interestingly enough, it should be noted that one reason these numbers were originally used in the early 1950's was to preserve privacy, since they were substituted for fuller, written explanations of the circumstances of an individual's discharge.

Thank you for your letter.

Sincerely,

LEO E. BENADE,
Lieutenant General, USA,
Deputy Assistant Secretary of Defense.

HOUSE OF REPRESENTATIVES,
Washington, D.C., April 12, 1973.

Hon. ELLIOT RICHARDSON,
Department of Defense,
Washington, D.C.

DEAR MR. SECRETARY: We are very concerned that the Department of Defense refuses to change its policy regarding Separation Program Numbers (SPN's). Today a letter was received from Lt. Gen. Leo Benade insisting that the use of SPN's on the DD Form 214 (discharge papers) is necessary for administrative and statutory purpose. We do not think so. Those numbers which indicate the underlying reason for the discharge allegedly, according to Lt. Gen. Benade, are restricted from "non-governmental organizations and individuals." Yet, we know, as does he, that the list of SPN numbers is easily available to reporters and indeed, we understand that one of the major American veterans organizations prints a book including SPN numbers and their classifications. What is the effect of providing these SPN numbers in this way? It is in fact to prejudice employers against certain veterans seeking jobs. To illustrate one of the most glaring situations: the same SPN number which applies to someone discharged for addiction to heroin is also used for an individual discharged for smoking marihuana. The SPN number designates one as a homosexual or alcoholic and, without question, will affect in an overwhelming prejudicial way the opportunities of those veterans to secure employment.

The Pentagon statement supports the SPN code numbers stating they are needed to determine a serviceman's eligibility for veterans benefits, his current selective service classification and his future potential for military service. That information can surely rest in the file without public revelation. Don't you agree?

We understand that this matter was called to your attention at a recent hearing by Senator Harold Hughes and that you indicated that you were unfamiliar with the matter and would look into it. We would appreciate knowing what your conclusion after an examination of the facts is.

We are introducing legislation which would ban the use of the SPN numbers on discharge documents or any other instrument available to the public. We hope, however, because the Congressional process, as you know so well, is so slow, that you will use your administrative powers to end this serious situation now. Returning veterans have other burdens to bear in securing employment and housing and re-entering civilian life. We do not think it fair to place the additional burden of SPN's on their shoulders.

We would very much appreciate your giving our request your immediate consideration and ending the practice.

Sincerely,

LES ASPIN,
EDWARD KOCH.

HOUSE OF REPRESENTATIVES,
Washington, D.C., April 23, 1973.

Hon. ELLIOT RICHARDSON,
Department of Defense,
Washington, D.C.

DEAR MR. SECRETARY: We have received your interim reply of April 18, 1973 in response to our letter regarding Separation Program Numbers.

As you know, Lieutenant General Leo Benade states in a March 23 letter to Representative Koch that a new set of SPNs has been developed by a special joint committee. The estimated date of publication of the new SPNs is June 1, 1973.

We oppose the use of any SPNs, new or old. And, having researched the matter even further, we find that there are even additional codes on discharge papers well known to those in the public interested in being aware of their meaning which have the same impact as the SPNs.

For instance, on line 11c the AR number which gives the statutory authority for the discharge appears before the SPN number. Thus, even if the SPN number were changed, one could tell from the AR number with some amount of specificity, what the reason was that the man was discharged. Even the reenlistment code number indicates a man might not be eligible to reenlist because he did not score high enough on the Army Qualification Battery.

What good is accomplished by changing one code, when there are correlated codes that can given a great deal of information about the veteran to employers who as a matter of course require to see the discharge papers. Why should anyone be able to ascertain from the discharge paper things about a veteran that he might not even know himself.

We wish to reiterate that where legitimate information exists that the military needs for its own records, it can be retained in the confidential file on that former serviceman held by the military, but that it would not be made public. There is no reason they should be used to reward or by inference punish these veterans.

We are not only now asking that the SPN numbers be removed but also these other codes which give the same information be eliminated. Does it make sense to place a former serviceman at a disadvantage with someone who was not in the military at all? That is what we are doing when we provide an employer information, sometimes adverse, to the veteran applying for a job.

These men, now veterans, certainly deserve better from us.

Sincerely,

EDWARD I. KOCH,
LES ASPIN.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., June 15, 1973.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: This is in further reply to your joint letters of April 12, 1973 and April 23, 1973, with Congressman Les Aspin, regarding Separation Program Numbers and other information on discharge documents.

Former Secretary Richardson has deferred any decision on this matter to Secretary-designate Schlesinger, and directed that this matter be re-studied by his staff and by the Military Services. The results of this new study should be available about July 16, 1973.

In my letter of March 23, 1973, I mentioned that a new set of SPN's was due to be published by June 1, 1973. We now expect to have these new codes approved and available to the Services by July 1, 1973. The total number of SPN's will be reduced from 530 to 126.

We will inform you as significant events occur. Your interest in matters pertaining to the Military Services is appreciated.

Sincerely,

LEO E. BENADE,
Lieutenant General, USA., Deputy Assistant Secretary of Defense.

COMMUNICATIONS RECEIVED

The unnecessary and grievous harm to an individual resulting from unfortunately common knowledge as to what the code num-

bers designate, and the consequent invasion of privacy which may never end for a veteran with a prejudicial SPN is graphically illustrated by the following tragic letter I received:

CONGRESSMAN EDWARD I. KOCH: Congressman Koch I am writing to you for some help—you being a Veteran of World War two you know what the services are like and you know what discharges can do to people and there life in this sick society. I received a general discharge under honorable condition September 25, 1958. Reason SDN–363–AFR–39–16 from the Air Force. I was told there wasn't anything wrong with it. I came from Alabama out to Sandiego California in January 1966 and went to work at R—— Corporation in Chula Vista, Calif. three weeks' after Filling out Job applicant and Security Forms listing Jobs and type of discharges received my name has been drug thru Slimmy Filth by Foreman and worker and even to Where I live and When I go to town I am treated like I have the Plague. I have been to the Veteran Administration and asked them What Is Wrong With a General discharge Under Honorable Conditions and What a AFR–39–16 Reason SDN–363 mean't they said they did not know and that I should get the Red Cross are a lawyer to help me that they couldn't. I Went to the District attorney In Chula Vista and asked what I could do about being Slandered and If I could see R— Corporation Security File own me. He said unless I could get a Witness to Swear he heard me being slandered that I had best forget It and that R— Corporation could have a Security File own me and that they did not have to Show It to me. I asked What Would happen If I beat Hell out of them he said I could get 6 months to ten year. Plus being Sued by them.

I know we are living in a sick society with all the corruption all for a dollar that is worth 21 cents. Congressman Koch the only thing I am guilty off is letting boredom and disgust and bad food and whiskey break me after 14 months of 18 month tour in England where while drunk and depressed I tried to commit suicide and if anyone says different they are a dam lier. What I need is a complete copy of everything in my Air Force files including my medical records to clear my name if there is any justice in this country. If you can help me I would appreciate it. My old Air Force number was AF Rank A2/C C.M.G. Congressman Koch you are my last hope of getting help and justice.

Thank you.

———, ———.

U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., June 28, 1973.

Lt. Gen. LEO E. BENADE,
Deputy Assistant Secretary of Defense, Department of Defense, Washington, D.C.

DEAR GENERAL BENADE: You have indicated in your previous letters a belief that the use of SPN's on discharge certificates was for "administrative and statutory purposes" only, and that such inclusion does not offset the privation of privacy for the veteran.

I include for your edification a photocopy of the latest in a series of communications from citizens who are considerably aggrieved by the rank injustice the inclusion of SPN's have caused. The present case being submitted is especially sad, and holds the potential for real tragedy, as I think you will agree. However, for every complaint received, there are surely thousands of people who are suffering silently as a result of Defense Department policy.

I reiterate my point made in earlier communications and not fully spoken to by you: not only the codes and designations of the SPN's be kept confidential, they should not be entered on the discharge certificate at all.

I would very much appreciate it if you could have the submitted case investigated and communicate to me its disposition.

Sincerely,

EDWARD I. KOCH.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 6, 1973.

HOWARD H. CALLAWAY,
Secretary of the Army, Department of the Army, The Pentagon, Washington, D.C.

DEAR MR. SECRETARY: May I congratulate you on your new appointment and confirmation as Secretary of the Army. In your thoughtful letter of May 19, 1973 you mentioned the welcoming of suggestions as to how to make the Army better.

As you may be aware, I have been engaged in trying to have Separation Discharge Numbers deleted from the discharge papers of all veterans, past and present, as well as forbidding the dissemination of the SPN designation to any private person or entity. At present, the widespread knowledge of these designations especially by employers, constitutes an invasion of privacy, as well as being tantamount to a denial of due process.

I am seeking both through administrative and legislative means to rectify this totally unfair practice. I urge you to make a recommendation to Secretary Schlesinger against the continuation of this policy.

In addition, would you kindly send the list of new Separation Program Numbers and the study on this issue that is scheduled to be made available about July 16, 1973 according to the enclosed letter of General Benade, Deputy Assistant Secretary of Defense for Military Manpower Policy.

I wish you success in your new post and hope that we may have an open and friendly working relationship.

Sincerely,

EDWARD I. KOCH.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., July 18, 1973.

Hon. EDWARD I. KOCH,
House of Representatives, Washington, D.C.

DEAR MR. KOCH: This is an additional interim reply to your joint letters of April 12, 1973, and April 23, 1973, with Congressman Les Aspin, regarding Separation Program Numbers (SPN's) and other information on discharge documents.

First, our review of Separation Program Numbers and Reenlistment Codes has not been completed. You can be assured that any decisions resulting from this review will be sent to you as soon as possible.

Second, the Standardization of Data Elements and Codes has been approved. While it has been approved for publication within the Services, implementation and use by the Services will not be earlier than July 1, 1974. Even this projected date may not be firm for all of the Services. The essence of this standardization is the adaptation of 126 SPN's from 530 previous SPN's of all of the Services.

We will continue to keep you informed.

Sincerely,

LEO E. BENADE,
Lieutenant General, USA, Deputy Assistant Secretary of Defense.

JULY 31, 1973.

Hon. EDWARD I. KOCH,
House of Representatives, Washington, D.C.

DEAR MR. KOCH: The Secretary of the Army has asked me to reply to your letter concerning the Separation Program Designators.

Your continuing interest in the preservation of individual privacy is appreciated and the Army shares this concern. As you are aware, the recording of Separation Program Designators is the mechanism by which the military departments certify to other interested Government agencies the nature of a veteran's service. By this procedure, the Executive branch implements the statutes providing veterans perferences for a wide range of benefits. It also serves important statistical purposes in our continuing attempt to improve our personnel management practices. Thus, the objective of our recommendations to the Department of Defense has been to attempt to strike a balance between these governmental needs and the individual's right to privacy.

As an initial action, you may be interested in knowing that we have designated our current listing of Separation Program Numbers as "For Official Use Only." This was done to assist in restricting knowledge of the specific basis for separation to the government agencies that may need this information. While the final position has not been determined by the Department of Defense, we understand that a new regulation listing Separation Program Designators will also be "For Official Use Only" and will be a joint service publication for which the Department of Navy has primary proponency. The new regulation has not yet been published, but when it is, you will be provided a copy.

You may be assured that this area has our continuing interest and your comments and thoughts are appreciated.

Sincerely,

JOHN L. NALER,
Chief, Investigations and Legislative Division.

HOUSE OF REPRESENTATIVES,
Washington, D.C., September 7, 1973.

JOHN L. NALER,
Chief, Investigations and Legislative Division, Department of the Army, Washington, D.C.

DEAR MR. NALER: I have your letter with regard to SPN numbers. So what's new? You continue to defend the use of the SPN designators and the defense is based on the fact they are to be used "For Official Use Only" when you know, or at least should know, that the code becomes available to private employers. I have already stated to you that whatever information you believe to be appropriate for your files in order to provide the interested government agencies with information they need regarding the nature of a veteran's service can be maintained in a confidential file, and does not require that it be placed on the veteran's discharge paper for all to see.

If only you would read some of the letters I have received from individuals who have suffered as a result of the divulgence on their SPN numbers to unauthorized persons and the consequent embarrassment to them, even you would change your mind.

Sincerely,

EDWARD I. KOCH.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., November 16, 1974.

Hon. EDWARD I. KOCH,
House of Representatives, Washington, D.C.

DEAR MR. KOCH: This letter is in further reply to your inquiry regarding Separation Program Numbers (SPN's).

During his confirmation hearings before the Senate Armed Services Committee on June 18, 1973, Mr. Schlesinger deferred a final judgment on the subject of SPN's until a second Department of Defense study was completed. We have just completed this thorough review, and we have again concluded that there is no total solution which will balance the competing interests of safeguarding the rights of those who served honorably and received a favorable discharge, and, at the same time, preventing or minimizing stigmatiza-

tion of those who receive adverse discharges or codes.

Critics have alleged that SPN's unduly stigmatize veterans who are discharged with honorable discharges but for adverse reasons. In such cases, the nature of their service is categorized as honorable, but the individual's potential for future service is limited by the reason for discharge (e.g., inaptitude). These ex-service members are normally released prior to completing their tour enlistment. Representing this view, several bills which would delete any coding of the reason for discharge from discharge certificates have been introduced in both Houses of Congress.

As a result of the previous August 1972 study, no changes were made in the basic SPN policy, although the Secretary of Defense directed that three related actions be taken:

1. SPN's were made "For Official Use Only."

2. A small number of SPN's had been supplemented by narrative explanations. These narrative explanations were removed.

3. SPN's were examined to determine whether additional SPN's were needed in order to allow more differentiation of the reasons for discharge, especially in the areas of drug and alcohol abuse. The drug abuse discharge authority was identified as requiring more differentiation to provide for administrative discharge on the basis of unsuitability or unfitness. This change is in the final stages of coordination.

In addition, we have standardized the 530 SPN's of the Military Services to 126 common identifiers. These will be implemented on July 1, 1974, at the beginning of the next Fiscal Year.

The most recently completed study considered a wide range of alternatives to our present policy. We concluded that in no case would a change effectively remove the stigmatization of the relatively few who are adversely discharged without significantly depriving the vast majority of veterans who are favorably discharged of their right to a military document which would provide ready assistance to veterans' benefits, civilian employment or reenlistment. For instance, if SPN's were deleted from separation documents:

1. Those adversely discharged would gain little because the reason for discharge is fact and is documented in the personnel record. The Freedom of Information Act requires that upon application of the veteran, such information must be released to him. Thus, any employer may continue to require documentation from the individual of the reason for his discharge.

2. Those favorably discharged would not have ready access to Veterans Administration benefits nor to a readily available employment reference to assist them in their transition to civilian life. Once the individual realized that this information would be of value to him he would have to apply to the Services or to the National Personnel Records Center for the information. As noted above, the Freedom of Information Act requires that the information be released to the individual. Therefore, no gain would be made over the present system.

Even if SPN or reenlistment coding were deleted from the Department of Defense Form 214, "Report of Separation From Active Duty," other personnel information on the form could contain adverse implications. For instance, low rank at discharge, AWOL or confinement time, total length of service less than full enlistment, or the lack of a good conduct medal—all provide clues to the reader who is knowledgeable of military service.

We thus reaffirmed our position in favor of the veteran who serves honorably and who is discharged under favorable circumstances. The DoD Form 214, the summary of pertinent personnel information including SPN's and reenlistment codes, is necessary to protect his equity in the quality of his military service.

Enclosed is a fact sheet that discusses this subject in more detail.

As a matter of information, an identical letter has been forwarded to Chairmen John C. Stennis of the Senate Armed Services Committee and F. Edward Hébert of the House Armed Services Committee, to Senators Hughes and Symington, and to Congressmen Aspin, Conyers, and Drinan, in response to their previous inquiries.

I trust that this information will be of assistance to you. Your interest in matters pertaining to the military services is appreciated.

Sincerely,

LEO E. BENADE,
Lieutenant General, U.S. Army, Deputy Assistant Secretary of Defense.

FACT SHEET: USE OF SEPARATION PROGRAM NUMBERS (SPN'S) ON DD FORM 214

I. BACKGROUND INFORMATION: TYPES OF DISCHARGES

There are three types of administrative discharges—honorable, general or undesirable—and there are eleven general grounds upon which a member may be administratively discharged from the Armed Forces:

1. Expiration of Enlistment
2. Convenience of the Government
3. Resignation—Own Convenience
4. Dependency or Hardship
5. Minority
6. Disability
7. Unsuitability
8. Security
9. Unfitness
10. Misconduct
11. Resignation in lieu of court-martial

An honorable or general discharge may be issued to an individual who is separated for any of the eleven reasons. An undesirable discharge may be issued only if an individual is separated for one of the last four listed grounds. Even in these cases, however, the individual may receive an honorable or general discharge; the issuance of an undesirable discharge is permissive, not manadatory.

In addition to administrative discharges, punitive discharges (bad conduct and dishonorable) are issued only as a result of sentence by court-martial.

Honorable and general discharges are considered under honorable conditions; undesirable, bad conduct dishonorable discharges are under less than honorable conditions.

II. SEPARATION PROGRAM NUMBERS ON DD FORM 214

When an individual is separated from a Military Service, he is furnished:

A discharge certificate: honorable, general, undesirable, bad conduct, or dishonorable.

A DD Form 214, "Report of Separation From Active Duty." (formerly entitled, "Armed Forces of the United States Report of Transfer or Discharge")

SPN's are data processing identifiers of reasons for discharge. An individual's SPN is placed on the DD Form 214 in conjunction with the regulatory authority for the discharge or separation from military service. SPN's are not placed on the discharged certificate.

The DD Form 214 is a concise source document, completed by the Services and used by them and other government agencies. Copies are furnished to the Veterans Administration (VA) and the Selective Service System (SSS). It is of value to the individual as immediately available documentation of his military service and often serves as an employment reference.

There are approximately 35 categories of personnel information on the DD Form 214 which the Services use for statistical reporting, research and sampling. Although the Services are its prime users, the decision to add, delete, or change parts of the form during the last 20 years has been jointly made by its governmental users. These decisions have been guided by the desire to improve the form and to increase the capability to make certain determinations, such as the former serviceman's potential for future military service; his eligibility for veterans' benefits; and his current Selective Service classification. At a minimum, 20 of the 35 categories of information on the form are necessary in varying degrees to make these determinations. The SPN is one of these data elements.

There is a SPN for each reason for separation. Examples of separations other than discharges are retirement, dismissal, release from active military service, and separation to continue active duty in another status. The information for the individual's DD Form 214 is extracted from the individual's personnel record. It is possible to receive an honorable or general discharge (both are under honorable conditions) and receive a SPN which is considered adverse. Examples of this situation are when the SPN reflects drug abuse, failure to pay debts, or homosexuality. The specific nature of service may have been honorable but the potential for future service is limited by the reason for discharge.

The original copy of the DD Form 214 is given to the individual. The Department of Defense does not provide information to employers. Information from personnel records is released only to the individual, his authorized agent, and governmental agencies who have a legitimate need for the information. As a practical matter, employers may demand that an individual present his DD Form 214 as a condition of employment.

The need for the SPN on the individual's copy of the DD Form 214 can best be illustrated by its use by one of the document's secondary users, the Veterans Administration. Physical disability is a reason for discharge. There are approximately 20 different reasons for a physical disability discharge, some of which might be considered to have an adverse connotation. In order for the Veterans Administration to advise former servicemen promptly and accurately of their eligibility for benefits under various Public Laws (disability compensation, vocational rehabilitation, in/out patient medical treatment, disability pension), the VA uses the physical disability reason shown on the individual's copy of the document. Such prompt determination is of extreme importance to disabled former servicemen.

In addition, the vast majority of our veterans benefit by having a prior employment reference readily available for presentation to prospective employers. Even if the SPN were deleted from the DD Form 214, no practical gain would be made. Many prospective employers would continue to require prior employment references and either would not hire the veteran or would hire him conditionally, until he obtained the information. The individual would have to request the information from the Services or the National Personnel Records Center, and the Freedom of Information Act requires that this information be provided to him. The decision to provide this information to the prospective employer would still, as exists today, remain with the individual. The end result could well be a decision by prospective employers to avoid hiring recently discharged veterans because they lack timely and complete prior employment references.

If DoD no longer provides the individual with a document usable as an employment reference and if he later requests information, we would be tasked to research and provide the information to him from his personnel files as required by the law. Our present system of issuing the DD Form 214 saves considerable workload and expenses in answering personnel inquiries. In addition,

present procedures require the serviceman to review and sign the DD Form 214 at the time of separation. This procedure validates the accuracy of the information on the form and forecloses claims that the serviceman did not know the reason for his discharge.

III. RECENT REVIEWS OF SPN POLICY

A study of SPN policy was completed in August 1972 which reviewed the practices and procedures relating to the use of SPN's on the separation document for consistency with Department of Defense policy which protects against the invasion of privacy of the individual. These practices and procedures were analyzed in detail and it was determined that they were necessary for legitimate administrative and statutory purposes, and were consistent with the policy against invasion of privacy. However, three actions were directed:

1. Master lists of SPN's would be marked "For Official Use Only" and their use limited to Governmental agencies.

2. No narratives would be used in conjunction with SPN's. This would afford the individual additional protection from possible stigmatization which could result from words being used to describe the reason for discharge.

3. An examination of SPN's would be made to see if additional SPN's were needed to permit greater differentiation in the reasons for discharge.

These actions have been completed. New SPN's were developed to provide greater differentiation of drug and alcohol abuse. In addition, the 530 SPN's of all the Services were standardized to 126 joint SPN's. These new SPN's should be implemented on July 1, 1974, at the beginning of the next Fiscal Year.

A second review of SPN policy was completed in October 1973. This study considered a wide range of alternatives to our present policy. We concluded that in no case would a change effectively remove the stigmatization of the relatively few who are adversely discharged without significantly depriving the vast majority of veterans who are favorably discharged of their right to a military document which would provide ready assistance to veterans' benefits, civilian employment or reenlistment.

DoD thus reaffirmed its position in favor of the veteran who serves honorably and who is discharged under favorable circumstances. The DoD Form 214, the summary of pertinent personnel information including SPN's and reenlistment codes, is necessary to protect his equity in the quality of his military service.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., February 13, 1974.

Lt. Gen. LEO E. BENADE,
Deputy Assistant Secretary of Defense, Department of Defense, Washington, D.C.

DEAR GENERAL BENADE: I am still concerned with the problem of SPNs and the refusal of the Pentagon to change its policy in this matter. The policy I refer to of course is set forth in your letter of November 16, 1972.

In that letter you refer to two studies conducted by the Department of Defense, one completed in August '72 and the other in October '73. I would appreciate your providing me with copies of these two studies.

I would appreciate your expediting this request.

Sincerely,

EDWARD I. KOCH.

MARCH 21, 1974.

DIRECTOR,
Correspondence and Directives Division, OASD(A), The Pentagon, Washington, D.C.

DEAR SIR: This letter written on behalf of Congressman Edward I. Koch, is a formal request pursuant to the Freedom of Information Act, 5 U.S.C. § 552, for access to two Defense Department studies pertaining to the use of Separation Program Numbers (SPN's). These studies, one in August 1972 and the other in October 1973, are referred to in a letter from Lieutenant General Leo E. Benade, Deputy Assistant Secretary of Defense, to Congressman Koch on 16 November 1973. (A copy of that letter is enclosed for your convenience). Congressman Koch requested these studies on February 13, 1974, which request was denied in a letter from Lieutenant General Benade on March 12, 1974.

If we do not receive a substantive response to this letter within 10 days, we will consider the request denied.

Very truly yours,

RAYMOND T. BONNER.

CONGRESS OF THE
UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., March 27, 1974.

Secretary JAMES R. SCHLESINGER,
Department of Defense,
Washington, D.C.

DEAR MR. SECRETARY: Your recent action in authorizing the removal of Separation Program Numbers and reenlistment code numbers from all discharge papers deserves congratulations and support. It is a decision which, as you know, has been urged for a long time by many Members of Congress.

However, I feel that it is not enough to merely let the veteran request a new discharge certificate. A great part of the problem has to do with the fact that veterans do not know that the SPNs exist on their discharge papers. Their employers might know it—but they do not. Consequently, it is difficult to imagine that any substantial percentage of veterans would be aware they can request new papers.

It is the responsibility of the Department of Defense to guarantee that the rights to privacy of veterans is assured. To do this I believe that the DoD should send to all those veterans discharged since the early 1950s, when SPNs were instituted, updated DD Forms 214—superceding the discharge paper issued when they were discharged from the service—which would not show these SPNs or reenlistment code numbers.

I also believe that there can be coercion on the part of employers who request that veterans authorize the release of SPNs to them. I propose that the information not be supplied to an employer or third parties, even with the veteran's consent, so as to protect the veteran against pressure.

I urge your immediate consideration of these provisions in developing your regulations on this issue and I would appreciate your advising me of your position as soon as possible.

Sincerely,

EDWARD I. KOCH.

Mr. GOLDWATER. I thank the gentleman from New York (Mr. KOCH) for his contribution. I certainly recognize him as one who has been greatly concerned in this area of privacy.

I should like to recognize at this time, the gentleman from New York (Mr. HORTON), one of our sponsors on the special order.

Mr. HORTON. Mr. Speaker, I thank the gentleman from California for yielding this time to me. I want to commend him and Mr. KOCH for their initiative on this special order.

Mr. Speaker, I am proud to serve as a sponsor of this special order to emphasize the congressional commitment to privacy. The six sponsors of this discussion represent both parties and a broad spectrum of political view points. We are united, however, by mutual concern for threats to individual privacy and by our hope that the Congress will even more vigorously pursue efforts to safeguard the individual in our society.

The climate has never been more propitious for congressional action. That is so because the administration has joined the call for privacy initiatives. The President said in his state of the Union address:

> One measure of a truly free society is the vigor with which it protects the liberties of its individual citizens. As technology has advanced in America, it has increasingly encouraged on one of those liberties that I term the right of personal privacy. Modern information systems, data banks, credit records, mailing list abuses, electronic snooping, the collection of personal data for one purpose that may be used for another—all these have left millions of Americans deeply concerned about the privacy they cherish. The time has come, therefore, for a major initiative to define the nature and extent of the basic rights of privacy and to erect new safeguards to insure that those rights are respected.
>
> I shall launch such an effort this year at the highest levels of the administration, and I look forward again to working with this Congress in establishing a new set of standards that respects the legitimate needs of society and that also recognizes personal privacy as a cardinal principle of American liberty.

Consistent with this statement, the President has created in the White House a Domestic Council Committee on the Right of Privacy. It is chaired by Vice President FORD and includes several high-ranking administration officials. This committee is directed to examine four areas of concern:

Federal Government methods of collecting information on people and of protecting that information;

Procedures which would permit citizens to inspect and correct information held by public and private organizations;

Regulations of the use and dissemination of mailing lists; and

Ways that we can safeguard personal information against improper alteration or disclosure.

I am pleased to note that the one suggestion which the Domestic Council Privacy Committee has already made has been accepted by the President: in accordance with a recommendation approved unanimously by the House Government Operations Committee, an Executive order granting the Agriculture Department access to the tax returns of over 3 million American farmers has been revoked.

I welcome the President's initiative in the area of privacy, and I welcome his action in invalidating an ill-conceived Executive order. I hope that these acts are indicative of a genuine effort to be of assistance to those of us who have been attempting for many years to preserve citizens' rights to privacy.

Mr. Speaker, I am privileged to serve as ranking minority member of the Committee on Government Operations, which has demonstrated a strong interest in protecting citizens' rights to privacy over the past decade. Its Special

Subcommittee on Invasion of Privacy, of which I was a member, was established in 1964. This panel performed highly useful investigations in such areas as electronic surveillance, data banks, mail covers, and psychological testing.

For the last several years, the Government Operations Committee's concern for privacy rights has been manifested primarily through the Foreign Operations and Government Information Subcommittee, of which I have also been a member. That subcommittee, ably chaired by our colleague from Pennsylvania, Mr. MOORHEAD, has held important hearings on privacy implications of advanced information technology, Government use of polygraphs, and use of private information by Government employees.

The Foreign Operations and Government Information Subcommittee is currently considering a bill by the gentleman from New York (Mr. KOCH) to grant individuals access to records about them maintained by Government agencies. I am hopeful that constructive legislation based on the concepts of this measure will be forthcoming.

Mr. Speaker, I would like to draw attention to another bill which is now pending before the Foreign Operations and Government Information Subcommittee—a bill which I have sponsored for several years to protect individuals whose privacy is threatened because their names and addresses appear on Federal mailing lists.

In 1970, Wendell Ames, an eminent doctor in my congressional district, reported to me that he received solicitations from a firearms merchant shortly after registering as a gun collector with the Alcohol, Tobacco, and Firearms Division of the Internal Revenue Service. The firearms company was using what appeared to be duplicates of the IRS mailing label. Inquiries revealed that the IRS was selling lists of individuals who had registered as collectors of guns at a cost of less than one-tenth of 1 cent per name. The dangers inherent in this practice are obvious. Fortunately, I can report that following my inquiries, the IRS agreed to cease the sale of lists of gun collectors, but they persisted in making lists of gun dealers available.

Surveys of Federal agencies have revealed that there is no pattern, no rhyme nor reason to Federal agency policy on the subject of mailing lists. Some agencies make lists available on a regular basis—citing the Freedom of Information Act as authority. Others deny access to all such lists—again citing the Freedom of Information Act. In fact, the policy of the Federal Government is no policy at all.

My bill, H.R. 3995, would clarify this situation by setting a reasonable governmentwide policy which protects individual privacy while adequately safeguarding the public's right to know. H.R. 3995 is limited to prohibiting a Federal agency from distributing lists of names and addresses of individuals—either employees or those having business with an agency, where such lists are to be used for commercial purposes or other solicitation or for purposes prohibited by law.

Mr. Speaker, I urge my colleagues to examine the hearing record on my bill as it will demonstrate the tremendous potential abuse that can result without a clear Government policy on the availability of literally thousands of Government-held lists. More than 60 of my colleagues have joined me as a sponsor of the bill and I hope that others will lend their support to this proposal.

Mr. Speaker, the participants in this special order will set forth an impressive record of congressional initiative in the privacy area. I have described briefly the important work that has been ongoing in our Government Operations Committee and I know that my colleague, Mr. MOORHEAD, will expand on the contributions his subcommittee has made. Equally impressive is the work of the Judiciary Committee, particularly related to criminal justice records. But despite the progress we are making, I remain convinced that the Congress is not now equipped to deal with privacy issues on the level those issues demand.

For that reason, I have sponsored legislation for many years to create a Select Committee on Privacy to give breadth and forward thinking to assaults on individual privacy.

The House, traditionally the democratic institution closest to the people, has the obligation and duty to inform itself fully about the range of threats to individual privacy. Because of the immense power of the new technologies of data collection and processing, behavior control, and communication, all of which affect privacy and other individual rights, we need our own source of expertise if we are to legislate in the best interests of the Nation. The select committee could provide that source and would be equipped to understand and evaluate the long-term effects so often overlooked in our rush to deal with immediate problems. Its fundamental task would be to give visibility to ideas now buried within the Federal bureaucracy, in private business, or in academic circles before they erode the integrity of the individual citizen or dictate future American lifestyles. I am confident that our discussions today will demonstrate the need for this type of forum in the House.

Mr. GOLDWATER. I thank the gentleman from New York for his contribution and certainly also recognize the contribution the administration has given by its indication of action currently in appointing the Vice President to head this Commission.

Mr. Speaker, I yield now to the gentleman from Arkansas (Mr. ALEXANDER).

Mr. ALEXANDER. Mr. Speaker, I am pleased to join my colleagues in this effort to focus attention on one of our most precious rights as citizens of these United States—the right to privacy.

The American experiment in democracy rests on the belief that Government meddling in matters of individual concern is an evil, as Jefferson said, "no less obnoxious when it is essential." While the Constitution confers no absolute right to be let alone, it does limit the scope of permissible Government intrusion and demands a special sensitivity to the right of privacy in those areas in which it is not strictly prohibited. The Founding Fathers knew that a free government must consciously limit itself in order to safeguard "the right of the people to be secure in their persons, houses, papers, and effects."

We are faced with a threat to that right. One of our own making over which we exercise at present only minimal control. That threat is the unprecedented capacity and need by government at all levels to digest information. The capacity of the bureaucracy to handle mountains of often personal data is of course the product of computer technology. The need to do so derives from the increasing demand on our governmental institutions to organize, plan, in short govern, a complex society. But as Jefferson observed, this need makes the practice no less obnoxious and so we must be alert to the ever present possibility of abuse.

For this reason, I and a number of my colleagues were disturbed by the publication of Executive Orders 11697 and 11709 which granted authority to the Department of Agriculture to inspect the personal tax returns of 3 million American farmers. This authority was as comprehensive as it was unprecedented. Apparently any employee of USDA could be authorized by the Secretary to inspect the tax return of any farmer. The House Subcommittee on Foreign Operations and Government Information of the Committee on Government Operations, on which I serve, learned in testimony from the Office of the Attorney General and the Department of the Treasury, that these orders were prepared as a prototype for future tax return inspection orders.

As I stated on February 19, 1974:

> These executive orders present the frightening prospect that the administration is attempting to begin the process of making personal income information of whole classes of people available to various departments and agencies without regard to the private nature of the information, or protecting individuals from possible abuse.

Such a development would hardly be a proper safeguard for that right of privacy described by the President as a "cardinal principle of American liberty."

I am pleased to note that after concentrated and sustained pressure from the Congress, the public, a perceptive member of the press—Alan Emory, of Watertown, N.Y., Daily Times—and the IRS itself, this improvident grant of authority has been rescinded by Executive Order 11732 on March 24, 1974.

Unfortunately, the chilling specter raised by these orders continues. I am alarmed by the technical capacity of government to retrieve from its computer banks a dossier on individuals combining bits and pieces of data gleaned from many sources. The collection of such information is easily justified as enhancing administrative convenience and efficiency; it is just as easily subverted into a genuine, sinister force. An enlightened public should not quickly forget the

articulated desire of an ex-White House official, John Ehrlichman, to make the Internal Revenue Service "more politically responsive."

Potential political operatives zero in on IRS files for the same reason that the Congress must now step in to assure their integrity and continued confidentiality: an individual's tax return contains a wealth of information about his private affairs, his job, his income, his charitable interests, his family responsibilities. The accurate reporting of all of these matters is indispensable to the administration of our Federal tax system. The remarkable candor shown by the American people each April 15 should not be taken for granted. Congress must take immediate steps to guarantee that the information so gathered is not used for any other purpose not specifically authorized by law.

Any statistical data needed by the administrative arm of the Government should be collected by the Bureau of the Census, the body established by the Congress for that purpose. It is interesting to speculate on why, if USDA believed this type of information was vital to its operations, it eliminated from its 1974 budget all funds for a farm census. Administrative efficiency is a goal to be sought in Government. But the possibility of individual tax returns becoming the bedtime reading of politicians or bureaucrats is simply too high a price to pay for it.

I do not presume that such was the intention of those in the executive branch who supported this relaxation of the confidentiality of IRS files. But the classic atmosphere of personal privacy is a political climate in which each person decides for himself what personal information he will share and with whom he will share it. And as Mr. Justice Brandeis said:

The greatest dangers to liberty lie in insidious encroachment by men of zeal, well meaning but wtihout understanding.

I wish to make a part of the RECORD several news stories on this controversy written by Alan Emory of the Watertown, N.Y., Daily Times:

[From the Watertown (N.Y.) Daily Times, Oct. 29, 1973]

FARM TAX SNOOPING SCRAPPED

(By Alan Emory)

WASHINGTON.—The Agriculture Department has decided temporarily, in the face of a hostile reaction from Congress, farmers and civil liberties groups, to shelve President Nixon's order allowing it to inspect individual tax returns of farmers.

Assistant Attorney Gen. Robert G. Dixon, Jr., had said the order was drawn up as a model so that tax returns could be used for statistical purposes by other federal agencies. He insisted there was no intent to invade farmers' privacy because the department wanted only "group data" and not data on individual farmers "which would certainly be a matter of great concern."

CONCERNED

"Mr. Dixon should have been greatly concerned," a House Government Operations sub-committee reported, "because that is precisely what the Department of Agriculture was authorized to get."

The Statistical Reporting Service in the department had felt that, despite steadily refined programs of reporting by farmers, still greater precision was necessary. It obtained from President Nixon an executive order—in broad language in January and modified in March—allowing the Agriculture Department to obtain names, addresses and gross income or product sales of farmers from Internal Revenue Service records.

Ironically, the IRS itself had strongly opposed providing personal information from tax returns.

Although the Nixon order affected 3,000,000 farmers, no public or press announcement was made by the White House or the Agriculture Department. The order and regulations were published in the Federal Register, which, one farm spokesman said, was "not every-day reading for the average farm family." No farm leaders were consulted.

DATA VITAL?

Rep. Bill Alexander, D., Ark., said if the data were vital to Agriculture Department operations, as claimed, then President Nixon would not have wiped out farm census funds from his fiscal 1974 budget.

Several congressmen and IRS officials favor giving the Agriculture Department names and addresses of farmers and letting the department ask the farmers for the financial information sought.

"No one asked a single farmer whether he was willing to share this personal financial information with the department," Alexander said.

He asked whether the order would prove a model for the Commerce Department to inspect tax returns of businessmen, the Housing and Urban Development Department to examine returns of homeowners receiving government-insured loans, the Labor Department to look at wage earners' returns or the Health, Education and Welfare Department to pry into returns of doctors and teachers.

Dixon said the Justice Department was not requested to express "any policy judgment," and it did not. Alexander called this a "blatant disregard for the rights of private citizens."

HALTED PLANS

J. Richard Grant, an official of the Statistical Reporting Service, said that the opposition had halted any department plans to pursue access to farmers' data with the IRS "directly."

In an interview, he said that the department had no access to "individual names and addresses" through census data and deplored the "misinformation" about department need for the details and what would be done with them.

Donald O. Virdin, former IRS disclosure staff chief, told the House panel, headed by Rep. William S. Moorhead, D., Pa., that it would be "no problem to provide the Agriculture Department quickly with names and addresses of the 3,000,000 farmers "if that is all Agriculture wants."

The committee said most farmers would probably be glad to furnish the information if they knew how it would help them and they were assured it would be kept confidential and used just for statistical purposes.

The Justice Department had said that the original, broadly-worded Nixon order that was later changed, "was prepared by the Department of the Treasury—as a prototype for future tax return inspection orders."

Alexander called that a "frightening prospect that the administration is attempting to begin the process of making personal income information of whole classes of people available to various departments and agencies without regard to the private nature of the information."

The House Government Operations Committee recommended that the IRS give the Agriculture Department only names, addresses and taxpayer identification numbers and no personal financial data unless the individual voluntarily consented in writing after an Agriculture Department request.

Several congressmen are drafting legislation making tax returns explicitly confidential, with the only loophole approved by Congress.

[From the Watertown (N.Y.) Daily Times, Feb. 26, 1974]

ISSUE OF FARM INCOME TAX INSPECTION TO BE TURNED OVER TO NEW COMMISSION

(By Alan Emory)

WASHINGTON.—President Nixon says the issue of his controversial executive order allowing the Agriculture Department to inspect key features of individual farmers' income tax returns will be turned over to a new federal commission on privacy headed by Vice President Ford.

The President was asked at his Monday night news conference how he explained the executive order—and a Justice Department opinion saying it should serve as a "a model" for all executive departments—in the light of his strong defense of confidentiality for White House papers and his new protection-of-privacy policy for individual citizens.

Nixon conceded that he had not specifically raised the question of tax returns in his privacy message Saturday, but he wanted it considered, along with credit bureau computerized files on individuals.

Not only business concerns, but the federal government itself has taken action that could "impinge" on privacy, Nixon admitted.

The President said the whole question should be considered by his new commission.

Nixon, however, did not offer to withdraw the order which has drawn sharp criticism among farm groups and in Congress, nor did he comment on the Justice Department opinion, which many observers believe opens the door for widespread abuse of income tax return confidentiality by a host of federal agencies.

The Internal Revenue Service had objected to the Nixon order, issued early in 1973 and then slightly modified.

[From the Watertown (N.Y.) Daily Times, Feb. 28, 1974]

IRS IGNORES NIXON ORDER ON FARMERS TAX RETURNS

(By Alan Emory)

WASHINGTON.—The Internal Revenue Service has indicated privately it will not enforce President Nixon's executive order authorizing Agriculture Department examination of key parts of farmers' individual income tax returns.

However, Agriculture Secretary Earl L. Butz has twice refused congressional requests to shelve the order.

President Nixon said Monday night that the wisdom of the order—which the Justice and Treasury Departments say will serve as a "model" for other federal agencies—would be studied by a new commission headed by Vice President Ford.

Rep. Jerry Litton, D., Mo., who uncovered the order, held hearings on it and is sponsoring legislation to tighten IRS rules about allowing others to see tax returns, said the measure had a "good chance" in the House Ways and Means Committee.

He said the IRS was supporting the legislation, but unofficially, since it conflicted with the executive order.

Litton said, in an interview, Nixon's move amounted to authorizing the Vice President to determine whether action Nixon himself had taken was "proper."

The Congressman said that was "strange," since the President had not given Ford much authority in any other field.

When Litton originally introduced legislation to kill the Nixon order, but permit the Agriculture Department to obtain just farm-

ers' names and addresses, the department cold-shouldered the idea and would not even comment on it.

After Litton sponsored his measure to tighten the IRS rules about who could see tax returns, however, the department indicated an interest in the first bill.

Litton said he had been surprised when listening to President Nixon's State of the Union message, to hear "a man who proposed opening up 3,000,000 tax returns talking about privacy."

Litton said the Agriculture Department had been asked if it placed so much importance on getting facts that it needed tax return details, and officials said it did.

If that were true, he then asked them, why were funds for an agricultural census struck from the budget.

"I have yet to get an answer," he told a reporter. "The census form goes to every farmer. A tax return sampling woud not be as complete. Either they need the information or they don't."

According to Litton, the first request for the order on tax returns went to George P. Shultz, then director of the Office of Management and Budget, but nothing happened. Three years later the order was drafted at the Treasury Department, where Shultz was secretary.

"Why wait three years and then give the Agriculture Department broader authority than it asked for?" Litton asked. "The department did not want to look at the tax returns, but the executive order not only authorized it to, it spelled out how the department should do it."

Litton recalled that former Nixon aide, John D. Ehrlichman, had promoted a policy of making the IRS "more politically responsive" and theorized that the administration wanted the order on farmers' returns because "if they could get away with that they could try another field later."

The Congresman said the House Government Operations Committee, as well as one of its subcommittees, had asked Butz to hold up on implementing the executive order and that he refused.

[From the Watertown (N.Y.) Daily Times, Mar. 1, 1974]

IRS Still Opposes Scrutiny of Returns

(By Alan Emory)

WASHINGTON.—The split within the Nixon Administration over opening up individual income tax returns is coming closer to the surface.

Internal Revenue Commissioner Donald C. Alexander, plainly uncomfortable over an executive order by President Nixon designed to allow all federal agencies a shot at individual returns says he is insisting his agency "guard the taxpayer's right of privacy."

The Nixon order, issued last year without a public hearing or any notice is drawing increasing fire in Congress, from farm groups—since it applies to Agriculture Department inspection of individual farmers' returns—and civil liberties organizations.

Rep. Bill Alexander, D-Ark.—no relation to the commissioner—one of the first to uncover the order and ask for Congressional action—calls it a "massive invasion of the rights of privacy of an entire class of Americans" and "an extremely dangerous precedent to all other groups of citizens of whatever occupation."

Despite the Nixon order Commissioner Alexander revealed in a letter to Rep. William S. Moorhead, D-Pa., his agency is limiting "a mailing list of names and addresses of farmers."

Alexander said he supported legislation to make tax returns "explicitly confidential" except for tax administration and enforcement—a House Government Operations subcommittee on foreign operations and government information.

Moorhead is the sub-committee chairman.

Alexander says tax returns should be "confidential and private" unless Congress "clearly specifies" to the contrary.

He said the IRS was barring tax returns to outsiders except where there are "sound reasons" for their availability, and it was "consistently applying such a disclosure philosophy" while working toward a goal of "ensuring the confidentiality of federal tax return data."

Alexander said his policy on inspection of farmer's tax returns by Agriculture Department officials was to limit access to names and addressed. The sub-committee recommended that no personal financial data from the returns should be provided unless individual taxpayers gave his voluntary consent "in writing."

"Ideally," the sub-committee said, "the farmers could provide this information directly to the Department of Agriculture."

The IRS says that in the first half of 1970 it made 14,000 tax returns available to the Department of Justice and Labor, the Federal Communications and Securities, the Exchange Commissions, the Federal Home Loan Bank, Renegotiation, and National Labor Relations Board, the small Business and Social Security Administrations and the Post Office Department.

The House Ways and Means Committee is expected to start hearings soon on a series of bills to protect tax returns sponsored, among others, by Reps. Jerry Litton, D., Mo.; Charles Thone, R., Neb.; Jack F. Kemp, R., Buffalo, and Barber B. Conable, Jr., * * * Alexander.

[From the Watertown (N.Y.) Daily Times, Mar. 5, 1974]

Butz Says Farmers' Income Tax Return Inspection Is a Judgment Matter

(By Alan Emory)

WASHINGTON.—Agriculture Secretary Earl L. Butz says it is "essentially a matter of judgment" whether his department's inspection of individual farmers' income tax returns "involves invasion of privacy."

Butz made the comment in a letter to Rep. William S. Moorhead, D., Pa., chairman of a House Government Operations sub-committee. The sub-committee had asked Butz to shelve using the access to the tax returns until after it had completed its inquiry into the issue.

President Nixon last year issued an executive order allowing the income tax inspection without any public notice or hearing. It was published in the Federal Register.

The Justice and Treasury Department say it was designed as a model for all the executive agencies.

Ironically, when former Agriculture Secretary Clifford M. Hardin originally requested, in 1970, certain farm data that could be matched with names of farm operators obtained from sources outside the Internal Revenue Service he said specifically he was not seeking an examination of individual tax records.

Butz told Moorhead in June, 1973, that "no employe" of his department would examine any individual tax return under the authority of the Nixon order, but he refused to put the authority in cold storage.

"The list development procedure we have in mind is clearly in the public interest," he insisted.

In July he told Moorhead that the "effectiveness of the security handling of data" by the staff of his Statistical Reporting Service "has not been challenged."

PAARLBERG COMMENTS

Don Paarlberg, director of agricultural economics for the department, said the department had never sought the inspection authority and maintained the original draft had been broadened during reviews by the Treasury and Justice Departments.

Last June Assistant Attorney Gen. Robert G. Dixon, Jr., said, "The original order was prepared by the Department of the Treasury in language designed to serve as a prototype for future tax return inspection orders."

A modified order, he said, was "approved as to form and legality."

Paarlberg confirmed the broad intent of the order by declaring, "We understand the first order was designed as a model to be used by other departments."

According to Rep. Jerry Litton, D-Mo., author of a bill tightening procedures for inspecting individual tax returns, even the revised Nixon order leaves a farmer's return "an open book."

It authorizes examination of tax returns to obtain any information so long as it can be construed to mean "a measure of size of the farming operation of the taxpayer," he said in a letter to the House Ways and Means Committee.

Rep. Charles Thone, R-Nebr., author of another tax return safeguard bill, says there would be a lot less exposure of returns if the Agriculture Department obtained its statistical data from the Census Bureau as authorized by the White House.

At one point in last year's hearings, Paarlberg commented, "We do not care which department they come from."

"I do very much," Thone snapped back.

Litton, who was curious as to why Nixon had issued the order if the Agriculture Department had not asked for it, recalled that when it was being worked up, a couple of Watergate figures were active in the Treasury Department.

One was G. Gordon Liddy, who masterminded the break-in of Democratic National Committee headquarters and had been employed in the office of general counsel, and another was John Caulfield, who was a staff assistant to the assistant treasury secretary for enforcement and then director of enforcement of the Bureau of Alcohol, Tobacco and Firearms.

A third Watergate figure, former Presidential Counsel John Dean, had recommended the Internal Revenue Service zero in on political targets by making a requested audit "of a group of individuals having the same occupation."

Under questioning by Rep. Bill Alexander, D-Ark., who helped uncover the executive order and trigger last year's hearings, Paarlburg said he was not sure whether the decision not to publish the order or announce it publicly had come in a phone call from the Treasury Department "or whether it came from the President's staffman." He said he had been in touch with both.

He said, however, he had not talked to indicted Nixon aides H. R. Haldeman and John D. Ehrlichman.

Alexander said that blanket authority to inspect individual tax returns of any group, as the Nixon order provided, "clearly constitutes an invasion of the right of privacy of that group."

"Is this evidence of a master plan of the federal government to oversee the private affairs of every group of citizens?" he asked in his latest newsletter to constituents.

He raised the possibility that it might open the door for eventual Commerce Department inspection of returns of homeowners receiving Federal Housing Administration-insured loans, Labor Department inspection of returns of wage earners and Health, Education and Welfare Department inspection of returns of doctors and teachers.

Mr. GOLDWATER. Mr. Speaker, I thank the gentleman for his words.

I would like to add that the gentleman along with his colleague, the gentleman from Nebraska (Mr. THONE) were very instrumental in persuading the White House that this was in fact a bad

move and a direct question of personal privacy. I think the general public owe the gentleman from Missouri (Mr. ALEXANDER) and the gentleman from Nebraska (Mr. THONE) a debt of gratitude for getting this order rescinded.

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

Mr. GOLDWATER. I yield to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, I appreciate having the opportunity to join with my colleagues in an expression of concern about the congressional commitment to privacy. This commitment is rooted in the oath of office we take swearing to uphold the principles of the Constitution. Unfortunately, many of the legislative proposals we have approved in recent years have ignored this basic right of American citizens, and I believe it is important that we discuss here today the meaning of this responsibility, and how we, as legislators, can regain the confidence of the Nation by affirming our commitment.

My discussion will be limited to specific areas which are related to my committee assignments on the Post Office and Civil Service Committee and the Banking and Currency Committee.

First. Congressional commitment to privacy and the census. In recent years, many Members have expressed concern that the very nature of the personal questions asked in a decennial census violate the privacy of American citizens. As ranking minority member of the Census and Statistics Subcommittee, I share this concern. The mandatory questions being asked on census forms probe extensively the most intimate details of Americans' lives and go far beyond the constitutional intent of the census—to count the people in order to determine congressional districting. The subcommittee plans to undertake an in-depth study of laws and regulations relating to the confidentiality of statistical data collected by Government agencies, and I fully endorse this effort.

Last week the subcommittee concluded hearings on legislation relating to congressional approval of the content of economic census questionnaires. The questions asked in an economic census or in a decennial census may constitute just one form of invasion of privacy. In testimony before the subcommittee, Congresswoman EDITH GREEN brought out that another important concern is that the paperwork burden which is imposed on American citizens by their Government is in itself an invasion of privacy and an intrusion on the lives of our citizens. The economic census—a questionnaire that is completed in its entirety over a 2-year period—being just on example. We also have Occupational Safety and Health Act reporting requirements, wage and price control reporting requirements, IRS reporting requirements—the list is endless, Mr. Speaker. The paperwork burden required by the legislation we approve is an important factor which is often overlooked, and demonstrates that our commitment to privacy goes far beyond obvious considerations.

Second. Congressional commitment to privacy and the banking industry. In connection with our responsibilities as members of the Banking and Currency Committee, Congressman CLAIR BURGENER and I introduced a bill last session, H.R. 10021, the Right to Financial Privacy Act. This legislation is designed to protect the constitutional rights of citizens of the United States, and to prevent unwarranted invasions of privacy by prescribing procedures and standards governing the disclosure of financial information by financial institutions to Federal officials or agencies. I believe this legislation is necessary to preserve the confidential relationship between financial institutions and their customers and the constitutional rights of these customers. Enactment of this bill would insure that the individual has the same rights of protection against unwarranted disclosure of records maintained in the financial institution as he would have if these records were maintained in his own possession.

The bill we introduced would allow the disclosure of a customer's records only if: the customer specifically authorizes the disclosure; the financial records are disclosed in response to an administrative subpena or summons providing the individual is notified by certified mail and directs the financial institution to comply, or the financial institution is served with a court order directing it to comply, which is issued after the customer has been notified and has an opportunity to challenge the subpena or summons; a search warrant is obtained by the Federal official or agency which is served on both the customer and the financial institution; or a judicial subpena is issued with a copy being served on the customer and 10 days pass without notice that the customer has moved to quash the subpena.

Similar financial privacy bills have been introduced in the Honuse but the Rousselot-Burgener bill differs in that it does not preempt State and local laws regulating disclosure of customer information. Like legislation to govern actions by State and local officials and agencies has passed the California State Assembly and is now pending before the California State Senate. It is entirely possible that State legislative bodies might also wish to establish such regulatory controls as are appropriate to their individual requirements. H.R. 10021 would regulate only those actions of Federal officials and agencies. Other financial privacy bills extend the regulating provisions to also govern actions by State and local officials and could possibly be in conflict with States rights.

Also, other versions would only allow a financial institution to notify law enforcement officials of violations of criminal law suspected of being committed against the financial institution itself. The Rousselot-Burgener bill recognizes that in some rare instances the financial institution could have reason to suspect other violations of criminal law.

Passage of this legislation would be an important step in assuring an individual's right of privacy, and I urge my colleagues to review this important bill and consider it favorably when it comes before this House for vote.

Another instance where the banking system has been used as a tool to invade the privacy of American citizens is the Bank Secrecy Act—Public Law 91-508. Yesterday the U.S. Supreme Court handed down a ruling, and by a vote of 6 to 3 upheld the constitutionality of the domestic reporting and recordkeeping requirements in title I of this act. In dissent, Associate Justice William O. Douglas argued, and rightfully so, that this act has "saddled upon the banks of this Nation an estimated bill of over $6 million a year to spy on their customers." Justice Douglas further makes the point that, "Unless we are to assume that every citizen is a crook, an assumption I cannot make," it is "sheer nonsense" to claim that every citizen's bank records are important in tax and criminal investigations.

Mr. Speaker, we in Congress are responsible for the Bank Secrecy Act which I believe does, in fact, violate the constitutional rights of the citizens of this Nation. In connection with the Supreme Court ruling yesterday, Associate Justice William Rehnquist in agreeing with the decision has reportedly said, "that depositors must wait until their records are seized before they can claim in court that their privacy rights are threatened." He did not rule that banks must notify their customers nor did he guarantee success for the customers when they do go to court. This statement emphasizes the need for the Congress to take action immediately, not only to repeal the provisions in title I which require the American banking system to spy on its customers, but to also enact my bill, H.R. 10021, to protect a customer's privacy.

The California Bankers Association was involved in initiating this challenge to the Bank Secrecy Act. They have effectively stated the unconstitutional provisions in the act in their brief which was filed with the court, and I believe that every Member who is concerned with our commitment to privacy will be interested in the following excerpt from this brief summarizing the arguments:

SUMMARY OF ARGUMENT

(1) The announced purpose of the Bank Secrecy Act is the recording and retention of bank records having "a high degree of usefulness in criminal, tax or regulatory investigations or proceedings." The Act and implementing regulations, in alleged pursuit of that purpose, require banks to monitor *every* bank account in the United States, and to copy and retain virtually every piece of paper that passes through the American banking system. As a result, and since the checks one writes reveal the intimate details of a citizen's financial, social and political life, banks are being forced to compile an exhaustive profile on virtually every adult member of the American community.

(2) There is almost no relationship between the Bank Secrecy Act's basic purpose—the detection, apprehension and conviction of criminals—and the requirement that virtually every piece of paper passing through all 200 million American bank accounts be copied and retained. Even if one were to assume that every crime committed in the United States would somehow be revealed

by the perpetrator's bank account—including those such as homicide and forcible rape that have little or nothing to do with banks and banking—*less than 4.4%* of the bank accounts in the United States would be involved. Quite apart, then, from all other objections, the wholesale surveillance of every bank account in the United States is a witless enterprise.

(3) The indiscriminate, mass surveillance of every bank account in the United States is unnecessary and inappropriate. There are any number of alternate, reasonable means available. As such, the Bank Secrecy Act violates due process. See, e.g., *Helvering* v. *City Bank Farmers Trust Co.*, 296 U.S. 85 (1935) and *N.A.A.C.P.* v. *Alabama*, 337 U.S. 288 (1964).

(4) The Act violates the Fifth Amendment right of due process by imposing two separate and unreasonable requirements on the American banking industry.

First, the Bank Secrecy Act plainly violates the limitations this Court has imposed on compulsory recordkeeping. There is virtually no relationship between the objectives of the Act and the mass surveillance of every bank account in the United States. The records required have no specific purpose. They have *nothing* to do with the regulation of banks and the banking business. They destroy the Fifth Amendment limitations this Court has imposed on the use of required records against the recordkeeper. See, *Shapiro* v. *United States*, 335 U.S. 1 (1948); *Marchetti* v. *United States*, 390 U.S. 39 (1968); *Grosso* v. *United States*, 390 U.S. 62 (1968).

Second, the Act violates economic due process by requiring banks to spend approximately $6.1 million each year to make and retain records they do not need or want—$6.1 million a year to spy on their customers.

(5) In *United States v. Powell*, 379 U.S. 48 (1964), *Donaldson v. United States*, 400 U.S. 517 (1970) and *Couch v. United States*, 409 U.S. 322 (1973), this Court set forth various safeguards against the unlawful use of the government's summons and subpoena power against third-parties. By requiring banks, among others, to record and retain writings that would otherwise belong to the maker (e.g., checks, deposit slips, etc.) the recordkeeping required by the Bank Secrecy Act transfers title and possession to the banks. This destroys the practical and legal ability of a citzen under investigation to assert the Fourth and Fifth Amendment rights outlined in *Powell, Donaldson* and *Couch*.

(6) The privacy and anonymity protected by the First Amendment includes the confidentiality inherent in bank-customer relations. By allowing the Treasury Secretary unlimited discretion to include or exclude banks and bank accounts from its recordkeeping requirements, the Bank Secrecy Act violates the rule that intrusions on First Amendment rights be narrowly drawn, reasonable and definite. See, e.g., *Niemothko v. State of Maryland*, 340 U.S. 268 (1951).

(7) The wording of the Bank Secrecy Act and the government's arguments to this Court confirm that the recordkeeping provisions are the handmaiden of the Act's automatic reporting requirements. Since the reporting requrements plainly violate the First, Fourth and Fifth Amendments, the Act's recordkeeping provisions are unconstitutional for the same reasons.

(8) Finally, since its members are being injured, the California Bankers Association has standing to assert their constitutional rights. (*Sierra Club v. Morton*, 405 U.S. 727 (1972)). In addition, the CBA has standing to assert the constitutional rights of its members' customers. Those rights are fundamental and the banks appear to be the only parties affected by the Act's recordkeeping requirements in a position to assert this constitutional challenge. See, *Eisenstadt v. Baird*, 405 U.S. 438 (1972).

In conclusion, Mr. Speaker, I sincerely hope that we can start a new trend in Congress. A trend that will result in our protecting American citizens' privacy instead of violating it, a trend that can only be accomplished by less Federal control and intervention.

Mr. GOLDWATER. I thank the gentleman. He is absolutely right. It is time for the farmers and the American people to review this procedure, to look where we are going. The technological age has brought many rapid advances in many areas of our lives. One of the great areas is in the multitudinous use of computer technology to record information about individuals.

It reminds me of the same situation that occurred with supersonic transportation. At one time we were building supersonic transportation at such a rate until we had to stop and say, "Where are we going? What effect does this have on human life?"

I think we have to do that in the area of computers in this technological age and stop and say, "Where are we going in our personal lives?"

This commitment by the Congress is a good one. I congratulate my colleague for his contribution in his area of expertise.

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

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

Mr. ROUSSELOT. I know the gentleman has worked long and hard on this subject. It has taken some time for all the Members to gather together the information on this sweeping matter of rights.

Mr. GOLDWATER. Mr. Speaker, if I might also mention to my friend, the gentleman from California, not only his interest in the census data, but the fine contribution of a former colleague, Mr. Jackson Betts, made many years prior to our involvement. Certainly he paved the way and aroused our interests and our concern. I think we all owe him a compliment for his contribution.

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

Mr. GOLDWATER. I yield to my friend and colleague, the gentleman from southern California (Mr. LAGOMARSINO).

Mr. LAGOMARSINO. Mr. Speaker, I commend my very good friend and colleague from California and from my own county, Mr. GOLDWATER; Mr. KOCH, the gentleman from New York, and others who are bringing this special order to our attention and allowing us to participate in it. I do not think there is any subject the American people are more concerned about and want us to do something about than this question.

Mr. Speaker, more than 2,400 years ago, the Greek orator Pericles noted that one of the hallmarks of a free society is "mutual toleration of private conduct." The common law precept that a man's home is his castle, finds expression in the English Magna Carta. And our own Constitution guarantees the right of the people to be secure in their persons, houses, papers and effects.

Despite this admirable, and nonpartisan, historical commitment to privacy as a prerequisite of free society, we find ourselves today facing a very real threat to this right. The challenge comes not from without, but from within. Our own technology threatens to render the guarantees of our Constitution useless. And unless we act now, just as our forefathers did and their fathers before them, we may find ourselves the slaves rather than the masters of our modern information systems.

Mr. Speaker, I have some Greek antecedents, but I have more Roman blood, and I remember from my history books what happened when the Roman Empire became topheavy with bureaucracy and redtape. It collapsed of its own weight, and became ripe pickings for renegades. This issue is not a partisan issue. It transcends ideologies. It goes to the root of what governments are created to do. Our Republican form of government was created to do those things that the people find difficult to do for themselves, and no more. The people, whom we serve, have reserved to themselves all other rights and authority. And when Government, or any private group, gains such power over the private conduct of its citizens that by its very operation it threatens their security, then it is time to act.

The people of California 2 years ago enacted an amendment guaranteeing their right to privacy. I believe they did this, not because they wanted an increase in criminal activity, obviously, but because they wanted a decrease in governmental activity. In our society, where an honest man's word is his reputation, where a presumption of innocence is the law, perpetual surveillance is anathema. And when it is conducted on a pervasive scale, often without even the knowledge of the people or an opportunity for challenging an individual dossier, then the time has come to sound the alarm.

I believe the Congress should act now to renew the commitments made in the Constitution and in our laws for the right of free citizens to be secure. Secure in their persons, in their houses, papers and effects, and in their private lives.

If we do not make this commitment, if we do not act now to gain control over the paper bureaucracy, public and private, which is beginning to pervade our lives, we will wake up, 2,400 years after Pericles set out the limits of government interference in private affairs, in the year 1984. Let us pray that day never comes.

Mr. Speaker, my colleague from California (BARRY M. GOLDWATER, JR.) is working steadfastly to restore rights of privacy in America. He recently spoke before a seminar sponsored by the National Bureau of Standards. I include his remarks:

SPEECH BY CONGRESSMAN BARRY GOLDWATER, JR. TO NATIONAL BUREAU OF STANDARDS COMPUTER SECURITY CONFERENCE

A distinguished former colleague of mine, Congressman Jackson Betts, who was one of

the pathfinders in promoting legislation to protect privacy, once said: "Privacy is not simply an absence of information about us in the minds of others; rather, it is the control *we* have over information about ourselves."

I am pleased to be a congressional participant in the conference sponsored by the Institute for Computer Sciences and Technology, here today.

Since coming to Congress almost five years ago, I have become increasingly concerned about the growing menace privacy invasion poses to the American citizen.

Early last year, I decided to initiate certain proposals to assure the American citizen that he would indeed have control, as mentioned by Congressman Betts, over information compiled and retained about him.

An initial report was to work very closely with the Secretary of Health, Education, and Welfare prior and after the release of the very extensive HEW study entitled "Records, Computers, and the Rights of Citizens". This report was released last July.

I was most impressed with this study, and in order to carry out its specific recommendations, I introduced two bills.

One, "The Freedom of Information Act", H.R. 11275, is basically aimed at accomplishing the following three objectives:

(1) To guarantee individuals the right to find out what information is being maintained about them in computerized systems and be able to obtain a copy of it upon demand.

(2) To allow a person to contest the accuracy, pertinence, and timeliness of any information in a computer-accessible record about him.

(3) To require record-keeping organizations to inform individuals on request of all uses made of information being kept about them in computerized files.

Shortly after introducing this bill, I joined with Massachusetts Governor Francis Sargent, Senator Edward Brooke, and Congressman Michael Harrington, in an administrative petition with the Justice Department, which asked former Attorney General Elliot Richardson to terminate operation of the F.B.I. administered offender files, which are a part of the National Crime Information Center, until he had issued formal regulations to safe-guard the rights of individual citizens.

Additionally, I introduced a bill to amend the Social Security Act, that would give each individual in this country the right to refuse to disclose his or her social security number. Then too, organizations with the authority to use the number would be prohibited from disclosing the number to organizations that lack such authority.

This legislation is designed to prevent the social security number from becoming a "standard universal identifier" that can be used by computers to track all the errors, omissions, and/or sins of an individual from cradle to grave.

Other actions included the introduction of legislation to require consumer reporting agencies to allow a consumer to inspect credit records, legislation to protect individuals from statistical reporting systems, and a bill to establish a Select Committee on Privacy in the House of Representatives.

Recent events indicate that more and more people are becoming concerned about privacy invasion. This is a good sign, because I have always maintained that the worst enemy of privacy is not the computer—its worst enemy is apathy and ignorance.

I am pleased that the President addressed himself to privacy in his recent state of the union address. Just a few days ago, he announced the formation of a commission on the issue of privacy and data banks in our country.

Suffice to say, it does us little good to attack the computer—it is only an instrument of man. What must be attacked is the computer mentality—the kind of faceless bureaucracy in and out of government that seeks to make the computer a supreme being.

The potential of privacy invasion is always present in a sophisticated computer operation. Remarkably, the misuse of information held about individuals in computer systems has been held to a minimum. But the potential for misuse is still there, and certainly data surveillance has grown to very menacing proportions due to the technological advances which alter such information to be given multiple use and consolidation through automated systems.

Substantial increases in demand for personal reports by government agencies, private systems, and social science researchers have intensified the severity of the problem.

As you know, it is not enough for us to discuss the technology of the computer and speak of privacy in an abstract fashion. We must resolve, at this conference, and in very other private and public forum to do what is necessary to protect our constitutional right to privacy.

Let us make no mistake about it, the computer already knows more about most of us than we know about ourselves. The amount of data held in computer systems is enormous. Think about it for a moment. The list includes tax returns, census responses, social security data, military records, security files, finger prints, FHA and VA mortgage guarantees, credit records, health data, and social research involving individuals. Such examples are barely the tip of the iceberg.

I say tip of the iceberg because every time Congress passes legislation giving the Federal Government added responsibilities and power, more paperwork is created and consequently more information is known about the individual citizen.

Of course, this is a sobering thought, but what can we do about it?

Initially, we must understand our right to privacy and how important it is to protect this right. Secondly, we must rely on wise laws that protect our privacy rights.

We must remember that our citizens give the government personal information on what should be on a confidential basis and for a specific purpose. Americans deserve the assurance that this information will not be used for any other purpose in the future. But, do we have this assurance? Not necessarily, I fear.

Several years ago a House Congressional Committee discovered that the confidentiality of Government files is a myth. Such files sometimes float from agency to agency. Federal investigators in some instances are given access to information far removed from the subject of their inquiry. Folders sit open for inspection on desks and in the "in" and "out" baskets of many government offices. Outright "leaks" of information occasionally come to light.

Of course, this is interesting, you say. But, then you add that the government has never mis-used the information about you, so why worry? But, I submit that this may not be the case in the future unless we begin to embark on a course to make certain that it will not be misused.

It is always possible for unscrupulous men in high places to apply unethical standards to the use of confidential information. One of history's leading examples is the detailed European census that was in effect long before the advent of Hitler. Tragically, this census provided a convenient and efficient tool for Nazi use in many European nations. In some countries like Czechoslovakia, statistical data already available facilitated the Nazi takeover.

Impossible here? Not necessarily. Erroneous data or information, whether computer-stored or not, can lead to bizarre occurrences that constitute a blatant invasion of privacy.

Two years ago 15 men wearing beards and dirty clothes took a battering ram and knocked down the door of a *suspected* violator of a Federal gun law. Did this happen in Soviet Russia? No, it happened near Washington, D.C. The suspect was a law-abiding citizen, who only collected harmless antique weapons. He is now totally paralyzed—his life is in shambles. The ruffians who perpetrated this crime? They were officials of the U.S. Treasury Department, and they broke into the victim's home on faulty information that he was in violation of the 1968 Gun Control Act.

This is not a remote example. Earlier this year, the same thing happened to a family in Winthrop, Massachusetts. A couple and their daughter, who was ill, were awakened in the middle of the night when state and Federal lawmen broke down two doors to their home on a narcotics raid. The policemen had entered the wrong home.

Of course these are clear-cut examples of privacy invasion. There should be no question that they also violated the fourth amendment to the constitution.

But, there are other examples almost as sinister in nature. I have received numerous letters from American citizens describing examples of data bank and Social Security number abuse. Each letter seems to detail a new horror story worse than the one before. Some of the letters have actually come from computer systems analysts in the field of data processing.

The protection of personal files in all data systems deserves immediate attention on the part of both the government and the private sector. I would like to challenge this conference to not only exchange ideas and make recommendations to assure the privacy of individual data subjects in computer operations, but I would like to see a definitive statement emanate from this conference calling for a restoration of freedom of privacy.

It is not difficult to determine the adverse potential of today's technology on our right to privacy. What is difficult is making certain our traditional liberties and beliefs can be secure against growing technological onslaughts against privacy.

Mr. GOLDWATER. Mr. Speaker, I thank my colleague from California (Mr. LAGOMARSINO) and recognize him for the contributions he has made to this issue and his concern while he served in the State House in California.

Mr. EDWARDS of California. Mr. Speaker, the day of Big Brother and constant surveillance is already upon us. Regularly we read or hear about a new Government program that necessitates the gathering of some new information on certain individuals or class of individuals. One's social security number is no longer just used in the administration of social security benefits as it was originally intended. It has become the identifier for almost every citizen in this country: it is used on driver's licenses, banking applications, school applications—in some schools grades are dispensed by social security number—all credit applications, and a host of other documents that one signs in their daily lives. Only this past Sunday in the Parade section of the Washington Post was the reading public informed about the extent of unsubstantiated information that goes into school records. We were also informed by that same article that law enforcement agencies, military agencies, or other agencies of authority are given unfettered access to these records upon request.

The intrusion upon privacy of the citizens of this country has been slow and

unobtrusive for the most part to this point. The agencies collect a little more information today, a little more information tomorrow, and pretty soon there is a complete dossier on every individual in this country. The irony of this situation is that the individual on whom this information is collected is not allowed to review the records and to challenge the information. The files are transmitted freely throughout the country and very important decisions affecting the future of these individuals are made with unblinking eye and unquavering hand. It is too easy to deny a person an education because he was arrested when he was 16 years old. It is too easy to stop one's insurance coverage on his car because he keeps a dirty house. It is too easy to deny housing to someone because his previous neighbor said that he had loud parties. It is too easy to make a decision without checking on the facts. And as each day passes more and more people are being caught in a record prison unable to free themselves even with the truth.

The situation now becomes even more insidious with the dawning of the age of the computer. Proliferation of computer data banks, investigatory agency upon investigatory agency is almost a seamless web of Government intrusion upon the individual. The problem is becoming acute. The technological advances in computer science develop not only an ease in obtaining information but also an insatiable appetite by public and private industries to collect every possible piece of knowledge on every possible citizen. The abuses to our right of privacy are excessive. Unfortunately the practice of collecting extensive information on our citizens has gone unquestioned by the American public. It has been only in recent years that some of our citizens have become appalled by this massive collection mania for information. The problem will not be alleviated by the waving of some magic wand in Congress. We cannot correct all the abuses with one piece of legislation. Each individual kind and type of abuse will have to be found and dealt with by a separate piece of legislation. In this manner, we begin to seal the loopholes through which public and private agencies spy on the citizens of this country.

The Subcommittee on Civil Rights and Constitutional Rights of the House Committee on the Judiciary, of which I am chairman, have spent over 2 years studying the abuses caused by the dissemination of arrest records and other criminal justice information. In 1971 I introduced H.R. 13315, a bill that proposed to regulate the dissemination and use of criminal arrest records. An arrest record or "rap sheet" is simply a sheet on which notations of arrests are made and most frequently do not even carry the disposition of the charge. According to FBI statistics, law enforcement agencies make some 8.6 million arrests per year for all criminal acts, excluding traffic offenses. Of these arrested, approximately 4 million are never prosecuted, or have the charges dismissed. Yet, these 4 million arrests annually are inserted on individuals' "rap sheets" and become a part of what is considered criminal records. Unfortunately, these arrest records when circulated are treated much the same as a conviction record. There is no evidence yet presented that a person arrested and never convicted is any more of a job risk, credit risk, tenant risk or student risk than any other citizen. Yet every police agency, school, credit corporation, prospective employer and all other public and private agencies want desperately to have knowledge on arrest records as though it provides a certain and revealing insight into a person's character. These raw criminal arrest records time and time again reach out and injure people who have never been involved in any illegal or criminal act and their use is widespread.

During our extensive hearings on arrest records we became aware of the existence of the National Crime Information Center maintained at the national level by the Federal Bureau of Investigation. Members of the subcommittee toured the National Crime Information Center's facilities and viewed its operation. The NCIC is part of a telecommunications system throughout the country that connects potentially all law enforcement agencies with each other. This system permits the rapid exchange of criminal information with any inquiring law enforcement agency. The NCIC itself began by collecting information on stolen items and wanted persons. But since its inception that part of the NCIC that deals with active criminal offender records has grown and is continuing to grow. These computerized criminal histories are searched as a part of identification service that the FBI provides for agencies of Federal and State governments and other authorized institutions, including savings and loan associations and national banks, which seek information on an individual's arrest record for the purpose of employment clearances and licensing. I personally was somewhat shocked at the time of my viewing these installations to find that there were no statutory parameters that guide the operations of the dissemination of criminal information; they were operating on a statement of principle promulgated by its advisory policy board. As if this was not frightening enough, I became aware that the advisory policy board is made up entirely of criminal justice officials. This dramatically points up the inherent conflict of interest in allowing this massive system that affects the lives of every citizen of the United States to regulate itself. We have always maintained and our Constitution requires civilian control over the military—this constitutional analogy should not be lost here.

With the knowledge of this massive national computerized system exchanging information throughout the country, I introduced in August of 1973 H.R. 9783 that would provide for the protection of the right of privacy in the dissemination of criminal justice information. Earlier this year our subcommittee added to its consideration Senator ERVIN's comprehensive bill on criminal justice information systems and the Department of Justice bill dealing with the same subject. We have since held several days of hearings on these three bills. Our witnesses have included the Attorney General of the United States, William Saxbe, the Director of the Federal Bureau of Investigation, Clarence M. Kelley, Mr. Arnold Rosenfeld, the Director of the Massachusetts Criminal Histories Systems Board and representatives of the Department of Defense, the Civil Service. Much knowledge has been imparted to the members of our subcommittee in this very complex and threatening area. It has become apparent with each passing day that congressional regulation and oversight in this area is mandated. We can no longer wait for self regulation by these agencies, public and private, nor for the system to work itself out. We must move on every front to shore up the rights of privacy of the citizens of this country against the ever encroaching threat of the massive accumulation of unrestricted information.

Justice Brandeis noted many years ago that the makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. They sought to protect Americans in their beliefs, their thoughts, their emotions, and sensations. They conferred as against the Government the right to be left alone—the most comprehensive of rights and the right most valued by civilized man. To protect that right, every unjustified intrusion by the Government upon the privacy of the individual, whatever means employed, must be deemed a violation of the fourth amendment. And so I believe to protect our constitutional rights, and perhaps even the Constitution itself, we now have the awesome obligation of turning the tide against Big Brother and constant Government surveillance which is already upon us.

Mr. BROWN of California. Mr. Speaker, poetry can often bring the levity required to see the deeply sensitive human situation we are talking about when we speak of rights of privacy. Under the all-knowing hand of a technocratic state, our cemeteries may well be lined with headstones with personal identification numbers rather than names chisled on them. A message from such an era comes in the form of this poem by W. H. Auden:

THE UNKNOWN CITIZEN

(To JS/07/M/378 this marble monument is erected by the State)

He was found by the Bureau of Statistics to be
One against whom there was no official complaint,
And all the reports on his conduct agree
That, in the modern sense of an old-fashioned world, he was a saint,
For in everything he did he served the Greater Community.
Except for the War until the day he retired
He worked in a factory and never got fired,
But satisfied his employers, Fudge Motors, Inc.
Yet he wasn't a scab or odd in his views,
For his Union reports that he paid his dues,
(Our report on his Union shows it was sound)
And our Social Psychology workers found
That he was popular with his mates and liked a drink.
The Press are convinced that he bought a paper every day
And that his reactions to advertisements were normal in every way.

Policies taken out in his name prove that he was fully insured,
And his Health-card shows he was once in hospital but left it cured.
Both Producers Research and High-Grade Living declare
He was fully sensible to the advantages of the Instalment Plan
And had everything necessary to the Modern Man,
A phonograph, a radio, a car and a frigidaire.
Our researchers into Public Opinion are content
That he held the proper opinions for the time of year;
When there was peace, he was for peace; when there was war, he went.
He was married and added five children to the population,
Which our Eugenicist says was the right number for a parent of his generation,
And our teachers report that he never interfered with their education.
Was he free? Was he happy? The question is absurd:
Had anything been wrong, we should certainly have heard.

Mr. GIAIMO. Mr. Speaker, the right to be left alone—the right to privacy—is one of our most fundamnetal and cherished rights. Yet this right is constantly being eroded by computer data banks, copying devices and other products of a refined technology. In short, invasion of privacy has become another word for efficiency, as Government and business seek to learn more about individual citizens than they have a need or right to know.

We are all familiar with wire-tapping, official eavesdropping and political spying. But let us not forget the more subtle forms of invading someone's privacy. Unauthorized financial disclosure by banks and other institutions, the release of telephone and business records, the denial of rights of access to information collected on an individual, the selling of mailing lists, the abuse of credit ratings, the expanded use of social security numbers as an identification reference, the use of mandatory census questions, unsolicited commercial telephone calls—all these practices are an infringement of the right of privacy.

Congress must compose a legislative response to this wholesale invasion of individual privacy, at the same time balancing the right to be left alone against the proper needs of society. Nineteen eight-four, only a decade away, must not be a target date for fulfilling George Orwell's chilling prophecy of an all-regulated society. Private lives are private affairs. Public freedoms have little meaning when personal liberties are diminished.

We need legal safeguards to eliminate indiscriminate public use of an individual's telephone, school, army and bank records, to name a few. The privacy of these records must be guaranteed to prevent the unscrupulous from misusing the information they hold. Individuals must have the right to inspect records concerning them held by Federal agencies and private businesses. A means must also be devised to allow individuals to correct these records if they contain erroneous or misleading information. I am one of the original sponsors of H.R. 8375, legislation that would do precisely this, and I am pleased to note that the Government Operations Committee has held 2 days of hearings on this and similar bills. I urge my colleagues to act favorably on this measure when it is reported to the House floor.

This legislation is only the beginning of what we need to do. The task is enormous, for ultimately we must inspect the inspectors. But it is a task worth pursuing, and necessary to pursue. We must stop Big Brother.

Mr. MELCHER. Mr. Speaker, the late author George Bernard Shaw, in a speech in New York in 1933 said:

An American has no sense of privacy.
He does not know what it is.
There is no such thing as privacy in this country.

We have come a long way since then. It is hard for me to imagine what Mr. Shaw would be saying if he were alive today and could see the mistrust and the indignation of our citizens that have developed in the last few years as computers have recorded and stored information on every facet of our private lives for any one of a hundred purposes. It is clear to me that the American people have a very real sense of privacy which they now see as being threatened as never before—whether by businesses wanting to know whether a person deserves a credit card, or by Government officials wanting the Internal Revenue Service to become more "politically responsive" by taking a closer look at tax returns of those on "enemy" lists.

I am pleased to speak today in support of a renewed congressional effort to protect the rights of our citizens to the privacy they want and deserve.

The greatest potential for invasion of privacy is that of Government, whether through conscious policy decisions or by actions of overzealous individuals. A shocking example of this is Executive Order 11697 issued by President Nixon in January of 1973. That order, which the administration refused to rescind until a few days ago when it bowed to congressional pressure, would have granted broad authority for the opening up of Internal Revenue Service taxpayer returns and files on 3 million farmers to the Department of Agriculture, supposedly for statistical purposes. The sinister part of the order is that it was drafted by the Treasury Department, over objections of the Internal Revenue Service, to serve as a model for allowing other Government agencies to have access to private income tax information.

In view of recent exposure of attempts to use the IRS politically, the implications are frightening. For this reason I have joined with Mr. LITTON and other concerned Members in sponsoring legislation (H.R. 12349) to strictly limit disclosure of information gathered by the Internal Revenue Service. That disclosure would be allowed only to appropriate Government representatives for tax administration and law enforcement purposes. Legislation such as this is vitally needed to prevent abuses of power by Government and to protect our right to privacy—to make sure we have no future fights over Executive orders such as 11697.

Another less sinister, but perhaps as far-reaching threat to our privacy is that of the credit reporting companies and systems. Here the problem is probably more a matter of mistakes and information misinterpretations stored in a computer that come back to haunt a citizen applying for credit or even a job. When credit is denied or a job given someone else, the person may never know that he was the victim of a computerized sandbagging job. We have made some progress in requiring that credit information compiled about a person be disclosed upon request and an opportunity be given for correcting that information. But more should be done.

Congress has made progress at attempting to assure the American people their right to privacy. But we must continue to work at it. I am sure George Bernard Shaw would have liked someone to prove him wrong—about lack of privacy for Americans, and Congress should demonstrate that there is such a thing as individual privacy in this country—and that it must be preserved and protected.

Mr. SEIBERLING. Mr. Speaker, in recent years hundreds of thousands of veterans have been unfairly subjected to an invasion of privacy by the Defense Department's policy of placing certain highly prejudicial information on their discharge papers. This information specifies what the Defense Department calls the "reason for separation" from active duty and is known as a "separation program number"—SPN—which appears usually in coded form.

In fact, the information has almost nothing to do with the reason why an individual is discharged. Instead, it represents an attempt by DOD to classify the character of service beyond what is permitted by the classification of types of discharge—honorable, general, undesirable, bad conduct, dishonorable. The SPN may classify the veteran as a drug abuser, alcoholic, shirker, liar, bed-wetter, homosexual, sexual deviant, or simply as an "antisocial" person.

The use of a classification system containing SPN's constitutes more than an invasion of individual privacy by the Defense Department. The system makes it possible for private employers to gain access to personal and perhaps unfounded information about job applicants. Placing an adverse SPN on an individual's discharge papers can make it impossible for him to obtain a job, even if he has an honorable discharge.

Last year I conducted an investigation of corporate employment practices concerning veterans, especially those with less-than-honorable discharges. The results are summarized in the CONGRESSIONAL RECORD of November 28, 1973. My investigation showed that there was massive employment discrimination against veterans with less-than-honorable discharges. Over 40 percent of the Nation's largest corporations admit discriminating against veterans with general discharges, even though the Defense Department asserts that these discharges are "under honorable conditions."

Over 80 percent of the large corporations require veterans to submit a copy of their DD-214—discharge papers—

when applying for a job. And 20 percent admit they have lists to decode the SPN's while others indicated that they would like to have the lists, which the Defense Department classifies as "official use only." There is no telling what happens to SPN information once it gets into the private sector. It may work its way into data banks to which hundreds of private users have common access. The General Accounting Office is now investigating the possibility of such abuse.

On March 22, Armed Services Committee Chairman F. EDWARD HÉBERT announced that the Defense Department was discontinuing its policy of placing SPN-type information on the DD-214 received by every serviceman when he is discharged. Under the new policy, however, SPN's would be assigned to the serviceman upon his discharge, but they would not appear on the DD-214. In addition, the new policy appears to permit the release of SPN-related information to private employers upon the request of the veteran.

The Defense Department's new policy has not yet been finalized in the form of regulations. When regulations are issued, there is a substantial likelihood that private employers will require veterans to request release of the information as a precondition to any job decision. While 20 percent of the large corporations admit having lists to decode SPN's many more may try to take advantage of the opportunity to obtain information which would be available. The new policy could encourage private corporations to pressure the veteran to request release of the SPN-related information. In many cases such information is irrelevant to future job performance. But whether or not it is relevant, such an invasion of privacy cannot be justified or tolerated.

Mr. Speaker, I have just received answers from the Defense Department to a series of questions which I sent them earlier this year on the subjects of SPN's and types of discharges.

The Defense Department's letter speaks for itself, indicating quite clearly that DOD feels no moral or legal responsibility for veterans with unfavorable types of discharges or those with adverse SPN's.

Especially disturbing are the DOD answers to questions 9 and 17. The Defense Department states that the standard of proof required to award an adverse SPN is "that which is sufficient to persuade the recommending commander and the discharge authority that the reason for discharge and the character of service is warranted and appropriate." DOD states further that the standard of proof for awarding a general or undesirable discharge "is not determined by reference to issuance of either a general or undesirable discharge. Rather, the standard of proof is based on the reason for discharge." Perhaps the imprecise standards help explain why so few veterans are able to change their types of discharges or SPN's. I cannot believe that these standards of proof are not violative of constitutional due process of law.

I am also very disturbed by the Department's inclusion in its list of reasons for the rise in the rate of unfavorable discharges the "necessity to identify and discharge members who do not meet retention standards, especially during times of reduction of forces." Are we to accept higher rates of adverse discharges because the Defense Department is reducing forces? Why does the Defense Department feel it must brand servicemen as unsatisfactory in order to meet new force levels?

I was also interested in the answer to question 26, where DOD states that it is unaware of any studies supporting or rejecting the notion that the type of discharge is generally a good predictor of future civilian job performance.

Mr. Speaker, I do not know what the answers to all of the questions would have been before the change in SPN policy. I do know that the answers now furnished paint a picture of a Defense Department unconcerned with what happens to veterans with unfavorable types of discharges and adverse SPN's. I am somewhat surprised at the lack of regard for the rights of servicemen about to be discharged, who may forever be branded because of the Defense Department's disregard for their privacy.

I think that the Defense Department has a moral and a legal obligation to respect the privacy of servicemen and veterans. I have asked the Secretary of Defense to prohibit the disclosure of SPN information to private employers, even if the veteran requests the release of that information.

Armed Services Committee chairman said, in announcing the new policy:

> The nature of the discharge should speak for itself, and that should be it as far as the discharge papers handed to the veteran are concerned. It is tough enough for a veteran with an honorable type discharge to become gainfully employed these days without carrying the additional burden of something that may not be relevant to a particular job as a civilian.

I agree.

Mr. Speaker, so that the Members and the public may have a better understanding of the Defense Department's policy on SPN's and types of discharges, I will tomorrow ask unanimous consent that the Defense Department's answer to my letter appear in the RECORD.

Mr. STARK. Mr. Speaker, as author of the Right to Financial Privacy Act of 1973, a bill cosponsored by 102 of my colleagues, I am pleased to add to the discussion today on this most pressing issue.

I was also a plaintiff in a case on the constitutionality of the Bank Secrecy Act that this bill would amend, and the Supreme Court yesterday handed down its long-awaited decision. The Court in effect chose to skirt the issue by finding that the plaintiffs didn't have standing—and thereby threw the issue back into the lap of Congress where it was first created.

The Congress passed the Bank Secrecy Act in 1970 with the intention of assisting the war on crime. Its purpose was to facilitate the gathering of information on suspected criminals by permitting any Government official to have access to individual bank records. In addition, banks were required to report "unusual" currency transactions to the Secretary of the Treasury as well as all domestic transactions over $10,000. The banks, then, were to act as investigators for the Government—to spy on their own customers.

I filed suit with the ACLU and the California Bankers Association and got an injunction against those reporting provisions of the act. However, since the recordkeeping requirements were upheld, we appealed the decision, as did the Government from the other side, and it was thus cross-appealed up to the Supreme Court.

The Court's decision, therefore, was in a sense disappointing. However, in not addressing the constitutional issues, they left the way open for legislative remedy. And in fact, the dissenting opinions of Justices Douglas, Marshall, and Brennan and the concurring views of Powell and Blackmun can be interpreted as urging legislative relief to a problem that was caused by legislation.

I am hopeful that the Banking Committee, of which I am a member, will soon hold hearings on the Financial Privacy Act. If we act promptly it will be possible to pass this momentous legislation before the end of the session.

As my colleagues are well aware, this is perhaps one of the most critical issues of the time. Even the President has expressed a new-found concern for the safeguard of privacy and legitimized it by creating GERALD FORD's Commission on Privacy. Clearly then, this is the time to pass the necessary legislation. We cannot let this momentum pass us by.

For the interest of my colleagues, I would like to include in the RECORD some excerpts from a statement I made last summer on the Financial Privacy Act and some of my own experiences with abuses of confidence:

EXCERPTS FROM A STATEMENT BY MR. STARK ON THE FINANCIAL PRIVACY ACT

The bill I have introduced, H.R. 9424, resolves all the ambiguities in existing law relating to an individual's financial records. It clearly safeguards the individual's right to privacy with respect to his financial transactions and history. Specifically, the Right to Financial Privacy Act establishes four means of access to private records held by financial institutions: customer consent, administrative subpenas and summonses, search warrants, and judicial subpenas. Correspondingly, the act places an obligation on the financial institutions not to disclose information from customer records unless one of the above requirements has been met. In addition, it is stipulated that the information obtained by the Government must be used only for those purposes for which it was originally solicited.

The need for this act, while not resulting directly from the Bank Secrecy Act, stems from subsequent controversy over the precise interpretation of an individual's fourth amendment rights. At Senate hearings held last year on legislation to amend the recordkeeping laws, the Secretary of the Treasury admitted that subpenas are not required for the release of financial information. He suggested that as the 1970 act had not specifically addressed the matter of access to records, the Treasury could not take arbitrary administrative action to do so. It was therefore up to a bank to determine whether or

not a subpena was necessary before records would be provided without the consent of the customer. The Treasury would take no position to supersede the bank's judgment.

In this situation, the privacy of a customer's financial records is dependent on the whim of his bank. Without his knowledge or consent, his entire financial history may be divulged. As he is unaware of official scrutiny, he cannot possibly challenge the dissemination of the information. There are no safeguards to protect this confidentiality.

In June 1972, I filed suit with the northern California ACLU and the California Bankers Association to test the constitutionality of this reporting system. The suit, asking for an injunction of the Bank Secrecy Act on the grounds that it authorized illegal search and seizure, was later joined by the Wells Fargo Bank. Bank of America representative Robert Fabian publicly voiced his own similar objections to the dangers inherent in the reporting provisions of the Act. He declared that "the regulations could undermine people's confidence in the banking system and the Government."

A Federal judge in San Francisco issued a temporary restraining order to prevent the act from taking effect. Subsequent to an appeals court decision, the Supreme Court is now deciding whether or not to hear the case.

This bill that I have introduced is not inconsistent with the essence of the Bank Secrecy Act. It recognizes the critical need for a thorough system of recordkeeping and reporting and upholds the requirements for reporting of information, subject to the previously mentioned limitations. Finally, the bill explicitly limits to two situations the Secretary of the Treasury's ability to require an institution to transmit reports or to keep records on customers. Such reports must either be required by the Internal Revenue Code, or by a supervisory agency. This, then, effectively repeals contrary provisions of titles I and II of the Bank Secrecy Act. However, I do not believe that their deletion in any way weakens the Bank Secrecy Act, or undermines its intent. Instead I believe it can only strengthen it, by removing any lingering doubt over possible or potential unconstitutional applications of its provisions.

This bill has already stimulated discussion. In particular, two areas of doubt have been raised, and I would like to attempt to answer them at this time. The first is criticism raised by certain members of the law enforcement sector—that the limits placed on the Secretary's right to obtain reports will inhibit important criminal investigation. I believe that the legal processes still open to any law enforcement officer under this Act are sufficient. This act simply guarantees that customers be notified and have an opportunity to respond to any attempt to gain access to their records except where the standard of probable cause has been met. Within the bounds of the fourth amendment rights, that is all that is constitutionally possible.

Others have objected to consideration of this act at this time on the grounds that airing of the issue may bias the upcoming decision of the Supreme Court to review the appeals case. It must be remembered, however, that legislative action will take precedence over court action in such a way as to render that appeal inoperative. If passed, this act answers all the charges filed in the original California suit.

I would like to include for the information of my colleagues an excerpt from a supporting statement by the California Bankers Association. On July 19, the Association wrote that:

We should make it clear that, although the Association places a high value on maintaining the financial confidentiality which bank customers have come to expect, it certainly does not wish to deny in any way the necessary prerequisites of effective law enforcement. The Association feels, however, that it owes its highest responsibility to the banking public who have entrusted some of their most personal records of private financial affairs to our care. The public expects these records to be held in the highest confidence and the California Bankers Association welcomes legislation which would safeguard their expectations.

Mr. FRASER. Mr. Speaker, privacy is a basic right. But the growing network of information-gathering activities is threatening our constitutional right to privacy and individual freedom.

The law offers the individual protection against physical surveillance, but virtually none against data surveillance.

Computers make the vast collection of data on individuals collected by Government and private sources a danger to all residents of our country. This private information often includes highly personal, unverified hearsay and gossip. Illegal or even legal access to this data and the exchange and selling of such information without the knowledge of the individual involved endangers the basic right to privacy.

A person who voluntarily fills out a form, takes a psychological test, or has a physical examination may not consider or anticipate that confidential information resulting from these acts may well wind up in a computer and follow him for the rest of his life, affecting the course of his life.

One of the more startling examples of Government invasion of privacy was the Executive order—now fortunately rescinded—which gave the Department of Agriculture the power to inspect Federal tax returns of farmers "needed for statistical purposes."

We are all affected by the indiscriminate use of data collected—through credit records that often contain misinformation or computer mistakes; through health record data banks used by life, health and accident insurance companies; through bank records, military records, school records, and juvenile records. There is even a Government controlled data bank of information on children of migrant farmworkers. Intelligence gathering operations are carried out by some 20 Federal agencies and by State, county, and city agencies. There are many more examples of data collecting mechanisms such as airline computers, television surveys, psychiatric reports, and polygraph tests.

Recordkeeping may appear harmless on the surface. But we must have safeguards that will protect against the dangers inherent in this massive collection system.

Data surveillance is a chilling specter, intimidating and demoralizing.

I am committed to legislation that will guard against unwarranted access to such data.

Mr. MOSS. Mr. Speaker, we are frequently asked whose privacy is being invaded and how. What follows are a number of stark and freightening examples demonstrating how some law enforcement organizations and businesses have intimidated individual citizens. Hopefully these examples will serve to reenforce our commitment to the basic right of privacy for every American, for when one citizen's right is abused, all Americans suffer.

INDIVIDUALS VICTIMIZED BY INVASIONS OF PRIVACY

The $100,000 punitive damage suit of James C. Millstone against O'Hanlon Reports, a New York-based retail credit reporting firm, goes to trial Feb. 19 in federal court in the eastern district of Missouri (72–C224–4). Millstone, assistant managing editor of the St. Louis Post-Dispatch and, incidentally, a member of the White House enemies list, is a classic unfair credit reports victim. He was turned down for auto insurance in 1971 because O'Hanlon reported that "a *poll of* four neighbors proved" Millstone had a "lack of judgment," undisciplined kids, a prior history of evictions and a bad "attitude." Millstone received insurance coverage elsewhere but under the current Fair Credit Reporting Act, could receive only a verbal account, not a copy of his credit report from O'Hanlon. He then had difficulty getting the firm to correct its report, which proved to contain inaccurate allegations from one disgruntled neighbor in Washington, D.C.

A Princeton University faculty member, Galen L. Cranz, has filed a similar suit, with the aid of the ACLU of New Jersey, in federal court in Trenton (CA 1858–73). She was denied auto insurance on the basis of a Retail Credit Co. of Georgia report that mentioned that she was living with a man to whom she was not married. A Minneapolis woman suffered the same fate ("immoral behavior" according to Safeco Insurance Co. and Service Review Inc.) but the state insurance commissioner may reverse the insurance cancellation as arbitrary.

A young couple were returning home to San Francisco one evening a year ago when they were stopped by Santa Clara County sherriff's deputies, eventually handcuffed, held at gunpoint and locked up overnight on charges of auto theft. The arresting officers had queried the San Francisco city and county criminal justice data bank and learned that the couple's Falcon had been reported stolen a year earlier. Police had failed to enter into the computer the "pink slip" record that the car had been recovered by its rightful owners. Eighteen hours after arrest, the pregnant woman and her husband were released. They have filed a $250,000 suit against Bay Area law enforcement agencies. "Not an isolated instance," according to their attorney, Bruce Krell of San Francisco.

It is in California where a San Francisco police cadet was fired for stopping a polygraph test about his sexual preferences and activities.

Arrest Records.—When Brad Shipp was named to the Fairfax County Board of Education in Virginia, it seemed like a great triumph for a 17-year-old high school senior. But the distinction turned promptly into a possible nightmare when members of the Board of Supervisors insisted upon seeing Shipp's arrest record after he revealed two arrests for the possession of marijuana. Virginia law forbids dissemination of juvenile records without the permission of the juvenile or the court. Shipp was saved when the Board deadlocked 4–4 and failed to reach the necessary majority to pass a motion asking Juvenile Court for Shipp's records. He is now serving as a member of the school board.

Arrest Records.—After Charles A. Tosh, an organizer for the Retail Clerk's Union, and others were arrested at a labor demonstration at a Buddies Supermarket in Fort Worth, the security director for the market tried to get the arrest records and mug shots of those arrested. First he tried asking his brother, the Dallas police chief, but was turned down. Then he called a buddy on the Fort Worth police force. This time he was successful, and the Buddies Supermarket displayed mug shots and "rap sheets" of the union organizers so that employees would be discouraged from voting for union representation.

When Tosh saw the anti-union posters, he hit the roof. The company was displaying the photo and arrest record of Charles Tosch, no relation to Tosh the organizer. Tosch was a convicted felon; Tosh had been arrested on minor charges and released.

The Fifth Circuit Court of Appeals (72-3017, June 22, 1973) held that the Fort Worth policeman's release of arrest records did not constitute "state action" and that Tosh's right to privacy was not violated by the company or the police. Toshs's lawsuit did succeed in showing that the Fort Worth policemen, like others around the country, make any of their 40,000 arrest records available to private security officers, as well as to other law enforcement agencies.

Arrest Records.—An enthusiastic 17-year-old youth was arrested at a rock concert in Columbia, Md., last fall and accused by a private security guard of throwing a rock. He denied the charge. The guard later disappeared, and so the charge was dropped and the youth's criminal file destroyed. However, the reference card to the charge remains in Howard County juvenile files and the young man is attempting to have it purged. "This could plague him the rest of his life," said his father.

Purging.—Among the 16 counts on which Baltimore State's Attorney Samuel A. Green was found guilty this month was a charge of accepting a $750 bribe to expunge the record of a Maryland man obsessed with the idea of having an arrest record (a 1971 gambling charge that was dropped because the man had no knowledge of the operation).

A U.S. District Court in San Diego last November refused damages for a woman ordered to undergo a strip search by border guards who noticed Chicano activist literature in her car. Nothing illegal was found. A $13 million suit has been filed against Macy's by seven employees who claim the firm illegally tapped their phones in the San Francisco store for seven months.

Mr. BADILLO. Mr. Speaker, I am pleased to join my colleagues in this special order to signal a congressional commitment to privacy.

The age of technology has brought with it a flood of data banks, credit reference bureaus, computer lists, and government records with personal information on virtually every living American including allegations and rumors about spending habits, job histories, driving records, relationships with neighbors and fellow workers, academic performance, and even personality quirks. These and a host of other specifics are gleaned both from records filled out by the subject and from clandestine interviews with informants who are not necessarily well-informed about the subject but eager to volunteer what they know anyway.

The American people are entitled to be concerned about the big brother aspects of having the details of their private lives available on computer printouts for whoever has statutory authority or perhaps just the right connections to scan them. Evidence is available to us right now concerning unwarranted intrusion into the individual's constitutional right to privacy, and we in the Congress will have to take a stronger role in regulating, or even eliminating, some of the uncontrolled reporting and recordkeeping practices both among private enterpreneurs and agencies at all levels of government.

We have been given clear evidence that the credit ratings which affect a person's very reputation are often compiled on the flimsiest of information, sometimes exaggerated or falsified because of the financial premiums for investigators who submit unfavorable reports on individuals. Anyone who has ever been questioned about an acquaintance by Federal Government investigators is aware of the opportunity for malicious reporting and the deposit of unverified raw data into Government files that may remain observable by certain authorities for the duration of the subject's lifetime.

Because of the potential for abuse, and in fact because of increasing reports of actual abuses in the gathering and recording of private data on individuals, I am pleased that the Congress appears ready to move toward protecting the personal rights of the American people.

Mr. Speaker, I have cosponsored bills to require Government agencies to advise citizens what records are being kept concerning them, to limit the sale or distribution of mailing lists by Federal agencies, to restrict the authority of Federal agencies to inspect individual income tax returns, and to guard personal privacy by regulating automatically processed files.

One of the greatest risks to our civil liberties now and in the future is the invasion of our personal lives through computerized data banks, wiretapping, and interception of correspondence. In anticipating the threat and acting quickly, we can put permanent limits on the snooping and secret information-gathering whose results accumulate in private and Government dossiers.

The privacy of the individual is one of our most cherished tenets. We have the opportunity to shore up and give real meaning to that important freedom. The legislation introduced by the Members participating in this special order should be among our highest priorities for the remainder of the 93d Congress.

Mr. ROSENTHAL. Mr. Speaker, the promise that each individual will be free from governmental surveillance of his or her political beliefs and activities is perhaps the most fundamental guarantee in the Bill of Rights, yet we find that his guarantee is increasingly being abused.

In the last decade there has been a vast increase in the maintenance and dissemination of all kinds of personal records by governments. These records contain personal information about virtually every aspect of the private lives of American citizens—from political dossiers to bank and credit records.

The dimensions of the dossier problem are already staggering and are steadily growing. For example, there are approximately 2,500 credit bureaus in the country with records on more than 131 million persons, all of which are regularly sold and disseminated. The Defense Department and the FBI compiled between 1968 and 1972 in the area of political surveillance a computerized index of more than 25 million names of persons who had taken part in civil rights or antiwar activities and were regarded as potential civil disturbance risks.

The profound danger of these files is that the individual may be totally unaware of the existence of these records and totally unaware of the contents. The impact and the existence of them may only become known in extraordinary circumstances. Yet the effect of the contents of the file may be earth shaking upon disclosure to employers, creditors, banks, or other agencies.

Often these dossiers create assumptions about people on the basis of anecdotal information about their past, and then condition the future of their lives on those frequently false assumptions. The individual seeking employment may suddenly find that a dossier has been compiled, containing false or erroneous information, that may eliminate him from contention for a job. For instance, the Federal Civil Service Commission has files on 1.5 million persons suspected of "subversive activities" and therefore, blacklisted for employment.

The subject of privacy has been studied extensively by congressional committees and subcommittees and by prestigious governmental and private agencies. It is now time for substantive legislative and administrative action to be taken to protect the right to privacy.

Several steps must now be taken to curb the antidemocratic tendencies of dossier-building. First of all, control must be established over data collection and computerized data banks maintained both by private and government agencies. Prohibitions must be established against the gathering and storing of information relating to the lawful political activities of individuals. Perhaps most importantly, every person about whom personal data is stored should be notified of that fact and given access to his dossier to check its accuracy and propriety.

I wish to direct your attention to an article "Your Past May Be a Prison" by John H. F. Shattuck which dramatically highlights the importance and the need for legislation in this area. Only strong and prompt action to safeguard the right of privacy will convince the Nation's citizens of the sincerity of their legislators and leaders in protecting individual privacy. Mr. Shattuck's article follows:

[From the National Council of Jewish Women, October 1973]

YOUR PAST MAY BE A PRISON

(By John H. F. Shattuck)

About two years ago Robert Meisner received a letter informing him that his car insurance was being canceled because of an adverse credit report prepared by a nationwide commercial credit reporting agency. Never having had credit problems before, Mr. Meisner managed to find out, after a series of angry letters and telephone calls to his insurance company, that the report indicated his son was "a long-haired hippie suspected of drug use." The source of the report was never disclosed to Mr. Meisner. Since his son had no police record of any kind and was characterized as a model student by his high school principal, the insurance company eventually reinstated the Meisners' insurance in order to minimize the bad publicity resulting from Mr. Meisner's tenacity. Retail Credit Company, which had prepared the report, however, refused to expunge the erroneous and damaging information in the Meisner dossier—one of more than 50 million in its files—and it could not be compelled to do so under any existing law.

The Meisner case is symptomatic of the problems of a dossier society. Governmental and private activity to counter perceived threats of crime and subversion is a growth industry. The heart of this activity is record keeping. In the last decade there has been a

vast increase in the maintenance and dissemination of all kinds of personal records—computerized records of arrests not resulting in convictions, political dossiers on private citizens who exercise their rights of free speech and assembly, medical and welfare records of persons who qualify for government assistance, bank records of private depositors in federally insured banks, credit records like the one that caused trouble for Robert Meisner, and a seemingly endless variety of other kinds of personal information about virtually every aspect of the private lives of American citizens.

These data collection and dissemination practices tend to trap those who get caught by them in a "record prison." It is difficult for a person to escape the effects of his increasingly bulky "record" because allegations of past misdeeds and judgments about him follow him whenever he seeks a job, a license, credit, housing, admission to school, or a host of other social benefits.

One ACLU client, for example, a former Post Office employee, was forced to resign when he was placed under investigation for mailing obscene letters. He was subsequently cleared of the charge but the Post Office refused to reinstate him and agreed only to make a notation in his federal Civil Service file that he had been cleared. Several years later, the man was disqualified for state employment by the Utah Civil Service Commission, on the basis of a file check which turned up evidence of prior "immoral conduct." Apparently the clearance notation had not been computerized with the rest of the man's employment record.

The major evils of these anecdotal records are their persistence and increasingly wide exchange. Bank records, for example, provide a detailed account of a person's political contributions and membership in private clubs or other organizations. By federal statute enacted in 1970 the Secretary of the Treasury is now empowered to require banks to microfilm and maintain for periods up to five years all checking transactions, and to make reports about such transactions to the Secretary, who, in turn, can make them available to other government agencies. All these financial records, therefore, are available to the government without any notice to the depositors, whose privacy and right to political anonymity are quietly subverted.

In terms of the sheer quantity of available data of private persons, the dimensions of the dossier problem are staggering. There are, for example, approximately 2,500 credit bureaus in the country with records on more than 131 million persons, all of which are regularly sold and disseminated. Of the more than 7.5 million arrests which are recorded each year, 3.5 million do not result in convictions but continue to be recorded and widely disseminated for a variety of purposes, including employment screening. A 1967 study of employment agencies in the New York area indicated that 75 percent would not accept for referral an applicant with an arrest record and no conviction.

A similar study by the U.S. Employment Service in Washington revealed that only about 15 percent of job applicants with records of convictions or arrests could be placed. In the area of political surveillance, the Defense Department and the FBI between 1968 and 1972 compiled a computerized index of more than 25 million names of persons who had taken part in civil rights or antiwar activities and were regarded as potential civil disturbance risks. The federal Civil Service Commission has files on 1.5 million persons suspected of "subversive activities" and therefore blacklisted for employment. Moreover, those examples are only the tip of the Iceberg.

Some of the least dramatic records can have the most profound impact, but are never known to their subjects, or only become known in extraordinary circumstances. Mark Isaacs is a professor at Temple University. Three years ago his eight-year-old son David was killed in a highway accident, and during the course of litigation David's school records were obtained by the lawyers. When Mark Isaacs read these records his outrage at what they contained prompted him to write an article, "The Secret File of David Isaacs, Age 8," which was published in the Philadelphia Inquirer. One anonymous comment in the file stated, "Refuses to use left hand. Dislikes being reminded to try." David's father pointed out. "Of course he refused; of course he disliked nagging. He had an orthopedic problem on his left side. . . ." In another part of the article Mark Isaacs indicated that "two months before he was killed David was given a standard psychological test. . . . The comments appended by the school psychologist fascinate me. This time the comments are signed. 'Subject boy had bad associates,' the psychologist declared. 'The bad associates were his parents. . . . David's feelings of superiority, if they do exist, are bolstered through parent attitudes.' "

David Isaacs' school records represent all that is wrong with the dossier society. Data gathering and dissemination frequently work the way a tracking system works in a school: they create assumptions about people on the basis of anecdotal information about their past, and then condition the future of their lives on those assumptions. For this reason these practices are often antithetical to a free and open society which allows people the opportunity to improve their lives.

Several things should be done to curb the antidemocratic tendencies of dossier-building. First, there should be a flat prohibition against gathering and storing information relating to the lawful political activities of individuals. Second, legislation outlawing the storage or dissemination of hearsay or anonymous derogatory information should be enacted. Third, procedures should be devised for expunging or preventing the dissemination of records of arrrests which do not result in convictions. Fourth, we must evolve a procedure analogous to the economic bankruptcy process whereby an individual can gain a "discharge" from his past. Just as the commercial process cannot function without a procedure enabling participants to attempt a fresh start, the social system cannot function without a procedure enabling individuals to obliterate the residue of their past errors. Finally, every person about whom personal data is stored should be notified of that fact and given access to his dossier to check its accuracy and propriety. Under a new federal statute, the Fair Credit Reporting Act, subjects of credit investigations must be notified that they are being investigated, but they have no right under the statute to see their reports. One way of starting this mammoth notification task would be to compile an exhaustive citizens' guide to files of personal information in the federal government.

A remedial program with these general features would begin to reduce the danger to freedom inherent in the dossier society. The alternative is to march bravely toward a new world in which privacy and freedom are replaced by suspicion and security, and the secret computer printout reigns supreme.

Mr. STEELMAN. Mr. Speaker, the congressional commitment to privacy must be hard-hitting, immediate, and two-edged. For too long unjustified secrecy and privacy have proliferated throughout government, and for too long the government has, in the name of efficiency and law and order, and sometimes unintentionally, violated the citizens inherent right to privacy.

These two democratic rights, the right of know, and the right to privacy, have helped build that vital dimension of difference that sets America apart from most other nations of the world.

When the Freedom of Information Act was enacted in 1966 we were all confident that a new era of Government accessibility was being ushered in. But those of you who have tried, or have read about the unsuccessful and arduous processes involved, know that the Freedom of Information Act does not always work. There is still too much information being withheld, and there is still too much delay in responding to requests for information. There is no persuasive logic, certainly no commitment to democratic principle, in those arguments, that claim that without secrecy and covertness, modern and efficient government cannot function. Are we not, by such arguments, trying to preserve our democracy, by methods that by their very nature threaten its health and well being.

These matters are serious, and that is why I am working on legislation that will amend title 5 of the United States Code, to make freedom of information a fact, and not just an act.

But as my honorable colleague from California has emphasized, the right to know is only half the issue, the right of privacy is its necessary complement. With the increase in the use of the social security number as a standard universal identifier, and the indiscriminate and uncontrolled assimilation of personal information into hundreds of data banks, there is a grave threat that national dossiers will become a fact. At best, this is a frustrating and annoying invasion of privacy, and at worst, it may threaten a denial of status and benefits without due process of law.

I ask that we create an alliance of commitment to insure that our right to privacy, and the right to know are not empty words, but strong, powerful realities.

Mr. HEINZ. Mr. Speaker, I express my thanks to my colleagues Mr. HORTON and Mr. GOLDWATER for giving the Members of the House this opportunity to express our commitment to privacy.

One natural outgrowth of an increasingly technological society is the dangerous proliferation of computerized personal records on every individual. Such devices, while perhaps well intentioned, deprive people of the privacy that should be their right. In addition, while it is quite easy for incorrect or misleading information to creep into one's file, once there it is considerably more difficult to get it removed. To cite some examples:

Last year a professor's wife in Texas lost her auto insurance because her credit bureau listed her as an alcoholic. She never drinks.

In New York a young woman has been fighting a Civil Service Commission order that she be fired from her job as a substitute postal clerk. It had been learned from her FBI computerized file that while a student, the woman, exercising her first amendment rights had taken part in a campus demonstration while at Northwestern University, and that she had been a member of SDS, a legally constituted organization.

In Massachusetts last year Gov. Francis Sargent had given a full pardon to a former felon who had kept his record

clean for 10 years. He moved to a State 1,000 miles away and enrolled at a community college. However, after running a routine police check with the new State's computer file and having learned of the man's past conviction, the president of the college expelled him. The listing did not include the full pardon. Even after Massachusetts officials had verified the facts of the case, the president refused to readmit the man to the school.

There have even been cases of employees stealing computer files on magnetic tape and using such information for their own purposes.

Whether it be protection from unfair credit reports, from unwanted pornographic materials, from needless harassment by junk mail, or protection against unfair discrimination based on one's background, each citizen has a right to expect that the government will take whatever action is necessary to insure individual privacy. This trend toward centralization of personal information at the expense of individual rights must be stopped!

On January 3, 1973, I introduced legislation, H.R. 632, that in my opinion, goes a long way toward protecting individuals against invasions of privacy. This bill would prohibit the sale or distribution of mailing lists and other information without the consent of those people whose names appear on the list. Other bills concerned with privacy are also pending before the Congress, and I hope that strong action will soon be taken. Clearly, it is long overdue.

An employee of the Book-of-the-Month-Club—membership 1.5 million—reports:

The saddest thing of all is reading letters that begin, "Dear Computer, I know there are no humans there."

I urge this Congress—with action as well as with words—to go on record as being determined to help make this society a little more human, and a little less machine. People must come first. It is up to us to see that they do.

Mr. RANGEL. Mr. Speaker, the steady and uncontrolled invasion into the private lives of American citizens must not continue unchecked by Congress. The use of information obtained for one purpose which subsequently becomes part of a data bank for entirely different purposes is a process we must closely watch and tightly control.

I would like to submit the following article which identifies a potentially dangerous invasion into the privacy of American citizens in methadone programs in the Washington, D.C., area:

[From the Washington Star-News, Oct. 28, 1973]

FOOTPRINTS "IDENTIFY" METHADONE PATIENTS

(By Lawrence Feinberg)

Under a sign of a large green foot, Washington's narcotic treatment administration has collected about 5,000 footprints during the past two years in an effort to keep track of the methadone it dispenses.

"They laughed at us when we started," recalled Ronald J. Nolfi, who heads the agency's footprint project. "What's a footprint? But now they see it works."

The agency promises to keep the names of the heroin addicts it treats confidential. But Nolfi said it also needs a way to make sure that the same person using more than one clinic to collect methadone, an addictive, inexpensive heroin substitute.

"A lot of people have a lot of emotional prblems about giving fingerprints," said Dr. William Washington, NTA's acting director, "even though we assure them they won't go to the police."

The solution, since early last year, has been to collect footprints, which like fingerprints, are different for every individual but which the FBI doesn't keep.

Nolfi and two assistants classify every footprint they take. They use the right foot only and file the prints by the large green foot which is really a bath towel. Their office also has a foot-shaped ashtray, and a foot-shaped note pad, called "Footsie Notes."

Each day the footprints of addicts signing up for treatment are checked in the files. If the same prints are there already, NTA counselors try to sort out the identity problem and make sure no one is getting more than one dose of methadone a day either to use themselves or sell illegally.

Since the footprinting started, Nolfi said, about 20 addicts have been caught trying to go to more than one clinic. About 250 others, he said, have been found trying to get back into the program after dropping out without telling that they had been in before.

Even though many hospitals take footprints of babies to make sure they won't be mixed up, Nolfi said nobody classified footprints and stored them until NTA set out to do so.

The system for classifying was worked out by the National Bureau of Standards. It uses the lines and swirls on the ball of the foot.

The patterns under the big toe are called the core area. They are divided into seven basic types. For patterns that don't fit into a basic group, there is an eighth category called "accidental patterns."

The lines under the four smaller toes are called the secondary area, and they are divided into nine basic patterns.

To finish the classification the distance is measured in millimeters from the center of the core area to the point where the lines diverge.

To do the classifying takes about a minute, said James Schmidlin, a technician at the NTA center at 20 H St. NE. To search the files takes about 10 minutes more.

There are no names in the files to make sure they are confidential, just code numbers, which are matched elsewhere. But on the back of each footprint card there is basic information about the patient, his drug habit and treatment.

Schmidlin said only one patient has refused to go through with the footprinting, and very few raise any objections.

One reason for the lack of fuss, he said, is that the files really are kept confidential. Another is that the footprinting is made part of the regular medical exam, and is quick and clean. It's not done with ink, but with a clear liquid which reacts with a chemical coated on the card without leaving any stains on the foot.

The cost of each print is about 15 cents, but overall the program has cost $50,000, provided by the Law Enforcement Assistance Administration.

Since this summer the five other programs dispensing methadone in the Washington area also have been taking footprints of their patients and checking them against the NTA files.

The White House Special Action Office on Drug Abuse prevention is trying to have footprint files kept by drug treatment programs elsewhere in the country, but so far no one outside the Washington area is doing it.

Mr. MYERS. Mr. Speaker, resolving the issues related to right to privacy requires expert assistance. I am pleased that the National Bureau of Standards, Institute for Computer Sciences and Technology has taken privacy and security in computer systems as a main focus of their mission. Two conferences have been sponsored by the Institute bringing together several hundred computer specialists and information users in the Federal and State scene and the private sector.

By way of introduction to defining and reestablishing privacy rights, Dr. Ruth Davis led a group of speakers who described the nature and scope of these problems.

I believe this summary of their presentations would be of value to my colleaques and include herein:

PRIVACY AND SECURITY IN COMPUTER SYSTEMS

There is a tendency to confuse the issues of privacy, confidentiality and security with respect to recordkeeping and computers. Dr. Ruth Davis, Director, Institute for Computer Sciences and Technology, National Bureau of Standards, outlined the essential differences between these issues and established a framework for unambiguous discussion and solution of these problems.

Privacy is a concept which applies to *individuals*. In essence, it defines the degree to which an individual wishes to interact with his social environment and manifests itself in the willingness with which an individual will share information about himself with others. This concept conflicts with the trend toward collecting and storing personal information in support of social programs of various importance. The government's role often makes the supplying of this information mandatory—thus, creating a direct and acute compromise of the individual's privacy. Under this circumstance, the burden of protecting personal data is all the more important.

Confidentiality is a concept that applies to data. It describes the status accorded to data and the degree of protection that must be provided for it. It is the protection of data confidentiality that is one of the objects of *Security*. Data confidentiality applies not only to data about individuals but to any proprietary or sensitive data that must be treated in confidence.

Security is the realization of protection for the data, the mchanisms and resources used in processing data, and the security mechanism(s) themselves. *Data Security* is the protection of data against accidental or unauthorized destruction, modification or disclosure using both physical security measures and controlled accessibility techniques. *Physical Security* is the protection of all computer facilities against all physical threats (e.g., damage or loss from accident, theft, malicious action, fire and other environmental hazards). Physical security techniques involve the use of locks, badges (for personnel identification), guards, personnel security clearances and administrative measures to control the ability and means to approach, communicate with, or otherwise make use of, any material or component of a data processing system. *Controlled Accessibility* is the term applied to the protection provided to data and computational resources by hardware and software mechanisms of the computer itself.

From these definitions, it is possible to see that there is no *direct* relationship between privacy (a desire by individuals, groups or organizations to control the collection, use or dissemination of information about them) and security (the realization of the protection of resources), although they are interrelated. Several speakers pointed out that a perfectly secure computer could be used in such a way as to violate individual privacy. However, this should not be construed as an excuse for not creating secure computer systems since the thrust of earlier

remarks was to the effect that legislatively defined rules for assuring privacy are now levying a security-oriented environment on government (and possibly private) data systems.

2.3 SOCIAL IMPLICATIONS

Dr. James Rule, Professor of Sociology, State University of New York at Stony Brook, presented a sociologist's view of the privacy question. He observed that the issues of privacy are social-political-human rather than technological and that the question of how far to go in computer-based recordkeeping on people is a political/social question in which the rights/needs/interests of the individual must be weighted against the rights/needs/interests of "institutions (social, political, commercial, etc.). In his view, determining the proper balance between individual privacy and institutional needs and interests will involve even more agonizing choices in the future than it does now. To illustrate his point, he described a hypothetical situation revolving around the use of computerized recordkeeping control of crime. In the hypothetical (but potentially feasible) situation, statistical methods of behavior analysis are used to predict individual criminality before it occurs. Assuming that such a system could be assured of even-handed administration, would such a system be desirable and would it justify the extensive recordkeeping on *all* individuals necessary to make it work?

2.4. LEGISLATIVE ACTIONS

As a result of the early warnings and studies of the privacy issue that have taken place in this country over the past 7–8 years, a number of legislative actions have taken place or are contemplated. For example, three Federal Acts have been passed in recent years relating to the issue of privacy. These are the Freedom of Information Act, which provides for making information held by Federal agencies available to the public unless it comes within a category exempted by the Act; the Federal Reports Act, which establishes procedures for the collection of information by Federal agencies and the transfer of confidential information from one agency to another; and the Fair Credit Reporting Act, which requires consumer credit reporting agencies to adopt procedures which are fair and equitable to the consumer with regard to confidentiality, accuracy, relevancy and proper use of such information. The Fair Credit Reporting Act also established the right of the individual to be informed of what information is maintained about him by a credit bureau or investigatory reporting agency.

In addition to these pieces of legislation, numerous bills have been introduced in Congress which propose to strengthen the rights of individuals with respect to confidentiality of data, prevent invasion of privacy, establish standards for the collection, maintenance and use of personal data, or limit the uses to which personal data can be put without written consent of the affected individual. It was also reported at the Conference that the Department of Health, Education and Welfare (DHEW) is implementing (internally) the recommendations contained in the Report of the Secretary's Advisory Committee on Automated Personal Data Systems.

The 50 State governments have pending numerous bills concerned with protection of individual privacy and data confidentiality. Massachusetts and Iowa have already passed significant legislation in these areas, providing higher standards of personal privacy protection than the Federal Government. Still other States have extensive legislative proposals that would impose extensive regulatory and technological constraints on the operation of personal data systems.

At the local level, a number of municipalities have passed ordinances to provide protection of computerized personal data.

While all of this legislative activity is not completed, it is indicative of the political response to the aforementioned public awareness and concern over individual rights and privacy.

2.5. THREATS

Threats to individual privacy and technological threats to computer-based information systems were the two themes repeatedly stressed by the various speakers. While the threat to individual privacy and liberty was predominant and seen to be mostly associated with the unregulated collection and use of personal data, a number of the speakers cited the technological threats as being those most bothersome to the operators of information systems.

Most of the speakers agreed that the threat to privacy was one that required legal and regulatory remedies and was not basically a technological problem. All speakers agreed, however, that technology was required to help enforce the legal and regulatory steps. Furthermore, a number of speakers noted that unless there were sound technological foundations for controlled access to computer systems, the legal and regulatory actions would be largely wasted.

In addition to the basic and somewhat diffused threat to individual privacy posed by the collection and use of personal data, several speakers cited an additional problem of misappropriation and misuse of data by people who are authorized access in connection with their jobs. While the problem of misuse of data would appear to be one solved by legal measures providing stiff penalties for violators, several speakers indicated that it was in part technological since the contemporary systems have so little in the way of controlled access mechanisms that it is difficult to restrict access *within* a data base and to account for its access and usage.

The degree of difficulty and the cost associated with providing security and controlled access to computer-based recordkeeping systems is a function of the type of access being permitted, the capabilities of those performing the access, and the type of computer system (whether dedicated, shared, local or remote access, etc.) on which the recordkeeping system is based.

Mr. HUDNUT. Mr. Speaker, today I am pleased to join my colleagues in a special order regarding the congressional commitment to privacy. I am glad to have the opportunity to express my personal concern for retaining and restoring this vital individual liberty in America.

In this computer age, it is easy to obtain information about an individual. Much concern has been voiced over the extent to which citizens' privacy is being invaded. We see this in the accumulation of personal data in computer banks and other such means which constitutes a threat to the privacy of every American citizen. There are some who look upon individual tax returns as the greatest source of such information.

The assurance provided the American people that information voluntarily given on Federal tax returns will be carefully protected from disclosure and improper use is one the basic concepts underlying this country's system of collecting taxes and I want to assure that protection. I am cosponsoring legislation (H.R. 10977) which will further restrict accessibility to taxpayers' tax returns.

Even though the matter which precipitated this bill; namely, the move to check tax returns of farmers' ostensibly for the purpose of obtaining information on which to base farm programs, has been resolved, it is my hope that the Ways and Means Committee will grant early and favorable action so the authority for inspection of individual tax returns by Federal agencies will be severely restricted.

Mr. ASHBROOK. Mr. Speaker, during my seven terms in Congress I have been deeply concerned about the increasing centralization of power in the Federal Government and the tendency of that Government to intrude more and more frequently into the personal lives of its citizens. I strongly believe that our citizens cannot afford any further erosion of their privacy.

Therefore, I was one of the first to urge the administration to revoke a controversial Executive order which allowed the Department of Agriculture to obtain personal financial information from the income tax returns of farmers. A little over a week ago my position was upheld and the President rescinded his order.

I have also moved to repeal legislation which allows the Secretary of Health, Education, and Welfare and officials under him to look at private medical records of people who receive medicare assistance. I believe that doctor-patient records are confidential and should not be given to Government officials.

These two incidents are part of the bigger issue of privacy for every American. At a time when technological progress is making it possible for the government to compile more and more information on all Americans, there is much room for misuse of the information collected.

Dr. Jerome B. Wiesner, president of the Massachusetts Institute of Technology, has warned in an article that—unless we act now to place safeguards on the "informational revolution"—George Orwell's "1984" could come to America Without endorsing all of Dr. Wiesner's opinions or proposals, I do believe that his statement should be read as widely as possible. Therefore, I include the following excerpt from his article with my remarks:

THE INFORMATION REVOLUTION—AND THE BILL OF RIGHTS

(By Jerome B. Wiesner)

The way in which we use and control the great new capabilities being created by the information revolution will shape the future character of our society; it may be said, indeed, to be shaping it already. Technology has been providing mankind with new tools and new opportunities for a long time and, in response, society has evolved new institutions and has changed its physical form. Sometimes these responses have been comfortable and swift, as in the case of the telephone and radio, at other times, they have been halting and painful, requiring repeated trials with many errors to find a new equilibrium that was comfortable for the society.

KNOWLEDGE IS POWER

For a long time, the rate of technological progress was sufficiently slow to enable society to adapt to the required change without permanent distortion of values. The pace of change is now very swift. We say "time is shorter now", and that is why we are faced with our present problem. To make the matter particularly urgent, information threat-

ens to undue that subtle balance achieved in the Constitution between the people and the state which avoids anarchy on the one hand and tyranny on the other. Nowhere is it more true that "knowledge is power." Information technology puts vastly more power into the hands of government and the private interests that have the resources to use it. To the degree that the Constitution meant for the power to be in the hands of the "governed," the widespread collection of personal information poses a threat to the Constitution itself. There is also no doubt that technology can be and has been used to assist in the violation of the Bill of Rights. But it must be remembered that the violations are made by humans, not by machines. To my non-legal mind, there is even the question of whether the Bill of Rights, drafted in a simpler time, is adequate to protect man in his relation to the modern state and, whether there isn't a need for additional amendments providing protection for the individual against possible new infringements of his liberties.

Because many of our difficulties stem from the unforeseen side effects of technology or from the misuses of technological capabilities, there is a growing resentment and antagonism toward science and technology. There is also a widespread feeling that mankind would be better served if we could retreat to a simpler time. Given the present size of the world's population and the complexities of modern society, this hardly seems possible. In fact, I am firmly convinced that only through the sophisticated and careful use of technology can we create a truly decent society. In this circumstance, we must learn to manage technological change effectively for the common good. This, it seems to me, is the particularly important and urgent task of the Congress. Many committees of the Congress are concerned with aspects of this problem (such as the present hearings on the SST), but there is little focus on the overall task.

1984 COULD COME UNNOTICED

Modern information technology provides the potential to add to our general well-being and to enhance human freedom and dignity if properly used by extending our muscles, brainpower and material resources. Yet it also threatens to ensnarl us in a social system in which controls could essentially eliminate human freedom and individual privacy. Improperly exploited computer and communication technology could so markedly restrict the range of individual rights and initiatives that are the hallmark of a free society and the foundations of human dignity as to eliminate meaningful life as we appreciate it. In other words, 1984 could come to pass unnoticed while we applauded our technical achievements:

The great danger which must be recognized and counteracted is that such a depersonalizing state of affairs could occur without specific overt decisions, without high-level encouragement or support and totally independent of malicious intent. The great danger is that we could become "information bound", because each step in the development of an "information tyranny" appeared to be constructive and useful. I suspect that it would be much easier to guard against a malicious oppressor than to avoid being slowly but increasingly dominated by an information Frankenstein of our own creation. (Though we should recognize, I believe, that an effective means of citizen surveillance and intimidation could also provide attractive opportunities for a would-be dictator.)

CONTROL OF INFORMATION

Present and growing capabilities for surveillance and control are made possible by modern communication and computational techniques. It is very clear that such capabilities, through data-centralization and manipulation, will continue to grow at an ever increasing rate as our understandings of communications, computation and cognitive processes expand. At the same time, it is obvious that means for effective record keeping, information gathering, and data processing are essential needs of a modern society. The problem is to determine how to reap the maximum assistance from modern technology in running a better society and at the same time, how to keep it from dominating us.

In order to do this, we may have to adopt some stern measures in the form of very strict controls on who can do what with private information about any individual in the society. The present capabilities in information collection have already led to clear-cut infringements of citizens rights. In fact, even without technological assistance, there have been serious violations of the Constitutional protections by many agencies of the government and by many private organizations. Furthermore, the awareness of security dossiers has inhibited many people in their political activities.

WHAT KIND OF SOCIETY ARE WE BUILDING?

There is one specific point which I would like to stress. The issue of constitutional rights is but one dramatic aspect of the major problem of our time; namely: given so many options by a rapidly developing technological capability, what kind of a society are we going to allow to be created for ourselves and for our descendants? We live at a moment in history—I believe a unique moment—when the decisions we make, the paths we take, will shape the future of man's world for a long time to come. Technology allows us exciting opportunities for shaping a world to our liking, but it also poses the possibilities of a disastrous misstep. People everywhere have begun to appreciate that the thoughtless applications of technology on a large scale, done with the best of intentions and for the most constructive purposes, can frequently have large-scale destructive—at least, very unpleasant—side effects. We have slowly come to realize that we can intervene into the workings of the physical world on a scale and in ways that actually threaten man's survival on this planet. Fortunately there is a widespread reaction against such careless actions; witness the growing concern for the environment and the growing disenchantment with war, particularly nuclear war, as an instrument of foreign policy.

THE EFFECTS OF SMALL-SCALE VERSUS LARGE-SCALE APPLICATIONS

We are also beginning to understand that we can affect man's social and psychological environments in equally disturbing ways. We have learned one particularly important lesson about all of this. It is that technological innovations that are wholly constructive when employed on a small or moderate scale can, with increased and constant application, have such serious impact on the environment or on the society that massive efforts are required to offset their disastrous side effects. Sometimes a technical innovation can affect both the physical and psychological environments. The automobile, electric power and the aeroplane all illustrate this point.

The early manufacturers of automobiles hardly anticipated that their machines would produce the Los Angeles smog, the blight of our cities, or the malaise of the suburbs. And even today, the individual user of a bit of technology such as the automobile, a pesticide or a polluting detergent clearly believes that his personal gain greatly outweighs the environmental hazards that his small transgression produces. On the other hand, it is perfectly obvious that citizens of our country are sufficiently concerned about these problems to be willing to legislate against pollution even at the price of considerable inconvenience and cost. They are ready to spend substantial sums of money for less destructive products and large sums to undo the environmental damage from the past.

WEAPONS CONTROL

An important lesson can be learned too from our efforts to control weapons systems. It is much easier to stop the application of a specific piece of technology on a specific technique or a new strategy before it has been developed or widely applied, than after the fact. For example, it was relatively straightforward for the United States and the Soviet Union to agree to prohibit the introduction of nuclear weapons in outer space or on the ocean sea beds because these weapons did not exist. In contrast, it has proven impossible to curtail the emergence of anti-ballistic missile systems, even in the face of widespread agreement that they can't be effective, because they do exist and the decision to halt their development and deployment is contrary to the interests of large groups of people. It is perfectly obvious that this is a generally applicable theorem. If we want to avoid traumas from the mis-application of technology in the future, we should learn to recognize the inherent environmental or social threats in an early stage of a new technological development. I think that this point is particularly important in the matter of preserving privacy and freedom. The motto "eternal vigilance is the price of liberty" applies here with special meaning.

SURVEILLANCE OF PEOPLE

Modern electronic aids are not required for the operation of a comprehensive surveillance operation. In fact, the very effective security systems run by the Defense Department and the FBI during and after World War II made only modest use of electronic information storage and retrieval. But such systems were consequently quite expensive and also limited in the number of people that they could watch over closely. They frequently bogged down when presented with too much information. Large-scale data systems now operated by government bureaus and even private credit bureaus maintain files on tens of millions of people with no difficulty whatsoever. Furthermore, as you know, interconnecting communication networks allow information in separate files to be coordinated and centralized with great ease. In addition, as the software for data analysis becomes more sophisticated, it will be possible to simulate patterns of behavior for individuals and social groups and attempt to predict or anticipate their behavior with the purpose of maintaining better surveillance on individuals who, in one sense or another, might represent a threat to someone having access to the data system.

TECHNICAL SAFEGUARDS ARE NOT ENOUGH

There are those who hope that new technology can redress these invasions of personal autonomy, existing or prospective, that information technology makes possible, but I don't share this hope. To be sure, it is possible and desirable to provide technical safeguards against unauthorized access to data banks or information transmission systems.

It is even conceivable that computers could be programmed to have their memories fade with time and to eliminate specific identity when the information was being processed to provide social profiles, etc., and such safeguards are highly desirable, but the basic safeguards cannot be provided by new inventions. They must be provided by the legislative and legal system of this country. We must face the need to provide adequate guarantees to individual privacy.

SPECIFIC NEEDS

I am a communications specialist, not a legal expert, and consequently, I hesitate to propose specific legislation. However, I have spent considerable time thinking about the

issues involved and I would like to mention several specific needs which I see. These are:

(1) A watchdog authority, perhaps an independent agency, possibly a division of the General Accounting Office, perhaps the FCC, to review regularly the public and private information gathering and processing activities within the country. The agency should have the authority to examine the nature and extent of such activities and should report its findings to the Congress and the public.

(2) Congress should set rigid limitations on permissible surveillance activities and establish much stronger safeguards than now exist against misuse of data-file information.

(3) Action should be taken as quickly as is feasible to re-establish public confidence in the sanctity of the boundaries of an individual's physical and psychological living space. His will require a number of steps. Outlawing some activities such as the free exchange of private information, collecting data not needed by an agency, etc., will help a good deal. Acknowledging publicly the extent of permissible surveillance and by whom is also important. Requirng disclosure of non-security type data to the concerned individual seems possible in many situations. In the few situations where this will not work, as in national security matters, judical controls should be strong.

(4) Technical means of insuring data security and safeguarding privacy should be developed vigorously and their use required.

A BALANCE BETWEEN THREATS TO FREEDOM—AND FREEDOM

We should be prepared to accept the cost of considerable inefficiency in our various social and governmental processes to safeguard our privacy and, as I judge it, our freedom, dignity, happiness and self-respect. By costs, I mean both the financial costs and the loss of a degree of control that the state might otherwise have over genuinely threatening individuals such as criminals and violent revolutionaries. Our task is to achieve a proper balance between the ability to cope with individual threats to the society and its capability to abridge the freedom and happiness if its members. In countries where the legal system cannot be counted on, the people are at the mercy of the administrator and they must hope that the bureaucracy will be benign. Such a situation smothers freedom. Because I believe that an "information tyranny" poses a very serious threat to the survival of a free society in our country, I vigorously recommend that Congress take whatever steps are necessary to bring the Bill of Rights up to date.

Mr. REGULA. Mr. Speaker, my colleagues, Messrs. GOLDWATER and KOCH have my thanks for taking this special order to discuss the need for the establishment of a national privacy policy.

Examples of our need for such a policy are found in the everyday lives of all Americans, from the welfare mother to the corporate vice president: Eligibility regulations for food stamps and aid for dependent children; social security numbers for identification purposes; credit cards and credit data banks, a thriving business in consumer lists and personal information requested in census questionnaires, to name a few.

In this House alone there are 207 different sponsors of 102 different bills and resolutions relating to the protection of privacy. In April of last year, the House Government Operations Subcommittee on Foreign Operations and Government Information held hearings on Federal use and development of information techniques. Their findings and the evidence seems compelling that the Government must begin to pay more attention to the effect of its actions and the actions of the commercial world upon the rights and privileges of private citizens as guaranteed in the Bill of Rights.

The ramifications of data collected can and should be controlled in the first instance by the Federal Government's exercise of self control. Government data bank proposals should be studied to insure that data gathering is in furtherance of a purpose rather than self perpetuation. Data once collected should be reviewed and if no longer relevant, destroyed. Perhaps most important is the question of an individual's access to the records and data maintained about himself. One of the basic tenants of our system of law is the right to confront a witness or an accuser and to cross-examine him in order to elicit the truth. The written word or computer punch card bears witness as eloquently as the spoken word. The right of access to and challenges of data bank information by the subject of that information could, if exercized under the same or similar rules, only instill confidence in and aid our governmental processes.

An amendment which I cosponsored to the Freedom of Information Act that would increase public access to Government information passed the House on March 14. That bill would permit Federal courts to review Government information to decide if it should be released to the public and would give judges authority to require a prompt response to a citizen's request for information.

This is but a step in the right direction.

A serious evaluation of rules for data sharing and confidentiality should be made and boundaries should be drawn. Discretion is required in revealing data from one organization to another. In order to protect the privacy of the individual involved, he should have the opportunity to be informed of data sharing and offer his consent.

From Federal to State to local action, the question of privacy is involved. It is only through continued evaluation and new Government policies that we will really be capable of offering privacy to Americans in every realm of society.

Mr. ANDERSON of Illinois. Mr. Speaker, in 1933 in an address in New York City, George Bernard Shaw stated categorically that—

An American has no sense of privacy. He does not know what it means. There is no such thing in the country.

In the more profound meaning of the word connoting the relationship between the citizen and his government, Shaw's words could not possibly be more misleading, because the Government of the United States was conceived and organized largely for the purpose of protecting the privacy of the citizen from unwarranted encroachments by his government and fellow citizens.

The first amendment prescribes that "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof." "No Soldier shall, in time of peace be quartered in any house, without the consent of the Owner, nor in time of war, but in the manner prescribed by law," reads the second. The fourth amendment guarantees the right of the people "to be secure in their person, house papers and effects." The fifth amendment guarantees that the people shall not "be deprived of life, liberty or property, without due process of law." The ninth amendment, moreover, states that "the enumeration in the Constitution, of certain rights, shall not be construed to deny or disparage others retained by the people."

No less than 5 of the 10 Bill of Rights ratified in 1791 guarantee directly the sovereignty of the people in the pursuit of privacy in the broad sense. Indeed in each of the first 10 and subsequent amendments to the Constitution the watchword is the protection of the citizen in the pursuit of his private interests from the unwarranted intrusion of the Government. In the past year when it has so forcefully been brought to our attention that men in the highest offices in the land have paid little more than lipservice to these principles, it might behoove each of us in the quiet and security of his own home to re-read the founding protections and principles legitimized by the Constitution.

I am reminded of an observation made by Walter Lippman that—

Those in high places are more than the administrators of government bureucracies. They are more than the writers of laws. They are the custodians of the nation's ideals, of the beliefs it cherishes, of its permanent hopes, of the faith which makes a nation out of a mere aggregate of individuals.

The 102 bills and resolutions presently pending before the committees of this body, sponsored by nearly half the Members of this body, are surely concrete examples that this body is intent upon protecting the ideal of privacy.

All of the body of law that has been developed in the nearly 200 years of this Nation's life did not deter those who for political reasons in 1972 transgressed many of the freedoms guaranteed our people by the Constitution. Few of us would be so naive as to believe that any law, or group of law, no matter how comprehensive or wise, will deter all of those of like inclinations in the future. But our ongoing efforts to protect and guarantee those freedoms as best we can serve notice to all that if the price of freedom is eternal vigilance, then it is a price we shall willingly pay.

Mr. ABDNOR. Mr. Speaker, in 1896 the captain of the American ship Herbert Fuller was murdered on high seas. After the crime was discovered, Brown, a sailor, was put in irons and the vessel was headed for Halifax, Nova Scotia. Before it reached there Brown charged Bram, the first mate, with the commission of the crime, saying that he saw him do it. Bram was then also put in irons. On the arrival at Halifax, Power, a policeman and detective in the government service at that place, had a conversation with Bram. He testified that he made an examination of Bram, in his own office, in the city hall at Halifax. From the conversation, Bram was indicted at Boston for the commission of the crime.

The conversation, from which a confession of guilt was determined, was the central point of contention in the appeal in Bram against United States argued October 1897. In the decision the court questioned the circumstances of the interrogation.

> Before this examination had taken place the police detective caused Bram to be brought from jail to his private office, and when there alone with the detective he was stripped of his clothing, and wither whilst the detective was in the act of stripping him, or after he was denuded, the conversation offered as a confession took place.

Bram had been accused by Brown of committing the crime and the conversation which took place while the defendent was stripped and interrogated by a clothed detective was ruled by the court to be inadmissable evidence of guilt. The court argued that this confession, under these circumstances, could not be considered voluntary and that—

> The impression is irresistibly produced that it must necessarily have been the result of either hope or fear, or both, operating on the mind.

I bring up the issue of this case involving psychological duress because I think that it is an important analogy to the situation that occurs every day in the United States. Private citizens of the United States every day go to agencies that extend credit and are confronted by a situation where the loan officer they speak with has a file giving a portrait of that individual's credit standing. These files contain not only records of performance relative to the credit standing of that individual, but also information concerning his personality and history that has mysteriously entered his file without the knowledge of the applicant.

Like Bram, our average consumer has been indicted by an anonomous Mr. Brown. Like Bram, our average consumer goes to be questioned by a credit officer or a job interviewer under psychological duress. Bram's confession was declared illegal because he was stripped of clothing and was interrogated by a clothed investigator. Our citizens are interviewed by a questioner who has information about the applicant and that applicant does not even know what information is in that file. Like Bram, our average citizen is under similar psychological pressure because he is deprived of information which is privy to his request for a job or a loan.

Congress and the courts have an obligation to protect the rights of citizens of the United States. The present practice by organizations and agencies which involves the accumulation of files of information which are used to determine whether an individual will be accepted for a job or for a loan presently puts our citizens under psychological duress.

An example of this was brought strikingly close to the homes of my constituents in South Dakota. The Department of Agriculture requested and received permission to privately audit, examine and process the private tax returns of farmers in South Dakota and across this country. Farmers were to be subjected to, what is in my mind, the unjust and illegal perusal of their private, confidential tax returns. This is exactly my point of contention. Private citizens, in this case honest farmers, were deprived of their rights of privacy and due process by a Government agency which sought to accumulate information and use that information in dealings with these individuals. Their intentions may have been honorable. Their intentions may have been designed to serve the general welfare of the country. But the point remains that the privacy of our citizens was violated. The right of due process was abrogated, placing these individuals under psychological duress.

We are here today to discuss the importance of privacy and confidentiality. There is a need for us to protect the privacy of individual citizens whose rights are being violated by the accumulation of information and data and the processing of that information which critically affects their opportunities in the social and economic life of this country.

There will continue to be huge data banks of information on individuals in this country and this information will continue to be used to determine acceptability for requests for job employment or credit application or what have you. But the individual has the right to protect himself from misuse of this information. Our citizens have a right to know the contents of the files which are pertinent to their requests.

I hope that Congress will begin to seriously look into adopting measures to protect the privacy and rights of our citizens where these vast systems of data accumulation and processing affects his welfare. I urge Congress to begin investigation into ways of insuring that information accumulated without the knowledge or consent of individuals in this country does not prejudice his rights to due process and privacy. I urge Congress to begin now to protect the rights of confidentiality and privacy of all our citizens.

Mr. MOSHER. Mr. Speaker, I am pleased to be one of those participating in this unique and important special order on the Congressional Committee to Privacy, although I admit to doing so with somewhat mixed emotions.

On the one hand, those of us here today must extend our deepest gratitude and congratulations to those Members of this House who have worked so long and hard to put this forum together. They deserve enormous credit, for they have done their work well. I am confident that this special order will stand for some time as one of the principal records of the Government's responsibility in the area of privacy.

But on the other hand, none of us can take much joy from the fact that here we are, on the floor of the U.S. House of Representatives, trying to make some sense out of why it is that we Americans are apparently watching the erosion of one of our most fundamental rights—the right to privacy. That process of erosion is a profoundly important and compelling development of our age. It strikes at the very heart of our constitutional system.

I intend to outline later in these remarks legislation that I will be introducing to provide a new and significant dimension to the guarantees that come to all Americans as a result of the fourth amendment.

The erosion of privacy is a hydra-headed monster. It takes many forms—from the distribution and selling of mailing lists, to the collection and storage of information by the Government, to wiretapping and other technically sophisticated invasions of our lives.

It seems to me that this latter invasion—the invasion of our freedoms as guaranteed under the fourth amendment—is the most profoundly important area of concern we are considering here.

When Government agents are turned loose at the whim of bureaucrats and politicians to search our homes, seize our papers, and tap our telephones without any prior judicial approval, the most important liberties of a free people are eroded.

Those who founded our country, and presumably those who defended it in World War II, understood the importance of these liberties. Searches by the King's revenue agents in the 1700's and knocks on the door in the night in Nazi Germany were repugnant to our ideas of individual rights. In an important way, that was what World War II was all about. We fought to preserve our right to speak, our right to worship, and our right to vote. No less important is the right to remain secure in our homes.

Under our form of government, unreasonable searches and seizures are not cleansed by being wrapped in claims of national security. Surely, every official can convince himself that his action is important to the well-being of the Nation. In America we cherish individual freedom so much that the test is not whether the official can convince himself—but whether he can convince a judge.

On June 15, 1970, the President of the United States, by his own admission, approved a plan to tap our phones, to open our mail, and to engage in surreptitious entries—all without court approval.

It has been claimed by the White House that this plan was never implemented, and that it remained in force for only 5 days, when it was rescinded.

But there is every reason to believe now that every activity described in the 1970 plans was then undertaken by our Government.

An Intelligence Evaluation Committee was created which conforms precisely to the Intelligence Activities Group (IAG) of the 1970 plan.

An FBI memorandum dated September 16, 1970—only 3 months after the approval of the 1970 plan—for the first time approved the use of campus sources, aged 18 to 21.

Surreptitious entries were undertaken, such as at the office of Dr. Fielding. Other unexplained entries have occurred at the home of CBS newsman Dan Rather, the office of ABC newsman Bill Gill, at the office of Senator Lowell Weicker, and other places where Watergate related material was seemingly the object of the entry.

Telephones have been tapped as in the case of columnist Joseph Kraft.

Mail of American civilians has been opened as demonstrated by documents secured by Senator WEICKER.

Apologists for the 1970 plan have attempted to defend it under the cloak of national security, a vague doctrine which when unchallenged can too often lead to the gross abuse of individual freedom. The extent to which the national security concept has led to an erosion of our constitutional guarantees was demonstrated on July 25, 1973, when Senator HERMAN TALMADGE of Georgia asked John Ehrlichman whether the national security concept was broad enough to authorize a President to approve murders. Ehrlichman replied, "I do not know where the line is, Senator." The idea that our constitutional rights may be invaded by moral eunuchs who cannot foreclose even murder is nothing short of appalling.

Senator TALMADGE also asked Mr. Ehrlichman whether he remembered from his law school days "a famous principle of law that came from England and also is well known in this country, that no matter how humble a man's cottage is, that even the King of England cannot enter without his consent." Ehrlichman replied, "I am afraid that has been considerably eroded over the years, has it not?"

Such invasions of our personal security, and such distortions of the national security concept, offend our most historic freedoms. In 1765 Lord Mansfield established the proposition that the judgment of an independent magistrate is necessary before such rights can be invaded.

In 1772 the Committee of Correspondence of our Thirteen Colonies prepared a List of Infringements and Violations of Rights. Revenue officers of the King had been invading their homes and conducting searches without any judicial approval. The committee wrote:

> Thus our houses and even our bedchambers are exposed to be ransacked, our boxes, chests & trunks broke open, ravaged and plundered by wretches, whom no prudent man would venture to employ . . . whenever they are pleased to say they suspect there are in the house wares &c for which the duties have not been paid.

Before our Constitution was adopted, colonial legislators provided protection to the citizen against unlawful searches and seizures by executive officers. The Pennsylvania Declaration of Rights of 1776 provided in article X:

> That the people have a right to hold themselves, their houses, papers, and possessions free from search and seizure, and therefore warrants without orders or affirmation first made, affording a sufficient foundation for them, and whereby any officer or messenger may be commanded or required to search suspected places, or to seize any person or persons, his or their property, not particularly described, are contrary to that right, and ought not to be granted.

Similar provisions were found in the Virginia Declaration of Rights of 1776, the Delaware Declaration of Rights of 1776, the Maryland Declaration of Rights of 1776, the Massachusetts Declaration of Rights of 1780, the New Hampshire Bill of Rights of 1783, and the Vermont Declaration of Rights of 1777.

Our Founding Fathers, looking at the abuses in England and Colonial America, desired to protect the individual from officious searches and seizures by bureaucrats and executive officers. They provide in the fourth amendment that—

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

Mr. Ehrlichman to the contrary notwithstanding, these historic safeguards have vitality even today. In United States against United States District Court for the Eastern District of Michigan, Mr. Justice Powell held on June 19, 1972, for a unanimous court that—

> These Fourth Amendment freedoms cannot properly be guaranteed if domestic security surveillances may be conducted solely within the discretion of the executive branch. The Fourth Amendment does not contemplate the executive officers of Government as neutral and disinterested magistrates. Their duty and responsibility is to enforce the laws, to investigate and to prosecute. *Katz* v. *United States, supra,* at 359–360 (Douglas, J., concurring). But those charged with this investigative and prosecutorial duty should not be the sole judges of when to utilize constitutionally sensitive means in pursuing their tasks. The historical judgment, which the Fourth Amendment accepts, is that unreviewed executive discretion may yield too readily to pressures to obtain incriminating evidence and overlook potential invasions of privacy and protected speech.

He also stated that—

> The Fourth Amendment contemplates a prior judicial judgment, not the risk that executive discretion may be reasonably exercised. This judicial role accords with our basic constitutional doctrine that individual freedoms will best be preserved through a separation of powers and division of functions among the different branches and levels of Government. John M. Harlan, Thoughts at a Dedication: Keeping the Judicial Function in Balance, 49 A. B. A. J. 943–944 (1963). The independent check upon executive discretion is not satisfied, as the Government argues, by "extremely limited" post-surveillance judicial review. Indeed, post-surveillance review would never reach the surveillances which failed to result in prosecutions. Prior review by a neutral and detached magistrate is the time tested means of effectuating Fourth Amendment rights. *Beck v. Ohio,* 279 U.S. 89, 96 (1964).

He concluded by pointing out the dangers of official surveillance which has not received prior approval of a court:

> Official surveillance, whether its purpose be criminal investigation or on-going intelligence gathering, risks infringement of constitutionally protected privacy of speech. Security surveillances are especially sensitive because of the inherent vagueness of the domestic security concept, the necessarily broad and continuing nature of intelligence gathering, and the temptation to utilize such surveillances to oversee political dissent. We recognize, as we have before, the constitutional basis of the President's domestic security role, but we think it must be exercised in a manner compatible with the Fourth Amendment. In this case we hold that this requires an appropriate prior warrant procedure.

The issues which Mr. Justice Powell addressed were not hypothetical. The real tragedy of Watergate is not to be found in the breaking and entering, the plans for prostitution, the payoffs, or the perjury. It is instead, a personal tragedy which we all share. It is the erosion of our constitutional liberties which we inherited as a free people.

This threat to liberty did not steal upon us in the middle of the night on June 17. It germinated in the Red scare after World War I.

It was nurtured as we allowed our government to round up thousands of loyal Americans during World War II—Americans whose only crime was their Japanese ancestry.

And it grew during the 1950's when good men fell silent before the rage of Senator Joe McCarthy.

So we were ready for the maturity of the assault on our Constitutional rights which was uncovered in the wake of Watergate.

The time has come for us to decide. We either believe in the fourth amendment or we do not. If we do, and if the American people are to retain these safeguards, we must act now to give them meaning to our fourth amendment guarantees. We must be sure that never again, can any executive officer, on his own, open our mail, tap our telephones, or break into our houses on the pretext that it involves national security. When national leaders would subvert our liberties in the name of "security," we should remember the words of a letter from the Pennsylvania Assembly to Gov. Robert Morris in 1755:

> Those who would give up essential liberties to purchase a little temporary safety, deserve neither liberty or safety.

Mr. Speaker, I can report to the House that legislation is now being prepared to meet "head on" this aspect of the crisis of privacy. Although I am not now in a position to release the details of the prospective bill, for it is currently only in final draft form and several perfecting adjustments are still necessary, I can promise the Members that it will provide a new, and I believe a welcomed, initiative to shore up the American public's sagging confidence in its institutions of government.

The legislation I am speaking of is being put together by our former colleague, now the senior Senator from Maryland, CHARLES MATHIAS. He has indicated to me that he will be introducing his bill in the near future, and he is especially anxious that any and all Members of the House who may wish to join his effort be given an opportunity to do so.

Briefly, this legislation will call for a mandatory Federal court order before the Government is permitted in any way to intercept communications, conduct electronic surveillance, surreptitious entry, open mail, procure records of telephone, bank, credit, medical or other business or private transaction.

Additionally it provides—and this is of critical importance—that all such court orders, together with official transcripts of the appropriate court proceedings, shall be forwarded to the Committees on

the Judiciary of both the House and Senate for proper review.

That provision assures that the Congress of the United States will assume a necessary and proper role in assuring that the protections guaranteed to all Americans by the fourth amendment are not subverted, ignored or in any other way mishandled by either of the other two branches of Government.

Mr. McCLORY. Mr. Speaker, recently I introduced a bill to regulate the dissemination of criminal justice records (H.R. 13164). The right to privacy has gained well-deserved recognition lately, and I am pleased to participate in this special order today on the subject of congressional commitment to privacy.

While recognizing the right to personal privacy in noncriminal areas, this bill does not seal up the records and thus handcuff the police. The arguments for not sealing up arrest records after a certain number of years are persuasive. The premise of the argument is that while rights should be protected continuously, if those rights are not being violated or offended, there is no compelling reason to restrict harmless action not inconsistent with those rights. I know of no empirical evidence to suggest that law enforcement agencies through the country are abusing the use of criminal justice records.

In an effort to protect society as a whole, all criminal justice records should be available to law enforcement agencies to afford them adequate tools in performing their safeguarding function. The right of privacy is not abridged when the police use their own records to investigate suspected offenders of the law.

As all citizens, one convicted of a previous crime has a right to privacy. This right to privacy should guarantee that the record not be used for certain nonsensitive, civil employment situations, but, Mr. Speaker, I believe that one convicted of a crime forfeits his right to privacy at least with respect to the criminal record resulting from the commission of and subsequent conviction of the crime.

Mr. Speaker, many have discussed the potential for abuse in this area. The possibility for abuse of this information, as long as it is confined within law enforcement agencies, is minimal, especially when the value of this information to the agencies is considered.

I am sure that FBI Director Kelley was in agreement with this notion when he testified before the subcommittee considering this legislation that—

> If only ten murderers or kidnappers repeated their crime outside the statutory time frame, is not this enough to warrant criminal justice agencies access to offender records which might provide leads in subsequent murder or kidnapping investigations?

I hope, Mr. Speaker, the Judiciary Committee will carefully weigh the several proposals before it and arrive at a balanced recommendation on this important subject.

Mr. McKINNEY. Mr. Speaker, today's special order to express the congressional commitment to privacy could not have been scheduled at a more opportune time. For there is no subject of greater concern to each and every American today than the right to privacy.

This right covers a host of areas. It includes our right under the fourth amendment to be secure in our persons, houses, papers, and effects against unreasonable searches and seizures. It means security in being able to control the collection and distribution of information about oneself. It means confidentiality in bank transactions. It means being able to make telephone calls without fear of wiretaps. It means freedom to say, do, and believe what one wishes without fear of surveillance. It means contributing to causes and organizations without fear of being included on someone's enemies list. In short, privacy is a personal freedom, the citizen's right to live without interference from others.

The American's concern over privacy stems not just from Watergate revelations—although these have enhanced our citizens' fear of "Big Brother" Government—but has been compounded over the years for hardly a day goes by that some new outrage is not reported. For example, this past Sunday's Parade magazine carried an article relating to incredible consequences which may befall an adult merely because of records kept on him as a child in elementary school.

The American experience, ever since the days of our Founding Fathers, has been imbued with the spirit of personal rights and liberties. This spirit developed from the history, character, and the circumstances of the frontier and has been reinforced by the millions who came to us to escape some form of oppression in their native lands—social, political, religious or economic. They wanted to escape restrictions of one sort or another which prevented them from being or doing or believing what they wished. They enriched American life in many ways but perhaps most of all in their passionate devotion to the concept of freedom as it has developed here. That concept is embodied not only in the Constitution and the Bill of Rights but also in a way of life. To them it meant the inherent right to make what you can of yourself in every way, without being told what to think, do or say, and without fear of Government reprisal.

But what of the present situation? In the short space of less than 200 years we have witnessed the consistent erosion of the basic right of privacy. We are now a great industrial nation of a wholly different type from the America in which the American concept of freedom had its genesis and growth. Jefferson thought democracy and our ideals of liberty would fail when our population became "piled on each other" as in the Europe he knew in his time. Have we reached this stage? Do the economic and technological changes we have achieved necessitate corresponding changes in what men consider freedom? Does our computer technology necessarily mean depersonalization and a loss of freedom for the individual American? Does our urban society mean we are to be constantly subject to barrages of intrusion into our private lives? At this point in our history we must determine whether we are to be a people who control their Government or a Government that controls its people.

My interest in the issue of privacy is not recent. In fact, one of the first bills I cosponsored when I came to Congress in 1971 was a privacy bill, designed to guarantee an individual's knowledge of and access to records concerning himself which are maintained by Government agencies.

However, Mr. Speaker, I must admit I had not realized to what extent there was citizen concern about privacy until recently when one of my older constituents, distressed over medicare reimbursement, refused to give me his social security number so I could check with the Social Security Administration regarding his case. Very simply, my constituent feared Government retribution. How could I assure him that seeking information regarding medicare is his privilege as an American citizen, that in a democracy he has the right to seek clarifying information and to secure a hearing, if necessary, on his complaint? How can I assure this citizen and the many others who share his fear that his name would not be included in a file as a potential trouble-maker? How do I assure him that his is a Government committed to protection of individual rights and liberties? My constituent has been reading the newspapers and listening to news reports; he knows, as we all know, that simple acts, statements or inquiries can and have been interpreted in a different fashion than intended and have been included in Government dossiers. He knows, as we all know, of the host of actual and potential intrusions into individuals' private lives, from political surveillance to computer data banks and the expanding use of social security numbers as a means of identification.

Today there is fear among our citizens because of the abuses of the individual right to privacy. And this Congress must act to conquer that fear. For fear in itself is degrading; it easily becomes an obsession; it produces hate of that which is feared. Already there is citizen distrust; already there is citizen fear; are we to live to see citizen hate of their Government because of fear? While eternal vigilance is the price of liberty, our lot today seems to be eternal anxiety about our liberty.

But mere concern, mere prating about privacy will get us nowhere.

We must enact legislation to control all kinds of automated files on individuals, for the mushrooming unguarded, uncontrolled data banks pose an obvious threat to civil liberties and the potential for injury is magnified by the very real possibility that a person's record will be inaccurate or misleading. I speak not just of Government computer systems but the programs of private industry as well. The privacy problem posed by the $20-billion data-gathering business and the 7,000 or so Government computers which hold information on citizens' private lives is enormous.

Congress can make a start toward fulfilling our responsibilities in this area by

enacting legislation curtailing the use and dissemination of criminal arrest and other law enforcement records, particularly the FBI's National Criminal Identification Center's program. While I believe it is important that the FBI compile pertinent data for effective crime control, I question the registering of names and actions of all persons who have any kind of contact with law enforcement officials. When a system includes unproven accusations, arrests not followed by convictions, allows agencies not connected with law enforcement to have access to these confidential records; when people without criminal records are recorded for noncriminal acts, suspicions or for political beliefs, then we have an intolerable violation of privacy and civil liberties.

We must give a conscience to our computers and deal with our citizens as individuals, not as numbers on a card. Retention in data banks of every aspect of our lives, including uncorroborated statements with no opportunity for the individual to review and correct his record, has a very chilling effect on the full expression of first amendment rights.

Congress must take steps to protect the privacy of bank records and credit ratings; make major improvements in the Fair Credit Reporting Act; protect the confidentiality of the individual tax return so these forms will no longer be used as a tool of Government harassment. We must also limit decennial census questions to prevent unnecessary and undue invasion of the Government into the privacy of its citizens.

The growing use of the social security number as a means of identification not relating to the individual's social security account, is an issue of gravity to be investigated. Even the practice of the Government selling mailing lists of names and addresses of individuals to private commercial businesses can be an invasion of privacy. Individuals should have the right and a practical means of preventing the Government from including them on such lists.

Undoubtedly most difficult of all our tasks, we must come to grips with the problems raised by illegal and improper wiretaps, political surveillance, domestic spying plans, illegal searches and seizures, infiltration and harassment of dissident groups, use of agents provocateurs, and the whole raft of related abuses which have come to public attention in the past few years. Such actions constitute a brutal attack on our Bill of Rights, on our right of privacy. Government surveillance of political activity stifles the free expression of ideas and discourages participation in the political process, the very basis of our democratic system. Congress cannot avoid the hard decisions of how the Government's police powers ought to be used and what kinds of investigations, by what agencies, are necessary and legitimate. A limit must also be found and placed upon what can be done in the name of "national security."

Concern over protection of the right of privacy has been evoked by representatives of the entire political spectrum, from those labeled conservative to those considered liberal. Indeed, this is an issue that transcends all labels for it is an issue fundamental to our system of Government, intrinsic to our individual liberties and to our future as a democracy. Innumerable articles have been written on the issue of privacy, advocating various approaches and solutions to the problems we face; advisory committees have been established within the various Federal agencies and they have issued reports, most notably the Department of Health, Education, and Welfare's report on "Records, Computers and Rights of Citizens." Innumerable legislative proposals have been introduced in the Congress on the subject of privacy. Certainly with this wealth of materials at hand the Congress can band together and enact meaningful and effective legislation in this field, to insure that the abuses that have occurred are not repeated, to insure that our right of privacy does not become a mere abstraction.

Mr. Speaker, today we express the congressional commitment to the right of privacy. Let us give meaning to our words by meeting our responsibilities, enacting legislation to insure that the constitutional guarantee of privacy is more than just words and thus reinstill in our citizens confidence that their Government does indeed respect the freedoms guaranteed in the Constitution.

Mr. MOAKLEY. Mr. Speaker, I join my colleagues on both sides of the aisle in urging Congress to enact legislation which will guarantee every American protection of our right to privacy. This special order is evidence that there is growing bipartisan support for this legislation to be passed into law.

If this legislation is to be effective, it must apply to all of the information maintained under an individual's name, and all information kept in other files. It must apply to information obtained from an individual, and information obtained from sources other than the individual whose files it is in.

We must not allow the serious problems which have resulted from the introduction of computer technology into the area of recordkeeping eclipse many other equally important issues.

A vast amount of information is still maintained in manual files. Even though the data in these files is available from one source, and computer files are available from many, sometimes hundreds of sources, manual files must be as carefully controlled as computer files. All personal dossiers maintained by Federal agencies must be strictly supervised if every American is to be sure that the Federal Government will not invade his or her privacy.

Even more importantly though, the information gathering process must be carefully controlled. Unnecessary information must not be collected. Inaccurate data must not be retained.

For example, we should direct our attention to the misuse of the postal service and the telephone system as means of gathering personal information. The information gathered from these sources, by tracing who contacts who, is often misleading. It is clearly an invasion of the right to privacy. Legislation must control the use of these services, and other inaccurate means of collecting data.

We must determine when it is proper and necessary for data to be collected, and how it may be collected. We must decide what constitutes improper information gathering, and when it should be illegal.

Equally important to regulating the means of data collection, is the need to monitor the accuracy of the data collected. Every individual must be permitted to see files maintained under his or her name, and information on themselves maintained in files under other names as well. Everyone must be made aware of the existence of his or her files.

People must be able to challenge Federal agencies that certain data should be removed from their files because it is either inaccurate or misleading. In order for this to be feasible, a regulatory board will have to be established.

An individual must be given ample notice before his or her file is released, so that an appeal of the decision to release that file is possible.

This legislation should require that every agency keeping personal records establish strict rules regulating the distribution of information contained in their files. These regulations should then be approved by Congress. Congress must maintain oversight in this area.

For Congress to consider regulations of hundreds of agencies would be a cumbersome task. This task would be greatly simplified if a board were established.

It is important that this board be independent of other Federal agencies. It must be composed of representatives from the broad spectrum of people involved in law enforcement, civil liberties and the legal profession. It must not become an arm of either the FBI, or of the Justice Department.

A complaint often heard against this proposal is that the cost would be too great. I find this response unsatisfactory. This board will be small in light of other Federal agencies and boards, and its function is vital. I do not see how anyone respecting the Constitution can say that freedom is not worth the price of this board.

Whatever guidelines we set up will be insufficient. The same is true for regulations adopted by Federal agencies. There must be a regulatory board to make decisions on individual cases as they arise. It is to the advantage of both Government agencies and people whose files are concerned for this board to exist to expedite the decisionmaking process.

Law enforcement officers often cannot afford time delays. Most people would not bother to appeal decisions for their files to be released or to have information removed if the appeals process were complicated.

I am inserting into the record information relating to the Massachusetts experience with a regulatory board.

Because Massachusetts has been in the forefront of the fight to protect the right to privacy, I am aware of the struggle which exists between the Federal Government and State and local govern-

ments in the area of recordkeeping. Massachusetts has refused to participate in the FBI's National Crime Information Center because of this conflict and has also risked losing many benefits offered by the Federal Government because of this.

Massachusetts law provides that records shall be carefully scrutinized before they are released. Massachusetts provides for the expungement of many types of criminal records after a period of time and does not keep a record of unsubstantiated accusations.

The NCIC computer, on the other hand, keeps all of this information. After an individual was no longer in the Massachusetts criminal files, he could very well remain in the NCIC files and his record—forgotten by the State with the authority to prosecute him—will be retained by the Federal Government.

This raises two very serious questions. The first is a constitutional problem. Why should the Federal Government have control over data collected by States fulfilling the constitutionally mandated responsibilities? The answer is that it should not. This question is not limited to matters of criminal histories either. All records kept by States to help implement their laws should be under those States' control.

If a State feels that those records should be expunged, then the Federal Government should automatically expunge that same information.

The second question is a practical one which arises directly out of the problem I have just described. How can a State protect the rights of its citizens by carefully regulating the release of data unless there are correspondingly strong Federal rules? As long as the information in a State's files is available through Federal data banks to hundreds, if not thousands, of Federal, State, and local officials, a State cannot. That is why Massachusetts has been unwilling to participate in the NCIC or in other national data centers.

If every State in the Union passed strict laws to regulate the release of personal data, those laws would be worthless unless there were correspondingly strong laws on a national level. It is imperative that the national laws be as strong as the strongest State laws, and that they be enforceable.

I hope that the day is not too far away when we will rise in support of a bill which will guarantee every American his or her right to privacy. It is important that this legislation be considered soon, but it is also important that this issue be treated comprehensively, and with great care.

As you well know, what we are dealing with is basic to the American concept of freedom. The rights of every individual are sacred to the people of the United States. And we as legislators must also hold those rights to be sacred. What is at stake is the very essence of our democracy.

TESTIMONY ON PROPOSED REGULATIONS FOR CRIMINAL JUSTICE INFORMATION SYSTEMS

(By Arnold R. Rosenfeld)

I would like to thank the Chairman for the opportunity to appear here today and comment, on behalf of the Governor of Massachusetts and the state Criminal History Systems Board, on the proposed regulations governing the dissemination of criminal record information and criminal history information.

I will divide my statement into four parts: background, general comments on the content of the regulations, specific problems with the regulations, and suggestions for remedial action.

Let me first provide you with some background on our perspective. We believe Massachusetts has played an important role in encouraging the federal government to come to grips with the important issues to be considered here today.

As a result of our examination and analysis of the information needs and practices of our criminal justice agencies, we recognized that they were at the same time grossly misused by a myriad of other public and private agencies for purposes never originally intended or understood. These misuses included employment and credit checks, social welfare agency checks, and many others.

We, therefore, planned out a carefully constructed automated system, obtained legislative authorization for it, and set up strict laws and rules to insure its integrity. We purposely limited discretion, because when you're dealing with an issue as sensitive as individual privacy, it should not be subject to executive whims.

We recognized from the outset, however, that regardless of how stringent we made the safeguards in Massachusetts, if we participated as planned in NCIC, they were only as good as what would exist in other states or in the federal government. And we recognized that such participation would be to our advantage.

Since we felt strongly about privacy, we wanted to be sure that the federal government and other states understood our position. Governor Sargent, therefore, wrote to the Attorney General and expressed our concern. Our Criminal History Systems Board carried out our statute, which had strong privacy provisions. We were rewarded with a suit brought by the Small Business Administration and the Defense Investigative Service.

We pressed on, however. Governor Sargent joined in a petition to require the Justice Department to promulgate regulations. This petition stressed privacy concerns and the need to regulate NCIC especially. The suit was dropped and we were informed that legislation was being drafted and that rules would soon be promulgated.

We believed that we were being heard. It is now clear that we are not being taken seriously and that the commitment of this administration to improved privacy of data banks is just words.

In the introductory statement of these regulations, we note that the "purpose of these regulations is to afford greater protection of the privacy of individuals who may be included in the records of the FBI, criminal justice agencies receiving funds directly or indirectly through LEAA, etc."

In our opinion, Mr. Chairman, this is the closest these regulations come to requiring the FBI to do anything to protect anyone's privacy as far as its responsibility is concerned with NCIC.

These regulations require the states to develop a plan within an extremely short time and to file a series of reports on action to be taken. The requirements are quite comprehensive, and except for a few specifics, we generally agree with them.

Subpart C requires nothing by the FBI. It is a statement of what they presently do now in operating NCIC. The only new items are section 20.33 and 20.34, which limit access and dissemination and provide the individual the right to look at his own record. There is no interpretation of the issues raised by these two items, which are extremely complex. In our draft regulations, interpretation of these two matters took more than thirty pages.

It is clear to us that the Department of Justice has not understood the concerns of the petition, or it has missed the whole issue, or the President's statements on privacy have no meaning. We wanted regulations to govern this system, not a description of the system. We wanted interpretations and definitions, not a statement about the discretion of the Director of the FBI. We wanted procedures to correct mistakes and remedy inaccuracies, not a statement of regulations that were already in existence.

Let me now be specific.

Section 20.2—The Definitions—we believe raises some problems. Section 20.2(b) is completely inadequate. It does not define intelligence. This is essential because of the sensitivity of this type of information. Criminal justice agency, as defined in 20.2(d), uses the principal function test. We found this to be confusing without further specification. The sealing provision does not really involve sealing, if it allows the information to be used by criminal justice agencies.

We feel we can comply without great difficulty with Subpart B, with one exception. Section 20.22(a)(1) includes access by agencies authorized by federal executive order. This is contrary to our statute. So is section 20.33(b) which is similar. We do not believe federal executive orders should be able to overrule states' statutes. If these agencies have a legitimate right to these records, let them go to the Congress for their authority, as was suggesed by the previous Attorney General.

I believe that most other states will have difficulty meeting the requirements of Subpart B, but we will not.

Subpart C really defies specific comment. It does not even purport to regulate NCIC. I will comment only on Section 20.35, which establishes the Advisory Policy Board. It is solely at the discretion of the Director of the FBI, and while it provides for broader representation than before, it still is police oriented. In any event, the Advisory Committee really has no power.

As a result of our review, we believe that the Department should actually prepare regulations governing the NCIC system. These regulations place great burdens on the states and more on the federal government. If this system is to truly operate so as to achieve the purpose stated in the introduction, then both the federal and state governments must establish careful safeguards.

Mr. BAFALIS. Mr. Speaker, anyone who has ever read George Orwell's classic "1984" has expressed dismay at the complete lack of individual privacy portrayed in the book.

This sense of outrage transcends political philosophy.

One's right to privacy is a very basic, almost innate instinct. It is also one which has been the hallmark of all free forms of government. In fact, the individual's right to privacy makes the most definite distinction between freedom and totalitarian or communistic forms of government.

Unfortunately, we seem to be confronted now with a serious erosion of this right to privacy in our society. While we in the United States have not yet reached the state where television cameras constantly monitor every move we make as was the case in "1984," there is little doubt that our personal privacy is being threatened.

In recent years, there has been a tendency on the part of big government and big business to encroach upon the indi-

vidual's right to privacy of information about his activities, his finances and his lifestyle in general. Computers and data banks all over the country are chock-full of details concerning the background of millions of Americans.

This can only be viewed as a very dangerous trend.

Privacy is defined in Webster's as "the quality or state of being apart from company or observation." In view of the events of recent years, however, perhaps this definition should be amended to read "privacy is the control over the facts and figures of one's own life."

Unfortunately, the problem we are discussing has become so broad that it is virtually impossible for an individual to have this control over the facts of his own life.

Therefore, it is up to the Congress of the United States to take the remedial action necessary to reverse this trend.

And, I am pleased to note, the outlook on this matter is bright. As of mid-March, some 102 bills, sponsored and cosponsored by 207 Members of Congress, had been introduced in the House. In the Senate, various privacy bills have the backing of 62 of the 100 Senators.

I, personally, have sponsored legislation to protect the confidentiality of individual income tax returns. While it is necessary for the Internal Revenue Service to compile the data on individual returns to insure that all Americans pay their fair share of the cost of Government, there is no reason for that information to be available to anyone else.

It is far past time for the development of a Code of Fair Personal Information Practices to establish safeguards to protect individuals from those agencies which collect information. There have been too many cases of gross inaccuracies perpetuated to the detriment of an individual's credit rating and, more importantly, his reputation.

We should take every possible step to limit the use of the Social Security number as a universal identification number. Bills to accomplish all these goals have been introduced in the Congress, as have a number of others. So the effort is being made.

But more is needed. We, as Members of Congress, must push relentlessly to obtain the legislative action necessary to see that these vital bills are approved by Congress and become public law. Only in this way can we provide the individual with the safeguards necessary to protect his continued privacy.

I am hopeful we will be able to enlist all the Members of this body in a broad, bipartisan effort to see that this is accomplished.

Anything else could well mean "1984."

Mr. COUGHLIN. Mr. Speaker, among the ideals that America was founded upon, perhaps none is more important than the right to individual privacy. Interwoven with the Constitution and the Bill of Rights is the guarantee that every citizen is entitled to the broadest measure of personal privacy. Our judicial system has recognized this right and has moved, at all levels, to preserve and protect it.

However, the continued advance of technology poses the threat of unprecedented invasions of privacy. Sophisticated new techniques have been developed which could not have been foreseen at the time the Bill of Rights was adopted, techniques of information gathering which have become commonplace and are available to overzealous bureaucrats, misguided public officials, and aggressive businessmen.

The individual citizen, who is often unaware that he is being victimized, is virtually helpless to combat this unseen enemy. It is the responsibility of Congress to delineate the rights of the individual confronted with this threat, to legislate protections for him and to restrict and regulate the use of methods of information gathering and surveillance which, by their nature, infringe on the right to privacy and are therefore inimical to our fundamental ideals. Americans should not come to expect that their right to privacy will be infringed. Congress must take the necessary action to insure that this does not occur.

I believe there is an ominous correlation between the growth of huge bureaucracies, including the Federal Government, and a growing sense that it is necessary and proper to obtain information about people and their activities without their knowledge or approval. Personal familarity with individuals is beyond the capacity of most organizations. Consequently, they resort to questionnaires, computers, data banks, identification numbers, credit checks, or other impersonal means to make judgments concerning individuals which they consider relevant to their business. In this way, invasion of privacy becomes legitimized and accepted as common practice.

This trend is a dangerous one. If allowed to continue unregulated, it will lead to a society in which an individual's right to privacy is all but forgotten. That right is already under attack and we must act now to ward off further encroachments.

As a Congressman who has been apprehensive about this trend, I have sponsored bills to deal with specific situations in which the potential for abuse has been outstanding. I have sponsored legislation to require all Federal agencies maintaining records on an individual citizen to apprise him of the existence of the records, to permit him to inspect them and to furnish supplemental or explanatory information to the file. In addition, I am sponsoring bills which would limit the sale or distribution of mailing lists by Federal agencies and restrict agency access to Federal income tax returns. Responsible safeguards such as these will provide a first step toward insuring that the right to personal privacy will not be violated by the massive Federal bureaucracy where the temptation to impersonalize individual citizens, to gather often unnecessary or irrelevant files, and to share this information freely among agencies, magnifies the potential for abuse.

However, the problem of privacy, like the principle, is not confined to the policies and actions of the Federal Government. It pervades the realm of business relations as well as State and local public policy. Therefore, a piecemeal approach to privacy protection legislation, concentrating primarily on Federal policies, is destined to fall far short of the broad reforms that are needed.

Banks and other credit institutions, law enforcement agencies, and employment bureaus are but a few of the organizations in which confidential information is elicited and in which that information may be subsequently misused. While the Fair Credit Reporting Act of 1970 was a significant step in eliminating some of the more glaring abuses that have occurred, it is too narrow in scope to implement a national commitment to the right of privacy.

By the same token, the Federal establishment must take the lead to ensure that the privacy of all citizens is respected if meaningful legislation is to be enacted covering the private sector. Regrettably, the actions of the Federal Government have not been exemplary. The past year has been filled with reports of secret dossiers, inspection of tax returns, break-ins, and rummaging of personal and confidential files, as well as surreptitious electronic surveillance on the part of Federal officials. These are surely the most despicable violations of the right to privacy. These are deliberate and knowing efforts to abridge fundamental rights and for this reason are demeaning to those who are a party to them.

Perhaps the most flagrant and abused invasion of privacy has been the unauthorized use of wiretapping. Under the guise of national security more than a dozen taps on the phones of high government officials and newsmen have been admitted by the Justice Department and indications are that the actual number may be even higher. No comprehensive approach to guaranteeing the right to privacy can fail to deal with the sensitive issue of wiretapping. Existing safeguards enacted by Congress as part of the Omnibus Crime Control and Safe Streets Act of 1968 limiting wiretaps to investigations of certain specific crimes and requiring prior court authorization have not been sufficient to curb excesses in this area and further legislation is needed. The violation of civil liberties inherent in telephone taps, invading the privacy of not one but countless unsuspecting individuals, is so severe and so repugnant to our basic rights and freedoms as to be justified in only the most extreme national security emergencies and then only with prior court approval. The task of striking the proper balance between the individual's right to privacy and the exigencies of national security is a difficult one. The Congress can and must play an active role in this determination.

Mr. THONE. Mr. Speaker, on February 7, 1973, I warned that the Executive order giving the U.S. Department of Agriculture power to examine all farmers' income tax returns could destroy America's faith in its tax system.

In a telegram to the President and to the Secretary of Agriculture asking that

the order be rescinded, I pointed out that this was the first instance of any Federal agency being given power to examine the returns of all people engaged in one occupation. I stressed that other agencies would follow suit if the precedent were allowed to stand. The Federal Communications Commission would be asking for the returns of all corporations and leading executives engaged in broadcasting. The Interstate Commerce Commission would be seeking returns of corporations and individuals engaged in transportation. The Labor Department would be asking for returns of labor union executives.

Two committees of the House of Representatives—Agriculture and Government Operations—held hearings on this matter. I am fortunate to be a member of both committees. As a result of the work of these two committees and of the pressure of Members of Congress on the administration, the Executive order authorizing examination of farmers' returns has been revoked.

I am not satisfied, however. If an Executive order could be issued once, it could be issued again. We must have legislation to protect the privacy of all income tax returns and to prevent their being pawed over by officials of various Federal agencies. I am a cosponsor of proposed legislation that would greatly restrict and control the inspection of income tax returns.

When a person makes out his income tax returns, he may reveal many personal and private matters. Our tax system has been the most successful of any in the world. Our citizens voluntarily tax themselves by completing income tax forms. If the information they impart to the Internal Revenue Service is not held in the strictest confidence, our tax system could be ruined. Most importantly, we must uphold and guarantee the right of citizens to be free from unnecessary and unwarranted snooping into their affairs by Government officials.

Mr. KEMP. I thank the gentleman for taking this time. Mr. Speaker, on some issues before this House, there must be no retreat from our resolve. The insuring of adequate safeguards to protect the individual's right to privacy is such an issue.

When liberty is threatened, no measure is adequate unless it guarantees the protection of that liberty. I am proud, therefore, to cosponsor this special order on the right to privacy.

The right to privacy is the right to be let alone—the right to be left alone. It is a right which forms the basis for such protections as those shielding the individual against unwarranted searches and seizures, electronic surveillance, snooping investigations and "fishing expeditions," and the inspection of personal papers, records, and effects. Much of our Bill of Rights—our first 10 amendments to the U.S. Constitution—is predicated upon this right to privacy.

Support for the individual's right to privacy is a feeling which runs deeply in the spirit of our Anglo-American heritage. As Mr. Justice Brandeis observed in his 1928 opinion in Olmstead against United States, the makers of our Federal Constitution recognized the significance of man's spiritual nature, of his feelings, and of his intellect. They knew that only a part of the pain, pleasure, and satisfaction of life is to be found in material things. They sought to protect Americans in their beliefs, their thoughts, their emotions, and their sensitivities. They conferred, over and against the Government itself, a right to be let alone—a right to privacy—the most comprehensive of rights and the right most valued by civilized men. It is this right which gives the individual the force of law to say to an agent of the Government, "No, you cannot come into my house or into my life, by any means, without my consent or the full requirements of law and due process."

PRIVACY MEASURES ARE MAKING HEADWAY

Important measures before this House, insuring further the right to privacy, are making headway. As the gentleman from California (Mr. GOLDWATER) has indicated in his remarks today, as of March 13 there were 207 different sponsors and cosponsors of 102 bills and resolutions in the House in this subject field, with 62 Senators making or cosponsoring similar proposals in the Senate. I think this reflects strongly the concern of Members—and the citizens they represent in these Halls—on this matter.

I have said much on the subject of privacy before today, and my colleagues are making many more valuable contributions to the dialogue on this issue today. I do not wish, therefore, to take the time of this House in simply repeating that which has already been said.

I wish, however, to concentrate my remarks today on a few crucially important items. I speak of these particular, substantive actions:

First, the successful Goldwater-Koch-Kemp amendment to the proposed Federal Energy Administration Act, H.R. 11793;

Second, the announced rescission of Executive Orders 11697 and 11709, highly controversial orders which had given the U.S. Department of Agriculture authority to inspect the Federal tax return of farmers;

Third, the consideration of measures to either prohibit or limit the procedural operability of so-called mail covers;

Fourth, the successful amendment which I offered on the protection of pupil rights to the proposed Elementary and Secondary Education Act Amendments, H.R. 69, an issue closely related to the protection of privacy;

Fifth, my intention to offer, at the earliest possible opportunity, remedial legislation addressed to the subject of protecting the privacy of records maintained by school systems on pupils; and,

Sixth, a recent commitment to me by the Commissioner of Internal Revenue to review de novo all IRS procedures and regulations which might be construed as potentially infringing upon the right to privacy and to insure, in any revisions of those regulations, that adequate safeguards for protection of that right are required.

Let me comment on each of these matters.

SUCCESSFUL GOLDWATER-KOCH-KEMP AMENDMENT TO THE PROPOSED FEDERAL ENERGY ADMINISTRATION ACT

The right to privacy must be carefully protected, especially so when it could be endangered by the collection, storage, and use of information by Federal agencies. The exchange of information between such agencies, as well as its use as a basis for litigation, requires that such information be gathered under the strictest procedures, stored with full confidence, and used properly.

On March 7, the gentleman from California (Mr. GOLDWATER) and I cosponsored an amendment to H.R. 11793, the proposed Federal Energy Administration, the intended successor to the Federal Energy Office. That amendment requires that to protect and assure privacy of individuals and personal information, the Federal Energy Administrator is directed to establish guidelines and procedures for handling data pertaining to individuals. He shall provide in such guidelines and procedures a reasonable and expeditious method for each individual data subject to:

Be informed if he is the subject of such data;

Gain access to such data;

Contest the accuracy, completeness, timeliness, pertinence, and necessity of retention or inclusion of such data.

The Administrator shall also take necessary precautions to assure that no indiscriminate transfers of data pertaining to individuals is made to any other person, organization or government agency.

We were supported in the offering of this amendment by the gentleman from New York (Mr. KOCH). The breadth of support for measures to further insure the right to privacy can be seen easily from the sponsorship of this amendment: Mr. GOLDWATER, a conservative; Mr. KOCH, a liberal, and myself, a moderate. This broad, bipartisan support bodes well for the enactment of future legislation.

The amendment was accepted, on a division vote, by a plurality of 86 percent "ayes." That, too, bodes well.

I hope that the Senate will accept the language of this amendment. I urge them to do so. If this bill becomes law, it should certainly carry within its provisions the safeguard amendment we offered.

INQUIRY INTO EXECUTIVE ORDERS 11697 AND 11709

There was a time when citizens could assume that, except for examinations by IRS itself, their Federal income tax returns were reasonably safe from the prying eyes of other Federal agencies—whether the intentions behind such searches were malevolent or well-meaning. One knew when he sent in that most personal document each April 15—your Form 1040 and related papers—that it was a confidential matter just between him and the IRS, unless of course he did something illegal or improper.

Unfortunately, that confidential treatment of Federal tax has been recently endangered. In early 1973, upon the advice of his counsellors and presumably with good intentions, the President signed

Executive Order 11697—subsequently amended by Executive Order 11709. These Executive orders allowed the U.S. Department of Agriculture to inspect—at its option—the tax returns of any—or all—of our Nation's millions of farmers. I will take the Department's recent word that there was no evil intent behind the order, but that disclosure misses the real point of concern. The motive is not important; the effect is.

After all, anyone can develop a rationale for the inspection of tax returns. The Department of Agriculture, in this instance, stated it wanted the information only to compile statistics about farmers that might be useful in formulating farm policies. But such similar "good motives" could raise the possibility of the Department of Commerce wanting returns on businessmen, or of the Federal Housing Administration on homeowners, or the Department of Labor on union members. The list could be endless.

Two Members of this body spotted the dangers of these Executive orders and brought them to the attention of the Members. I think the House owes a debt of thanks to the gentleman from Missouri (Mr. LITTON) and the gentleman from Arkansas (Mr. ALEXANDER) for exposing these orders.

The administration has now announced its intention to rescind these two Executive orders. I commend the administration for such action, but it should be viewed only as a first move of many steps which need to be taken to insure adequately the protection of privacy, especially with respect to the confidentiality of tax returns. I believe remedial legislation may still be required.

THE CONSIDERATION OF LEGISLATION TO PROHIBIT OR RESTRICT THE USE OF MAIL COVERS

On March 26, I addressed this House on the need for legislation on the subject of mail covers. This was a matter which was brought to my attention as a result of correspondence and discussions with attorneys and professors involved in the privacy issue.

What is a mail cover?

In a mail cover, information appearing on the outside of envelopes intended for a specified addressee is recorded, without his knowledge, by postal employees before the letters are delivered. The addressee has no idea that this information is being recorded about his incoming mail; that mail simply is left in his box or office each day, as usual. This information, which includes the postmark and return address of the addresser, is then given by the postal service to the Government agency which requested the cover be imposed.

What makes the use of mail covers an unconscionable practice is not only that they invade a person's right to privacy but also—because they are perceived even by the agencies using them as being of questionable color of law—that their use is seldom ever disclosed in a trial for fear that evidence ascertained through them will be ruled inadmissible. But, the evidence is used, nonetheless, without making disclosure of from where the authorities first got an indication of its existence or nature—the mail covers.

Since disclosure of the use of mail covers is suppressed, no one has an accurate fix on the extent of their use. Hearings before the Subcommittee on Administrative Practice and Procedure of the Senate Committee on the Judiciary, conducted in 1965, showed an acknowledged existence of 730 separate covers on a date certain in 1964. That is believed to be substantially greater than the number of wiretaps in effect at that point in time. A 1968 study of the Columbia University School of Law, showed a decline in the number of mail covers in effect, but showed a widespread existence of their possible abuse.

In order to ascertain more accurately the extent of mail cover uses today, I have written to the Postmaster General, E. T. Klassen, asking for current information on the number of mail covers in effect and on the source of the request for the use of those mail covers, per agency.

I have not yet introduced remedial legislation. I did propose in my remarks of March 26 the consideration of a draft text, one which would prohibit outright the use of mail covers. I have not actually introduced remedial legislation to date, however, for I believe a determination must first be made as to which course of action would be the most effective to pursue: Either an outright prohibition, such as that suggested on March 26, or a proscriptive amendment to title 18, United States Code, which would permit the use of mail covers in a specifically authorized set of criminal investigations but only then if prior court approval were obtained. The former would be similar to the current code requirements with respect to the authorization of wiretaps in criminal investigations, as those basic requirements are now set forth at 18 U.S.C. 2516 (1) and (2) coupled, however, with an additional requirement for prior court approval.

I have solicited the views of the Postal Service on the manner in which it would prefer to move forward with remedial legislation, for I believe strongly the Postal Service could use this legislation to protect itself as much as I want that legislation to protect the individual citizen.

I hope to report to the House the progress on this issue of mail covers at the earliest possible opportunity. I think it merits the attention of all of us.

THE PROTECTION OF PUPIL AND PARENTAL RIGHTS

Nothing could be more intrinsically interwined with the right to privacy than the protection of the sanctity of mind and body, a sanctity which can be subtly eroded by various behavior modification measures.

On March 27, I offered two amendments to H.R. 69, the proposed Elementary and Secondary Education Act Amendments of 1974. These amendments, which were accepted on voice vote, would insure protections against invasions of the sanctity of pupils in our schools and against infringements on parental rights.

These amendments, if enacted into law, require that no child shall participate or be used in any research or experimentation program or project, or in any pilot project, if the parents of such child object to such participation in writing, and that the moral or legal rights or responsibilities of parents or guardians with respect to the moral, emotional, or physical development of their children shall not be usurped in the administration of these programs.

Nothing is more essential to the right to privacy, the right to be let alone, than the right to individuality, a right intrinsic in the moral, emotional, and physical development of each person. Programs and projects which seek to modify behavior, or moral values, or physical abilities—for the purpose of achieving modification as deemed appropriate by the modifier, not necessarily the student or the parent—can invade or infringe upon that right. Too often these programs and projects can lead to either conformity or uniformity of behavior, something which inherently denies the right to be different. And, too often, these programs and projects use pupils almost as if they were guinea pigs, to test out the viability of new methods, often forgetting the impact such testing—and the failure of methods—could have on the pupils.

I urge the Senate to accept these amendments and the committee of conference to preserve them in the final version of the bill.

PROTECTION OF STUDENT RECORDS AGAINST DISCLOSURE

Another area of serious concern has begun to surface during the past several months.

I speak of the potential misuse by disclosure of extensive information about pupils, maintained in the various public and private school systems.

What began more than a century and a half ago to keep registers on enrollment and attendance has grown to grotesque proportions.

Educators have constructed elaborate information gathering and storage systems, all in the name of efficiency, adding a piece here and there, tinkering with new components, assuming all the while they were creating a manageable servant for school personnel. But what they failed to foresee was the swift development of modern technology and the widening employment of that technology by a social system increasingly bent on snooping.

The growth of student records into an all-inclusive dossier came in response to the increasing centralization and bureaucratization of schools. Another contributing factor was the emergence of education's ambitious goal of dealing with "the child." Out of that context grew such specific actions as the National Education Association's 1925 recommendation that health, guidance and psychological records be maintained for—on—each pupil, and the American Council on Education's 1941 development of record forms that gave more attention to behavior descriptions and evaluations and less to hard data on subjects and grades. By 1964, the U.S. Office of Education was listing eight major classifications of in-

formation to be collected and placed in the student record.

How much has the system grown? Let me cite my State of New York. Let me cite New York City's public school system as my specific example.

According to a highly informative article by Diane Divoky, entitled "Cumulative Records: Assault on Privacy," which appeared in the September 1973 issue of the magazine, Learning:

The ultimate mushrooming of records may have been reached in the massive New York City school system—largest in the nation. There, the records required or recommended for each child involve, if nothing else, a staggering amount of book work. A typical, rainbow-hued student dossier in New York carries:

A buff-colored, cumulative, four-page record card that notes personal and social behavior, along with scholastic achievement, and is kept on file for 50 years;

A blue or green test-data card on which all standardized test results and grade equivalents are kept, also for 50 years;

A white, four-page, chronological reading record;

A pupil's office card;

An emergency home-contact card;

A salmon-colored health record—one side for teachers, the other for the school nurse and doctor;

A dental-check card;

An audiometer screening-test report;

An articulation card, including teachers' recommendations for tracking in junior high school;

A teachers' anecdotal file on student behavior;

An office guidance record, comprised of counselors' evaluations of aptitude, behavior and personality characteristics;

A Bureau of Child Guidance file that is regarded, though not always treated, as confidential, and includes reports to and from psychologists, psychiatrists, social workers, various public and private agencies, the courts and the police;

And all disciplinary referral cards.

The perspective of a Federal legislator here is severalfold.

First, the maintenance of student records is almost totally a matter of State and local jurisdiction.

Second, while there must be protection of the information contained in these records, it must also be available for a sufficient internal use within the school system itself to permit adequate attention to matters involving the actual education of the student.

Perhaps there is an answer. At many colleges and universities, the transcripts of students and graduates are not released unless the student or graduate specifically gives his consent to the release of that transcript to a specified party. That might be a good guide to follow here—that there could be a release of information contained in these records, except for clearly defined internal purposes within an education system or systems, only when the parent or guardian of the student gave written, prior consent, or, once the student has reached the age of majority, he give it himself.

I have this problem under intense scrutiny at this time.

I hope to be able to report to the House and to introduce any appropriate remedial measures at the earliest opportunity.

This is certainly a matter which should should not go without redress.

REVIEW OF IRS REGULATIONS

Immediately following the Christmas recess, I had brought to my attention the existence of a number of regulations within the Internal Revenue Service. The possible content of these regulations, not to mention their potential application by agents, concerned me greatly.

On January 7, I wrote to Donald Alexander, the Commissioner of Internal Revenue, making inquiry about the existence and content of the following regulations, which I recite by name and number:

Methods to Achieve Intelligence Mission, 9141.2;

Reporting Informant's Communications, 9271.3;

Confidential Expenditures for Information, 9372;

Electronic or Mechanical Eavesdropping, 9383.5;

Surveillance, 9383.7;

Entrapment, 9385;

Arrests Without Warrants, 9444;

Searches Without Warrants, 9452;

Seizures Incident to Searches Without Warrants, 9452.4;

Electronic Eavesdropping Devices, 241.44; and,

Use of Raid Kits, 284.51.

A lesson of history is that the most disliked man in any society at any time in history is "the tax collector." I understand that. But, after reading just the titles of these regulations, I began to wonder if maybe there was not more of a reason for that feeling—in our day and age—that we just have to "pay up" each April 15.

I received a response from the Commissioner on February 4, and I want to share excerpts from it with my colleagues today, for they show—according to the Commissioner—that there are efforts to safeguard individual rights and not infringe upon them. Perhaps, but the courts will ultimately have to make that decision. Nonetheless, the Commissioner stated, in part:

The various documents cited are not secret; almost all of them are available for public inspection in our Freedom of Information Reading Room in the National Office and have been provided to requesters under the Freedom of Information Act.

Furthermore, these documents do not contain illegal instructions or promote invasions of privacy, but reflect the Internal Revenue Service's concern that the rights of citizens be respected. The instructions are intended to assure fair and proper treatment of investigative subjects. . . . In short our instructions are proscriptive in nature rather than prescriptive. We are now reviewing these documents again to assure that our instructions fully reflect our current practice and goals.

I do not want to be too harsh on the Service, but I think certain things should be pointed out, from practice and from the letter itself.

No regulation is any more self-restricting than the agent using it on a daily basis. With the thousands of agents within the Service—the preponderant majority of which are highly competent, I am sure—can one really be sure that all individuals are safeguarded fully every time one of these regulations is used? Inherent to the size of the Service and nature of the confrontation, probably not.

The fact that "almost all of them" are available does not mean that "all" of them are available. And it is interesting that one must use the processes of the laborious and time-consuming requirements of the Freedom of Information Act to get them—those which are available to the public.

The question of whether they contain "illegal" instructions begs the question, for the fact that they are regulations promulgated pursuant to law makes them "legal." What it does not do is make them necessarily the right law, reflecting the right policies, which should be passed and instituted to protect fully the right to privacy.

The statement that they do not "promote" invasions of privacy is still no safeguard that such invasions are not committed.

Again, I am not here to infer that the Service has made a practice of violating the rights to privacy. I do, however, believe that in a quasiadversarial position between the Government—IRS on one hand and the taxpayer on the other—that the taxpayer might sometimes not receive full benefit of the allegedly protective regulations.

One particular thing is important—over and above all else: I intend—and I invite other Members to join with me—to hold the Commissioner fully to his commitment that the regulations are, first, under review, and, second, that they will insure adequately the right to privacy.

I use this opportunity, further, to request the Committee on Ways and Means, particularly as it considers such measures as Executive Orders 1697 and 11709, to review the current regulations cited, as well as any revisions made in them. I think such an inquiry would be fully consonant with the responsibility assigned this Body by the Constitution to protect individual rights.

MUCH TO BE DONE

Mr. Speaker, I want to take an additional moment to express my gratitude for the outstanding work which some Members are doing on this issue. I speak primarily of Mr. GOLDWATER, Mr. KOCH, Mr. HORTON, Mr. MOORHEAD, and Mr. EDWARDS of California. I am pleased to have joined them in many mutual efforts in this regard.

These measures are but small steps—all be they important ones—toward safeguarding the right to privacy. Much more needs to be done.

I am committed to this task, and I invite my colleagues to join with me in this struggle.

Mr. LUJAN. Mr. Speaker, as a participant in today's special order expressing a commitment to privacy, I would like to add my voice to those of my colleagues in support of this fundamental freedom.

I have introduced five separate pieces of legislation on this; the Right to Financial Privacy Act, an amendment to the Freedom of Information Act, a bill to establish a Select Committee on the Right to Privacy, another to prohibit the use of an individual's social security

number as a universal identifier, and finally one to provide for fair personal information practices.

The right to privacy of our citizens has been invaded and legislation such as I have sponsored can reverse this trend. We in this country pride ourselves on independence and our individuality; we resent the idea of others having easy access to our records. Furthermore, I believe that the practice of government and private industry establishing and maintaining data banks on citizens is being overused. This has become so outlandish that information about individuals is placed in these data banks from such diverse sources as church records, marriage licenses, pet registrations, hospital and doctors' files, and even hotel registrations.

I am concerned about the irreparable harm and damage many individuals suffer because of the quantity and quality of information collected and used. Much of it is gossip, biased opinion, unverified fact, misunderstanding, and misinterpretation.

I have learned of a case where a man in his mid-thirties was passed over for a major promotion in a large firm because a data bank revealed he had larceny tendencies. This information, it was learned too late, came from a prank when he was in grade school. It just so happened that the boy was involved with several others in taking some gym clothes and hiding them in the rafters. There was no indication of other criminal activity in his records.

Collecting and distributing this type of information is not in accord with the principles on which our country was founded, and our work here today can correct this injustice. Let us get started.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, two of the major issues in Government today are the lack of credibility and invasion of privacy. Our citizens are beginning to question whether our Government tells the truth and, perhaps even more ominous, are beginning for the first time to fear their own Government. These developments constitute an evil trend which the people of any free society can only find intolerable.

On that point, let me say this. The Congress of the United States has a duty like the Supreme Court to interpret the Constitution and make it a living reality. We have a responsibility to do this through the enactment of laws implementing the letter and spirit of that great document. And we are going to do it.

The House Foreign Operations and Government Information Subcommittee is currently considering legislation to make certain that Americans have access to Government files, records, and dossiers kept on them. In all but law enforcement cases leading to criminal prosecutions, and properly classified files, citizens would have inspection and correction rights.

This landmark legislation, in my view, will be a giant step in protecting the right to privacy—and making certain that Government is the servant of the people and not their master. I hope every Member of this House will support this legislation.

Mr. Speaker, I am proud to be the chairman of the Foreign Operations and Government Information Subcommittee. Its Members on both sides of the aisle are all able advocates of the rights to freedom of information and personal privacy.

Through the years, the subcommittee has conducted pioneer investigations into the Government's use of polygraphs, telephone monitoring devices, and advanced information technology and their implications on the right to privacy.

Last year we conducted an investigation into two Executive orders which would have permitted the Department of Agriculture to extract certain personal financial information from the Federal income tax returns of 3 million American farmers. This investigation culminated in revocation of the two privacy-invading orders by the President.

I might say, Mr. Speaker, that the House Committee on Government Operations has shown a deep interest and concern in the protection of personal privacy for almost two decades. In 1964, it formed the Special House Subcommittee on Invasion of Privacy which investigated the psychological testing of Federal employees and schoolchildren, mail covers, electronic surveillance devices, trash snooping, credit bureaus, data banks, and other privacy questions.

Our studies over the years show there is a clear potentiality with the sophisticated and advanced technology of today of almost unlimited invasions of privacy if Government is not carefully watched and checked.

Overall, these inquiries add up to what only can be characterized as a most disturbing picture. Meanwhile, the Watergate investigations have brought out new brush strokes of blackness on the same canvas.

We have heard the details of Tom Charles Huston's White House plan to intensify Government surveillance in the name of improving domestic security.

As you may recall, the plan was briefly approved by President Nixon despite its unconstitutionality and objections from the late FBI Director, J. Edgar Hoover. It was later rescinded.

Watergate also brought out the existence of lists of "political enemies" who were to be targeted for income tax audits and other possible adverse Government actions. All of America finally found out to what evil extent the privacy invaders of Government had gone. And it was frightening. The first and fourth amendments contained in the Bill of Rights to the Constitution were under vigorous attack.

But fortunately, the barricades were manned by an aroused Congress, a great and fearless free press and many concerned Americans who put their country above partisan political considerations. In the event any of my colleagues believe I am alleging the privacy invaders inhabit only one administration, they would be most mistaken.

Privacy invasions of our citizens have permeated every recent administration in recent decades. The disease must be eradicated. Each Member of Congress—each citizen—regardless of party—must join together in the battle line to keep it strong—despite who the President is—Republican or Democrat.

My colleagues, we have heard much about preserving the Presidency. I submit the real question is: Are we going to preserve the Constitution?

Mr. DRINAN. Mr. Speaker, when President Nixon announced his support for the right of privacy in the state of the Union message, it was greeted with guarded praise. After all, a great number of the assaults on citizen privacy had been perpetrated by officials in the Nixon administration, by his reelection committee, and, in some cases, by Mr. Nixon himself. After reviewing these events in a statement to this body on February 6, 1974, I noted:

> Thus it was with a touch of irony that we heard, in this Chamber a few days ago, a Presidential pledge to take steps to protect the right of privacy. While we can rant about the demagoguery of it all, perhaps the wisest course is to note that we may have gained another ally in the battle against governmental excesses.

Recognizing that Nixon statements in the area of civil liberties are frequently not implemented in practice, I added: "But time will demonstrate whether Mr. Nixon is merely a sunshine patriot and summer soldier."

Since that state of the Union promise, Mr. Nixon has had myriad opportunities to advance the protection of privacy. On those occasions, he has given the American people half measures supported by half truths. Each time Mr. Nixon could have struck a resounding blow for securing citizen solitude, he merely administered a wrist slap. It is now clear that, when it comes to the battle against access to matters considered confidential by our constituents, Mr. Nixon and his appointees are indeed a troop of summer soldiers.

For the past several weeks, the Subcommittee on Civil Rights and Constitutional Rights of the House Judiciary Committee, of which I am a member, has been holding hearings on proposals which would regulate the storage and dissemination of data collected by criminal justice agencies. One of those measures under consideration, H.R. 12574, is the administration bill introduced on February 5, 1974. I should note that the interest of the subcommittee, under the able leadership of DON EDWARDS, in this subject antedates the administration bill by many, many months. We conducted hearings last session, for example, without any support from the Nixon administration.

Thus I was surprised and pleased when H.R. 12574 was introduced on February 5 and when Attorney General Saxbe appeared on February 26 to endorse at least some measure to guarantee the right of privacy by regulating the storage and distribution of criminal records. The problem, needless to say, is enormous. The FBI alone maintains almost 160 million sets of fingerprints, and arrest records of a substantial portion of those individuals. Arrest data, with or

without dispositions, are in turn circulated to any Federal agency which requests them, to State and local agencies for law enforcement, employment, and licensing purposes, and to certain banking institutions. In addition a number of other Federal agencies, such as the Department of Defense, maintains files on individuals which are distributed to other Federal agencies—and perhaps other non-Federal institutions.

The testimony by Mr. Saxbe unfortunately was misleading and uninformed. He was unaware, for example, of the restrictions which a decision of the U.S. District Court for the District of Columbia placed on the dissemination of arrest records. In *Menard* v. *Mitchell*, 328 F. Supp. 718 (D.D.C. 1971), appeal pending, the court enjoined the Department of Justice from distributing the plaintiff's arrest record to other Federal agencies not engaged in law enforcement—except for employment purposes—and to State and local agencies not engaged in criminal justice activity. That decision is presently on appeal to the U.S. Court of Appeals for the District of Columbia.

Provisions on the administration bill, H.R. 12574, would drastically alter the decision in Menard. The bill allows for the distribution of arrest records—if a final disposition has not been reported—to Federal and State agencies—and even private institutions—for purposes unrelated to law enforcement if authorized by State or Federal statute, or by Executive order. In addition Mr. Saxbe failed to inform us that some of these non-Menard uses may unfortunately still be authorized by provisions of appropriation bills. For example, the Supplemental Appropriations Act of 1972 permitted the FBI to disseminate arrest data which Menard had prohibited.

Clarence Kelley, Director of the FBI, provided even less support for the protection of information collected by criminal justice agencies. With respect to fingerprint cards with arrest data, the present policy of the FBI is to destroy them when the individual reaches the age of 80, or 7 years after death, whichever comes first. Even the administration's weak bill would modify that practice to some degree. Yet Mr. Kelley was not in favor of it. He was totally against any provision which would limit access by law enforcement agencies to arrest records, even if the arrest resulted in no conviction, or no further action was taken by the prosecuting authorities.

Finally the subcommittee also received testimony from David Cooke, Deputy Assistant Secretary of Defense, on the same subject. Although the Department of Defense—DOD—is not, according to Mr. Cooke, in the law enforcement business, it nonetheless would like unlimited access to arrest data compiled by the FBI and other police agencies. DOD argues that such information is vitally important in determining employability, whether an employee should be retained, and status for security clearance purposes. At the same time, DOD concedes that it has never denied employment, severed an employee, or refused clearance solely because of an arrest, or even a conviction record.

Why then does DOD want the material? "So that we have a picture of the whole man," responds Mr. Cooke. That, of course, was presumably one of the reasons why the plumbers entered the office of Dr. Lewis Fielding seeking the psychiatric records of Daniel Ellsberg. And presumably why the plumbers—or the White House or whoever—allegedly kept a tap on Morton Halperin's telephone many months after he had left Government service—and while he was advising Democratic Presidential candidates.

One of the most ominous parts of Mr. Cooke's testimony was his proposal to amend the pending bills to prohibit State and local governments from imposing more stringent safeguards on arrest data. In other words, Federal agencies would have unlimited access to local arrest records no matter what restrictions are imposed by State law. And that suggestion is not made benignly. Mr. Cooke testified that DOD could not complete employment or security checks of citizens from States which would not make such information available.

The result: a loss of jobs and security clearances—and thus defense contracts—to residents of States which seek stronger protections against the release of arrest data. In the Commonwealth of Massachusetts, for example, Mr. Cooke stated that thousands of citizens have already been adversely affected because my State refuses to give DOD arrest data. Thus even the person with no arrest record at all suffers because the Defense Department says it cannot complete its investigation without it.

The matter of State regulation of arrest data is, of course, not a two-way street with Mr. Cooke. He believes that State and local governments should be allowed to enact more "liberal" access statutes authorizing the release of arrest data to any person, group, official, or institution they wish. What States could not do, under the DOD proposal, is to pass more stringent regulations.

What does all this signify? It is simply this: that President Nixon and administration officials, while professing to be in favor of protecting privacy, are doing all they can to scuttle proposals which would secure that basic right. The public disagreements among and contradictory statements by Nixon appointees, such as Mr. Saxbe, Mr. Kelley, and Mr. Cooke, could adversely affect the chances for passage of a strong bill. It leads me to wonder whether Congress and the American people have again been the victims of administration double-dealing.

Mr. RARICK. Mr. Speaker, this Nation's commitment to the principle of the individual's rights to privacy has a long and honored history. Yet, the growing invasion of our citizens' privacy by agencies of the Federal, State, and local governments, as well as by independent agencies and businesses, is alarming to Americans.

Dossiers containing information on almost every American citizen are tucked away in computer data banks and files all over the country. A brief list of some of the records and information which may have been collected on each of us is frightening: Adoption, airline flight record, arrests, bank accounts, bank loans, birth, car registrations, census, church records, consumer credit, conviction records, customs, divorce, draft status records, driver's license and record, drug prescriptions, employment, FBI, fingerprints, food stamps, general health, gun registration, ham radio registration, hotel, hospital, immigration, insurance, job application, library cards, marriage, medicare, medicaid, military, mortgage, newspaper morgue files, passport, pet registration, police, pilot registration, political activity, private investigators' records, psychiatric, school security clearance, social security, stocks and bonds transactions, subscription mailing lists, telephone, universities, utilities, voter registration, and welfare.

This is by no means a complete list of the official records maintained on our people. Modern communications and computer techniques place this information within easy access of anyone who wants to obtain it. A centralization of this mass of private and official information has a chilling, intimidating effect on even the most freedom loving, independent citizen.

The celebrated burglary of "Dr. Ellsberg's psychiatrist's office," to illegally obtain the confidential medical records of a dissident political figure, made front page headlines and focused the public's attention on the question of privacy. The "Plumbers' Unit" became a household word and trials and convictions followed.

But scant attention has been given to the legalized burglary of confidential medical records by the Professional Standards Review Organizations—PSRO—which became law on January 1, 1974. This radical concept of government intervention into privacy, through computerization of confidential medical records, would accomplish on a nationwide scale what the "Plumbers" failed to do.

I mention PSRO's invasion of individual privacy as an example of how far Government snooping into the personal affairs of its citizens can go, with the consent and approval of Congress. Even though it did not intend to allow legalized invasion of doctors' offices and privileged doctor-patient communication and records, the 92d Congress, and many of us here today, passed this law. Authorizing HEW's unelected army of bureaucrats to pry into the medical history of our people.

PSRO was passed in the last minute rush of the 92d Congress, tucked away in the massive Social Security Act as a Senate amendment added in conference. It is so easy for Congress to unwittingly grant authority to the Federal agencies which, under bureaucratic interpretation, infringes on our people's rights.

Professional Standards Review Organizations establish a network of interlocking committees reaching from the offices of local doctors all the way to the Secretary of Health, Education, and Welfare. They are responsible for establishing national standards of diagnosis, treatment and care of medicare and medicaid patients. The medical history of some 50 million patients and 10 million hospital admissions are presently subject to PSRO monitoring.

But this law allows PSRO to monitor, not only medicare and medicaid patients, but it also empowers them to inspect the medical and hospital records of everyone treated by a medical doctor or admitted to a hospital. We are told that this wholesale invasion of confidential medical records is necessary for HEW to establish and computerize national "norms of health care, based on typical patterns of practice." If this must be done, there is no doubt that it cannot be accomplished without resorting to violating the privacy of the poor, the aged, and the sick in this country.

The right of privacy, in the past, sacred in medical relationships, will be violated without benefit of a search warrant, court order, or authorization by the patient. These safeguards of individual liberty will not stand in the way of HEW's PSRO inspectors.

No matter how well-meaning, careful, and trustworthy our HEW officials and employees are, the very compilation and storage of this private information lends itself to fear of abuse. No agency is immune from improper exercise of power, as we have seen in recent years.

If this Federal seizure of medical records sounds farfetched to some of our colleagues. I should like to point out that in my State of Louisiana we have already had an example of this happening. All the admission records of a private psychiatric hospital near New Orleans were demanded and received by HEW last year. This was done without court order or search warrant, and certainly without the knowledge or consent of the individual patients who had sought treatment for mental problems. Do not think that it cannot happen, it is already happening.

Medical records will become public records. The PSRO section of the Social Security Act sets penalties for disclosure of the information collected by the local PSRO's. However, under existing law, not changed by the PSRO section, disclosure of information contained in HEW files can be made in accordance with regulations established by the Secretary. Section 1106, paragraph B, allows the Secretary to honor requests for information:

> If the agency, person or organization making the request agrees to pay for the information and services requested . . .

Not only is this invasion of privacy, but it is invasion of privacy for a profit.

Professional standards review organizations and the threat they represent to the sense of security and individual control of the private and confidential aspects of our lives, is but one example of the privacy issue we are addressing here today. By our congressional commitment to the Rights of Americans to maintain their privacy from undue government interference, we are opposing this type of legalized surveillance of our people.

Already the medical societies of California, Illinois, Indiana, Kentucky, Louisiana, Maine, Michigan, Nebraska, Nevada, Oklahoma, Texas, and Virginia have approved resolutions seeking repeal of PSRO or opposing any participation in the program.

This question of privacy, and the infringement of that right by government at all levels and by private companies, goes to the very foundations of our constitutional government. It is not merely the loss of medical doctors' right to maintain medical confidentiality, as in the case of PSRO. At stake here is the very question of whether or not in a government of laws rather than of men, laws can be used to restrict the basic liberties as secured under the Constitution.

I am encouraged by this participation today, and its show of congressional support for individual freedoms, that we can curb this frightening trend in America today.

Mr. RHODES. Mr. Speaker, the computer era has brought many benefits to our Nation, both in increased business capacity and in our personal lives. Along with the good however, problems have arisen regarding data storage and the availability of information about the private lives of millions of Americans. It is time that we take an in-depth look at what is being done—and take steps now to protect personal privacy in the future.

There are, at present, 54 nationwide organizations which have 750 data banks containing extensive information on 130-million citizens. These dossiers are, in too many instances, readily available to persons, business firms, or other agencies. We need to review our policies with regard to both data collection and data availability or dissemination.

In a recent series of articles, the New York Daily News has related some of the personal disasters arising from misuse of private information. While much of this raw data is hearsay, it does give rise to a concern over the potential scope of the underlying problem. One man had his credit ruined and his business reputation shattered by vicious allegations made by a spiteful neighbor during a routine credit organization check. In addition, the man was unable to find out what malicious information was being used against him. As another example, we all recall the celebrated case in which an auto insurance firm refused to renew a policy because they did not like the way the potential buyer kept house.

Like it or not, we have become a nation of snoopers. Data is now collected by various sources and can be collated from these numerous sources and put together into a dossier that represents an overt intrusion into the privacy of individuals. In most cases, the victim is unaware that his neighbors, fellow workers or possibly even his laundry man have been queried about his habits, his occupation or his home.

Privacy is an extremely perishable commodity. It is one of the civil liberties that differentiates life in the United States from that of totalitarian governments, where life belongs to the State. We cannot sit idly by and allow dictatorship by data to gain a foothold in our country.

One alarming aspect of the data decade is the interchange of information. I am told that some State agencies have sold the names of license holders to peddlers of automotive accessories. Supposedly confidential medical records are sometimes exchanged by insurance firms. Credit information is linked into a gigantic nationwide complex. "This personal information may be collected without the consent of the individual; without provision to check its accuracy; and without control over its dissemination." This was the summation of the dangers of today's data crisis by a special Commission on Privacy from the State of Massachusetts.

There are some who now propose that each of our citizens be given an identifying number to wear from the cradle to the grave. We are not machines, we are people. We have a constitutional prerogative of freedom in the pursuit of happiness, and should not have the ominous shadow of the automated data center hanging over us or dictating the terms of our lives. We are already deluged with numbers—from social security and zip codes to telephone numbers that continue to grow in length. We do not need more numbers, but we do need more opportunity to retain human dignity and individual identity.

We must take a firm first step toward heading off 1984. We must remove the Orwellian threat of a helpless citizen enmeshed in the coils of an all powerful punchcard system. A key element of this effort would be a requirement that individuals be given access to information about them which is used. Responsibility must be placed on those collecting and disseminating information to vouch for its accuracy. The misuse of data must be stopped by allowing the individual to ban use of information collected for one purpose to be used for another. We need to review our data collection and dissemination policy now. I believe that H.R. 12574, H.R. 12575, and H.R. 10042 provide an excellent opportunity for beginning this urgent task.

A process that today may produce only the irritation of unwanted junk mail, or pestiferous phone calls on behalf of unneeded products, can speedily develop into a time bomb, ticking away in an individual's data file, which one day can explode with devastating results for his or her future.

Much as I dislike to add more Federal regulations to an ever-increasing pyramid of Federal power, I feel that in this instance we are justified—and obligated—to protect the welfare of our individual citizens from depredations by data, from unscrupulous exploitation of reports on their private lives.

I feel that H.R. 10042 is an important piece of legislation—an 11th hour precept to the Bill of Rights. In today's omniverous computer world, the right of privacy must be protected here in America—the greatest bastion of individual freedom anywhere on Earth.

Mr. LITTON. Mr. Speaker, in recent weeks, President Nixon following the advice of Vice President FORD, revoked a year old Executive order which authorized the U.S. Department of Agriculture to inspect the tax returns of our Nation's 3 million farmers. This Executive order was fraught with abuse since its issuance had opened the door to unwarranted intrusions into the privacy of the American farmer and had established

a precedent for future government investigation of the tax returns of entire classes of our citizens.

The fact that this unprecedented Executive order remained in effect for a full year and the fact that by revoking it the administration has in effect admitted its potential for abuse, clearly demonstrates that our tax laws must be changed to see to it that such a dangerous order is never again issued.

Accordingly, last October I introduced H.R. 10977, designed to insure and protect the confidential information that the citizens of this Nation entrust in good faith to their Government.

My bill, if enacted, will substantially alter the present treatment of tax returns, making the data contained therein information that is inherently private rather than inherently public.

Under the terms of my bill, now commonly referred to as the "Taxpayer Privacy Act," tax returns will be available for inspection by specified Government entities, solely for the legitimate purposes of tax administration and/or law enforcement. This proposal would in no way hinder the Internal Revenue Service or the Department of Justice in the prosecution of tax evasion or tax fraud. Moreover, quick enactment of "The Taxpayer Privacy Act" will insure the confidential status of tax returns filed by the American taxpayer and will permanently close the door to potentially unlawful invasions of personal privacy.

For well over a year now, I have been doing all that I could to block what I consider an administration scheme to bare information contained in individual Federal tax returns.

On January 18, 1973, President Nixon issued Executive Order 11679 authorizing the Department of Agriculture to inspect income tax returns filed by persons having farming operations. This order applied to returns filed for taxable years beginning on or after January 1, 1967. The President's stated purpose for the order was to allow the Department of Agriculture to obtain data from farm operations for statistical purposes only. It did not indicate specific data to be gathered. On January 23 new Internal Revenue Service regulations went into effect to implement the Executive order.

Neither the Executive order nor IRS regulations limited the type or amount of information that could be released to the Department of Agriculture. The January 23 IRS regulation stated:

> The Secretary of the Treasury, or any officer or employee of the Department of the Treasury with the approval of the Secretary, may furnish the Department of Agriculture (for the purpose of obtaining data as to the farm operations of such persons) with the names, addresses, taxpayer identification numbers, or any other data on such returns or may make the returns available for inspection and the taking of such data as the Secretary of Agriculture may designate.

The President issued a revised Executive Order No. 11709 on March 27, 1973. The revised order permitted Department of Agriculture inspection of farmers' tax returns in accordance with amended IRS regulations. These regulations limited the scope of the data which could be obtained compared with the regulations issued with the prior Executive order. The new regulations provided that only "names, addresses, taxpayer identification numbers, type of farm activity, and one or more measures of size of farm operations such as gross income from farming or gross sales of farm products," would be furnished the Agriculture Department.

In the original Executive Order 11679 any employee of the USDA with permission of the Secretary of Agriculture, was given authority to examine any and all tax returns of citizens showing farm income or expenses as long as they could justify such examinations by saying it was for statistical purposes. The President rescinded his order on March 27 and issued Executive Order 11709. However, under 11709, farmers' tax returns were still potentially an open book. In the revised Executive order, any employee of the USDA with permission of the Secretary of Agriculture had the authority to examine any and all farmers' tax returns and to obtain any piece of information from such tax returns as long as that information can be construed to mean a measure of size of the farming operation of the taxpayer. Close examination of the tax returns will clearly show that almost any piece of information on the return will be considered a measure of the size of the taxpayers' farming operation.

It is very significant to note that these Executive orders were formulated as a model or prototype for future Executive orders opening tax returns for similar statistical uses by other Federal agencies. In response to a congressional inquiry last year, the Justice Department said:

> The original order was prepared by the Department of the Treasury in language designed to serve as a prototype for future tax return inspection orders.

My proposed Taxpayer Privacy Act would prevent Executive orders from ever being used for such unwarranted invasions of privacy.

My proposal explicitly states that all tax returns are confidential and private records and may be opened to inspection only by the following persons at such times and in such manner as the Commissioner of the Internal Revenue Service by regulations prescribes:

First, the taxpayer or his attorney; second, officers and employees of the Internal Revenue Service, the Treasury Department, and the Justice Department for tax administration and economic stabilization purposes; third, shareholders of record owning 1 percent or more of a corporation; fourth, tax officials of the States, the District of Columbia, territories or possessions; fifth, the Ways and Means Committee of the House, Finance Committee of the Senate, and Joint Committee on Internal Revenue Taxation or by other specifically authorized committees of Congress; sixth, the Attorney General, his assistants, and U.S. attorneys in the performance of official duties or for litigation; and seventh, officers and employees of the Executive Department if necessary for legitimate law enforcement purposes.

Last year, several congressional committees held hearings on the confidentiality of Federal tax returns. In particular, these hearings focused on Executive Order 11697 and 11709. As a result of these hearings, the House Committee on Government Operations unanimously recommended that our tax laws be amended "to make tax returns explicitly confidential, except as otherwise limited for tax administration, enforcement, and other purposes approved by Congress." The present Commissioner of the Internal Revenue has endorsed this principle of confidentiality. And most recently two of the Nation's leading newspapers in back-to-back editorials have encouraged the Congress to quickly enact, and for the executive branch to endorse, legislation which will insure the confidential status of information contained in citizens' tax returns.

Mr. Speaker, for the RECORD, I wish to insert an editorial from the March 22, 1974, edition of the Washington Post and a related editorial from the March 4, 1974, edition of the Washington Star-News:

THE MISUSE OF TAX RETURNS

President Nixon has advanced the cause of personal privacy by revoking the year-old executive order which allowed the Agriculture Department to examine the tax returns of the nation's 3 million farmers. The cancellation, which was recommended by Vice President Ford's new committee on privacy, was long overdue, because the executive order involved should never have been issued at all.

This controversy has been a good example of the way in which bureaucracies, if not carefully watched, can chip away at citizens' rights without meaning to do any damage at all. The order was issued, in essence, because the Agriculture Department wanted to collect a large amount of information on farmers' incomes and decided it would be more convenient to consult the files of IRS than to ask individual farmers to provide the sensitive data directly and voluntarily. But by giving USDA blanket permission to look at the tax returns of a whole class of citizens, President Nixon approved a major departure from past practices, under which agencies had been allowed access to tax returns only when probing some individual's activities.

Executive Order 11697 thus raised serious privacy issues, as Rep. Jerry Litton (D-Mo), Rep. Bill Alexander (D-Ark.) and others protested. The order was doubly troubling because, according to a Justice Department memorandum, it was meant to be a "prototype" for similar broad searches of IRS files by other agencies. Thanks to a House government operations subcommittee probe and the resistance of the IRS, the Agriculture study was never carried out. Now, finally, the entire exercise has been abandoned.

Another case, involving the Office of Education, also suggests that agencies may be getting more sensitive to taxpayers' rights of privacy. This case involves the program of basic educational opportunity grants, aid given to college students from low-income families. Since the grants are based on complicated calculations of need, the program's administrators understandably want to be able to verify the income data which applicants submit. The problem is how this should be done. Last year, the application form included this affidavit:

I (We) certify that I (we) have read this application and that it is accurate and complete to the best of my (our) knowledge. I (We) authorize the United States Commissioner of Education, or his representative, to obtain from the District Director of Internal Revenue with which it was filed, a

copy of the 1972 Federal Income Tax Return upon which the computation of expected family contribution is based, in order to verify the foregoing statement. I (We) further agree to provide, if requested, any other documentation necessary to verify information reported on this form.

Thus every applicant, whether or not he could decipher the fine print, was—as the price of the application—allowing the agency to inspect his tax return without further notice. An agency spokesman says that the language was meant primarily as a warning against fraud and that no such searches have actually been made. Indeed, somebody had some second thoughts about the whole procedure, because the language in this year's form is slightly bigger and much better. It reads:

I (We) certify that I (We) have read this application and that it is accurate and complete to the best of my (our) knowledge. I (We) agree to provide, if requested, any documentation, including a copy of my (our) 1973 Federal Income Tax Return, necessary to verify information submitted on this form.

Such changes are encouraging—but the privacy of tax returns should not depend on bureaucratic second thoughts. IRS Commissioner Donald C. Alexander agrees. He has endorsed a House Government Operations Committee recommendation that federal tax returns should be made explicitly confidential by law, with Congress—and only Congress—deciding what exceptions are justifiable in the interests of law enforcement and other public purposes. This is a simple, sensible approach. Vice President Ford's committee should endorse it and Congress should act on it right away.

MISUSE OF TAX RETURNS

There was a time when citizens could assume that, except for examination by Internal Revenue Service agents, their federal income tax returns were reasonably safe from the prying eyes of curiosity seekers and others with more mischievous or malevolent motives.

But it's getting so that congressional committees have little trouble getting returns for investigations of one sort and another, and the forms seem to float hither and yon among officials in the executive branch without much thought to the traditional obligation of confidentiality.

This was dramatically demonstrated the other day in the disclosure of a White House memorandum which said President Nixon suggested in June 1969 that his staff be given access to the returns of former presidents so he could learn what deductions they had taken. While Mr. Nixon has denied seeing the returns and doesn't recall asking aides to obtain them, the memorandum was written by a former aide at a time when Mr. Nixon seemed intent on making use of every loophole available—and some that had been closed off—to lower his tax bill. That such use of tax returns is illegal apparently made little difference to the White House.

That is distressing enough but now we have an even more ominous invasion of the taxpayer's right to the privacy of his returns. Only recently some members of Congress discovered that President Nixon in early 1973 issued an executive order allowing the Department of Agriculture to examine the tax returns of the nation's three million farmers.

Apparently there was no evil intent in the department's wish to examine the returns. Evidently it wanted to compile statistical information about farmers that might be useful in formulating farm policies. But regardless of the motive, the mass examination of tax returns by any governmental agency not involved in the enforcement of income tax laws is completely unjustified.

We agree with Representative Alexander of Arkansas who saw the presidential order as foreshadowing a "frightening prospect" that other departments and agencies will be given access to personal income information of various classes of people. He raised the possibility, for example, of the Department of Commerce wanting to look at returns from businessmen, the Federal Housing Administration wanting to inspect returns from homeowners, or the Department of Labor wanting to examine returns of union members. Lest anyone think Alexander is far off base, a Justice Department official was quoted as saying that the presidential order was drafted as a model so that tax returns could be used for statistical purposes by other federal agencies.

President Nixon has made a big thing lately of the right to privacy. He also has protested allowing congressional committees investigating Watergate and impeachment to "paw" through White House records on a "fishing expedition." If Mr. Nixon is serious about protecting privacy, he could start with rescinding the order involving farmers' tax returns. Neither the farmer nor any other citizens want Washington bureaucrats pawing through their income tax returns on a fishing or any other kind of expedition.

If the President doesn't rescind the order, the Congress ought to do it through legislation that would prohibit any such flagrant misuse.

At this point I wish to commend those cosponsors of my bill who fought so hard and well to have this unwise order revoked. I especially commend Representative BILL ALEXANDER of Arkansas; Representative BILL MOORHEAD of Pennsylvania; Senator LLOYD BENTSEN of Texas; Mr. Norman Cornish of the House Government Operations Committee; and a first-rate journalist, Mr. Alan Emory, of the Watertown, N.Y., Daily Times. Their efforts on behalf of the public's right of privacy is one of the brighter aspects of an otherwise depressing drama that has unfolded before us during the past year.

Also, I feel that the President's decision to revoke Executive Order 11697 is an excellent step in the right direction, reflecting his recognition that the original order was, in fact, a serious mistake. At the same time, I am deeply concerned that this situation may recur in one form or another, particularly in light of the 1973 Justice Department opinion suggesting that the order now rescinded serve as a "prototype" for all other Federal agencies. The Taxpayer Privacy Act is intended as a safeguard to provide assurance that this kind of potential abuse will not recur, and will not serve as a "prototype."

Mr. Speaker, the excesses of a government pose threats to the basic rights of the governed. While the revocation of Executive Order 11709 was an admirable response to outraged protest, the American people deserve the full protection afforded by my bill, H.R. 10977, and by S. 3238, introduced by Mr. BENTSEN, the distinguished Senator from Texas.

I urge my colleagues—in both Houses of the Congress—to support these efforts to protect the precious right of privacy of the American people, a right whose circumvention or outright breaching can lead to an ever growing assault upon those other rights that also are vital and indispensable parts of our American heritage.

Mr. TIERNAN. Mr. Speaker, much attention has been focused on the Government intervention into our privacy. Wiretaps and eavesdropping devices often violate the citizens fundamental rights to privacy. It is very important to protect these rights but there is one area where privacy works a true hardship on the American citizen. This is the field of corporate privacy. Corporations often have tight disclosure policies. By keeping private most of their activities, the possibility of fraud is greatly heightened. One example of the magnitude of fraud that can be perpetrated is the Equity Funding case. I would like to enclose an article from the Wall Street Journal on Equity Funding. This article highlights the hardships that can be caused when a corporation is capable of keeping their records secret from the investing public.

The article follows:

[From the Wall Street Journal, Mar. 29, 1974]

MANY PEOPLE'S DREAMS CAME CRASHING DOWN WITH EQUITY FUNDING

(By William E. Blundell)

"Every day I wake up and wonder what will happen to me," says Peggy Rahn, a 74-year-old widow living in a small New York apartment. Her bankbook says she has $900 left in the world. Her Social Security payments don't quite match her rent. After working for 55 years and always being self-sufficient, she is being inexorably pushed toward the welfare rolls. She wishes she had never heard of Equity Funding Corp. of America, in which she invested $7,000.

Across the Hudson River in New Jersey is a man who is keeping a terrible secret. In failing health, he yearns for retirement but still drags himself to work. His worried wife and son don't understand why. Self-employed, without any Social Security benefits coming, he cannot bear to tell them that most of what he has saved over the years now is so much wallpaper. He put the money, more than $25,000, into the 9½% bonds of Equity Funding.

In a town in Nebraska, a college student needed medical attention his family couldn't afford. They borrowed on their assets so he could make a surefire investment that would pay the doctor bills. The investment was the common stock of Equity Funding. His treatments have been delayed, and his father and mother try not to let him see how hard-pressed they are.

These are only a few of the lives touched by the Equity Funding scandal, one of the biggest and most audacious securities frauds in history. Today, almost a year to the day since an astonished public learned that Equity Funding was a house of cards, countless thousands of people continue to pay a price for the manipulations of a few. One figure tells part of the story. At the beginning of 1973, before word of bogus insurance and inflated assets at Equity Funding went whispering down the canyons of Wall Street, the company's common stock had a market value of about $288 million. Today it is worth nothing. So are the company's bonds and warrants.

WHAT IT MEANS

This, of course, does not mean that securities holders should throw all their certificates away. Equity Funding now is being reorganized under Chapter 10 bankruptcy proceedings, and it is expected to emerge as a new company that will issue new securities to satisfy claims of defrauded investors. But trustee Robert Loeffler warns that the new stock, at first anyway, would be worth

only a tiny fraction of the price the market placed on Equity Funding securities before the scandal broke. "There just isn't enough in the company to support that kind of value," he says flatly.

The potential losses from Equity Funding means most to small investors—the butchers and bakers and candlestick makers who risked sizable percentages of their savings. For them, Equity Funding means a pinched household budget, a vacation untaken, a new home still a dream, wearing old clothes because they can't buy new ones, or a blighted retirement. There is much bitterness.

"Where were the men who were supposed to watch out for us little people?" asks a Long Island resident whom we will call Larry. "They tell you it's all safe, all regulated, so they can get you to invest. Then you find out it's still nothing but a big crapshoot, and you're marked for a loser. Would you ever believe an insurance company that size going bust? Aren't they supposed to be like the Rock of Gibraltar?"

"DON'T WORRY"

Larry, who is retired, put $21,000 in Equity Funding bonds. When the company's securities plunged in value upon rumors of fraud, Larry called his broker. "He said, 'Don't worry; even if they stole $20 million, the company has more than a hundred million in assets,' " Larry recalls. Now Larry and his wife no longer can take their usual vacation in Florida or anywhere else, she isn't buying any new dresses, and the two are struggling just to meet household expenses.

Larry's fellow victims are a diverse lot, including eight members of the Bruni family in Havertown, Pa., who belong to an investment club with $2,000 in Equity Funding; teachers in Ohio; the present and future student bodies of Princeton, Amherst, Williams, Sarah Lawrence and sundry other schools; children in Pittsburgh with learning disabilities; the innocent employes of Equity Funding itself, and at least one reporter for this newspaper, who bought $3,000 of the 9½% bonds "just to get better interest on my money than in a bank."

To those hardest hit, the potential financial damage is often compounded by pervading despair. One 30-year-old bachelor from Sherman Oaks, Calif., a small-business man with most of his savings tied up in $22,500 of Equity Funding securities, says: "I've had to pound and grind to make that, I can't count the nights I've set up sighing and saying to myself, 'Everything you worked for for years is gone.' "

The bachelor businessman also developed a bizarre physical reaction. After morbidly brooding over every word written in this newspaper about Equity Funding in the first few days after the swindle had been exposed, he found himself getting stomach pains at the very sight of The Wall Street Journal and had to stop reading it altogether for a while. But another victim, Lydia Bowne, says that the "whole thing was like a novel, fascinating," and has a scrapbook several inches thick filled with clippings. An employe of Bankers National Life, an Equity Funding subsidiary based in Parsippany, N.J., Miss Bowne wound up with 500 shares of Equity Funding exchanged for her good stock in Bankers National when the two firms merged.

To others, the strain of keeping their losses secret from friends and family is nearly unbearable. "I don't know how much longer I can do it, but I have to," says one man who invested for retirement. "How can I tell my wife I lost most of the money we were going to retire on? I don't know what it would do to her, and I'd die of shame."

Larry, the Long Island resident, and his wife fear loss of status if their friends learn that they now are strapped. "Nobody knows the trouble we're having. Nobody can," he declares. "My wife would commit suicide or something."

A special place in the ranks of the fraud victims belongs to those unfortunates who bought just before trading was halted. The student in Nebraska bought 500 shares just minutes before the New York Stock Exchange halted trading in the common stock March 27 of last year. An hour or so before, a law student from Brooklyn, Lloyd Somer, put the money he had earned from his job the previous summer into 100 shares. "I know you take a risk whenever you invest, but I certainly didn't expect to blow the whole bundle in one morning," Mr. Somer says. He isn't in the market anymore.

BUYING IN IGNORANCE

Diverse as they are, many victims have one thing in common. They bought Equity Funding in ignorance, relying on casual tips from friends and brokers and not doing much homework on the company themselves. Peggy Rahn, the 74-year-old New York widow, says she bought because she once worked for a man who was a friend of Michael Riordan, a former Equity Funding chief executive who died in a mud slide in 1969. Numerous bondholders bought under the mistaken belief that the bonds were of top-grade investment quality.

But given the nature of the fraud, in which audited financial statements turned out to be figments of the imagination, homework probably wouldn't have made most potential investors overly suspicious anyway. One who did study the company, did attend annual meetings and was still taken is Carl McWade, a semiretired market-research specialist in Los Angeles.

"I met some of those guys (the company's top executives) at the 1972 annual meeting," he says, "and they looked fine to me—clean-shaven, clean shirts, nicely dressed. They certainly didn't look like crooks, and there wasn't any reason to think anything was wrong."

In early 1973, however, his stock, purchased at more than $42 a share, fell to $27. Deciding that it was time to get some first-hand information, Mr. McWade called Samuel Lowell, then executive vice president of Equity Funding. Just general market conditions, Mr. McWade recalls Mr. Lowell as having said. The stock went to $21, and Mr. McWade picked up the phone again.

He says that this time Mr. Lowell said he suspected that someone was conducting a bear raid on Equity Funding and that company executives were urging "our friends back East" to buy the stock, which he expected to soar to $70. Reassured, Mr. McWade held on. A few days later, trading was halted, and the scandal was made public. Mr. Lowell now is under federal indictment with 21 other defendants in the Equity Funding case.

HOW THE FUNDS WERE AFFECTED

Individuals who invested directly in Equity Funding represent only a fraction of those affected by the fraud. Tens of thousands of others, most of whom don't even realize it, are also victims. They are the ultimate beneficiaries of various trusts, pension funds and endowments stuck with Equity Funding securities.

To the men overseeing these large diversified funds, the Equity Funding debacle is only a minor setback, not unexpected in an era when money managers are investing in speculative stocks and bonds for growth and higher income, and not just in blue chips for safety. "If you bought nothing but the AT&Ts of the world, you'd get nothing but an AT&T return, and that isn't good enough. You can't achieve the overall results we've achieved without taking some risks," says Paul Firstenberg, financial vice president of Princeton University.

If the $500 million Princeton Endowment Fund has to take a loss on the $1.3 million it has invested in Equity Funding, it will be barely noticeable. Neither would a $10.8 million loss on its Equity Funding securities mean much, relatively speaking, to the State Teachers Retirement System of Ohio, which has $2.6 billion in assets. Nor would a $50,000 loss to the trust providing income for the Laughlin Children's Center in Pittsburgh, which treats youngsters with learning disabilities.

That's one way of looking at it. But the fact remains that to the extent that these investments are losses, the beneficiaries of these funds will be the poorer. For example, $50,000 covers a third of the annual operating budget of the children's center. At the colleges holding Equity Funding, the potential loss can be translated into salaries for professors and scholarships for students.

EQUITY'S EMPLOYES

As a class, probably no group has suffered as much as the present and former employes of Equity Funding who were innocent of any wrong doing. While the fraud was going on under their noses, they bought heavily in their company's stock, borrowed on it in some cases, and put their friends and relatives into it.

Larry Williams, an attorney and chief of compliance at Equity Funding, believed his bosses when the rumors flew and the stock fell; he urged his brother, who manages their father's affairs, to invest. On Monday, March 26, he did, buying $10,000 of stock for the senior Mr. Willams. The next day trading was stopped. "Stanley Goldblum (the former chairman and president) assured me—he swore up and down—that there was nothing, absolutely nothing, wrong," Mr. Williams says. "God, what a fool's paradise I was living in."

Then there are all the Equity Funding employes who had to be let go during the past year because there wasn't any work left for them. "People above the clerical level have had a terrible time getting new jobs," says Mr. Loeffler, the trustee, who tries to help them. "It's nothing personal, nothing to do with the employe himself. It's just that no company seems to want a personnel file in its records with the words 'Equity Funding' in it."

Mr. LONG of Maryland. Mr. Speaker, on July 30, 1973, I introduced the first bill to stop the then recently revealed White House practice of recording the conversations of important officials in the Government, diplomats, and even White House staff members—without their knowledge. My "no recording without notification" bill, H.R. 9667, would effectively plug the loophole in the 1968 Omnibus Crime Control and Safe Streets Act which now allows secret taping not only in the White House, but anywhere so long as merely one of the participants knows. Under that statute, if "A" and "B" are conversing, "A" could secretly record the conversation without "B's" knowledge—no law would be broken. Under my bill, all parties to a communication must be notified before the conversation may be recorded legally.

The courts would, of course, retain the power to authorize wiretaps for investigations of criminal or espionage activities; H.R. 9667 would simply stop the type of secret bugging which, as pointed out by one U.S. district court judge, has been allowed "to proliferate without judicial supervision."

The "no recording without notification" bill has been cosponsored by 27 Members of Congress. And President Nixon's most recent state of the Union message recognized the need for various legislative proposals to protect the in-

dividual's rights to privacy. The President added:

And I look forward again to working with this Congress in establishing a new set of standards that respect the legitimate needs of society, but that also recognize personal privacy as a cardinal principle of American liberty.

I feel confident the majority of Americans would support the objectives of H.R. 9667, and I hope for its early passage by this session of Congress.

Mr. RODINO. Mr. Speaker, I certainly commend our distinguished colleagues who have sponsored this special order on the congressional commitment to privacy.

We in America are now struggling to find a solution to reestablish the rights of personal privacy in the computer age. I am particularly pleased that my Judiciary Committee's Subcommittee on Civil Rights and Constitutional Rights is actively working on various proposals designed to help strike that delicate balance between the legitimate needs of law enforcement for information which is protective of the public welfare and that most prized but elusive civil liberty of the individual right to privacy.

It is encouraging to realize that we are not alone in this effort. As a delegate to the NATO North Atlantic Assembly for some years, I am very aware that our country is but one of a host of nations facing this challenge. We can certainly benefit by considering the work already done, and the conclusions thus far reached, of the other advanced nations of the world.

Mr. Speaker, I think it is highly significant that the Council of Europe—representing 17 European countries—has been preparing a policy on individual privacy vis-a-vis electronic data banks in the private sector for 3 years. In September 1973, the Council's Committee of Ministers adopted a resolution on this issue. I believe the Congress should carefully study the succinct and realistic statement of 10 principles of privacy over information collection, maintenance, use and dissemination that these 17 nations have together been able to develop. It bears the mark of people sensitive to their liberties in a fast-moving, technological age. I include what can well be termed the Council of Europe's "Ten Commandents on Information Privacy" herein.

[Council of Europe, Committee of Ministers]

RESOLUTION (73) 22—ON THE PROTECTION OF THE PRIVACY OF INDIVIDUALS VIS-A-VIS ELECTRONIC DATA BANKS IN THE PRIVATE SECTOR

(Adopted by the Committee of Ministers on 26 September 1973 at the 224th meeting of the Minsters' Deputies)

The Committee of Ministers,

Considering that the aim of the Council of Europe is to achieve a greater unity between its member States;

Conscious of the already widespread and constantly increasing use of electronic data processing systems for records of personal data on individuals;

Recognising that, in order to prevent abuses in the storing, processing and dissemination of personal information by means of electronic data banks in the private sector, legislative measures may have to be taken in order to protect individuals;

Considering that it is urgent, pending the possible elaboration of an international agreement, at once to take steps to prevent further divergencies between the laws of member States in this field;

Having regard to Resolution No. 3 on the protection of privacy in view of the increasing compilation of personal data into computers, adopted by the seventh Conference of European Ministers of Justice,

Recommends the governments of member States:

(a) to take all steps which they consider necessary to give effect to the principles set out in the Annex to this resolution;

(b) to inform the Secretary General of the Council of Europe, in due course, of any action taken in this field.

ANNEX

The following principles apply to personal information stored in electronic data banks in the private sector.

For the purposes of this resolution, the term "personal information" means information relating to individuals (physical persons), and the term "electronic data bank" means any electronic data processing system which is used to handle personal information and to disseminate such information.

(1) The information stored should be accurate and should be kept up to date.

In general, information relating to the intimate private life of persons or information which might lead to unfair discrimination should not be recorded or, if recorded, should not be disseminated.

(2) The information should be appropriate and relevant with regard to the purpose for which it has been stored.

(3) The information should not be obtained by fraudulent or unfair means.

(4) Rules should be laid down to specify the periods beyond which certain categories of information should no longer be kept or used.

(5) Without appropriate authorisation, information should not be used for purposes other than those for which it has been stored, nor communicated to third parties.

(6) As a general rule, the person concerned should have the right to know the information stored about him, the purpose for which it has been recorded, and particulars of each release of this information.

(7) Every care should be taken to correct inaccurate information and to erase obsolete information or information obtained in an unlawful way.

(8) Precautions should be taken against any abuse or misuse of information.

Electronic data banks should be equipped with security systems which bar access to the data held by them to persons not entitled to obtain such information, and which provide for the detection of misdirections of information, whether intentional or not.

(9) Access to the information stored should be confined to persons who have a valid reason to know it.

The operating staff of electronic data banks should be bound by rules of conduct aimed at preventing the misuse of data and, in particular, by rules of professional secrecy.

(10) Statistical data should be released only in aggregate form and in such a way that it is impossible to link the information to a particular person.

Mr. ADDABBO. Mr. Speaker, I rise to join my colleagues in discussing the congressional commitment to privacy, a subject which is timely and basic to the preservation of our system of government. The President of the United States recently addressed the Nation on the subject of privacy and many Members of Congress have addressed this subject in recent months.

The increasing concern about the right of privacy in the United States is understandable in light of the growth of Government agencies at the Federal, State, and local level and the staggering volume of records maintained by those agencies. The potential abuse of power inherent in this process was illustrated by the activities and proposed activities of those involved in the Watergate scandals.

The list of issues related to the question of privacy is a long one, making it even more difficult to find solutions to the problems in protecting the public from abuses. These issues include assuring access to individuals whose records are maintained by Government agencies, assuring confidentiality of Internal Revenue returns, controlling the disclosure of information by financial institutions, limiting the sale of mailing lists and other lists by private companies, and the growth of computers and data banks as potential invaders of privacy.

Several bills have been introduced in the Congress on each of these subjects and many other related issues. These bills are pending before several congressional committees. The President has made an effort to coordinate activities in the field by directing the Domestic Council to recommend appropriate action.

Because the protection of individual privacy is so basic an element of a free society, this effort requires a bipartisan approach and that is why the administration and the Congress must work together to find effective means to protect the individual against invasions of privacy.

The restoration of public confidence rests in large part on our ability to guarantee fairness and respect for the rights of the individual in Government's relationships with the public. The multifaceted subject of privacy requires our attention now and our action as soon as possible. The records maintained by Government agencies must become models for private business so that Government can regulate where necessary the growth of data banks in the private sector. This can only be done if Government sets an example of fairness in assuring that records are kept to a minimum and where kept they are verified by, assuring access to individuals involved and by effectively barring access to others.

Congressional interest in this issue is evident by the participation by House Members in this discussion today. The extent of congressional commitment to privacy must be illustrated by affirmative action in the weeks and months ahead to protect the individual from abuse and potential abuse of the right to privacy.

Mr. COTTER. Mr. Speaker, I am pleased to join the discussion on privacy which was organized by Congressmen MOORHEAD, KOCH, and EDWARDS. Today our country faces the prospect of a major issue being resolved through nondecision. Will we allow the inertia of technological advance and Government bureaucracy to encroach on the individual American's right to privacy? I believe we cannot afford to let our chance to preserve privacy pass by without effective action on the part of Congress. The courts cannot take the sweeping affirmative action needed to safeguard

privacy, and our Executive has conducted itself in such a way as to intrude on, rather than protect these rights. While it was rather strange to hear the President call for legislation on privacy given the administration's track record, nevertheless I applaud this initiative.

Almost every time an American citizen applies for an automobile license, a checking account, a credit card, or one of a hundred similar items, his name and some personal information wind up in a file cabinet or a data bank belonging to a private business or the Government. It seems fair that everyone should be assured that this information would be used only for the intended purpose and seen only by those who receive the information from the individual. And yet the American consumer cannot today be safely assured of this degree of privacy.

Not only does this personal information float around to other businesses or agencies, it often gets used for many purposes other than the original intent of the individual. What is most appalling is that access to these files is open to almost everyone except the person who is the subject of the file.

The Federal Government alone controls over 800 personal data systems under 50 different agencies. By the end of 1975, private businesses will have over 250,000 computers with some 800,000 remote data terminals in operation.

Congress must commit itself now to halt the conscious or unconscious attack of the "computer era" on the individual's right to protect personal information as private information. I have long supported stricter control of Federal files which contain personal information. I am a cosponsor of a bill to create a Select Committee on Privacy and of the Right to Financial Privacy Act of 1973. Enactment of this legislation would be a step toward protecting our rights to privacy. It is time for all of us to make a conscious decision on this problem, rather than let unthinking technological inertia bring us to a world of no privacy, a world not of our own choosing.

Mr. KYROS. Mr. Speaker, I am proud to join distinguished House Members on both sides of the aisle in calling attention to the right of privacy by means of this special order. Not only is this a timely issue, it is also a fundamental and basic one to all Americans.

At this time, Mr. Speaker, it would perhaps be most helpful for me to call the attention of my colleagues to an outstanding article which appeared last year in the Federal Communications Bar Journal. Written by Jeremiah Courtney, this lengthy and exhaustive study discusses the effects of electronic eavesdropping and wiretapping on American life. I commend my colleagues' attention to this excellent history and outline of this major national problem, but because of its length, I include only its conclusion in the RECORD at this point:

ELECTRONIC EAVESDROPPING, WIRETAPPING AND YOUR RIGHT TO PRIVACY

(By Jeremiah Courtney)

CONCLUSION

Today's right to privacy is the culmination of a legal metamorphosis, accomplished after decades of painstaking, laborious legal creativity. Originally conceived as a guardian of property, the right to privacy has now emerged as a panoply over the privacy of the person. The result is that all Americans are guarded by a "zone of privacy" that follows them continuously throughout their day-to-day trip through life. One's zone of privacy may contract or expand to fit the particular circumstances, but it is always present to at least a limited extent. The right to private communications is simply one of the facets of the individual's right to privacy, a segment of the legal wall defining a person's zone of privacy.

The right to privacy holds tenaciously to life. It is a vulnerable right, constantly imperiled by the forces of our crowded, technological society. Yet, the right to privacy is essential to the American way of life, for it helps to prevent the individual from being transformed into an Orwellian robot whose life is incessantly monitored so that he will function in conformance with the demands of an impersonal society.

If the fragile right to privacy is to exist, it must be defended zealously. It will require a particular and continuing sensitivity on the part of the FCC Commissioners to every threat to the privacy of communications. It will also require that each and every one of us will have to resist the temptation to use the surveillance weapons that modern technology has bestowed upon us. Finally, we can no longer react apathetically to disclosures of illegal surveillance, as the general public has in the Watergate Caper and as the FCC did when its Wiretapping Caper became the subject of Congressional inquiry. For each intrusion into privacy pushes us that much closer to tyranny.

SUMMARY

The following summary is included, at the usual risks of oversimplification, as an aid to those who desire a quick reference guide to the laws that shield us all from electronic surveillance:

1. All Americans have a right to privacy—"the right to be left alone." The right to privacy emanates from the guarantees in the Bill of Rights, particularly the Fourth Amendment prohibition against unreasonable search and seizure.

2. The Fourth Amendment's warrant requirement governs not only the seizure of tangible items but extends as well to the seizure of words or conversations by wiretapping or electronics eavesdropping. The Fourth Amendment protects people rather than places. It stands as a safeguard against governmental intrusion into any area where a person has a justifiable expectation of privacy.

3. Title III of the Omnibus Crime Control and Safe Streets Act of 1968, 18 U.S.C. §§ 2510–2520, imposes an overall ban on wiretapping and electronic eavesdropping. It prohibits the interception, use of disclosure of any *wire* or *oral* communication, as well as the manufacturing and sale of snooping devices.

4. Title III permits federal and state governments, after court authorization, to wiretap and eavesdrop to facilitate the investigation of a wide range of crimes. However, the police do not need permission to utilize electronic surveillance in certain emergency situations. The federal law also does not limit the President's power to authorize the use of electronic surveillance to protect the national security.

5. Failure to comply with the Federal law subjects the interceptor to stiff criminal and civil penalties. No evidence obtained through illegal surveillance is admissible as evidence in any court in this country.

6. Neither Title III nor the Constitution, as presently interpreted, protect oral or wire communictaions from interception when it is accomplished with the consent of one of the parties to the communication. This fosters participant or consensual monitoring, whereby one party has the power to make public an ostensibly private conversation. This has led to practices such as the recording of conversations without the knowledge or consent of the other parties. Such practices have a stultifying effect on the justifiable expectation of privacy standard and, if prevalent, can destroy the spontaneity of informal conversations. Title III prohibits this practice only when done for criminal or tortuous purposes.

7. Officers, employees and agents of any communications common carrier, whose facilities are used in the transmission of wire communications, can intercept such communications in the course of its normal rendition of service or to protect its property. Random monitoring is permissible only to conduct quality control checks. The common carrier may not monitor employee calls for such unrelated purposes as establishing that only authorized calls are made by its employees.

8. Federal law allows the Federal Communications Commission to intercept, use or divulge wire or oral communications in the normal course of its monitoring responsibilities to enforce the Communications Act of 1934.

9. Section 605 of the Communications Act of 1934, long the sole federal protector of privacy, now applies only to radio communications. The privacy of radio communications is protected to a limited extent by the Section's prohibition against interception and divulgence of such communications. Interception and disclosure of a radio communication can be accomplished only upon authorization by the sender. The prohibition of Section 605 does not apply to public broadcasting, communications transmitted for the use of the general public, or to those communications relating to ships in distress. Violations are punished by fine and imprisonment.

10. Interception results when any person listens to a radio transmission when this person is not a party to the communication or is not in the presence of one who is a party. A violation of Section 605 occurs whenever a non-party uses information he heard over the radio for his own benefit or discloses such information to any other person without the consent of the sender.

11. The FCC may intercept radio calls and use the information obtained for the purpose of enforcing the Communications Act of 1934 and the Commission's Rules, but not for general crime detection purposes.

12. The FCC permits the use of mechanical recording devices to record telephone conversations as long as the use is identified by a "beep" on interstate telephone calls.

13. The Commission's Rules prohibit the use of any radio device, required to be licensed, for the purposes of eavesdropping without the consent of *all* the parties to the particular conversation.

14. Monitoring a shared radio channel, for the purpose of effective shared use, does not appear to be a violation of Section 605. However, it would be a violation of Section 605 to divulge either the existence or contents of the monitored conversations to any person without the consent of the sender. This may include the act of reporting the improper use of a shared radio channel to the FCC.

Mr. WHITE. Mr. Speaker, I would like to begin my remarks by commending the gentleman from California for his efforts to secure Members an opportunity to speak out on this most important issue of privacy. Individual privacy is a time-honored and sacred institution in this country. If it is to survive in an era of ever expanding computer technology, we must take steps to insure that frivolous and unreasonable demands for personal

information are not placed upon individuals by private institutions and governments. Efforts must likewise be made to make certain that personal data, once collected, are used only for legitimate purposes made known to the individual at the time such data is furnished.

Proponents of individual privacy will be glad to know that the Subcommittee on Census and Statistics, of which I am chairman, has begun an in-depth study of laws and regulations relating to the confidentiality of statistical data collected by various Government agencies, with a view toward ascertaining whether such laws and regulations adequately protect individual privacy. Initial efforts in this study are being directed toward developing a compendium of existing confidentiality rules and regulations—something which does not exist at present. We intend to make this compendium available in the form of a House report. Should study of the compendium indicate a need for hearings and/or legislation, I shall not hesitate to take the appropriate action.

It is my sincere hope that this effort will serve to assure that personal information located in Government files will not be misused.

Mr. PODELL. Mr. Speaker, I am pleased to be participating in this special order. The question of privacy is one of great importance to me, not only as a legislator, speaking for my constituents, but as an individual trying to make a secure life for myself and my family. I am not for a moment deluded by the thought that I, simply because I am a Member of this distinguished body, am therefore protected from abuses of my privacy. On the contrary, it is because I hold the position in life that I do, that I know how very vulnerable this precious right is to abuse and infringement by both the Government and private industry.

I could no doubt tell you any number of horror stories about men and women whose lives were ruined by errors in reporting their past histories by firms specializing in such work. It is most difficult to accept the need for these firms in a complicated industrial society that runs on credit, because many of these firms abuse their privileges.

True, we must know if a person is credit worthy, if he can pay his bills and if he is making enough money to meet his mortgage payments. But do we really have to know about his living habits, or whether he can get along with his neighbors, or even what brand of cigarettes he smokes? What does any of this have to do with being credit worthy?

The problem is one that grows each time you write a check or use your credit card. Banks are now required to keep records of each and every transaction you make, and the Federal Government has access to these records without you ever knowing about it. This is a law that we passed not too long ago, and which the President signed, and which the Supreme Court of the United States upheld only yesterday.

Surely this violates our privacy in conducting our own business transactions, but the Supreme Court does not think so, and there is no provision in the law for protecting your right to the privacy of your own bank records.

If you belong to the Book-of-the-Month Club or hold a Bank Americard, you have unwittingly made yourself eligible for the honor of receiving hundreds of pieces of unwanted mail every year—junk mail. Your name and address have been bartered and sold, like common merchandise, to direct mail advertising companies, and you get nothing from it but higher postal rates and an invasion of your personal privacy.

Your life could be ruined, absolutely and beyond repair, by a faulty report by a firm such as Retail Credit Bureau of America, which is under no obligation whatsoever to make sure that the data it has on you in its dossier—and you can be sure that this firm, or another one just like it, does have a dossier on you—is correct or up to date.

True, you have the right to request to see your record, but in getting your record you are put into a double blind situation. You must supply the company you are seeking disclosure from with your name, address, social security number, current address, past addresses for the last 5 years, and with similar information for your spouse. If they did not have much information on you before you made the request, simply by the act of making the request they will have enough to complete the rape of your privacy.

There is a distressing trend in this country to forming data banks. Such banks already exist for medical information, and are being formed for information on criminal records. These banks are being formed right now, and so far there is no way of controlling their formation or regulating their use. There is no way of making sure that they will not be subject to abuse, and there is no way of requiring them to be accurate in their information.

In short, we are silently looking on as institutions are being set up which will throw a shadow of big brother over the land.

Privacy is a precious right, and as such must be guarded diligently. We can never be too secure in our right to privacy, and there can never be too many laws enforcing our security in this right. The great misfortune of our society is that there are not enough such laws, and as a result, the average citizen, the consumer, the wage-earner, is at the mercy of big Government and big business. They know more about him and his family that he may know himself, and everything they know can and will be used against him. They are under no obligation to make sure their information is correct, nor are they under any obligation to inform the persons involved that they are part of a statistic in a data bank, or a file in a credit bureau.

The Federal Government seems to be running to excess in ways to invade our personal privacy, and the Supreme Court does not seem to be ready or willing to curb this distressing trend. The President's Commission on Privacy is a step in the right direction, but it will be a long time before that Commission produces any concrete results, and I fear that the President will ignore the recommendations of this Commission as he has the recommendations of so many other commissions set up by him in the past.

Therefore it comes down to the Congress. The responsibility is ours. If we do not take positive action, and take it immediately, to safeguard the right of each and every citizen to be secure in the privacy of his home, and in his business transactions, there will be no right of privacy left for us to safeguard.

I am taking this opportunity to introduce a piece of legislation which I hope will serve to curb come of the abuses we have been discussing here today. It is a bill designed to control the sale of names and addresses to companies that compile mailing lists for the purpose of direct mail advertising.

It requires the written permission of any individual whose name and address is sold for use on such a list. This will be one among many bills designed to increase the degree of privacy we now enjoy, and I feel that this is an essential element in safeguarding that right. For if our right to control the use of our names and addresses is taken away from us, how can we ever be secure in our God-given right to personal privacy?

Mr. CHARLES H. WILSON of California. Mr. Speaker, I am pleased to participate today in the special order requested by the gentleman from New York (Mr. KOCH) on the subject of privancy. On December 13th of last year, I spoke in support of House Resolution 633 to establish a Select Committee on Privacy. However this jurisdictional matter is settled, whether by Select Committee or Subcommittee, I must stress the need for Congress to fully evaluate the effects of technology on the operations of government, on the democratic institutions and processes basic to the United States, and on the basic human rights of all our citizens. While technology is advancing at an unparalleled rate and influencing every aspect of American life I feel that Congress has not taken the time to first understand and then to possibly set legislative guidelines controlling such applications of technology.

I might add that it is indeed ironic that the Nixon administration which has seen no need for an investigation of the U.S. citizen's right to privacy, now embraces this particular issue—perhaps 5 years too late.

During the previous Congress, I had the honor to chair the Census and Statistics Subcommittee of the House Post Office and Civil Service Committee. Our subcommittee explored in great deal the methods and procedures used by the Census Bureau in taking the 1970 Census. We were particularly concerned about the plethora of detailed questionnaires from the Census Bureau and other departments and agencies of the Federal Government which our citizens are required to answer. While I recognize the real need by the Government to obtain this data which will help to justify, continue, and support programs that benefit the entire community, it is doubly important to ensure that people's privacy is protected so that they do not rebel

against the information gathering process and refuse to cooperate in future censuses and questionnaires.

I have therefore introduced H.R. 7762, which would amend title 13, United States Code, to assure confidentiality of information furnished in response to questionnaires and inquiries by the Census Bureau. This bill was reported out of the House Post Office and Civil Service Committee on June 4th, and has been placed on the Union Calendar. The bill would also extend the responsibilities for confidentiality to all officers and employees of the Federal Government. H.R. 7762 is identical to a bill I introduced in the 92d Congress, and during the hearings which I chaired, it was shown time and time again by hundreds of concerned and sometimes irate citizens who communicated with us that they were anxious indeed about the preservation and protection of their personal privacy. But they were only a small sample of a much larger number of Americans who are similarly situated and similarly motivated. Recent surveys had demonstrated to the satisfaction of the subcommittee that an overwhelming number of U.S. citizens feared the regulation of their lives by computers and ancillary electronic hardware.

I believe that there is a profound need for all-encompassing review and recommendations for control of Federal prying and snooping into the private lives of American citizens. Recent abuses by Government prosecutors in the Ellsberg case are perhaps a classical case of the individual's personal rights being violated by an overzealous, all-powerful, and in this case, unlawful bureaucracy.

Mr. Speaker, the time has come for the Congress to legislate greater safeguards to protect the American's essential right to privacy. For, as perhaps the most astute of the framers of our Constitution, James Madison, warned us:

I believe there are more instances of the abridgement of the freedom of the people by gradual and silent encroachment of those in power than by violent and sudden usurpations.

Mr. HUNGATE. Mr. Speaker, I am pleased to be able to speak today on an issue which reaches to the very fibers of our democratic system—the right to privacy. This right is both one of the most important and most pervasive rights of the citizen, and it is a right very often easily overlooked by a government pursuing one mission or another. Custody of the individual's information resources now seems to be in the hands of unseen and unknown administrators, bureaucrats, and computer operators.

The issue of privacy has been in the forefront of governmental activity for almost three decades now. Concern for individual privacy has long existed in Missouri. In 1959, Senator Tom Hennings of Missouri held hearings on the encroachment of the Federal Government into the privacy of its citizens, which stated:

Anybody who uses a telephone does so at his own risk and, in effect, anyone who engages in conversation surrenders his right of privacy to anyone else who manages to overhear what he says. . . . This probably is sound legal doctrine in any police state . . . but neither the United States nor any of the sovereign States have yet gone totalitarian.

In 1968, his successor in the Senate, EDWARD V. LONG, commented:

The right of privacy encompasses the freedom of the individual to share or withhold from others, according to his own selection, his thoughts, his beliefs, his emotions, his actions, and his past. It is an affirmative claim to human dignity—a claim to an inviolate personality.

His successor, Senator TOM EAGLETON, has a distinguished record on behalf of individual liberties, and protection of their necessary adjunct, a free press. Last year, 1973, he introduced the News Source Protection Act, which would assert "The privilege against compulsory disclosure of sources of confidential information is not so much a privilege for the press as it is a privilege for the public."

In 1970, many people were referring to the U.S. Census as the "1970 inquisition." A concerned Missouri citizen wrote to Senator ERVIN concerning the census:

In a true Republic such delving into private lives would not even be considered . . . Our hope lies with a few men of common sense, such as yourself, and the overwhelming desire of the majority of the citizenry for a return to the precepts of our founding fathers.

It is high time legislation is enacted to begin to guarantee the right of privacy, as it rightfully should be. When the next census is taken, for example, we should be interested in counting people and not toilets and televisions.

Recognizing the need of a government for information does not recognize a governmental right willfully and randomly to invade one's privacy and then treat such information as another computer file. On February 19, 1974, I was more than happy to cosponsor H.R. 13880, introduced by our distinguished colleague, ED KOCH. There has perhaps not been a better time in our history to begin to reassert our system's values and to once again guarantee protection for those "unalienable rights" we often treat as mere rhetoric.

Mr. BAUMAN. Mr. Speaker, much is said and written about privacy and the degree to which it is abridged in this day and age. But too little attention is given to the root cause of the loss of so much of our individual privacy; the inexorable expansion of Federal agencies and bureaucracy.

From the Census Bureau to the Federal Home Loan Bank Board, in scores of Federal agencies and bureaus, the amount and type of personal, private information which is required of an individual by the government is enormous. Many of you will recall a controversy several years ago when the Census Bureau sent out forms to thousands of citizens across the country requiring them to inform the Federal Government, under penalty of law, about how many toilets they had in their homes, and whether they were indoor or outdoor. Many more serious disclosures of personal, private information are required of our citizens daily by Federal edict.

A great deal of legislation has been introduced in the Congress which attempts to minimize the invasions of privacy which these Federal agency requirements produce. But while I would certainly endorse many of these efforts, I believe we should come to grips with the fact that they are a natural byproduct of the size and power of big government. As government has grown, and it has grown at a staggering rate, so too has governmental invasion of privacy.

One who knows well the insatiable appetite of the Federal bureaucracy for personal data is the former Director of the Office of Economic Opportunity, Howard Phillips. Mr. Phillips now directs a project known as Public Monitor at the American Conservative Union, and he has prepared the following brief commentary on the subject of government bureaucracy and the right to privacy:

BUREAUCRACY A THREAT TO PRIVACY

(By Howard Phillips)

Intrusions on the privacy of each citizen increase as the size and power of government increase. For every "benefit" we receive, there is a corresponding surrender of independence.

A bureaucracy which delivers social services is in a position to insist that the recipients of such services entrust to the agents of bureaucracy even the most personal information about their medical histories and family lives. Students whose education is underwritten with Federal dollars must respond to questionnaires which spell out their inner values and aspirations. Beneficiaries of government-backed credit must fully disclose the records of their financial history.

Further, when we rely on government, whether for food stamps or aspirin or legal services, how free can we be to challenge excessive intrusions? If the outreach worker helped us get a hospital bed when we needed it, might we not lose access to future help if we declined to acquiesce in a recommended sterilization procedure?

He who pays the piper calls the tune. Whatever government "gives" in services, it takes away from our opportunity to define the course of our private lives. The government which subsidizes defines the terms on which the subsidy may be provided.

Privacy increases as bureaucratic power declines.

Mr. DELLUMS. Mr. Speaker, I congratulate the gentlemen from California (Mr. GOLDWATER and Mr. EDWARDS), the gentlemen from New York (Mr. HORTON and Mr. KOCH) and the gentleman from Pennsylvania (Mr. MOORHEAD) for bringing this critical issue before the Congress.

For it is up to us here in the peoples' branch of Government to act quickly to protect the people of this Nation from the already too numerous encroachments upon their personal privacy.

It is frightening enough for a public official to realize that he is not only under constant public scrutiny, but that many aspects of our private lives are being watched—often illegally—day and night. But when I read of the lists and practices of various means of keeping tabs on millions of our constituents, then I am indeed alarmed about the future of the individual in this Nation which was founded and dedicated to individualism.

Too often we hear the claims that notions of privacy are inconsistent with the needs of a huge, technocratic, bureaucratized society. Yet it is only because we have allowed this Nation to become so huge, so technology-oriented, so bureaucratized that these assaults on privacy have increased.

And so, while I strongly endorse the need for positive legislative action to restore individual privacy, I also warn that this action cannot come within a vacuum—and that we must analyze also what caused the loss of privacy and what ethical and institutional changes must also be accomplished before we realize this important goal.

Mr. O'BRIEN. Mr. Speaker, one of the most basic rights a citizen has, the right to personal privacy, has fallen to a deplorable state. As Senator LONG so succinctly stated:

> Modern Americans are so exposed, peered at, inquired about and spied upon as to be increasingly without privacy, members of a naked society.

This speech was delivered to the Association of Federal Investigators on February 25, 1965, more than 9 years ago.

Since then, private insurance and credit agencies and such governmental agencies as the FBI, CIA, Secret Service, Department of Health, Education, and Welfare, and social security have gathered together scraps of information until today, there are dossiers on more than 100 million Americans.

The widespread use of computers with their vast capacity for compiling, storing, and swiftly retrieving these records compounds the problem.

One aspect of the privacy question that has attracted high level attention is the maintenance of criminal history records.

Each year an estimated 50 million Americans are arrested for some violation of the law. In 20 to 30 percent of these cases, charges are dropped immediately. In addition, 2 million of the 8.7 million arrested for nontraffic violations are not convicted.

The arrest information is diligently filed with one or several local, State, or Federal computer data banks. However, the record rarely shows the actual disposition of the case.

This sort of inaccuracy can cost a person his reputation, job opportunities or a legitimate credit rating. Even when a file is sealed or destroyed at one data bank, there is no guarantee that the information is not available at another bank. The reason is that data banks pass information from one to another similar to the Biblical woman who spread rumors like feathers in the wind.

The same problems apply to school records and financial histories that also follow a person through life. In many cases, individuals do not even know these records are kept. Even when they do, the subjects of the files have difficulty gaining access to the file and cannot challenge the accuracy of information it contains. Ironically, anyone labeling himself a "potential employer" or "potential landlord" has easy access and can study these records at length.

Such insidious invasions of personal privacy shake the very foundation of our constitutional right "to be informed of the nature and cause of the accusation and to be confronted with the witnesses against" us.

For these reasons, I introduced H.R. 11245 and cosponsored H.R. 9935, two pieces of legislation designed to correct at least some of the abuses of privacy.

The first of these, entitled the Fair Information Practices Act, would: forbid the maintenance of secret personal data systems; provide a means for an individual to find out what information about him is contained in a record and how it is used; allow the subject to prevent information about him collected for one purpose to be used for another without his consent; and give the subject a means for correcting or amending records containing identifiable information about him. Furthermore, any organization creating, maintaining, using or disseminating records of identifiable personal data would have to assure the reliability of the data for its intended use and would have to take precautions against misuses of the data.

The second bill forbids inspection of income tax returns by any Federal agency except under a Presidential order expressly identifying the person who filed the return.

As my colleagues may remember, the Secretary of Agriculture was granted permission last year to authorize any departmental employee to inspect a farmer's tax returns to determine the size of his farming operation. Fortunately, President Nixon recently rescinded that permission.

This bill would reduce the possibility of such wholesale examination of tax returns in the future for purposes other than collecting taxes.

These measures would safeguard citizens against snooping practices that reduce life to a fishbowl existence. Therefore I urge your support for this legislation.

Mr. BURGENER. Mr. Speaker, one of America's great champions of individual freedom and liberty is Senator BARRY GOLDWATER, of Arizona. He is looked upon as a symbol of leadership and good judgment in Washington. Recently, he testified before the Senate Subcommittee on Constitutional Rights on his concern over the right to privacy in America. It is an eloquent statement. This message should be read by all, especially by those of us in the Congress empowered by the people to legislate protections of human liberty.

Mr. Speaker, I am proud to include Senator GOLDWATER's statement with my remarks:

WHO WILL PROGRAM THE PROGRAMMERS?

(Testimony by Senator BARRY GOLDWATER before the Senate Subcommittee on Constitutional Rights, March 6, 1974)

Mr. Chairman, it is a pleasure to join you today in your latest hearings on the subject of Computers and Privacy, a matter which I believe you investigated extensively in 1971. Though the primary focus of your current hearings is upon the use of criminal justice data banks, I know you are interested in the general subject of personal data bank systems and the ominous trend to national population numbering.

Mr. Chairman, I will devote my testimony to this broader subject because I have introduced legislation, S. 2810, which is now pending before this subcommittee, to establish safeguards for the individual regarding the keeping, use and accuracy of automated personal data systems of all types. The credit for having initiated the bill should honestly fall upon the shoulders of my son, Congressman Goldwater, Jr., who first introduced it in the House last September.

Mr. Chairman, we are not speaking about an alarmist's flight of fantasy. The computer era is already upon us. There are currently 150,000 computers in use in the United States, and some 350,000 remote data terminals. Conservative estimates indicate that there will be 250,000 computers and 800,000 terminals by 1975. Over 10% of all business expenditures on new plant and equipment in America is currently spent on the computer and its subsidiary systems.

Revolutionary changes in data storage have taken place or are imminent. Computer storage devices now exist which make it entirely practicable to record thousands of millions of characters of information, and to have the whole of this always available for instant retrieval. For example, the National Academy of Sciences reported in 1972 "that it is technologically possible today, especially with recent advances in mass storage memories, to build a computerized, on-line file containing the compacted equivalent of 20 pages of typed information about the personal history and selected activities of every man, woman, and child in the United States, arranging the system so that any single record could be retrieved in about 30 seconds."

On larger systems today, the basic unit of time measurement is the nanosecond—one billionth of a second. It is hard for us to conceive but one nanosecond is to one second what one second is to 33 years!

Distance is no obstacle. Communications circuits, telephone lines, radio waves, even laser beams, can be used to carry information in bulk at speeds which can match the computer's own. Cross-country, trans-Atlantic, and inter-stellar transmission between computer units is now feasible.

Time sharing is normal. The time sharing systems with which we are familiar today are adequate for up to 200 users who are working at the same time. But we are now hearing of a system whereby it is feasible for there to be several thousands of simultaneous users or terminals.

An international body of experts who surveyed this subject in 1971 concluded that it is likely that, within the next 20 years, most of the recorded information in the world will be on computers and more than half the telephone calls will be communications to and from computers.

What does all this mean to you and me? How are we personally involved or associated with these developments? All we have to do is think of our daily lives.

Details of our health, our education, our employment, our taxes, our telephone calls, our insurance, our banking and financial transactions, pension contributions, our books borrowed, our airline and hotel reservations, our professional societies, our family relationships, all are being handled by computers right now.

As to strictly governmental records, it was calculated in 1967 that there were over 3.1 billion records on individual Americans stored in at least 1,755 different types of Federal agency files. Need I remind anyone that unless these computers, both government and private, are specifically programmed to erase unwanted history, these details from our past can at any time be reassembled to confront us?

Also, I might mention census data, which most of us think as being sacrosanct. Even census statistics, forbidden by law from disclosure in identifiable form, can be quite revealing.

The Census Bureau operates a popular line of business selling statistical summaries broken down into census tracts covering urban neighborhoods as small as a thousand families each. Any person or any organization

can purchase this information which, while not containing specific names, does give a detailed outline of a small sector of the population, with size and type of housing, the way people travel to work, their type of work, their ages and sexes, all in a given neighborhood.

This information could be very valuable to those who would manipulate or influence social conduct. Matching other lists which already exist, relatively simple computing equipment can enable anyone wanting to know to determine the location of all persons in a small category. Thus, we can lose our anonymity without knowing it. Without our awareness, we become vulnerable to the possibility that this information can be put to use by administrative planners or policy makers for purposes of our social manipulation or conditioning.

If this were not enough, I might remind my colleagues that in 1966, the then Bureau of the Budget brought before Congress a comprehensive proposal to create a vast computerized national data center which would serve at least 20 different federal agencies. The people who proposed and evaluated this recommendation for the government, testified at House hearings on the matter that there was no way to avoid keeping records about specific individuals and individual attributes in this data center. Each of the government witnesses admitted that the records that would be included in the central data bank would leave a trail back to particular individuals.

Although this idea was put aside for the moment, after being exposed in the glare of Congressional scrutiny, the time to think about the future is now. We must design the safeguards, and set the standards, of personal privacy now while a national numbering system is still only a mental concept. We must program the programmers while there is still some personal liberty left.

The question we must face was posed by Malcolm Warner and Michael Stone, a behavioral scientist and a computer scientist, who ask in their book, The Data Bank Society:

"If one central source has all the data concerning our life history, and is bent upon regulating our behavior to conform to the prescribed goals of society, how can this be opposed? Only by the society demanding that sufficient thought be taken before the threat becomes a fait accompli.

What these writers recognize is that a welfare-statism society, in order to control its members, needs information. Total control requires total information. On the basis of this information, conclusions can be drawn, plans can be made, for directing us.

Other writers reach the same conclusion. Paul Muller and H. Kulhmann, writing in the International Social Science Journal, conclude that:

"Integrated information-back systems, at least looked at from the aspect of privacy, might bring with them the imminent danger of a one-sided alternation of the relationship between institutions and individuals, with the possibility of the individual's becoming open to scrunity by the institutions, while the institutions themselves remained as complex and 'inscrutible' as before. . . ."

Mr. Chairman, what we must alert to is that the computer society could come about almost by accident, as computers proliferate and integrate.

We did not start to build a nationwide telegraph network in the 1840's, only independent telegraph links. But it was not long before we had an integrated national network.

We did not start to build a nationwide telephone system in the 1890's. Yet, today we have a highly integrated telephone network.

Automated information systems have the same qualities as communications systems. It is cheaper to share information by tying together independent systems than by building a great number of duplicative systems.

Thus, we are building today the bits and pieces of separate automated information systems in the private and government sectors that closely follow the pattern to the present integrated communication structure. The direction of growth is clear. Increasingly, data stored in computer memory banks is being shared by several users. Independent credit systems built to cover small areas find it economical to cross-connect. Airline systems swap information back and forth to get reservation information on individuals.

It is no wonder that in the summer of 1972, the International Commission of Jurists, in publishing a study on the right to privacy in ten Western nations, concluded that: "The latest and potentially the greatest threat to privacy is the recording, storing, and dissemination of personal information by computers.

Mr. Chairman, it is the theme of my testimony that, as we move closer and closer to a fully data-banked society, privacy must be planned beforehand. It is for us to determine today just how much freedom shall remain for the individual in the future.

Mr. Chairman, I would propose to answer this challenge by legislating into law a Federal code of safeguard requirements for automated personal data systems, the first law of its kind in America.

My proposal is generally consistent with the recommendations of the Secretary's Advisory Committee on Automated Personal Data Systems of the Department of HEW. This landmark report, canvassing the total impact on the individual, is a logical starting point from which Congress can begin to mold its own solutions.

The basic proposals of the Secretary's Committee, as I have incorporated them into S. 2810, are these:

1. There must be no personal data system whose very existence is secret.

2. There must be a way for an individual to find out that information about him is in a record and how that information is to be used.

3. There must be a way for an individual to correct information about him, if it is erroneous.

4. There must be a record of every significant access to any personal data in the system, including the identity of all persons and organizations to whom access has been given.

5. There must be a way for an individual to prevent information about him collected for one purpose from being used for other purposes, without his consent.

The only exception which my bill would make from these general rules is where I believe it is necessary to protect a broader national interest in the public safety, particularly in the categories of classified foreign affairs and defense secrets and criminal justice records which are pertinent to legitimate law enforcement purposes. If the exemptions of my bill are not broad enough, I am willing to make needed changes for the public safety. In this time of highly organized criminal forces who are mobile worldwide, I feel strongly that we should not tie the hands of those who would protect us in back of themselves.

Mr. Chairman, another important provision of my bill would stop the growing use of the social security number as a national population identifier. There already have been issued a total of 160,000,000 social security numbers to living Americans.

These numbers are used not only for the social security program, but for State unemployment insurance programs; for Federal and State taxpayer identification; for identification of all Civil Service employees; for registration of all purchasers of United States Savings Bonds and other government securities; to identify FAA pilot records; to identify all recipients of State old age assistance and medicare benefits; to identify the retirement records of all Civil Service retirees; for Veterans Administration hospital admission numbers; to locate the medical histories of many Indians; as the Service number of all military personnel; to identify all customers of banks, of savings and loan associations, of credit unions, and of brokers and dealers in securities; for use in receiving drivers licenses; to identify all applicants and beneficiaries of public assistance programs; to identify aliens working in the United States; and to identify children in the ninth grade and above in many school systems, among other uses not mentioned.

No statute or administrative rule prohibits use of the account number in other record systems. Indeed, an Executive Order by President Roosevelt is still in effect requiring that any Federal agency establishing a new system for personal identification must use the Social Security number.

Mr. Chairman, it is time to halt this drift towards reducing each person to a number. Professor Charles Reich has aptly referred to the idea of giving each person a population number as tying a tin can around him. All the rest of his life, he would have this tin can jangling along behind him. We would all become marked individuals.

A national population number would deprive us of what anonymity we each retain as individuals. Once identifiable to the administrator in government or business, by an exclusive number, we would become vulnerable—to being located wherever we are, to being manipulated to being conditioned, to being coerced.

It is my belief, Mr. Chairman, that in order for the individual to truly exist, some reserve of privacy must be guaranteed to him. Privacy is vital for the flourishing of the individual personality.

By privacy, I mean the great common law tradition that a person has a right not to be defamed whether it be by a machine or a person. I mean the right "to be let alone"—from intrusions by Big Brother in all his guises. I mean the right to be protected against disclosure of information given by an individual in circumstances of confidence, and against disclosure of irrelevant embarrassing facts relating to one's own private life, both elements having been included in the authoritative definition of privacy agreed upon by the International Commission of Jurists at its world conference of May, 1967.

By privacy I also mean what the Supreme Court has referred to as the embodiment of "our respect for the inviolability of the human personality" and as a right which is "so rooted in the traditions and conscience of our people as to be ranked as fundamental."

Mr. Chairman, I call upon Congress to protect the right of privacy by enacting the safeguards I have proposed. In addition, I call upon the Executive Branch to take the following immediate steps.

First, the President should announce privacy requirements under section 111 of the Federal Property and Administrative Services Act of 1949, which allows him to establish "uniform Federal automatic data processing standards" for all computers used by Federal agencies. Second, a Citizen's Guide to Files should be issued by each government agency, specifying the nature of each of its files containing information about individuals; the class and number of persons covered; the uses to which the file is put; and whether individuals have access to any of their records in the file. Third, the President should cancel the Executive Order of 1943 which now spreads the use of the social security number.

What we must remember, Mr. Chairman, is that privacy in a data bank society must

be planned. Privacy, as liberty, is all too easily lost. I urge that you act now while there is still privacy to cherish.

Mr. VEYSEY. Mr. Speaker, one of the fundamental rights granted by the fourth amendment to the Constitution is protection against unlawful search and seizure. In recent years, the courts have wisely extended this to include the individual's right to privacy.

Until the advent of computer technology, the spectrum of problems concerning the invasion of privacy was limited by geography. Now, however, there is a series of national data banks that can spit out the life history of almost any individual who has ever purchased a house or bought an automobile. The ease with which this information can be obtained by almost anyone for a small fee makes it imperative that standards be established to determine who has rightful access to such information and for what reasons it may be disseminated. This is a broad and complex problem today. There is a need to develop statistical data to interpret the socioeconomic trends that continually mold the culture of this Nation, but there is a fine distinction to be drawn between data collected for justifiable purposes and the secondary purposes for which the data is sometimes used.

The agencies that collect data relative to the extension of credit and the sale of life insurance perform a necessary service for the Nation's financial institutions. We must not severely restrict the legitimate services performed by these agencies; yet, we must develop adequate controls whereby information on an individual's personal affairs cannot be bought and sold indiscriminately.

In our efforts to control unwarranted invasions of individual privacy, we must take adequate precautions that we do not unduly handicap law enforcement activities. Data banks such as the one compiled by the National Crime Information Center have been criticized, but they provide an invaluable service to local law enforcement activities. A fugitive on the run can easily disappear, but in a matter of minutes, local police officials can check with the National Crime Information Center and turn a citation for a traffic offense in Florida into the apprehension of a murder or kidaping suspect wanted in California.

The function of organizations that compile criminal statistics should be reviewed by the Congress, and if the need exists, minimum standards can be established as to the type of information that can be recorded, the length of time it can be held, and a convenient method for finding and correcting any errors that may occur.

The agencies that collect and maintain such information systems must be held responsible to see that their personnel comply with the statute. Civil damages awarded by court decision should be limited to compensatory rather than punitive damages, and adequate provisions must be included for criminal action against those who deliberately violate the statutes.

Mr. Speaker, this is a matter of prime importance, and I am pleased to see the interest that has developed in support of this legislation. I urge my colleagues to join with us in finding a reasonable solution to this problem.

Mrs. HOLT. Mr. Speaker, I would like to commend my colleagues for taking the initiative in focusing congressional attention on the important issue of personal privacy.

The rapid growth of Government and advanced communications technology has resulted in serious incursions into the domain of personal privacy. This issue knows neither philosophical nor partisan boundaries. The right to individuality is treasured by many institutions in America. Elected officials and national organizations which span the entire philosophical spectrum are united in their concern over the erosion of personal privacy and committed to safeguarding this democratic right.

Recently, the 185th general assembly of the United Presbyterian Church adopted "Guidelines for the Preservation of Privacy" along with recommendations for the implementation of these guidelines. They are positive steps which deserve serious consideration. I would like to include an excerpt of this document at this point:

GUIDELINES FOR THE PROTECTION OF PRIVACY

We call upon public and private agencies to provide for maximum protection of privacy in their dealings and transactions with each other and with individuals; and through self-regulation to meet at least these minimum guidelines for the collection, retention, and dissemination of personal data:

1. Determine beforehand whether the information to be gathered is necessary and relevant to the purpose for which it is sought, so as to minimize the amount of unduly personal, potentially injurious material that is collected and preserved.

2. Limit information systems to specific uses and justify the objectives, methods, and effects of any collection of personal data.

3. Give the subject prompt notice and ready access to such information. (We recognize that certain government agencies collect information on criminal activities where notice and access are controlled by established rules of law and procedure.)

4. Provide means for rapid correction of erroneous data, and the opportunity to expunge irrelevant or obsolete recorded data, such opportunity to be available to both the custodian and the subject of the data.

5. Provide effective safeguards to prevent accidental or unauthorized interception, input, or destruction of data.

6. Require effective safeguards for waiver of privacy and authorization of access to personal data executed by individuals and given to business, professional, and governmental bodies.

7. Limit the use and transfer of information in such systems, and monitor their expansion into enlarged data-sharing operations.

Mr. FAUNTROY. Mr. Speaker, I am extremely pleased to have the opportunity to join in this special order on privacy. The issue is one which we in this Congress must address with a vigor that will assure all Americans and the entire world that we mean what the words in our fourth amendment so clearly say.

Last year, it was my privilege to speak on this issue. While some of the facts are now a little dated, I am going to enter this statement as my contribution to this order, because I think that some of the issues then raised have been forgotten. Some of the issues seem to have gone away, because political campaigns for the Presidency have gone away—at least for a little while—and we have a new FBI Director and a new Army composed of volunteers.

Perhaps some things have changed. But, I think it is good for us to refresh our memories on the horrors that have gone before in order that we do not allow ourselves to become complacent. If these transgressions have occurred once, they can occur again and again unless we take positive steps to end it.

The responsibility is ours—it is not the responsibility of anyone else. We are the peoples representatives and it is time that we assure them that we have not forgotten them and their right to be free Americans in a year when that question has been raised more vividly and clearly than at any other time in our Nation's history.

The speech follows:

PRIVACY AND POLITICAL SURVEILLANCE

(By WALTER E. FAUNTROY)

Privacy—that precious and most elemental of man's rights—defined by Justice Brandeis in an 1890 law review article as "the right to be let alone" is rapidly become more and more difficult to secure. I do not know how it has happened—perhaps, it has been the long years of war and international crisis that have created it. But we have become an "uptight society." The climate resembles the tempest set loose after the Korean War known as McCarthyism. Some in our society are afraid of "plotters" and "subversives", and find them everywhere, even among those advocating peaceful social change.

In response to the admitted increase in wiretapping, eavesdropping, and other forms of surveillance, people have become increasingly afraid to communicate ideas or express opinions particularly if they be politically unpopular. Debugging of telephone lines, private homes and businesses has become a new industry. Some people accept the weekly visits from the electronics expert as a necessary fact of life. Even the House has had to retain the services of an independent electronics firm to make periodic checks to discover hidden microphones in its facilities. As *Newsweek* observed in an article published last year and so aptly titled, "Is Privacy Dead?" "Somewhere in the roll of expanding population, vast economy, foliating technology and chronic world crisis, individual Americans have begun to surrender both the sense and reality of their own right to privacy . . .".

Justice Brandeis showed great wisdom in his dissenting opinion in the first wiretap case to reach the Supreme Court, *Olmstead* v. *United States*, decided in 1927, when he credited the Framers of the Constitution with having "conferred, as against the government, the right to be left alone—the most comprehensive of rights and the right most valued by civilized man." (277 U.S. 438, 478)

In view of the present revelations of governmental intelligence activities, Brandeis showed unusual foresight when he also wrote in his *Olmstead* dissent:

"Now subtler and more far reaching means of invading privacy have become available to the government. Discovery and invention have made it possible for the government, by means far more effective than stretching upon the rack, to obtain disclosure in the court of what is whispered in the closet." (277 U.S. at 473)

Brandeis urged that to protect the right

of privacy nothing less than prevention of "every unjustifiable intrusion by the government upon the privacy of the individual, whatever the means employed, must be deemed a violation of the Fourth Amendment."

The difficult question for all of us, particularly federal, State and local law enforcement officers to decide is where intrusions upon our privacy are justifiable. On both the public and private levels, our complex economy requires some collection of data on each of us is necessary so that welfare plans can be designed to adequately service our needs and so the schools, hospitals, restaurants, department stores and airlines can extend immediate credit or otherwise serve the needs of the millions of people they must serve but have never seen before.

But, just because some intrusions on that essential part of our individuality are necessary and indeed inevitable does not mean that we should blindly accept all encroachments on our privacy. The nearly miraculous capacity of modern science and technology that have increased the powers of government and private industry to manipulate or interfere in the lives of individuals often stuns us into the belief that nothing can be done to reverse the destruction of our privacy. Surely one of our greater dangers is the perpetuation of this very attitude of hopelessness at a time when we are developing a technology that can manufacture miniature microphones or even adopt novel uses of laser beams to transmit sound and remove walls and distance as barriers to those who would attempt to seize our innermost secrets and search our thoughts.

While the subject of this discussion is invasion of privacy generally, it would seem to me that the issues raised by surveillance by federal officials highlights the dangers to our liberties. For us in the District of Columbia, distinguishing between local and federal activity is very difficult because local and federal are intertwined. I will focus on federal activity today that invades the privacy of citizens largely because we, unfortunately, know so little about activity by local government. It has been shrouded in a veil of secrecy, without the national exposure that has recently been thrown on federal activity. I hope we can learn more soon so that remedial action by concerned local government and the Congress can begin on this front as well. The time cannot be too soon. But I think it's fair to say that the patterns of local and federal interference are similar, and that in many situations local officials supplement and assist federal surveillance.

The area in which government investigation causes the most serious threat to our constitutional rights is in the area of political surveillance conducted in the name of national security. The first revelations of our present domestic spy networks came through disclosures made by former Army Intelligence Officers, and later reinforced by testimony before hearings conducted by the Senate Constitutional Rights Sub-committee, of widespread use of military intelligence agents to spy on politicians or those who express views critical of administration foreign policy. The surveillance has not been limited to persons who could be considered radical. Senator Sam Ervin charged, after hearing testimony from a former Army agent assigned to political surveillance in Illinois, and confirmed by others, that Army surveillance agents have spied on Senator Adlai E. Stevenson, III, former Illinois Governor Otto Kerner and about eight hundred other civilians in Illinois alone. The military intelligence group which was the subject of the revelations—the 113th with jurisdiction over the Middle West, allegedly began their concentration on civilian surveillance as early as June, 1968, and continued at least until June, 1969, the date at which the informant, Agent John M. O'Brien, received his honorable discharge from the Army. The dossiers collected on State and local officials, political contributors, newspaper reporters, lawyers and church figures, including such diverse people as Governor George Wallace, Abner J. Mikva, and Bobby Seale, occupy over 120 feet of space at Region 1 Headquarters in Chicago. I might add that it has been reported that my name is among those contained in such dossiers.

Army, Navy and Air Force intelligence units also mingled on the floors of both the 1968 Democratic and Republican Conventions with unsuspecting delegates, allegedly without the knowledge of convention leaders and party officials to, according to the official explanation, assist the Secret Service in the protection of Presidential candidates. Away from the Convention floors themselves, agents also operated from store fronts and hotel rooms and toured the cities of Chicago and Miami in unmarked vans, intercepting telephone and radio messages and feeding all their gathered information to the Pentagon.

To assure ready availability of these and other similar reports, the Army distributed them over a nationwide teletype service completed in 1967 that gives every major troop command in the United States daily and weekly reports on virtually all political protests occuring anywhere in the United States. The Army CONUS (Continental United States) Intelligence Program provided blanket surveillance of civilian political activity, according to the *Washington Monthly* with reports sent to the F.B.I. and the Justice Department's interdivisional intelligence unit, despite suits brought by the American Civil Liberties Union and Congressional and public protest. The reports are stored by the Justice Department which Senator Ervin has said, without contradiction, stores names and data on at least 13,000 citizens.

Sometimes the data gathered by the military agents approaches the level of absurdity. There is a story that has been widely circulated of an agent who had been following Mrs. Coretta King during one of her speaking tours that would be humorous were it not for the pervasive fear created in our society by these intelligence activities and the damage that these collected reports can do to a person's reputation. The agent had been making regular reports on Mrs. King's activities and telephoned his superior to report that she had referred repeatedly to her late husband's "dream". Back came the other, "Find out what that dream was . . ."!

The disclosure of F.B.I. files stolen from Media, Pennsylvania, gave us all a rude awakening into the reality of where the central focus of this most-effective intelligence gathering agency's activities may lie. I must agree with the statement of Representative Henry Reuss, who upon learning that a file had been kept on his daughter, said:

"The F.B.I. has an important responsibilty to investigate crime. Its mission is not to compile dossiers on millions of Americans, Congressman's daughters or not, who are accused of no wrongdoing. They should stick to their mission." (Washington Post, April 13, 1971, p. A3)

The records stolen from Media indicate that the F.B.I. believed that the function of monitoring of political activities is nearly as important as its main function—detection of crime and apprehension of criminals. An analysis by the so-called "Citizens Commission to Investigate the F.B.I." revealed that forty percent of the stolen documents involved investigations of a political nature. Of the documents on political activity, two involved surveillance of right-wing organizations, ten of immigrants, and over 200 involve leftist or liberal organizations. Of the sixty percent concerned with crime, twenty-five percent of the documents involved bank robberies; twenty percent involved murders, rape and interstate theft; seven percent involved draft resistance; seven percent involved A.W.O.L. cases; and one percent involved crime, mostly gambling (*New York Times*, May 13, 1971, p. 18).

The stolen records gave us a frightening glimpse into an intelligence gathering process which, if allowed to continue, will lead to ever increasing restraint on political expression. The documents suggest that the subjects of investigation include not only the well-known domestic terrorists, a form of self-protection we realize is to some extent necessary, but also obscure persons only marginally suspected of illegal activity. Included in the stolen documents were orders or discussion of orders from J. Edgar Hoover that all student groups "organized to project the demands of black students" be investigated, that an investigation be undertaken of a Boy Scout leader who wanted to take his troop to the Soviet Union for a month or longer be investigated to determine if any attempts had been made by Soviet Intelligence agencies to recruit them, and other subjects giving us a preview of the growing world of "1984" around us now.

Student militancy on college campuses was of particular concern to Mr. Hoover as is indicated by his following memorandum, dated November 4, 1970, which said in part:

"Increased campus disorders involving black students pose a definite threat to the nation's stability and security and indicate needs for increase in both quality and quantity of intelligence information on Black Student Unions and similar groups which are targets for influence and control by violence-prone Black Panther party and other extremists . . .

"We must target informants and sources to develop information regarding these groups on a continuing basis to fulfill our responsibilities and develop such coverage where none exists."

One of the documents is quite interesting in that it reveals that the increasing infiltration of black power and peace groups by F.B.I. informers was designed, directly as well as indirectly, to chill political expression. A newsletter from the Philadelphia Bureau Office instructs agents to increase their interviews with persons from the New Left because—

"It will enhance the paranoia endemic in these circles and will further serve to get the point across there is an F.B.I. agent behind every mailbox.

"In addition . . . some will be overcome with the overwhelming personalities of the contacting agents and volunteer to tell all—perhaps on a continuing basis." (New York Times, March 25, 1971, p. 33).

When we look at who the F.B.I. proposed to use or is using as informants, we get even more of an Orwellian chill. One document encouraged local police departments to actively recruit Boy Scouts as informers. The Boy Scout program known as "Operation Safe" (Scout Awareness for Emergency) was actively carried out, at least in Rochester, New York. Identification cards were given to each of the boys with police, F.B.I. and other emergency telephone numbers written on the back. They were asked to watch out for and report any unusual activity or lack of activity in neighbors' homes, plus many other things, including criminal and "suspicious acts—persons loitering . . . around schools, neighborhoods and parks."

F.B.I. documents indicate the Rochester operation has been successful in recruiting 20,000 "extra eyes and ears for the police department." How can we expect to maintain the slightest degree of personal privacy if thousands of naturally curious Boy Scouts are encouraged to use their eyes and ears for the F.B.I.?

Other documents indicate that care should be taken by persons who might be considered suspicious or dangerous by the F.B.I. to avoid quarrels with their spouses. Last January,

the F.B.I. was told by an informer that it would be a good time to contact the wife of a Black Panther because she was "very angry" at her husband "now and may be receptive." Other relatives have been unwittingly used as informants by F.B.I. agents. The mother of a college co-ed from Drexel Hill, Pennsylvania, was called by an agent who identified himself as "a friend passing through Philadelphia" and was thereby able to gain information on the girl's whereabouts and activities.

Wiretapping and electronic surveillance provide another area threatening individual privacy. While the F.B.I. had been tapping telephones for years before Congress passed Title III of the "Omnibus Crime Control and Safe Streets Act of 1968", that Act gave the first official sanction on both the federal and state levels to an odious practice by which the private conversations of hundreds of innocent parties could be intercepted and recorded without their knowledge to provide incriminating evidence against a comparative few.

The Supreme Court made wiretapping and eavesdropping more difficult when it gave its opinion in *Katz* v. *United States*, which overruled the famous *Olmstead* I. Olmstead had held that wiretapping violated the Fourth Amendment prohibition against unlawful searches and seizures only when there had been an actual physical trespass on the property of the petitioner. *Katz* ended this rather technical property-based concept of search and seizure, and the theory advanced in later decisions that there are constitutionally protected areas beyond which eavesdropping or wiretapping could be conducted without violating the Constitution. *Katz* had been convicted of illegally transmitting wagering information over the telephone in interstate commerce on the basis of recordings of his side of telephone conversations obtained from listening and recording devices attached to the outside of a public telephone booth. The Court of Appeals for the Ninth Circuit affirmed Katz' conviction because "there was no physical entrance into the area occupied by" Katz. Also, the public telephone booth could hardly be considered to be a "private" area. But the Supreme Court reversed the conviction because of its realization that—to quote the language of the Court's opinion:

"[T]he Fourth Amendment protects people, not places. What a person knowingly exposes to the public, even in his home or office, is not a subject of Fourth Amendment protection.

"But what he seeks to preserve as private, even in an area accessible to the public may be constitutionally protected." (389 U.S. at 351–352)

The Court found that the surveillance in that case might have been valid had it been authorized by a search warrant issued by a magistrate informed of the need for such investigation, specifically on the basis on which it was to proceed, and of the precise intrusion upon privacy it would entail. This magistrate, who would be more "neutral" than the law enforcement officer pursuing suspects, under the Court's opinion, should have been given power to oversee the search by requiring officers to report periodically on their progress, or provide other similar safeguards to assure that the authority provided by the warrant was not exceeded.

In Title III, Congress provided federal and state officers, whose states adopted similar statutes, a procedure for obtaining a search warrant for wiretapping or eavesdropping which Congress believed would meet Constitutional requirements set by the Supreme Court.

John Mitchell was not lax in his use of this new authority. In a speech to the Kentucky Bar Association, he revealed that from January, 1969 to March, 1971, 315 Federal court-authorized wiretaps, including 51 extensions, were executed. The wiretap law has apparently provided similar incentives to the states. In 1969, the latest year in which complete figures are available, eight States—New York, New Jersey, Arizona, Colorado, Florida, Georgia, Maryland and Rhode Island—obtained 269 intercept authorizations of which 241 were actually installed. During 1969, law enforcement officers were granted ample time to develop evidence. The average length of time for the initial installation authorization was 26 days with an average of 22 days granted for extensions. However, the actual period of operation of these devices varied from three hours to 220 days. The total period of time in which wiretapping or eavesdropping devices were in operation in 1969 was 9,019 days and 3½ hours.

But the reported taps constitute only the tip of the surveillance iceberg. Title III contains several exceptions to the prerequisite that the petitioner obtain court approval prior to beginning a tap, the most dangerous one being the national security exception. Under the law, the President may authorize the Attorney General to engage in wiretapping or eavesdropping without court authorization or supervision whenever he considers it necessary to preserve the national security. The Justice Department has interpreted this law as permitting them to use electronic surveillance devices against so-called "domestic subversives" as well as foreign subversives.

The "domestic subversive" may be nothing more than a person dissenting from Administration foreign or domestic policies. When we look at the names of some of the people who have been the object of F.B.I. taps in recent years—the late Dr. Martin Luther King, Muhammed Ali, Bobby Baker, Sister Elizabeth McAlister, and some of the leading Las Vegas gamblers—we must conclude that the net spread to catch "internal subversives" may be very broad indeed. When we realize that the standard employed by the Justice Department to describe the occasions on which domestic national security wiretaps and bugs may be authorized—where there are "attempts of domestic organizations to use unlawful means to attack and subvert the existing structure of government"—we cannot help but be struck by the wide discretion and broad power this would authorize. Particularly in times of deep political division, of change, of high emotion and exaggerated rhetoric, this standard would deliver the privacy of many of us to the discretion of the Attorney General of the day who may or may not exercise it wisely.

Time does not permit discussion of all the methods by which "Big Brother" is building its dossiers on increasingly large numbers of us such as taking photographs of demonstrators or of college students assembled to hear controversial speakers such as Dr. Spock. The issues created by these governmental activities, however, are the same and are magnified when we consider their increased ability to store and recover almost instantaneously such fragment of personal data as may be stored on any of us. For example, J. Edgar Hoover once informed the Senate Constitutional Rights Subcommittee that the National Crime Information Center has almost 2.5 million active records in its computerized files which are linked to 104 law enforcement and control terminals in fifty states and Canada. The arrest records of the hundreds of innocent bystanders picked up in the Mayday dragnet in the District of Columbia and subsequently released without trial are probably among the data now in those terminals.

Hoover assured the Committee in his statement that the system "has been so designed as to pose no threat to individual privacy." Since no specific detail was provided as to how individual privacy is to be protected by this system that was designed to provide "a more efficient and rapid means of handling and exchanging information," we apparently are expected to trust the F.B.I. Director to use his files wisely and well.

The Army and F.B.I. files are not the only dossiers maintained on political activists. Senator Ervin has revealed that the U.S. Passport Office keeps a secret "lookout file" of 243,135 persons who Director of the Passport Office, Frances Knight says are "of questionable citizenship." The Secret Service maintains files on "about 50,000 persons" who might attempt to harm or embarrass the President or other high government officials. The Internal Revenue Service tapes store details from tax returns of 75 million citizens which are available at cost to the states and the District of Columbia. Many other agencies maintain similar information, also.

William Rehnquist has told the Senate Constitutional Rights Committee that the Nixon Administration will oppose any legislation that would hamper its domestic intelligence-gathering activities. He said that the Administration "will vigorously oppose any legislation which, whether by opening the door to unnecessary and unmanageable judicial supervision . . . or otherwise, would effectively impair this extraordinarily important function of the federal government." He also argued that the gathering of intelligence information does not violate anyone's constitutional rights.

I am not advocating elimination of all criminal records or an end to surveillance of persons who in fact create a real threat to government. But why should the man who searches our thoughts and words be subject to any lesser control than the man who searches a room under authority of a court-issued search warrant? The intelligence gathering process has grown because our ability to more easily gather, store, and use volumes and types of evidence previously unattainable, and by the fact that many agencies are unable to distinguish between dissent and subversion. The attempts to choke off political discussion and dissent has created deep-rooted suspicions between generations, races and political groups, which have greater potential for destroying our country than the conspirators and subversives the Administration tirelessly pursues. As Alan Barth recently wrote in expressing the apprehension created by disclosure of the stolen F.B.I. files and the extent of surveillance of domestic activity:

"The fear itself is a disease more dangerous than 'subversion.' It paralyzes the interplay of political forces and ideas that makes the American system work."

We do not yet know enough to offer final solutions to this dilemma. Obviously greater judicial supervision and control of intelligence gathering, both on the federal and local level, should be a first step toward solution. We have always valued the imposition of the neutral magistrate between the law enforcement officer who has a personal stake in successfully solving a crime and the person he pursues, and this concept belongs in this most comprehensive form of search as well. Obviously, a wide ranging Congressional investigation is in order to plumb the depths of the intelligence network in our country. Court cases and stolen files have only given us a glimpse of the iceberg that threatens to limit any effective political dialogue in this Country, hinders First Amendment freedom of association, and, if not controlled may eventually sink this Ship of State.

Mr. PEPPER. Mr. Speaker, I am pleased to join in this special order to express my long standing concern over the invasions of privacy that have increasingly encroached upon the freedom of the individual. I especially want to point up an aspect of this problem which

may not be covered by another of my colleagues.

Our mammoth record-keeping and modern communications make even a charge of wrongdoing a threat to the individual throughout his life. While we must press our fight against criminal activity, as I have done as chairman of the House Crime Committee, we must always be conscious that our goal is not to stigmatize but to rehabilitate and restore to full citizenship those who may have been involved in some crime or wrongdoing. This is especially true of our young people, who account for an exceptionally large amount of certain types of crime and who must be salvaged and diverted from such behavior if we are to avoid creating a permanent class of criminals, a large class of individuals who cannot resume normal patterns of life and livelihood and who are doomed to perpetrate crime after crime upon their law-abiding neighbors.

I would like, therefore, to call to the attention of this body an excellent article written by Judge Charles E. Cashman, an outstanding Minnesota juvenile judge, on the problem of confidentiality in juvenile proceedings. The following is a condensed version of his article in the August 1973 issue of Juvenile Justice:

CONFIDENTIALITY OF JUVENILE COURT PROCEEDINGS: A REVIEW

(By Charles E. Cashman)

Fundamental to the philosophy of the juvenile law is the characterization of the nature of juvenile court proceedings as noncriminal. The laws of the various states establishing juvenile courts seek to assure the noncriminal aspect of juvenile proceedings by providing for the confidentiality of the juvenile court record. Minnesota defines the juvenile court record as including any and all police records pertaining to juveniles and thereby extends confidentiality to the entire record.

Most, if not all, adherents of the juvenile court philosophy probably agree that the provisions of the Minnesota code found in one form or another in other jurisdictions, constitute the cornerstone of the juvenile court itself. In fact, it seems fair to state that these provisions not only justify, but are indeed essential to the very existence of this unique court.

Notwithstanding the mandate of the United States Supreme Court in the case of *In re Gault*, 18 L.Ed.2d 527, juveniles do not yet have all the rights which are historically attendant to criminal proceedings involving adults. For example, at least at the time of this writing, there is no right to trial by jury, nor is there a right to bail. It is suggested that the promise of noncriminality and confidentiality is in the nature of a contract by the state with the juvenile wherein certain rights ordinarily accorded to a citizen in our judicial system are relinquished by a juvenile in return for the assurance of confidentiality and the protection from a stigmatic record.

The noncriminal nature of juvenile court proceedings has been given lip service by both state and federal courts throughout the United States. There is every indication, however, that in actual practice confidentiality of juvenile court proceedings is not adhered to much of the time. Justice Musmanno of the Pennsylvania Supreme Court, dissenting in the case of *In re Holmes supra*, vividly describes the situation:

"The Majority is of the impression that the adjudication of delinquency of a minor is not a very serious matter because "No suggestion or taint of criminality attaches to any finding of delinquency by a juvenile court." This statement stamps the judicial imprimatur on the declaration of Section 19 of The Juvenile Court Law that: "No order made by any juvenile court shall operate to impose any of the civil disabilities ordinarily imposed by the criminal laws of the Commonwealth, nor shall any child be deemed to be a criminal by reason of any such order or be deemed to have been convicted of crime." These words are put together so as to form beautiful language but unfortunately the charitable thought expressed therein does not square with the realities of life. To say that a graduate of a reform school is not to be "deemed a criminal" is very praiseworthy but this placid bromide commands no authority in the fiercely competitive fields of every-day modern life.

"A most disturbing fallacy abides in the notion that a juvenile court record does its owner no harm. The grim truth is that a juvenile court record is a lengthening chain that its riveted possessor will drag after him through childhood, youthhood, adulthood and middle age. Even when the ill-starred child becomes an old man the record will be there to haunt, plague and torment him. It will be an ominous shadow following his tottering steps, it will stand by his bed at night and it will hover over him when he dozes fitfully in the dusk of his remaining day.

"It is equally a delusion to say that a juvenile court record does not handicap because it cannot be used against the minor in any court. In point of fact it will be a witness against him in the court of business and commerce; it will be a bar sinister to him in the court of society where the penalties inflicted for deviation from conventional codes can be as ruinous as those imposed in any criminal court; it will be a sword of Damocles hanging over his head in public life; it will be a weapon to hold him at bay as he seeks respectable and honorable employment. It is easy to say that the record will not be used in court but it already has been introduced in this case against Joseph Holmes in the imperishable dockets of several courts, it has been printed in the briefs which the world can read, and it will be published in the decisions of the Superior and Supreme Courts.

"It would not be kind to name the many figures in the world of sports, politics, entertainment and letters who have been embarrassed, harassed and encumbered because of a juvenile court record. And when I see how the intended guardian angel of the juvenile court sometimes nods at the time that the most important question of all—innocence or guilt—is being considered, I wonder whether some of these public figures may not have been unjustly tainted in their childhood."

There were many who felt that Justice Musmanno, with his flair for the dramatic, was prone to overstatement. He, and those who supported his position, were dismissed summarily as mere cynics. Unfortunately, or fortunately, depending upon one's point of view, Justice Musmanno's words proved to be prophetic as the language of the United States Supreme Court in the case of *In re Gault, supra* illustrates. In the *Gault* case, Justice Fortas in the majority opinion stated:

"Beyond this, it is frequently said that juveniles are protected by the process from disclosure of their deviational behavior. As the Supreme Court of Arizona phrased it in the present case, the summary procedures of juvenile courts are sometimes defended by a statement that it is the law's policy "to hide youthful errors from the full gaze of the public and bury them in the graveyard of the forgotten past." This claim of secrecy, however, is more rhetoric than reality. Disclosure of court records is discretionary with the judge in most jurisdictions. Statutory restrictions almost invariably apply only to the Court records, and even as to those the evidence is that many courts routinely furnish information to the FBI and the military, and on request to government agencies and even to private employers. Of more importance are police records. In most states the police keep a complete file of juvenile "police contacts" and have complete discretion as to disclosure of juvenile records. Police departments receive requests for information from the FBI and other law enforcement agencies, the Armed Forces, and social service agencies, and most of them generally comply. Private employers word their application form to produce information concerning juvenile arrests and court proceedings, and in some jurisdictions information concerning juvenile police contacts is furnished private employers as well as government agencies."

A further example of the disenchantment with this aspect of the juvenile court proceeding is contained in "Task Force Report: Juvenile Delinquency and Youth Crime" published by the President's Commission on Law Enforcement and Administration of Justice. In a chapter of the Task Force Report entitled "The Juvenile Court—Quest and Realities," the following statement is made on page 91:

". . . dour sociological critics urge that it (juvenile court) contributes to juvenile crime or inaugurates delinquent careers by imposition of the stigma of wardship . . .", and, again, on pages 92 and 93, the following is stated:

"Social scientists familiar with the juvenile court and its problems in the main agree that one of the great unwanted consequences of wardship, placement, or commitment to a correction institution is the imposition of stigma. Such stigma, represented in modern society by a 'record,' get translated into effective handicaps by heightened police surveillance, neighborhood isolation, lowered receptivity and tolerance by school officials, and rejections of youth by prospective employers. Large numbers of youth appearing in juvenile court have lower class status or that of disadvantaged minorities, whose limited commitments to education already puts them in difficulties in a society where education increasingly provides access to economic opportunity. Given this, the net effect of juvenile court wardship too often is to add to their handicaps or to multiply problems confronting them and their families.

"Lest these seem to animadversion or imprecise charges, consider the hard facts that social welfare agencies can be identified which as a matter of policy, without delving into the facts of the case, arbitrarily refuse to accept as clients youth who have been wards of the juvenile court. The reality of stigma due to wardship is also borne home by the firmed policy of the Armed Forces, which may make it the grounds for rejection, or most certainly the bar to officer candidacy. The paradoxical expression of stigma often colors the statements of probation and correctional officers, even judges, who at certain stages of a youth's progress through juvenile court and beyond, openly label him as a type destined for failure.

"Proposals, laws, and administrative action to preserve the anonymity of juvenile court proceedings through closed hearings, sealing case records, and expunging records are probably worthy moves, but it is vain to expect them to eliminate the stigma of wardship and contacts with the juvenile court. In smaller communities, as one judge observed, 'Everyone knows about juvenile court cases anyway.' In larger communities strongly organized police departments can be expected to resist rigorous controls over delinquency records detrimental to their efficiency, and will search for ways to circum-

vent them. Employers denied information from juvenile courts often get the desired facts from the police.

"Expunging records is not the simple operation it may seem. In California it requires initiative from the party concerned and usually the assistance of an attorney; the procedure necessitates a hearing, and it may be complicated or impossible if a person has been a juvenile ward in more than one county. Private and public organizations can and do protect themselves by including questions about a juvenile record on application forms for employment or for occupational licenses, indicating that perjured replies will be grounds for rejection. The applicant has the unpleasant 'damned if you do, damned if you don't' choice of lying or revealing damaging facts about himself. Finally, it is doubtful whether total anonymity of juvenile court hearings and records is in the public interest.

"While the successful management of stigma by individuals is not impossible, the necessary insights and social skills are not given to many people, least of all immature youth or those struggling with other status handicaps. A number of social psychologists, including the author, believe that social rejections provoked by such stigma may reinforce a self-image held by the individual that he is no good or that he can't make it on the outside. They may feed a brooding sense of injustice which finds expression in further delinquency, or they may support, strengthen, and perpetuate ideological aspects of delinquent subcultures. In this sense the juvenile court may become a connecting or intervening link of a vicious circle in which delinquency causes delinquency."

The application of confidentiality even varies from county to county within a state despite the fact that the same law applies to each county in any given state. This failure to comply with the provision for confidentiality and noncriminality has had devastating and grossy unfair, as well as unjust, consequences to the future of young people who have had occasion to appear in a juvenile court. As the U.S. Supreme Court stated, "The evidence is that the juvenile courts, as well as the police, routinely furnish information to the FBI, the military, various governmental agencies and even to private employers." For example, applications for enlistment in the military insist upon full disclosure of all juvenile court appearances and dispositions under the threat of court martial and dishonorable discharge from the service for fraudulent enlistment. It is not unusual for employment applications and applications for a fidelity bond to similarly require disclosure of a juvenile court record.

It is submitted that the practices of the juvenile courts, and of law enforcement authorities in general, with respect to the matter of confidentiality and noncriminality, represent a failure to live up to the promise of the juvenile court philosophy and in fact constitute an outright violation, not only of the spirit, but of the letter of the law itself. What is perhaps even more serious, these practices constitute a betrayal of the trust in the juvenile court process by those juveniles who, upon being petitioned into court, candidly and forthrightly tell all as well as by their parents who encourage them to do so. More than anything else, these practices have caused the proceedings in the juvenile court to be equated with a criminal proceeding—more than anything else, the practices demand the application of basic due process to juvenile proceedings in the same way as they are to a criminal proceeding and, more than anything else, have precipitated, indeed necessitated, the mandate directed to the juvenile court by the U.S. Supreme Court in the case of *In re Gault, supra.*

Students of the juvenile court system appear to be of two minds: (1) those who feel that rigid adherence to complete confidentiality as a basic concept of the juvenile court system, is both desirable and idealistically correct but that in actual practice it cannot be accomplished and, even if it could be accomplished, to do so would precipitate a torrent of reaction, both private and official, resulting in legislation which would eliminate what confidentiality now exists and possibly bring down the entire juvenile court system as well; and (2) those who feel that complete and rigid adherence to confidentiality is not desirable, does not make sense and is, in fact, not ideally or otherwise, a concept of the juvenile court system and, more importantly, that its application would release upon society unstable and dangerous persons or at least protect such persons from detection by an otherwise unsuspecting public.

To those who argue that confidentiality is desirable but not practical, it may be said that it is not up to the juvenile court to decide whether it is practical or not. It is simply a matter of the court and the law enforcement authorities complying with the letter of the law where there are provisions similar to those existing in Minnesota. In those states not having laws specifically prescribing confidentiality, it is a matter of the court adhering to a fundamental concept of the juvenile court system. It should be fairly clear that, in the name of the best interest of the juvenile and his rehabilitation, the juvenile court system constitutes some abridgment of constitutional and other rights and protections usually thought to be available to every citizen of this country. This abridgment contemplates, if not requires, some consideration in the way of a commitment not otherwise available to a person in court—it is suggested that confidentiality is such a commitment. If this commitment cannot be kept by the juvenile court itself, then, indeed, the court and the entire specialized system of juvenile justice ought to be abolished. So it is that the court should not decline to honor the commitment of the juvenile court system simply because of an anticipated reaction of the public acting in the person of its legislature. If the legislature wants the law changed, let it change the law but not the court fail to carry out the law for fear of what the legislature may or may not do.

With respect to those judges that feel confidentiality is not desirable and that to adhere to it would turn loose on the unsuspecting public the unstable, the dangerous, the psychotic and the psychopathic, an answer seems to be quite apparent. Most, if not all, juvenile courts have available some process whereby a juvenile offender may be referred to the prosecuting authority for handling as though the juvenile were an adult. In Minnesota this process is described as a reference for prosecution. The discretion to refer for prosecution is vested in the juvenile court. In some states, however, the discretion rests with the county attorney in choosing the forum for prosecution or litigation of the problem. In any event, this discretion is premised on the amenability of the juvenile involved to juvenile court processes or the public safety not being served under the provisions of laws relating to juvenile courts. Therefore, when the court proceeds with a matter, there is an implied finding that the person before the court is, in fact, a child markedly lacking in judgment, maturity and experience and, presumably is not, and should not be, accountable to the same degree as an adult.

If the court feels that it is dealing with a person who is so unstable or so dangerous that public safety would be jeopardized, presently or in the future, by a confidential record, then, most assuredly, such a court may refer the matter for prosecution as an adult. Two things would thereby be accomplished, (1) the hearing and the record would be made public and, (2) the young person charged would have the full protection of all constitutional, statutory and case law guarantees available in the state's criminal law process. All of the rights of the individual historically sacred in this country as expounded in *Miranda, Escobedo, Gideon, Mapp* and other landmark cases in the U.S. Supreme Court and the various state supreme courts, would then be available to juveniles just as they are now to any other U.S. citizen.

In other words, the juvenile court's discretion to waive or retain jurisdiction seems to place a responsibility on the juvenile court to make some determination as to the kind of person it is dealing with in any given case. Wherein it determines that one is a juvenile then that person should be accorded the protection a child should have. On the other hand, if the court determines that a person, though a juvenile by age, is accountable as an adult, then that person should be accorded all the rights of an adult, not just part of them. To hold otherwise is to unjustly expose thousands upon thousands of essentially normal and innocent young people to the damaging consequences of a juvenile court record. It is said that the juvenile court system is rehabilitative in nature. It cannot be rehabilitative if the mere appearance in a juvenile court creates a record which will afflict a person for life and may thwart worthwhile careers and ambitions. It is a delusion to argue otherwise. If juvenile court proceedings cannot be kept confidential then it should be recommended that the entire juvenile court system be abolished and that the state should seek enforcement of its criminal laws in the regular processes of criminal court proceedings wherein the accused has the full protection and benefit of constitutional, statutory case law.

Mr. HARRINGTON. Mr. Speaker, I welcome the opportunity to participate in this special order on privacy, organized by my colleagues, Congressmen KOCH, GOLDWATER, HORTON, MOORHEAD, KEMP, and EDWARDS of California. It is heartening that so many Members of the House should join together to address such an important issue.

There has even been some encouragement from the White House in the area of privacy. President Nixon has at least recognized that Government encroachment into the rights and freedoms of individuals is a serious and growing problem, although his solution—yet another advisory commission—leaves something to be desired. Still, I hope that today's bipartisan display of support for protection of privacy is indicative of improving prospects for enactment of legislation strengthening the individual rights of citizens.

Basic rights and freedom are being violated daily by the computerized data banks now assembled on millions of American citizens. Criminal arrest records are virtually unregulated today. In thousands of cases, citizens are harmed by information on these arrest files which is inaccurate or incomplete. Most serious is the failure to require an indication on arrest records of the disposition of a criminal charge.

Mr. Speaker, almost a year ago, a particularly perceptive article on the subject of criminal arrest records appeared in the Sunday New York Times. I commend this article, "Have You Ever Been Arrested," by Aryeh Neier, to the attention of my fellow colleagues:

HAVE YOU EVER BEEN ARRESTED

(By Aryeh Neier)

On Jan. 18, 1970, Paul Cowan was arrested in Brooklyn for possession of marijuana. Two months later the charge was dismissed. In September, 1970, Cowan moved to Boston. He applied for a license to drive a cab. On Feb. 15, 1971, a hack license was issued, but a week later, on February 22, he was ordered to report to the Boston Police Department's Bureau of General Services and informed that his license was being revoked. The reason: a routine check with the Federal Bureau of Investigation had disclosed that an "open" charge of possession of narcotics was pending against Cowan in New York. He protested that the charge had been dismissed. No good. On March 12, 1971, Paul Cowan received formal notice that his license had been revoked because he was "not a suitable person to be so licensed." Cowan's story is unusual in only one respect. He found out why he lost his job. Most people who are denied jobs because of arrest records are never told the reasons.

In 1967, the President's Commission on Law Enforcement issued a series of comprehensive reports on crime in America that are still considered the definitive findings on the subject. The commission found that 58 per cent of white urban males, like Paul Cowan, will be arrested at some time during their lives. (The figure for nonwhite urban males is 90 percent, for U.S. males in all categories 50 per cent; for all females it is 12 per cent.) Like Paul Cowan, many of those arrested are not convicted. In fact, of about 8.6 million persons arrested in 1971 for all criminal acts other than traffic offenses, nearly 4 million were not convicted. They are presumed innocent. In practice, they often suffer consequences as grave as if they had been guilty.

The F.B.I. is the major source of arrest-record information. As a matter of routine, almost all police departments in the country forward to the bureau for filing the fingerprints of persons they have arrested. (All persons fingerprinted upon induction into the armed services are also on record in the F.B.I. fingerprint files.) Testifying in the case of *Menard* v. *Mitchell* in 1970, a bureau official reported that, on the average working day, the bureau received 29,000 sets of fingerprints. Only 13,000 came from law-enforcement agencies. The remaining 16,000 sets were sent in by banks, insurance companies, government employers (municipal, county, state, and Federal), licensing agencies and the like. In return, these agencies received from the F.B.I. whatever information it had in its files on the 29,000 persons involved. That's how Paul Cowan's Brooklyn arrest record got to the people who give out hack licenses in Boston.

While the bureau has been very efficient about gathering and disseminating arrest records, it has been fairly careless about including data on the disposition of the cases. In the Menard case, the special agent in charge of the F.B.I.'s Identification Division, Beverly Ponder, got a little testy when questioned about this by a volunteer lawyer for the National Capital Area Civil Liberties Union, Raymond Twohig:

TWOHIG. Does the F.B.I. make any effort to obtain final dispositions where requests are received for arrest records? Before disseminating those arrest records?

PONDER. We urge the contributors [to the F.B.I. fingerprint files] to submit to us final dispositions, but we don't go out and try to pick them up.

Under further questioning, Ponder testified that there is no statistic available within the F.B.I. on the final dispositions that have been recorded in the bureau's files and that he knew of no way to make an intelligent estimate of them. That helps to explain how it happened that the Boston hack-licensing people weren't told that the charges against Paul Cowan had been dismissed.

Some employers are not interested in arrests, only convictions. One such, it was thought, is the Federal Civil Service Commission. Mr. Ponder was asked about that by Twohig:

TWOHIG. Is the F.B.I. aware that recently Federal job-application forms were changed, and the question which asked if the applicant was arrested now asks if he has been convicted?

PONDER. Yes, I am aware of that.

TWOHIG. Do Federal agencies, in particular civil-service commissions, receive at present all information about arrests—or only arrests with convictions—when they apply to the F.B.I.?

PONDER. They receive all the material that appears on the identification records.

TWOHIG. And that includes conviction and non-conviction arrests?

PONDER. That is correct.

The circumstances of this case were that Dale Menard, a former Marine, had been arrested by the Los Angeles police for "suspicion of burglary." He was never convicted or even prosecuted. In fact, it is not clear that a crime was committed by anyone. Menard had the misfortune to be sitting on a park bench in a neighborhood where the police had received a telephone complaint about a prowler. With the help of the National Capital A.C.L.U., Menard sued to remove his arrest record from the files of the F.B.I. and to stop the F.B.I. from reporting his record to potential employers. Menard's suit has been in court for more than five years. It has been heard twice by Federal District Courts and twice by the United States Court of Appeals in the District of Columbia, where it is now awaiting decision.

Back in June, 1971, the Menard case was the subject of a controversial decision by Federal District Judge Gerhard Gesell. He ordered the F.B.I. to stop distributing arrest records to anyone but law-enforcement agencies and then only for law-enforcement purposes. Gesell found "that Congress never intended to or did in fact authorize dissemination of arrest records to any state or local agency for purposes of employment or licensing checks." He concluded that the arrest-record distribution system "is out of effective control."

Congress acted quickly to overturn the order. A bill introduced by Senators Alan Bible and Howard Cannon of Nevada was passed which made F.B.I. arrest data available to "any non-law-enforcement official or agency" authorized to get the information by state or local law. The two Senators said they were particularly concerned that the information be available to Nevada's gaming industry so that people with arrest records would be kept out.

The case for the bureau's role of maintaining and disseminating arrest records was recently set forth by L. Patrick Gray 3d, acting director of the F.B.I., in a written response to a question from Maryland's Senator Charles Mathias Jr., of the Senate Judiciary Committee, which was considering Gray's nomination as permanent director of the F.B.I. Gray wrote:

"The arrest-record files of the F.B.I. Identification Division as well as those of many state and local identification bureaus are replete with lengthy arrest records of longtime hoodlums and members of organized crime whose arrests never resulted in conviction. Many sex offenders of children are not prosecuted because parents of the victim do not want to subject the child to the traumatic experience of testifying. Others are not tried because key evidence has been suppressed or witnesses are, or have been, made unavailable. The latter situation is not uncommon in organized-crime cases. To prohibit dissemination of such arrest records would be a disservice to the public upon whom they [persons with records] might prey again."

Gray went on to speculate about "the potential school teacher with two prior rape arrests and no convictions" and "a police applicant with a prior Peeping Tom arrest and no conviction." Given these possibilities, "the rationale for disseminating arrest records not supported by convictions is substantial," said Gray.

Protesting this viewpoint, Ralph Temple, the lawyer who recently argued Dale Menard's current appeal, has commented: "That turns the Constitution upside down—it presumes guilt." Temple, who is legal director of the National Capital A.C.L.U., is trying to persuade the U.S. Court of Appeals in the District of Columbia that punishment by record dissemination, without trial and conviction, violates the Constitutional guarantee of due process of law.

Opposition to the dissemination of arrest records is mounting elsewhere. Representative Don Edwards of California and Senators Quentin Burdick of North Dakota and Sam Ervin Jr. of North Carolina are leading a fight to pass legislation prohibiting the F.B.I. from disseminating arrest records that do not result in convictions. Two United States Courts of Appeals have also recently found that questions about arrest records are racially discriminatory. Citing these court decisions, the New York City Commission on Human Rights issued "guidelines" on Jan. 4, 1973, stating that "it will be considered an unlawful discriminatory practice for employers or employment agencies to ask of any applicant or employee any questions relating to arrest records" or to solicit the information from another source. Illinois has passed a law making it an unfair labor practice to deny a job because of an arrest record.

The guidelines of the City Commission on Human Rights were an outgrowth of several days of hearings last year on employment difficulties faced by people with arrest records and people with conviction records. Those hearings were, in part, a result of the commission's earlier hearings on the employment practices of the Board of Examiners of the New York City Board of Education, which licenses teachers for the New York City public schools. The hearings had produced testimony about such things as the denial of teacher licenses to people arrested in civil-rights demonstrations in Mississippi. Another Board of Examiners case involved a young man, David Mills (not his real name), who had been convicted of a misdemeanor in New York City Criminal Court in December, 1969. In February, 1970, Mills applied for a license as a substitute teacher in the public schools. In May, 1970, he was summoned before the Board of Examiners to explain the circumstances of his conviction. At the time, Mills' conviction was on appeal, and he was assured by two examining officers that if it was reversed, he would have no difficulty getting a license.

In October, 1970, the Appellate Court unanimously reversed Mills' conviction "on the law and the facts." Mills immediately took a copy of the decision to the Board of Examiners. He then started to get a runaround. Even though he had taken the license examination the previous February, he was told for the first time that he now needed a "nomination" from a specific high school that wished to employ him. Next, he was told that his application had to be approved by the Board of Education's Department of Personnel. In late November, the Department of Personnel approved the license but the Board of Examiners still refused to issue it, claiming more time was needed to investigate Mills' "criminal" record. Finally, with delay piled upon delay, Mills filed suit against the Board of Examiners to compel it to issue the license. In the face of the lawsuit, the Board of

Examiners finally granted Mills his license in March, 1971.

The first court case to be decided on the basis that inquiries about arrest records are racially discriminatory was *Gregory* v. *Litton Systems*, a case brought by the American Civil Liberties Union of Southern California. At first glance, Earl Gregory, a Los Angeles black, seems an unlikely candidate for a test case. He had a record of no fewer than 14 arrests. Gregory had sought a job as a sheet-metal mechanic. Although he was otherwise qualified, he was turned down because "Litton's standard policy," it was stipulated in court, "is not to hire applicants who have been arrested on a number of occasions beyond minor traffic offenses."

Gregory's trial indicated that his arrest was not unusual. Dr. Ronald Christensen, one of the authors of the Report of the President's Law Enforcement Commission, who appeared as a witness, testified, that a person who has been arrested once tends to accumulate additional arrests during his lifetime, the average for a white man being 7; for a black man the lifetime average is 12.5. Christensen and another prominent analyst of crime statistics, Dr. Marvin Wolfgang, also testified that on one large category of arrests—on "suspicion" or for "investigation"—blacks were arrested about four times as often as whites. As an indication of how much importance could be attached to these arrests, Dr. Wolfgang cited a study of "investigation" arrests in 1964 in Baltimore, which revealed that 98 per cent of the persons arrested were released without further proceedings. The court also heard extensive testimony about studies which showed that persons who had been arrested on a number of occasions performed as efficiently and honestly on the job as persons who had never been arrested.

Litton Systems argued that the "business justification for considering a person's arrest record in determining whether or not to hire him is the same as considering a record of conviction. . . . It is not a fact, and it cannot be assumed, that all arrests which did not result in conviction are unfounded." The testimony by Christensen and Wolfgang proved to Litton "that people with arrest records are arrest-prone, and that the proneness increases with the number of prior arrests. There is business justification in declining to hire people with arrest records because the employer has a legitimate reason in not wanting to hire people who are more likely to be absent when they are arrested. . . ." While Litton cited no other "business justifications," the firm expressed a certain pique that it was being singled out for attack. An inquiry about arrest records, Litton told the court, "is one of the most common employment practices known to man. Almost anyone who has ever applied for a job has answered this type of question . . . the employer who does not obtain and utilize arrest information in determining whether or not to hire is the exception, not the rule."

Litton's arguments about the frequency with which employers rely on arrest records are supported by a February, 1972, report issued by the Georgetown University Law Center. The report was prepared under a grant from the U.S. Department of Labor. It found that "the existence of arrest records is all-pervasive in our society and that millions of individuals may be hampered in the efforts at finding jobs and pursuing careers because of such records." Most state and county governments inquire about such records on job-application forms, according to the Georgetown report. Sometimes arrest records are absolute barriers to public employment, the report says, but more commonly they restrict applicants to low-skill jobs.

In its first decision in the Dale Menard case, the U.S. Court of Appeals in the District of Columbia cited a study showing that 75 per cent of the employment agencies in the New York area will not accept for referral applicants with arrest records. Another survey cited by the court showed that, of 75 employers, 66 would not consider hiring a man who had been arrested for assault although he had been acquitted.

The fact that Litton's policies were no worse than those of other employers did not deter a Federal court from awarding Earl Gregory $4,400 in damages because of the inquiry about his arrest record. In February, 1973, that judgment was upheld by the U.S. Court of Appeals in California.

The most sweeping action against arrest records was a recent decision by the Supreme Court of Colorado. The court ruled that arrest records of persons not convicted must be expunged unless the police can demonstrate the need to retain a particular record.

Dorothy Davidson, executive director of the Colorado A.C.L.U., was the plaintiff in the suit. She had been arrested in 1968 while trying to act as an observer at a police-hippie confrontation in Denver. (These arrests are an occupational hazard for local A.C.L.U. directors. In 1968, there were similar arrests in four other states. I was the director of the New York C.L.U. at the time and was arrested observing an antiwar demonstration in Manhattan's Washington Square Park. None of us were convicted.) The court found expungement of arrest records necessary because "the record here is devoid of any facts showing . . . the ability of the [Denver police] department to keep them confidential."

Only expungement can keep arrest records confidential, as has been demonstrated in New York. In 1964, the New York State Identification and Intelligence System was established. It was not supposed to be available for private-employment checks. However, in 1969, the State Legislature passed a law requiring the fingerprinting of all employes in the securities industry, one of the state's largest. Prints are now checked against the six million on file with N.Y.S.I.I.S. and the information is given to the State Attorney General, who makes it available to the employers. In his first report on the program, Attorney General Louis Lefkowitz announced with great pride that several hundred employes had been found to have "criminal records" and that many were fired. About half of those fired had no record of convictions, only arrests. A Federal District Court dismissed the New York Civil Liberties Union challenge to the fingerprinting and the decision was upheld on appeal.

Fingerprinting of employes had been sought by the securities industry as a means of trying to stop thefts. Fear of crime is always the reason for compiling and disseminating arrest records. The records presumably tell us whom we should fear and thus enable us to shield ourselves from them. The trouble is that people with records don't simply disappear from the face of the earth. They continue to live in our cities, many of them in our black ghettos. Having used their records to keep them out of our places of employment, we still have to live with them. Are they less likely to commit crimes because we can keep them from getting jobs?

Job problems are not the only consequences of arrest records. Consider the case of Mildred Brown. She has lived in a housing project on Manhattan's East Side for 20 years. The New York City Housing Authority recently found that she was "ineligible for continued occupancy on the ground of nondesirability," a finding based in large part on her son's arrest record. While no comprehensive studies have been done on housing problems growing out of records of arrests not followed by convictions, Mrs. Brown's case is not unusual.

Arrest records also affect chances for admission to educational institutions, opportunities for financial credit, and, as Litton's arguments about "arrest-prone" people suggest, they increase the likelihood of re-arrest. A young black man in Washington, D.C., recently filed suit to stop police harassment growing out of his arrest record. He had been arrested while a senior in high school in May, 1970. In January, 1971, he was acquitted of a robbery charge because of an apparent case of mistaken identity. He is now a college student and a National Merit Scholarship winner. According to his court complaint, on at least three occasions police have shown his photograph in neighborhoods where crimes have been committed, seeking to have him identified as the criminal in some new crime. Each time this has been done, his family and acquaintances have been interrogated anew.

People with arrest records are natural targets for investigation when new crimes are committed. Inevitably, arrests follow. Being "arrest-prone," therefore, is often a function of having been arrested. The practice is to "round up the usual suspects," as police Capt. Louis Renault (played by Claude Rains) put it in the film "Casablanca."

Each year, law-enforcement agencies grow more efficient in disseminating records. The bureau's Identification Division, which was receiving 29,000 sets of fingerprints daily in 1970, is only a manual system operating through the U.S. mail. Recently, to supplement this service, the bureau established a computerized system, the National Crime Information Center, to speed the exchange of records with local law-enforcement agencies around the country.

Private industry is in the record-keeping and record-selling business in a big way. The biggest firm in the business. Retail Credit Company of Atlanta, has more than 7,000 employes, maintains dossiers on about 45 million people and produces more than 35 million reports a year. The member firms of a trade association known as the Associated Credit Bureaus, which among them do a business of close to $1-billion a year, maintain files on about 110 million Americans. The information in these files is sold to creditors, employers and landlords.

Much of the information sold by the credit bureaus comes from law-enforcement files. There is no indication that the F.B.I. gives any information directly to a credit bureau. However, the F.B.I. has been notoriously loose in policing the further distribution of the records it disseminates. Here is the testimony on this point of Special Agent Ponder at the Menard trial:

Q. Is there any procedure whereby the F.B.I. or any division of the F.B.I. inquiries into the uses to which the arrest information is put by contributing agencies?

A. No.

Q. Are any restrictions imposed by the F.B.I. on the use to which that information is put?

A. Yes. Official business only.

Q. Are there memoranda or orders indicating that there is a restriction?

A. It is right on the record itself.

Q. Are there any form letters that are sent to contributing agencies explaining what "official business only" means?

A. Well, in years gone by we have brought this to the attention of contributors, that this information is disseminated strictly for official use only.

The questioning of Ponder took place on Dec. 17, 1970. Subsequently, he supplied for the court record the F.B.I.'s most recent notice on the issue, a memorandum from the late J. Edgar Hoover dated Oct. 18, 1965. If the records were used for other than "official uses," Hoover warned, "this service is subject to cancellation." No other penalty was mentioned.

The laws of many states provide that juvenile records are confidential. However, they have been as readily available as all other records. The F.B.I., which respects all state and local laws which confer access to records on various agencies, disregards state laws governing confidentiality. Special Agent

Ponder was asked in the Menard trial, "Are there any differences in dissemination practices with respect to juveniles and adults, of arrest records?" His complete reply was: "No."

The New York State Identification and Intelligence System also gives out juvenile arrest records. When I asked the director of the agency about this, he told me that N.Y.S.I.I.S. understood the law to make the disposition of a juvenile-arrest confidential, but not the underlying arrest.

The widespread availability of law-enforcement records has created a pariah class of millions of persons made up of ex-convicts and people arrested but not convicted. That pariah class is the crime problem, or at least a large part of it. Crime is centered in those cities and those parts of cities where people go when they are trying to escape their past records. The time-honored way of escaping was to lie when asked, "Have you ever been arrested?" As law-enforcement agencies and private companies improve the efficiency of their dissemination of records, lying no longer works. The truth about the past record catches up, no matter where a person moves.

Shocking as the notion might be, those lies served an important social purpose. When a man with an arrest record could lie his way into a job, all of us had a little less to fear. Today, when we expose the lie, we simply insure that one more person won't be able to escape his arrest record and integrate himself into society.

Judicial and legislative action to control the use and distribution of arrest records will not have much impact for a long time to come. The records of people arrested in the past have often been so widely circulated as to make it very difficult, if not impossible, to prevent them from continuing to haunt people for years to come. But action has to start sometime, and the best time is now. There is even a small sign that the F.B.I. is concerned. At the hearing last Feb. 28 to decide whether he should be confirmed as F.B.I. director, L. Patrick Gray testified that he had "purged inactive arrest records of individuals age 80 and older from the fingerprint files." All the octogenarians I know who are out looking for jobs are very grateful.

Mr. BUCHANAN. Mr. Speaker, we are today 10 years away from the 1984 of George Orwell, but to many of us, the Big Brother of which he wrote is with us already.

It is unfortunate that as the Federal Government has expanded to meet the needs of the American public, the rights of that same public to conduct its affairs in private has been sublimated to expediency, but this is not the way it was originally intended.

The framers of the Constitution spoke to this right in adopting the fourth amendment to protect the right of the people "to be secure in their persons, houses, papers, and effect."

But today, there is hardly a citizen anywhere in this land of more than 205 million people who is not recorded one way or another within the Federal bureaucracy.

The armed services, the Social Security Administration, the Veterans' Administration, the Internal Revenue Service, the Justice Department, the Census Bureau and the Bureau of Labor Statistics, to name but a few, have dossiers on many millions of Americans. The accuracy of this vast amount of information is, at best, questionable and, in most instances, the individual has no access to the files compiled on him and no opportunity to correct any misinformation.

The information, true or false, is shared with other agencies and, in some instances, nongovernmental agencies. Too often there has been the public release of raw information, in the form of rumors, gathered by one agency or another.

But it is not only the Federal establishment which is at fault. Private companies and organizations are often even greater offenders. An individual applying for a credit card from one company is often subjected to a flood of advertisements and solicitations from other organizations who purchased the mailing list of the original firm. In some instances not only the name and address of the individual involved, but other personal information is disclosed.

We have taken some action to protect the individual, such as the enactment of the Fair Credit Reporting Act of 1970, but it would appear that additional steps are necessary and many measures have been proposed.

I am concerned, however, that Members of Congress may not take these invasions of privacy quite as seriously as the average American because our lives are so exposed to public scrutiny. It is my hope that we will not become innured to the ever encroaching invasions on the privacy of our constituents. To the average American citizen, the right to privacy is a very real right which needs to be strengthened.

Mr. Speaker, I am happy to join with my colleagues in a commitment to privacy and urge that this verbal commitment be transcribed into actions which will restore to fact the right to privacy which exists too often only on paper.

Mrs. HECKLER of Massachusetts. Mr. Speaker, today's special order provides a welcome opportunity for this body to express its strong commitment to every American's inherent right—the right to privacy. I trust today's discussions will not only be a forum for enlightened discussion, but will also be legislatively productive.

Solitude for one's self and one's thoughts is essential in a free society. And yet, intrusions of privacy grab the headlines each day. The invasions are myriad—unauthorized drug searches, illegal wiretapping, false credit records, unrequested distribution of legal, mood-changing drugs, psychosurgery, and extensive student records concealed from the child's parents. It is these very abuses of authority which prompted me to introduce legislation which would create a Select Committee on Privacy.

Loss of privacy often occurs without fanfare and unbeknownst to the citizens affected. It is for this reason that the Congress desperately needs an ongoing watchdog committee which would discuss current and potential invasions of privacy while at the same time recommending corrective legislation. The Congressional committee structure as it now stands encourages a shotgun approach to congressional inquiry. No one committee has been delegated the responsibility for continuous study of the broad privacy issue and different facets thereof. Upholding the privacy of American citizens through the best congressional means available is far too important to delay 1 day longer.

The Select Committee on Privacy would have authority in numerous areas. Behavior modification in grammar school children would certainly be a priority issue. Thousands of elementary school students are administered amphetamines or Ritalin to alter their behavior because they have been labelled restless, inattentive, or uncomfortable with discipline. What schoolchild is not restless and inattentive at times.

Another area of overriding importance is the massive files collected by banks, credit unions, or the Federal Government. Though these files are reportedly "secure," numerous examples exist of selling collected data, access to sensitive material by unauthorized persons, merging of scattered files into complete "dossiers," and so forth. The real tragedy of these incidents lies in the often inaccurate information contained therein of which the person being studied has no knowledge. Disaster to livelihood, home, family and belongings have been known to occur as the result of gross misinformation.

One of the most frightening invasions of privacy has come to light only within the past few years. Psychosurgery and lobotomy operations which irreversibly mutilate healthy brain tissue in order to deal with psychological problems are most controversial. The potential unrestricted use of such operations to control patients exhibiting aggressive tendencies is alarming indeed.

These are only a very few of the numerous examples of privacy abuses. However, the mere existence of such illustrations magnifies the crying need for formal congressional oversight. The Select Committee on Privacy which I have proposed and continue to support would be a viable tool in guaranteeing the right to privacy of all Americans while at the same time controlling the innumerable abuses existing today.

Mrs. BURKE of California. Mr. Speaker, today's communications technology makes it possible to store virtually limitless amounts of information, and disseminate that information with almost unimaginable speed, from one point to another. This technology is being used to lay the groundwork for a vast national communications network, a potentially awesome weapon in this Nation's fight against crime. The application of this technology to other areas of investigation has undoubtedly facilitated the detection of persons engaged in "suspicious activities," of persons who might be "bad credit risks," and indeed, of persons of every conceivable character and any given description: the only technical limit to this system is the extent of the information on file.

While making the greatest possible use of these resources, however, we must keep in mind the U.S. Constitution, which provides that the people have the right to be secure in their persons and property from "unreasonable searches and seizure," the right to receive and impart information and ideas without fear of harassment and to associate in public and in private with others of like

mind, the right "not to be deprived of life, liberty and property without due process of law," and the right to be free from self-incrimination—in short, a Constitution which provides for a right to personal privacy.

And yet we are familiar with a host of cases in which each of these constitutional guarantees has been broken, because of a devotion to investigative techniques which abhor constitutional limitations. Have we not seen a number of citizens, some prominent and some publicly unknown, "investigated" and "documented" because of group-affiliations which someone has deemed "unacceptable" or "suspicious"? How many times has an individual accused of having committed a crime been found innocent of all charges, but the fact of his having been charged placed "on file" and allowed to plague him for the rest of his life?

Too often, errors in files and in printouts cannot be corrected because of the limited access given to the very individuals who are being investigated and discussed. Credit reporting has created a massive network of information, often faulty, that is not corrected and which continues to libel individuals without their knowledge.

The probability of an unregulated network of information being mislabeled and misdirected against an individual is a substantial danger in our computerized society. This afternoon I applaud the efforts of my colleagues who realize that limits have to be set, and a balance struck in the interest of both law enforcement and constitutional, democratic government.

Mr. QUIE. Mr. Speaker, one of the biggest reasons for the United States breaking away from England was the right of privacy. Again, we find as we near the Bicentennial of the United States, the private citizen's right of privacy is again being eroded. It has confronted us in criminal matters, credit information distribution and computer data collection. It is no longer just a question of whether a man is entitled to privacy in his home, but whether his thoughts and actions will be placed on the public record against his wishes or without his knowledge.

The Bill of Rights and other parts of our Constitution preserve for each person a number of rights. Considered together, the basis for many of these is a right of privacy—it is the philosophical basis for freedom of speech, assembly, and religion and for protection from unreasonable searches and seizures and self-incrimination. Moreover, the 9th amendment states that the enumeration of rights in the Constitution is "not to be construed to deny or disparage other rights retained by the people," and by means of the due process clauses of the 5th and 14th amendments, each person is entitled to an explanation as well as an opportunity to explain in any confrontation with a Federal or State government or entity.

While an individual may not be put on the rack to make him inform on himself, this has not kept the Government and private associations from collecting data on him. My concern is that it is without his consent or knowledge, may be inaccurate, and its uses are unknown. The fact is, such great potential exists or is being realized in the collection, storage, and recall and dissemination of computer data on individuals, that an individual's life may be reviewed in a matter of minutes without his knowledge or explanation.

Data collection and dissemination is not confined to credit ratings and reports or income tax returns, but includes many other areas of life where information is collected. Monthly, the Privacy Report, published by the American Civil Liberties Union Foundation, details these other instances. The March 1974 Privacy Report carried an item that the social security numbers of professors at the State University College at Geneseo, N.Y., will be recorded with the courses they teach so that the university system can automatically correlate data on every teacher's course load, enrollments, salary, rank, and class hours. Students then discovered that they were not allowed to see the files kept on them by the student placement office even though they felt that they had a right to see their own files.

And, this past weekend, a popular Sunday supplement—Parade, March 31, 1974—ran an article on the invasion of privacy in our public schools. The following is one illustration of several in the article:

> A parent is informed by a guidance counselor, about to write a college recommendation for her son, that his "psychological" file labeled him a "possible schizophrenic" back in elementary school.

In this case, the mother was not aware such a file existed.

The magazine reported it is becoming more and more common for schools to collect "soft data" on children and their parents and allow access to this data to many persons, but not the parents or the child. The article lists instances of reports on parents' attitudes and activities and children's behavior and psychology. The danger is that these reports are subjective comments, recorded without challenge, and possibly stigmatizing the child or his family with the broadcast ramifications.

It is time for Congress to act. It must act to define a right of privacy, and it must assess each other piece of legislation with due regard to that right. In the case of the Federal Government, Congress should limit the collection of data, open files to the individual concerned, and allow the individual an opportunity to comment and have his comments become a part of that file. With regard to the States and their agencies, Congress should assess its aid programs to see that Federal funds are not spent in contravention of a policy of a right to privacy or even that the States and its agencies must act positively with regard to such a right before qualifying for Federal aid. In the case of private information collectors, Congress should open all files to the individual concerned, when that file may be used by others than the collector, and allow the individual the opportunity to comment and have his comments become part of the file. In all cases, the individual must be given some control over the dissemination of information about him.

Ms. ABZUG. Mr. Speaker, I wish to compliment my colleagues, Mr. KOCH, Mr. GOLDWATER, Mr MOORHEAD, Mr. HORTON, Mr. EDWARDS, and Mr. KEMP, for taking this special order to express the congressional commitment to privacy. The field of privacy is a broad one, relating as it does to an individual's control over all knowledge or data about himself whether such data be collected by the private sector or by Government agencies, by the military branch or in connection with criminal investigations. As has been pointed out, there have already been over a hundred different bills and resolutions introduced in the House in the privacy field during this Congress and our approach has been somewhat fragmented. I have today introduced a bill which strives to cover some of the essentials in this area and which I hope will be useful. Although my bill is narrow in scope in that it attempts to deal only with an individual's control over information collected about himself by Federal agencies, the remedies provided are broad—broad enough to assure the individual citizen of adequate protection in the collection, maintenance, and disclosure of data about himself.

Several of us here today have taken an active role in attempting to protect the individual citizen from violations of privacy and other individual rights perpetrated by the Government in the guise of its legitimate functions. This was long before privacy received the imprimatur of a formal group within the Domestic Council, headed by Vice President GERALD FORD, long before the protection of privacy became a "fashionable" legislative subject. In the mid-sixties, a few voices in the Congress spoke out, but their warnings seemed to fall on deaf ears. Books by law professors Alan Westin and Arthur Miller widened the discussion. In July 1973, the report of the Secretary's Advisory Committee on Automated Personal Data Systems, Records, Computers, and the Rights of Citizens was issued and has dominated the field. It is a most compelling document and should form a basis for any legislation in this field. Finally, and most recently, we had official administration recognition of the dangers of invasion of privacy when President Nixon created his Committee on the Right of Privacy last February.

Among my colleagues who have worked long and hard in the privacy field is one of the cosponsors of today's special order, Mr. KOCH, who has introduced several bills dealing with persons' access to files maintained by Government agencies. Preliminary hearings on two of these bills—H.R. 12206 and H.R. 12207—were held before the Foreign Operations and Government Information Subcommittee of the Government Operations Committee, of which I am a member, last February. During these hearings, several witnesses made suggestions, many of which were agreed to by Mr. KOCH, of ways to provide additional safeguards to individuals in today's computerized,

mechanized, and highly bureaucratized Federal Government. Although the more limited approach reflected in these bills may have been viewed as the optimum to be accomplished only a short while ago, I feel that the day has come when a strong privacy bill can be enacted. One need only look at the list of supporters of this special order to see that concern for privacy cuts across all partisan and ideological lines. We should certainly be able to rally bipartisan support for a stronger, more precise bill which will afford adequate protection and remedies to individuals regarding information collected, maintained, and disclosed by Federal Government agencies.

Having long taken an active role in this area and feeling strongly about the need to protect individuals against violations of their privacy, I have drafted a bill which incorporates many of the best provisions of Mr. KOCH's bills with others pending in the House, including Mr. GOLDWATER's bill, H.R. 11275, pending in the Judiciary Committee. Although the scope of my bill is similar to Mr. KOCH's, I have attempted to adopt the suggestions made in discussions before our subcommittee in order to provide wider protection to the individual in the collection, maintenance, and use of personal data, including safeguards against improper alteration or disclosure of such information. Thus, my proposal attempts to place some limitations on the kinds of information collected by Government agencies. The root of the problem lies in the collection process—in the amount of unverified, irrelevant, and often erroneous data that finds its way into individuals' files. Further, by providing individuals with access to their own files and the opportunity to correct such files by the removal of both irrelevant and erroneous material, limitations are imposed on the maintenance of data. Third, the use made of such data is restricted by requiring individuals' consent before disclosure of their files or, where disclosure may be required by law, prior notification and an opportunity to object. Beyond that, my proposal would define exemptions from its coverage in much more precise and enforceable terms.

This is one area where I feel that most proposed privacy legislation has been grossly deficient—in providing loosely defined exemptions for criminal justice information and for national security. First, let me discuss the criminal justice system. My legislation specifically includes records in this area, because I believe we cannot make an exception of one of the most abused areas and then expect the people of this country to feel we have produced a serious piece of legislation. The only exception I have made in this area is "records that have been opened and are being used in pursuit of an active criminal prosecution." Those records will not be disclosed to the individual, but unlike other bills, that will be the limit of such nondisclosures. I believe the time has come to recognize that there are "datamaniacs" abounding in law enforcement agencies, people who collect everything about everybody with little or no thought as to the information's possible use in a constructive way. Once this information has been collected, it take on a validity by the mere fact that it exists in law enforcement files and puffs out a cloud of suspicion in the minds of people who collect it or review it later. The mystique of "law and order" endows such dubious data with a respectability far greater than its sources should create.

If "law and order" is discredited as a precondition for secrecy, similarly the phrase "national security" should no longer be used as a pretense to excuse violations of privacy. Thus, my bill limits the national security exception to three areas—where disclosure would endanger the active military plans or deployment of U.S. forces, reveal details about current military technology or weaponry, or endanger the life of any person engaged in foreign intelligence activities of the United States. Actions taken in the past under the color of national security have, in my judgment, created a clear and present danger to a legitimate concept of national security and I do not believe it is intelligent to add more yards to the national security blanket so beloved by people in authority.

Others have suggested quite properly that a Federal Privacy Board could assure that the sensible information standards and practices which have been praised so widely on the floor today are followed within the executive branch. Enforcement mechanisms are essential to anything which presumes to call itself legislation. We must fix the responsibility for enforcing the law and order we seek to impose in a period so fraught with lawlessness and disorder. I support a privacy board for that primary purpose, but I also hope that we will see fit to empower it with sufficient authority to have a cleansing effect throughout the entire privacy area.

In the beginning, its first task will be to publicize the existence of data banks containing personal information. "Records, Computers, and the Rights of Citizens" and Mr. GOLDWATER's bill both have this ringing sentence which I have used in my own bill:

> There must be no personal data record-keeping system whose very existence is secret and there must be a way for an individual to find out what information about him is in a record and how it is used.

In order to make that declaration a reality, we cannot rely on the individual agencies themselves, nor can we depend on an Attorney General to ferret out all the systems. Only an independent and strong privacy board can fulfill this educational task.

One of the great obstacles to the success of the privacy campaign thus far has been the lamentable fact that nowhere, either in the Congress or in the executive, or in the society at large, has there been a single group whose sole function has been the preservation of privacy. A Federal Privacy Board with jurisdiction to consider how information is collected in the first place as well as to control its centralization and dissemenation could provide a focus for all those truly interested in making a reality of the Bill of Rights.

Mr. FASCELL. Mr. Speaker, it is a privilege to join our colleagues today in this discussion of the congressional commitment to privacy.

In recent years much use has been made of the somewhat elusive phrase—"quality of life." There is a very important aspect of the "quality of life" concept that has been threatened increasingly and which must have our attention. I speak of each citizen's right to protect his individuality—his privacy.

We are all seriously concerned with the erosion of public confidence in elected and appointed officials. Government seems somehow to have gotten away from the people, to have grown so large that individuals can no longer identify with it. Citizens feel, I believe, that they have no access to Government, that Government acts arbitrarily, and that when Government so acts they have no manageable or easily available means to effectively respond or appeal.

But as Government has become seemingly less accessible to individuals, individuals have, so to speak, become much more accessible to Government.

It has been common knowledge for some time that various agencies of Government maintain files on individual citizens. We have all been shocked, however, to learn the extent of such record-keeping and the manner in which the records have been used.

The growing computer capability—the abilty to feed vast amounts of information into computers, store it, and retrieve it almost instantaneously—has vastly increased the potential for misuse of Government information. Prof. Arthur Miller, of George Washington University's National Law Center, wrote in a recent article on privacy that the technological ability to collect and disseminate information is virtually unlimited. Professor Miller wrote:

> What is technologically possible will be done.

While I do not necessarily agree with his conclusions, I regret that his assessment of the use of our technical ability is probably accurate unless we enact safeguards and controls.

At a time when public confidence is waning in a government which seems to be unapproachable, and when a growing technological capability exists for invading the lives of individuals, action must be taken to give individuals the right and the means to find out what files the Government maintains regarding them and to review and supplement them.

The very existence of vast Government records on individuals is alarming enough. The least we can do is provide adequate statutory safeguards, so that those records will not be misused.

I have joined our colleague Congressman ED KOCH in sponsoring the Federal Privacy Act, legislation which I feel would make a significant step toward providing the necessary safeguards for the use of Government files. The bill would do much, I believe, to protect the individual's interests.

Essentially the bill would provide the following:

> Require each agency that maintains records to notify persons when their records are

to be disclosed to any other agency or to any person not employed by the agency maintaining the record;

Permit any person to inspect his own record and have copies made at his expense;

Permit any person to supplement the information contained in his record by the addition of any document or writing of reasonable length;

Require that erroneous information brought to the attention of the agency be removed from the record and that each agency and person to whom the erroneous material has previously been transferred be notified;

Restrict access to the records to those in the agency who must examine the record to perform their job; and

Require the record holding agency to keep an accurate record of the names and addresses of all persons to whom any information has been transmitted.

While this bill may not solve all the problems visited upon our citizens by the Federal bureaucracy, I believe it would be a large step in the right direction. Allowing the people to see information concerning themselves and upon which decisions affecting their lives will be made will help restore faith in our democracy. No longer would individuals be uncertain just what information was utilized and by whom when they request agency action in a matter important to them. And no longer would they be penalized by the damaging effects of erroneous information.

People would again believe themselves to be more than just a number in an agency computer when they see that they must be consulted in matters of personal importance. The individual would have an input and could insure that his records are accurate and up to date.

There are a number of other legislative proposals pending in the House which would also make important steps toward insuring individual privacy and liberty. But as the sponsors of this discussion have pointed out, the fragmented approach to congressional action may have slowed progress in enacting broad-purpose legislation.

I commend the sponsors of this debate, and hope that it will lead to cohesive action by the House to enact effective controls over the collection and use of information by the Government and eliminate the continued risk of unwarranted and unacceptable invasions of privacy.

Mrs. SULLIVAN. Mr. Speaker, I am happy to join the gentleman from New York (Mr. KOCH) a member of the Subcommittee on Consumer Affairs, in this discussion of the worrisome and frequently frightening aspects of the widening scope of invasion of privacy of the American people. As our population has increased and become more urbanized, and the management levels of business enterprises and of Government agencies become more and more separated from the individuals with whom their institutions deal—separated by increasing layers of public and private bureaucratics—the citizen becomes a disembodied social security number, credit card number, taxpayers' account number, and name and address on a computerized mailing list. He seldom has any personal relationship with the owner of any business with which he deals; he has little or no contact with any responsible official in a bank with which he has his account—in fact he may bank by mail and withdraw by check and never set foot in the bank; although he may have a mortgage with a mutual savings and loan association and thus be a member of the association, the chances are that he never attends an annual meeting of the association or attempts to take any part in the operations of the institution; on the job he may be known only by his immediate supervisors and the limited number of workers with whom he comes in daily contact.

Although the average urbanized citizen may feel that he moves in a kind of general anonymity, except among his friends and immediate neighbors and coworkers and fellow club members and so on, there is a great deal known about him by a great many people he does not know and who have no personal interest in him whatsoever. These strangers, who may have an occasional business or professional interest in some aspect of his life, know, or can find out quickly and economically, virtually all there is to learn about his economic status, his credit worthiness, his reliability, integrity, general reputation, mode of living, personal habits, military record, taxpaying experience, political inclination, religious affiliation, police record, medical history, and a great many other things about him that he may or may not be willing to volunteer to perfect strangers without knowing how or when that information might be used. And often the information is slanted, or false, or at least incomplete and misleading.

FROM KINDERGARTEN TO THE GRAVE

The March 31 edition of Parade distributed with many Sunday newspapers gave us all something of a shock when it described the records being accumulated in the schools of this country about children from elementary school on up—teacher descriptions or criticisms of the character or emotional stability or abilities of youngsters which, in many instances are withheld from parents but could be used to damage the child in later years. Apparently, one's life becomes an open book from kindergarten to the grave.

Ideally, all of us should be empowered to protect our privacy as completely as we would like—to have control over the information about us we wish to allow anyone to have. As a people, however, we have surrendered by law—by laws written by the democratically elected representatives of the people—many of our inherent rights of privacy. For instance the 16th amendment to the Constitution provides the authority under which the Government compels us all to report every cent of our income and pay taxes thereon. We are compelled by law to answer census questions every 10 years. In applying for certain benefits available from the Government, such as food stamps for low-income families, citizens must divulge the most intimate of financial details down to the cash value of life insurance. In addition, in applying for employment, insurance, or credit from any public or private source the individual is called upon to lay bare facts about himself or herself that he or she would prefer be held confidential by those to whom the information is being given. Eventually, however, much if not most of this information finds its way into a computer somewhere where it is stored and held for the instant retrieval for the information of anyone who can establish a so-called legitimate business interest in having the information. These may or may not be people with whom the individual is consciously interested in doing any business.

THE START OF LEGISLATIVE PROTECTIONS

The proliferation of data banks in and out of Government has been a source of deep concern to numerous committees and Members of Congress over the years. It took concrete legislative form for the first time early in 1968 when Congressman CLEMENT ZABLOCKI, of Wisconsin, offered an amendment to the truth in lending title of the Consumer Credit Protection Act, as it was being debated on the House floor on January 31 of that year, a provision which would have limited and regulated the kind of personal information compiled and sold for a fee by credit bureaus. The Zablocki amendment raised many questions which could not be answered satisfactorily on the House floor when it was offered that day, and it was defeated. But it was revived by Mr. ZABLOCKI in more carefully defined legislative form in the next Congress and became the nucleus of what is now the Fair Credit Reporting Act of 1970—title VI of Public Law 91–508, which created a new title VI to the Consumer Credit Protection Act of 1968.

The Zablocki bill itself was never acted on in the House in the 91st Congress, nor was a much more comprehensive bill which I introduced in that Congress as chairman of the Subcommittee on Consumer Affairs and on which we held hearings in the subcommittee. Unfortunately, when it came time to act on my bill in the subcommittee during the final weeks of the 91st Congress, we were never able to get a quorum of the subcommittee to begin markup sessions. The revised legislation was extremely controversial, and that fact may or may not have been a factor in our inability to get a quorum for markup sessions.

HOW THE FAIR CREDIT REPORTING ACT WAS ENACTED

In the meantime, however, the Senate had passed a Fair Credit Reporting Act modeled pretty much along the lines of Congressman ZABLOCKI's bill and then tacked it on as a Senate rider to a House bill dealing with bank secrecy. That is how we were able to get into conference on the Fair Credit Reporting Act before the 91st Congress adjourned. The Democratic members of the House conference committee, Representatives PATMAN, BARRETT, SULLIVAN, and REUSS, proposed a series of strengthening amendments to the Senate-passed measure intended to bring it more into conformance with the bill I had introduced in the House and on which our hearings were conducted in the subcommittee. Some of those amendments were accepted by the Senate conferees and some were not. Looking back on that

conference committee in 1970, I think it is now clear that if the House conferees had prevailed in conference on the disputed areas of this legislation, most of the criticisms now being voiced about the Fair Credit Reporting Act would not now be made.

The Fair Credit Reporting Act has accomplished a great deal of good in enabling individuals to find out the kind of information which is being circulated about them by credit bureaus and to require correction of erroneous or incomplete information. It requires the removal of obsolete information—in most instances, information more than 7 years old. It limits the purposes for which personal data can be made available. It provides for recourse by the consumer who has been damaged by credit bureau negligence.

DEFICIENCIES IN THE STATUTE

The most glaring deficiency in the Fair Credit Reporting Act is one which we fought over long and hard in conference, but the original Senate provision prevailed. It provides that a consumer may obtain from the credit bureau the "nature and substance of all information" in the consumer's file. The House conferees offered an amendment to delete the words "nature and substance of" so as to permit the consumer to examine all the information in his file, except for specified items such as medical data or the sources of investigative information.

It is in the area of investigative consumer reporting, where the credit investigators interview neighbors, former employers, ex-wives or ex-husbands, or anyone they can find who might be able to provide adverse information about an individual's intimately personal life, that the limitations on the consumer's right to see all of the information in his file lead to suspicion that the full file is not being disclosed. The Federal Trade Commission's efforts to check compliance with the disclosure requirements of the act have been stymied, at least temporarily, by a ruling of the District Court for the District of Columbia that the FTC itself cannot have access to the complaining consumer's file.

In my mind, the other area of most serious shortcoming in the act is its failure to provide the FTC with authority to issue regulations which would have the force and effect of law in setting out compliance procedures, power such as the Federal Reserve Board has under the Truth in Lending Act to issue binding regulations, as contained in the Fed's regulation Z.

TESTIMONY BY SHELDON FELDMAN OF THE FIC

Mr. Speaker, because of its potential importance in protecting the consumer's rights of privacy, it is essential that we strengthen the Fair Credit Reporting Act to carry out more of the objectives the House conferees tried to write into the law nearly 4 years ago.

Mr. GOLDWATER. Mr. Speaker, in conclusion of this special order, let me just say that we recognize this question of privacy, not as a partisan effort or a partisan issue, because it is a problem that plagues all of us, whether we be Republican or Democrat, liberal or conservative. It is a people problem, whether they are children or adults.

It is one that is long overdue, long in coming, for us to examine where we have come and how we got to where we are today, and to bring those safeguards into the systems that were created with all good intentions to record and file information on our individual persons.

The most secret thing we have is our liberty in personality. This is a privilege which we should enjoy and protect, and one which this Congress, this body, should make a full commitment to protecting and establishing the proper safeguards in all types of legislation that we pass here on the floor.

Mr. Speaker, I commend my colleagues who have joined in sponsoring this special order today, and those who have contributed for the RECORD in this congressional commitment on privacy.

IN MEMORY OF CONGRESSMAN CECIL RHODES KING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HOLIFIELD) is recognized for 60 minutes.

Mr. HOLIFIELD. Mr. Speaker, I rise to pay my respects to the family of the Honorable Cecil King who served in the House of Representatives for 26 years. He was elected to Congress in the fall of 1942 to fill the vacancy caused by the death of Representative Lee Geyer. He was also elected to the 13 succeeding Congresses.

When Congressman King voluntarily retired in 1968, he was the ranking member of the important Committee on Ways and Means. His work on that committee was intensive and dedicated.

Early in the Truman administration he saw the need for medical and hospital aid to the poor and aged people of California and the Nation. He sponsored legislation to bring into existence a system of medical and hospital aid when that social purpose was very unpopular. Particularly strong opposition was voiced by the American Medical Association. Doctors were mobilized to political opposition in every subsequent election. This opposition came in financial aid to his political opponents and in mailings in opposition to what the docttors termed "socalized medicine" to the patients of each doctor in the King congressional district—the 17th.

Congressman King never retreated in his vigorous advocacy of medical aid to the aged. From his original advocacy in the Truman years there finally emerged various pieces of legislation. The programs of medicaid and medicare were finally legislated into reality. The long years of sponsorship and advocacy finally succeeded. To Congressman Cecil King belongs great and lasting credit for the final accomplishments. Literally millions of Americans now receive medical and hospital benefits from the modern Federal legislation now enacted into law.

Cecil King was a true champion of the poor and oppressed. He supported all of the great social programs to make life better for millions of Americans. His pioneer advocacy of legislative measures to obtain better health, better education, housing, and protective legislation for labor finally bore fruit.

Congressman King was burdened by poor health in the last 6 or 7 years before his death in March of this year.

All of his friends who knew of his sterling worth grieve because of his passing and we join in extending our sympathy to his wife Gertrude and the other members of his family.

Mr. BROWN of California. Mr. Speaker, I thank Mr. HOLIFIELD, the distinguished chairman of the Committee on Government Operations and the dean of my State's delegation, for yielding the floor so that I may join him and many of our colleagues in paying tribute to our late friend, Cecil King. This is not the first time that the Congress has seen fit to demonstrate its regard for Cecil King. On July 2, 1952, the House was debating whether or not to vote authority for the continuation of the King committee's investigations—which had already exposed massive corruption within the Internal Revenue Bureau. During the course of debate one gentleman after another took the floor to express the appreciation and respect which Members of the House felt for the work of Mr. King and his subcommittee of Ways and Means. The Democratic chairman of the House Administration Committee, Mr. Stanley of Virginia, spoke of the tremendous savings to the taxpayers that would result from the work of the King committee. The Republican senior minority member of the House Administration Committee, Mr. LeCompte of Iowa, praised the nonpartisan fashion in which the investigations had been carried out. Others taking the floor included Mr. Halleck, of Indiana, the Republican floor leader; Mr. Carl Hinshaw, Republican dean of the California delegation; Mr. Deane of North Carolina, Democratic chairman of the Subcommittee on Accounts; Mr. Leroy Johnson of California, Republican member of the Armed Services Committee; Mr. Doughton of North Carolina, Democratic chairman of the Committee on Ways and Means; and Mr. Reed of New York, Republican senior minority member of the Ways and Means Committee and dean of his State's delegation.

The nearly universal praise accorded Cecil King in July of 1952 was not won easily. Just 6 months earlier the Washington Post, in an article headlined "King Risking Future In California Probe," speculated that Cecil might be committing political suicide. The January 6, 1952, article, written by Post reporter George T. Draper, began with the line, "Rep. Cecil R. King (D-Calif.) is about to enter a political lion's den by taking his tax-investigating subcommittee to San Francisco." The Post story went on to explain that "a no-holds-barred exposure of the Federal tax agency might easily knock the props out from under California's wobbly Democratic Party," while anything less than an all-out investigation "would bring cries of 'Whitewash' from the Republican press, and possibly jeopardize King's own political future."

Well, Cecil King did conduct an all-out investigation. It led to the dismissals or forced resignations of more than 100 officials, and to the indictment and in some cases conviction of several revenue collectors in connection with tax fraud cases and bribery. "California's wobbly Democratic Party," as the Post termed it, seems to have survived well enough to be currently in control of both houses of the State legislature and to represent a majority of our congressional delegation, with even firmer strength expected after this year's elections. The press, far from crying "whitewash," praised the courage and integrity which characterized the investigations, applauding Cecil King for his nonpartisan approach. And his own political future continued for 16 additional distinguished years in the House, until Representative King retired at the end of 1968.

Mr. Speaker, there are many accomplishments, honors, and important positions that will always come to mind when the name of Cecil King is mentioned.

Some have already been mentioned here today by our colleagues, and others will yet be mentioned. I join in honoring the memory of Cecil King for these many significant achievements and distinctions. But when I think of Cecil King—particularly this year—the first thing I remember is his philosophy: fight corruption wherever you find it, and let the political chips fall where they may. And perhaps we can take some small measure of solace, as we mourn the loss of this great American, in the hope that we will all profit from the example he set for us nearly a quarter of a century ago.

Mr. BOB WILSON. Mr. Speaker, all of us were saddened to learn of the death of our former colleague, Cecil King, who served with great distinction in this House for 26 years. Those of us who knew and worked with him during his career here remember him as a highly able legislator whose gentle manner and fairmindedness were always present in his dealings with us. Many of our Government programs to bring improved medical care to the aged are standing monuments today of his diligent labors on the House Ways and Means Committee.

As the dean of the California delegation, Cecil always cooperated with those of us on the Republican side whenever a bipartisan effort was needed to deal with a problem affecting our great State.

Few have given so much time and energy in public service to his constituents, his State, and his country as Cecil King. Even though he is gone from these Halls and this Earth, the memory of this great American and his ideals will live on and I, for one, am honored to have served with him in Congress.

Mr. CORMAN. Mr. Speaker, it is with deep sorrow that I join my colleagues today in paying tribute to one of our most honored and dedicated former colleagues. Cecil Rhodes King was known to all for his warm kindness and his constant willingness to help his fellow man. His readiness to champion the cause of those in need was noted both in his public work as a legislator and privately to all of those who knew the warmth of his friendship here in the House.

Cecil King was a perfectionist in everything he did. He read extensively and devoted long hours to studying the issues. He was meticulously prepared to debate any measure appearing before him, and could always be counted on to supply the cool balm of reason to a volatile situation. President John F. Kennedy once praised him highly as one of the few persons who had mastered the English language.

His outstanding work on the Ways and Means Committee earned him the respect of all of his colleagues. He considered his finest accomplishment to be the battle he led in the 1960's for health care legislation. His efforts culminated in the enactment of the medicare program. Those who are now enjoying the benefits of this landmark legislation owe a great debt to Cecil King, one of the unsung heroes of the battle waged for its passage.

As a senior member of the California delegation, Cecil King was the first to extend a hand of welcome when I arrived as a freshman Congressman. Over the years, until his retirement in 1969, I continued to benefit from his wisdom and counsel. He has been sorely missed by the Members of this body and his death is a great loss to all of us who had the privilege of knowing him well.

My heartfelt sympathy goes out to his wife Gertrude and to his daughter.

Mr. BELL. Mr. Speaker: I wish to join my colleagues in expressing sentiments in honor of the late Congressman, Cecil King.

Mr. King was a Congressman from Los Angeles County who served his constituents in Congress in 1942 until 1969.

Mr. King served as a private in the U.S. Army during World War I. Then, in 1932, he became a California legislator. He served in this position until 1942, when, by special election, he became Congressman.

Mr. King served on the House Ways and Means Committee, the Joint Internal Revenue Taxation Committee, and the Non-Essential Federal Expenditures Committee. He was one of the two Congressmen to serve on the U.S. Common Market Negotiations team and was the congressional adviser to United Nations Trade and Development. In 1967, Cecil was the chairman of the California congressional delegation. His contributions throughout his 13 terms in the House of Representatives were highly commendable and exemplify the excellence of choice made by his constituents for their Representative.

Mrs. HANSEN of Washington. Mr. Speaker, our colleague, Cecil R. King, was a sensitive and sensible Member of this House for 26 years before he decided to retire in 1968. Those of us who served with him recall his important leadership on the Ways and Means Committee and his good judgment as a member of the Committee on Committees.

In his passing, my deepest sympathy is extended to his wife, Gertrude, and his daughter. I know that he will be missed because he was beloved.

Cecil King was an enlightened and erudite man who understood the complexities of domestic economics and world affairs. His intelligence and thinking were crucial factors that helped build an era of mankind's greatest prosperity.

During those same years of service, Cecil King was a viable and stalwart force within the leadership of the House as a member of the Committee on Committees. His recognition of talent capabilities and of the interests of his fellow Members was greatly responsible for the development of fine leadership within the House of Representatives.

Cecil King, in his deserved and earned retirement, was missed but consulted. In his passing all of us remember and are inspired by the standards of excellence and the examples of benevolence which remain as his legacy to the House, the country, and to mankind.

Mr. HOSMER. Mr. Speaker, I want to join with my colleagues in paying tribute to a courageous and distinguished member of the California delegation, the Honorable Cecil Rhodes King. It has been my privilege to have known him since I first came to Congress in 1953.

Before his retirement from Congress in 1968 he had been reelected to 13 succeeding Congresses serving from August 25, 1942 to January 3, 1969. Prior to coming to Washington he established himself as a valiant leader of the California Assembly for 10 years. In addition he was a successful businessman in the Los Angeles area.

Besides serving as the ranking member of the House Ways and Means Committee, Cecil served on the Joint Committee on Internal Revenue Taxation and the Joint Committee on Nonessential Federal Expenditures.

Cecil R. King first made headlines when he served as the chairman of the House Ways and Means subcommittee that began an exhaustive investigation into the Bureau of Internal Revenue scandals in the early 1950's.

In the 1960's he represented the United States on the Common Market negotiating team and was a congressional adviser to the United Nations Conference for Trade and Development.

He said upon his retirement from the House of Representatives in 1968 that he thought his greatest achievement came during the 87th Congress when he coauthored the administration's medicare bill.

In an example of statesmanship that truly shows the measure of the man, I would like to read a letter to his constituents that he read before Congress on August 28, 1953.

It goes as follows:

For the past 11 years I have had the privilege of serving my district as its Representative in the Congress of the United States. My office and staff and I have tried sincerely to serve our constituents to the very best of our ability and take pride in the reputation our office has gained for promptness and efficiency in handling congressional services.

It is not enough to render competent and efficient service. A Member of Congress must stand up and be counted on every type of legislation. My record of attendance is one of the best in the Congress, and I have

never dodged a vote or evaded an issue. I believe it is my duty to inform my constituents as to the position I have taken.

And in a letter to his constituents dated August 28, 1953, he wrote:

In conclusion, as your representative in Congress I have introduced legislation which I believed would prove a benefit to the people of the 17th District and the Nation. I have conscientiously endeavored to serve you as your Representative in Washington to bring credit and distinction to our district. If I have achieved some measure of success, it has been with guidance that I have welcomed on all important Congressional matters. This has been a gratifying partnership in public affairs.

Mrs. Hosmer and I join in extending our heartfelt sympathies to his lovely wife Gertrude and family.

Mr. CHARLES H. WILSON of California. Mr. Speaker, it was with great sadness that I learned of the death of former Congressman Cecil R. King, yet it is with pride that I remember my association with this compassionate and brilliant man who more than ably represented his district in Congress for 26 years.

When I came to Washington in 1963 as a freshman Congressman from California's 31st District, Cecil King was always ready to lend me the wisdom of his experience so that I could best carry out my responsibilities as an elected official. Help was always mine as needed from Cecil King, the dean of our California delegation.

Yet those who gained the most help from this man are those who knew him not at all. Each and every person in this great country who has had the advantage of medical assistance under the medicare plan owes a debt of gratitude to Cecil King, for it was largely through his untiring efforts that this significant advance in health care has become the reality we know today. Cecil himself, upon his retirement in 1968, marked this as the achievement of his lifetime.

The recognition he received for this monumental accomplishment speaks of the man he was. To Cecil King, the welfare of others in all regions and in all walks of life was as important as that of his neighbors and friends. He considered the health of Americans our greatest strength and asset. It was a tremendously worthy cause, and one for which he fought unceasingly.

A beautiful region of southern California reflects another of his many achievements, for it was largely through his efforts that Redondo Beach became sheltered in a harbor. Today thousands of avid fishermen enjoy casting their lines from a rocky promontory, and thousands more have a snug harbor in which to berth precious sailing crafts. In a tribute to his vision, King Harbor in Redondo Beach bears his name.

Cecil King's intelligence and legislative expertise were recognized in his committee assignments, the House Ways and Means Committee and the Joint Committee in International Revenue Taxation and Non-Essential Federal Expenditures. His untiring work as congressional adviser to the U.N. Conference for Trade and Development and the U.S. Common Market negotiating team will long be remembered with enormous bipartisan respect. He was by nature a diplomat, able to achieve effective compromise without incurring rancor.

All Members of Congress join me in this tribute to our friend, our peer, and our respected colleague who taught us so much about how to legislate and how to live. Our hearts and thoughts are with his wife Gertrude, his daughter Mrs. Louise Bonner, and his sister Gladys Rose.

A great public servant now rests forever, but he has left the world a better place for having been among us.

Mr. VAN DEERLIN. Mr. Speaker, Cecil King had a life of service and accomplishment matched by few of his colleagues.

He spent 26 years in the House, rising to dean of the California delegation. As ranking majority member of the Ways and Means Committee, he was the main House author of the act establishing the medicare program. Years before, in the early 1950s, he led a special investigations subcommittee which uncovered tax irregularities resulting in the dismissal or resignation of more than 100 Truman administration officials.

When I first came to Congress 11 years ago, Mr. King was unstinting in the guidance and counsel which he offered to new Members.

I am indebted to him for his efforts, as a member of the Democratic Committee on Committees, in helping to arrange my assignment to the Interstate and Foreign Commerce Committee, where I still am serving.

His investigative work was widely noted at the time but is little remembered now. This is a shame, because with the distrust of Government institutions that is so widely felt today, there is more need than ever for men and women of Mr. King's caliber and unimpeachable integrity.

He was also an authority on international trade, having represented the United States in Common Market negotiations and also having been a congressional adviser to the United Nations Conference for Trade and Development.

A man's greatest memorial is what he has done, and for this reason Mr. King will be warmly remembered by his associates in the State and National legislatures.

Mr. JOHNSON of California. Mr. Speaker, I rise today to join the gentleman from California, our good friend and colleague, CHET HOLIFIELD, to pay tribute to an old friend and former colleague, Cecil King.

During my first 10 years in the House of Representatives I was privileged to serve with Cecil King. As a legislator and a Representative of the State of California I benefited greatly from his advice and counsel. For this reason alone, my personal loss by his retirement and now by his passing is deep. More than that, Albra and I have considered Cecil King and his good wife personal friends of long standing so our loss is even deeper.

Looking back over the 13 terms in Congress which spanned many difficult years starting in the early days of World War II before the tide of battle had changed and lasting through the fifies and the turbulent sixties, we all recognize many changes, many advances were made in the Federal Government during that more than a quarter of a century. Much of the good accomplished during this period can be attributed directly to the dedicated and untiring efforts of people like Cecil King. Of all his personal accomplishments to which Cecil King contributed his knowledge and skill probably the greatest were in the field of social security.

He contributed tremendously toward the expansion of this program, especially in the area of adequate medical assistance to the elderly. One of the greatest advances since social security first came into being is medicare. Millions upon millions of American citizens today are living out their retirement years without the threat of medical disasters because of Cecil King's efforts in bringing the medicare program into being. This program alone will stand as a monument to the type of service which Cecil King gave to his Nation. This service also should stand as an example to those of us who are left behind in the Halls of Congress, and her family our sincere sympathies at this time.

an example which all of us should follow with pride.

Albra joins me in wishing Mrs. King

Mr. ANDERSON of California. Mr. Speaker, it was with a deep sense of personal loss that I learned of the passing of my friend and predecessor, the Honorable Cecil King, a Member of the House of Representatives from 1942 until 1968.

Our friendship developed many years ago, when we were both in public office in the southwestern portion of Los Angeles County—I, as mayor of Hawthorne, and he, as a very able State assemblyman. During this time, I enjoyed his support, and I always made every effort to aid him in his campaigns.

I found him to be an articulate and effective spokesman for programs designed to help our State and country surmount those difficult times of our history. And, invariably, I agreed with his logical and consistent positions on the issues.

Later, he successfully sought to broaden his constituency and representation by running for the U.S. Congress, thus giving the entire country the benefit of his knowledge and experience as a solver of problems. And, at that time, I ran for, and was elected to, the State assembly, and attempted to carry on his outstanding work in the California Legislature.

As a local public official, I certainly knew that he was loved and admired by the people of his assembly district; but until I arrived in Sacramento, I was unaware of the great respect he commanded from his colleagues in the State legislature.

And, then, when I succeeded him in Congress, I found the same admiration

and respect for him by his coworkers in the House of Representatives.

Undoubtedly, Cecil King has left a legacy of achievement and outstanding service on both the State and National level—a legacy that will carry on for many years, remembered by generations to come for a life of devoted work on behalf of the people of our country.

Mr. Speaker, the citizens of the South Bay area of Los Angeles, the State of California, and the entire Nation owe a debt of gratitude to the late Congressman Cecil King for his many contributions to our society.

While I am certainly proud to be his successor in this body, I am also humbled by the fact that Cecil King can never be replaced in the hearts and minds of those who knew him, and those who knew of him and his works.

My wife, Lee, joins me in sending our heartfelt condolences to Mr. King's wife Gertrude, their daughter Louise Bonner of Torrance, and his sister Gladys Rose of Hawthorne.

Mr. PETTIS. Mr. Speaker, it is an honor to join my colleagues in paying tribute to a former Member of this House whose recent and untimely death has saddened us all.

I had the privilege of getting to know the late Honorable Cecil R. King in 1967 during my first term in Congress when we both served as Representatives from California. By that time Cecil had been a Congressman for 15 years, serving with great distinction on the Ways and Means Committee. He retired just 2 years after I arrived, but in the brief time I knew him I became a great admirer of his legislative knowledge and ability to get things done.

I now serve on the same Ways and Means Committee on which Cecil served with such effectiveness and know that I could do nothing better than to emulate the fine example he set both in the committee and in this House.

Cecil King will be greatly missed by all of us lucky enough to have known him. Mrs. Pettis joins me in expressing our deepest sympathy to his family at this time of terrible loss.

Mr. DANIELSON. Mr. Speaker, like all my colleagues from California, I am greatly saddened by the death of Cecil R. King. Although I was not a Member of Congress while Cecil King served here, I had the privilege of working with him when I was an assistant U.S. attorney and later in the private practice of law in Los Angeles, and also when I served in the California Legislature. We all knew that Cecil was diligent in his work and could always be counted on to watch out for the best interests of our State.

I greatly regret his passing and would like to express my condolences to his widow, Gertrude King.

GENERAL LEAVE

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today, our late departed colleague, the Honorable Cecil King of California.

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

There was no objection.

INCREASING OIL IMPORTS—POTENTIAL FOR DISASTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho (Mr. HANSEN) is recognized for 15 minutes.

Mr. HANSEN of Idaho. Mr. Speaker, when the temporary relaxation of the Arab oil embargo was announced, Americans breathed a collective sigh of relief. Unfortunately, the mistaken assumption that the crisis is over has lulled many Americans into a false sense of complacency that we can return to "consumption as usual." Optimistic predictions are being made that the Arabs will decide to expand oil production and that prices will be lowered. These predictions might not be realized. A renewal of hostilities in the Middle East, evidenced by some disturbing incidents in the last few days, could portend another embargo situation for the United States. The greater danger lies, however, in a normalization of oil import trade with the Middle East that will eventually lead to a higher level of energy dependence for the United States.

Our total energy requirements are rising at a rate of between 4 percent and 5 percent a year. If this trend continues, demand for oil will rise from the present level of 16.5 million barrels a day to 30 million barrels of oil per day by 1985, even if optimistic projections are realized for the expansion of supplies from other fuel sources.

Domestic oil production is currently 9.3 million barrels a day. Oil from Alaska is expected to rise to 2 million barrels a day by 1980. Oil from the Outer Continental Shelf and oil shale would contribute only a modest amount by 1980, given the significant leadtime required to bring such ambitious operations on line. Thus, by 1980, domestic oil supplies are unlikely to exceed 12 million barrels a day. The balance of 18 million barrels a day must be met by imports, which will cost between $25 to $35 billion per year. By 1985, our bill for foreign oil could rise to between $54 and $70 billion per year. It would be well to remember that the holders of these outflowing dollars do not have to buy goods in the United States. They may well elect to purchase scientific equipment and industrial goods from high technology countries that have lower prices—such as England, France, Japan, West Germany, and Russia. Just at the time when our need for competitive capability will be the greatest, the high prices of American goods and services could isolate us from world markets. We would be in a vicious and inescapable circle: paying an increasingly higher price for energy, which would in turn push up prices, which would make our goods more expensive and less competitive on the world market, where we will be forced to turn for capital to finance our foreign oil bill.

The oil import dilemma can be addressed by three options: First, to forsake our reliance on imports, but this would be a simplistic and impractical overreaction. Second, we could continue our oil dependence, increasing at historical levels, and attempt to pay the astronomical bills. The third option involves a fuel conservation effort to curb demand, and an oil stockpile to guard against sudden disruptions in imports. The oil stockpile concept has been advanced by the Ford Foundation's energy policy project. Two options are available in this concept: First, developing oil in place and then "shutting in" the field; and second, buying and storing oil in salt domes or tanks. The costs for such a stockpile, based on current oil prices, would range from $8 billion for a year's supply purchased and stored, to $16 billion for developing and capping reserves in the ground. Of course, the developed reserves could continue to supply oil long after the stored oil reserves had been depleted.

Drawbacks to the oil stockpile concept include the difficulty of building up a stockpile in the first place, given the current shortage situation. We would have to either increase our oil imports by a factor of one-third, or cut demand by 10 percent for a year.

As we develop our national energy policy objectives, we must consider not only the reliability of our energy sources and the costs involved, but also the international implications of our actions. If we continue to increase our reliance on foreign oil imports, will we not be in competition with our trading partners for the same Middle East oil? What repercussions will occur in the field of international trade if all nations simultaneously try to increase exports to pay for foreign oil imports—will restrictive import policies be adopted? Will our relations with the less developed world be strained by our competition with them for oil? Will they retaliate by withholding other key resources which we need for our industrial sector? How will these actions contribute to the possibility of international monetary instability? What are the strategic implications of increasing our reliance on foreign fuel? What about the growing energy imbalance between the United States and the Soviet Union? These are but a few of the questions that must be answered as we develop our long-range energy policy objectives.

The implications of reliance on imported oil must be clearly understood by the American people. Right now, I fear that our sense of relief over the relaxation of the embargo has dulled our perception of what could happen in the future as a consequence of our preoccupation with conspicuous consumption.

Those of us who are privileged to serve in Congress have the abundant data on the long-range energy problem that should enable us to get a clear vision of what will be required to meet this crucial challenge. We have, also, the responsibility to inform our constituents of the

full implications of the energy problem for themselves and their children. We also have a duty to formulate energy policies that are in the long-range best interests of the Nation. We will do America a great disservice if we yield to the temptation of short-range convenience at the expense of her long-range well being.

THE SOVIET ENERGY INVESTMENT PROHIBITION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. DENT) is recognized for 5 minutes.

Mr. DENT. Mr. Speaker, I am joined by my colleague, the gentleman from New Jersey (Mr. RINALDO) in introducing legislation which would ban any U.S. Government-supported investments in energy development in the Soviet Union. This bill is identical to the one offered in the Senate by the junior Senator from Pennsylvania (Mr. SCHWEIKER).

I am taking this action in light of the recent ruling by the Comptroller General of the United States, that the Export-Import Bank transactions of low-interest loans to Communist countries are illegal without individual Presidential determinations submitted to Congress, that these Eximbank transactions are in the national interest.

In the face of the General Accounting Office's determination, the Attorney General, acting at the request of the President, has issued his own interpretation which purports to make these outrageous loans legal.

If the Congress does not act, the Eximbank will move to approve the application for a $49.5 million loan to finance oil and gas exploration in Eastern Siberia and for a $7.6 billion loan for the North Star gas development project in Western Siberia.

I ask support of my colleagues for this legislation which will kill all U.S. Government-supported investment in Russian energy development during our own energy crisis. If we are going to subsidize energy development, it must be here in our own country.

I call to the attention of my colleagues, the text of the bill which follows, and the editorial on this subject appearing in the New York Times of March 14, 1974:

H.R. 13880

A bill to prohibit Soviet energy investments

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Soviet Energy Investment Prohibition Act".

Sec. 2. No department, agency, or instrumentality of the United States Government may directly or indirectly provide assistance to finance or otherwise promote the export of any commodity, product, or service from the United States if the intended use of such commodity, product or service involves energy research and development, or energy exploration in the Union of Soviet Socialist Republics.

[From the New York Times, Mar. 14, 1974]

SIBERIAN GAS

The Administration's dubious proposal to channel billions of American investment dollars into developing the Soviet Union Siberian natural gas fields has run into a well-timed legal barrier. On political and strategic grounds, beyond the technical point of law involved, the Congress would do well to grasp this unexpected opportunity to subject the Siberian venture to harder scrutiny.

Acting on a request by Senator Schweiker, Republican of Pennsylvania, the General Accounting Office has barred the Export-Import Bank from extending credits for the first part of the project pending a legally required statement from the White House that the project would be considered in the "national interest." Without an initial credit of $49.5 million, the ambitious Yakutsk exploration plan would probably die aborning.

The notion of a vast Soviet-American joint venture in the energy field had a certain superficial attraction when it was first broached two years ago, both as a tangible expression of an emerging détente and as a possible means of opening promising new energy sources.

Even then there were skeptics, including this newspaper, who questioned the plan's justification on both technological and commercial grounds, to say nothing of the security implications. With the passage of time, those doubts have become stronger than ever.

Vast new supplies of natural gas could admittedly provide an alternative to petroleum now imported from the Middle East, but this would simply be trading one politically unreliable source of energy for another equally vulnerable to the policy evolution of a foreign government. It is hard to see the "national interest" in pumping an eventual $6 billion, or much more, into developing Soviet energy sources when the investment could be well or better applied inside this country.

Strongly championed by Secretary of State Kissinger, the Siberian natural gas projects have become a symbol of the Administration's policy of détente. But the genuineness of the Soviet interest in détente has been cast increasingly in doubt by Moscow's attitudes in Europe and the Middle East. However valuable a mood of reduced tensions between the two superpowers, political atmosphere is not something to be bought by economic transactions that cannot be justified on their own merits. The Siberian natural gas development has yet to pass this test.

LABOR—FAIR WEATHER FRIEND—XIX

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, it has been said, and repeated by the AFL–CIO News, that I am some kind of union-buster. That is not true.

When I was in the Texas Senate, nobody had a better record in support of the positions endorsed by labor than I did. This did not help me very much, because organized labor was very weak in Texas then. And later on, when I decided to run for statewide office, labor would not endorse me, because it was felt that I was maybe a little too radical, and maybe I could not win. But at the time I was the only person in Texas who was willing to run and be identified as a labor candidate. That was a pretty early indication to me that at least some folks in the labor movement were more interested in protecting their own position than sticking by those who supported their union principles.

But I was not dismayed. I understood the situation then, and I understand it now.

When I was elected to Congress, I hired my staff on the basis of merit, and my administrative assistant, when I came here, was the former president of the Texas CIO. I would not have hired that man if it had been a question of whether or not he was a political asset. The business community was more than a trifle upset, but this was a good and effective man, and he stayed. I would not have undertaken this if I had been antilabor.

And later still, when I was able to bring about the construction of a special category World's Fair in San Antonio, which created the greatest construction boom ever to hit that city, I insisted that the construction be carried out with union rules and paying union scale—and using union labor whenever possible. I did this over the strenuous objections of many people of vast influence in this event, and in the community. I do not think I would have taken on that effort if I had been antiunion.

And as long as I have been in the Congress, labor has examined my voting record and found it as good as any, year after year, session after session. This would not be so if I did not believe in and support the basic principles of unionism.

So how is it possible that now I am supposed to have a "union-busting attitude." The answer is that I do not, and that the AFL–CIO has allowed itself to be misled and abused by a small group of people it has subsidized for years, and whose greatest achievement has not been to organize workers, but to foment opposition to me. Maybe they did not know how the cash was being spent—the AFL–CIO is a big organization—but I am telling them now. I have been a good friend of labor, and now I am asking for a little friendship in return.

I am not asking any favors of labor. I have never done that. All I am asking is that the lies publicly issued and endorsed by the AFL–CIO and its so-called Labor Council for Latin American Advancement be retracted, and I get an apology that is long past due. It should not be any big thing for me to get a little decent treatment. I am waiting, but I do not hear anything from those responsible. Don Slaiman, Franklin Garcia, Maclovio Barraza, and all their pals—I do not hear anything from them. Dónde Estás, Maclovio? Where art thou, Maclovio?

RHODESIAN CHROME

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, I would like to insert for the thoughtful attention of my colleagues a letter to the editor of the Athens, Ohio, Messenger which appeared on January 21, 1974, concerning several articles which were written by James J. Kilpatrick on the Rhodesian chrome issue. The letter follows:

ALTERNATE VIEW

Editor, The Messenger:

The Messenger has carried several articles

by the conservative columnist, James J. Kilpatrick, regarding the American position on the international sanctions imposed against the white minority regime of Ian Smith in Rhodesia. The most recent of these, published on December 28, 1973, was filled with a series of half truths, misleading arguments and outright slander aimed at the leaders of several black African states. Since the U.S. House of Representatives will soon consider and the Senate has already passed a bill requiring renewed compliance with United Nations sanctions preventing the importation of chrome and other metals from Rhodesia, the readers of the Messenger should be aware of alternative points of view.

Kilpatrick argues that the Senate "may have touched bottom" and set "some sort of record for hypocrisy, for expedience and for reckless disregard of the future" when it voted to resume sanctions against Rhodesia. He states that the earlier Senate action to ignore sanctions against Rhodesian minerals (promoted by Senator Harry F. Byrd, Jr. and known as the Byrd Amendment) was necessary to assure availability of "indispensable" chrome ore and to prevent the United States from becoming dependent on the Soviet Union for its supply of that metal. What he neglects to mention is that the U.S. was buying significant quantities of high grade Soviet ore well before the imposition of sanctions against Rhodesia. He also fails to tell his readers that America possesses a large enough stockpile of this metal to fill all domestic needs for several years and strategic needs for longer than that. In fact, President Nixon advised Congress that the U.S. should dispose of a major portion of this unnecessarily large surplus at the very time that Senator Byrd claimed that the importation of Rhodesian ore was vital to our national security.

If there was "hypocrisy" in this matter, it can be found in the Byrd Amendment which put the United States in outright, flagrant violation of its treaty obligation to the United Nations. The United States voted for these mandatory sanctions in the Security Council and was therefore obligated under international law and its own solemn treaty relationship with the UN to comply. Instead, for the most marginal reasons of national security, the Congress determined that we would become an international outlaw violating sanctions against Rhodesia as a matter of national policy. The Nixon administration has joined Senators Humphrey, Kennedy and McGee in seeking to restore sanctions.

Those who favor the repeal of the Byrd Amendment have noted that African nations may begin to deny us their oil, cobalt, copper and other minerals if we continue to buy chrome from Rhodesia. To Kilpatrick this position represents capitulation "to possible ultimatums from a gang of tinpot tyrants, one party dictators, and murderous practitioners of genocide . . ." Can African pressure on the United States to bring its policies into conformity with international principles which America itself supported be termed blackmail? However the worst part of Kilpatrick's assertion is his slur on African leaders. To be sure General Gowan, the leader of Nigeria, heads a military government. However when Kilpatrick reminds us of alleged genocide against the Ibo people, he has totally ignored the remarkable reconciliation of the hostile parties since the Nigerian civil war and the visible evidence that General Gowon is fulfilling his promise to return his country to civilian rule by 1976. To classify Gowon as a "tinpot tyrant" totally misrepresents the emergence of this man as a responsible national leader and increasingly prestigious international figure. It is also true that Kenneth Kaunda, the President of Zambia has moved his country toward a single party state. What Kilpatrick fails to mention is the great sacrifice that Kaunda and his people have made to lessen the dependence of their landlocked countries in the renegade Rhodesian regime. If the dislocations caused by Kaunda's adherence to high principles have occasioned the unfortunate suppression of opposition, this hardly justifies the epithet "tinpot tyrant" or "one-party dictator."

The gravest distortion in Kilpatrick's article is his attempt to portray Rhodesia as a "peaceful and civilized" democratic regime. To be sure Kilpatrick is technically correct when he observes that "In Rhodesia, blacks vote, sit in Parliament, own property, attend an integrated university." What he fails to say is that these facts conceal tokenism on a flagrant scale. Under the existing system, the 5.6% white minority will for the foreseeable future control fifty seats in the Rhodesian parliament while the 94.4% black majority will control fifteen. In education, land holding, jobs and other areas vital to their advancement, blacks are exposed to a level of disability and discrimination, akin to apartheid in South Africa, which will prevent them from assuming their rightful role in their country. The vast majority of Rhodesian blacks repudiated this white supremist independence from Britain in a recent referendum on a proposed agreement to end the crisis. "Civilized" Rhodesia detains large numbers of Africans without trial in concentration camp conditions because of their advocacy of majority rule. It is for these reasons that Britain, the United States and the world community have refused to recognize Rhodesia's unilateral declaration of independence.

The Rhodesian issue is important to Southeastern Ohio because several large producers of ferrochrome are in our area. Over three hundred workers at Foote Mineral's plant in Steubenville are losing their jobs since their plant can no longer compete with the cheap ore processed by exploited black labor in Rhodesia. Union Carbide in Marietta is a major importer of Rhodesian chrome and favors the lifting of sanctions. This company, which claims to be concerned about the strategic need for chrome, has invested heavily in Rhodesia and, in taking advantage of low cost black labor, has deprived American workers of their livelihood. It seems that Union Carbide values its profit margin more than the national interest after all!

Readers of the Messenger who agree with our analysis should be sure to contact their Representative, Congressman Miller to express their views. Our Congressman is, unfortunately, one of those who favors the continued importation of Rhodesian chrome. We also hope the Messenger will take care to include correspondents who sympathize with black African needs and desires in order to balance the views of apologists for the white supremacist regimes like Mr. Kilpatrick. We are appreciative of this chance for "equal time" to reply.

Richard F. Weisfelder, 102 Sunnyside; Sung Ho Kim, Plaza Apartments No. 6; Edward Baum, 20 Sunnyside; Edward C. Hayes, 176 N. Congress; Denise Marshall, 78 E. State St.; Ronald J. Hunt, No. 2 Monticello Village, Apt. 303; Felix V. Gagliano, 11 Roosevelt Drive; Alan R. Booth, 26 Elmwood Place.

THE CONGRESSIONAL ADVISORY LEGISLATIVE LINE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. YATRON) is recognized for 5 minutes.

Mr. YATRON. Mr. Speaker, today I am sponsoring a piece of legislation which I feel represents a worthwhile effort to achieve a more open and responsive legislative branch. The congressional advisory legislative line would implement an 800 toll-free telephone number line, within the House Information Systems "bill status office," to afford the American people with an accessible, immediate service by which they may obtain information relating to the status of pending legislation before the Congress.

The CALL bill would carry the bill status concept one step further and I believe it represents a sound and desirable investment in reaching out to the American people—while at the same time allowing the people to reach the Congress.

Not only am I intrigued with the potential expansion of the computerized services which have been implemented in the House, but I feel that the 800 toll-free concept is particularly worthwhile. Countless corporations and industries throughout the United States are participating in the 800 concept, as for many Federal agencies and departments—the IRS, Social Security, the Consumer Product Safety Commission, FEO, and so on. The listing is expanding. Should not the legislative branch, which is considered to more closely represent and serve the people than any other branch of Government, utilize such telephone service?

In initiating computerized services here on Capitol Hill, the Congress has taken a significant leap into the 20th century. The possibilities are, of course, numerous and interesting. In 1975, it is expected that a much-improved telephone service system will be implemented. The House Administration Committee, through the Information Systems Office, is able to conduct a traffic study to determine exactly how many telephone lines would be required by the CALL 800 system. An accurate determination can be made by utilizing the telephone company computers. This is being done. I do not feel that the cost of implementing and maintaining the Congressional Advisory Legislative Line would be prohibitive; on the contrary, my view is that it would be a sound and worthwhile investment.

The Director of the Information Systems Office, Dr. Frank Ryan, provides able direction in operating our House computer services. His staff is capable and efficient and we are indeed fortunate in now having these services. Chairman WAYNE HAYS of the House Administration Committee provides effective and responsible legislative leadership. They are to be commended on the caliber of service extended through the bill status office.

The National Enquirer, which actually has the largest circulation of any newspaper in the Nation, recently publicized the services of the bill status office. It was reported that anyone may call 202/225–1772 and avail themselves of this informational advantage. The transformation to the 800 system would be beneficial to the people, without having to make a long distance telephone call.

Mr. Speaker, the text of the Congres-

sional Advisory Legislative Line appears below, as do the names of the CALL bill cosponsors. Additional expressions of interest are still being received and I am hopeful that others will cosponsor.

Every avenue should be explored, in our efforts here in the Congress, to enable the American people to become closer to their legislative branch. A good point at which to begin—no doubt, one of many worthwhile ideas—is to implement the Congressional Advisory Legislative Line.

The text follows:

TEXT OF LEGISLATION

A bill to establish an office within the Congress with a toll-free telephone number, to be known as the Congressional Advisory Legislative Life (CALL), to provide the American people with free and open access, on an immediate basis, to information relating to the status of legislative proposals pending before Congress

SEC. 101. There is established within the Information System of the Congress an office, to be administered by the existing Information Services System, which compiles information relating to the status of pending legislative proposals before Congress, in order to make such information available to all persons within the United States who wish to inquire as to the status of legislation. Such office shall have a toll-free telephone number line.

SEC. 102. The Committee on House Administration shall make such arrangements as it deems necessary and appropriate to provide proper implementation of the toll-free telephone number, and to employ such personnel as is necessary to administer the information, including the employment of adequate bi-lingual personnel to provide information to those Spanish-speaking Americans who may wish to use these services. Upon completion of all administrative arrangements for providing such information, the Committee shall notify the Members of the House of Representatives and the Senate, and persons of the communications media, of the telephone number, and any procedures as to its use, as determined by the Committee.

SEC. 103. There are authorized to be expended from the contingent fund of the House of Representatives such sums as are necessary to conduct the preliminary implementation of this Act.

CALL Bill Co-sponsors:

Bella Abzug, Jonathan Bingham, John Buchanan, Yvonne Burke, Charles Carney, Shirley Chisholm, Cardiss Collins, Paul Cronin, John Dent, Ed Derwinski, Frank Denholm, Dante Fascell, Bill Gunter, Michael Harrington, Henry Melstoski, Larry Hogan, Elizabeth Holtzman, Clarence Long, James Mann, Spark Matsunaga, Parren Mitchell, Joe Moakley, John Murtha, Claude Pepper, Bertram Podell, Alan Steelman, Gerry Studds, Larry Williams, Lester Wolff, Antonio Won Pat.

IMMIGRATION AND NATURALIZATION SERVICE SEMINAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. EILBERG) is recognized for 5 minutes.

Mr. EILBERG. Mr. Speaker, I wish to announce that another meeting in a series of seminars is scheduled for Monday, April 8, to be conducted by the Immigration and Naturalization Service. This seminar will commence at 9:30 a.m. in room 2237 Rayburn House Office Building.

Representatives of the Immigration and Naturalization Service will discuss general procedures governing immigration into the United States from the Eastern and Western Hemispheres, petition procedures for obtaining immigrant visas, the steps to be taken in acquiring a labor certification and the requirements for obtaining refugee status.

In addition, the discussion will include a description of the alien registration requirements applicable to permanent resident aliens, the terms and conditions relating to the admission of nonimmigrant aliens, requests for asylum, deportation and the various administrative remedies which may be available to deportable aliens.

Staff members of congressional offices, particularly those who handle immigration and citizenship matters, are invited to attend this seminar.

BYPASS PROVISION FOR NONPUBLIC SCHOOL STUDENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. THOMPSON) is recognized for 5 minutes.

Mr. THOMPSON of New Jersey. Mr. Speaker, during the recent debate on the amendments to H.R. 69, I commented on the effect of an amendment being offered by Mr. MEEDS concerning a bypass provision for non-public-school students. These comments are printed in the CONGRESSIONAL RECORD of March 26, 1974, on page H2149. Since these comments might raise a number of questions concerning the basic provisions in the law for the participation of non-public-school students, I feel it would be helpful to restate my comments on this matter during the original debate on ESEA in 1965:

Services and arrangements provided for non-public-school students must be special as distinguished from general educational assistance.

The decision about the best arrangement for providing special educational assistance under title I is left to the public education agency of the school district, under the constitution and laws of the State.

Thus, public school boards could make available the services of such special personnel as guidance counselors, speech therapists, remedial reading specialists, school social workers who would reach the nonpublic-school children in the public schools or through public services in the nonpublic school buildings, or through mobile services, or through ETC, or through comunity centers, et cetera. But these special services would not be part of the regular instructional program of the nonpublic schools. Thus, nonpublic schools could not get general classroom teachers in history, English, mathematics, and social studies.

These comments were printed in the CONGRESSIONAL RECORD on March 26, 1965, page 5895.

I feel it is important to reiterate this statement because it has the same validity today as it had during the original debate. Therefore, it may serve to prevent any misinterpretation of my more recent remarks with regard to the allowability of teaching services provided in the nonpublic schools.

Finally it should be noted that the loan to nonpublic schools of materials and equipment restricted to use for secular or nonreligious educational purposes has been part of the ESEA since its inception in 1965.

A study of the 1965 debate from March 24 through March 26 of that year will show that Mr. CAREY of New York to whom I referred in my recent comments was in full agreement with the statement as quoted here.

A SOLUTION TO JAPANESE COMPETITION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. GAYDOS) is recognized for 5 minutes.

Mr. GAYDOS. Mr. Speaker, Motorola, Inc.'s experience tells the story of what is happening to many segments of American industry much better than do scores of graph-laden bureaucratic reports.

Motorola is an old hand in the electronics business and was among the pioneers in developing television manufacture and acceptance in this country, and, indeed, around the world.

But now we are in an era of Japanese expansion in this field, and Motorola has found it no longer can compete head-to-head in the U.S. market with Japanese imports made at lower labor cost and enjoying governmental subsidies in one form or another.

After suffering losses in its TV division for 5 straight years, Motorola has accepted a ready solution to its problem—the same solution which, I fear, is facing far too many once profitable U.S. businesses. It is selling out its losing division to a Japanese buyer, the multibillion-dollar electronics firm of Matsushita.

With Motorola TV under its belt, Matsushita, already heavily into U.S. sales, will have some 15 percent of the total American TV business and be hard on the heels of Zenith and RCA, both of which can expect stiffer competition in the future.

Time magazine has this to say:

It (Matsushita) will acquire three Motorola plants in the U.S. and one in Canada, giving it a North American manufacturing base far larger than that of Sony, which became the first Japanese TV company to manufacture in the U.S. by building a plant in 1972 in San Diego.

In defending the Motorola deal, we are told it will be far better to have Matsushita making TV sets here and using American workers than to have had it increasing shipments from Japan. Motorola chairman, Robert W. Galvin, told Time that Matsushita will be able to put more money, effort and energy into the business than Motorola could muster and concluded:

It will be able to turn our people on as a new coach does.

Such a statement is disturbing, a statement which sums up, in my opinion, the sorry result of the years in which our

companies have been compelled by governmental policy to suffer unfair Japanese competition while we have refused to take proper countermeasures. Japan still has the upper hand. The country thrives under our defense shield in the Far East, spared equitable military costs of its own while we pick up the entire staggering bill. And we make no effort to correct this. Instead, we keep on taxing our businesses and people to pay the costs, in effect, of Japan's safety, Japan also continues to encourage exports by tax concessions and subsidies and to block imports by every means possible so as to protect Japanese manufacturers.

The effects of the imbalance—this refusal by us to safeguard our companies in the same degree that Japan safeguards its own—are showing in case after case similar to that of Motorola across this country. Motorola's TV business was forced into the red by Japanese competition. Now the business is being sold to a Japanese competitor and thousands of Americans will find themselves working for the very people who, a generation ago, were supposed to have lost an aggressive war we were supposed to have won. Who would have thought, as that war raged, that our complacency in face of a business challenge ever would allow Japanese economic aggression within our own borders to become a serious problem?

I have brought other reports on matters such as this to the attention of the Congress and intend to keep calling for Government action against foreign encroachment in our industry until something is done about it. This Nation has never been one to surrender. And I do not want to see it surrendering by stages in the battle for the American market, let alone for other markets in the world.

SETTING THE RECORD STRAIGHT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. McFALL) is recognized for 5 minutes.

Mr. McFALL. Mr. Speaker, once again the President has taken to the Nation's airways. And once again the record needs to be set straight.

I commend to your attention the following response to the President by Congressman OLIN TEAGUE for 18 years chairman of the House Veterans' Affairs Committee, and without question the most respected expert on veterans' affairs in the Nation:

APRIL 2, 1974.

Congressman Olin E. Teague, Ranking Democratic Member of the House Veterans' Affairs Committee, and former Chairman of that Committee for 18 years, in response to the President's message on veterans' affairs delivered Sunday, made the following statement:

"The President is being completely misinformed about problems in the Veterans' Administration and the source of these problems. The Agency does not need more studies. It needs a change in top level management. I can see little in the actions proposed by the President which will be of benefit.

"The problems of the Veterans' Administration and its program are directly traceable to the incompetence of its Administrator, Don Johnson. The President's action in appointing the VA Administrator to conduct an investigation of late delivery of veterans' education checks and a review of the medical program is something like putting the fox in charge of the hen house. It would appear that the Administration would by now have had enough of self-investigation.

'The serious problems in the Administration of the veterans' education and training program are the direct result of Johnson's incompetence. He appointed a Director of Education with no background or experience in Veterans' Administration programs. The individual appointed as the Deputy Director of the education program had no background in the administration of veterans' programs, and reportedly was appointed on a political basis.

"The President referred to establishing a crack management team to take a hard look at the services the Veterans Administration provides. A good place to start would be the Director of Planning and Evaluation of the Agency who is supposed to perform just such a function. That individual was brought to the VA from CREEP shortly after the November election. Career personnel were shuffled around to make a job for this individual and this resulted in one of the agency's most competent man being removed from a key spot where he supervised the computer program for education.

"It certainly is not reasonable to expect anything constructive from Administrator Johnson's investigation of the medical program. He has done nothing during his five years in office but obstruct attempts to improve VA medical services. For several years he has appeared before the Appropriations committees of the Congress and opposed any attempts to add funds to the medical program and contended that no additional funds were needed. Despite this, Congress in the last several years has added about one-half billion dollars to the appropriations for veterans medical services. At one time the nurses in the Veterans Administration hospitals at Portland, Oregon, Miami, Florida and some hospitals in the New England area threatened to walk out because of the shortage of funds, equipment and needed personnel. Congress made funds available over Johnson's protests, and later directed that he add 1,000 nurses to the system. Johnson has completely wrecked the leadership of the Department of Medicine and Surgery. Last fall he began a calculated campaign of harassment against the Chief Medical Director, the Deputy Chief Medical Director and the Executive Assistant. Presidential Counsellor Mel Laird interceded and Dr. Marc J. Musser was reappointed for another four year term as Chief Medical Director. Despite White House intercession, Johnson has continued his harassment of Dr. Musser and this led to Dr. Musser's decision several weeks ago to resign. Johnson's harassment of Dr. Musser was brought to the attention of the White House in late February. The Deputy Chief Medical Director resigned several months ago and the medical program is now without leadership.

"In an effort to assure adequate staffing in Veterans Administration hospitals, Congress passed a law directing certain staffing improvements. This met with strong objections from Johnson who contended that such specific legislation was not necessary.

"The kinds of staffing deficiencies which Johnson has failed to recognize is exemplified in a condition cited by the Director of one of VA's major hospitals. The Director stated: 'What happens at this hospital should not be permitted to continue. For the past several weeks we have been operating at almost absolute capacity. On the weekend and holiday recently observed for George Washington's birthday the wards were crammed with patients and the Admitting Office saw almost as many patients on Monday, February 18th, a holiday, as they did on Monday, February 11th, a nonholiday. The nurse on duty in the admitting area was busy drawing blood, taking laboratory specimens, doing EKG's, while the office force was the usual skeleton holiday crew. The staff on wards throughout the hospital for the 3-day holiday weekend was a barebone minimum, i.e., one nurse and one nursing assistant for a 41 bed ward with more than 10 incontinent patients, etc., etc. Limited to laboratory staff was available with others on standby or call back and with similar arrangements for radiology, cardiology, etc. For the three days with all wards busy providing patient care there were no clerical personnel to help the physicians and the nurses who had to answer their own phones, complete their own paperwork and records, run errands, etc. Perhaps at a small, quiet, relatively inactive hospital the VA could get away with this sort of thing but for these conditions to exist here is both tragic and dangerous.

" 'By being able to schedule the expanding ambulatory care and outpatient activities over a 7 day period we could more easily manage the current chaotic peaks and valleys which at times completely crush our physical facilities and tax our limited staff to the utmost. From comments with my colleagues at similar hospitals to this one, they share my views.'

"Similar conditions in the VA medical program have repeatedly been called to Administrator Johnson's attention and others in the Administration from many sources including the House Veterans Affairs Committee. However, Johnson has repeatedly ignored all such suggestions to improve veterans' care.

"Against this background, the President apparently expects Administrator Johnson to conduct an eight week investigation into problems of the medical program.

"The fiasco in the delivery of checks to veterans and schools has been well known to everyone for the last year. In March the House Committee on Veterans Affairs wrote to Johnson and stated, 'It is becoming increasingly apparent that there are not sufficient staff available in the field offices to handle the administration of the education program . . . we would appreciate being advised at the earliest possible time, and no later than March 1, as to your estimates of needed additional personnel for the improvement of this program.' In response to this query, Johnson stated, 'We do not believe more people at this time would solve our problem. Additional staffing requires a minimum of six to eight months' training before it becomes productive . . . therefore, it is our opinion that a request for more people in the benefits area is not warranted.' Within the last week, VA queried the Directors of its field offices and asked what additional personnel would be needed to get the education program on a current basis. The Directors responded by requesting over 1500 additional personnel, additional equipment and many programming changes.

"As the President indicated, press representative Sara McClendon had no difficulty determining that the education program was in trouble, but at this point, there is no indication that Administrator Johnson either perceives the nature of his problems or knows

what to do about it. Now he is being directed by the President to make a self-investigation and report on his own failure to properly organize and administer his Agency. Obviously, very little can be expected from such a self-investigation.

"The President reiterated his recommendation for an 8% increase in education benefits. He neglected to advise the public, however, that Congress is already working on this matter, and on February 19, by a vote of 382–0, the House of Representatives passed a bill which would increase education assistance allowances by 13.6%, the amount necessary to bring rates in line with increases in the consumer price index since the last increase.

"We are puzzled that in any survey of veteran problems the President would neglect to mention the need for cost-of-living increases for service-connected disabled veterans and survivors. An increase of approximately 15% will be required to adjust these payments to changes in the consumer price index since the last increase. We have completed Subcommittee hearings on this subject and expect to mark up the bill this week.

"The President also spoke at some length in his radio message about the plight of Vietnam veterans in securing jobs upon their return to civilian life. He stated that more than 350,000 of these returning servicemen found themselves unemployed and indicated that he had launched a six-point program to correct this situation June 1971. Congress enacted Public Law 92–540, which among other things, mandated the immediate hiring of 67 federal veteran employment specialists to aid in securing employment for young Vietnam-era veterans. One year after enactment of that law, the Administration had failed to add a single person and even today, less than half of those slots are filled.

"The Veterans Administration has had one of the most efficient nonpartisan group of professional employees in the government. Actions of Administrator Johnson to politicize the Agency and his failure to deal effectively with the Agency's problems have brought morale in the Veterans Administration to the lowest point that I have seen it in twenty-five years.

"Veterans Affairs have never been permitted to become a partisan issue in the Congress. The House Veterans Affairs Committee has tried to work with the White House staff to bring problems to its attention. Problems relating to the education and training program and the medical program have been discussed in detail with the representatives of the White House and these problems have been well known for some time by the Administration.

"Appropriations for the Veterans Administration have risen from $7 billion in 1969 to $13.6 billion proposed for 1975. Practically all of these funds go into direct benefits for veterans. The problem in VA is one of administration, not appropriations.

"We had thought the White House would recognize that the deficiency is in the top administration of the Veterans Administration. Instead Johnson is being told to go investigate himself. I frankly doubt that the information which has been furnished the White House has been made available to the President. The only possible solution at this point is a change in the top administration of VA."

THE COMMODITIES FUTURES MARKETS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. SMITH) is recognized for 5 minutes.

Mr. SMITH of Iowa. I have been privileged to chair a subcommittee of the House Small Business Committee which for the past couple of years has gathered information and conducted hearings concerning problems in the commodities futures markets. There had never been an in-depth study of the subject matter since the passage of the Grain Futures Act back in 1922. The nature of trading in commodities futures has changed tremendously since that time and the volume of trading as well as the number of commodities traded has grown by leaps and bounds.

For many years it has seemed to me that the average person in the United States had little appreciation of the manner in which commodities futures markets affects them in business or as a consumer. Through these markets there has been an attempt to provide a tool which could reduce the risk of those in the business of producing, handling, transporting, processing, and otherwise merchandizing, commodities. Suddenly more people have become aware of the tremendous impact that these markets have upon them. Part of this is a result of the tight supply and demand situation and of the abuses of the commodity market system which appeared last year.

However, this awareness must also be accredited to the excellent job of investigative reporting and communicating the problems of this very involved and technical area to the people by the news media during the past year. Leaders in uncovering the inadequacies and in the art of communicating the problems with the Commodity Exchange Commission, the law and the regulations were Clark Mollenhoff, George Anthan, Jim Risser and others from the Des Moines Register and Tribune who with a series of articles were able to describe the situation in such a way so that the average person could understand it better. Other media have also since been of considerable help as individual cases of abuses or a lack of sufficient regulatory activity have occurred.

These articles carried by the news media and the hearings held have been sufficient to generate a wide range of suggestions concerning remedial action and to provide sufficient interest in finding a way to make the commodities futures markets better serve the interests of producers, handlers, processors and consumers.

The committee has not completed action on the report, documenting the problems in detail and calling for the passage of legislation. The Agriculture Committee has utilized the information gained by our investigation and I believe has done a remarkable job of moving quickly in response to the needs, and to provide a legislative remedy designed to meet the situation. Although the legislation which will soon come to the floor may not be 100 percent in accordance with the legislation recommended by our committee, it closely parallels it and I commend Chairman POAGE and the committee for their favorable action.

For those who are interested in the details and back-up material, a reading of the report will be necessary; but, for others who may not have time for that detailed a study, I am setting forth in the RECORD at this point a summary of the recommendations for action:

RECOMMENDATIONS

The report, which will be published soon, recommends legislation to:

A. Create a new full time independent regulatory agency with authority and responsibility to constantly exercise surveillance over the commodities markets and to prevent and correct abuses and manipulations, with the authority to:

1. Bring actions in its own name and through its own attorneys in the Federal courts in order to seek injunctions to prevent violations of Federal statutes and enforce civil money penalties;

2. Bring complaints against violators which could result in substantial civil money penalties and imprisonment;

3. Require additional delivery points for commodities to assure that the speculators cannot demand more than cash value for commodities;

4. Regulate the margin requirements;

B. Prohibit floor brokers and futures commission merchants from trading for themselves in any commodity in which they handle customer orders;

C. Require exporters of commodities to report the details of all sales to a foreign country or company within 48 hours and require the Commission to make this information and other pertinent data available to the public on a timely basis;

D. Authorize and require the General Accounting Office to conduct reviews and audits of the Commission and report thereon to Congress to help assure that the Commission is fulfilling its responsibilities;

E. Bring all commodities traded on the futures markets under regulation;

F. Authorize other actions to stabilize the markets, prevent abuses and protect customers who invest in commodity futures.

The report also recommends that the Commodity Exchange Authority:

A. Use a two-pronged approach to the policing of floor trading practices consisting of a program of selective investigations of trading practices of individual situations and a program of market-wide practice investigations, and increased the number of such investigations;

B. Disseminate all pertinent and helpful information on trading, transportation situation, exports, etc., on a regular, timely basis, including the issuance of reports showing the market share held by large longs and shorts on a daily basis;

C. Increase market surveillance efforts to a level sufficient to insure all cases indicative of manipulation are pursued to conclusion in a timely manner; and take direct and immediate actions against the offending traders and exchanges;

D. Take more timely and aggressive actions against violators of the Act;

E. Develop adequate safeguards to insure foreign governments or companies do not use our commodity futures markets to manipulate commodity prices;

F. Undertake a feasibility study of matching futures trades electronically.

In addition, the report calls for:

A. Establishment of a Government-initiated or guaranteed insurance fund to protect commodity investors;

B. Development of a contingency plan to deal with massive grain sales to foreign interests such as occurred in huge 1972 grain sales to Russia;

C. Establishment of a national grain re-

serves policy designed to meet our opportunities and responsibilities as a world food supplier and to help avoid the kinds of situations which are most conducive to permitting a squeeze or manipulation of the commodities markets.

PUBLIC DISCLOSURE

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

Mr. PODELL. Mr. Speaker, on January 24, members of the New York delegation and others received from the New York Times what amounted to a demand for each Member's "net worth," plus a copy of his most recent income tax return. We were given the option of adding "explanatory material" and were promised that the Times "would get back" to us if they "have any questions."

Mr. Speaker, it is not every day you get an offer like that, and so it was a matter of genuine interest to the 60-member congressional delegation from the States of New York, New Jersey, and Connecticut. Along about the time we got to seizing on this rare opportunity, the Times decently amended its request for our complete income tax returns by limiting it to sources of income and the amount of taxes paid.

It was a generous move on the part of that noble institution to relinquish its domain over our truly private affairs, such as medical problems and expenses, charitable contributions, tithing, and so forth, and it somewhat eased the concern of Members about what seemed a gross invasion of personal privacy by one of our fastidious protectors of personal privacy and freedom of the press.

It was a high-minded decision, in keeping with the Times' own interpretation of the Golden Rule. And so, generally, within the broad confines of each Member's ability and inclination to do so, there has been a good response to the unusual no-nonsense invitation tendered by the newspaper for the congressional delegations to speak to their sources of income in the Times' search for possible conflicts of interest.

As for myself, I can think of nothing more politic than public disclosure. I have repeatedly taken the enlightened view of these things and truly believe the public has a right to know whether or not a politician is unjustly enriching himself, if their Congressman pays his taxes, how much his taxes are, and generally from where he derives his income. This is just as true for public officials as it is for those who seek public office.

To provide for a complete financial profile of elected officials and office-seekers—to remove that gnawing doubt about special interests they may be beholden to—I have proposed complete public financing of all campaigns for Federal elections. I would like to see that adopted in this session of Congress.

So that there will be no public question about my own income, taxes, or investments, I herewith list, generally, the pertinent information as it existed at the close of December 1973:

First. The sources of my income in addition to my congressional salary derive from a one-third interest in the law firm of Podell and Podell, 160 Broadway, New York, N.Y.; a modest income from interest on a savings account; as well as a one-third interest in a number of stocks which are owned by my law firm.

The stocks which the law firm owns are as follows: Granite Management, IBM, KMS Industries, Mapco Inc., American Home Products, and G. D. Searle, in addition to some State bonds and municipal bonds. The firm also owns five other stock issues whose value in 1973 was worthless—worth even less today.

Personally, as an individual, I own no stock except as a beneficial trustee for my three children I nominally hold 400 shares of Con-Edison stock.

Second. Income taxes paid: While the accountant has not yet prepared my taxes for 1973, it is estimated that my 1973 tax will be as follows:

Federal income tax	$36,000
New York State income tax	13,000
New York City income tax	3,100
Total estimated tax	$52,100

Inasmuch as my 1973 tax figure is not final, I herewith set forth the 1972 tax which was paid as follows:

Federal income tax	$27,064
New York State income tax	10,408
New York City income tax	2,387
Total income taxes paid	$39,859

Third. I own no real estate other than my home in Brooklyn, in which my equity represents the value of my home over and above an existing mortgage of approximately $18,000.

I have no other business interests in partnerships, corporations, trusts, or foundations, nor am I liable for any unsecured indebtedeness.

THE OIL INDUSTRY: UNJUST PROFITS

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

Mr. KLUCZYNSKI. Mr. Speaker, the United States has always been thought of as a country where there was enough of everything for everybody. It was this belief that led our fathers and grandfathers to seek to become American citizens so that they might experience its freedoms and enjoy its wealth. And it is a belief that is so strong that it survived the depression and has given hope to the poor. In our lives we have all sought to share our resources and build a heritage to pass on to our children. However, in the last year, this belief has been challenged as many of our surpluses have become shortages, because we have not had sufficient supplies of fuel to keep the machines of industry running.

Today, as the poor, the elderly, the worker, and the small businessman struggle to pay increased costs on set incomes, there is one part of our economy which does not seem to be experiencing the difficulties facing the average American citizen. While the rest of us sacrificed so that we could have enough money to pay more to buy less heating fuel to keep our homes cooler this winter, and while we had to wait in long lines to buy gas—if it was available—at higher prices, one industry was having a good year.

Whatever may have been the cause of the energy crisis, and however many of us may have suffered, the oil industry certainly profited. Profits are the basis of the capitalistic system, and when businesses raise their prices to protect their profit margins, the interest of business and Government are identical. For, after all, the Federal Government has a great interest in industry profits. But, when companies raise their prices and increase their profits, the interest of Government and business is no longer the same. And while profits under normal circumstances are to be encouraged, increased profits by companies producing basic needed goods during times of shortage are suspect.

The year 1973 was a very good year for oil companies. Occidental Petroleum's profits increased 665 percent, and Gulf's increased 306 percent. Exxon's profits rose 59 percent, and Phillips Petroleum's profits rose 55 percent. Sun Oil, Union Oil, Mobil, Texaco, and Continental Oil all increased their profits by more than 40 percent.

Because of these increased profits and the sacrifices made by the American people, and particularly by the poor and those on fixed incomes, I have voted for legislation which would have forced a rollback in prices for gas and heating fuels. If the citizen must make sacrifices to avoid unequal and unfair distribution of fuels, then the companies responsible for those shortages should also be required to make sacrifices and be prevented from increasing their profits during this period.

In 1970, the House Select Committee on Small Business, on which I serve, issued a report calling upon the administration to establish an agency to monitor the supply and demand of energy to insure that the isolated shortages existing then did not spread. Had this been done, many of the problems we faced this winter could have been avoided.

The Small Business Committee issued another report, in which I also concurred, which called upon the Federal Trade Commission to investigate the anticompetitive practices which exist in the oil industry, and that investigation has resulted in charges being brought against eight oil companies. But that case is complicated and will take years to resolve, and the time for help is now.

Price increases accompanied by increased profits in a time of scarcity can no longer be tolerated because of the injustices they inflict upon the poor, the elderly, and the worker, and I will continue to support legislation which will guarantee adequate supplies of fuel to all citizens at reasonable and fair prices, and which will prevent oil companies from making unjust profits during this shortage.

ELECTION CAMPAIGN FINANCE REFORM

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

Mr. SANDMAN. Mr. Speaker, I call to the attention of the House what can happen when hysteria overrides commonsense in an attempt to accomplish election reform.

The action taking place in my own State is a shining example of why the Congress of the United States should not be stampeded into public financing of campaigns. The following is a story which should have appeared in the columns of Robert Ripley which he always entitled "Believe It or Not." It is the story of the new administration in Trenton, N.J., which, in an attempt to achieve early fulfillment of a campaign pledge, has presented a public financing measure to a legislature which that administration controls by an overwhelming proportion—greater than 3-to-1 in both houses.

The New Jersey bill, to a large extent copies portions of both the Kennedy bill (S. 2780) and the Cannon bill (S. 3044), now being considered in the U.S. Senate. Both of these measures attempt to circumvent the requirements of the 14th amendment by requiring the candidates to first be able to raise a large sum of money on their own before they are entitled to any public financing. This theory is also adopted in the New Jersey proposal.

At the outset, it must be remembered that the new chief executive in New Jersey received more than two times as much in campaign contributions in last November's election as did his opponent. A huge portion of the total $1.5 million the new chief executive received, something like $350,000, came from the AFL–CIO through various means.

Now, the newly elected chief executive of New Jersey has even asked the legislature to pass his public financing bill without question—without adequate public hearings. I am attaching a copy of an article in the Philadelphia Evening Bulletin of March 26, 1974, which gives an accurate account of the Governor's position. Also attached is an editorial of that same newspaper which, on March 28, 1974, attacked the actions of the New Jersey Governor. Many other responsible newspapers throughout the State made similar editorial attacks.

Let us examine what the New Jersey bill does. First of all, it only applies to the Governor's reelection campaign in 1977. At that time, any candidate who chooses to run against him in the general election only, provided he first has raised $50,000, will thereafter receive $2 from the State treasury for every $1 he raises on his own. In other words potential candidates are knocked out of the ring in New Jersey unless they can first prove that they have $50,000. That is a principle that has been opposed by the electorate since the beginning of time. The public has rejected the idea that you have to be wealthy to run for office.

EQUAL PROTECTION

In my judgment, the New Jersey proposal is just as unconstitutional as the two Senate bills are. They all violate the equal protection clause of the 14th amendment. They do not treat all candidates equally. That rule cannot be circumvented by merely requiring the candidates to raise a certain amount of money.

What is even worse in the New Jersey situation is that if a major labor union, such as the AFL–CIO, is permitted to make its donation through its multiple chapters throughout the country, and if in 1977 it repeats its performance for the New Jersey Governor by giving him another $350,000, then that by itself would give the Governor an additional $700,000 of money from the taxpayers for a reelection campaign "kitty" totaling a whopping $1,050,000.

I hope the New Jersey Legislature meets in 48 hours to consider this legislation and when the legislators do, I hope they will show better judgment than the Governor has. I urge that the proposed public financing legislation be rejected.

CONSTRUCTIVE CHANGES

There are some areas of reform where constructive changes can be made. If the goal is to eliminate the necessity of candidates to raise huge sums of money to be elected, wouldn't it be a good idea if we attempted to eliminate some of the great expenses?

The largest expense by far, specifically in the metropolitan areas, is television advertising. Since television stations now endorse candidates, why don't we make certain that the television stations are not in conflict of interest when they accept, for instance, $150,000 for advertising from a political campaign fund? Does not that have some bearing on the station's attitude toward the candidates when it comes time for endorsements?

We can erase all conflicts of interest in this connection. Since television broadcast stations are under Federal regulation by the FCC, I suggest that no television station shall be allowed to accept any money from any candidate in any form whatsoever. This will accomplish two things: It will eliminate the blatant conflict of interest, and it will cut campaign advertising costs tremendously, most likely in half for many candidates.

By the same token, the television media should be encouraged to continue their very excellent service to the public by providing free and equal time in forums and debates to candidates for public offices.

If we are going to eliminate the large contributor, let us be fair and eliminate all large contributors—labor unions as well as corporations or, for that matter, any kind of political action organization. It is just as wrong for an oil company or combination of oil interests to give $350,000 to a candidate as it is for labor unions to contribute that same amount for the re-election of the Chairman of the U.S. Senate Labor Committee, as they did in 1970.

It is also wrong for any kind of organization to contribute huge amounts, regardless of what its name may be. Therefore, I recommend that no organization of any kind, whether it is a corporation, trade union or political action organization, should be permitted to contribute more than $1,000 to any candidate for the U.S. Senate or House of Representatives and not more than $5,000 to the campaign of candidates for the Presidency. Further, no individual should be permitted to contribute more than $500 to any candidate for any Federal office.

Let us also remove forever that one area that causes the most trouble. Cash contributions in any amount should be prohibited. There are various proposals to limit the amount of cash contributions that can be received, but those proposals are invitations for devious people to skirt, such as by giving cash in the names of every member of a family, including aunts, uncles, nieces, nephews and cousins. Therefore, the only remedy is to legislate that no cash be used in political campaigning.

Public disclosure laws serve a very worthwhile purpose. I firmly believe that public disclosure should be continued in any election reform law.

Mr. Speaker, when this House considers anybody's version of public financing, such as the Kennedy or Cannon bills, let us make sure that someone is prepared to explain how the proposals meet the equal protection clause of the 14th amendment. In my opinion, for any public campaign financing law to be constitutional, it must treat all candidates running for the same office in the same manner—that means the same amount of money.

Under the Kennedy bill, a candidate who can raise $10,000 or more would receive up to $90,000 of tax money. To be fair, we should give the same amount to every one of the candidates running in that particular election which means not only the major candidates, but also all of the independent candidates.

Now, let us be very honest about what will happen when this becomes the law of the land. There will be so many candidates that no election machine ever invented will be able to accommodate all the names.

Let us also take a close look at what would happen in a statewide election for Federal office under the Cannon bill. A U.S. Senate candidate running in California would be entitled to $2 million of public funds as would his opponent, provided that he was able to raise $125,000 on his own. All of the other candidates who have less than $125,000, running against the same Senator, would receive nothing from the public funds under the Cannon bill. How in heaven's name are those candidates treated equally as required by the 14th amendment of the U.S. Constitution?

Public financing of campaigns is a very expensive proposition. And the concept has no end to its ramifications. If done in the true spirit of what is intended, it will promote herds of candidates for every public office and this, in itself, will positively destroy the two-party system in this country.

PEOPLE CAN SPEAK ON PUBLIC FINANCING—BYRNE FAILS TO HALT CAMPAIGN BILL HEARING

(By James Weinstein)

TRENTON.—A public hearing on the Byrne's Administration bill to publicly finance gubernatorial campaigns will be held here Thurs-

day, despite opposition by the Administration.

Assemblyman James Florio (D-Camden), chairman of the Assembly Committee on State Government and Federal and Interstate Relations, said the decision to hold the hearing is a "compromise" between the committee and Administration.

The committee is charged with reviewing the public financing bill before it is cleared for a vote by the entire Assembly.

Members of the Administration, including the governor, have attempted to convince Florio and other Democrat members of the committee to forego the public hearing.

Yesterday, Florio met with Byrne and agreed to "pass on to the other committee members" the governor's opposition to the hearing.

Following yesterday's Assembly session, however, the ten-person committee met in special session and voted unanimously to hold the hearing. There are eight Democrats and two Republicans on the committee.

The Administration is opposed to the hearing because it will delay the bill's enactment into law. The governor also fears opponents of the measure will use the hearing to "torpedo" it, Florio said.

The Administration opposition was countered by a strong determination of Democrat committee members not to fold under executive branch pressure.

Assemblyman Edward Hynes (D-Bergen), a committee member, said "it will be in the Administration's best interests to hold a public hearing, even if the governor doesn't know it."

The bill will provide public funds on a matching basis for gubernatorial candidates in a general election campaign while at the same time limiting individual contributions to $600.

Both the bill and pressure by the Administration to avoid a public hearing have drawn criticism from at least one public interest lobby in the capital.

Common Cause, the citizen's lobby, yesterday charged the financing measure is inadequate because it "fails to cover primary and legislative elections, and that spending limits are too high."

Common Cause representatives intend to testify at the public hearing and as a result were highly critical of Administration attempts to push the measure through without a public session.

The hearing will be held from 10 A.M. to 2 P.M. in the Assembly chambers of the State House, Florio said. With the hearing a week earlier than originally expected, it should clear the lower house by April 4, the date scheduled by the Administration for such action.

THE NEW POSTAL SERVICE AND ITS EFFECT ON CERTAIN PUBLICATIONS

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

Mr. BUCHANAN. Mr. Speaker, I have received a letter from one of my constituents raising some important questions concerning the operation of the Postal Service which I feel should be brought to the attention of my colleagues.

It would indeed be adverse to the national interest if, in its zeal to operate along the lines of a business-for-profit rather than as a public service like the rest of the Government, the Postal Service becomes a party to the destruction of publications which are of great value educationally or culturally, but can only be distributed through the mails.

Mr. Cunningham's own publications, Southern Living and Progressive Farmer, are so distributed. These magazines, because of their large circulation, will be strong enough to face this challenge, but many low income rural families which receive these and similar publications will doubtless have to drop their subscriptions as runaway postal prices force subscription costs up.

A great disservice will, in the process, be done to these low-income citizens by their Government.

Some economically weaker publications, which are nonetheless qualitatively excellent will doubtless not survive.

Mr. Speaker, Mr. Cunningham's letter provides another reason for this one Member to wonder if the Congress has made the right decision in attempting to make the Postal Service anything other than an arm of Government serving the people even in uneconomic ways where this is in the public interest.

It is my profound hope that the reading of this letter, which follows, will make my colleagues wonder, too:

THE PROGRESSIVE FARMER,
Birmingham, Ala., March 4, 1974.

Hon. JOHN BUCHANAN,
Longworth House Office Building,
Washington, D.C.

DEAR JOHN: This may be the longest letter I have ever written, and one of the longest you have received. It is a letter to which I have devoted more time and thought than any I have prepared. For nearly a decade I have served on Washington committees dealing with postal matters, and the thoughts in this letter are not expressed lightly or carelessly.

It is a matter of utmost importance that you and I find the middle ground on the postal rates issue.

You are a key legislative stalwart of the Administration which dissolved the post office department as it existed for nearly 200 years. I, on the other hand, represent the publications which continually fight inflationary costs in order that we may disseminate information of interest to our readers at the lowest possible cost to these readers. Your constituents are our subscribers and readers. Their interests and well being are more important than our own corporate concerns or your own political concerns.

Freedom of communication is basic in our society and under our system of government. This freedom must be preserved if our system of government is to continue to be the model for the world that it now is. Only an enlightened and fully informed electorate can insure its preservation.

The electorate can be kept fully informed only by economical distribution of information concerning every facet of our society—financial, political, cultural, agricultural, and the everyday business of living and earning this living.

The focal point of all this is the rapid and exorbitant increases in postal rates since the system was changed from a service organization to one which is supposed to be a self-supporting business.

These rate increases will have three devastating effects on your constituents and ours:

1. They will be among the most dramatic and visible price increases in a mounting sea of inflation. And isn't it something when a supposedly businesslike government agency leads the way on inflation at a time when every thoughtful citizen is concerned about this problem.

2. They will inhibit freedom of communication by killing some publications and crippling others.

3. They will exert a strong influence on the type of magazines and books that will be published in the future. Obviously those with affluent subscribers, i.e., Palm Beach Life, Wall Street Journal and Fortune, will be able to pass along the rate increases. Perhaps not so obvious is the tremendous competitive advantage this will give to the girlie and other sensational publications which are largely sold on newsstands versus those which have relied on mail distribution and have no alternative. A glance at the following July-December 1973 figures confirms this:

NEWSSTAND SALES AS A PERCENT OF TOTAL CIRCULATION

Magazine and percent newsstand sales

Viva	97.7
Penthouse	96.5
Oui	92.3
Playboy	76.3
Popular Mechanics	18.8
Popular Science Monthly	17.9
Mechanix Illustrated	16.0
Catholic Digest	13.0
Field and Stream	13.0
Esquire	12.7
Sunset	10.8
Reader's Digest	9.8
Atlantic Monthly	9.7
Newsweek	9.6
Psychology Today	8.8
Time	6.4
Southern Living	4.5
Intellectual Digest	4.4
Sports Illustrated	3.9
Horticulture	1.7
Business Week	0.5
National Geographic	0.0
Boy's Life	0.0
American Girl	0.0
Today's Education	0.0
V.F.W. Magazine	0.0
The Rotarian	0.0
Family Health	0.0
Progressive Farmer	0.0
Farm Journal	0.0
Scouting	0.0
The United Church Observer	0.0

First class letter mail rates have just increased 25 percent—from 8 cents to 10 cents. Additional increases will be large and frequent under the present system. You may be certain that Congress and the Postal Service will hear from a lot of people who believe this 25 percent is inflationary and will inhibit their communications with family, friends, and their government.

Far more inflationary is the hidden cost to taxpayers of soaring second-class postal rates. Rate increases of about 130 percent have been approved, and proposed new increases will make the total as much as 200 percent higher than in 1971. The annual amount our company will pay for these increases exceeds our total after-tax profits for Progressive Farmer and Southern Living. We know the end is not in sight. Some publications will be able to pass these costs along, and others will die because they cannot. Whoever heard of a business killing its customers in the name of efficiency?

If such increases continue to be rubber-stamped regardless of their effect on the Nation, how can you expect the public and business to believe that our Government is determined to halt inflation? Or that you wish to stop the trend toward more and more government controls in our economy and at least slow down the soaring increases in the cost of living?

John, it is very discouraging for us to send as much money as we do to Washington and then have our Government and the Postal Service we patronize so heavily try to brand us as a subsidized business prospering at the expense of the taxpayer. There is such a maze of overlapping taxes to be paid that it is difficult to unravel the mess. But, a detailed study we have made in our company shows that for every dollar our stockholders

keep we are sending $28 to $30 in taxes to federal, state, and local governments.

Such large postal rate increases are a serious mistake, but the drastic consequences I am predicting, will result from the much larger future increases which are inevitable under the present system. The concept of exclusivity in postal service has not yet become an institutional government process. It is still reversible. But in a few more years there will be no turning back. People will just shake their heads and recall that it all started under the Nixon Administration. Basically, the present U.S. Postal Service philosophy is an attack on the communications system that made American self-government possible. Whatever happened to the concept of the post office as a service to the people?

It is strange that we find it necessary to argue that easy access to information is an essential ingredient of self-government. This principle of freedom was given the highest possible priority by the founding fathers; it was enshrined in the Bill of Rights; its implications have been expounded by wise men for 200 years.

John Adams, second president of the United States, expressed it this way, "The preservation of the means of knowledge among the lowest ranks is of more importance than all of the property of rich men in the country."

Our fourth president, James Madison, said, "Knowledge will forever govern ignorance, and a people who mean to be their own governors must arm themselves with the power that knowledge gives. A popular government without popular information is but a prologue to a tragedy."

Alex deTocqueville, the most profound foreign observer of American democracy, showed that he understood what made this country great when he wrote, "The more I consider the independence of the press in its principal consequences, the more I am convinced that in the modern world it is the chief, and, so to speak, the constitutive element of liberty."

During the nineteenth century and the first two-thirds of this century, Congress frequently reaffirmed the principle that there was a strong national interest in the circulation of magazines, newspapers, and books at low cost. During these years our elected officials in Washington did not see the postal system as a business, nor as a means of raising revenue for the Government. They saw it in its higher role as a fundamental weapon in the armory of an informed public. Their philosophy stimulated an extraordinary increase in the diversity of magazines, books, and newspapers, and in the size and reach of their circulation. This historic approach had and still has particular significance for Alabama and the South, where libraries, bookstores, and newsstands are few and far between. Our educational lag will be perpetuated if we continue on our present course of raising postal rates and curtailing postal service.

For many years now, our Government has striven to narrow the financial, educational and cultural gap between lower income families, blacks, and inner-city dwellers and the upper income, predominantly white, suburban population. Won't very high postal rates be a strong centrifugal force that will move them further apart?

In the unprecedented turmoil of the last few years, whether for good reasons or bad, we seem to have lost sight of many of the values treasured by our founding fathers. Congress relinquished direct control of what had been a fundamental ingredient of self-government in turning the system over to the U.S. Postal Service. This Postal Service freely admits that its decisions and policies are based on its balance sheet, and the shift is being made to exorbitant postage rates that will make the system "pay its way."

U.S. Postal Service propaganda claims, in national advertising which we help pay for, that mail users are charged exactly what it costs to process and deliver their mail. This is simply not true, and I believe Postal Service management knows that this is misleading propaganda. A college freshman with one course in accounting knows that cost allocation is not an exact science. Every businessman knows that numbers of this kind are subject to extreme variations depending upon the cost accountant's viewpoint and motives.

At present, the Postal Service attributes about half its costs to classes of mail. The other half is defined as institutional. These institutional costs are assigned judgmentally to various classees of mail. In the many years Congress fixed postal rates, no issue was more controversial than post office cost accounting procedures. Does anybody really think that a solution to the problem has been worked out and that every citizen pays exactly what it costs to deliver his mail?

You know that more people are affected, and the Postal Service and congressmen receive more complaints when first-class postage rates go up than when other classes, which are largely paid for by businesses, are increased. Obviously, this is a powerful influence on the judgment of those involved in allocating costs.

You will remember the report of the Kappel Commission. This Commission's long and intensive study of the postal service was the most comprehensive review I know of, and it was largely accepted by the Congress. That Commission, itself, recognized the faults of postal service cost-ascertainment systems and took a strong position against any fully-allocated cost system. Why is the Postal Service so devoted to this concept and why does the Administration allow it?

Don't you see that this concept must eventually lead to differential mail rates and to the closing of post offices that lose money, many of which are in Alabama and other Southern states? Can you imagine what this ill-founded system will eventually determine to be the cost of delivering a package to the more remote regions of the country? Do you know that half the U.S. rural population lives in the South and that Alabama is one of the most rural states in the Nation? I hope you understand how important this matter is to your constituents and ours.

You are aware of the fact that many Alabama post offices are losing money. With the Postal Service running "like a business," with fully-allocated costs, why not close those money-losing post offices? Sears, Roebuck and General Motors would do it that way. Is it in the public interest to keep those post offices open? Of course it is. The public would not and should not accept their being closed. So, they are subsidized as they should be. How is *that* subsidy allocated?

Contradictions are everywhere in the new U.S. Postal Service. For example, the Government claims that the U.S. Postal Service is no longer "in politics." There is much evidence that it is more deeply involved in Washington politics than ever. (I have seen copies of propaganda their lobbyists used with you and other congressmen.)

We were told, but did not believe, that the new post office system would provide continuity and stability of management. Do you know that the results are just the opposite? For example, the Postal Rate Commission has had three chairmen in three years, and the turnover of commissioners has been high. One vacancy currently exists, and the present chairman was appointed just weeks ago. He formerly was Deputy Administrator of Veteran Affairs and General Counsel of the Veterans Administration. So far as I know, none of the commissioners has had postal experience, nor do any of them have the needed understanding of, or experience in, publishing or any other heavy mailing businesses.

It is also contradictory to hear our President point to the inadequacies of TV for covering national news and other developments, while he is endorsing policies which further weaken the medium of responsible printed words. This is done when higher and higher postal rates interfere with the balance we had for many years among the mass media in the United States.

In view of contradictions like these, it isn't surprising that government credibility is so low. Just a few days ago a top administration spokesman referred to this severe credibility problem. Some people in Washington seem to think the credibility problem was created by distorted mass media news coverage. But, how can the Government expect people to believe it when its policies are so terribly contradictory.

The perspective of history may reveal that this Administration and the Congress will make their greatest mistake if Postal Service policy is allowed to destroy the unique "easy-dissemination-of-information" feature of the American way of life.

We all know that the Executive Branch has gained power in relation to the Legislative Branch. Too much so, I think, and many congressmen seem to agree. Do you know that the biggest transfer of potential power ever released by Congress was shifting the Postal Service from Congress to a control by boards and commissioners appointed by the Executive Branch? What that did was to put the machinery in place for a president to control the press. Not by censorship, but in a much simpler, quicker way—economic strangulation of the troublemakers. Believe me, it can be done now.

Of course, you are told this setup is more efficient. Conceivably it could be more efficient—in the same sense that Nazi Germany at its peak was one of the efficient societies of our time. No thoughtful person ever said that free elections, democracy, open debate, the free flow of information to the masses, and other features of the American system lead to efficiency.

John, a Postal Service spokesman advocating this radical change in the American system has the audacity to claim, as quoted in a recent issue of Time magazine, that there is no longer a need to bind the Nation together through an inexpensive communications system. I doubt that he ever understood, much less agreed with the Jeffersonian rationale, which is that more general diffusion of knowledge will yield a better social and political order. Other Postal Service officials have made the same foolish argument. They argue that the postal service should be regarded as a utility.

Evidently they don't understand that, compared to postal rates, utility rates are relatively easy to establish. There are at least one hundred yardsticks to determine what electricity or gas should cost, and no utility is a complete legal monopoly without factual basis for rate making like the Postal Service. Public Service Commissions responsible for setting utility rates are, in some instances, elected by the people; and other organizations are competitive with the utilities.

It is ironic that leaders in such key positions miss the real significance of the role played in our society by the Postal Service. Their perspective robs them of the satisfaction they might feel from their work if they understood the service better. They remind me of the well-known story of the man who encountered three stone masons at work. He asked them one by one what they were doing. The first said, "I'm just a common laborer." The second said, "I'm laying blocks of stone." The third replied, "I'm helping build a great cathedral."

It will be tragic to see this trend toward restraining the flow of information to the

masses continue unbridled. About ten years from now here is what is likely to happen: Some congressman will introduce a bill calling for Government action to fill the information void. And he will be able to make a strong case. The facts will support his contention that the written press is controlled by and read by the elite who can afford to pay exorbitant prices for good magazines, out-of-town newspapers, and books. He will propose that the Government fill that void. It will be interesting to see how congressmen who supported an exclusive postal service back in 1973–74 will vote on his bill.

You don't have to wonder what it will be like after his bill passes. Go today to Tashkent, the cotton producton center of Russia, and pick up a pamphlet on cotton growing. You will find its text made up of Communist propaganda, records of the Nation's various five-year plans, and a little information on cotton culture.

There will be no way to separate politics and propaganda from the material designed to fill the information void when our magnanimous Government steps in, at that future date, to correct the problems created by short-range thinking during this present cynical era which I do not expect to last forever. And the cost of such a government information program will be staggering in comparison to what it would cost right now to preserve a two-centuries-old system of easy-flowing information.

John, a concerned and dedicated Congress, many years ago, made our "free-and-easy dissemination of information" philosophy possible. This philosophy helped to make America great. It helped make rural America the best educated and most productive area of its kind in the world. And now, you and your colleagues have an opportunity to change a national misdirection in policy that threatens to destroy that priceless philosophy. Do you agree that something should be done? What, if anything, are you in favor of doing? The Hanley Bill was killed. What alternative do you suggest to prevent further erosion of the freedom you and I cherish? The remedy lies with Congress.

Sincerely yours,

EMORY CUNNINGHAM,
President and Publisher.

SARA KAZNOSKI—A FIGHTER FOR HUMAN DIGNITY

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

Mr. HECHLER of West Virginia. Mr. Speaker, when the roll is called for those who stood up for human rights and human dignity, the name of Sara Kaznoski will always stand tall among them. She is a pillar of strength and a leader among the widows of the 78 coal miners who died in the terrible coal mine tragedy at Farmington, W.Va., in November of 1968. Sara Kaznoski is still maintaining her vigil for human dignity as described in the following article from the March 31 Central West Virginia Guardian:

LAST WIDOW CONTINUES HER VIGIL

THE BODY SEARCH CONTINUES: A WIDOW WAITS AT CONSOL NO. 9

(NOTE.—When Sara Kaznoski's husband died in a coal mine explosion in 1968 she bought "the nicest cemetery plot I could get him." But today, more than five years later, the gravesite is still empty; despite what may be the longest body search in American mining history, Mrs. Kaznoski's man, and 22 of his fellows, remain trapped in unlifted West Virginia rubble. Tom Tiede reports from the scene of the long, long wait.)

FARMINGTON, W. VA.—Until recently, Sara Kaznoski had the sympathy and support of much of the nation.

The 1968 disaster at Consolidation Coal Company's No. 9 mine killed 78 men and so injured the public conscience that people near and far joined widow Kaznoski in condemning the company safety procedures and demanding that every lost miner be found and "returned home."

But slowly, predictably, the public support vanished.

When the U.S. Congress passed new laws concerning mine safety, many who used the Consol No. 9 holocaust as a rally point felt satisfied enough to go to other causes. When the Consol Company let it be known that the $6 million being spent on the continuing search should be used to expand coal mine employment, local sympathy gave way to pragmatism.

Finally, when the widows were each offered $10,000 by mine owners, in exchange for a possible end to the hunt, even the anguished began to mellow.

Now it seems only Sara Kaznoski is on the front lines of this war of attribution. She says she refuses to be begged, bought or broken off. "I want my husband out of there. I want all the remaining husbands out of there. I want them buried in Christian earth, with proper flowers about. I want these men to rest in peace."

The history of this nasty coal mine incident indicates that what Sara wants, Sara often gets. A coal miner's daughter, now slim and pleasantly blonde at 60, Mrs. Kaznoski was among the first to recognize the Consol No. 9 disaster as a battleground.

She says no one from the company "ever came to say I'm sorry," and at first began to treat the disaster as routine.

It wasn't. It was the worst mine tragedy in six decades, so Mrs. Kaznoski organized a miners' widows committee to bring the point home to Consol; the committee's chief goal, of course, was complete body recovery.

The company naturally did not like the pressure. Nor did executives cherish the idea of spending money to dig for anything but coal. Several Consol officials made intemperate remarks. Early on, the company said there was not much use trying to evacuate the dead men because explosion fires "likely cremated everybody."

Mrs. Kaznoski's committee, however, persevered. Though neither state nor local regulations mandated anything else than routine search attempts. Sara's widows invoked the ageless law of the coal miner:

"If I'm trapped, I'll never be abandoned. No matter how long it takes, someone will come and get me."

Faced with public relations complexities, Consolidated Coal has been reluctantly obeying that law since; Consol crews continue to work five days a week clearing out the rubble from 10 square miles of mines, more than 100 miles of mine tunnels.

"The search," says one worker, "has been an unprecedented pain in the butt."

The search has also been somewhat successful. Crews have recovered 55 of the 78 dead—14 of them in one recent week alone. Recovered bodies are now decomposed beyond visual recognition (identification is made by company employes, not anxious widows), but the remains have put the lie to Consol's early theory of ashes among the rocks; most men are intact, dead often of asphyxiation and not even their chewing gum has been melted.

Yet, although the major portion of the search seems to be accomplished and only 17 miles of tunnel remain to be cleared, there is no certainty that the job will be completely finished. Local sentiment seems now to favor an early end to the matter. "Six million to dig out old bones?" yelps a local. "It's a waste. I say seal off the remaining tunnels as a sort of cemetery inviolate."

The mining company says that, too. Only not so bluntly. Negotiating with United Mine Workers Union attorney Ken Yablonski Consol agreed to pay each widow the $10,000 compensation and also continue the No. 9 search "so long as it is safe, reasonable, and practical to do so."

Yablonski thinks the agreement is sound, not only for the compensation but because "It puts the company signature on a statement to continue the search. As of now, they could stop looking tomorrow. This agreement at least insures they will continue searching until it's no longer possible to do so."

To date, 70 of the 78 widows have signed the agreement. Sara Kaznoski is the most enthusiastically adamant of the holdouts. "Never, never," she says. "All the company wants is a way out of the search. If we all sign, the hunt will end inside a month."

There are those here who feel the Kaznoski obstinacy must be rooted in something more than lingering grief. She's being called "mixed up," a "headline grabber," even "crazy." Such complaints betray short memories, says a regional newswoman.

"It was Sara," she says, "who made the company jump, and it was Sara who has stood up for the little people. She made the company return the husbands' personal effects; she won the right for widows to keep the company welfare cards (free clinic use); if it weren't for her, Consolidation would have forgotten both men and families long ago."

Of course, the company may still forget both men and families. But with Sara Kaznoski around, not very easily. Every other day the widow is on the phone with an executive, cornering a federal man in the shopping district, or crawling over the rubble at a worksite:

"How's it going? Anything new?"

"If we ever do stop," says one excavation worker, with naught but respect, "I think old Sara will come down here and start removing the stones herself."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FOLEY (at the request of Mr. O'NEILL) for Monday, April 1, on account of illness.

Mr. GUYER (at the request of Mr. RHODES), for the week of April 1, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. CRONIN) to revise and extend their remarks and include extraneous material:)

Mr. HENSEN of Idaho, for 5 minutes Wednesday, April 3.

Mr. LANDGREBE, for 30 minutes, Thursday, April 4.

Mr. BAFALIS, for 1 hour, May 8.

Mr. ARMSTRONG, for 1 hour, May 8.

Mr. HANSEN of Idaho, for 15 minutes, today.

Mr. HORTON, for 15 minutes, today.

(The following Members (at the request of Mr. STUDDS) and to revise and extend their remarks and include extraneous matter:)

Mr. DENT, for 6 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. DIGGS, for 5 minutes, today.
Mr. MURPHY of New York, for 10 minutes, today.
Mr. YATRON, for 5 minutes, today.
Mr. EILBERG, for 5 minutes, today.
Mr. THOMPSON of New Jersey, for 5 minutes, today.
Mr. GAYDOS, for 5 minutes, today.
Mr. RODINO, for 10 minutes, today.
Mr. MCFALL, for 5 minutes, today.
Mr. SMITH of Iowa, for 5 minutes, today.
Mr. ROSTENKOWSKI, for 10 minutes, on April 3.
Mr. RANGEL, for 60 minutes, on April 4.
Mr. ASPIN, for 10 minutes, on April 4.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. KOCH, to extend his remarks in the body of the RECORD, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,306.25.

Mr. EDWARDS of California and Mr. MOORHEAD of California (at the request of Mr. KOCH) to follow the remarks of Mr. KOCH.

Mr. MATSUNAGA, in the body of the RECORD, prior to the vote on the Aspin Amendment.

Mr. LEGGETT (at the request of Mr. STRATTON) to include extraneous matter in two instances during debate on S. 2770.

(The following Members (at the request of Mr. CRONIN) and to include extraneous matter:)

Mr. ESCH in three instances.
Mrs. HECKLER of Massachusetts.
Mr. KEMP in three instances.
Mr. BELL.
Mr. STEIGER of Arizona in two instances.
Mr. HUBER in two instances.
Mr. SHRIVER in three instances.
Mr. ZION.
Mr. WYMAN in two instances.
Mr. HOSMER in two instances.
Mr. MALLARY.
Mr. MATHIAS of California.
Mrs. HOLT.
Mr. RAILSBACK.
Mr. ARCHER in two instances.
Mr. PRICE of Texas.
Mr. REGULA.
Mr. LANDGREBE in 10 instances.
Mr. HANRAHAN.
Mr. LOTT.
Mr. ANDERSON of Illinois in two instances.
Mr. BUCHANAN in four instances.
Mr. FINDLEY in two instances.
Mr. BROWN of Michigan.
Mr. CARTER in five instances.
Mr. BAUMAN in two instances.
Mr. HORTON in two instances.
Mr. GROSS.

(The following Members (at the request of Mr. STUDDS) and to include extraneous matter:)

Mr. WALDIE in three instances.
Mr. DELANEY.
Mr. ROSENTHAL in five instances.
Mr. STARK in 10 instances.
Mr. RARICK in three instances.
Mr. GONZALEZ in three instances.
Mr. BRADEMAS in six instances.
Mr. HUNGATE in two instances.
Mr. NIX.
Mr. LITTON in two instances.
Mr. OWENS in 10 instances.
Mrs. GRASSO in 10 instances.
Mr. BERGLAND in three instances.
Mr. HAMILTON.
Mr. DANIELSON.
Mr. DE LA GARZA in 10 instances.
Mr. MURPHY of New York.
Mr. SARBANES in five instances.
Mr. CLARK.
Mr. MURTHA.
Mr. REES.
Mr. EVINS of Tennessee in three instances.
Mr. RIEGLE.
Mr. KAZEN.
Mr. LEHMAN in 10 instances.
Mr. BURTON.
Mr. GUNTER.
Mr. HARRINGTON.
Mr. ASPIN in 10 instances.
Mr. TIERNAN.
Mr. BURKE of Massachusetts.
Mr. JAMES V. STANTON.
Mr. ANDERSON of California in two instances.
Mr. CONYERS in two instances.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 969. An act relating to the constitutional rights of Indians;

S. 1341. An act to provide for financing the economic development of Indians and Indian organizations, and for other purposes;

S. 1836. An act to amend the act entitled "An Act to incorporate the American Hospital of Paris", approved January 30, 1913 (37 Stat. 654); and

S. 2441. An act to amend the act of February 24, 1925, incorporating the American War Mothers to permit certain stepmothers and adoptive mothers to be members of that organization.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and joint resolution of the House of the following title:

H.R. 12341. An act to authorize sale of a former Foreign Service consulate building in Venice to Wake Forest University;

H.R. 12465. An act to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations for the fiscal year 1974; and

H.J. Res. 941. A joint resolution making an urgent supplemental appropriation for the fiscal year ending June 30, 1974, for the Veterans' Administration, and for other purposes.

ADJOURNMENT

Mr. KOCH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 10 minutes p.m.) the House adjourned until tomorrow, Wednesday, April 3, 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:

2124. A letter from the Assistant Secretary of Agriculture, transmitting tables to be inserted in the previously submitted report of the Departments of Agriculture and Housing and Urban Development on financial and technical assistance provided for nonmetropolitan planning district during fiscal year 1973, pursuant to 42 U.S.C. 3122 (c); to the Committee on Agriculture.

2125. A letter from the President and the National Executive Director, Girl Scouts of the United States of America, transmitting the 24th annual report of the Girl Scouts (H. Doc. No. 93-250); to the Committee on the District of Columbia and ordered to be printed with illustrations.

2126. A letter from the Commissioner of the District of Columbia, transmitting a draft of proposed legislation to authorize the District of Columbia to enter into the Interstate Parole and Probation Compact, and for other purposes; to the Committee on the District of Columbia.

2127. A letter from the Commissioner of the District of Columbia, transmitting a draft of proposed legislation to provide for the recovery from tortiously liable third persons of the cost of medical and hospital care and treatment, funeral expenses, and salary payments furnished or paid by the District of Columbia to members of the Metropolitan Police Force and the District of Columbia Fire Department; to the Committee on the District of Columbia.

2128. A letter from the Chief Scout Executive, Boy Scouts of America, transmitting the 1973 annual report of the Boy Scouts (H. Doc. No. 93-251); to the Committee on Education and Labor and ordered to be printed with illustrations.

2129. A letter from the Chairman, National Advisory Council on the Education of Disadvantaged Children, transmitting the Council's annual report for 1974, pursuant to 20 U.S.C. 241(c); to the Committee on Education and Labor.

2130. A letter from the U.S. Commissioner of Education, Department of Health, Education, and Welfare, transmitting his fourth annual report on activities under the General Education Provisions Act, pursuant to 20 U.S.C. 1231a, including a report on advisory committees and councils as required by 20 U.S.C. 1233g, a summary report on the administration of Public Law 81-815 (school construction in areas affected by Federal activities) and Public Law 87-874 (financial assistance to local educational agencies) as required by sections 642(c) and 242(c) of title 20, United States Code, and a table of programs to be included in the Catalog of Federal Education Programs required by 20 U.S.C. 1331b(9); to the Committee on Education and Labor.

2131. A letter from the Acting Secretary of State, transmitting the annual foreign assistance report of the President for fiscal year 1973, pursuant to 22 U.S.C. 2417(a); to the Committee on Foreign Affairs.

RECEIVED FROM THE COMPTROLLER GENERAL

2132. A letter from the Comptroller General of the United States, transmitting a report on the Department of Defense stock funds relating to accomplishments, problems, and ways to improve; to the Committee on Government Operations.

2133. A letter from the Comptroller General of the United States, transmitting a re-

port on the Department of Labor's restructured Neighborhood Youth Corps out-of-school program in urban areas; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LONG of Louisiana: Committee on Rules. House Resolution 1025. Resolution for the consideration of H.R. 13163. A bill to establish a Consumer Protection Agency in order to secure within the Federal Government effective protection and representation of the interests of consumers, and for other purposes (Rept. No. 93-964). Referred to the House Calendar.

Mr. PERKINS: Committee of conference. Conference report on H.R. 12253 (Rept. No. 93-965). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public, bills and resolutions were introduced and severally referred as follows:

By Mr. MILLS:

H.R. 13870. A bill to amend the Social Security Act to establish a national health insurance program for all Americans within the social security system, to improve the benefits in the medicare program including a new program of long-term care, to improve Federal programs to create the health resources needed to supply health care, to provide for the administration of the national health insurance program and the existing social security programs by a newly established independent Social Security Administration, to provide for the administration of health resource development by a semi-independent Board in the Department of Health, Education, and Welfare, and for other purposes; to the Committee on Ways and Means.

By Mr. DOMINICK V. DANIELS (for himself, Mr. ESCH, Mr. PERKINS, Mr. QUIE, Mr. GAYDOS, Mr. MEEDS, Mr. BURTON, Mrs. GRASSO, Mr. DENT, Mr. BADILLO, Mr. STEIGER of Wisconsin, Mr. FORSYTHE, Mr. PEYSER, Mr. SARASIN, Mr. THOMPSON of New Jersey, Mr. BRADEMAS, Mr. HAWKINS, Mr. FORD, Mr. CLAY, Mrs. CHISHOLM, Mr. BIAGGI, Mr. LEHMAN, and Mr. BENITEZ):

H.R. 13871. A bill to amend chapter 81 of subpart G of title 5, United States Code, relating to compensation for work injuries, and for other purposes; to the Committee on Education and Labor.

By Ms. ABZUG:

H.R. 13872. A bill to amend title 5, United States Code, to provide for the privacy of individual's records maintained by Federal agencies; to the Committee on Government Operations.

By Mr. BERGLAND:

H.R. 13873. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the Upper Mississippi River in the State of Minnesota as a study river for potential addition to the Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

By Mr. BROWN of Ohio (for himself, Mr. BROYHILL of North Carolina, Mr. BURGENER, and Mr. ERLENBORN):

H.R. 13874. A bill to establish a Consumer Protection Agency in order to secure within the Federal Government effective protection and representation of the interests of consumers, and for other purposes; to the Committee on Government Operations.

By Mr. BROWN of California:

H.R. 13875. A bill to amend the Agricultural Trade Development and Assistance Act of 1954, to prohibit the use of foreign currencies under title I of this act for common defense; to the Committee on Agriculture.

By Mr. CLARK:

H.R. 13876. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

H.R. 13877. A bill to amend section 5051 of the Internal Revenue Code of 1954 (relating to the Federal excise tax on beer); to the Committee on Ways and Means.

By Mr. DANIELSON:

H.R. 13878. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Interstate and Foreign Commerce.

By Mr. DE LA GARZA (for himself, Mr. YOUNG of Texas and Mr. KAZEN):

H.R. 13879. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Nueces River project, Texas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DENT (for himself, and Mr. RINALDO):

H.R. 13880. A bill to prohibit Soviet energy investments; to the Committee on Banking and Currency.

By Mr. ESCH (for himself, Mr. RUPPE, and Mr. BROWN of Michigan):

H.R. 13881. A bill to transfer the Office of Economic Opportunity to the Department of Health, Education, and Welfare, and to extend certain programs under the Economic Opportunity Act of 1964; to the Committee on Education and Labor.

By Mr. FRASER:

H.R. 13882. A bill to amend title 39, United States Code, to eliminate certain restrictions on the rights of officers and employees of the U.S. Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HARRINGTON (for himself, Mr. REID, Mr. CONTE, and Mr. COHEN):

H.R. 13883. 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. HÉBERT (for himself and Mr. BRAY) (by request):

H.R. 13884. A bill to amend section 9441 of title 10, United States Code, to provide for the budgeting by the Secretary of Defense, the authorization of appropriations, and the use of those appropriated funds by the Secretary of the Air Force, for certain specified purposes to assist the Civil Air Patrol in providing services in connection with the noncombatant mission of the Air Force; to the Committee on Armed Services.

By Mr. HINSHAW:

H.R. 13885. A bill to amend title 38 of the United States Code to make more equitable the procedures for determining eligibility for benefits under the laws administered by the Veterans' Administration, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 13886. A bill to provide for determination through judicial proceedings of claims for compensation on account of disability or death resulting from disease or injury incurred or aggravated in line of duty while serving in the active military or naval service, including those who served during peacetime, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. JOHNSON of Pennsylvania:

H.R. 13887. A bill to amend the Export Administration Act of 1969, to provide a formula to control the exports of wheat, soybeans, and corn from the United States, and for other purposes; to the Committee on Banking and Currency.

H.R. 13888. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. KARTH:

H.R. 13889. A bill to amend section 5051 of the Internal Revenue Code of 1954 (relating to the Federal excise tax on beer); to the Committee on Ways and Means.

By Mr. LEGGETT:

H.R. 13890. A bill to authorize the Secretary of the Interior to conduct a total water management study, Solano County, Calif.; to the Committee on Interior and Insular Affairs.

By Mr. LITTON:

H.R. 13891. A bill to amend the Occupational Safety and Health Act of 1970 to provide that the Administrator of the Small Business Administration may render onsite consultation and advice to certain small business employers to assist such employers in providing safe and healthful working conditions for their employees; to the Committee on Education and Labor.

By Mr. MINISH:

H.R. 13892. A bill to amend the Natural Gas Act to secure adequate and reliable supplies of natural gas and oil at the lowest reasonable cost to the consumer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MOAKLEY:

H.R. 13893. A bill to provide scholarships for the dependent children of public safety officers who are victims of homicide while performing their official duties, and for other purposes; to the Committee on Education and Labor.

By Mr. NELSEN (for himself, Mr. CARTER, Mr. HASTINGS, and Mr. HUDNUT):

H.R. 13894. A bill to amend the Clean Air Act; to the Committee on Interstate and Foreign Commerce.

By Mr. PODELL:

H.R. 13895. A bill to amend title 39, United States Code, with respect to regulation of the sale of subscription and membership lists; to the Committee on Post Office and Civil Service.

By Mr. PRICE of Illinois (by request):

H.R. 13896. A bill to amend the Atomic Energy Act of 1954, as amended, to delete the requirement that Congress authorize amounts of special nuclear material which may be distributed to a group of nations; to the Joint Committee on Atomic Energy.

By Mr. ROE:

H.R. 13897. A bill to establish a National Foreign Investment Control Commission to prohibit or restrict foreign ownership control or management control, through direct purchase, in whole or part; from acquiring securities of certain domestic issuers of securities; from acquiring certain domestic issuers of securities, by merger, tender offer, or any other means; control of certain domestic corporations or industries, real estate or other natural resources deemed to be vital to the economic security and national defense of the United States; to the Committee on Interstate and Foreign Commerce.

H.R. 13898. A bill to create a Joint Congressional Committee on Foreign Investment Control in the United States; to the Committee on Rules.

By Mr. ROY:

H.R. 13899. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the Secretary of Transportation from imposing certain seatbelt standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROYBAL (for himself, Ms. ABZUG, Mr. BROWN of California, Ms. CHISHOLM, Mr. DRINAN, Mr. EILBERG, Mr. HECHLER of West Virginia, Mr. HELSTOSKI, Ms. HOLTZMAN, Mr. RANGEL, Mr. STARK, and Mr. YATRON):

H.R. 13900. A bill to regulate commerce by assuring adequate supplies of energy resource products will be available at the lowest possible cost to the consumer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WHITE:

H.R. 13901. A bill to amend title 10 of the United States Code to provide that no enlisted member of the Armed Forces may be separated from service under conditions other than honorable solely by administrative action, and for other purposes; to the Committee on Armed Services.

By Mr. WYMAN (for himself, Mr. POWELL of Ohio, Mr. MARTIN of North Carolina, Mr. TREEN, Mr. HEINZ, Mr. WIDNALL, Mrs. HOLT, Mr. BROYHILL of Virginia, Mr. DENHOLM, Mr. DULSKI, Mr. ROBINSON of Virginia, Mr. SYMMS, Mr. MOORHEAD of California, Mr. WINN, Mr. NICHOLS, Mr. ICHORD, Mr. PRICE of Texas, and Mr. CHARLES H. WILSON of California):

H.R. 13902. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the Secretary of Transportation from imposing certain seatbelt standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. YATRON (for himself, Ms. ABZUG, Mr. BINGHAM, Mr. BUCHANAN, Ms. BURKE of California, Mr. CARNEY of Ohio, Ms. CHISHOLM, Ms. COLLINS of Illinois, Mr. CRONIN, Mr. DENT, Mr. DERWINSKI, Mr. DENHOLM, Mr. FASCELL, Mr. GUNTER, Mr. HARRINGTON, and Mr. HELSTOSKI):

H.R. 13903. A bill to establish an office within the Congress with a toll-free telephone number, to be known as the Congressional Advisory Legislative Line (CALL), to provide the American people with free and open access to information, on an immediate basis, relating to the status of legislative proposals pending before the Congress; to the Committee on House Administration.

By Mr. YATRON (for himself, Mr. HOGAN, Ms. HOLTZMAN, Mr. LONG of MARYLAND, Mr. MANN, Mr. MATSUNAGA, Mr. MOAKLEY, Mr. PEPPER, Mr. PODELL, Mr. STEELMAN, Mr. STUDDS, Mr. WILLIAMS, Mr. WOLFF, Mr. WON PAT and Mr. MURTHA):

H.R. 13904. A bill to establish an office within the Congress with a toll-free telephone number, to be known as the Congressional Advisory Legislative Line (CALL), to provide the American people with free and open access to information, on an immediate basis, relating to the status of legislative proposals pending before the Congress; to the Committee on House Administration.

By Mr. ZWACH:

H.R. 13905. A bill to amend title II of the Social Security Act to increase from $2,100 to $3,600 the amount of outside earnings permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. BOWEN (for himself, Mr. MCSPADDEN and Mr. YOUNG of South Carolina):

H.R. 13906. A bill to provide indemnity payments to poultry and egg producers and processors; to the Committee on Agriculture.

By Mr. BROWN of Michigan (for himself, Mr. GILMAN, Mr. BYRON, Mr. BREAUX, and Mr. WALSH):

H.R. 13907. A bill to regulate Federal campaign contributions and expenditures; to the Committee on House Administration.

By Mr. BROWN of California (for himself and Mr. GUNTER):

H.R. 13908. A bill to amend the Internal Revenue Code of 1954 to provide that advertising of alcoholic beverages is not a deductible expense; to the Committee on Ways and Means.

By Mr. BROYHILL of North Carolina:

H.R. 13909. A bill to assure, through energy conservation, end-use rationing of fuels, and other means, that the essential energy needs of the United States are met, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CLEVELAND:

H.R. 13910. A bill to amend section 203 of the Federal Water Pollution Control Act to provide for State certification; to the Committee on Public Works.

H.R. 13911. A bill to amend section 206 of the Federal Water Pollution Control Act to authorize the payment of interest on certain reimbursements; to the Committee on Public Works.

By Mr. CONYERS (for himself, Ms. ABZUG, Ms. CHISHOLM, Ms. COLLINS of Illinois, Mr. BADILLO, Mr. DELLUMS, Mr. CORMAN, Ms. BURKE of California, Mr. HARRINGTON, Mr. HAWKINS, Mr. EDWARDS of California, Mr. HELSTOSKI, Mr. PODELL, Mr. MITCHELL of Maryland, Mr. ROSENTHAL, Mr. STARK, Mr. STOKES, Mr. WALDIE, and Mr. YOUNG of Georgia):

H.R. 13912. A bill to establish certain rules with respect to the appearance of witnesses before grand juries in order better to protect the constitutional rights and liberties of such witnesses under the fourth, fifth, and sixth amendments to the Constitution; to provide for independent inquiries by grand juries, and for other purposes; to the Committee on the Judiciary.

By Mr. DELLENBACK:

H.R. 13913. A bill to amend the Land and Water Conservation Fund Act, as amended, to provide for collection of special recreation use fees at additional campgrounds, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FRASER:

H.R. 13914. A bill to regulate the conduct of campaigns within the District of Columbia for nomination or election to the offices of Mayor, Councilman, and member of the School Board by establishing expenditure and contribution limitations applicable to such campaigns, by establishing requirements for reporting and disclosure of the financing of such campaigns, by establishing an independent agency of the District of Columbia to administer election laws generally, and for other purposes; to the Committee on the District of Columbia.

By Mr. KEMP:

H.R. 13915. A bill to amend the Internal Revenue Code of 1954 to relieve employers of 50 or less employees from the requirement of paying or depositing certain employment taxes more often than once each quarter; to the Committee on Ways and Means.

By Mr. MATSUNAGA (for himself, Ms. ABZUG, Mr. BADILLO, Ms. CHISHOLM, Mr. CONYERS, Mr. DANIELSON, Mr. FRASER, Mr. JOHNSON of California, Mr. MCSPADDEN, Mr. MOSS, Mr. MURPHY of New York, Mr. PODELL, Mr. RONCALIO of Wyoming, Mr. STARK, and Mr. YOUNG of Alaska):

H.R. 13916. A bill to provide for additional Federal financial participation in expenses incurred in providing benefits to Indians, Aleuts, native Hawaiians, and other aboriginal persons, under certain State public assistance programs established pursuant to the Social Security Act; to the Committee on Ways and Means.

By Mr. MOAKLEY (for himself, Mr. STARK, Mr. OWENS, Mr. LEHMAN, Mr. MITCHELL of New York):

H.R. 13917. A bill to provide assistance and full time employment to persons who are unemployed and underemployed as a result of the energy crisis; to the Committee on Education and Labor.

By Mr. PERKINS:

H.R. 13918. A bill to amend title 28 of the United States Code to provide for Federal payment of certain expenses of States in connection with habeas corpus proceedings in Federal courts; to the Committee on the Judiciary.

By Mr. PRICE of Illinois (for himself Mr. HOLIFIELD, and Mr. HOSMER):

H.R. 13919. A bill to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. RIEGLE:

H.R. 13920. A bill to impose temporary quotas on motor vehicles imported into the United States from foreign countries which do not allow substantially equivalent market access to motor vehicles manufactured in the United States; to the Committee on Ways and Means.

By Mr. CHARLES H. WILSON of California:

H.R. 13921. A bill to regulate commerce by assuring adequate supplies of energy resource products will be available at the lowest possible cost to the consumer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HORTON:

H.J. Res. 964. Joint resolution to proclaim April 30, 1974, as a National Day for Humiliation, Fasting, and Prayer; to the Committee on the Judiciary.

By Mr. JARMAN:

H.J. Res. 965. Joint resolution to authorize the President to issue a proclamation designating the month of May 1974, as National Arthritis Month; to the Committee on the Judiciary.

By Mr. BRADEMAS:

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

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

By Mrs. GRASSO (for herself, Mr. BURKE of Massachusetts, Mr. CONTE, Mr. COTTER, Mr. GIAIMO, Mr. MCKINNEY, Mr. SARASIN, and Mr. STUDDS):

H. Con. Res. 456. Concurrent resolution expressing the sense of the Congress with respect to the price of refined petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mrs. GRASSO:

H. Con. Res. 457. Concurrent resolution expressing the sense of the Congress with respect to the price of refined petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. HOGAN:

H. Con. Res. 458. Concurrent resolution requesting the President to proclaim March 26, 1975, as National Day of Concern for Political Prisoners in the Soviet Union; to the Committee on the Judiciary.

By Mr. HUNGATE:

H. Res. 1021. Resolution to express the sense of the House with respect to the allocation of necessary energy sources to the tourism industry; to the Committee on Interstate and Foreign Commerce.

By Mr. LEGGETT:

H. Res. 1022. Resolution impeaching Richard M. Nixon, President of the United States, for high crimes and misdemeanor; to the Committee on the Judiciary.

By Mr. RANGEL (for himself, Miss JORDAN, Mr. ROYBAL, and Mrs. CHISHOLM):

H. Res. 1023. Resolution creating a select committee to conduct an investigation and study of the health effects of the current energy crisis on the poor; to the Committee on Rules.

By Mr. RANGEL (for himself, Mr. MOAKLEY, Mr. MITCHELL of Maryland, Mr. LEHMAN, Mr. PEPPER, Mr. DELLUMS, Mr. BADILLO, Mr. MAZZOLI, Mr. WON PAT, Mr. HELSTOSKI, Mr. CLAY, Mr. CONYERS, Mr. HAWKINS, Mr. YOUNG of Georgia, Mr. FAUNTROY, Mr. DIGGS, Mr. QUIE, Mr. NIX, Mr. KOCH, Mr. HARRINGTON, Mr. METCALFE, Ms. ABZUG, Mr. BURKE of Massachusetts, Mrs. BURKE of California, and Mr. STOKES):

H. Res. 1024. Resolution creating a select committee to conduct an investigation and study of the health effects of the current energy crisis on the poor; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

411. Mr. HANSEN of Idaho presented a memorial of the Legislature of the State of Idaho, relative to interference with laws of nature governing the efficiency of engines of science; to the Committee on Science and Astronautics.

PETITIONS, ETC.

Under clause 1 of rule XXII,

417. Mr. BINGHAM presented a petition of the Legislature of Rockland County, N.Y., concerning eligibility of naturalized citizens for the Presidency of the United States; which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

A DISCUSSION OF THE ADMINISTRATION'S PROPOSED ECONOMIC ADJUSTMENT ACT

HON. HOWARD H. BAKER, JR.

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Tuesday, April 2, 1974

Mr. BAKER. Mr. President, one of the important legislative matters before the Committee on Public Works this year is the Administration's proposal for a new economic adjustment assistance program.

Our Subcommittee on Economic Development, under the able leadership of Senators MONTOYA and MCCLURE, has scheduled a hearing on S. 3041 which was introduced with bipartisan support earlier this year.

William W. Blunt, Jr., Assistant Secretary of Commerce for Economic Development, recently outlined the administration's proposal in a speech before the National Governors Conference. Because I believe it will be helpful for my colleagues to read and understand the administration's position on this issue, I ask unanimous consent that a copy of Secretary Blunt's speech be printed in the Extensions of Remarks.

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

DISCUSSION BY WILLIAM W. BLUNT, JR.

MARCH 6, 1974.

The proposed Economic Adjustment Assistance Act is designed to improve the abilities of States and communities to adjust to future economic changes and to implement longrange solutions to problems in currently distressed areas. It is structured to provide State and local officials with greater flexibility in spending Federal funds to assist distressed areas, in the expectation that such an approach will be more successful in reducing unemployment and raising income levels in these areas.

DECENTRALIZING DECISIONMAKING RESPONSIBILITIES

A primary goal of the proposed act is to return to States and communities the principal responsibility for deciding how to use Federal assistance to achieve program objectives. Since State and local officials are closest to the problems, they are in the best position to analyze area needs and set priorities for addressing them. The proposed program not only places these responsibilities at State and local levels, but also insures that those who set priorities have the power to see that funds are expended in accordance with them.

This decentralization of decision-making responsibilities is accomplished through the automatic allocation to States of a minimum of 80 percent of the funds available under the proposed act. The division of these funds among States is based on a formula that recognizes State and community needs, taking into account population dispersal, land area, and unemployment and income levels. The remaining funds are allocated to States on a discretionary basis to meet special needs arising from State, regional, or local problems, or from Federal actions such as the closing of large installations.

In recognition of the importance of basing funding decisions on priorities developed through a problem identification and analysis process, the proposed act requires that each State develop an economic adjustment plan. The plan, which is to be submitted by the Governor, is to specify the target areas selected for economic adjustment assistance and the general objectives for each area. To insure that the knowledge and insights of those working at community, county and multi-county levels are reflected in these plans, the proposed act requires that local government and multijurisdictional entities assist in its preparation.

This emphasis on the planning process is strengthened by linking the preparation of State plans to the actual obligation of allocated funds. The proposed act requires that State economic adjustment plans be approved by the appropriate Federal Regional Administrator before the funds allocated to a State are made available to that State. These Federal Regional Administrators, whose functions will be outlined later, are responsible for reviewing State plans and approving them if they are consistent with the proposed act and any regulations issued by the President.

There is, however, an exception to this rule. Allocated funds may be released to a State prior to approval of a State plan for use in preparing that plan. Thus, States are entitled to use part of their allocations under the act for financing the preparation of their economic adjustment plans.

Since funds are given to a State as a block grant, a State has complete direction as to how they are used, as long as they are consistent with the general purposes of the act. As a result, States have the ability to fund a liimted number of areas, or even one area, thereby providing each area with sufficient resources to resolve its economic problems. Furthermore, States may use funds in areas before economic distress becomes acute.

The block grant approach maximizes State and local responsibility for planning and carrying out economic adjustment efforts. It permits States, and areas within States, to develop and implement their economic adjustment plans in conjunction with related programs, such as those under the recently enacted Comprehensive Employment and Training Act and under the Rural Development Act. It would also permit coordination with the programs proposed by the Administration in the Better Communities and Responsive Governments bills.

State and community planning for economic adjustment can also be accomplished on a more rational basis because funds are appropriated a year in advance of actual allocation to the States. Thus, the problems inherent in developing plans in a vacuum, with little or no information as to the resources that will be available for implementing those plans, are eliminated.

AUTHORIZING A BROAD RANGE OF ASSISTANCE

Under the proposed act, States have a broad range of tools at their disposal, and these tools may be used for a variety of purposes. States may offer assistance through grants, loans, subsidies, loan guarantees, tax rebates or other forms of aid to public entities, private profit and non-profit organizations, and individuals. This assistance can be used to support not only the kinds of projects and activities that are currently funded by EDA, but other appropriate economic adjustment efforts as well. Among the types of State aid specifically authorized by the proposed act are assistance for public facilities, public services, business development efforts, planning, technical assistance, and administrative costs.

STRENGTHENING REGIONAL PLANNING AND COORDINATION

The proposed act also authorizes interstate compacts to permit States to work together on common economic adjustment efforts. States participating in these multi-State organizations may use funds allocated under the proposed act for joint adjustment effort expenses. If regional organizations are formed, they may require member States to submit their plans to them for review or approval. Such participation by multi-state organizations should assure that State plans reflect regional adjustment needs.

DECENTRALIZING FEDERAL ADMINISTRATION

The principal Federal authority and responsibility under the proposed act is given to ten Federal Regional Administrators, one for each Standard Federal Region. These Federal Regional Administrators are appointed by the President and are responsible for reviewing State plans, obligating funds to the States, and evaluating performance by the States in using the funds. The Administrators have no authority to make project-by-project allocations of Federal assistance as the Economic Development Administration does under the Public Works and Economic Development Act of 1965.

The Federal Regional Administrators are required by the proposed act to work with other Federal agencies whose programs affect area economies, and are permitted to participate in the activities of Federal Regional Councils to promote interagency co-