Senate would deprive the American consumer of 38 billion tons of coal. Its counterpart in the House, H.R. 11500, is being marked up by the Interior Committee, seemingly with the same objective in mind.

Now, how much is 38 billion tons of coal? An awful lot. Its energy equivalent equals all of the proved oil reserves of Saudi Arabia.

For the Saudi Government seriously to entertain the idea of capping every oil well in its kingdom to avoid the clutter of drilling rigs would be as ludicrous as hauling Antarctic icebergs to its deserts by jet freighters.

Similarly, for H.R. 11500 to throw away 38 billion tons of coal make as much sense as trying to grow bananas on Pike's Peak.

If we blow the whistle on environmental extremists we can, at one and the same time, have this energy and sensibly reclaim strip mined lands, too.

SENATE—*Wednesday, April 10, 1974*

The Senate met at 10 a.m. and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Let us pray today in the words of St. Francis of Assisi:

"Lord make us instruments of Thy peace; where there is hatred, let us sow love; where there is injury, pardon; where there is doubt, faith; where there is despair, hope; where there is darkness, light; and where there is sadness, joy.

"O Divine Master, grant that we may not so much seek to be consoled as to console; to be understood, as to understand; to be loved, as to love; for it is in giving that we receive, it is in pardoning that we are pardoned, and it is in dying that we are born to eternal life."

St. Francis of Assisi, Adapted.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., April 10, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

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

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, April 9, 1974, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION

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

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

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Wendell A. Miles, of Michigan.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nomination on the Executive Calendar, under the Judiciary, will be stated.

THE JUDICIARY

The second assistant legislative clerk read the nomination of Wendell A. Miles, of Michigan, to be U.S. district judge for the western district of Michigan.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of this nomination.

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

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Chair recognizes the distinguished Republican leader, the Senator from Pennsylvania (Mr. HUGH SCOTT).

THOUGHTS ON HOLY WEEK

Mr. HUGH SCOTT. Mr. President, this is Holy Week and by one of those strange concatenations of the calendar, I am informed—although I am not certain of this—that for the first time in about 500 years the celebration of Easter by the Greek Orthodox Rite and by the Christian churches of other faiths coincide this year on the same date. So that Holy Thursday, Good Friday, and Easter Sunday are celebrated by the entire Christian world at the same time.

This causes one to hope that the efforts of peoples around the world for peace may meet with some success and that we may, somehow, find the way that leads to peace, that we may come to understand what are the common aspirations of all mankind.

Like most Members of Congress, I have visited many countries and I have found that the peoples of those countries share three common aspirations and this is without differentiation as to ideology, geography, or race.

First, the peoples of the world generally dislike their government, because it is of the nature of man to be free and to resist restraints, however benevolent.

Second, the peoples of the world do not like to pay taxes, because it is a trait of humankind to wish to retain the fruits of one's labors.

Third, the peoples of the world—all around the world—wherever parents are, wherever children are, it is the hope of the parents that their children will enjoy a better way of life than did they themselves.

I believe that if people can share common aspirations, common surgings, common desires, and a commonality of essential human reaction, then it would seem to me that, somehow, we can find a way to bring together these aspirations into a common searching for peace and understanding, for tolerance, and for love.

I hope that this Holy Week will be an occasion for us to think upon these things and be hopeful.

Mr. MANSFIELD. Amen.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, the Chair recognizes the distinguished Senator from Ohio (Mr. METZENBAUM) for not to exceed 15 minutes.

Mr. MANSFIELD. Before the Senator starts, may I ask unanimous consent to transfer to the Senator from Ohio (Mr. METZENBAUM) the time allotted to the distinguished assistant majority leader, the Senator from West Virginia (Mr. ROBERT C. BYRD).

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

ECONOMIC PREPAREDNESS ACT OF 1974

Mr. METZENBAUM. Mr. President, as the newest Member of the U.S. Senate, it is an honor for me to deliver my maiden speech.

There are, believe me, some major disadvantages to being the Senate's most freshman Member. But there is one most important asset.

The freshman comes to Congress with a clear eye and an open mind. He views the Nation's Capital not yet as an insider looking out, but still as a back-home citizen looking in. From this perspective, this is what I see.

Washington has become an aloof sanctuary that contemplates rather than

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creates, that ponders rather than produces, that agonizes rather than acts.

The people back home feel their national leaders no longer understand their problems, no longer care about their needs, no longer are willing to take bold action in their behalf.

More than any scandal, this feeling of neglect is the underlying cause of the loss of confidence in Government that pervades the country today. And, I believe, there is merit to this citizen frustration.

In the 3 months that I have been a Member of the U.S. Senate, I have felt frustration build up inside me. Something is lacking in these hallowed Halls. The part of me that remains a back-home citizen looking in fails to detect a sense of purpose, a sense of urgency in our deliberations over major national issues. The pace is leisurely—inappropriately so.

We have become an elephantine government that moves clumsily to set policy by reacting to crises. We do not step swiftly to seize the initiatives of leadership. If a fuel shortage develops, policy is formed after the fact. If a food shortage develops, again policy comes afterward. If unemployment starts to climb, the lines must grow long before action comes.

The people pay a terrible price. While we discuss what to do, the citizen wastes hours in line waiting for gas that is too expensive, he must pay exorbitant prices for basic foods he needs to keep his family from going hungry; he must walk the streets looking for work.

No wonder the people are angry. They have a right to be.

I believe that we, their representatives in Washington, have an irrevocable obligation to provide a much improved brand of public service—one that brings to the task of policymaking a greater commitment to imperative action. Only then can we rightfully call ourselves "leaders."

It is in this context that I am introducing the Economic Preparedness Act of 1974.

The proposals I offer are the first steps in what must be a continuing effort to find effective answers to the worsening economic conditions both in my home State of Ohio and throughout the Nation.

If enacted by Congress and carried out by the executive branch, my economic preparedness program would once again put Government on the side of the people in ways that people can understand lower food and gas prices, lower taxes for the middle-income wage earner, more jobs, increased industrial production, and a mechanism for insuring that the Nation will never be caught unprepared again.

At the outset, it is essential that we recognize the gravity of our present economic situation.

Although the American economy remains fundamentally strong and resilient, its ability to function has been seriously undermined by an incredible series of policy errors by the Nixon administration.

Freezes and phases, we have learned, benefit the corporations at the expense of the wage earner. Soaring fuel prices benefit the oil companies at the expense of the homeowner and the motorist. Extravagant exports benefit foreign governments at the expense of the family market basket. High interest rates benefit the bankers at the expense of the home buyer. Budget cutbacks benefit the Treasury at the expense of the needy and unemployed.

Yet, what do we get from the President? A sense of urgency? No. A new economic program? No. Just bland reassurance. "There will be no recession" in 1974, Mr. Nixon declared in his state of the Union message.

We need only survey the economic landscape to see ample evidence to the contrary. The truth is the economy is in deepening trouble. The unemployed worker knows it. The wage earner knows it. The consumer knows it. The homeowner knows it. The motorist knows it. Only the President, mired in Watergate, refuses to recognize reality.

My home State of Ohio is a case in point:

Thirteen labor markets in Ohio, including the city of Cleveland, are currently designated by the Labor Department as areas of substantial or persistent unemployment.

In February, the performance of insured workers drawing unemployment checks jumped to 3.4 percent from less than 1 percent last fall.

In March, 114,058 people filed continuing unemployment claims, a 60-percent increase over a year earlier.

In the greater Cleveland area, new unemployment claims were being filed at the rate of 3,000 a week in February, twice the rate of a year earlier.

In northeast Ohio, a factory worker with a wife and two children lost 4.5 percent of his real spendable earnings in the past 12 months.

In Cleveland, the price of a pound of hot dogs climbed to $1.25 in January 1974, from 84 cents a year earlier. The price of a half gallon of milk in Cincinnati reached 81 cents in March. A half dozen eggs in Akron cost 93 cents in February, up from 53 cents in mid-1973.

Unfortunately, Ohio is merely reflective of the Nation as a whole.

Today there are 2 million more people out of work than when the Nixon administration took office in 1969. There are now 4.8 million unemployed.

The latest report of the Joint Economic Committee predicts that, unless antirecession measures are taken quickly, unemployment could easily exceed 6 percent in the second half of this year.

During the Nixon administration's 5 years, the cost of living has soared nearly 30 percent, the fastest rate of increase in a quarter of a century.

During 1973 alone, consumer prices jumped 8.8 percent and continued upward at annual rates of 12 percent in January and 15.6 percent in February.

Mr. Nixon's own economists now expect a 6-percent decline in the Nation's first quarter growth rate, in contrast to the Council of Economic Advisers' forecast, just a few months ago, of a modest decline for this period.

And, in direct contradiction of the President's optimism, the University of Pennsylvania's prestigious Wharton Econometric Forecast, on March 1, declared that "the U.S. economy is now in recession."

Obviously, much more than bland reassurance is needed.

What, then, should be done?

Above all, we must provide greater economic security for the average working family. We must take immediate steps to slow down the inflationary spiral in the cost of food and petroleum products—the chief sources of the near recordbreaking inflation of the past year. We must work toward achieving a more equitable tax structure. Finally, we must reexamine the relationship between government policy and national economic performance to offer our citizens a lifestyle other than a rollercoaster ride they have been experiencing from one economic crisis to another.

In short, we must rebuild national confidence.

I propose the following program:

FOOD

Exports must be curtailed until we take care of our at-home needs first.

In an era of recurring shortages, the American consumer must be given first claim to the products of our farms, rather than having to pay higher prices because of shortages stemming from our swelling shipments of food overseas.

Last year America shipped a record $9.9 billion of foodstuffs abroad—a 92-percent increase over 1972. This includes the massive wheat deal with the Russians approved by the Nixon administration that increased wheat exports by 200 percent and left America facing a possible wheat shortage this summer.

Right now, more of our wheat and rice is shipped abroad than is kept for our own tables. Of the 1973–74 wheat crop, 61 percent has been sold for foreign consumption. Of the rice crop, 59 percent is for foreign use, including 25 percent being given to Vietnamese soldiers under the food-for-peace program.

The impact of such huge foreign shipments on the American market basket has been devastating. The price of wheat has soared, driving the consumer price of cereal and bakery products up 26 percent through the end of 1973. The price of rice climbed more than 110 percent over the past 13 months. And, the price of dry beans, another large export item, is 162 percent higher than in January 1973.

In all, food prices jumped 22 percent for the average family last year. This year the price spiral continues, with a 30-percent rise—at an annual rate—recorded in February. If this trend continues, food will take an increasingly burdensome share of the American family's income.

For example, a family of four earning $10,000 a year that paid 25 percent of its income for food as recently as 1972 may be forced to pay at least 35 percent by the end of 1974.

There is one other alternative. The American family could eat less. Last year many families did just that. Food consumption fell 2 percent, and the consumption of meats dropped by 7 percent.

I believe the American family deserves a more reasonable choice. Food prices

can be brought down, if exports are controlled. Therefore, I propose:

First. Creation of a national food reserve over the next 5 years to build up a 1-year supply of grains and dry beans through a variety of methods, including direct Government purchases at market prices;

Second. A licensing procedure for all exports of foodstuffs both to control overseas shipments and to prevent grain dealers from hoarding to reap exorbitant profits; and

Third. An automatic ban on further exports when the total supply of a given grain or bean falls to within 5 percent of the required national reserve levels for that commodity.

The Secretary of Agriculture would be required to supply the new National Commodities Survey Office that I am proposing to be created in the General Accounting Office with a weekly report on the status of the U.S. food supply, including a listing of all export licenses granted during the previous 7-day period.

To insure equity of access to the U.S. market, no foreign country would be allowed to purchase more than 120 percent of the previous years' purchase without a public hearing by the Department of Agriculture.

The new National Commodities Survey Office that I propose to be established in the General Accounting Office is designed to provide accurate and timely statistics and reports on strategic commodities and resources, such as food, petroleum, aluminum, copper, tin, zinc, and so forth. Authoritative supply forecasts do not presently exist, and the lack of such information in food and petroleum was a prime factor in the inflation and shortages that developed in the past 2 years. This country must not be caught unprepared again.

OIL

The oil companies must bear their fair share of the cost of the energy shortage they helped to create, with the consent and approval of the Government.

Now, the oil corporations are profiteering enormously—at the expense of the consumer. Industry profits last year doubled, to $20 billion, while consumer prices of gasoline, home heating oil, and liquid propane skyrocketed.

Every 1-cent increase in the price of gasoline means another $1 billion for the oil company treasuries. The petroleum industry possesses such enormous wealth that it has the power to wreak havoc on the American economy at will. And, with its octopus-like multinational affiliations, the power extends worldwide.

This awesome might must be contained. The Emergency Energy Act that I cosponsored along with others would have rolled back fuel prices and fixed ceilings on them. But President Nixon denied consumers this relief by exercising his veto.

We in the Senate cannot accept this decision docilely. From my own inquiry, I am convinced that a major reason the oil companies are profiteering so handsomely is that they are paying excessively high prices to their own foreign affiliates and passing on the extra costs to the American consumer—the practice of self-dealing.

Under the present law, oil companies are permitted to pass through to the consumer, on a dollar-for-dollar basis, the higher prices they pay for crude oil they import. The Federal Energy Office claims it has sufficient regulatory authority over the oil companies to control the self-dealing aspects of oil company profits. But while, it and its predecessor, the Cost of Living Council, have studied the oil company figures, the price of gasoline continues to rise, and oil company profits hit alltime highs.

The distinguished chairman of the Senate Interior Committee, Senator HENRY M. JACKSON, has introduced legislation and commenced hearings into self-dealing practices, and I am pleased to join him in this legislative effort.

I know this. Unless something is done about this outrageous practice, the American consumer will continue to be gouged—I mean gouged—by the oil industry and the worst part of this gouging practice is the overall inflation of the economy. The economy is having enough problems of its own without the oil companies of this country skimming $10 billion to $15 billion off the top. I have, therefore, included in this act the language of S. 3267 which would, if enacted, strike directly at this self-dealing practice.

TAXES

I propose a tax credit in the amount of $250 per dependent to bolster the purchasing power of low- and middle-income Americans.

It is time to move forcefully to redistribute the tax burden from those crippled by inflation to those who have basked in unjustified benefits. A $250 tax credit for low- and middle-income families would also provide a direct stimulus to today's recessionary economy.

Taxpayers would be given a choice between the present $750 personal exemption that is deducted from taxable income and the new $250 tax credit that would be deducted from taxes due. This would be the effect.

For a family of four earning $5,000 a year, the credit would eliminate the $98 income tax that is currently due. A family of four earning $10,000 would save $415 in taxes. And a family earning $15,000 would save $310. As the family's income increases, the amount of tax saving would decline. At the level of $30,000, the taxpayer would be better off choosing the $750 exemption than the $250 credit.

The tax credit approach focuses its benefits where they are most needed—the low- and middle-income family. If corporations are allowed tax credits, why not the individual wage earner? It is the right tax reform at the right time, and in the right amount.

I estimate the cost of this tax reduction at $12.6 billion—a revenue loss the Treasury cannot afford. Therefore, I propose a number of revenue-raising measures.

Some $5.5 billion of additional revenue could be recovered by withdrawing from the oil industry the special tax advantages it holds over the rest of American industry. I favor:

Ending the foreign tax credit now allowed the oil industry for investment overseas; this would save an estimated $2 billion.

Eliminating the depletion allowance on both foreign and domestic oil beyond the point of the original cost of the investment.

Capitalizing intangible drilling costs on the same basis as the rest of American industry; with the depletion allowance reforms, this would save an estimated $3.5 billion.

There is no reason whatever—logically or economically—to continue these massive writeoffs to oil producers on an exclusive basis. Their continuance—at a time when the middle-income family is afflicted by both inflation and recession—can only poison the social climate in which other wage and pricing decisions are made.

In addition, I propose repeal of the asset depreciation range—ADR—provisions of 1971, which gave businessmen the right to increase depreciation 20 percent across the board. It had no logic then. It has even less now. This would save an estimated $1.7 billion.

I propose to repeal the right of builders to take accelerated depreciation except for construction of low and moderate income federally subsidized housing. This would save an estimated $1 billion. Some of the special tax legislation that was passed at a time of need is no longer necessary nor right. All too often special tax legislation remains on the statute books, providing unnecessary and unfair tax windfalls, when it is no longer needed. Today we need to increase the purchasing power of the average consumer. By eliminating some of these special tax breaks, we can more equitably distribute the tax burden.

This package of tax credits and reforms would produce a mild fiscal stimulus of around $4 billion, less whatever savings can be achieved in the Pentagon budget. This is sound policy at a time of declining economic growth and shrinking consumer purchasing power.

JOBS

Because 5.1 percent of the labor force is out of work, the public service employment program should be extended, and a more flexible system of unemployment compensation should be adopted.

We must recognize that a tax cut, in itself, is not a sufficient answer to the Nation's economic problems. Pockets of unemployment are growing in Ohio. Conditions are likely to become worse before they get better.

Since 1971 public service employment has given persons who otherwise would be out of work a badly needed paycheck while accomplishing many useful services for State, county, and local governments. Its successful operation is a matter of record. In approximately 3 years, 300,000 jobs have been created at a cost of $7,500 a job—not a very high price to pay under the circumstances.

For the short run, I support full funding of $250 million of the public service employment sections of 1973 Comprehensive Employment and Training Act, plus the supplemental funding of $250 million advocated by members of the

Subcommittee on Employment of the Labor and Public Welfare Committee.

In the longer run, I propose creation of a permanent public service employment program that would be activated whenever the level of unemployment reached a trigger of 5.5 percent, either nationally or in local labor areas. Funding would increase automatically as unemployment climbed. The program could also be activated when economic forecasts predicted a decline in economic growth, or a rise in unemployment, would reach the trigger figure in the near future. This concept of taking action before the fact is at the heart of my economic preparedness program.

Creation of a $5 billion public service employment fund would guarantee that money would be available when needed. Activated by a Presidential decision or a joint resolution of Congress—to avoid the danger of a Presidential veto—such a fund would provide a "letter of credit" for States and local governments without waiting for the lengthy congressional appropriations process. This approach is contained in a proposed amendment to the Comprehensive Employment and Training Act of 1973 by the Senator from New York (Mr. JAVITS).

Congress must also adopt permanently a more flexible system of unemployment compensation, as initially passed by the Senate last November. This legislation, as proposed by the senior Senator from Connecticut (Mr. RIBICOFF), gives the States far greater flexibility in providing an additional 13 weeks of unemployment compensation coverage above the basic 26-week period.

I also urge that Congress approve an additional 13 weeks coverage for areas of high local unemployment to be financed out of general revenues to avoid undue burden on the States. This would give especially hard-hit workers a full year of coverage.

INTEREST RATES

I believe the Federal Reserve Board should act to lower interest rates.

Interest rates are again approaching record levels, imposing an additional economic burden on those least able to bear it. The Federal Reserve Board would be well advised to lower the Federal funds and Treasury bill rate to the neighborhood of 6 percent by late summer.

NATIONAL DEFENSE

To help pay for the tax reduction and job creation programs I have proposed, I believe the Pentagon budget can be reduced without jeopardizing national security.

President Nixon's plan to increase defense spending by more than $6 billion in the coming budget year is more habit than wisdom. It fails to take into account our changing relationship with European allies, the peace that has come to Southeast Asia, the extravagance of Pentagon contracting, and the top-heavy command structure of our Armed Forces.

Rather than add billions to the Pentagon budget, I would pare billions so that more money would be available for the tax reduction and job creation programs I have discussed. This could be accomplished by—

Gradually bringing home most of the 319,000 American soldiers and their quarter of a million dependents now stationed in Europe—while leaving our nuclear forces intact—as well as those troops no longer needed in Southeast Asia;

Requiring the Pentagon to make greater use of competitive bidding in its procurement, a policy that congressional committees have concluded would save as much as 79 percent in the purchase of some weapons systems;

Eliminating sloppy contracting practices that have bloated the final cost of some major weapons systems by 50 percent or more; and

Streamlining a military command structure that has more sergeants than recruits, more captains than lieutenants, more generals now than at the end of World War II when our military force was four times its present size.

Such reforms not only would gain control of the inflated Pentagon budget, but would also match this country's military might with present-day realities—and make America stronger.

These proposals, taken together, would forestall the most serious effects of a second Nixon recession. The bulk of the Federal assistance I have proposed flows directly to the people in the form of tax reductions, public service jobs, extra unemployment benefits and actions to contain prices. It is a program that makes excellent sense in human, as well as economic, terms.

With the economic preparedness program, we can begin the long process of digging ourselves out of the wreckage left by the Nixon administration's 5½ years of economic mismanagement.

But I am frank to admit that our experiences of the past half decade have raised a host of unresolved questions about how the American economy actually operates today.

Our country, our economy, and the world have changed greatly since the passage of the Full Employment Act of 1946. This historic legislation committed the National Government to maintaining a full employment economy and it created the basic institutional tools for the Government to carry out this mandate.

For most of the period since 1946, the national economy has prospered. As a nation, we are far stronger today than we were in 1946. But this fact must not blind us to our uncertainty over the longrun steps that are now required to tap the potential economic strength and vitality of the United States for the balance of the 20th century.

It is time for a searching reexamination of our national economic objectives. It is especially time to find better ways of taking preventive action before economic crisis hits our country full force.

We must be willing to reevaluate the country's institutions of economic management, particularly those of the Federal Government. How can we design our Government structure to make it more responsive to the needs of people? How can we achieve more vitality and a greater sense of urgency in managing our economy? How can we achieve this country's true potential for sustained prosperity and economic growth?

Other questions must be answered, as well.

How can we solve the special employment problems that afflict certain segments of our national economy, women, young people and minorities, in particular?

How can we achieve the efficiency, competitiveness, and pride in our work that all too often disappear in our mammoth corporations and economic institutions?

How can we measure more accurately the social costs and benefits of inflation, unemployment, leisure time and such activities as running a family, raising children, and volunteer work?

How can we most usefully participate in building a more effective system of international economics? What steps must be taken to stabilize the international monetary markets and achieve a workable system of international trade?

The harsh truth is that today we lack the knowledge to answer these questions. But we surely do not lack the commonsense to begin looking for those answers.

I propose, therefore, that Congress establish a National Economic Preparedness Council to reexamine all aspects of American economic life and the role the United States should play in the international economic community.

The President of the United States would appoint four members of the Council, the Speaker of the House four members, and the President pro tempore of the Senate four members. At least half of each group of appointees would be private citizens. We should strive for the participation of persons with backgrounds in business, labor, consumerism, banking, international trade, the academic pursuit of economics, and the like. The term of the council would expire at the end of 5 years unless renewed by Congress.

Within 1 year of its appointment, the council would release its initial report to the President, the Congress, and the general public. The report would encompass a broad range of subjects, including new national economic goals for the balance of this century, as well as the institutions and policies that can achieve these goals. The council would be empowered to submit draft legislation where necessary. Following its initial report, the council would thereafter report on an annual basis, updating and perfecting its initial recommendations, as necessary.

The council would have authority to organize a staff of the finest experts in the country in all phases of economic activity. It would have authority to conduct hearings, organize special task forces, and commission special studies. All meetings of the council and its various subgroups would be public.

We are, in essence, talking about a fundamental rewriting of the Full Employment Act of 1946. But we are now at the point in American history where such a basic reexamination is needed. No longer can we limp along from crisis to crisis, relying on economic machinery designed in the aftermath of World War II.

As I stated at the outset, the American people are quite correct in demanding a higher grade of leadership than they are now receiving from their elected public officials—in the executive branch and in Congress. In terms of economic decisions and leadership, the National Eco-

nomic Preparedness Council that I propose would begin to provide our elected leaders with the new insight, the new information, and the new knowledge that is lacking today.

The true test of political leadership has always been its capacity to seize moments of opportunity and turn them to maximum advantage. Today we stand at such a moment in terms of achieving the full potential of our economic system.

This is an historic opportunity.

I propose we seize it.

The ACTING PRESIDENT pro tempore. Does the Senator offer his bill at this time?

Mr. METZENBAUM. No; it will be submitted later.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, the Chair recognizes the Senator from Delaware (Mr. BIDEN) for not to exceed 15 minutes.

FAIRNESS TO THE PRESIDENT

Mr. BIDEN. Mr. President, there is reason to believe that the President is on the threshold of being impeached. If this momentous event should occur, he would become the 12th Federal officer, and the second President, to be impeached during the 185 years of our nationhood.

The consequences of an impeachment and the presumed subsequent trial before this legislative assembly, the Senate, are now not known—aside from the fact that there will be a verdict one way or the other, guilty or not guilty.

The sophisticated network of communications did not exist at the time of the impeachment trial of President Andrew Johnson. In the case of an impeachment trial, the emotions of the American people would be strummed, as a guitar, with every newscast and each edition of the daily paper in communities throughout the country. The incessant demand for news or rumors of news—whatever its basis of legitamacy—would be overwhelming. The consequential impact by the Federal institutions of government would be intense—and not necessarily beneficial.

This is why my plea today is for restraint on the part of all parties involved in the affair.

We have been told time and again, not just by members of this particular body, but by the media and people across the Nation, that the American people cannot stand an impeachment proceeding. I have great faith in the American people's ability to stand a fair and impartial trial of anyone, including the President of the United States, but what begins to worry me, and the reason why I rose to my feet today, is that I am beginning to worry about the ability of our institutions—the U.S. Senate, the Congress, the prosecutors, and the press—to be able to stand a fair and impartial trial of the highest office holder in our land.

Mr. President, the American people have a right to expect that members of the judicial and legislative branches of the Federal Government conduct themselves circumspectly under whatever duress they may labor. The press, too, should be expected to perform with restraint at this looming critical period in our history. Impeachment is too important a matter to be left to the press, legitimate as its objectives may be.

This sentiment of mine is one, I know, that others of my colleagues share. Our distinguished majority leader, Senator MANSFIELD, this week appealed for restraint on the part of all in dealing with Watergate scandals.

Whatever he may or may not have denied us Americans during the course of his Presidency, now in its sixth year, there is no reason for us to deny President Nixon the utmost presumption of innocence and the right to privacy that each of us would desire were we in his position.

The first amendment, which affords the press the right to comment, fair or unfair, is easy to read; it is not easy to put into practice. The fourth amendment with its guarantee of privacy is also in play.

What faces us as a nation is not a Lindberg kidnapping trial or a Shepherd murder trial or a trial of the Chicago 7 or the Gainesville 8 or whatever trial of numbers the press has an interest in. On trial will be the principal elective officer of the Nation, the sitting President, the Presidency itself and, yes, even ourselves in the form of our political judgment.

Somewhere in Alice-in-Wonderland, someone talks about "sentence first, verdict afterwards."

Joseph Kraft, the syndicated columnist, may have had this in mind when he wrote the other day that restraint should be exercised by the press. He warned the press to curb "the spirit of rivalrous competition and self-important narcissism now so rampant in the fourth estate." I agree with Mr. Kraft.

This proposal is not easily greeted in this windy, gossipy town. It is not one to be taken easily by newspapers quick to quote Peter Zenger at the slightest provocation—or, even without provocation.

The late Mr. Justice Holmes wrote an admonition in Patterson Versus Colorado in 1907 that we should heed today—

> The theory of our system is that the conclusions to be reached in a case will be induced only by evidence and argument in open court, and not by any outside influence, whether of private talk or public printer.

Thus far that trial has not been held, and we are not even sure it will be held until and unless the U.S. House of Representatives brings articles of impeachment.

The shabby, criminal doings of the Watergate affair have been laid before us. Two reporters have disclosed scandalous conduct among the President's men during and after the 1972 Presidential campaign. The newspaper, the Washington Post, deservedly won a Pulitzer Prize as a result of their reporters' enterprise.

Admittedly, the skullduggery so far revealed rivals that of unrestrained monarchies of 16th century England and Europe.

This is why the events of the Watergate have brought our Nation to the awesome doorway of the "grand inquest of the Nation,"—impeachment, a constitutional procedure brought only once before in our history against a sitting President—and that unsuccessfully, we should remind ourselves.

The House Judiciary Committee is assembling evidence designed to sustain articles of impeachment. Concomitantly, a grand jury—a familiar organ of the Anglo-Saxon judicial process that some political liberals assert has outlived its usefulness—has handed down criminal indictments against men who had daily entered the oval room, the working office of the President in the White House.

Newspapers, radio, and television have reported these actions loudly and boldly and repeatedly. I, myself, who practiced criminal law in Delaware before my election to the Senate, read enough about the matter to contend last year that the President should be impeached—that is, that the evidence should be brought before the House Judiciary Committee and the House of Representatives should decide whether or not articles of impeachment were in order.

And, having been a critic of the President, both as to his policies and the arbitrary, almost monarchial cast of his Presidency, I now suggest that we all stand aside—and let the duly constituted organs of justice—whether at Federal District Court on John Marshall Place, at the foot of Capitol Hill, and here within the Congress itself—work themselves out, as designed by our constitutional process.

The constitutional guarantee of a fair proceeding, as well as the right to privacy and civil liberties, are designed not so much for those who agree with us as for those who disagree with us. This is the final test. The Founding Fathers, sweltering in Philadelphia, at the Constitutional Convention, understood this. Thomas Jefferson articulated this feeling. Some assemblies in the Thirteen Original States insisted that a "Bill of Rights," the first 10 amendments to the Constitution, be adopted as a condition of ratifying the basic document of our Nation.

In a day when equality is on everyone's lips, I suggest that in practice, in extraordinary times involving our highest office of Government, some people may be, in fact, more equal than others. And in this case I refer to the President. His official derelictions, if proved, and his subsequent ouster, should it occur, will have an impact on our institutions and upon ourselves as Americans, beyond that which it would have for any of us who are involved in such a proceeding.

Americans elected him not once, but twice; his downfall, should it occur, will not be some event unrelated to our national condition, should the affair end even as is the potential consequence—will be great.

Whatever he may or may not have denied us Americans, in the course of his Presidency, there is no reason for us to deny him in this late state of the "grand inquest" of the Nation, to which I have earlier referred, the utmost presumption of innocence and the right to

privacy that each of us would wish were we in his position.

I suggest, too, that those involved in marshaling evidence against the President, either in the House of Representatives or in the Office of Special Prosecutor have been somewhat less than discreet in the way in which they have conducted themselves.

Whatever our opinions, it is incumbent, particularly upon those in charge of both prosecution and defense, to address themselves to the courts and to the House Judiciary Committee. This includes Special Prosecutor Leon Jaworski and members of the Judiciary Committee. It is particularly a duty for the prosecuting organs to cease public statements. It is time for the newspapers and the television and radio reporters to cease their "pack" journalism. It is time for the "informed" sources and the "reliable sources," and all other "reliable sources," to be stilled—to shut up. And the newspapers, and radio and television stations should stop quoting their "informed" sources that have no names. I am pleased that recently, Judge Sirica has ordered parties in the Watergate case to keep silent, something that was long overdue and that should have been said from the very beginning of the proceedings.

To be clear about it, I am suggesting that reporting be restrained in a sensible way—not stilled, so that this holocaust that has occurred recently within our constitutional system would not have occurred.

All I am saying is that now is a critical time and it is time that we remember we are dealing with the constitutional procedure. It is a question of whether our system can function in the year 1974.

There are those who say that impeachment cannot work. There are those who say that our society is too complicated. If they are correct that our society is too complicated today to withstand impeachment proceedings, then they are indicting the procedure system itself, for they are saying that this mechanism by which we are expected to deal with malfeasance in high public office is not capable of functioning. It is sort of like my giving the Acting President pro tempore a new automobile without a driveshaft and saying that it is a car that functions.

If an impeachment proceeding cannot be conducted in the year 1974, then we should look at whether or not our system can function not only in 1974, but also in the remainder of this century.

There is a tradition that grand jury proceedings are secret. These restraints have been repeatedly violated by the press.

To those who still reach for verdicts in April 1974, I suggest that at best—or at worst, depending on one's point of view—the verdict is the "Scotch one"—"not proven." And, at least to me as Senator, qua lawyer, there is at this moment, only one verdict: "Not guilty."

The President has not been proven guilty beyond a reasonable doubt in the one forum which has been provided to try Presidents for their misdeeds—the U.S. Senate. He has not been proven guilty of any crime. Consequently, the presumption of being innocent until proven guilty beyond a reasonable doubt as proscribed within the prescribed forum should hold for the man who sits in that office now. Therefore, I cannot see how anyone can say that the President is guilty before the trial is held.

Earlier, I quoted Mr. Justice Holmes. I conclude by quoting another passage of his—from an address of his to the 50th anniversary reunion of the Harvard College Class of 1861:

> The best service that we can do for our country and for ourselves to see so far as one may and to feel the great forces that are behind every detail . . . to hammer out a compact and solid piece of work as one can, to try to make it first rate, and to leave it unadvertised.

Mr. President, I think that is what we must do in the U.S. Senate. I think that is what the judiciary must do. I think we must give our constitutional system a chance to work to see whether it is viable in the year 1974.

At this point in my remarks, I ask unanimous consent that a news article appearing in the Washington, D.C. Evening Star on April 8, 1974, relating to Senator MANSFIELD's remarks which I alluded to earlier, be printed in the RECORD at this point in my remarks.

I also ask that an editorial appearing in the Boston Globe of March 12, 1974, also calling for fairness, be printed in the RECORD at this point in my remarks along with a third from the March 5, 1974, Washington Post on the same subject.

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

[From the Boston Globe, Mar. 12, 1974]

PRESERVING THE PEOPLE'S CASE

For more than a year, the President of the United States has been engaged in a massive operation to ward off events which would force him to leave office.

There have been resignations, firings, and indictments involving persons closest to the President on an unprecedented scale. Through grandiose assertions of executive privilege, the umbrella claim of national security, and presidential pressure, the White House has tried to undermine efforts initiated by the Congress, by the system of justice, and by the executive branch itself to get at the truth.

To a considerable degree, after faltering, each of those great institutions of our government has responded to the challenge so as to justify confidence in its independence and its resiliency in such a weighty matter as the wrongdoing of a President. As a result, and perhaps for the first time in this long process, we can hope that the truth will out and justice will be done.

But the resurrection of the integrity of these institutions is now threatened from within themselves. In the zealousness to restore damage to pride and reputation, there is a great temptation for public breast-beating. The precipitous release of information and the drawing of conclusions before they have fully matured from the facts will undercut the credibility of the impeachment process and shake the confidence of those in the country and in the Congress who have been wary and fearful from the start.

Thus we were concerned to see the widespread comment about the alleged contents of the sealed information given by the grand jury to Judge Sirica. There is now a strong suspicion that the material contains no conclusions by the grand jury about presidential culpability. Even if it did, it is the constitutional responsibility of individual congressmen to make that judgment for themselves.

Equally distressing were the gratuitous comments over the weekend from Rep. Wilbur Mills (D-Ark.), vice chairman of the Joint Committee on Internal Revenue Taxation which is now studying Mr. Nixon's tax returns. Mr. Mills suggested that the committee's conclusions will give Mr. Nixon reason to resign. But the report is not due for a month. And Mr. Mills is still recuperating in a hospital from a back ailment. His interview is certain to provide fodder for those who believe that the cards are stacked against the President.

There can be no greater challenge to the constitutional government than this grave inquiry which is now occupying the attention of so many of our leaders. For the system to meet the test, there must be not a scintilla of doubt that the probe has been conducted with due process, with fundamental fairness, and by minds open to the facts. Anything less will not only endanger the case for impeachment itself, but will plunge the country deeper into the miasma of insecurity and despair which will make the road back from Watergate a longer and even more agonizing path than it promises to be.

[From the Washington Post, Mar. 5, 1974]

TIME FOR THE PRESS TO SHOW RESTRAINT

(By Joseph Kraft)

When the Watergate cover-up was in full swing, it was noble and courageous for journalists to try to expose the facts, undeterred by the petty niceties of judicial procedure. But that time is over.

Judicial procedures are working with a vengeance to bring out the truth. So those of us in the press need to be wary about breaching traditional restraints—far more wary, I believe, than many have been in reporting over the past few days on the supposedly secret work of the Watergate grand jury.

The best evidence of how the judicial processes are working comes from the indictment handed down last week against seven former Nixon aides in the case of the Watergate cover-up the terms of the indictment were severe. They show, not a lack of zeal on the part of the prosecutor, but a disposition to be extremely tough with balky witnesses.

John Ehrlichman, the former chief domestic aide to Mr. Nixon, is a case very much in point. According to his attorneys, he refused an offer by the prosecution whereby he would provide evidence in return for leniency.

Last week he was indicted on four different counts which could land him in prison for as much as 20 years. Among the charges against Ehrlichman are obstruction of justice, lying to the FBI and perjury in testimony to the grand jury. Here are five of the responses to the grand jury which brought the perjury indictment:

"I can't say specifically one way or another."

"I have no present recollection of that having happened."

"I'm sorry but I just don't remember."

"I'm sorry but I just don't know."

"I'm sorry, I just don't remember. It probably was, but I just don't recall."

That such obviously vague and weasely answers would elicit perjury charges provides an unfailing measure that the fix is out. There is no pulling of punches. The full force of the law is how being mobilized against the guilty parties.

In these conditions, the traditional inhibition on reporting acquire again their normal force. Few if any of these limitations are as well established as the tradition that grand jury proceedings are secret. But that restraint was violated by several publications over last weekend in stories purporting to report secret material given by the Watergate grand jury to Judge John Sirica.

The trouble which can flow from these

violations is obvious. In a populist democracy such as ours, respect for judicial process, and particularly those aspects of its protecting the rights of individuals, is a fragile thing at best. Journalists, who enjoy special protection under the First Amendment, have a special responsibility to respect due process. We can hardly expect other Americans to take fair play seriously when we ourselves show scant respect for the rights of others.

Then, there are the Watergate cases presently being tried. Defendants and their attorneys have made it abundantly plain they are prepared to use pre-trial publicity and every possible procedural issue to try to discredit the prosecution. Judges are, not without reason, edgy. It is at least possible that over-aggressive reporting could blow some of the cases, and even the whole impeachment proceeding.

If nothing else, more irresponsible reporting could make of the Special Watergate prosecution a hapless wreck. Like the Senate Watergate committee which lost so much prestige because of leaks, the prosecution could become, in the public eye, a bunch of nice guys who finish last deservedly.

Finally, there is at stake the quality of journalism with its not negligible impact on the tone of American life. Marked progress has been made, it seems to me, in extending the reach and seriousness of news coverage in recent years. The exposure of the Watergate cover-up was, itself, a press triumph—notably for this newspaper.

To lose those gains at just this time would be a terrible pity. But they will be lost unless we show more self-discipline—unless there is a curbing in the spirit of rivalrous competition and self-important narcissism now so rampant in the fourth estate.

[From the Evening Star-News, Apr. 8, 1974]

MANSFIELD ASKS RESTRAINT IN HANDLING IMPEACHMENT

(By Shirley Elder)

Senate Democratic leader Mike Mansfield today appealed for a dispassionate approach to the scandals of Watergate by Congress and the press.

Mansfield suggested that everyone concerned with Watergate and the possible impeachment of the president had become too "emotionally involved." He conceded that there is no way to avoid being involved, but suggested that everyone seek to avoid emotions.

All involved must ask themselves, he said in a Senate speech, whether they are being fair to the President. "Are we shunting aside the basic principle of law which presumes the innocence of the accused until found guilty?"

The Montana senator appeared upset at recent news stories quoting him as saying "the votes are there" for impeachment in the House. What he said, Mansfield recalled, was that he had been told the votes are there.

But, he emphasized, he does not know, and no one will know, whether the House will vote to impeach the President until the vote is taken.

Until then, Mansfield suggested that everyone avoid speculation.

"One year of Watergate is too much; one day of Watergate is too much," he commented. "But the issue will have to run its course."

He commended the special Watergate prosecutor and the House Judiciary Committee for doing their jobs well and particularly for the lack of "leaks" of impeachment evidence.

But he said he noticed with some concern that news media polls have been taken measuring how the Judiciary Committee stands and even how senators stand before any evidence is presented.

"There have also been editorials and commentaries on the issue of impeachment by the House and a trial by the Senate which, I think, anticipates the question," Mansfield said.

On related matters, Mansfield also said:

1. "If and when" impeachment should reach the Senate for trial, he would favor televising Senate sessions.

2. "If and when" that time comes, he will suggest an executive session of all senators to discuss procedures.

3. He hopes the Senate Watergate committee will wrap up its work by May 28, report legislative recommendations to the Senate, and turn over all evidence to the House Judiciary Committee and the special prosecutor.

Mr. BIDEN. Mr. President, in conclusion, as the Acting President pro tempore well knows, I have been on occasion a harsh critic of the President. There is no great love lost for him on my part. I had no hesitation in criticizing him when I thought he was wrong, which I often thought.

I have not hesitated to criticize his policies, with which I disagreed more than I agreed. But I have a feeling that my children and my grandchildren will be looking back on what I said or did not say in April of 1974 with respect to what seems to be inevitable, that we must have an impeachment trial of the sitting President. I think that all of our grandchildren are going to look back on us to determine whether or not we meant what we said when we said that our constitutional system should be adhered to and that all men and women are innocent until proven guilty beyond a reasonable doubt.

I hope that if the trial occurs—which is not a certainty—that we will let that trial proceed as we would were we attorneys sitting back in the county courts of our own districts and not be fettered by outside influences and let those outside influences affect our verdict were we to be put in that position later in this calendar year.

Mr. DOLE. Mr. President, I wish to comment briefly. I listened to the distinguished Senator from Delaware (Mr. BIDEN) and I am pleased to know that he is going to listen to the evidence before he reaches a verdict. I would hope the Senator's attitude will prevail throughout the Senate. There should not be any need to call that to the attention of the Senate. I would trust that every Senator will recognize his duty and responsibility under the Constitution.

Aside from that, as far as fairness to the President or fairness to any defendant is concerned, we should also agree that the President of the United States is entitled to the degree of fairness and restraint by the distinguished Senator from Delaware.

As one who supported President Nixon and who supports many of his policies, I think we have to separate that from the considerations that would prevail at an impeachment trial. The Constitution is clear there, as indicated by one effort at impeachment, that of a Democrat, Andrew Johnson. He was at that time, as I recall, saved by the votes of six Republicans.

One of the Republicans was a Senator from Kansas named Edmund Ross. He did not return to the Senate. He died later in New Mexico, in a state of some poverty.

In any event, I do not think that was a dispassionate trial, conducted in fairness. At that time, the Republicans then controlled the Senate and were very partisan. It was a partisan trial. There was not any great clamor around the country for the impeachment of Andrew Johnson, a Democrat; but there was a great clamor among the Republicans, because they wanted that office back.

History has indicated that probably it was a good thing that impeachment failed by one vote.

I think, as John F. Kennedy indicated in his book, "Profiles in Courage," that Edmund Ross and, I assume, the other five Republicans who failed to fall in line with the partisans, did themselves great credit as history was written.

That is the spirit we ought to observe in the event that an impeachment is presented to the Senate. I do not have any way of knowing if it will come to pass, of course.

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

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

The second assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. ABOUREZK). Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with speeches limited to 5 minutes each.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. ALLEN) laid before the Senate the following communication, which was referred as indicated:

PROPOSED SUPPLEMENTAL AND INDEFINITE APPROPRIATION, 1973 AND 1974 (S. DOC. 93–72)

A communication from the President of the United States proposing a supplemental and indefinite appropriation for the fiscal years 1973 and 1974 to cover costs arising out of retroactive pay increases for the period from October 1 through December 31, 1972 (with accompanying papers). Referred to the Committee on Appropriations, and ordered to be printed as a Senate document.

PRESENTATION OF A PETITION

By Mr. PASTORE (for himself and Mr. PELL):

A resolution of the House of Representatives of the State of Rhode Island. Referred to the Committee on Commerce:

74-H7961

House resolution memorializing the Congress to enact legislation requiring the Federal Government to subsidize all electric companies on the cost of their fuel adjustment

Resolved, That the house of representatives of the state of Rhode Island and Providence Planations hereby memorializes congress to require the federal government to subsidize all electric companies on the cost of their fuel adjustment; and be it further

Resolved, That the secretary of the state be and he hereby is authorized and directed to transmit a duly certified copy of this resolution to the Rhode Island delegation in Congress.

AUTHORIZATION FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO FILE A REPORT ON S. 3267 BY MIDNIGHT, APRIL 19, 1974

Mr. JACKSON. Mr. President, I ask unanimous consent that the Committee on Interior and Insular Affairs may have until midnight, Friday, April 19, to file a report on S. 3267, the Standby Energy Emergency Authorities Act.

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

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of the nominations were submitted:

By Mr. HARRY F. BYRD, JR., from the Committee on Armed Services:

John M. Maury, of Virginia, to be an Assistant Secretary of Defense.

(The above nomination as reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. HARRY F. BYRD, JR. Mr. President, from the Committee on Armed Services, I report favorably the nomination of Vice Adm. Frederick J. Harlfinger II for appointment to the grade of vice admiral, when retired; 10 Naval Reserve temporary promotions to the grade of rear admiral—Colwell through Paulsen; and 6 temporary appointments in the Marine Corps to the grade of major general—Armstrong through Nichols. I ask that these names be placed on the Executive Calendar.

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

Mr. HARRY F. BYRD, JR. Mr. President, in addition, there are 646 appointments in the Army in the grade of captain and below; in the Navy there are 1,610 for permanent promotion to the grade of commander; and in the Naval Reserve there are 586 for temporary promotion to the grade of captain and below. Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing on the Executive Calendar, I ask that these names be placed on the Secretary's desk for the information of any Senator.

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

(The nominations ordered to be placed on the Secretary's desk were printed at the end of the Senate proceedings of March 26, 1974.)

By Mr. SPARKMAN, from the Committee on Foreign Relations:

John A. Scali, of the District of Columbia, William E. Schaufele, Jr., of Ohio, John H. Buchanan, Jr., U.S. Representative from the State of Alabama, Robert N. C. Nix, U.S. Representative from the State of Pennsylvania, and Clarence Clyde Ferguson, Jr., of New Jersey, to be Representatives of the United States of America to the Sixth Special Session of the General Assembly of the United Nations; and

Barbara M. White, of Massachusetts, to be the Alternate Representative of the United States of America to the Sixth Special Session of the General Assembly of the United Nations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. JAVITS (for himself, Mr. PERCY, Mr. GRAVEL, Mr. McGOVERN, and Mr. WILLIAMS):

S. 3337. A bill to provide Federal assistance to cities, combinations of cities, public agencies, and nonprofit private organizations for the purpose of improving police-community relations, encouraging citizen involvement in crime prevention programs, volunteer service programs, and in other cooperative efforts in the criminal justice system. Referred to the Committee on the Judiciary.

By Mr. FANNIN (for himself and Mr. GOLDWATER):

S. 3338. A bill for the relief of Evaristo Laborin, his wife, Amparo Laborin, and their children, Evaristo Laborin, Junior, Francisco Laborin, Catalina Laborin, Jesus Laborin, and Benito Laborin. Referred to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 3339. A bill to amend the program of supplemental security income for the aged, blind, and disabled (established by title XVI of the Social Security Act) to provide for cost-of-living increases in the benefits provided thereunder. Referred to the Committee on Finance.

By Mr. HUGH SCOTT:

S. 3340. A bill for the relief of Francisco Carpio and his wife, Zenaida T. Carpio. Referred to the Committee on the Judiciary.

By Mr. METCALF:

S. 3341. A bill to revise certain provisions of title 5, United States Code, relating to per diem and mileage expenses of employees and other individuals traveling on official business, and for other purposes. Referred to the Committee on Government Operations.

By Mr. HRUSKA:

S. 3342. A bill to establish a National Institute of Corrections, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. WEICKER (for himself, Mr. HATHAWAY, Mr. HARTKE, and Mr. RIBICOFF):

S. 3343. A bill to designate a national network of essential rail lines; to require minimum standards of maintenance on rail lines; to provide Federal financial aid for rail rehabilitation; to establish rights of access by rail carriers to rail lines and facilities, and for other purposes. Referred to the Committee on Commerce.

By Mr. KENNEDY:

S. 3344. A bill to authorize appropriations for activities of the National Science Foundation, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. MOSS:

S. 3345. A bill for the relief of John Oakason and H. F. Mulholland. Referred to the Committee on Interior and Insular Affairs.

By Mr. TUNNEY:

S.J. Res. 205. Joint resolution authorizing the President to proclaim the last week of June of each year as "National Autistic Children's Week". Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JAVITS (for himself, Mr. PERCY, Mr. GRAVEL, Mr. McGOVERN, and Mr. WILLIAMS):

S. 3337. A bill to provide Federal assistance to cities, combinations of cities, public agencies, and nonprofit private organizations for the purpose of improving police-community relations, encouraging citizen involvement in crime prevention programs, volunteer service programs, and in other cooperative efforts in the criminal justice system. Referred to the Committee on the Judiciary.

THE COMMUNITY ANTICRIME ASSISTANCE ACT

Mr. JAVITS. Mr. President, 10 years ago a woman named Kitty Genovese was brutally murdered in New York City. Thirty-eight local residents heard her scream for help. But none moved to help her. The incident was cited throughout the Nation as evidence that New York City was callous, cold, and indifferent.

While I did not think it fair to indict my city as a whole for apathy in that tragic murder, that incident pointed up a dual reality: The paralyzing fear of crime which has been so much a part of the urban landscape during the last decade, and the total helplessness felt by many people as they struggled to deal with a phenomenon which intruded with enormous impact into their daily lives, and in some ways dramatically affected the way they related to one and other.

Today, 10 years later there is evidence that we have made important progress against crime—and that the tremendous increase in the allocation of Federal resources to crime control and crime prevention programs has materially furthered that progress.

Recent statistics from the Uniform Crime Index of the FBI show that serious crime is increasing at the rate of only about 1 percent per year—the lowest reported rate increase since 1960. Several major cities—including New York City have reported an actual reduction in certain categories of violent crime. Nevertheless, there is no question that America still carrys too heavy a burden in the cost of crime and its related problems. We cannot take any comfort in the fact that our smaller cities and suburban areas are feeling new and increased crime pressures.

Today, also, there is impressive evidence that New Yorkers and other urban dwellers are more willing than ever to take a personal role in fighting crime and the fear of crime. Throughout the Nation, the great potential of the private sector—not only as represented by our citizens, but also by business, labor and civic organizations—is being harnessed by law enforcement and criminal justice agencies in most constructive and unprecedented programs to prevent crime. These should be fully utilized and ex-

panded and are a major anticrime factor.

Mr. President, it is in the light of these efforts—some of which I shall describe in a few moments that I introduce the Community Anticrime Assistance Act of 1974 on behalf of myself and Senators PERCY, GRAVEL, MCGOVERN, and WILLIAMS. We act to facilitate a greater involvement of the American people—working together in their own communities—in anticrime projects that work.

This bill would authorize the Director of the Community Relations Service of the Department of Justice to make grants to cities, combinations of cities, public agencies, and nonprofit, private agencies to establish community crime prevention programs and volunteer service programs throughout the criminal justice system. Conditions for grants under title I of the bill which sets forth the kinds of programs which may be funded, include contributions of money, facilities, or services not to exceed 25 percent of the cost of the program when the Director deems feasible, coordination of programs with local citizens and their establishment in high crime areas of a city. In order to qualify for a grant a city or combination of cities must have a population of at least 100,000. The bill recommends a 2-year appropriation of $50 million, divided evenly between public and private sector grantees.

As the Senate knows, the Community Relations Service of the Department of Justice was created by the Civil Rights Act of 1964 to promote community-race relations and mediate racial conflicts in a variety of areas. In recent years it has brought its important experience and in some respect unique resources to bear on the problems of improved relations between communities and the criminal justice agencies which serve them. Its role in this latter area was noted by former Attorney General John Mitchell in his 1971 annual report which cited the work of CRS in establishing local criminal justice coordinating councils, composed of private business, labor, education, religious, and citizen groups to manage specific crime control projects.

National surveys, including one by the National Institute of Law Enforcement and Criminal Justice, have found many citizens, anticrime programs functioning under the direct supervision of local criminal justice agencies throughout the country. In only one area of activity, that of civilian patrolling, programs are now operating in New York City, Boston, Tampa, Los Angeles, Washington, D.C., Cleveland, Newark, Minneapolis, Detroit, and Oakland.

Mr. President, under the administration of former Mayor John V. Lindsay and Police Commissioners Patrick Murphy and Donalf F. Cawley, New York City has demonstrated the potential success of a wide range of such programs involving the use of civilian volunteers and private sector organizations. Indeed, in early 1971, I introduced legislation: The Emergency Urban Crime Reduction Act—reintroduced in this Congress as S. 1644—one of the purposes of which was to provide Federal funding for activities of this kind.

In the New York City program one set of activities is designed to increase patrol coverage of neighborhoods and buildings:

Auxiliary police: The Auxiliary Police was established by law to allow volunteers trained by the police to perform patrol and other support services. For many years, participation ranged between 1,000 and 3,000 members. In the last 2 years, with a major recruitment effort it has reached a force of 5,600 active members with a goal of 10,000 by the end of this year. Auxiliaries spend an average of one night a week on patrol, providing increased visibility and protection along heavily traveled streets and shopping areas, and 50 auxiliaries are performing mounted duty in parks and beaches. To strengthen their work, the city is now providing a $75 uniform allowance to all new members, purchasing 1,100 walkie talkie radios to supply each team on patrol, and providing an annual uniform maintenance allotment of $75 a year for those who serve a minimum number of hours annually.

Citizen patrols: There are an estimated 75 groups with over 3,000 members in civilian patrols, often using their own automobiles and communications equipment. For some years, the police department was wary of these efforts, but it now works closely with them, encouraging discipline and professionalism, and coordination with local police.

Tenant patrols: The city's housing authority with 500,000 residents, itself constitutes one of the Nation's largest cities, with its own police force of 1,600 men. The housing authority has done pioneering work in development of tenants patrols to guard lobbies and hallways and tour project areas. In a few short years, the authority recruited 11,000 residents in this program, providing them with jackets for identification and communications equipment.

Blockwatchers: The Blockwatchers program is an attempt to formalize a relationship with citizens to serve as eyes and ears for the police. Blockwatchers are trained in basic identification and crime reporting procedures and agree to notify the police of any suspicious conditions they observe. There are now more than 6,000 Blockwatchers who have completed training and are registered with their local precinct.

Private patrols: The business community has also organized similar programs to intensify patrol coverage. The most ambitious effort has been sponsored by the Association for a Better New York under which 33 private building owners in midtown have supplemented their night-time security forces, linked together with the police by a communications network, and moved private guards out of the buildings and onto the streets. Sixty doormen and building superintendents have also been trained by the police as Blockwatchers.

A second range of activities is aimed at improving security systems:

Street lighting: In the past 2 years, the city government has committed almost $40 million to relight 3,700 miles of streets—more than half the city's streets—with high intensity lighting that deters crime and encourages people to go out at night. This program, the largest of its kind in the Nation, has been extraordinarily popular and successful.

High-rise security: Using $157,000 in Federal funds, the city is conducting an experiment is the Bronxdale public housing project with various security systems, including closed circuit television in playgrounds and parking lots outdoors, and hallways and elevators indoors, bell-buzzer intercoms, audio monitoring and alarm systems in hallways and elevators. Also available is $1 million in city funds for basic security improvements in city housing of such items as stronger locks, brighter lighting, window gates and bell-buzzer intercoms systems.

Operation identifications: Along with many other cities, New York City is participating in this experimental program under which citizens use engraving tools to mark valuable property with identifying numbers so that the property can be identified if stolen. Decals notifying of participation in the program are placed on doors and windows to deter break-ins. To date, the experiment has involved 4,500 citizens, who have participated and registered with a central file system. Before the end of this year it will be expanded citywide under a Federal grant.

Merchants security: Using a Federal grant of $250,000, the city is sponsoring a program to provide sophisticated, high-quality alarm and camera surveillance systems of the type usually used by banks and jewelers for 700 local merchants like cleaners, grocers, candy stores, taverns and hardware stores, at substantially reduced rates. The program should deter crime and help stabilize commercial areas. The alarm systems are connected to the central station of a private alarm company, which screens calls and then contacts the police, and the cameras take pictures of everyone in the premises every 30 seconds, aiding the police in identifying robbers, and deterring shop-lifting, bad-check passing, and robbery. The alarms will cost $6 a month, and the camera $8 a month.

Block security: This year, New York City began a new crime fighting program that is unique in the Nation. The block security program provides matching grants to local associations—block associations, tenants organizations, merchants civic and neighborhood groups—to help finance locally designed and managed security programs. With $7 million in city funds, responsible local groups will be assisted in financing a widerange of security systems and equipment, though none of the funds can be used for salaries or weapons.

In the block security program the city provides most of the funds, but neighborhood organization applicants are also required to provide some matching funds. The program is predicated upon the idea that public money can stimulate private investment and concern for community security. Together people determine what they can do—in consultation with their own police officials—to provide for their common protection. It is one of the few programs in the Nation to encourage and support block, tenant, civic, and merchant associations to develop self-help community security programs. More

than 1,200 local groups across the city have received training and begun programs to patrol their neighborhoods, to upgrade lighting and to install locks, gates, and alarm systems.

A critically important byproduct of these programs is greatly improved channels of communication between the police and the community. Scores of persons participating in these activities have testified as to the renewed sense of community which accompanies concerted action on behalf of the public interest.

Another example of a successful citizen program is the Chicago police community service aide program.

The goals of this project in Chicago were to fight crime by saturating specially designated areas with foot patrol teams to improve community relations using trained community aides. These aides helped interpret the roles of the police to the community and vice versa. They increased the effectiveness of uniformed officers by freeing them from nonarrest functions and by developing greater community responsibility toward combating crime. These aides were recruited in the areas they served and they were familiar with the people and the problems.

The idea of involving citizens in crime prevention was proposed by President Johnson's 1967 Crime Commission and by President Nixon in his first inaugural address. In 1969, the National Commission on the Causes and Prevention of Violence, in 1971, the Advisory Commission on Intergovernmental Relations, and in 1973, the National Council on Criminal Justice all supported this concept as fundamental to any comprehensive strategy for the reduction of crime.

LEAA has the authority under the Safe Streets Act to give Federal financial support both directly and indirectly to several community action programs related to the reduction of crime. The block grant funds can be used for this purpose and LEAA can make discretionary grant funds available directly to communities for the development and maintenance of these community programs.

Unfortunately, community involvement programs have been given relatively low priorities both by the criminal justice coordinating groups in the States which are responsible for developing and implementing the State plans and by the dispensers of the discretionary funds here in Washington. This is so because the coordinating boards in the States and LEAA are staffed principally by criminal justice professionals who have concentrated funding the kids of programs with which they are familiar.

Mr. President, the bill we introduce today is substantially in keeping with comparison bills, H.R. 9175, H.R. 9805, and H.R. 10933, introduced by Congressman JOHN CONYERS, HAMILTON FISH, PETER RODINO, CLAUDE PEPPER, and several others. I commend their leadership—and particularly that of Chairman CONYERS and ranking minority member FISH of the House Judiciary Subcommittee on Crime. In separate hearings on the Community Anti-Crime Assistance Act, the subcommittee has already made an impressive case for the bill. The work in this field of Congressman JONATHAN B. BINGHAM and former Congressman James H. Schener, both New York colleagues of mine also deserve special notice.

Our instant Senate bill does contain four amendments to the House bill, three of which are designed to insure close interaction with the Law Enforcement Assistance Administration. The changes are as follows:

(1) In section 102(a) after the word "Director", add the words: "in consultation and

"(C) The Director shall utilize, to the Law Enforcement Assistance Administration".

Purpose: The purpose of this change is to require the Director of C.R.S. to exercise his authority in close cooperation and consultation with LEAA. It is hoped that this will assist in establishing a smoother interface between the two programs and eliminate duplication in funding.

(2) In section 301 add a new subparagraph "C" as follows:

"(C)" The Director shall utilize, to the maximum extent practicable, and the Administrator of the Law Enforcement Assistance Administration shall make available under such reasonable procedures as they shall both determine the personnel, equipment and administrative systems of the Administration in the management, evaluation, monitoring and auditing programs funded pursuant to this Act. If the Director determines in writing that the manner in which the Administration is conducting its functions under this subsection substantially impairs the effectiveness of any program under this Act or is inconsistent with the purposes of this Act, he shall submit in writing his findings and determinations to the Attorney General, who shall require the Administration to conduct the function thereafter under such policy guidelines as the Attorney General may specify to eliminate the impairment."

Purpose: The purpose of this change is to require the Director of C.R.S. to utilize the administrative machinery of LEAA to carry out the day to day administration of the new program. The idea here is to answer a concern about the bill, i.e. that it will create a whole new superstructure.

(3) In section 303 after the word "with", add the following words: "the Administrator of the Law Enforcement Assistance Administration".

Purpose: Same as (1) above.

(4) At the end of the bill add a new Title as follows:

"TITLE IV—PROHIBITION ON USE OF WEAPONS

"SEC. 401. No part of any appropriation made available under this Act may be expended in connection with any program or activity authorizing or condoning the possession or use of firearms, knives, explosives and other weapons by non-law-enforcement, civilian personnel participating in such programs or activities".

Purpose: Widespread concern has been expressed about voluntary citizen anticrime activities taking on an extra legal, police role. There should be a clear strict prohibition against such weapons and this is totally consistent with your position on gun control.

Mr. President, there has been objection that legislation of this type might encourage vigilante type operations, in which citizens wrongfully—intentionally or by inadvertance—take the law into their own hands in their efforts to eliminate criminal activity from their neighborhoods. There can be no substitute for a highly professional, well disciplined police department. Any supplementary, citizen programs should only be authorized and carried out under the direct supervision of duly constituted criminal justice and law enforcement agencies. In general, our experience in New York has shown that the police insist and our citizens agree that such supervision and coordination makes clear to those involved in the program the difference between their roles as private citizens and the functions and powers of the police.

Mr. President, the National Advisory Commission on Criminal Justice Standards and Goals last year found that much of the citizen alienation in America results from the lack of power citizens feel in relation to the institutions which run their lives. There is a growing consensus that the kinds of private sector programs which are contemplated in this proposed legislation can confront that alienation and turn it into constructive action.

I believe that the potential of private sector industry, business and labor commitment in the crime prevention field has never been adequately assessed. The Alliance for a Safer New York is only one such organization of businessmen which has had a most positive impact in the area of manpower training and job placement for ex-offenders and drug abusers.

The problem of crime in our society is one of the most complex social problems we have ever faced. We can have no illusions about it. So we must continue also, to press for comprehensive reform of our criminal justice system—police, courts and corrections.

And, perhaps above all else, the Congress must exercise strong leadership in one critically important area—it must pass strong, national gun control legislation. The lack of such controls—which Senator EDWARD KENNEDY and I and others have repeatedly urged upon the Senate—has the most devastating impact upon the safety of our police and our private citizens. It is a disgrace that we have not acted to stop the carnage flowing from the unrestricted access to handguns in our society.

Mr. President, I ask unanimous consent that the text of the bill and a statement of the program guidelines for the New York City block security program be printed in the RECORD.

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

S. 3337

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That this Act may be cited as the "Community Anticrime Assistance Act of 1974".

FINDINGS AND PURPOSE

SEC. 2. (a) Congress hereby finds and declares that the high incidence of crime in our Nation has reduced the spirit and community pride of our citizens; that crime breeds in the streets and corruption in government when citizens are apathetic toward their community and institutions; that one of the most effective methods of reducing crime is to involve citizens and the private sector in cooperative anticrime programs with local governments; that crime prevention programs instituted by citizens over the past several years have had a measurable effect on reducing crime and improving citizen cooperation with local law enforcement agencies; and that there is no coordinated Federal program to assist citizens in coopera-

tive anticrime programs with local governments.

(b) Congress further finds that crime is a national problem that must be dealt with by linking the total resources of the Federal, State, and local governments with the efforts of citizens and the private sector at the neighborhood level.

(c) It is therefore the declared policy of Congress to provide anticrime assistance grants to cities, combinations of cities, public agencies and nonprofit private agencies for the purpose of involving citizens and the private sector in cooperative anticrime programs with local governments.

TITLE I—GRANTS TO CITIES AND PUBLIC AGENCIES

STATEMENT OF PURPOSE

SEC. 101. The purpose of this title is to assist cities, combinations of cities, and public agencies to establish community relations programs and volunteer service programs in the criminal justice system.

GRANTS

SEC. 102. (a) The Director of the Community Relations Service in the Department of Justice (hereinafter in this Act referred to as the "Director") in consultation and cooperation with the Administrator of the Law Enforcement Assistance Administration is authorized to make grants to, or cooperative arrangements with, cities and combinations of cities with a population of not less than one hundred thousand and public agencies thereof, including regional planning organizations, to meet all or part of the cost of establishing or operating, including the cost of planning, programs designed to carry out the purposes of this title.

(b) Grants and cooperative arrangements made under this title may be made to carry out programs including—

(1) programs to encourage the participation of industry, businesses, labor unions, and other private enterprises in crime prevention efforts of the city and the neighborhood in which they are located;

(2) the recruiting and training of police-community relations officers, which includes the development of programs of police training and education to sensitive police to the needs of the community;

(3) the recruiting and training of community service officers to serve with and assist police departments in the discharge of their duties through such activities as recruiting police officers, improvement of police community relations, and grievance resolution mechanisms;

(4) the recruiting, organization, and training of citizen preventive patrols for the purpose of patrolling apartment buildings, neighborhoods, and schools;

(5) the recruiting and training of police aides (paid or volunteer) including minority aides and youth aides;

(6) the recruiting of minority police officers;

(7) programs to encourage the reporting of crime and the marking and identification of personal property;

(8) the establishment of community structures to coordinate all citizen programs; and

(9) to improve police procedures in effecting arrests and to improve arrest procedures, including programs to issue summons in lieu of arrest to reduce unnecessary arrests for nonviolent crimes.

CONDITIONS OF GRANTS

SEC. 103. (a) The Director shall require, whenever feasible, as a condition of approval of a grant under this title, that the applicant contribute money, facilities, or services, to carry out the purpose for which the grant is requested. The contribution required under this subsection shall not exceed 25 per centum of the cost of each program assisted under this title.

(b) Grants and cooperative arrangements under this title may be made only upon an application to the Director, which contains—

(1) satisfactory assurances that such applicant will place special emphasis upon programs, which involve disadvantaged persons and minority groups in the criminal justice system;

(2) satisfactory assurances that such applicant will make special efforts to assure that programs established under this title are directed to the areas of the city with the highest incidence of crime;

(3) satisfactory assurance that such applicant has consulted on its application with local public agencies and nonprofit private agencies located in the geographic area of the city to be served and has adopted procedures to coordinate its program with related efforts being made by such other agencies;

(4) satisfactory assurances that maximum use will be made under the program of other Federal, State, or local resources available for the provision of services requested under this Act;

(5) satisfactory assurances that in developing programs, the applicant will give public agencies and non-profit private agencies providing services within the geographic area to be served opportunity to present their views to such applicant with respect to such programs;

(6) satisfactory assurances that such applicant will institute procedures for evaluating the operation of each program operated by it under this title, including the maintenance of records on the disbursement of grants, and will report in full to the Director annually during the period such program is assisted under this title on the functions and services performed by such program, the disbursement of grant funds, and any innovations made to meet the needs of the geographic area where such program is in operation;

(7) a description of all community relations programs and citizen volunteer programs in the criminal justice system established by the applicant city, or combination of cities including public agencies thereof, or applicant public agency which shall be current to the date of each subsequent application for grants; and

(8) a statement of the method or methods of linking the resources of public agencies and nonprofit private agencies providing services relating to the purpose of the grant application.

TITLE II—GRANTS TO NONPROFIT PRIVATE AGENCIES

STATEMENT OF PURPOSE

SEC. 201. The purpose of this title is to assist nonprofit private agencies in efforts to establish crime prevention programs and volunteer service programs in the criminal justice system.

GRANTS

SEC. 202. (a) The Director is authorized to make grants to, or cooperative arrangements with, nonprofit private agencies to meet all or part of the cost of establishing or operating, including the cost of planning, programs designed to carry out the purposes of this title.

(b) Grants and contracts under this title may be made to carry out programs including—

(1) programs to encourage the reporting of crime and the marking and identification of personal property;

(2) programs to enhance the delivery of social services into neighborhoods such as the removal of waste, street cleaning, building inspection, recreational facilities, and improved street lighting;

(3) programs to provide volunteer escorts for elderly citizens and other persons requiring assistance to and from their residences in high crime areas;

(4) programs to provide counseling to ex-offenders, narcotics addicts, and persons on probation;

(5) programs to improve communications between the community and police departments;

(6) programs to provide alternatives to incarceration (including release to the custody of community programs) for persons convicted of minor or victimless crimes; and

(7) programs of citizen crime commissions established for the purpose of combating the influences of organized crime.

CONDITIONS OF GRANTS

SEC. 203. (a) To qualify for grants under this title a nonprofit private agency shall have been in continuous operation for a period of at least one year before the date of application and shall demonstrate that it can satisfactorily administer the program for which a grant is requested.

(b) Grants and contracts under this title may be made only upon application to the Director, which contains satisfactory assurances that—

(1) the applicant will maintain adequate records on the disbursement of grants under the Act which will be made available upon request to the Director; and

(2) the applicant will make available to the entire community that it normally serves and where it is geographically located, on a nondiscriminatory basis, the benefits of any program instituted by it under this title.

TITLE III—ADMINISTRATION

APPLICATIONS FOR GRANTS

SEC. 301. (a) In addition to the requirements for applications set forth in sections 103(b) and 203(b), the Director shall require each application for a grant under this Act to include

(1) a description of the purpose of the program;

(2) a description of the anticipated use of funds under the grant;

(3) a description of the geographic area of the community in which the program will be carried out and the incidence of crime in such area;

(4) a description of the extent that the program anticipates assistance, financial or otherwise, from departments or agencies of the Federal, State, or local governments; and

(5) a description of the anticipated number of citizens who will participate in the program or be benefited by its operation.

(b) The Director shall provide assistance in filing an application under this Act to any applicant requesting such assistance.

(c) The Director shall utilize, to the maximum extent practicable, and the Administrator of the Law Enforcement Assistance Administration shall make available under such reasonable procedures as they shall both determine the personnel, equipment and administrative systems of the Administration in the management, evaluation, monitoring and auditing of programs funded pursuant to this Act. If the Director determines in writing that the manner in which the Administration is conducting its functions under this subsection substantially impairs the effectiveness of any program under this Act or is inconsistent with the purposes of this Act, he shall submit in writing his findings and determinations to the Attorney General, who shall require the Administration to conduct the function thereafter under such policy guidelines as the Attorney General may specify to eliminate the impairment.

TECHNICAL ASSISTANCE

SEC. 302. The Director shall provide technical assistance to cities, combinations of cities, public agencies, and nonprofit private agencies either directly or through contracts with other Federal departments or agencies to enable such recipients to fully participate in all programs available under this Act.

COOPERATION BETWEEN AGENCIES

SEC. 303. The Director in the Administration of this Act shall consult and cooperate with the Administrator of the Law Enforcement Assistance Administration, the Secretary of Health, Education, and Welfare, the Secretary of Housing and Urban Development, the Director of ACTION, and any other department or agency of the United States which performs functions related to the purposes of this Act.

HEARINGS

SEC. 304. The Director shall, on the application of any person claiming to be aggrieved by the denial of assistance under this Act, give such person a public hearing to determine if such person was so aggrieved. If the Director determines if such person was so aggrieved, he shall grant, in whole or in part, the assistance with respect to which such hearing was held.

RESTRICTIONS ON USE OF FUNDS

SEC. 305. Not more than one-third of any grant made under this Act shall be used for the lease or rental of any building or space therein. No part of any grant may be used to purchase buildings or land or for research, except to the extent such research is incidental to the carrying out of programs under this Act.

DEFINITIONS

SEC. 306. For purposes of this Act—

(1) The term "city" means any city in any State, or in the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa, and included the District of Columbia.

(2) The term "combination of cities" means two or more cities, towns, or other units of general local government and includes county, parish, or any other equivalent governmental subdivisions of a State or territory of the United States with a population of not less than one hundred thousand.

(3) The term "public agency" means any department, agency, or instrumentality of any city or combination of cities with a population of not less than one hundred thousand. This would include regional planning organizations established for the purpose of developing comprehensive planning and coordinating efforts to meet common problems.

(4) The term "criminal justice system" means the police, criminal courts, prosecutors, and correctional departments of the Federal, State, and local governments.

(5) The term "community relations program" means any activity established by a city, combination of cities, or public agency thereof that incorporates the participation of citizens for the purpose of improving the delivery of services relating to the criminal justice system of such city, combination, or public agency to the community.

(6) The term "crime prevention program" means any activity using the services of citizens established and regulated by a nonprofit private agency for the purpose of performing cooperative functions relating to any component of the criminal justice system.

(7) The term "volunteer service program" means any activity using the volunteer services of citizens established by a city, combination of cities, public agency thereof, or nonprofit private agency and regulated by a component of the criminal justice system for the purpose of providing assistance to such component.

DURATION OF PROGRAMS

SEC. 307. The Director shall carry out the programs provided for in this Act during the fiscal years ending June 30, 1974, and June 30, 1975.

AUTHORIZATIONS

SEC. 308. There is authorized to be appropriated for grants and cooperative arrangements under title I of this Act $25,000,000 for each of the fiscal years ending June 30, 1974, and June 30, 1975. There is authorized to be appropriated for grants and cooperative arrangements under title 11 of this Act $25,000,000 for each of the fiscal years ending June 30, 1974, and June 30, 1975.

TITLE IV—PROHIBITION ON USE OF WEAPONS

SEC. 401. No part of any appropriation made available under this Act may be expended in connection with any program or activity authorizing or condoning the possession or use of firearms, knives, explosives and dangerous weapons by non law enforcement, civilian personnel participating in such programs or activities.

BLOCK SECURITY PROGRAM

Mayor John V. Lindsay established the Block Security Program within the Police Department by Executive Order No. 79 issued on April 9, 1973. The Program is financed by $5 million authorized in the 1973–74 Capital Budget. The Mayor appointed the Block Security Guidelines Board to promulgate policy guidelines for this Program. The Board adopted the following guidelines for the program's first phase operations, which involved the acceptance by the Police Department of applications for initial funding from eligible groups between June 4 and June 29, 1973.

I. ELIGIBLE GROUPS

Applications can be filed by block, civic, neighborhood, tenant and business associations who meet the following requirements:

1. *Block and Neighborhood Associations*: There must be at least 35 adult members (18 years of age or over) representing different households in the same geographic area. Membership in the association must be open to all residents of the geographical area. The association must have a written set of by-laws, at least three elected officers, collect dues on at least an annual basis, and hold regular open meetings for all residents of the area.

2. *Tenant Associations*: The same organizational requirements are required. Only residential tenants, and not commercial tenants, are eligible. A tenant association can represent a single building or a group of buildings, in public or private housing, so long as there are at least 35 adult members from different households.

3. *Business Associations*: The association must include at least 24 business establishments at street level or on the second floor, with an entrance leading directly from the street. The same organizational requirements of by-laws, officers, dues, and open meetings are required.

4. *Geographical Area*: The minimum geographical area that must be covered by an association is both sides of one city block. Only one block, neighborhood or tenant association representing an area can qualify for funds under this program. A business association can overlap with an association of residents, but only one business association can qualify for a single geographical area. Where a tenant association in a multiple dwelling and a block association on the same block both apply, they can only qualify for a single contract. The local precinct Commanding Officer has the discretion to accept an application from a tenant association in a single building if there is no other applicant from the block.

5. *Special Purpose Security Functions*: Where an organization performs special purpose security functions, such as patrol or escort services, it can be funded in addition to other associations in the same geographical area if there is no conflict in the programs.

6. *Organization Date*: Any association is eligible for first phasing funding under this program so long as it is organized before July 1, 1973.

7. *Disputes*: Any disputes between two or more associations over the representation of a single geographical area, or any questions regarding compliance by an association with the organizational requirements for eligibility, can be referred to the Office of Neighborhood Government. The Office of Neighborhood Government will select an appropriate mechanism to resolve each dispute or rule on any such question.

II. PERMISSIBLE PURPOSES

Block Security Program funds can only be used for specific purposes that improve the overall security of the geographical area involved.

1. *Outdoor Areas*: Funds can be used for improvements in outdoor areas which are publicly accessible, such as lighting, gates and fences.

2. *Multiple Dwellings*: Funds can be used to increase security in the common areas of multiple dwellings with four or more units. This includes measures to safeguard building entrances and exits, lobbies, hallways, elevators, and service areas, as well as apartment doors that open onto hallways and public areas, and exterior windows.

3. *Business Associations*: Funds can be used to safeguard outdoor areas and exterior doors and windows of individual stores, including the financing of alarm systems for stores.

4. *Patrol Programs*: Funds can be used for equipment for patrol and escort programs that operate in outdoor public areas or the common areas of multiple dwellings.

5. *Prohibited Purposes*: No program funds can be expended for the following purposes:

(a) *Compensation of Personnel*: No compensation of any kind will be allowed;

(b) *Overhead Costs*: The overhead costs of the association (postage, stationery, rent) will not be funded;

(c) *Private Residences*: No security improvements in private residences of up to three units will be funded;

(d) *Street Lighting*: The installation of high-intensity street lighting in City-owned lamp-posts will not be funded under this program. The 1973–74 Capital Budget includes a separate $10 million program under which each Community Board can allocate funds for such lighting improvements within its planning district;

(e) *Weapons*: No weapons of any kind will be funded;

(f) *Watchdogs*: Funds cannot be used for watchdogs.

III. MATCHING REQUIREMENTS

1. *Matching Formula*: Program funds of up to $10,000 are available to eligible associations according to the amount of matching funds committed by the association. The City will match association funds on a:

(a) 9-to-1 basis for the first $500 of approved costs ($450 City to $50 association);

(b) 4-to-1 basis for the next $5,000 ($4,000 City to $1,000 association);

(c) 2-to-1 basis for funds above $5,500 up to maximum City contribution of $10,000 in any single year ($5,550 City to $2,775 association).

To qualify for the maximum $10,000 contract, the association must provide $3,825.

2. *Minimum*: There is no minimum program amount. The 9-to-1 ratio applies to any amount under $50 committed by an association.

3. *Eligible Payments:* The association's share must also be spent only for the permissible purposes listed under Section II, except that funds spent by the association according to an approved Security Plan for compensation of personnel and for improvements in private residences including one, two and three unit dwellings will be accepted as part of the required match. Only actual documented cash expenditures by the association during the fiscal year be-

ginning July 1, 1973 will be accepted as the required match.

4. *Timing:* City funds will only be made available to the association for expenditure on a pro rata basis as the required match is actually produced by the association. No funds will be advanced based on the association's commitment to raise the matching funds.

5. *Deadline:* After an association's program is accepted for funding, six months will be allowed for the required match to be raised. If the match is not produced, the association's program will be cancelled. However, where the association's match consists of regularly scheduled payments throughout the year for an ongoing service (such as a guard or alarm system), the association's program will not be cancelled if it continues to meet the regular payments according to schedule.

6. *Withdrawal:* The Police Department is authorized to withdraw its approval of an application if, within a reasonable period, the association does not initiate steps to fulfill its commitments under the program.

IV. BLOCK SECURITY OFFICER

Any association that seeks to participate in the program must designate a Block Security Officer.

1. *Eligibility:* The Block Security Officer must be a resident of the geographical area represented by the association, or the owner or employee of a business in the area covered by a business association. The Block Security Officer must be at least 18 years of age, and of good moral character as determined by the Police Department.

2. *Employment:* No member of the Police Department, or civilian employee of the Police Department, or member of any other police force, can serve as a Block Security Officer. Auxiliary Police, Blockwatchers and employees of other City agencies are eligible.

3. *Authority:* The Block Security Officer has no legal authority on behalf of the City or the Police Department. The Block Security Officer will have responsibility to design the Block Security Plan, monitor its implementation, and serve as the association's liaison with the local police precinct and the precinct Crime Prevention Officer.

4. *Training:* The Block Security Officer must successfully complete the training program conducted by the Police Department.

V. TRAINING

The Police Department will conduct a training program for applicants who wish to serve as Block Security Officers.

1. *Eligibility:* To participate in the training program, an individual does not need to represent an existing association. However, if the training program in the first phase is over-subscribed, priority will be given to representatives of existing associations.

2. *Representation:* An association can only send one representative to the training program as its designated Block Security Officer.

VI. BLOCK SECURITY PLAN

1. *Preparation:* Following completion of the training program, the Block Security Officer will prepare a Block Security Plan for the area represented. The Crime Prevention Officer from the local police precinct will be available to provide technical assistance.

2. *Budget:* The Block Security Plan will include a detailed budget for the security program, with the estimated cost of all items, and the source of all cost estimates. The budget will also detail the purposes for which both program and association matching funds will be spent.

3. *Maintenance:* If the security plan includes purchase or installation of any equipment that requires maintenance, the plan must specify what provision will be made for maintenance over a two-year period. Such maintenance costs are a permissible use of block security funds.

4. *Block Security Officer:* Only associations whose Block Security Officer has successfully completed the training program and takes responsibility for implementation of the plan will be eligible.

5. *Approval:* The Block Security Plan must be reviewed and approved by the association according to the procedures provided for in its by-laws, and copies made available to all interested residents.

6. *Submission:* The Block Security Plan will be submitted to the local Precinct Commander who will have primary responsibility for its review and evaluation. The Precinct Commander will recommend approval of plans to the Commanding Officer of the Police Department's Crime Prevention Squad, who will make the final decision or approval.

7. *Amendments:* After approval of a Block Security Plan, the Block Security Officer can request that the plan be amended to reflect changes in estimated costs, additional local participants in the association's security program, or additional security measures consistent with the approved plan. The Precinct Commander, with the concurrence of the Commanding Officer of the Crime Prevention Squad, can approve reasonable amendments of the plan.

VII. ALLOCATION OF FUNDS

The 1973–74 Capital Budget includes $5 million to initiate this program, including all administratve costs. For the first round of applications, $4 million will be allocated city-wide for Block Security programs.

1. *Formula:* Each police precinct with residential buildings will receive an allocation based solely on population, according to the 1970 census. Each precinct will have a minimum allocation of $20,000.)Attachment A gives the precinct allocations).

2. *Precinct Allocation:* Each precinct commander will recommend to the Commanding Officer of the Crime Prevention Squad how the funds available should be allocated among the applications he receives.

3. *Reallocation:* The Block Security Guidelines Board can reallocate funds from precincts that do not use their entire authorization in the first round, and will also allocate uncommitted funds after administrative costs have been calculated.

VIII. SECURITY EQUIPMENT

1. *Minimum Standards:* The Police Department's Crime Prevention Squad will set minimum standards for security equipment to be purchased and used under this program. Equipment not meeting those standards will not be funded by the City and will not be accepted as match if purchased by the association.

IX. TIMETABLE

The first phase of the Block Security Program involved the submission of Block Security Plans for funding to local police precincts from June 4 to June 29, 1973. Following the submission of plans, reviews will be conducted by the precinct commander and then the Commanding Officer of the Crime Prevention Squad.

X. FISCAL PROCEDURES

The Police Department will contract with a private fiscal institution to handle the disbursement of funds under the program. The Police Department will issue an RFP and accept proposals from various institutions. After the Police Department selects an institution to perform this function, it will submit a contract to the Board of Estimate for approval. The institution selected will fund only those Block Security Programs certified to it by the Commanding Officer of the Crime Prevention Squad in the Police Department.

The institution will sign a written contract with each association sponsoring a certified plan. No funds will be disbursed directly to associations. The fiscal institution will make payments directly to vendors upon the receipt of vouchers, certified by the local precinct, for the delivery or installation of equipment pursuant to an approved plan. The institution will provide the Police Department with monthly statements on the expenditures and balance remaining of each association.

BLOCK SECURITY GUIDELINES BOARD

David Grossman, Chairman, Budget Director.

Patrick V. Murphy, Police Commissioner.

John Mudd, Director, Office of Neighborhood Government.

D. Kenneth Patton, Economic Development Administrator.

Henry Ruth, Director, Criminal Justice Coordinating Council.

John Zuccotti, Chairman, City Planning Commission.

Mr. PERCY. Mr. President, I am pleased to join my distinguished colleague from New York (Mr. JAVITS), as principal cosponsor of this legislation.

It has become increasingly clear that crime and the immobilizing fear it engenders victimize all Americans, and especially our poor and minority citizens. The magnitude of the crime problem demands a total response. Only by combining Federal and State resources with the efforts of community organizations and ordinary citizens can we hope to mount an effective campaign against crime.

Observers of the urban scene have long advised that the greatest single anticrime resource is the community of law-abiding citizens upon whom criminals prey. To be sure, alienation and mistrust present serious obstacles to citizen participation in the task of crime reduction. To overcome these factors and enlist our communities in the struggle against crime, we today introduce "The Community Anti-Crime Assistance Act."

The bill would authorize the Community Relations Service of the Justice Department in cooperation with the Law Enforcement Assistance Administration to make grants to cities and public agencies to establish programs to involve local institutions and citizens in crime reduction. Such programs would include improving the hiring of minority police, establishing citizen patrols, improving police-community relations, encouraging the reporting of crime, improving arrest procedures and alternatives, enhancing the delivery of social services, and providing alternatives to incarceration for less serious offenses.

Our prior efforts in the area of crime reduction constitute an impressive beginning. In particular, I would commend the work of the Law Enforcement Assistance Administration. Nevertheless, we have too often overlooked, both in our thinking and in our funding, the primary resource of community participation. By opening this new front in the struggle against crime, we can go a long way toward making our neighborhoods safer and our citizens more secure.

By Mr. HUMPHREY:

S. 3339. A bill to amend the program of supplemental security income for the aged, blind, and disabled—established by title XVI of the Social Security Act—to

provide for cost-of-living increases in the benefits provided thereunder. Referred to the Committee on Finance.

SUPPLEMENTAL SECURITY INCOME ADJUSTMENTS ACT OF 1974

Mr. HUMPHREY. Mr. President, in the budget message of the President last February 4, President Nixon said:

I propose . . . automatic cost of living increases for the aged, blind, and disabled beneficiaries of the Supplemental Security Income program . . .

And he promised that "legislation will be proposed" to provide this automatic adjustment.

I was very pleased to hear the administration make this proposal. In fact, it was one of only a very few bright spots in an otherwise depressing budget. There can be no doubt about it; the elderly poor, the blind, and the disabled, have been particularly hard hit by recent extremely high levels of inflation.

As chairman of the Consumer Economics Subcommittee of the Joint Economic Committee, I have closely followed the staggering increases in the cost of living and have seen how it has affected these people. They have seen the prices they pay for food explode 40 percent, their rents rise by 18 percent, and vital medical care costs jump by 22.5 percent, all during the last 4 years. And these, the most inflationary items in the American market basket, take a much larger portion of the income of the supplemental security income—SSI—beneficiary than of the average American family.

Unfortunately, the President's promise of submitting legislation to provide an automatic cost-of-living escalator provision for SSI payments has yet to be fulfilled. I have seen no sign of action on this proposal since it was announced by the President.

Therefore, today I am introducing legislation to accomplish this important purpose of protecting the purchasing power of SSI recipients from the income-reducing effects of inflation.

Mr. President, the "Supplemental Security Income Adjustments Act of 1974," which I offer today, does exactly what President Nixon proposed be done for our elderly poor, blind, and disabled—it automatically adjusts the income of SSI recipients to account for inflation. It in no way precludes Congress from raising the basic SSI levels, a move I believe is also necessary.

The protection of the real buying power of benefits received under the SSI program which would result from adopting the proposed escalator is certainly necessary. Congress endorsed this principle when it provided such an automatic cost-of-living adjuster to social security benefits. It is time we extended this income security feature to the estimated 5.1 million Americans who are expected to receive SSI benefits when the program is in full operation. Certainly the 3.8 million elderly poor and the 1.3 million blind and disabled citizens participating in this program require the same protection from inflation as the regular social security recipient. If the commitment made by Congress, that these people would be guaranteed a certain minimum standard of living in their adversity, is to have any meaning at all, protection of the buying power of their benefits from a shrinking dollar must also be assured. As I see it, the automatic cost of living escalator for SSI, a concept endorsed by the President, is the proper way to accomplish this objective.

Mr. President, the cost-of-living escalator I propose would be fully consistent with the escalator already in place for social security. In fact, it would assure SSI recipients, who also receive SS benefits, that their total benefits from these two sources would increase by the amount of the cost-of-living escalator.

The procedures, data, and timing for determining the level of adjustment, and when it would be applicable, are identical. And, the cost of administering the proposed SSI escalator, given the existence of the same feature for social security, should be minimal. Also, as with social security, the automatic cost-of-living adjustments would not be provided in any year in which Congress passed legislation providing for a specific increase in the SSI benefits, such as this year.

The administration has projected the cost of the SSI escalator for the next 5 years in the appendix to the fiscal year 1975 budget. According to the Office of Management and Budget estimates, it would have no cost in fiscal year 1975, since a legislated increase was enacted, $360 million in fiscal year 1976, $750 million in fiscal year 1977, and the same in fiscal year 1978, and $1,450 million in fiscal year 1979. Of course, estimates of this kind are very tentative, since they are tied so directly to the rate of inflation. But regardless of the exact cost, the estimated first year spending increase of $360 million would be substantially less than 7 percent of the total cost of SSI in that year. The data in the fiscal year 1975 budget indicate to me that not only is the provision of the cost-of-living escalator for SSI benefits desirable, but it is something that our Nation surely can afford to do.

Mr. President, the winter promises of this administration have often melted away with the warm winds of spring. The bill I am introducing today is intended to indicate to the President that the Congress definitely expects him to deliver on this commitment to our Nation's elderly poor, blind, and disabled citizens. If he fails to act very soon, Congress must take the initiative to pass this needed legislation itself.

And, Mr. President, given the existence of the automatic escalator for social security, unless we pass the legislation I am proposing in this Congress, we could end up next year providing increases in social security checks that are, for millions of people, completely offset by a parallel reduction in the value of their SSI check.

Therefore, I believe that in order to truly fulfill our obligation to those in the SSI program, and to prevent an unpardonable hardship on individuals who are provided with SSI in addition to regular social security benefits, the Supplemental Security Income Adjustments Act of 1974 needs to be enacted as soon as possible.

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

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

S. 3339

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1611 of the Social Security Act (as enacted by section 301 of Public Law 92-603 and as in effect on July 1, 1974) is amended—

(1) In subsection (a)(1)(A), by inserting "(or, if greater, the amount determined under section 1617)" immediately after "$1,752";

(2) in subsection (a)(2)(A), by inserting "(or, if greater, the amount determined under section 1617)" immediately after "$2,628";

(3) in subsection (b)(1), by inserting "(or, if greater, the amount determined under section 1617)" immediately after "$1,752"; and

(4) in subsection (b)(2), by inserting "(or, if greater, the amount determined under section 1617)" immediately after "$2,628".

(b) Part A of title XVI of the Social Security Act (as enacted by section 301 of Public Law 92-603) is amended by adding at the end thereof the following new section:

"COST-OF-LIVING ADJUSTMENTS IN BENEFITS

"SEC. 1617. (a) Whenever the Secretary, pursuant to section 215(i) makes a determination that a base quarter in a calendar year is also a cost-of-living computation quarter, he shall determine and publish in the Federal Register (together with, and at the same time, as the material required by section 215(i)(2)(D) to be published therein by reason of such determination) the supplemental security benefit rate (as determined under subsection (b)) which shall be effective for the period beginning with the month following the first month that the increase (if any) in benefits payable under title II becomes effective under section 215(i) by reason of such determination by the Secretary.

"(b)(1) As used in this section, the term 'supplemental security benefit rate' means whichever of the following is the greater—

"(A) the dollar amounts (viz, $1,752 and $2,628, referred to in section 1611(a)(1)(A), 1611(a)(2)(A), 1611(b)(1), and 1611(b)(2)), or

"(B) the dollar amounts (referred to in such sections which were in effect immediately prior to the most recent increase under this section.

"(2) The supplemental security benefit rate which shall be effective by reason of an increase brought about by the application of subsection (a) shall be such rate, as in effect immediately prior to such increase, plus a per centum thereof equal to the per centum of increase in benefits payable under title II brought about pursuant to section 215(i).

"(c) Notwithstanding the preceding provisions of this section, no increase shall be made in the supplemental security benefit rate, if, during the calendar year in which the determination (under subsection (a)) is made for an increase in such rate, there is enacted a law providing an increase in such rate."

(c) Section 211(a)(1)(A) of Public Law 93-66 (as in effect on July 1, 1974) is amended by striking "$876" and inserting in lieu thereof "50 per centum".

SEC. 2. The amendments made by the first section of this Act shall become effective on July 1, 1974, or (if later) on the first day of the first calendar month which begins after the date of enactment of this Act.

By Mr. METCALF:

S. 3341. A bill to revise certain provisions of title 5, United States Code, relating to per diem and mileage expenses of employees and other individuals traveling on official business, and for other purposes. Referred to the Committee on Government Operations.

MILEAGE AND PER DIEM ALLOWANCES

Mr. METCALF. Mr. President, I send to the desk for appropriate rereference a bill to amend title V of the United States Code to provide for an equitable method of computing vehicle mileage costs to be reimbursed to U.S. Government employees for the use of their private automobiles while on official duties. The bill would also raise the per diem allowance from $25 to $35.

Pursuant to regulations issued in May 1973, the mileage allowance for a privately owned vehicle used on official business was set at 11 cents per mile. A General Services Administration report prepared in early 1974, entitled "Present Cost of Operating Privately Owned Automobiles," concluded that:

(1) the approximate cost of operating a standard size automobile is currently 14.4 cents per mile;

(2) the cost of operating a compact size automobile is approximately 75% of the cost of operating a standard size automobile; and

(3) the maximum mileage allowance of 12 cents per mile is inadequate when a standard size automobile is used for official business.

This imbalance was called to my attention by the 60,000-member National Treasury Employees Union. The legislation I introduce today is designed to correct the inequality that currently exists for those individuals who must use their own cars for official business. I recognize that opponents may say that this increase would tend to increase the number of individuals who will seek to use their private cars for work, rather than use public transportation. However, the bill provides that no employee may use a private automobile unless he is specifically assigned to do so by an appropriate official.

The bill also would increase the per diem allowance from the current $25 to $35. The rationale for this needed amendment is quite clear. The allowance has been limited to $25 since 1969, when it was increased from $16 to $25. The cost-of-living increases since that 1969 amendment makes the necessity of this increase obvious.

Mr. President, I ask unanimous consent that the text of the bill and the GSA report to which I have referred be printed in the RECORD.

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

S. 3341

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 5702(a) of title 5, United States Code, relating to the per diem allowance of employees traveling on official business within the continental United States, is amended by deleting "$25" and inserting in place thereof "$35".

(b) Section 5702(c)(1) of title 5, United States Code, relating to reimbursement for actual and necessary travel expenses of employees under unusual circumstances in excess of the maximum per diem allowance, is amended by deleting "$40" and inserting in place thereof "$50".

(c) Section 5703(c)(1) of title 5, United States Code, relating to the per diem allowance of individuals serving without pay or at $1 a year for travel inside the continental United States, is amended by deleting "$25" and inserting "$35" in place thereof.

(d) Section 5703(d)(1) of title 5, United States Code, relating to reimbursement for actual and necessary travel expenses of individuals serving without pay or at $1 a year under unusual circumstances in excess of the maximum per diem allowance, is amended by deleting "$40" and inserting in place thereof "$50".

Sec. 2. (a) Section 5704 of title 5, United States Code, relating to mileage and related allowances of employees and other individuals performing services on official business inside or outside the designated post of duty or place of service, is amended to read as follows:

"§ 5704. Mileage and related allowances

"(a) Except to the extent otherwise provided under this section, and under regulations prescribed under section 5707 of this title, an employee or other individual performing service for the Government, who is engaged on official business inside or outside his designated post of duty or place of service, is entitled to—

"(1) 9 cents a mile for the use of a privately owned motorcycle;

"(2) 14.5 cents a mile for the use of a privately owned automobile; or

"(3) 12 cents a mile for the use of a privately owned airplane.

"(b) The Comptroller General of the United States shall conduct a continuous study on the average, actual cost a mile, to an employee or other individual performing service for the Government who is engaged on official business inside or outside the designated post of duty or place of service, for the use of a privately owned motorcycle, automobile, or airplane.

Not later than January 15, April 15, July 15, and October 15 of each year, the Comptroller General shall submit to the President or his designee the results of the study for the three-month period preceding the month in which the report is to be submitted, including specific figures, each rounded to the nearest one-tenth of a cent, of the average, actual cost a mile during that period for the use of a privately owned motorcycle, automobile, and airplane. The cent figures contained in paragraphs (1), (2), and (3) of subsection (a) of this section shall be adjusted, as of the first day of the first month following the date of submission of the report, to the figures so reported by the Comptrolle General, and those reported figures shall also be included as of such day in the regulations prescribed under section 5707 of this title.

"(c) An employee or individual described in subsection (a) of this section shall not use a privately owned motorcycle, automobile, or airplane under the circumstances described in subsection (a) of this section unless specifically authorized in writing to do so in the travel authorization. The written authorization for the use of a privately owned motorcycle, automobile, or airplane shall be made only in the interests of the efficient and effective conduct of official business of the Government and only if the use of public transportation by the employee or individual concerned would be a personal hardship or against the public interest.

"(d) In addition to the mileage allowance provided in accordance with the other provisions of this section, the employee or other individual performing service for the Government may be reimbursed for—

"(1) parking fees;

"(2) ferry fares; and

"(3) bridge, road, and tunnel tolls."

(b) The amendment made by subsection (a) of this section shall become effective on July 1, 1974.

PRESENT COST OF OPERATING PRIVATELY OWNED AUTOMOBILES

[Prepared by the Transportation Management Division of the Federal Supply Service, General Services Administration, 1-18-74]

I. OBJECTIVE

Calculate the current cost of operating privately owned automobiles in order to determine the adequacy of the present mileage allowance.

II. BACKGROUND

Under 5 U.S.C. 5704(a)(2), an employee is entitled to a mileage allowance of not more than 12 cents per mile when he uses a privately owned vehicle while on official business. The Office of Management and Budget, in the Standardize Government Travel Regulations (OMB Circular No. A-7, Revised) prescribed a rate of 11 cents per mile when the use of a privately owned vehicle is advantageous to the Government.

Pursuant to Executive Order 11609, dated July 22, 1971, the General Services Administration published the Federal Travel Regulations (41 CFR 101-7) in May 1973. The mileage allowances promulgated in the Federal Travel Regulations (FTR) are the same as those prescribed by the OMB. Since assuming the responsibility for administering the travel regulations, GSA has received several inquiries questioning the adequacy of the present mileage allowances. In response, this study was conducted to determine the cost of operating a privately owned automobile. The study techniques and results are discussed below.

III. DISCUSSION

It is a fact that the costs, both fixed and variable, are lower for compact cars than for standard size automobiles. It is the intent of this study, therefore, to present the per mile costs for both standard and compact size automobiles.

a. Standard size automobiles

The automobile operating costs for 1971 were taken from the U.S. Department of Transportation (DOT) report "Cost of Operating an Automobile" (Annex 1), which was published in April 1972. The costs used in this study were those for a standard size 4-door sedan equipped with: V-8 engine, automatic transmission, power steering and brakes, air conditioning, tinted glass, radio, clock, whitewall tires and body protective molding. It is felt that this car and equipment is representative of standard size 4-door sedans sold during model year 1972.

Although the DOT study computed the costs of operating a vehicle over a period of 10 years (100,000 miles), we have assumed for the purpose of this study, that a privately owned vehicle is not likely to be used for business purposes beyond the fifth year. Consequently, the costs presented in this study are the average annual costs for the first five years of operation as shown in Annex 1.

In computing the 1973 costs shown in Annex 2, the changes in the Consumer Price Index (CPI) from 1971 to December 1973

for each cost component (tires, gasoline, etc.) were first converted to percentages. These percentages were then applied to the individual cost components presented in the DOT study in order to convert the 1971 cost per mile to a cost per mile for 1973. This method of computation was applied to each cost element except depreciation. The methodology used in developing 1973 depreciation costs will be explained below.

It should be emphasized that the DOT study was conducted in suburban Baltimore, and, therefore, reflects the prices, taxes, and road and driving conditions of suburban Baltimore. City driving would be most costly (3% higher as reported in the CPI), while driving costs in rural Maryland should be lower. In addition to the urban and rural cost differences, there are also geographic variations in the cost of living. For example, the residents of Baltimore experience a cost level which is different from that in Chicago, Los Angeles or Atlanta. The 1972 average annual CPI indicates that the cost of operating an automobile in Baltimore was at an index level of 117.3. Of the 12 cities reported in the index, Los Angeles experienced the highest prices with an index level of 125.2 (6.7% higher than Baltimore). However, since the average U.S. city index level of 117.5 is only 0.2% higher than the Baltimore level, it appears that the cost of operating an automobile in Baltimore is representative of the national urban area average costs.

In order to develop and project the over-all cost of operating a standard size automobile, the following individual cost elements were evaluated:

1. Depreciation

The cost per mile for depreciation is influenced primarily by the purchase price (and price changes) and the number of miles the automobile is driven each year. The 1971 costs were based on a standard size 1972 4-door sedan as described above (finance charges were not included). It was assumed by DOT that this car would be driven a decreasing number of miles from 14,500 in the first year to 9,900 in the fifth year. In this respect, it should be noted that extensive use of a private automobile for official travel could easily increase the annual mileage, which would, in turn, lower the cost per mile for all costs, including depreciation.

In estimating the depreciation costs for 1973, it was determined that the application of CPI projections (for new automobiles) to 1971 DOT depreciation costs would not provide acceptable cost data. The CPI, insofar as new automobiles are concerned, is adjusted to eliminate the effect of price increases attributed to "quality improvements" such as hydraulic safety bumpers, power brakes and steering, structural improvements, etc. As a result, the cost of new automobiles, as reflected in the CPI, increased only 0.6% per annum between 1963 and 1971, and has remained unchanged since 1971. Since in many instances, these quality improvements become standard equipment or are required by law, a consumer must bear the additional cost of these items. Consequently, while the CPI is adjusted downward to compensate for these improvements, the consumer actually pays more and more each year for his automobile. It was felt that a more accurate estimate of future depreciation costs could be obtained by applying the average CPI change for all goods and services (13.8%) to the 1971 depreciation cost per mile. Although the use of the general index introduces some distortions, it is considered to be a better representation of automobile price trends than an index which has been quality adjusted.

2. Maintenance and Repair

This cost element includes routine maintenance, such as lubrications and flushing the cooling system; replacement of minor parts, such as sparkplugs, fan belts, and radiator hoses; minor repairs, such as brake jobs, water pump, carburetor overhaul, and universal joints; and some major repairs. Repairs for collision damage were excluded, but the purchase of minor accessories such as floor mats and miscellaneous items totaling $2.00 per year was assumed. The CPI for these goods and services includes few, if any, quality adjustments.

3. Tires

Because the cost of the original five tires is included in the vehicle depreciation cost, this cost category includes only replacement tires. It was assumed that seven new regular tires and four new snow tires would be purchased during the 10 year, 100,000 mile life of the automobile. Radial tires were not introduced into this study, and although a car fitted with such tires would require fewer tire changes, the higher cost of radial tires would at least partly offset the effects of greater tire mileage. The CPI reflects a steady increase in retail tire prices from 1963 to 1971, and then a decrease in 1972 and 1973. The Bureau of Labor Statistics attributes this reversal to actual price reductions and to a one time CPI adjustment necessitated by the decision of many tire manufacturers to discontinue the practice of quoting, recommending, or publishing "suggested retail" or "list" prices. Prior to this decision, the CPI was based essentially on these published retail prices which were somewhat higher than the actual final selling price of a tire. After the effects of the index adjustment and price reductions have subsided, the price of tires is expected to increase at approximately the same rate as in the past. These factors account for the reduction in the tire cost per mile in 1973.

4. Gasoline

Although gasoline costs represented only 15.4% of the total automobile operation cost per mile in 1971, it has become perhaps the most controversial of all the costs due, primarily, to recent alleged shortages and attendant rising prices. Between 1963 and 1972, the price of gasoline increased 1.7% per annum. However, by December 1973 the price of gasoline was 22.6% higher than the average level in 1972. It was determined in the DOT study that a standard car would average 13.6 miles per gallon of gasoline. Obviously, several factors, including the driving environment, engine size, speed, and pollution devices, influence the mileage which in turn influences the gasoline cost per mile.

5. Motor Oil

In the DOT study, oil consumption was associated with gasoline consumption at a rate of one gallon of oil for every 186 gallons of gasoline. Although the CPI for motor oil increased approximately 10% from 1972 to December 1973, motor oil constitutes only a small part of the total cost per mile; as a result, the cost per mile for oil has remained constant.

6. Insurance

Insurance coverage, as applied to this study, includes $50,000 combined public liability ($15,000/$30,000 bodily injury, and $5,000 property damage), $1,000 medical payments, uninsured motorist coverage, and full comprehensive coverage. Deductible collision was assumed for the first five years ($100). The introduction of "no fault" insurance in some states has resulted in a reduction of rates. As a result, the overall cost of insurance dropped during 1972 and 1973.

7. Taxes

It is difficult to estimate the behavior of taxes from an analysis of the CPI because the prices of all commodities and services include taxes. As a result, taxes have been held constant at the 1971 level of .83 cents per mile, assuming that any increase or decrease would be reflected in the CPI statistics for the other cost elements.

8. Registration

Although the cost of registering and titling an automobile increased slightly in 1973, the increase was not sufficient to raise the cost per mile for this element of cost.

The overall effect of the price changes for the cost elements described above was an increase in the total cost of operating a privately owned automobile. In 1971, the U.S. Department of Transportation determined that the cost of operating a standard size automobile (less garage, parking, and toll costs) was 12.9 cents per mile. Based on the December 1973 CPI, the cost of operating a private automobile is currently estimated at 14.4 cents per mile (Annex 2).

b. Compact size automobiles

These automobile operating costs were also taken from the DOT study "Cost of Operating an Automobile," April 1972, and are found in Annex 3. The vehicle selected to represent this category is a 1972 model 2-door sedan equipped with: 6 cylinder engine, automatic transmission, power steering, radio, and protective molding. With two exceptions, the cost elements and assumptions applied to the standard size vehicle were also used in determining the cost of operating a compact car. These exceptions were that a gasoline consumption rate of 15.97 mile per gallon and an oil consumption rate of one gallon of oil for every 166 gallons of gasoline were applied to the compact car.

The average cost per mile for the first five years of operation was 9.37 cents, which is approximately 75% (72.7%) of the cost of operating a standard size car.

By applying this factor of 75% to the standard size automobile operating costs, the cost of operating a compact car is estimated at 10.8 cents in 1973.

Because of the substantial economies which accrue through the use of smaller automobiles, it is felt that a separate and lower rate of reimbursement should be paid to an employee who utilizes a compact or subcompact size vehicle while on official business. In this respect, a rate equal to 75% of the "standard rate" (rounded to the next highest cent) and appears reasonable and compensatory.

IV. CONCLUSIONS

Several important conclusions can be drawn from the above discussion.

a. The approximate cost of operating a standard size automobile is currently 14.4 cents per mile.

b. The cost of operating a compact size automobile is approximately 75% of the cost of operating a standard size automobile.

c. The maximum mileage allowance of 12 cents per mile, provided under 5 U.S.C. 5704(a)(2) is inadequate when a standard size automobile is used for official business.

V. RECOMMENDATIONS

a. Legislation should be sought to increase the maximum mileage allowances for use of privately owned automobiles on official business.

b. The Federal Travel Regulations should be amended to increase the mileage allowance from 11 cents to the statutory maximum of 12 cents per mile, when the use of a privately owned automobile is advantageous to the Government.

c. The Federal Travel Regulations should be amended to provide for separate rates of reimbursement for compact (including subcompact) and standard size automobiles.

ANNEX 1

TABLE 1.—ESTIMATED COST OF OPERATING A STANDARD SIZE 1972 MODEL AUTOMOBILE [1]

[Total costs in dollars; costs per mile in cents]

Item	1st yr (14,500 mi)		2d yr (13,000 mi)		3d yr (11,500 mi)		4th yr (10,000 mi)		5th yr (9,500 mi)	
	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile
Costs excluding taxes:										
Depreciation	1,226.00	8.46	900.00	6.92	675.00	5.87	500.00	5.00	376.00	3.80
Repairs and maintenance	81.84	.56	115.37	.89	242.65	2.11	296.09	2.96	275.54	2.78
Replacement tires	17.90	.12	16.05	.12	23.72	.21	44.40	.44	43.95	.44
Accessories	3.21	.02	3.08	.02	2.96	.02	2.83	.03	2.82	.03
Gasoline	286.75	1.98	257.16	1.98	227.58	1.98	197.72	1.98	195.83	1.98
Oil	11.25	.08	11.25	.09	12.00	10	12.00	.12	12.75	.13
Insurance [2]	164.00	1.13	156.00	1.20	156.00	1.36	147.00	1.47	147.00	1.49
Garaging, parking, tolls, etc	208.36	1.44	199.22	1.53	190.72	1.65	180.94	1.81	180.33	1.82
Total	1,999.31	13.79	1,658.13	12.75	1,529.00	13.30	1,380.98	13.81	1,234.22	12.47
Taxes and fees:										
State:										
Gasoline	74.62	.51	66.92	.52	59.22	.52	51.45	.51	50.96	.52
Registration	30.00	.21	30.00	.23	30.00	.26	30.00	.30	30.00	.30
Titling	177.15	1.22	—	—	—	—	—	—	—	—
Subtotal	281.77	1.94	96.92	.75	89.22	.78	81.45	.81	80.96	.82
Federal:										
Gasoline	42.64	.30	38.24	.30	33.84	.29	29.40	.30	29.12	.30
Oil [3]	.22	—	.22	—	.28	—	.24	—	.26	—
Tires	1.38	.01	1.24	.01	1.82	.02	3.42	.03	3.39	.03
Subtotal	44.24	.31	39.70	.31	35.90	.31	33.06	.33	32.77	.33
Total taxes	326.01	2.25	136.62	1.06	125.12	1.09	114.51	1.14	113.73	1.15
Total of all costs	2,325.32	16.04	1,794.75	13.81	1,655.11	14.39	1,495.49	14.95	1,347.95	13.62

Item	6th yr (9,900 mi)		7th yr (9,500 mi)		8th yr (8,500 mi)		9th yr (7,500 mi)		10th yr (5,700 mi)		Totals and averages for 10 yr (100,000 mi)	
	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile
Costs excluding taxes:												
Depreciation	259.00	2.61	189.00	1.99	121.00	1.42	85.00	1.13	48.00	0.84	4,379.00	4.38
Repairs and maintenance	292.54	2.95	397.56	4.19	171.82	2.02	244.33	3.26	29.17	.51	2,146.91	2.14
Replacement tires	45.44	.46	50.69	.53	62.79	.74	52.30	.70	42.11	.74	399.85	.40
Accessories	8.57	.09	8.30	.09	7.65	.09	6.97	.09	5.79	.10	52.18	.05
Gasoline	155.83	1.98	188.03	1.93	168.13	1.98	148.22	1.98	112.71	1.98	1,977.96	1.98
Oil	13.50	.14	13.50	.14	13.50	.16	12.00	.16	6.75	.12	118.50	.12
Insurance [2]	116.00	1.17	116.00	1.22	116.00	1.37	116.00	1.55	116.00	2.04	1,350.00	1.35
Garaging, parking, tolls, etc	180.33	1.82	177.89	1.87	171.80	2.02	165.71	2.21	154.74	2.71	1,809.40	1.81
Total	1,111.21	11.22	1,140.97	12.01	532.69	9.80	831.03	11.03	515.27	9.04	12,233.80	12.23
Taxes and fees:												
State:												
Gasoline	50.96	.52	48.93	.51	43.75	.52	38.57	.52	29.33	.51	514.71	.51
Registration	30.00	.30	30.00	.32	30.00	.35	30.00	.40	30.00	.53	300.00	.30
Titling	—	—	—	—	—	—	—	—	—	—	177.15	.18
Subtotal	80.96	.82	78.93	.83	73.75	.87	68.57	.92	59.33	1.04	991.86	.99
Federal:												
Gasoline	29.12	.29	27.96	.30	25.00	.29	22.04	.29	16.76	.29	294.12	.30
Oil [3]	.27	—	.27	—	.27	—	.24	—	.14	—	2.37	—
Tires	3.50	.04	3.90	.04	4.84	.06	4.07	.06	3.24	.06	30.80	.03
Subtotal	32.89	.33	32.13	.34	30.11	.35	26.35	.35	20.14	.35	327.29	.33
Total taxes	113.85	1.15	111.06	1.17	103.86	1.22	94.92	1.27	79.47	1.39	1,319.15	1.32
Total of all costs	1,225.06	12.37	1,252.03	13.18	936.55	11.02	925.95	12.35	594.74	10.43	13,552.95	13.55

[1] This estimate covers the total costs of a fully equipped, medium priced, standard size, 4-door sedan, purchased for $4,379, operated 100,000 miles over a 10-yr-period, then scrapped. Baltimore area prices, considered to be in the middle range, were used.

[2] Previous editions of this study used insurance rates designated for Baltimore City. The rates shown above are for the Baltimore suburbs, and consequently are less than the rates presented in the previous study. If the Baltimore City rates had been used in this study, the insurance costs would have been higher. (For example, the 1st yr would have been $232.)

[3] Where costs per mile were computed to be less than 1/20 cent, a dash (—) appears in the column.

ANNEX 2

AUTOMOBILE OPERATING COSTS (STANDARD SIZE 1972 MODEL)

Item	Cents per mile	
	1971 [1]	1973 [2]
Vehicle depreciation	6.01	6.84
Maintenance/repair	1.88	2.12
Tires	.27	.26
Gasoline	1.98	2.46
Motor oil	.10	.11
Insurance	1.33	1.29
Taxes	.88	.83
Registration	.50	.50
Total	12.90	14.41

[1] 1971 costs were computed from U.S. Department of Transportation Report "Cost of Operating an Automobile," April 1972. The costs shown are average costs (excluding garage, parking, and tolls) for the first 5 years of operation.

[2] 1973 costs were calculated by applying Consumer Price Index changes (1971–December 1973) to the 1971 data.

ANNEX 3

TABLE 2.—ESTIMATED COST OF OPERATING A COMPACT SIZE 1972 MODEL AUTOMOBILE[1]

[Total costs in dollars; costs per mile in cents]

Item	1st yr (14,500 mi)		2d yr (13,000 mi)		3d yr (11,500 mi)		4th yr (10,000 mi)		5th yr (9,900 mi)	
	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile
Costs excluding taxes:										
Depreciation	674.00	4.65	519.00	3.99	394.00	3.42	305.00	3.05	243.00	2.46
Repairs and maintenance	79.41	.55	107.14	.83	170.61	1.48	318.90	2.19	240.27	2.43
Replacement tires	15.30	.11	13.71	.11	12.13	.11	34.27	.34	33.93	.34
Accessories	3.21	.02	3.08	.02	2.96	.03	2.83	.03	2.82	.03
Gasoline	244.25	1.68	218.97	1.69	193.68	1.69	168.39	1.68	166.78	1.69
Oil	10.50	.07	10.50	.08	11.25	.10	11.25	.11	12.75	.13
Insurance	155.00	1.07	147.00	1.13	147.00	1.28	140.00	1.40	140.00	1.43
Garaging, parking, tolls, etc.	208.36	1.44	190.22	1.53	190.08	1.65	180.94	1.81	190.13	1.82
Total	1,390.03	9.59	1,218.62	9.38	1,121.71	9.76	1,061.56	10.61	1,019.86	10.30
Taxes and fees:										
State:										
Gasoline	63.56	.44	56.98	.44	50.40	.44	43.82	.44	43.40	.44
Registration	20.00	.14	20.00	.15	20.00	.17	20.00	.20	20.00	.20
Titling	109.86	.75	—	—	—	—	—	—	—	—
Subtotal	193.42	1.33	76.98	.59	70.40	.61	63.82	.64	63.40	.64
Federal:										
Gasoline	36.32	.25	32.56	.25	28.80	.25	25.04	.25	24.80	.25
Oil[2]	.21	—	.21	—	.22	—	.22	—	.26	—
Tires	1.17	.01	1.05	.01	.92	.01	2.61	.03	2.59	.03
Subtotal	37.70	.26	33.82	.26	29.94	.26	27.87	.28	27.65	.28
Total taxes	231.12	1.59	110.80	.85	100.34	.87	91.69	.92	91.05	.92
Total of all costs	1,621.15	11.18	1,329.42	10.23	1,235.05	10.63	1,153.27	11.53	1,110.93	11.22

Item	6th yr (9,900 mi)		7th yr (9,500 mi)		8th yr (8,500 mi)		9th yr (7,500 mi)		10th yr (5,700 mi)		Totals and averages for 10 yr (100,000 mi)	
	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile	Total cost	Cost per mile
Costs excluding taxes:												
Depreciation	194.00	1.96	152.00	1.60	103.00	1.21	73.00	.97	39.00	.63	2,000.00	2.73
Repairs and maintenance	268.81	2.72	412.04	4.34	177.27	2.09	78.95	1.05	31.10	.55	1,784.56	1.79
Replacement tires	38.45	.39	36.89	.39	61.53	.72	54.29	.73	41.27	.72	141.77	.34
Accessories	8.57	.09	8.30	.09	7.65	.09	6.97	.09	5.79	.10	52.14	.05
Gasoline	166.78	1.68	160.06	1.69	143.11	1.69	126.43	1.69	96.03	1.68	1,682.00	1.61
Oil	12.75	.13	12.75	.13	12.75	.15	12.00	.16	6.75	.12	113.25	.11
Insurance	114.00	1.15	114.00	1.20	114.00	1.34	114.00	1.52	114.00	2.00	1,299.00	1.10
Garaging, parking, tolls, etc.	180.33	1.82	177.89	1.87	171.80	2.02	165.71	2.21	154.74	2.72	1,604.40	1.01
Total	983.69	9.94	1,073.93	11.31	761.11	9.31	631.35	6.42	488.68	8.57	9,150.50	9.72
Taxes and fees:												
State:												
Gasoline	43.40	.44	41.65	.44	37.24	.44	32.90	.44	24.99	.44	43.34	.44
Registration	20.00	.20	20.00	.21	20.00	.23	20.00	.26	20.00	.35	200.00	.20
Titling	—	—	—	—	—	—	—	—	—	—	104.56	.11
Subtotal	63.40	.64	61.65	.65	57.24	.67	52.90	.70	44.99	.79	746.20	.75
Federal:												
Gasoline	24.80	.25	23.80	.25	21.28	.25	18.80	.25	14.28	.25	250.45	.25
Oil[2]	.26	—	.26	—	.26	—	.24	—	.31	—	2.27	—
Tires	2.93	.03	2.81	.03	4.69	.06	4.15	.06	3.15	.06	26.07	.03
Subtotal	27.99	.28	26.87	.23	26.23	.31	23.19	.31	17.55	.31	275.52	.28
Total taxes	91.39	.92	88.52	.93	83.47	.98	76.09	1.01	62.55	1.10	1,027.02	1.06
Total of all costs	1,075.08	10.86	1,162.45	12.25	874.58	10.22	707.44	9.43	551.23	9.67	19,897.60	16.81

[1] This estimate covers the total costs of a medium priced, compact size, 2-door sedan, purchased for $2,696, operated 100,000 miles over a 10-yr period, then scrapped. Baltimore area prices, considered to be in the middle range, were used.

[2] Where costs per mile were computed to be less than 1/20 cent, a dash (—) appears in the column.

By Mr. HRUSKA:

S. 3342. A bill to establish a National Institute of Corrections, and for other purposes. Referred to the Committee on the Judiciary.

Mr. HRUSKA. Mr. President, today I introduce a bill to establish a National Institute of Corrections. The origins behind the National Institute of Corrections may be traced to the first National Conference on Corrections held in Williamsburg, Va., in December 1971. The enthusiasm for the concept of a National Institute of Corrections is exemplified by the following remarks of Chief Justice Warren E. Burger delivered at that conference:

You are well aware, but the public is not, that well-trained personnel is far more important than the bricks and mortar. "Just anybody" cannot make a sound correctional institution any more than "just anybody" can make a good parent or a good teacher. We have yet to understand that the people who operate prisons, from the lowest guard to the highest administrators, are as important in the whole scheme of an organized society as the people who teach in the schools, colleges and universities. I suspect some experts would say that is an understatement in the sense that the reasonably normal people who go to schools can overcome the handicap of poor teaching. We know that most prison inmates are not mentally and emotionally healthy and therefore need something more than normal people require. Guards and guns are not enough.

As we are now slowly awakening to the need for more intensive training for policemen on the beat and in the patrol cars, we must sense that the guards, the attendants, the teachers, and the management of prisons must be specially selected for their temperament and attitudes and then specially trained for their crucial part in the task of helping prisoners to help themselves.

I am sure that every person here must be elated over the Attorney General's proposal to establish a National Corrections Academy patterned after the great training program of the FBI Police Academy. The management and operation of penal institutions has desperately needed such a nationally coordinated program to train every level of prison

personnel from guards to wardens, as the Department of Justice has done with police administrators.

This decision on the part of the President and the Attorney General could be one of the milestones in correctional history.

Early in 1972 representatives of the Law Enforcement Assistance Administration and the Federal Bureau of Prisons, together with other individuals concerned with corrections outside of the Federal Government, met in Dallas, Tex., to formulate plans to implement the concept of a National Institute of Corrections. Recognizing that the task of creating the institute would be, in the words of Chief Justice Burger, a "milestone in correctional history," it was agreed at the meeting that one of the first essentials would be the preparation of a comprehensive and detailed concept paper describing the functions and objectives of such an institute.

Prof. Norval Morris, director of the Center for Studies in Criminal Justice at the University of Chicago Law School was requested to prepare the concept paper. His paper, titled "Towards a National Institute of Corrections," set forth the following objective:

The mission of the National Institute of Corrections (NIC) is to provide national leadership in correctional education and research. To achieve this, NIC will itself undertake training, research, evaluation, standard setting, publication and clearing-house functions in corrections. NIC will also apply its funds and developing expertise and influence to support other agencies and organizations, national, state, local and voluntary engaged in correctional education and research.

The Morris concept paper cogently presented the collective views of those who participated in the discussions at the Williamsburg conference and the Dallas meeting. It produced a convincing case for the establishment of the institute.

On September 5, 1972, I introduced S. 3948, which would create a National Institute of Corrections. Similar bills containing substantially the same concept for a national institute were introduced by Senator BROOKE (S. 3313) and Senator HUMPHREY (S. 1422). In short, the concept of a National Institute of Corrections has wide-based support, not only among correctional administrators and researchers, but in the Congress and the executive branch as well.

The recent report published by the Corrections Task Force of the National Advisory Commission on Criminal Justice Standards and Goals recommends that a National Institute of Corrections be established. It is worthwhile to quote the statement of the Corrections Task Force in focusing upon the background, functions, and authority of a National Institute of Corrections:

A national academy of corrections has been proposed for many years. In December, 1971, at the first national conference on corrections, the Attorney General directed the Law Enforcement Assistance Administration and the U.S. Bureau of Prisons to work with the States in the establishment of the academy. An interim steering committee was appointed and pilot seminars have been conducted. The project has now been entitled the National Institute of Corrections.

The precise functions to be fulfilled by the institute have not yet been formally determined. Those proposed include:

1. Service as a clearinghouse for information on crime and corrections.
2. Provision of consultant services to Federal, State, and local agencies on all aspects of corrections.
3. Development of corrections programs.
4. Development and presentation of seminars, workshops, and training programs for all types of criminal justice personnel associated with corrections.
5. Technical training teams to assist the States in development of seminars, workshops, and training programs.
6. Funding of training programs.
7. Coordination and funding of correctional research.
8. Formulation and dissemination of policy, goals, and standards recommended for corrections.

A national institute with the authority and funds for this wide range of activities could serve as a powerful force in the coordination and implementation of a national corrections reform effort, and the Commission urges immediate action to make it a reality. At the present time, the expertise and information available to corrections is both limited and thinly dispersed. The institute could provide a center and a pooling of resources from which all States and correctional systems could draw.

At present none of the proposed functions of the institute are being fulfilled effectively elsewhere on a national basis. Technical expertise in corrections is simply not available in any organized form. The wide scope of the proposed functions would remedy this severe deficiency and give the institute the stature and presumably the prestige, to gain acceptance and a highly influential role in correctional reform.

It is also the view of the Commission that the institute when established should be given the responsibility for updating and revising the standards of this report periodically, in keeping with technical developments and advances in correctional knowledge.

Mr. President, I am pleased to reintroduce today a bill to establish a National Institute of Corrections. This bill seeks to establish that "milestone in correctional history" that was predicted in the 1971 Williamsburg Conference. In the years that have passed since the Williamsburg Conference the concept of National Institute of Corrections has developed beyond an abstract idea. The bill which is being introduced today contains the appropriate structure, functions, and powers to accomplish the ends of providing more adequate data about crime and delinquency, changing the role of corrections from incarceration to one of sharing in the responsibility for the reintegration of offenders, identifying and implementing correctional policies, goals and standards, and continuing education for corrections personnel.

The present bill proposes to establish within the Department of Justice a National Institute of Corrections. The institute will be under the supervision of a board. The board will be composed of 15 individuals, including members qualified as practitioners and experts in corrections, probation or parole. The institute will be under the supervision of a director appointed by the Attorney General after consultation with the Board.

The institute has the power to contract and make grants with governmental departments or private organizations; to serve as a clearinghouse and information center; to act as a consultant to the courts, departments, and agencies; to devise and conduct seminars, workshops, and training programs for individuals involved in corrections; to develop technical training teams to aid in the development of seminars, workshops, and training programs; to conduct, encourage, and coordinate research in corrections; to formulate correction policies, goals and standards recommendations, and to conduct evaluation programs to study the effectiveness of new approaches, techniques and programs.

It is my firm belief, Mr. President, that the establishment of such an institute will one day be viewed by all those concerned with corrections as truly a monumental step by government in restructuring not only the means, but the ends, of reintegrating offenders into society.

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

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

S. 3342

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be known as the "National Institute of Corrections Act".

SEC. 102. The Congress finds and declares:

(1) That there is a lack of adequate data about crime and delinquency, the consequences of sentencing practices, and the outcome of correctional programs;

(2) That there is a need to change the role of corrections from one of incarcerating society's offenders to one of sharing responsibility for their reintegration;

(3) That there is a need to identify, develop, and implement uniform correctional policies, goals, and standards;

(4) That there is a need to establish a means of providing correctional personnel with continuing education and guidance on methods of treatment and reintegration of offenders;

(5) That to foster the achievement of these ends, a National Institute of Corrections should be created (i) to provide assistance to State and local departments and agencies, private organizations, and individuals performing correctional services or duties; (ii) to conduct its own programs or projects for the enhancement of correctional training, research, information collection and dissemination; and (iii) to formulate recommendations concerning correctional policies, goals, and standards.

SEC. 103. There is authorized to be established in the Department of Justice an institute to be known as the National Institute of Corrections (hereinafter referred to as the "Institute").

SEC. 104. (a) The overall policy and operations of the Institute shall be under the general supervision and direction of a Board.

(b) The Board shall consist of fifteen members.

(1) The following five individuals shall serve as members of the Board ex officio: The Director of the Federal Bureau of Prisons or his designee, the Administrator of the Law Enforcement Assistance Administration, or his designee, the Chairman of the United States Parole Board, or his designee, the Director of the Federal Judiciary Center, or his designee, and the Assistant Secretary for Human Development of the Department of Health, Education, and Welfare, or his designee.

(2) The remaining ten members of the Board shall be selected as follows:

(1) Five shall be appointed initially by the Attorney General of the United States for staggered terms; one member shall serve for one year, one member for two years, and three members for three years. Upon the ex-

piration of each member's term, the Attorney General shall appoint successors who will each serve for a term of three years. Each member selected shall be qualified as a practitioner in corrections, probation, or parole.

(ii) Five shall be appointed initially by the Attorney General of the United States for staggered terms; one member shall serve for one year, three members for two years, and one member for three years. Upon the expiration of each member's term the Attorney General shall appoint successors who will each serve for a term of three years. Each member selected shall be from the private sector having demonstrated an active interest in corrections, probation, or parole.

(3) The members of the Board shall not, by reason of such membership, be deemed officers or employees of the United States. Members of the Board who are fulltime officers or employees of the United States shall serve without additional compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of the duties vested in the Board. Other members of the Board shall, while attending meetings of the Board or while engaged in duties related to such meetings or in other activities of the Board pursuant to this Act, be entitled to receive compensation at the rate not to exceed the daily equivalent of the rate authorized for level V by section 5316 of title 5, United States Code, including travel time, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence equal to that authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(4) The Board shall elect from among its members a Chairman and a Vice Chairman. The Board shall establish its governing rules of procedure.

SEC. 105. The Institute shall be under the supervision of an officer to be known as the Director, who shall be appointed by the Attorney General after consultation with the Board. The Director shall receive basic pay at the rate provided for level V of the Executive Schedule under section 5316 of title 5, United States Code. The Director shall have authority to supervise the organization, employees, enrollees, financial affairs, and all other operations of the Institute and may employ such staff, faculty, and administrative personnel, subject to the civil service and classification laws, as are necessary to the functioning of the Institute. The Director shall have the power to acquire and hold real and personal property for the Institute and may receive gifts, donations, and trusts on behalf of the Institute. The Director shall also have the power to appoint such technical or other councils comprised of consultants to guide and advise the Institute. The Director is authorized to delegate his powers under this Act to such persons as he deems appropriate.

SEC. 106. The Institute is authorized: (1) to receive from or make grants to and enter into contracts with Federal, State, and local departments and agencies, private organizations, and individuals to carry out the purposes of this Act;

(2) to serve as a clearinghouse and information center for the collection, preparation, and dissemination of information on corrections, probation and parole, including, but not limited to, programs for prevention of crime and recidivism, training of correctional personnel, and treatment and reintegration of criminal and juvenile offenders;

(3) to assist and serve in a consulting capacity to Federal, State, and local courts, departments, and agencies in the development, maintenance, and coordination of programs, facilities, and services, training, treatment, and reintegration with respect to criminal and juvenile offenders;

(4) to encourage and assist Federal, State, and local government programs and services, and programs and services of other public and private agencies, institutions, and organizations in their efforts to develop and implement corrections, probation, and parole programs:

(5) to devise and conduct in various geographical locations, seminars, workshops, and training programs for law enforcement officers, judges and judicial personnel, corrections, probation and parole personnel welfare workers, and other persons, including ex-offenders and paraprofessional personnel, connected with the treatment and reintegration of criminal and juvenile offenders;

(6) to develop technical training teams to aid in the development of seminars, workshops, and training programs within the several States and with the State and local departments and agencies which work with prisoners, probationers, parolees, and other offenders;

(7) to conduct, encourage, and coordinate research relating to corrections, probation and parole, including the causes, prevention, diagnosis, treatment and reintegration of criminal and juvenile offenders;

(8) to formulate and disseminate correctional policies, goals, and standards recommendations for Federal, State, and local departments and agencies, private organizations, and individuals; and

(9) to conduct evaluation programs which study the effectiveness of new approaches, techniques, systems and programs, employed to improve corrections, probation and parole.

SEC. 107. In addition to the other powers and duties specified in this Act, the Institute is authorized:

(1) to receive from any Federal department or agency such statistics, data, program reports, and other material as the Institute deems necessary to carry out its functions. Each such department or agency is authorized to cooperate with the Institute and shall, to the maximum extent practicable, consult with and furnish information to the Institute;

(2) to arrange with and reimburse the heads of Federal department and agencies for the use of personnel, facilities, or equipment of such departments and agencies;

(3) to confer with and avail itself of the assistance, services, records, and facilities of State and local departments or agencies, private organizations, or individuals;

(4) to enter into contracts with State and local departments and agencies, private organizations, or individuals for the performance of any of the duties of the Institute; and

(5) to procure the services of experts and consultants in accordance with section 3109 of title 5 of the United States Code, at rates of compensation not to exceed the daily equivalent of the rate authorized for level V by section 5316 of title 5 of the United States Code.

SEC. 108. The Institute shall, on or before the 31st day of December of each year, submit an annual report for the preceding fiscal year to the President and to the Congress. The report shall include an account of the Institute's operations, activities, financial condition, and accomplishments under this Act and may include such recommendations related to corrections, probation and parole as the Institute deems appropriate.

SEC. 109. (a) Each recipient of assistance under this Act shall keep such records as the Institute shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources; and such other records as will facilitate an effective audit.

(b) The Institute, and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for purposes of audit and examinations to any books, documents, papers, and records of the recipients that are pertinent to the grants received under this chapter.

(c) The provisions of this section shall apply to all recipients of assistance under this Act, whether by direct grant or contract from the Institute or by subgrant or subcontract from primary grantees or contractors of the Institute.

SEC. 110. Section 5316 of title 5 of the United States Code is amended by adding at the end thereof:

"(131) Director of the National Institute of Corrections."

SEC. 111. There are authorized to be appropriated out of the Treasury of the United States such sums as may be necessary to carry out the activities of the Institute. Such sums shall remain available for obligation until expended.

By Mr. WEICKER (for himself, Mr. HATHAWAY, Mr. HARTKE, and Mr. RIBICOFF):

S. 3343. A bill to designate a national network of essential rail lines; to require minimum standards of maintenance on rail lines; to provide Federal financial aid for rail rehabilitation; to establish rights of access by rail carriers to rail lines and facilities, and for other purposes. Referred to the Committee on Commerce.

INTERSTATE RAILROAD ACT OF 1974

Mr. WEICKER. Mr. President, I am today introducing, along with my distinguished colleagues, Messrs. HATHAWAY, HARTKE, and RIBICOFF, comprehensive legislation directing the rehabilitation of all mainline railroad tracks throughout the United States. Entitled the Interstate Railroad Act of 1974, this bill is a substantially improved version of similar legislation introduced by Senator HARTKE and myself in 1972.

Following my introductory remarks on the critical problem of deteriorating railtrack and roadbed, Senator HATHAWAY will discuss the important provisions of our legislative solution. Senator HARTKE, chairman of the Surface Transportation Subcommittee, will then examine the Federal commitment to a safe, efficient, viable national rail transportation system.

To begin with the problem, allow me to refer to Federal Railroad Administration data on train accidents. The latest year for which detailed train accident data is available, broken down by railroad company and by cause, is 1972. The following table compares for principal railroads the number of derailments on account of defects in, or improper maintenance of, track and roadbed for the years 1963 and 1972:

	1963	1972	1972 accidents per million locomotive miles
All U.S. railroads	691	2,477	3.2
Baltimore & Ohio	45	101	4.4
Boston & Maine	6	22	4.2
Chesapeake & Ohio	15	97	4.7
Delaware & Hudson	6	8	3.6
Erie-Lackawanna	9	42	2.6
Lehigh Valley	1	26	9.3
Central of New Jersey	5	27	10.0
Norfolk & Western	7	33	1.0

	1963	1972	1972 accidents per million locomotive miles
Penn Central (system)	171	236	2.3
Reading	12	44	4.7
Illinois Central Gulf	15	87	3.0
Louisville & Nashville	23	186	6.9
Seaboard Coast Line	13	91	2.9
Southern (system)	43	110	3.2
Santa Fe	17	47	.9
Chicago & North Western	36	221	9.5
Burlington Northern (system)	33	131	2.0
Milwaukee Road	12	78	4.0
Rock Island Lines	10	280	14.4
Rio Grande	1	7	1.1
Kansas City Southern (system)	7	40	12.5
Missouri-Kansas-Texas	52	64	14.2
Missouri Pacific (system)	19	50	1.6
Frisco	12	43	2.9
Soo Line	1	33	4.2
Southern Pacific (system)	30	42	.7
Union Pacific	5	15	.4
Western Pacific	4	10	2.1

Preliminary reports from FRA indicate that during 1973 there were 9396 train accidents from all causes, a 25 percent jump from the 1972 total of 7532. Derailments alone increased about 30 percent. It is reasonable to assume that track-related derailments increased in at least the same proportion.

I should note here that FRA accident reporting system is based on accidents in which property damage exceeds $750 each. Hence inflation alone causes some increase each year in the number of accidents which must be reported. Nevertheless, it is clear that the rate of increase since 1963 has considerably outstripped the pace of inflation, especially in 1973 and 1972.

One alarming indication of deteriorating track maintenance is the declining rate of rail and tie insertions. From 1959–1968, the number of crossties installed was only half of the normal requirements of a 35 year life cycle. In that same period, new rail was installed at about one-third the rate dictated by the accepted 60-year life cycle for rails. These deficiencies are recognized by the Department of Transportation, the Interstate Commerce Commission, and the railroads themselves.

The relatively good record of the Penn Central through 1972 is due almost entirely to reductions in allowable train speeds, which in some instances were quite drastic. While Mr. Moore and his associates are to be commended in dealing with the problem in the only way open to them, the national interest in modern and efficient rail transport will not be served by converting our railroads into railroads. Now it appears that Penn Central's string has about run out, even with speed reductions.

Despite almost 8,200 miles of track—almost half the system—operated under "slow orders", derailments from all causes during February 1974 were up by 137 percent over February 1973. Much of the increase resulted from bad track problems. Other railroads which have imposed significant speed reductions in recent years include the Rock Island, Illinois Central Gulf, Milwaukee Road, Boston and Maine, Soo Line, and Erie-Lackawanna.

A principal victim of deteriorating track and roadbed has been Amtrak passenger service. Schedules of most Amtrak passenger trains are slower than in 1941 and 1953. Yet Amtrak ontime performance keeps getting worse:

[In percent]

	1971	1972	1973
All trains	75	75	60
Corridors	82	82	70
Long distance	56	53	30

By far the largest single cause of delay to Amtrak trains in 1973 was slow orders on account of track problems. Amtrak is presently engaged in litigation in an attempt to force Penn Central, Illinois Central Gulf, and Louisville & Nashville to fix up their track and improve ontime performance. In addition to slow schedules and undependable performance, bad track is giving Amtrak passengers on some routes an unacceptably rough ride.

Bad track has a detrimental effect on freight service as well as passenger service. The consequences of derailments in terms of property damage, loss and damage to freight, delay to shipments in the derailed train, and delay to shipments in other trains blocked by the derailment need no further elaboration. Even short of derailments, rough track causes an increase in freight damage claims and in equipment repair costs. Total payments for freight loss and damage from all causes have about doubled over the past 10 years.

It is sometimes argued that over-the-road speed for freight trains is unimportant because too much time is lost in yards, terminals, and so forth. The answer is that both areas are important and both should be improved. Slow over-the-road train operation leads to increased payments of overtime to train crews on top of the mileage rate. The recent revision of the hours of service law reducing permissible continuous time on duty to 12 hours provides additional incentive for expeditious over-the-road movement of freight trains. Over-the-road speed is of critical importance to "piggyback" and container traffic, which spends a far smaller proportion of total transit time in yards and terminals than does carload freight. If railroads are to retain and increase their volume of this business, they must offer a service which will match the door-to-door time of highway movement.

The importance of adequate track and roadbed maintenance for good freight service as well as good passenger service was stressed by the Department of Transportation in its report to the Congress on Amtrak in March 1973.

> Railroad operational problems stemming from poor track maintenance are not confined to either passenger or to freight services. Almost a third of Amtrak's delays are attributable to "slow orders"—areas in which temporary speed restrictions have been placed due to track conditions. But inadequate track maintenance has an even greater impact on freight operations; slow speeds and delays cause increase costs due to poor utilization of crews and equipment. Quality of service is adversely affected. Freight is the railroad industry's primary source of revenue. To move it efficiently requires a well-maintained plant. Therefore, adequate track and roadbed maintenance is essential.

In November 1968, William H. Moore, then vice president of operations of the Southern Railway System, told a group of railroad executives:

> I say to you now, the American railroads must increase their spending on track maintenance.
>
> This year, we (Southern) have already spent $3 million more on M/W than was spent last year. The heavier cars and locomotives are demanding better track. The maintenance program we have used in the past—and it was a rather healthy one—would not do the job. In the final analysis this stepped-up program will cost no more than we have spent in the past. Savings generated through fewer derailments and less loss and damage will pick up the tab. We are already three-quarters of a million dollars better off in this respect this year than last year.
>
> The sooner your managements decide to take this step the better off you will be. Trains will move faster, per diem on equipment will be less, derailments will diminish and, best of all, you will have more business to handle. I cannot think of a healthier situation.

Southern continues to follow Mr. Moore's prescription. The company's expenditures on maintenance of way in proportion to total expenses is among the highest in the industry. The results have been outstanding—both for freight shippers and Southern shareholders. Southern has about the lowest ratio of freight loss and damage expense of all U.S. railroads. At the same time, its profits are at record high levels, having increased each year since 1968.

Unfortunately, a number of other railroads apparently reject Southern's philosophy. In recent years, the Louisville and Nashville, the Illinois Central Gulf, the Burlington Northern, the Kansas City Southern, and the Chicago and North Western have not been adequately maintaining their track and roadbed, while at the same time they have paid out substantial amounts in dividends and for nontransportation investments. The inevitable consequences have been a decline in service quality and/or a soaring train accident rate. Of even greater concern is what will happen to their operations 2, 3, and 5 years from now when the remaining maintenance "fat" they are now living off of is completely used up. Sooner or later track and roadbed must be restored if a railroad is to continue to function, but the governing theory seems to be, "In the long run we'll all be dead." Now there are indications that even such affluent companies as the Chesapeake & Ohio and the Southern Pacific are deferring maintenance.

Of course some railroads have simply been unable to afford adequate track maintenance, the Penn Central and other bankrupts being the most obvious examples. Whatever the reasons, the crisis has been building for a long time and is truly national in scope. While scattered deferred maintenance began accumulating in some areas almost as soon as post World War II plant refurbishing was completed, the origins of the present situation date back to the recession of 1958. A 1971 study by the railroad industry's labor and management committee indicates that between 1958 and 1970, railroads replaced only 60 percent of the annual number of crossties that should have been replaced, and laid only

60 percent of the amount of new rail that should have been installed. Beginning in 1958, there was a sharp drop in the ratio of maintenance of way spending to gross revenue, a situation that persisted through the relative railroad prosperity of the mid-1960's.

Estimates of the total dollar amount of deferred maintenance, and hence of the dollar needs for track and roadbed rehabilitation, are somewhat sketchy, but indications are that the national total is at least $3 billion. The railroad industry estimated in 1971 that implementation of the original draft of track standards formulated under the Rail Safety Act would cost $2.2 billion. The modified standards that were adopted were priced by the industry at $1.6 billion. Last year Penn Central claimed that it had almost $3 billion of deferred maintenance, including yards, terminals, and rolling stock. While the Department of Transportation thought the figure was closer to $1.5 billion, that amount is a great plenty for just a single company. In its February 1974 report on the Northeast, the Department estimated that rehabilitation of substantially all track and roadbed in the Northeast would cost over $3 billion.

In the absence of a Government guarantee, it is extremely difficult for any but the most profitable railroads to borrow money for fixed plant improvement because, unlike equipment borrowings, there is no readily marketable collateral which can be repossessed and sold to others. Property now owned by most railroads is mortgaged to the hilt. Moreover, new additions to fixed plant cannot be mortgaged to secure new borrowing because of "hereafter acquired" clauses in existing mortgages, which require such additions to be available as increased security for the benefit of present creditors.

Mr. HATHAWAY. Mr. President, my distinguished colleague from Connecticut (Mr. WEICKER) has graphically outlined the grave situation currently facing the American railroad system. The material he has presented on the incidence and effect of the decline of track and roadbed maintenance is dramatic evidence of the need for a strong national effort in this area. Three basic conclusions for the direction of public policy toward railroads are suggested by the available data:

First. The Federal Government should establish and enforce minimum standards of track and roadbed maintenance designed to allow fast and dependable passenger and freight service, as distinct from minimum requirements for safety. The regulations promulgated under the Rail Safety Act of 1970 do not achieve this objective, if for no other reason than railroads are free to reduce train speeds as low as they wish, thus reducing the level of maintenance required for reasons of safety.

Second. The Federal Government must provide financial assistance for rehabilitation of track and roadbed to those railroad companies which do not have either sufficient resources of their own and/or adequate access to credit.

Third. The Federal Government must encourage the concentration of through rail traffic over a minimum number of selected routes maintained to high standards. The result would be improved overall service plus reduced maintenance costs on those lines restricted to local service.

It is with these points in mind that we have drafted the Interstate Railroad Act of 1974.

The bill calls first for designation of an Interstate Railroad System of selected main lines maintained to high standards. The final system would be formulated by a procedure involving public hearings before the Rail Services Planning Office of the Interstate Commerce Commission, somewhat analogous to the activity now underway under the Regional Rail Reorganization Act.

An important feature of this part of the bill requires all railroad companies to disclose information pertaining to the current state of maintenance of their track and roadbed in terms of speed restrictions, slow orders, etc.

All main track in the Interstate Railroad System would have to be maintained for smooth and dependable operation of freight trains at speeds up to 60 miles an hour. Past and present practices on well-managed, adequately financed railroads in all parts of the country indicate that there are definite operating and financial benefits from expeditious movements of freight trains—that is, at speeds of 50 miles an hour or over. Prior to the Penn Central merger, the New York Central allowed 60 miles an hour for freights on its important main lines. For many years 60 was standard top speed for fast freights on the Nickel Plate Road, now part of the Norfolk & Western. Southern Pacific, Cotton Belt, and Santa Fe are now running freights at 70. The Santa Fe is reported to be running its Super C at 80. The Union Pacific is planning its track maintenance to allow for 85-mile-an-hour freight operation. So it appears that maintenance of main lines for 60-mile-an-hour freight service is the appropriate minimum standard for high density main lines.

Current FRA safety regulations allow passengers trains to run 80 miles an hour on any track maintained for freight train operation at speeds of 41 to 60 miles an hour inclusive. If research and development progress results in locomotives with a "feather" touch on the track, passenger train speeds on such track might be increased to 90 or 100.

In formulating the track standards, the bill requires the Secretary of Transportation to be guided by "preferred or recommended practices from an engineering and economic standpoint as distinct from minimum requirements for safety." This language was used by the Federal Railroad Administration to describe a preliminary draft of track standards issued in June 1971 to be applicable under the Rail Safety Act. The safety standards adopted in October 1971 represent a significant modification of the June 1971 draft; they were characterized by the Federal Railroad Administrator as "minimum standards required for safe operation rather than recommended practice." Since the thrust of this legislation is to promote modern and efficient rail service as distinct from minimum requirements for safety, I believe that the Secretary should be guided by the higher standards.

Adoption of the higher standards should have a beneficial effect on safe operation as well as quality operation. It seems that the best way to assure against derailments is to keep track as smooth as possible at all times. According to W. W. Hay, professor of railway civil engineering at the University of Illinois:

> Track deterioration feeds on the dynamic effects of even slight irregularities. Therefore, the highest standards of surface, line, and guage must be maintained.

In other words, while the high standards required by this bill may not of themselves be necessary for prevent derailments, adherence to them in the first instance is the most economic way of preventing the deterioration of track to the point that derailments become a likely possibility.

Lines other than those in the Interstate Railroad System would have to be maintained for the highest freight train speeds operated at any previous time, unless the Secretary found that lower speeds would not downgrade service to shippers. All rail lines would have to be in compliance with applicable standards within 3 years of enactment. Deferred maintenance would be prohibited.

The bill provides financial assistance for rehabilitation of rail lines in accordance with the required standards—$1.5 billion over a 3-year period in Federal grants, and $1 billion in loan guarantees. Grants would be available only to those railroads which could not repay a loan. Recipients of grants would have to spend at least as much of their own money on maintenance activities as they had been spending previously, and could not pay any dividends nor make nontransportation investments until the required rehabilitation work was completed and track was being kept up to standards. Recipients of guaranteed loans could not increase dividends or make nontransportation investments until the loan was repaid.

Mr. President, I am well aware that the financial assistance provisions of this legislation are quite substantial. But for at least 40 years, Government has turned its back on railroads while they have fallen into disrepair and decay. Now it is clear that we need railroads more than ever before, for both passenger and freight service. The bill for rehabilitation is long past due, and can no longer be evaded.

As I have already indicated, at least $3 billion is needed to rehabilitate track and roadbed. Between $650 million and $1 billion will be available to the Consolidated Rail Corporation under the Regional Rail Reorganization Act, but much of that money will have to go for yards, terminals, and rolling stock. Accordingly, I believe that the $2½ billion this bill authorizes is a reasonable estimate of what is needed in view of information presently available. When the bill is called for hearings, I am confident that

more precise data will be developed in this regard.

Senator HARTKE, the distinguished chairman of the Surface Transportation Subcommittee of the Committee on Commerce, shortly will discuss the justification for providing these funds to the railroad industry. I feel that such a step is not only justified, but is demanded by the past neglect and present state of our tracks and roadbeds. The bill we have introduced provides reasonable standards necessary for the creation of a first-class nationwide rail system and the funds necessary to assist in meeting those standards. Failure to respond in the present situation would be a betrayal of our responsibility to the railroads, the businesses which are dependent upon them and ultimately the American people.

Mr. HARTKE. Mr. President, I am pleased to cosponsor, along with my distinguished colleagues, the Interstate Railroad Act of 1974. Senator WEICKER has pointed out the tremendous need to improve roadbed and trackage. I believe that it is fair to say that the deterioration of roadbed and trackage is the single most important problem facing the rail industry in the United States today. The increasingly drastic need to do something about the condition of our rail right-of-ways has already reached a crisis in vast areas of the Nation; the recent passage of the Regional Rail Reorganization Act of 1973 will hopefully lead to the upgrading of essential trackage in the area that has been most severely affected by the lack of proper maintenance—the Midwest and Northeast. This legislation represents the next step, and will not only build on whatever has been accomplished in the 17-State region covered by the recently enacted Regional Rail Reorganization Act, but also will address the problem of lack of adequate maintenance in the rest of the United States.

Senator HATHAWAY has pointed out that the track standards that have been promulgated by the Federal Railroad Administration are really little more than speed limits, and that they have not lead to either improved rights of ways or improved safety. I also concur in Senator HATHAWAY'S conclusion that the Federal Government must become more involved in the rehabilitation of roadbed and track. The drastic consequences of a rail shutdown in the Northeast and Midwest were repeatedly pointed out during consideration of the Regional Rail Reorganization Act, and it illustrates the tremendous importance to the entire Nation of having an adequate rail system. The inadequate service that is all too frequently rendered by the railroads today involves tremendous costs to society.

Shippers tend to use more expensive, less energy-efficient modes of transportation in order to get adequate service. Consumers pay for these inefficiencies in higher prices. The environment may suffer because of increased deterioration of ambient air standards. Shortages of energy sources, particularly refined petroleum products, are aggravated. More highways are needed. Increasing numbers of railroad employees are injured or even killed. In short, inadequate rail freight services has dramatic and pervasive effects throughout society, and we cannot afford to allow what has already happened in the Midwest and Northeast to occur elsewhere.

As my distinguished colleagues have observed, the deterioration of roadbed and track not only affects freight service—it has a direct and immediate effect on passenger service as well. As chairman of the Surface Transportation Subcommittee, I have watched the ontime performance of Amtrak's intercity passenger trains go steadily downhill ever since 1970 when the Rail Passenger Service Act was passed. While many reasons have been alleged to account for this record of ever-worsening performance, without doubt one of the most important is the deteriorating state of our right-of-ways.

Senator HATHAWAY has already mentioned the size of the undertaking contemplated in this legislation. Most estimates of the expenditures needed to effect the rehabilitation and upgrading that would be required placed the cost at approximately $3 billion. Some of these costs can be met through the Regional Rail Reorganization Act, and much of the rest will be accomplished through the use of loans guaranteed by the United States. Some direct Federal expenditures will be necessary, and there are adequate provisions in the legislation in order to safeguard the interests of the public. More importantly, the expenditure of public moneys for the improvement of rail transportation must be viewed in the context of public involvement in and support for other modes of transportation. Especially in light of the absolutely critical necessity of a healthy rail transportation system to the needs of the United States, the required expenditures to produce that needed system are relatively minimal.

The financial requirement needed to improve rail transportation are very modest compared to what has been and is continuing to be spent on other modes of transportation by all levels of Government. The following is taken from statistics developed by the Association of American Railroads, which I presume are reasonably accurate:

STATISTICS

1921 THROUGH 1971

Highways: $326 billion.
Air Transport: $25 billion.[1]
Waterways: $15 billion.[2]
Railroads: $200 million.
Total, $368 billion.

1971 ONLY

Highways: $21 billion.
Air Transport: $2.3 billion.
Waterways: $920 million.
Railroads: $75 million.
Total, $25 billion.

For the Federal Government alone the figures are large enough:

1921 THROUGH 1971

Highways: $72.4 billion.
Air Transport: $16.2 billion.
Waterways: $9.1 billion.
Railroads: $65 billion.
Total, $98 billion.

1971 ONLY

Highways: $5.5 billion.
Air Transport: $1.6 billion.[1]
Waterways: $440 million.[2]
Railroads: $65 million.
Total, $7.6 billion.

[1] Includes direct subsidy and airway control.

[2] Excludes Merchant Marine, Coast Guard, and Intercoastal costs.

On March 5, 1974, the Secretary of Transportation presented to the House Appropriations Committee the following actual and projected figures for transportation funding by the Federal Government, which indicate no significant change in the present imbalance:

OBLIGATIONS

[In millions of dollars]

	Fiscal year—		
	1973	1974	1975
Ground transportation:			
Highway improvement:			
Interstate/rural/safety/other	4,107	3,820	3,925
Urban	508	800	875
Mass transit	989	986	1,351
Traffic and highway safety	156	160	220
Railroads	160	318	267
Subtotal, ground transportation	5,920	6,084	6,638
Water transportation:			
Coast Guard (maritime safety, environmental protection, and facilitation)	808	833	903
Ocean shipping	710	573	549
Waterway/harbor improvement (Corps of Engineers)	490	541	538
Other	4	6	6
Subtotal, water transportation	2,012	1,953	1,996
Air transportation:			
Airways and airports	1,681	1,990	2,120
Air carrier subsidies	66	67	66
Subtotal, air transportation	1,747	2,057	2,186
Total for all modes	9,679	10,094	10,820
Percentage proposed for rail	(1.7)	(3.1)	(2.4)

If the first $500 million authorized by this bill is included in the projected total for fiscal year 1975, the railroad share of total transportation spending would rise from 2.4 to 6.7 percent—a modest share indeed in relation to the transportation job that modern railroads can do.

The fact that highway spending is covered in substantial part by user charges does not alter the force of these comparisons. User charges are not voluntary contributions by persons who want better highways; they are for the most part gasoline and other automotive excise taxes, the payment of which is a mandatory condition precedent to the operation of a motor vehicle. Thus the construction of highways is dependent upon the forcible collection of taxes by Federal and State Governments. Were it not for the exercise of Government tax powers, very few highways would be built.

Even if that portion of government transportation expenditures accounted for by user charges is completely disregarded, the amounts that have been and are continuing to be spent from general funds are enormous. Of the $368 billion spent since 1921, at least $100 billion came from general funds. Available figures indicate that in 1968, $3

billion of the total $17.8 billion spent on highways came from general funds. All of the waterway expenditures have come and will continue to come from general funds. While Congress has enacted an airport-airways user tax, it is estimated that for the period 1970–79 some $3.2 billion will continue to be spent from general funds for these purposes.

As my colleagues are well aware, there has been an outpouring of protest throughout the Northeast and Midwest against the Department of Transportation's recommendations for discontinuance of rail lines in the territory covered by the act. The major economic problem of branch lines is that they have deteriorated so badly on account of deferred maintenance that the cost of rehabilitation relative to potential revenues is prohibitive for any private company. This legislation would provide funds for rehabilitation of many of these lines, thus enabling continuation of rail freight service that is vital to the future of smaller communities and rural areas.

An additional public benefit of a track and roadway rehabilitation program which should not be overlooked is the provision of employment opportunity for unskilled and semiskilled workers, the labor category in which unemployment has been the most acute for a number of years.

For all these reasons, it seems most appropriate that Government assistance be expended to rehabilitate the railroads. The Federal Government must now begin to right the imbalance in transportation which its past taxing and spending policies have helped to create.

In addition to financing for rehabilitation, the bill provides funds for emergency reconstruction following natural disasters, and for research and development on track and roadbed. The bill requires the Secretary of Transportation and the Army Engineers to make a 2-year study of the long-term capital needs of the interstate railroad system, including line relocation, signal systems, grade crossing elimination, and electrification.

Title IV of the bill is intended to encourage rationalization of the railroad plant by means of joint trackage and facility arrangements. Under present law, trackage rights arrangements can come about only as a result of voluntary agreement. Railroad corporations have been historically reluctant to enter into such arrangements on a voluntary basis for fear that a competitor might get slightly the better part of the bargain. The bill gives the ICC authority to break the impasse when one railroad wants to economize by use of tracks or facilities of another which is not agreeable thereto.

This part of the bill is consistent with the philosophy that railroads are in some respects equivalent to public highways. For over a century, this principle has been recognized by the Supreme Court of the United States:

> That railroads, though constructed by private corporations and owned by them, are public highways has been the doctrine of nearly all the courts since such conveniences for passage and transportation have had any existence.

Whether the use of a railroad is a public or private one depends in no measure upon the question of who constructed it or who owns it. It has never been questioned as a matter of any importance that the road was built by the agency of a private corporation. No matter who is the agent, the function performed is that of the state. Though the ownership is private, the use is public. So turnpikes, bridges, ferries, and canals, although made by individuals under public grants, or by companies, are regarded as *publici juris*. The right to exact tolls or charge freights is granted for a service to the public. The owners may be private companies, but they are compellable to permit the public to use their works in the manner in which such works can be used. That all persons may not put their own cars upon the road, and use their own motive power, has no bearing upon the question whether the road is a public highway. It bears only upon the mode of use, of which the legislature is the exclusive judge." *Olcutt* v. *The Supervisors*, 83 U.S. 678 at 694, 695 (1872).

A railroad is a public highway, and nonethe-less so because constructed and maintained through the agency of a corporation deriving its existence and powers from the State. Such a corporation was created for public purposes. It performs a function of the State. *Smyth* v. *Ames*, 169 U.S. 466 at 544 (1898).

To encourage maximum usage of this provision, the bill requires the ICC to take into consideration the extent to which railroads have availed themselves of it when passing on applications for freight rate increases and other financial relief.

The bill contains provisions for the protection of affected employees, both with regard to track and roadway rehabilitation work and with regard to trackage rights arrangements. Furthermore, the Secretary of Transportation is empowered to ascertain that the track standards are in fact complied with; and that rehabilitation work is done in an efficient and economic manner.

I am under no illusion that this bill is the total answer to the ailments affecting rail transportation. Other aspects, including freight car utilization, abandonments, and rate-making, are dealt with in bills in various stages of consideration by the Commerce Committee. However, in my opinion, none of the pending bills address the problem which the Interstate Railroad Act is aimed at—the deterioration and decay of track and roadbeds.

I look forward to the consideration of this legislation by the Senate Commerce Committee. There is no question regarding the need that the bill addresses itself to. Nor are any of its provisions set in concrete; as chairman of the Surface Transportation Subcommittee, I will be more than happy to entertain any comments or suggested changes in the bill which are designed to better effectuate the legislative intent.

Mr. President, I ask unanimous consent that the full text of the Interstate Railroad Act of 1974 be printed at the conclusion of my remarks along with a section-by-section analysis of the bill.

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

S. 3343

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 "Interstate Railroad Act of 1974".

TITLE I—FINDINGS, PURPOSES, AND DEFINITIONS

CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE

SEC. 101. The Congress finds that modern, efficient rail service is essential to interstate commerce and to national defense; that the international energy crisis requires more intensive use of fuel-economic freight and passenger trains; that better utilization of existing rail rights-of-way is more compatible with the environment in terms of land use, air pollution, and noise levels, than is expansion of facilities for other modes of transportation; that many railroad tracks and roadbeds have greatly deteriorated in recent years; that such deterioration has resulted in inferior railroad transportation for both freight and passengers, together with a sharp increase in train derailments; that rehabilitation of such tracks and roadbeds will provide substantial public benefits through improved rail freight and passenger service; that the efficiency and quality of railroad service and the economic utilization of the railroad plant can be improved by freer access by rail carriers to portions of rail lines they do not own; and that to obtain modern and efficient rail service it is necessary to designate a national network of essential rail lines, to require minimum standards of maintenance for rail lines, to provide Federal financial aid for rehabilitation, maintenance and modernization of rail lines, and to establish rights of access by rail carriers to rail lines they do not own.

DEFINITIONS

SEC. 102. For the purposes of this Act the term—

(1) "Commission" means the Interstate Commerce Commission;

(2) "Office" means the Rail Services Planning Office of the Interstate Commerce Commission established by the Regional Rail Reorganization Act of 1973, P.L. 93–236;

(3) "rail carrier" includes railroad companies; mail, express, or less-than-carload rail freight carriers; State, regional, or local transportation agencies; the National Railroad Passenger Corporation; and other private rail passenger carriers;

(4) "rail line" includes main track or tracks; side tracks and yard tracks adjacent to such main tracks; the roadbed supporting such tracks; bridges, culverts, fills, tunnels, and other structures occupied by such tracks and roadbed; real estate occupied by such tracks and roadbed; and real estate adjacent to such tracks and roadbed needed for drainage of, maintenance of, access to and protection of such tracks and roadbed;

(5) "railroad company" means a class I or class II railroad, including switching and terminal companies, as designated by the Interstate Commerce Commission and subject to part I of the Interstate Commerce Act;

(6) "Secretary" means the Secretary of Transportation; and

(7) "System" means the Interstate Railroad System established by this Act.

TITLE II—INTERSTATE RAILROAD SYSTEM

INVENTORY OF RAIL LINES

SEC. 201. (a) Within thirty days after the date of enactment of this Act, all rail carriers shall provide the Secretary and the Office with one copy each of the latest edition of all employees operating timetables, with related special instructions; all temporary and semipermanent "slow Orders" currently in effect; all other current restrictions

on train operation not included in the preceding items; and a verified statement indicating the highest speeds authorized at any time in the past on each given rail line for freight and passenger trains, including the dates between which such speeds were authorized.

(b) Additions, deletions, and changes in the information required to be provided by subsection (a) shall be promptly forwarded to the respective parties on a continuing basis.

INITIAL DESIGNATION OF SYSTEM

SEC. 202. (a) The initial Interstate Railroad System shall consist of all rail lines operated by domestic railroad companies which as of the date of enactment of this Act are subject to traffic usage of at least twenty million gross ton-miles per year.

(b) Within thirty days after the date of enactment of this Act, the Secretary shall release a concise descriptive summary, together with a map, of all rail lines included within the initial System.

HEARINGS BY COMMISSION

SEC. 203. Commencing thirty days after release of the designation of the initial System, the Office shall hold public hearings both in the District of Columbia, and in other parts of the country. Notice of the dates, times, and places of such hearings shall be given in a manner as to assure a full and fair opportunity to be heard for consumers, shippers, industry, labor, and State and local governments.

RECOMMENDATIONS OF COMMISSION

SEC. 204. Within one hundred and twenty days after release of the designation of the initial System by the Secretary, the Office shall release and report to the Secretary its recommendations for additions and deletions thereto. In making its recommendations, the Office shall use the information developed during the hearings, and shall take into consideration the interests of persons, communities, States, and regions affected thereby; the existing pattern of service by rail carriers and alternative modes; present and future economic and population patterns; and the public interest in a balanced, integrated, competitive, and economical transportation system responsive to the needs of the users of such Systems. Such report shall include findings in support of each recommended addition to or deletion from the initial System.

FINAL DESIGNATION OF SYSTEM

SEC. 205. (a) Upon receiving the recommendations of the Office, the Secretary shall within thirty days, after giving all consideration to such recommendations, and with the cooperation and assistance of the Office, prepare, and transmit to the Congress the final Interstate Railroad System. The report of the Secretary shall include findings in support of each addition to or deletion from the initial System. To the extent consistent with the purposes of this Act, the Secretary shall not designate as part of the System rail lines which are parallel to, and duplicative of, other lines included in the System. The report shall identify all short-to-medium distance corridors in densely populated areas in which major upgrading of rail lines for passenger operations at speeds of one hundred and twenty miles an hour or over would return substantial public benefits in relation to the cost of such upgrading.

(b) The System as designated by the Secretary shall be deemed approved at the end of the first period of sixty calendar days of continuous session of Congress after transmittal unless either the House of Representatives or the Senate passes a resolution during such period stating that it does not approve the System. If either body passes a resolution of disapproval, the Secretary with the cooperation and assistance of the Office shall prepare and adopt a revised System. Each such revision shall be submitted to Congress for review pursuant to this subsection. For purposes of this subsection, continuity of Congress is broken only by an adjournment sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the sixty-day period. Upon becoming effective after review by the Congress, the System shall not be subject to review by any court.

MODIFICATION OF SYSTEM

SEC. 206. (a) At any time after the expiration of five years following the designation of the System under section 205 of this title, any party having an interest may request the Secretary to add or delete rail lines to or from such System. The Secretary shall make the addition or deletion if consistent with the public interest. Approval of a deletion shall not be considered by the Commission as evidence in an abandonment proceeding that service on the line deleted is no longer required by public convenience and necessity.

(b) Requests for deletions from the System on account of an agreement for joint use of rail lines, or an application for such joint use filed under section 301 of this Act, may be made at any time.

ACCESS TO INFORMATION

SEC. 207. All rail carriers shall provide such information as may be requested by the Secretary or by the Office in connection with the performance of their respective functions under this Act. The Secretary or the Office may obtain any such information by subpoena. In case of contumacy by, or a refusal to obey a subpoena served on, a rail carrier under this section, the district courts of the United States, upon application by the Attorney General upon request of the Secretary or the Office, shall have jurisdiction to issue an order requiring production of the information, and any failure to obey such order of the court may be punished by the court as a contempt thereof. Nothing in this section shall authorize the withholding by the Secretary, the Office, or any rail carrier of any information from the duly authorized committees of the Congress.

ADMINISTRATIVE EXPENSES

SEC. 208. There is hereby authorized to be appropriated, to remain available until expended for purposes of this Title—

(a) For the Secretary, $1,000,000, and

(b) For the Office, $1,000,000.

TITLE III—REHABILITATION, MAINTENANCE, AND MODERNIZATION OF RAIL LINES

MAINTENANCE STANDARDS

SEC. 301. (a) Within one hundred and twenty days after the date of enactment of this Act, the Secretary shall prescribe standards for maintenance of all rail lines. In formulating such standards, the Secretary shall be guided by preferred or recommended practices from an engineering and economic standpoint as distinct from minimum requirements for safety.

(b) Rail lines included within the System shall be maintained for smooth and dependable operation of freight trains at speeds up to sixty miles an hour. Upon application and for good cause shown, the Secretary may require a standard of maintenance on any given System rail line which will allow higher speeds.

(c) All other rail lines shall be maintained for smooth and dependable operation of freight trains at the highest speeds operated at any previous time on each given rail line. Upon application and proof that service to freight shippers will not be adversely affected, the Secretary may allow a standard of maintenance on any given non-System rail line that is sufficient for lower speeds than were previously operated.

PERFORMANCE OF WORK

SEC. 302. (a) All rail lines shall be in compliance with standards prescribed in accordance with this title on or before the expiration of three years following the date of enactment of this Act.

(b) Within one hundred eighty days after the date of enactment of this Act, all owners and possessors of rail lines shall file with the Secretary a detailed schedule of proposed short term and long term maintenance activities to be performed on each rail line on a regular basis to assure that all rail lines are kept maintained in accordance with the applicable standards. If the Secretary does not believe that the proposed maintenance activities will be adequate, he may require an appropriate revision of the schedule. Deferral of any scheduled maintenance activity is hereby prohibited.

PROTECTION OF EMPLOYEES

SEC. 303. (a) No owner or possessor of rail lines shall contract out any project for rehabilitation or maintenance work required by this Act of a value of over $450 per month in labor and materials which is normally performed by employees in any bargaining unit covered by a labor agreement between such owner or possessor and any labor organization.

(b) Owners and possessors of rail lines shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors and subcontractors in the performance of construction work financed with the assistance of funds received under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. No one shall enter into any construction contract or agreement without first obtaining adequate assurance that required labor standards will be maintained on the construction work. Health and safety standards promulgated by the Secretary of Labor pursuant to section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 333) shall be applicable to all construction work performed under such contracts or agreements, except any construction work performed by an employee of a railroad company. Wage rates provided for in collective bargaining agreements negotiated under and pursuant to the Railway Labor Act shall be considered as being in compliance with the Davis-Bacon Act.

REHABILITATION ASSISTANCE GRANTS

SEC. 304. (a) The Secretary is authorized, upon application of a railroad company which he finds—

(1) is unable to finance from its own resources the rehabilitation work required by this Act; and

(2) does not qualify for loan guarantees under section 305 of this title on account of an uncertain ability to repay a guaranteed loan,

to make rehabilitation assistance grants for the purpose of enabling such railroad company to comply with the provisions of this title, upon such terms and conditions as are just and reasonable and consistent with the public interest. Applications shall specify the estimated itemized cost of rehabilitation work to be performed with the proceeds of grants. Not more than ten per centum of the total grants made within any twelve-month period shall be made to any single railroad company, including controlled affiliates and subsidiaries.

(b) Upon receipt of an application for a rehabilitation assistance grant, the Secretary shall cause a notice of such application to be published in the Federal Register and shall invite and afford interested persons an

opportunity to submit comments on such application at a proceeding to commence within twenty-one days of the date of the publication of such application. General notice of such proceedings shall be published in the Federal Register. Such notices shall include—

(1) a statement of the time, place, and nature of the proceedings; and

(2) a description of the subjects and issues involved.

(c) No railroad company which receives a grant under this section shall pay any dividend on any class of stock or make any investments in nontransportation enterprises thereafter unless and until the Secretary certifies—

(1) that the work to be performed with the proceeds of such grant has been satisfactorily completed; and

(2) that the railroad company is in compliance with section 302(b) of this title regarding ongoing maintenance activities.

(d) A recipient of a grant shall be obligated to spend during each calendar year so long as the required rehabilitation work is not completed, at least as much of its own funds for rehabilitation and maintenance of rail lines as it spent during calendar year 1973. The required amounts for succeeding years shall be adjusted upward to reflect changes in the appropriate price and wage indices.

(e) The Secretary shall ascertain that recipients of such grants accomplish the required rehabilitation work in an economic and efficient manner.

(f) The Secretary shall not commit funds under this section beyond those available during the fiscal year in which the applications are made. During succeeding fiscal years the Secretary may consider additional applications in accordance with availability of funds.

(g) There is hereby authorized to be appropriated to the Secretary to remain available until expended for purposes of this section $500,000,000 in each of the three fiscal years ending June 30, 1975, 1976, and 1977.

REHABILITATION ASSISTANCE LOAN GUARANTEES

SEC. 305. (a) The Secretary is authorized, after application from an owner or possessor of rail lines, to guarantee any lender against loss of principal and interest on securities, obligations, or loans (including refinancings thereof) issued to finance rehabilitation work required by this Act upon such terms and conditions as are just and reasonable and consistent with the public interest. Applications shall specify the estimated itemized cost of rehabilitation work to be performed with the proceeds of guaranteed loans. In passing upon applications, the Secretary shall consider the ability of the applicant to repay the loan and the relative ability of applicants to pay for the required rehabilitation work from their own resources or from non-guaranteed commercial loans.

(b) Upon receipt of an application for a loan guarantee, the Secretary shall cause a notice of such application to be published in the Federal Register and shall invite and afford interested persons an opportunity to submit comments on such application at a proceeding to commence within twenty-one days of the date of the publication of such application. General notice of such proceedings shall be published in the Federal Register. Such notice shall include—

(1) a statement of the time, place, and nature of the proceedings; and

(2) a description of the subjects and issues involved.

(c) (1) The rate of interest payable on any loan guaranteed by the Secretary under this section shall not exceed the per centum per annum rate on the unpaid principal of such loan determined by the Secretary to be reasonable upon consideration of the range of interest rates currently prevailing in the private market for similar loans.

(2) The maturity date of such loans, including all extensions and renewals thereof, shall not be more than twenty years from the date of issuance.

(3) The aggregate unpaid principal amount of such loans outstanding at any one time may not exceed $1,000,000,000.

(4) The Secretary shall prescribe and collect a reasonable annual fee for guarantees made under this section.

(d) No railroad company which receives such a loan guarantee shall thereafter increase any dividend disbursement on any class of stock or make any investment in nontransportation enterprises unless and until the principal and interest of the loan is fully repaid.

(e) The Secretary shall ascertain that recipients of such loan guarantees accomplish the required rehabilitation work in an economic and efficient manner.

(f) All guarantees entered into by the Secretary under this section shall constitute general obligations of the United States of America backed by the full faith and credit of the Government of the United States of America. Any such guarantee shall not be terminated, canceled, or otherwise revoked; shall be conclusive evidence that such guarantee complies fully with the provisions of this Act and of the approval and legality of the principal amount, interest rate, and all other terms of the securities, obligations, or loans and of the guarantee; and shall be valid and incontestable in the hands of a holder of a guaranteed security, obligation, or loan, except for fraud or material misrepresentation on the part of such holder.

(g) There are authorized to be appropriated to the Secretary such amounts, to remain available until expended, as are necessary to discharge his obligations to honor loan guarantees made under this section.

(h) Upon default of any payment of principal or interest on any loan guaranteed by the Secretary under this section, the Secretary shall issue to the Secretary of the Treasury notes or other obligations in such forms and denomination, bearing such maturities and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury. Redemption of such notes or obligations shall be made by the Secretary from appropriations available under subsection (g) of this section. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury shall purchase any notes or other obligations issued hereunder and for that purpose he is authorized to use a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act, as amended, are extended to include any purchase of such notes or obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations as acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

EMERGENCY RECONSTRUCTION GRANTS

SEC. 306. Any railroad company may apply to the Secretary for a grant to reconstruct railroad lines which have been damaged or destroyed by flood, washout, windstorm, earthquake, or other unforeseeable disaster outside the control of the applicant. Such assistance shall not be extended to applicants which are able to finance reconstruction with their own resources. There is hereby authorized to be appropriated to the Secretary such sums as are necessary to carry out this section, not to exceed $10,000,000 in any one fiscal year.

RESEARCH AND DEVELOPMENT

SEC. 307. The Secretary shall undertake a continuing program of research and development, including demonstration projects, into improving the stability, ride quality, longevity, and maintenance economics of railroad track and roadbed. There is hereby authorized to be appropriated to the Secretary for purposes of this section to remain available until expended $10,000,000 in each of the three fiscal years ending June 30, 1975, 1976, and 1977.

LONG-TERM CAPITAL IMPROVEMENT NEEDS

SEC. 308. (a) Within two years after enactment of this Act, the Secretary and the Corps of Engineers, United States Army shall jointly undertake and carry out a study of the long-term capital needs for modernization of signal systems, line relocation, tunneling, highway grade crossing elimination, electrification, and other major upgrading of the Interstate Railroad System, including the high density corridors identified by the report required by section 205 of this Act. The study shall include recomendations for investment priorities among the various possible upgrading projects. The study shall evaluate the form and extent to which the Federal Government should assist with the financing of such upgrading.

(b) Upon completion of the study, the Secretary and the Corps of Engineers shall submit to the President and to the Congress, and shall release to the public, a full report thereon together with their recommendations for such legislative, administrative, and other actions as they deem appropriate for implementing the report.

(c) There is hereby authorized to be appropriated to the Secretary and to the Corps of Engineers for purposes of this section $1,000,000 each.

TITLE IV—ACCESS TO RAIL LINES AND FACILITIES AUTHORITY TO ORDER ACCESS

SEC. 401. (a) Upon application of any rail carrier for the use of any rail line or other facility, the Commission shall by order, if it finds that such will not substantially impair the ability of the owner or possessor of such rail line or other facility to handle its own business, require such owner or possessor to permit the applicant to use such rail line or other facility upon such terms and conditions and for such compensation as is just and reasonable under the circumstances: *Provided*, That compensation for such use by passenger carriers shall not exceed the incremental expenses incurred by the owner or possessor as a result of such use.

(b) Applications by passenger carriers under this section shall be acted upon by the Commission within ninety days after such application is filed.

MODIFICATION OF EXISTING ARRANGEMENTS

SEC. 402. If under any arrangement for the use of a rail line or other facility which is in effect at the time of enactment of this Act, or which is entered into subsequently, a party desires modification in the terms or conditions, including compensation, such party may apply to the Commission for an order fixing revised terms or conditions as may be consistent with section 401.

PROTECTION OF EMPLOYEES

SEC. 403. (a) In connection with any transaction under this title for access to rail lines or other facilities, the rail carrier whose employees will be affected by such action shall be required to protect the interests of its respective employees. Such protective arrangements shall be those agreed to by the rail carrier and the representatives of its employees, or in the absence of such agreement, as the Commission may determine.

Such protective arrangements shall be included in any order which authorizes such transaction.

(b) The protective arrangements required by paragraph (a) shall protect individual employees from the date first affected against a worsening of their positions with respect to their employment and shall include, without being limited to, such provisions as may be necessary (A) to provide for notice and negotiation and execution of implementing agreements prior to the interests of employees being affected: *Provided, however,* That where such implementing agreement has not been executed within thirty days after the date on which the action became effective either party may submit for binding arbitration any unresolved questions in connection therewith, the arbitration decision to be rendered if possible within thirty days thereafter, but if such decision is for any reason delayed beyond said thirty days, the rights of the parties to such arbitration shall not be affected; (B) for the preservation of compensation (including subseqeunt wage increases), rights, privileges, and benefits (including fringe benefits such as pensions, hospitalization, vacations, and the like, under the same conditions and so long as such benefits continue to be accorded to other employees of the rail carrier in active service or on furlough as the case may be) to such employees under existing collective-bargaining agreements or otherwise; and (C) to provide for the arbitration of disputes arising out of the protective arrangements which cannot be settled by the parties. In such arbitrations the burden shall be upon the rail carrier to prove that the employee was not affected by the action taken. In no event shall said arrangements provide benefits less than those established pursuant to section 5(2)(f) of the Interstate Commerce Act.

EFFECT ON OTHER APPLICATIONS TO COMMISSION

SEC. 404. In passing upon any application by a rail carrier for increased freight rates, increased division of revenues, or other financial relief, the Commission shall consider and determine the extent to which such carrier has availed itself of the provisions of this title to effect economies and efficiencies in its operations. Upon granting such application in whole or in part, the Commission may condition such relief on the filing of an appropriate application under this title.

TITLE V— RECORDS, REPORTS, ADMINISTRATION, AND ENFORCEMENT BOOKS AND RECORDS

SEC. 501. All books, records, papers and documents of the Secretary relating to this Act, including material supplied to the Secretary in accordance with sections 201 and 207 of this Act, shall at all times be open to public inspection. Any person desiring to inspect such material shall reimburse the Secretary for the time of his employees required to assist with such inspection. Any person requesting reproduction of any material shall reimburse the Secretary for the cost of such reproduction.

QUARTERLY AND ANNUAL REPORTS

SEC. 502. (a) Within thirty days following the end of each quarter of the year, the Secretary shall submit to the Congress and release to the public a complete report of his activities and finances under this Act for the previous quarter. Such report shall include, but not be limited to, the amount and location of new and relay rail laid; ties installed or replaced; and miles of track surfaced. The report shall set forth the number, nature, and location of inspections of rail lines made by the Secretary's personnel, and the extent to which each and every rail line falls short of compliance with the standards promulgated under this Act.

(b) On or before October 31 of each year, the Secretary shall submit to the President and to the Congress, and release to the public, a comprehensive and detailed report of his activities and accomplishments pursuant to this Act during the preceding fiscal year, including a balance sheet and statement of receipts and expenditures. The report shall include a projection of receipts and expenditures for the current fiscal year, and a proposed budget for the forthcoming fiscal year, which shall provide specific justification for each and every proposed expenditure.

ADVISORY COMMITTEE

SEC. 503. (a) The following organizations are requested to each appoint, within thirty days after the date of the enactment of this Act, a representative to form an advisory committee for the purpose of this section:

(1) National Association of Regulatory Utility Commissioners;

(2) National Governors Conference;

(3) Association of American Railroads;

(4) National Railroad Passenger Corporation;

(5) Congress of Railway Unions;

(6) Railway Labor Executives Association;

(7) National Industrial Traffic League; and

(8) National Association of Railroad Passengers.

(b) Such committee is requested to (1) monitor the activities of the Secretary pursuant to this Act, and (2) upon the expiration of one year after the date of enactment of this Act, and after each following year, submit to the Secretary and to the Congress and release to the public a report evaluating the effectiveness of this Act in achieving the objectives thereof declared by the Congress.

INSPECTION AND INVESTIGATION

SEC. 504. The Secretary is authorized to perform such acts, including, but not limited to, conducting investigations, holding hearings, making reports, prescribing recordkeeping and reporting requirements, promulgating rules and regulations, and delegating to any public bodies or qualified persons functions respecting examination, inspecting, and testing of railroad facilities as he deems necessary to carry out the provisions of this Act. Officers, employees, or agents of the Secretary are authorized to enter upon, inspect, and examine railroad facilities and pertinent books, papers, and records. Such officers, employees, and agents shall display proper credentials when requested.

RIGHT TO COURT ORDERS

SEC. 505. The United States district courts shall, at the request of the Secretary and upon petition by the Attorney General on behalf of the United States, have jurisdiction, subject to the provisions of rules 65 (a) and (b) of the Federal Rules of Civil Procedure, to enforce the provisions of this Act and the rules, regulations and standards of the Secretary issued thereunder, by the issuance of injunctions or restraining orders or by the granting of such other relief as may be appropriate.

PENALTIES

SEC. 506. (a) It shall be unlawful for any railroad company to disobey, disregard, or fail to adhere to the provisions of this Act or to any rule, regulation, standard, or condition prescribed by the Secretary under this Act.

(b) Any railroad company violating any rule, regulation, standard, or condition referred to in subsection (a) shall be assessed by the Secretary a civil penalty for violation thereof in such amount, not less than $250 nor more than $10,000, as he deems reasonable. Each day of such violation shall constitute a separate offense.

(c) Such civil penalty is to be recovered in a suit or suits to be brought by the Attorney General on behalf of the United States in the district court of the United States having jurisdiction in the locality where such violation occurred. Civil penalties may, however, be comprised by the Secretary for any amount, but in no event for an amount less than the minimum provided in this section, prior to referral to the Attorney General. The amount of any such penalty when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the person charged. All penalties collected under this Act shall be covered into the Treasury as miscellaneous receipts.

SUBPENAS IN COURT ACTIONS

SEC. 507. In any action brought under this Act, subpenas for witnesses who are required to attend a United States district court may run into any other district.

OTHER RIGHTS AND LIABILITIES RESERVED

SEC. 508. Nothing contained in this Act shall be construed as depriving any person of any right of action which he may have otherwise than under this Act, or of relieving any person of any punishment, liability, or sanction which may be imposed otherwise than under this Act.

ADMINISTRATIVE EXPENSES

SEC. 509. There is hereby authorized to be appropriated to the Secretary such sums as are necessary for administration and enforcement of this Act, not to exceed $10,000,000 in any one fiscal year. Wherever feasible, the Secretary shall make use of personnel and facilities employed under the Rail Safety Act of 1970 (45 U.S.C. 421 et seq.) in carrying out his responsibilities under this Act.

TITLE VI—MISCELLANEOUS PROVISIONS

ANTITRUST EXEMPTION

SEC. 601. Persons contracting for the joint use of railroad tracks and facilities shall be and hereby are relieved from all prohibitions of existing law, including the antitrust laws of the United States, with respect to such contracts, agreements, or leases insofar as may be necessary to enable them to enter into such contracts and to perform their obligations thereunder.

EVIDENCE IN DIVISIONS CONTROVERSIES

SEC. 602. For a period of five years following the date of enactment of this Act, evidence that the operating expenses of any rail carrier were reduced as a consequence of any direct or indirect assistance provided by this Act shall not be admissible as evidence before the Commission in any controversy involving the division of revenues.

SEPARABILITY

SEC. 603. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

AMENDMENT OF OTHER LAWS

SEC. 604. (a) Section 3(5) of the Interstate Commerce Act (49 U.S.C. 3(5)) is hereby repealed.

(b) Section 5(2)(a) of such Act is amended by striking out the semicolon and "or" at the end of clause (i) and inserting in lieu thereof a period and by striking out clause (ii).

SECTION-BY-SECTION ANALYSIS OF "INTERSTATE RAILROAD ACT OF 1974"

TITLE I—FINDINGS, PURPOSES, AND DEFINITIONS

Section 101. Congressional Findings and Declaration of Purpose—Sets forth the reasons why modern rail service is needed; the problems afflicting rail service on account of deteriorated track and roadbed; and declares that "to obtain modern and efficient rail service it is necessary to designate a national network of essential rail lines, to require minimum standards of maintenance for rail lines, to provide Federal financial aid for rehabilitation of rail lines, and to establish rights of access by rail carriers to rail lines they do not own."

Section 102. Definitions—Self-explanatory.

TITLE II—INTERSTATE RAILROAD SYSTEM

Section 201. Inventory of Rail Lines—Requires railroads to supply basic information on signaling, speed limits, etc. on all rail lines to the Secretary of Transportation and the Interstate Commerce Commission.

Section 202. Initial Designation of System—Requires the Secretary of Transportation to provide a map of high-density rail lines throughout the United States, which lines are declared to be the "initial" Interstate Railroad System.

Section 203. Hearings by Commission—Requires the Rail Services Planning Office of the ICC to hold public hearings on the "initial" System.

Section 204. Recommendations of Commission—Calls on the RSPO to submit to the Secretary its recommendations for additions and deletions to and from the "initial" System.

Section 205. Final Designation of System—Calls on the Secretary to prepare and submit to the Congress a report setting forth the final Interstate Railroad System, which becomes effective in sixty days unless the Congress passes a resolution of disapproval, in which case the report must be revised and resubmitted.

Section 206. Modification of System—Allows for additions to and deletions from the System on or after five years after it is designated, with the exception of requests for deletions arising out of trackage rights arrangements, which may be made at any time.

Section 207. Access to Information—Empowers the Secretary and the ICC to obtain necessary information relating to their respective functions from railroad companies.

Section 208. Administrative Expenses—Authorizes $1,000,000 each to the Secretary and to the ICC for expenses in connection with the process of designation of the System.

TITLE III—REHABILITATION AND MAINTENANCE OF RAIL LINES

Section 301. Maintenance Standards—Requires the Secretary to set maintenance standards for rail lines in accordance with "preferred or recommended practices from an engineering and economic standpoint as distinct from minimum requirements for safety." Interstate System lines must be maintained for smooth and dependable 60 MPH freight operation; other lines for smooth and dependable freight operation at the highest speeds previously authorized.

Section 302. Performance of Work—Requires compliance with standards within three years of enactment; prohibits deferred maintenance.

Section 303. Protection of Employees—Limits "contracting out" of maintenance or rehabilitation work; applies Davis-Bacon Act to contracted work.

Section 304. Rehabilitation Assistance Grants—Provides Federal grants of $500 million per year for three years for performance of required rehabilitation work by railroads which have insufficient resources of their own and are unable to repay a guaranteed loan. The payment of dividends and the making of non-transportation investments would be prohibited until the work was completed. Recipients of grants would be required to spend at least as much in successive years on maintenance from their own resources as they had spent during 1973.

Section 305. Rehabilitation Assistance Loan Guarantees—Authorizes $1 billion in Federal loan guarantees for performance of required rehabilitation work. Recipients of loan guarantees could not increase dividends nor make non-transportation investments until the loans were repaid.

Section 306. Emergency Reconstruction Grants—Provides Federal grants of up to $10 million a year for reconstruction of rail lines destroyed by natural disasters such as floods.

Section 307. Research and Development—Provides $10 million per year for three years to the Secretary for research and development on improved track and roadbed.

Section 308. Long Term Capital Improvement Needs—Calls on the Secretary and the Army Engineers to make a two year study of long term capital needs for modernization of signal systems, line relocation, tunneling, grade crossing elimination, and electrification; authorizes appropriation for this purpose of $2 million.

TITLE IV—ACCESS TO RAIL LINES AND FACILITIES

Section 401. Authority to Order Access—Empowers the ICC to order a railroad to allow another rail carrier to use its tacks and facilities upon payment of fair compensation, which in the case of passenger carriers shall not exceed incremental costs.

Section 402. Modification of existing Agreements—Allows parties to existing track and facility agreements to apply to ICC for a modification of the terms and conditions thereof.

Section 403. Protection of Employees—Provides severance pay and other benefits for employees who may be adversely affected by joint track and facility arrangements.

Section 404. Effect on Other Applications to Commission—Requires the ICC to consider the extent to which railroads have availed themselves of the potential economies of joint track and facility arrangements when they apply for higher freight rates, etc.

TITLE V—BOOKS, RECORDS, ADMINISTRATION, AND ENFORCEMENT

Section 501. Books and Records—Requires that all records of the Secretary relating to this Act be open to public inspection.

Section 502. Quarterly and Annual Reports—Requires the Secretary to make comprehensive reports on his activiites under the Act and on the maintenance activities and state of compliance of the railroads.

Section 503. Advisory Committee—Sets up an Advisory Committee to report to the Secretary and to the Congress on the effectiveness of the Act in achieving its objectives.

Section 504. Inspection and Investigation—Empowers the Secretary to inspect and investigate railroad facilities in furtherance of his duties under the Act.

Section 505. Right to Court Orders—Authorizes Federal courts to issue orders enforcing the provisions of the Act.

Section 506. Penalties—Provides civil penalties of up to $10,000 a day against railroads violating the Act.

Section 507. Subpoenas in Court Actions—Allows subpoenas to run into any Federal court district.

Section 508. Other Rights and Liabilities Reserved—Preserves whatever legal relief is available under other Acts.

Section 509. Administrative Expenses—Authorizes $10 million a year for the Secretary's expenses under the Act.

TITLE VI—MISCELLANEOUS PROVISIONS

Section 601. Anti-Trust Exemption—Relieves parties to joint track and facility arrangements from the provisions of the anti-trust laws.

Section 602. Evidence in Divisions Controversies—Protects rail carriers who achieve economies by virtue of this Act from being adversely affected on that account in division of revenue controversies.

Section 603. Seperability—Self-explanatory.

Section 604. Amendment of Other Laws—Eliminates provisions of the Interstate Commerce Act prohibiting voluntary track and facility joint use agreements, and giving the ICC power to order joint terminal arrangements on its own motion.

By Mr. KENNEDY:

S. 3344. A bill to authorize appropriations for activities of the National Science Foundation, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. KENNEDY. Mr. President, today I am introducing legislation authorizing appropriations for the National Science Foundation for fiscal 1975.

This authorization reflects the testimony heard by the Special Subcommittee on the National Science Foundation during hearings last week on the Foundation's proposed programs for the coming year. During those hearings, concern was expressed that, despite significant increases in the funding for energy research programs, insufficient funds were budgeted for other aspects of the Foundation's work. We also had the opportunity to examine the budget request submitted by the Foundation to the Office of Management and Budget, and to compare those figures with the authorization as sent to the Congress by the administration.

Based on the hearing record, I am today sending to the desk an authorization in the amount of $850.3 million for the Foundation for fiscal 1975. The programs funded by the Foundation are an investment in discovery and innovation. They may lead us to new sources of energy, to advances which will create new industries and transform old ones, and to increased understanding of the principles which govern the physical, life, and social sciences—understanding which is essential if we are to enhance the quality of life.

It is the responsibility of the National Science Foundation to see that our scientists receive the financial support they need to carry forward promising research. As the only Federal agency with a direct mandate to strengthen science and education in science, it is called on to perform a critically important and unique function.

The funds authorized in the legislation I am sending to the desk today will insure that the Foundation is able to meet those responsibilities.

By Mr. TUNNEY:

S.J. Res. 205. Joint resolution authorizing the President to proclaim the last week of June each year as "National Autistic Children's Week." Referred to the Commitee on the Judiciary.

NATIONAL AUTISTIC CHILDREN'S WEEK

Mr. TUNNEY. Mr. President, last year, Congress successfully passed a bill declaring the last week of June of each year as "National Autistic Children's Week". I am introducing that resolution again today with the hope that this June, through the observance of National Autistic Children's Week, we can once more gain awareness and support.

As a result of National Autistic Children's Week last year, tremendous strides were made in increasing public awareness. Contributions for materials for publicity allowed the National Society for Autistic Children to distribute 30,000 posters and 8,000 canisters. Over 500 newspaper and magazine articles were

printed, 2,612 radio spots were broadcast as were 150 television spots. Many of the radio and television spots are still being used. Consequently, the National Society for Autistic Children Information and Referral Service has received thousands of requests for information.

If the above statistics are the result of an initial effort, I can only believe that National Autistic Children's Week this year will be many more times as effective.

There are over 80,000 children diagnosed as autistic in the United States today. A great deal has been accomplished in the last few years, but even more needs to be done. We must continue to provide the care and treatment for those individuals who unfortunately cannot care for themselves. Through time, education and understanding and a considerable amount of support by the community, we may one day be able to strike autism from the long list of mental disorders.

An interesting article relating to autism recently appeared in the April 8, 1974, issue of Newsweek Magazine, "Troubled Children: The Quest for Help," by Matt Clark. I ask unanimous consent that the article be printed in the RECORD at this time. I also ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution and articles were ordered to be printed in the RECORD, as follows:

S.J. RES. 205

Joint resolution authorizing the President to proclaim the last week of June of each year as "National Autistic Children's Week"

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation each year designating the week which begins on June 24 as "National Autistic Children's Week," and calling the attention of the people of the United States to the plight of the autistic child, and the services which are available to help such children and their families.

TROUBLED CHILDREN: THE QUEST FOR HELP

(By Matt Clark)

The control of the often deadly diseases of childhood is the proudest achievement of medical progress in this century. Thanks to vaccines and antibiotics, the average American child no longer must run a gauntlet of physical threats such as the crippling effects of polio, the heart damage of rheumatic fever or diphtheria's death by slow strangulation. Thanks to better nutrition, today's children grow inches taller and pounds heavier than their forebears did. In short, the American youngster has never had better prospects for a long and healthy life.

But for all that modern medicine has done to protect and nourish the child's body, surprisingly little has been done to assure him of an equally healthy mind. Despite all the talk about American's child-centered society and all the best sellers purporting to tell parents how to raise happy, well-adjusted youngsters, the number of emotionally troubled children is appallingly high.

By the most conservative estimate, at least 1.4 million children under the age of 18 have emotional problems of sufficient severity to warrant urgent attention. As many as 10 million more require psychiatric help of some kind if they are ever to achieve the potential that medical progress on other fronts has made possible. "If we used really careful screening devices," says Dr. Joseph D. Noshpitz, president of the American Academy of Child Psychiatry, "we would probably double and maybe treble the official statistics."

The hard core of these children are those who are autistic or schizophrenic. They are helplessly withdrawn from reality and exist in an inner world that is seldom penetrated by outsiders. More than 1 million other children are hyperkinetic. They turn both living rooms and classrooms into shambles by their frenetic and uncontrollable physical activity. Millions more troubled children are plagued by neurotic symptoms. They are haunted by monster-ridden nightmares, frightened of going to school, held in the grip of strange compulsive rituals or lost in the loneliness of depression. Harder to pinpoint but just as troubled are those who simply don't function in society. They fail in school, they run away, they fight, they steal. Eventually, they fill reform schools and prisons.

Until recently, childhood emotional disorders have been tragically neglected as a national health problem of dramatic proportions. Because of his bizarre and often repellent behavior, the emotionally disturbed youngster has never made an appealing poster child for mothers' marches and annual fund-raising drives. While most of the nation's 7.6 million physically handicapped children receive educational and medical services through a variety of public and private channels, fewer than 1 million of the emotionally handicapped are receiving the help they need. All too often, the disturbed child has been expelled from public school as unteachable, or shunted into special classes for retarded children with brain damage. "We are in the Year One in care and treatment of these children," declares Josh Greenfeld, a 46-year-old writer whose 1972 book, "A Child Called Noah," vividly described his own agonizing search to find help for his autistic son. "We are going to have to shock ourselves into the fact that we are killing these children as well as destroying the lives of the families the kids are part of."

But within the past few years, parents like the Greenfelds have made some important gains in winning better care for their troubled children through the legislators and the courts. In one of the most far-reaching decisions of all, a District of Columbia Federal judge ruled in 1972 that all handicapped youngsters—including the emotionally disturbed—are entitled to public education under the Fourteenth Amendment. Thanks to the relentless lobbying of the National Society for Autistic Children in Albany, N.Y.—composed largely of parents—more than 30 states have passed laws providing special education for autistics in the last four years.

One reason for the increasing recognition of the needs of the troubled child is the strong evidence that his ranks are growing. The number of children receiving treatment for emotional problems in institutions and outpatient facilities has risen nearly 60 per cent in the last seven years—from 486,000 to 770,000. "The drift," says Noshpitz, "is toward seeing more and more very disturbed children, youngsters who need residential treatment." And psychiatrists in private practice note similar trends. "There is now a widening scope of patients with childhood disturbances," says one veteran New York psychoanalyst, "and it is not just because more people are deciding to put their children in therapy."

Freud, who preached that the root causes of emotional disorders were to be found largely in a disturbed relationship between parent and child in early life, is no longer quite so predominant an influence on child-care professionals. The more eclectic psychologists and psychiatrists hold that childhood mental ills seem to arise from three intertwining influences: predisposing physical and hereditary factors, forces within the family—including the Freudian traumas—and stresses imposed by contemporary life. "The fortunate child," says Ner Littner of Chicago's Institute of Psychoanalysis, "is the one with good heredity and adequate care provided by two parents who are able to recognize and meet the child's needs in early life, and a minimum of chronic, overwhelming stress situations as the child grows up."

But now more than ever before, the triad of forces seems to conspire against the emotional well-being of the American child. First, there is a growing recognition that children born prematurely or as a result of difficult labor, those suffering from complications of measles and other viral infections and those raised by parents who are themselves victims of mental disorders run a high risk of emotional disturbance. Boys, for reasons perhaps attributable to hormonal differences, are up to five times more vulnerable than girls.

Second, today's mobile society has all but abolished the extended family. Parents can no longer count on grandparents, aunts and uncles to act as authority figures in the raising of their children. "I'm personally convinced that no two parents can rear a child entirely alone," says Dr. Sally Provence of Yale's Child Study Center. "Yet young parents have fewer supports for parenting than ever before—it's either drag the kids along or get a sitter." With the increasing number of young women carving out careers for themselves, some experts see a threat even to the integrity of the nuclear family. "I'd much rather see people not have children at all than leave infants in a day-care center," says Dr. Lee Salk, chief child psychologist at New York Hospital-Cornell Medical Center and author of the best seller "What Every Child Would Like His Parents to Know."

Third, in today's push-button society children tend to learn about the world around them vicariously by television. "Many of our children and young people have been everywhere by eye and ear," notes a recent report of the Joint Commission on Mental Health of Children, "and almost nowhere in the realities of their self-initiated experiences." And much of what the children see is the vivid depiction of war, violence and social upheaval; aggression has become one of the most pervasive childhood experiences of all, says Dr. Ebbe Ebbesen of the University of California at San Diego. "Children learn abnormal behavior from observing other people," the California psychologist contends. "The more aggression a child is exposed to, the more likely that he himself will be aggressive."

Because there is no one cause of childhood emotional problems, many methods of treatment have evolved in recent years. Since a young child can hardly be expected to lie still for long, deep-probing sessions of analysis on the couch, psychiatrists have developed other ways to get at the source of his troubles. One involves watching how he plays with his toys or interpreting the pictures he draws. Other therapists ignore the deep-rooted sources of a child's problem and use reward-and-punishment conditioning techniques to modify the child's abnormal behavior. In many cases, the children with the overactivity syndrome of hyperkinesis can be helped with drugs. Unfortunately, no truly effective treatment has yet been found for the child afflicted with the most devastating of all the disorders—autism.

AUTISM

The term "early infantile autism," from the Greek for "self," was coined 30 years ago by Dr. Leo Kanner of Johns Hopkins to describe a group of disturbed schizophrenic children who showed a uniform pattern of

disabilities in responding to their environment. As an infant, the autistic child may go limp or rigid when his mother picks him up. He may seem deaf to some sounds but not to others. He may show no sensitivity to pain, even to the extent that he can blister his fingers on a hot stove without flinching. For long periods, he may rock monotonously back and forth, flap his hands in front of his face, walk on the tips of his toes or whirl about like a dervish.

Autistics show unusual deviations in reaching the milestones of development. They may never sit up by themselves or crawl, but instead suddenly start walking. Some start to talk, but then abruptly stop using language altogether, or only echo words and phrases they have overheard. They reverse personal pronouns, such as saying "you" for "me." They seldom look anyone in the eye. When an autistic child wants something, he may, without looking at his mother, steer her hand toward the object as if manipulating a pair of pliers. Because many autistic children show certain "splinter skills" above and beyond their otherwise poor level of functioning—such as the ability to rattle off strings of numbers—they have traditionally not been classified as retarded or brain-damaged.

After Kanner's description of autism was published, some psychiatrists observed that the parents of such children tended to be intellectual, emotionally detached and with a tendency to think in abstractions. With the prevailing influence of Freud on child psychiatry at the time, it was hardly surprising that the condition should be blamed on these "refrigerator parents." Autism was supposed to result from rejection of the child by the mother at an early stage in infancy. Dr. Bruno Bettelheim, a distinguished psychoanalyst who recently retired after 30 years of dealing with autistic children at the University of Chicago's Orthogenic School, is a forceful exponent of the Freudian view.

The autistic child has an inherited predisposition to emotional trauma, Bettelheim says, but unconscious rejection by the mother is the major traumatizing event. The parents, he says, tend to deal with the child in a mechanistic way, out of a sense of obligation rather than genuine affection. "This is interpreted by the child as a feeling he shouldn't be alive," says Bettelheim. "When animals are threatened, they either play possum or fight back. Some children fight back, but the autistic child plays dead."

But the current trend is away from the Freudian view. Recent studies show that the parents of autistic children display no emotional traits that set them apart. "The only differences these parents show from other parents," notes Dr. Eric Schopler of the University of North Carolina School of Medicine, "is that they are all under stress themselves because they have a difficult child."

Moreover, researchers have made a number of observations that suggest that autism is more of a neurologic problem than an emotional one. A number of autistics, for example, show so-called "soft signs" of neurologic impairment, such as poor muscle tone, uncoordination and exaggerated knee-jerk responses. Drs. Edward Ornitz and Edward Ritvo of the UCLA School of Medicine have studied the eye reactions of normal and autistic children placed in a spinning chair. If the chair spins to the left, a normal person's eyes will move to the right, snap back and wander right again; when the chair stops, the eyes will reverse their movement. Autistic children show the same pattern of eye movement, but for a much shorter period. This suggests that the disorder involves a maturational lag in neural development. "The overwhelming evidence,' says Ornitz, "is that this is an organic condition."

Because of the evidence suggesting that a physical abnormality is involved, there is a tendency among experts today to regard autism as a form of mental retardation rather than an emotional illness. "Autistic children both will not and cannot perform many tasks," says Ornitz. About 75 per cent of autistics remain retarded through life, he notes, and more than half eventually are institutionalized.

It is the parents of an autistic child who suffer the most. Many of them spend years going from specialist to specialist in a fruitless search for cures. At first, a pediatrician may tell them their child is deaf or simply "spoiled." Psychoanalysts may suggest that they, the parents, need treatment as much as their child does, only adding to an already unbearable burden of guilt. Psychiatrists may give the child tranquilizers, stimulants or even electroshock therapy. But the child remains his autistic self. Recently, some physicians have prescribed massive doses of such B vitamins as niacinamide, pyridoxine and panthothenic acid for both autistic and schizophrenic children. But most experts insist that the so-called megavitamin therapy has no scientific basis. "This is the false-hopes business," says one researcher, "and it causes a lot of anguish." Every time you go to someone you're desperate," says Connie Lapin, a Los Angeles mother of an autistic son (box). "They say they'll treat him. But then they can't reach him and they give up."

But while there is no specific treatment for autism, a number of centers now offer special training that has produced promising results in some children. One of them is TEACCH (Treatment and Education of Autistic and related Communications handicapped Children), begun by Drs. Eric Schopler and Robert J. Reichler eight years ago and now funded by the State of North Carolina. One of the outstanding features of the program, according to Schopler, is the participation of parents as co-therapists in training their own children.

Basically, the parents are instructed how to use reward-and-punishment behavior modification to train their children during daily half-hour sessions in their homes. Through a one-way glass, therapists show parents how to reward the child with hugs, or candy, when he performs an expected task. The early exercises focus on such basics as looking the parent in the eye, learning concepts such as "same" and "different" by sorting knives, forks or other objects, and learning to identify objects with words. Parents are taught to distract their children from psychotic movement, such as rocking. When a child fails to respond, the parent is assured that it is correct to show displeasure.

The road to advancement is painfully arduous, but many children *do* improve. Michael, a brown-haired 5-year-old, couldn't talk and was unmanageable when he entered TEACCH a year and a half ago. Now he has a vocabulary of 750 words and behaves well enough to attend a special school. David, who had an IQ of 70 when treatment began nine years ago, now scores 30 points higher and is getting average grades at a regular private school. "By getting to them early," says Schopler, "some children can be salvaged."

SCHIZOPHRENIA

Schizophrenia in children bears some resemblance to autism and many psychiatrists consider them related. The child may be withdrawn and fail to use words. He may also be overactive and aggressive. Unlike schizophrenic adults, children affected by the disorder don't usually hear voices or otherwise hallucinate. But they do fantasize, according to psychiatrists, and they often can't distinguish between the real and the imaginary.

In the past, psychoanalysts tended to ascribe schizophrenia largely to the influence of a castrating "schizophrenogenic" mother. Many psychiatrists today believe the emotional environment of the home may play a greater part in the disorder than is the case with autism. But a growing number of the experts are now persuaded that a genetic defect, coupled with neurologic impairment of some kind, constitutes the underlying cause of the disorder.

The influence of genetics in childhood schizophrenia has been demonstrated by Dr. David Rosenthal of the National Institute of Mental Health. Rosenthal compared children with a schizophrenic mother or father who were raised by normal adoptive parents with adopted children of normal parents. In this way, the possible environmental influence of parenting was equalized. It turned out that the children of psychotic parents in the study had about twice the incidence of schizophrenic disorders as did those of normal parents.

The outlook for the schizophrenic child is considerably brighter than it is for the autistic. Many of these children are educable and never have to be institutionalized. Brooklyn's League School is typical of centers across the country that use a "phycho-educational" approach to treating schizophrenic children while the child lives at home.

Children are usually accepted at the school between the ages of 3 and 5 and most stay several years. Tommy Harper of Brooklyn began when he was in second grade. Throughout his childhood he had displayed a vicious temper. He threw blocks at his teachers when he couldn't get his way, and once pounced on a little girl and broke one of her teeth. Consigned to the cloakroom, he was later found sitting on a shelf, beating himself over the head with a toy gun and crying, "I want to die."

With the structured environment and intensive individual attention he received at the League School, Tommy settled down and learned to read, do math and function in groups. He was bright, a fast learner and in four years he was back in regular school. Today, at 15, Tommy is still a bit of a loner. But he can play sports such as football and not lose his temper in defeat; more important, he is an honor student. Dr. Carl Fenichel, director of the school, estimates that about 80 per cent of the children at the school had been destined for state institutions. Now, the majority go on to satisfactory jobs, regular schools and some even to college.

HYPERKINESIS

Of the more serious childhood behavior disorders, hyperkinesis has become the most widely publicized of late because it is being diagnosed in an increasing number of schoolchildren. The symptoms may be discernible in infancy, when the mother finds that her baby is unusually restless and difficut to soothe. They become more obvious when he reaches school age. Typically, hyperkinetic children are highly excitable, easily distracted and impulsive. They have trouble concentrating and therefore become disruptive in the classroom. Because they are failures in their work, they develop the emotional side effect of low self-esteem and frequently compensate by delinquent acting-out. "These youngsters consider themselves worthless," says Dr. Lawrence Taft of the College of Medicine and Dentistry of New Jersey, "because everyone is telling them they're no good."

Hyperkinesis seems to run in families, but there is also evidence that the disorder may be related to minimal brain damage, possibly occurring at the time of birth or after a viral infection such as measles. There is also evidence that lead intoxication may produce hyperkinesis among ghetto children who habitually put pieces of peeling lead-based paint into their mouths.

At least a third of hyperkinetic children show marked improvement on daily doses of stimulants such as amphetamines and even coffee (NEWSWEEK, Oct. 8, 1973). Just how

the stimulants have this paradoxical calming effect isn't known, but they seem to improve the child's ability to concentrate.

Dosing large numbers of schoolchildren with the very drugs that constitute a major abuse problem in the U.S. has stirred controversy among many parents and even some psychiatrists. Some charge that the stimulants are prescribed as "conformity pills" for rebellious children. The drugs may produce side effects, including loss of appetite and sleeping difficulties. As a result, children who take them for several years may not grow as tall as they might have otherwise. But the effect of the drugs can be so dramatic, says Taft, "that you wonder whether an extra bit of height is all that important."

DEPRESSION

Among the childhood emotional disorders in which the relationship with the parents is of unquestioned importance, the outstanding example is depression. Some experts estimate that depression accounts for at least a quarter of the troubled children they see. The so-called "endogenous" form of depression, which seems to arise without any evidence of a traumatic life experience to account for it, is rarely diagnosed in youngsters. In nearly all cases, childhood depression is "reactive," associated with an event in the child's life, usually involving the parents. "The child-psychiatry books of twenty years ago may not have even mentioned it," says Dr. Leon Cytryn of the George Washington University School of Medicine. "But we're beginning to realize that there are many depressed children and we suspect a lot of them become depressed adolescents and depressed adults."

Its most pathetic form is the "anaclitic" (from the Greek, "leaning on") depression that is observed in infants separated from their mothers in the first six months of life and raised in institutions where they get little attention and neural stimulation. These babies, starved for warmth, withdraw and display some of the signs of autism, such as monotonous rocking and, as they grow older, difficulties with language. They will improve with regard to language and motor skills if moved to a favorable environment, but the profound emotional impact of their early experience may be devastating.

Beyond the age of 6, the depressed child may show signs of sadness, social withdrawal and apathy similar to the symptoms of adult depression. But usually it is masked. In young children it may be expressed in psychosomatic headaches or vomiting; in older children it may show up in aggressive behavior, truancy, vandalism and, particularly among girls, sexual promiscuity. The periodic episodes of sadness that are the tip-off, notes Dr. Donald H. McKnew Jr. of the Children's Hospital of the District of Columbia, may be overlooked by the parents for months, but psychological testing may bring out the true extent of the child's depression quite quickly.

Asked to draw a picture and then tell a story about it, an 8-year-old boy brought to McKnew recently drew a picture of a small whale. Then he told how the whale was lost and was trying to get home. He tried to hitch a ride with another whale, but slipped off its back. Then he joined a school of whales, but they swam too fast for him to keep up. So the whale in the picture was lying with another whale, also lost, waiting to be found. "If an adult told you a story like that," notes McKnew, "you'd immediately give him antidepressants."

Depression in children almost always follows a sense of loss. Acute reactions occur, understandably enough, after the death of a parent or close relative, divorce or a move to a new community. Often, they are more like grief reactions and disappear with time. But many depressions occur because the child senses a withdrawal of interest and affection through frequent separations from, say, a father who travels a lot; or because a parent conveys an attitude of rejection or deprecation. In most instances, one or another of the parents has a depressed personality, McKnew observes.

Antidepressant medication is seldom prescribed for children. Most often, psychiatric counseling, involving both parent and child, is required. Fortunately, psychotherapy usually is effective. Here psychiatrists have devised methods that sidestep the completely verbal methods of communication used in more adult forms of psychotherapy. One of the most widely used is play therapy, in which the child uses a variety of types to expose, under the therapist's watchful eye, the situations that may be at the bottom of his problem. The play-therapy concept is based on the common-sense notion that play is a more natural mode of expression for a child than verbalizing dreams.

One of the most common problems that call for psychiatric attention in children is school phobia. It may be a symptom of depression, but may also have a far more readily treated cause. Dr. Lee Salk recalls the case of Stephen, age 5, who lived on the twelfth floor of a New York apartment with his parents and grandparents, who continually expressed their fear of burglars. His mother warned him constantly of the evils that could befall him when he went out to play and often warned him not to let the elevator doors close on him. Soon, he had developed a fear of both burglars and elevators, and was afraid to go out alone.

Not surprisingly, his anxieties continued at school; his mother would drop him off at the door but could count on his coming out again minutes later. The problem, as Salk explained, was that the child had become totally helpless outside his mother's purview and dependent on her attention—a common source of school phobias. Salk explained to the overanxious mother that Stephen should hear fewer dire predictions about the world outside and be allowed more independence. In weeks, he was spending full days in school.

The relief of the most serious problems of troubled children—autism, schizophrenia and hyperkinesis—must await much further research into the physical and biochemical mysteries of the brain. What is required is the same sort of commitment on the part of private agencies and the government that has lately been mounted in the war against cancer and heart disease. At the same time, the children who are already victims of these tragic disabilities must be afforded the special training that will give them the best chance of finding a useful life. In view of the fact that 10 per cent of the nation's children are now destined to develop some form of emotional disability, the effort would seem a small price to pay.

Meanwhile, in the view of child experts, there is a good deal that parents can do to protect their children from many kinds of serious emotional damage. First, says Salk, is to recognize the child's dependency during the first year of life and respond unstintingly to his need for warmth and affection. Once the child has learned to trust his parents, it is time to set limits that prepare him for his encounters with the world. To contend with the child's impulse to explore his environment, knocking over countless glasses of milk as he goes, may be a frustrating and seemingly endless task, Salk concedes. "But," he adds, "for the parent who loves his child, has patience and can still see the world through a child's eyes, the rewards are beyond measure."

ADDITIONAL COSPONSORS OF BILLS

S. 1665

At the request of Mr. GRAVEL, the Senator from Ohio (Mr. METZENBAUM) was added as a cosponsor of S. 1665, a bill to terminate the Airlines' Mutual Aid Agreement.

S. 2801

At the request of Mr. PROXMIRE, the Senator from Pennsylvania (Mr. HUGH SCOTT) was added as a cosponsor of S. 2801, a bill to amend the Food, Drug, and Cosmetic Act with respect to safe vitamins and minerals, and for other purposes.

S. 2868

At the request of Mr. ROBERT C. BYRD (for Mr. CHURCH), the Senator from Kentucky (Mr. COOK) and the Senator from Illinois (Mr. PERCY) were added as cosponsors of S. 2868, a bill to provide for tax counseling to the elderly in the preparation of their Federal income tax returns.

S. 2906

At the request of Mr. MONDALE, the Senator from Nevada (Mr. CANNON) was added as a cosponsor of S. 2906, a bill to amend the Internal Revenue Code of 1954 to permit taxpayers to utilize the deduction for personal exemptions as under present law or to claim a credit against tax of $200 for each such exemption.

S. 2940

At the request of Mr. FANNIN, the Senator from Colorado (Mr. DOMINICK) was added as a cosponsor of S. 2940, the Colorado River Basin Salinity Control Act.

S. 2941

At the request of Mr. BAYH, the Senator from California (Mr. CRANSTON) was added as a cosponsor of S. 2941, to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine Papanicolaou tests for the diagnosis of uterine cancer.

S. 3044

At the request of Mr. ROBERT C. BYRD, the Senator from Ohio (Mr. METZENBAUM) was added as a cosponsor of S. 3044, the Federal Election Campaign Act Amendments of 1974.

S. 3062

At the request of Mr. DOMENICI, the Senator from Ohio (Mr. TAFT), and the Senator from Indiana (Mr. HARTKE) were added as cosponsors of S. 3062, the Disaster Relief Act Amendments of 1974.

At the request of Mr. HUGH SCOTT, his name was added as a cosponsor of S. 3062, supra.

S. 3259

At the request of Mr. TAFT, the Senator from Florida (Mr. GURNEY) was added as a cosponsor of S. 3259, to amend the Rail Passenger Service Act of 1970 in order to authorize certain use of rail passenger equipment by the National Railroad Passenger Corporation.

S. 3267

At the request of Mr. EAGLETON (for Mr. JACKSON), the Senator from Colorado (Mr. HASKELL) was added as a cosponsor of S. 3267, the Standby Energy Emergency Authorities Act.

S. 3274

At the request of Mr. GURNEY, the Senator from Nevada (Mr. CANNON) was added as a cosponsor of S. 3274, a bill to establish a Tourist Advisory Board within the Federal Energy Office.

ADDITIONAL COSPONSOR OF A CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 68

At the request of Mr. JAVITS, the Senator from Nevada (Mr. CANNON) was added as a cosponsor of Senate Concurrent Resolution 68, to express the sense of the Congress regarding Americans missing in action in Indochina.

ADDITIONAL COSPONSORS OF A RESOLUTION

SENATE RESOLUTION 302

At the request of Mr. BROOKE, the Senator from Oregon (Mr. HATFIELD), the Senator from Washington (Mr. JACKSON), and the Senator from Utah (Mr. Moss) were added as cosponsors of Senate Resolution 302, a resolution on the River Blindness Rehabilitation Program for the Sahelian Countries of Africa.

ESTABLISHMENT OF A NATIONAL ENERGY INFORMATION SYSTEM—AMENDMENT

AMENDMENT NO. 1189

(Ordered to be printed, and referred to the Committee on Interior and Insular Affairs.)

Mr. HARTKE submitted an amendment, intended to be proposed by him, to the bill (S. 2782) to establish a National Energy Information System, to authorize the Department of the Interior to undertake an inventory of U.S. energy resources on public lands and elsewhere, and for other purposes.

EMERGENCY ASSISTANCE PROGRAM—AMENDMENT

AMENDMENT NO. 1190

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

Mr. BELLMON submitted an amendment intended to be proposed by him to the bill (S. 3313) to authorize the Administrator of the Environmental Protection Agency to carry out an emergency assistance program to assist States in relieving severe drought conditions that threaten to destroy livestock or crops.

INDEMNITY PAYMENTS TO POULTRY AND EGG PRODUCERS—AMENDMENTS

AMENDMENTS NOS. 1191, 1192, AND 1193

(Ordered to be printed and to lie on the table.)

Mr. CLARK submitted three amendments intended to be proposed by him to the bill (S. 3231) to provide indemnity payments to poultry and egg producers and processors.

ASSEMBLY OF THE WORLD HEALTH ORGANIZATION — APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. BROCK). The Chair, on behalf of the Vice President, appoints the Senator from New Jersey (Mr. WILLIAMS) and the Senator from New York (Mr. JAVITS) to attend the Assembly of the World Health Organization, to be held in Geneva, Switzerland, May 7–25, 1974.

ADDITIONAL STATEMENTS

TO RUSSIA—WITH LAW

Mr. ROBERT C. BYRD. Mr. President, an article entitled, "To Russia—With Law" by Charles Jules Rose recently appeared in the November-December issue of the lawyer's magazine. Case and Comment.

The article details the journey of 50 members of the Bar Association of the District of Columbia to Russia on a State Department approved good will trip undertaken to examine the legal system of the Soviet Union.

Mr. Rose endeavors to convey the impressions which he experienced and expresses the hope that the time and efforts expended by American lawyers seeking better understanding with their Russian counterparts will prove rewarding.

In addition to being a member of the bar of the Supreme Court of the United States, the author is a member of the bars of the U.S. Court of Appeals for the District of Columbia, the U.S. District Court for the District of Columbia, the District of Columbia Court of Appeals, the Superior Court of the District of Columbia, the Court of Claims and the U.S. Court of Military Appeals.

I ask unanimous consent that the article be printed in the RECORD.

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

TO RUSSIA—WITH LAW

(By Charles Jules Rose)

"It is highly appropriate that your tour of Russia begin here at the Russian Embassy in Washington, for this is, after all, Russian soil."

So said Valarian Nestorov, Counselor of the Russian Embassy when he addressed a gathering of members of the Bar Association of the District of Columbia and their wives who had come to the former Pullman mansion—two blocks from the White House, which is now Russian headquarters in the United States, to attend a briefing and reception prior to their trip to the Soviet Union to study the workings of the Soviet legal system.

SOVIET BAR STATISTICS

Nestorov was well qualified to speak to attorneys regarding legal practices and procedures having been a lawyer before entering the diplomatic service. Not all who aspire to the law in Russia attain their goal. After a brief apprenticeship Nestorov confided that applicants are told one of three things. Either:

1) "You are a fine person and we are happy to admit you to our profession," or

2) "You are a fine person but we believe you would be better qualified to practice with a bit more study," or

3) "You are a fine person and we are sure that you will be both happy and successful in some career other than the law."

According to Nestorov about 90% of all Russian litigation is handled by the Peoples' Courts. These are presided over by one judge who had judicial and legal training and two "lay judges" without any formal legal education. All three are elected—and all three have equal say and vote in the decision making process.

Quickly, in concluding, Nestorov ticked off such varied and fascinating items as: Women constitute about one-third of the Russian bar. Clients are assigned to those lawyers believed to possess particular competence in the field of law at issue. As a fringe benefit, Russian lawyers may send their children to free summer camps.

VISITOR ORIENTATION

A few weeks later the audience was the same but the setting and speaker different when the members of the D.C. Bar met in the West Auditorium of the Department of State to hear John D. Scanlan, Officer-in-Charge Bilateral Political Relations of the Office of Soviet Union Affairs.

It was at the close of a long hard day and Mr. Scanlan revealed that he had just finished negotiating "on a rather low level" with his Russian counterparts. While he found the general atmosphere for negotiations had eased since President Nixon's visit, results in matters of substance were still hard to come by.

Nevertheless, Mr. Scanlan stated his belief that this was a "historic point of time" and an extremely "good moment" for American attorneys to go forth to meet their brethern in the Soviet Union.

Yet, he was restrained to observe that whenever Russian ties with the West relax externally, there is a "tightening up" within.

As far as Scanlan knew, the District of Columbia Bar was one of the first organized groups of attorneys to ever visit the Soviet Union.

Despite a few "political trials" staged for a world wide audience, this would mark the first time that Russian court procedure would be revealed to visiting foreigners. He predicted wryly not to be too surprised if we found the Court exhibiting "the wisdom of Solomon."

Quite surprisingly Scanlan suggested that members of the bar speak with candor in their philosophical discussions with the Russians feeling that nothing would be gained by either side if members of the American bar either stood mute or restrained their impulses to make legitimate points on the vital differences existing between our systems.

Scanlan concluded his remarks with the plea that we go forth and "really sell them on law as a system."

Before the meeting at the State Department concluded, Bar Association President Bernard I. Nordlinger who had made a comprehensive study of Soviet law rose to caution that it must be remembered that under the Czars there was no legal system other than that of royal fiat and what law is now in existence dates only from the Revolution. In short, the Anglo-Saxon common law tradition of centuries is in no way paralleled in Russian legal development and any attempt to do so would prove unproductive.

During the flight many discussions were held as to what lay ahead. Prior to our departure, Professor Samuel Dash of the Institute of Criminal Law and Procedure of the Georgetown University Law Center, now Special Counsel to the Senate Select Committee investigating the Watergate matter (who had visited Russia himself on a private mission), had sent out letters wishing the group well but predicting, "It is doubtful that you will be permitted to see Soviet courts or any part of the Soviet legal system in action. I was unable to accomplish this even with the most earnest efforts of our Embassy. I met a number of American lawyers and judges traveling in the Soviet Union who complained of the same 'closed door.'"

THE RUSSIAN SCENE

Once our plane landed in Moscow we were whisked through customs without a single

bag being opened and inspected. Accommodations were provided us not in the customary Intourist Hotel reserved for foreigners, but in the Rossia, a recently built, 6,000 capacity structure across from the Kremlin, Red Square and Gums department store, where Russian functionaries and businessmen on trade missions abound. It seemed apparent that our visit had been accorded a rather high priority rating.

Our first day in Moscow was a full one. In the morning, sessions were scheduled at both the Legal Advice Office and the College of Barristers. In Russia, the term "lawyer" is misleading, for it includes both legal advisors and advocates. Where possible, legal advisors attempt to avoid litigation, but when litigation is inevitable the legal advisors refer clients to the College of Barristers where advocates are assigned to represent them. Only advocates participate in trial work. Clients are discouraged from pleading their own cases. There being a Russian proverb proclaiming, "As it is better to have butter with porridge it is better to have a lawyer with a case."

The 950 advocates who compose the College of Barristers in Moscow are headed by Chairman Konstatin Apraksin and Deputy Chairmen Isaac Sklylansky and Mikhail Kozin all of whom met with our group. This is the 50th Anniversary Year of the College and badges commemorating this milestone were proudly distributed to the attorneys attending the session. Chairman Apraksin said, "We meet possibly for the second time for we may have met previously at the Elbe. Thoughts of great people always meet even though distance separates them. Let us have your questions . . ."

COURT STRUCTURE

Responding to a question, Apraksin outlined Russia's four-tier court structure:

1) Peoples' Courts—These are courts of the first instance handling minor cases.

2) Regional Courts—These are courts of the seecond instance handling appeals from Peoples' Courts and more serious cases.

3) Supreme Court of the Republic—Russia is composed of 15 Republics as we are of 50 states. Each Republic has its Supreme Court.

4) Supreme Court of the Soviet Union—Highest judicial authority in the country. It is supreme over all other tribunals but its jurisdiction is limited in that it cannot rule on the constitutionality of legislation or administrative decrees.

The administrative officers of the College of Barristers that we met with who assign causes to advocates for trial are elected for two year terms by secret vote of their peers. If not re-elected they return to the bar as advocates. The next election is scheduled shortly. When asked what he thought that his chances of re-election were, Chairman Apraksin with great candor and good humor confided: "Maybe the members will say, 'What we have now is not so wonderful, but if we change we may have worse,' Still there are nights before an election when you don't sleep so well. You keep recalling those haunting lines from an opera by Pushkin beseeching, 'What is in store for us? What will the next day bring for us?"

CRIME AND PUNISHMENT

That afternoon a jammed conference room of Moscow's House of Friendship featured a session with Russian judges, advocates and judicial administrators. Here the subject of "punishment" for crimes was first broached. Among several approaches unused and unknown in the West were:

(1) Suspension: A temporary exile. The offender is sent to another part of the Soviet Union away from friends and family as a punishment until he has proved himself.

(2) Corrective labor camps: Offender is paid normal wages less a 20% reduction as punishment.

(3) Confiscation of personal property: Taking an offender's home and/or car, savings, etc.

Earlier in the day Chairman Apraksin had declared, "Once a criminal has served his sentence he is not penalized further. He enjoys equal rights with all other citizens."

THE LENINGRAD BAR

Leaving Moscow the party journeyed to Leningrad where they learned that the Leningrad Bar consists of 524 advocates of which approximately 370 including the Chairman are members of the Communist Party. The advocates elect a governing Presidium of 11 members who in turn elect a Chairman.

When Chairman Lev Slitenko was asked what were the most pressing problems facing the Leningrad Bar he listed: improving the qualifications of advocates, to "advertise" lawyers, and to improve the discipline of the bar. ("Advertising" we gathered meant improving the public image of the bar.)

LEGAL EDUCATION

The group received an excellent insight into legal education in Russia from Chairman Slitenko whose 17-year-old son is a student at the University of Leningrad studying law.

Slitenko was obviously proud of his son and the choice that he had made to become an advocate. For a while Slitenko was concerned, "After all the judiciary and the state administrative offices have so much more glamour," he confided.

Each year, by competitive examinations, 100 students are chosen to attend the University of Leningrad Law School for the five year course. Subjects include: criminal law, criminal trials, administrative law, international law, psychology, public and private law, labor law—in all a successful candidate must pass 53 law school examinations.

Upon graduation, the advocate repays the state for his education—including a monthly living stipend given him while attending law school, by practicing for three years at a place assigned him by the state—usually in a community lacking adequate legal services at the moment. Later, the graduate is free to practice where he pleases.

ATTENDING A TRIAL

President Bernard Nordlinger of the District of Columbia Bar Association and Past President George Monk, together with 6 other members of the delegation chosen by lot, attended a Regional Area Appellate Trial in Leningrad.

The size of the delegation was limited by the size of the austere courtroom. The three robeless judges, one a woman (70% of Leningrad judges are women), did not sit on an elevated dais of any sort but at a table flanked by the tables of the opposing parties and a few feet from the table of the procuracy.

The procuracy is a distinctive Russian appendage to the judicial system. Acting on the premise that the state has an interest in all litigation, an advocate representing the state is present and actively participates in all trials. The function of this advocate is to inform the Court what decision is in the best interest of the state and presumably to report any impropriety in the trial proceedings to the appropriate authorities.

The appeal involved custody of a child residing with maternal grandparents. The mother had died in childbirth and her parents had looked after the infant until the father, who won in the court below, brought action to recover custody. The representatives of all parties, including the procuracy were women. All counsel argued at length in non-fearful well modulated tones. The maternal grandparents argued that the father should not have custody as being an engineer he was away a great deal and his parents could not look after the child better than could they in the father's absence. (Contrary to the American practice, a Russian appellate court may and did question and take testimony from the parties as well as their counsel.) While there is no body of common law in Russia the rather well settled principle that in custody matters a parent prevails over a grandparent proved decisive. The child was awarded to the father. Those attending felt that the case was well handled and that all parties had done their best in a case involving the greatest of human stress and passions.

Meeting with the Washington attorney in his chambers after the trial, one of the judges reported with pride that in Leningrad, a city of some seven million, there had been only 9 murder trials last year and to that date this year not a single armed robbery trial. (There is a three year penalty for having unlicensed firearms. This, he believed, served as a most effective deterrent.)

SOME FRUSTRATIONS

In Kiev the group held an intensive seminar during which all that had been read and studied prior to the trip was compared with all that had been observed during the trip, and it was concluded that, as in many countries, there was a tremendous gap between Russian legal theory and practice.

Particularly frustrating were variances between what we had been told in various places and by various officials. One authority, for instance, assured us that an accused could not be held for more than 48 hours before charges were brought. Another said 72 hours. When a member of the group in questioning a third mentioned, "holding an accused, say for six months, before charges" no exception was taken to his assertion. While much confusion can be blamed on translation difficulties and differing conceptual frames some discrepancies were too blatant to merit such easy rationalization.

Frequently one pair of hands in the Russian bureaucracy does not know what the other 248 million are up to. For instance, the Intourist Office in Moscow informed the Washington attorneys that they would be able to observe trials at length in Sochi—a Black Sea resort frequented by Stalin, having a population of 225,000. Alas, upon arrival we were informed, "There have been no courts held in Sochi since the Revolution."

SUMMARY

What was gained from the trip?

Those who participated felt that a beginning for achieving a greater understanding of the Russians and their system of justice was made. They believe that invitations for return visits extended to those whom we met, with proper governmental encouragement, stand a good likelihood of being accepted. When we show our Russian colleagues our courts—and tell them our problems: crowded dockets, submarginal facilities in many instances, shortage of judges and all the rest, they may feel freer to discuss with us their system and their problems. When this occurs it is not unreasonable to believe greater understanding and rapport between us will follow.

One thing is certain.

Those lawyers of the District of Columbia who expended their time, money and efforts on this project will never regret taking the initiative in a cause larger than they.

THE BUDGET

Mr. TOWER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from Arizona (Mr. GOLDWATER).

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

STATEMENT BY SENATOR GOLDWATER—THE INTOLERABLE FEDERAL BUDGET

Inflation is the insatiable marauder, stealthily stealing away the savings of the American people.

Inflation is also the great masquerader, wearing the garments of friendship—increasing equity values to inspire a false sense of security and well-being. Inflation erodes the purchasing power of the workers' wage dollar, fueling an escalating demand for pay increases.

Even the Keynesian economists who embrace the notion that in small amounts inflation contribute to the health of the economy, are appalled and frightened by what is now taking place. Their good genie has become an uncontrollable ogre.

And what is the cause of this inflationary spiral?

Labor has contributed to the wage-push effect.

Big business has contributed through its monopolistic combines.

Federal spending in unlimited amounts has greatly increased inflationary pressure.

The balance of payments picture . . . the rapid emergence of Japan and West Germany as industrialized nations claiming an ever-increasing share of the world's markets are blamed.

The finger of guilt is pointed in a hunderd different directions. But we cannot escape the fact that inflation is irrefutable evidence of imprudent fiscal policies on the part of the Federal government.

When I came to Congress in 1953, the Federal budget was slightly less than $77 million. The budget for fiscal 1975 is now estimated at $304 billion.

In only four of the last twenty-two years has government income exceeded government expenditures. Our national debt has risen from $266 billion to an estimated $486.4 billion for the fiscal year 1974, and to that figure we must add the anticipated $20 billion deficit in the budget figure now before us.

I have publicly questioned the wisdom of the budget sent to this Congress by the Republican administration. I have said it is intolerable to contemplate a $20 billion deficit in 1975.

The federal deficit, stripped of all its respectable camouflage, is printing press money—it is money created by the federal government and the central bank. Government has removed the gold support and now forbids the citizen to own gold. Government has taken the silver from our coinage, and substituted base metal tokens. The paper dollars of commerce today are no more than the I.O.U. of the federal government—a government which is in debt for $479 billions of dollars.

How did we arrive at this present deplorable state? It is true the executive proposes a budget, but it is the Congress which appropriates and spends the money. It is the Congress which initiates on-going programs which become increasingly expensive with each passing year.

Mr. President, since 1950 the Democrats have controlled Congress twenty-three of the twenty-five years. During this period Congress has increased budget outlays over $272 billion, an average of $11.8 billion dollars per year.

It is the Congress which has abdicated its responsibility. More than 70 per cent of the present budget is committed to functions and agencies of the Government over which the Congress can exercise no control in any given budget year. The funding has been committed by past Congresses.

Like the nose of the camel under the tent, a new program is authorized with limited funding. But the authorization carries a commitment for annual increases and each agency has a life of its own, and each new experiment in social welfare becomes autonomous and self-expanding.

For the past twenty-five years our fiscal policies have been controlled by men in Congress who believe that any problem can be solved through the application of lavish amounts of federal funds. We have done this, and the problems are still with us.

The Congress, following the lead of President Lyndon Johnson, established a host of new social agencies. The objective was laudable, and we must believe that some good has been accomplished. But now we must consider—are the benefits received worth the price we have paid?

Twenty-five years of reckless deficit spending have brought us to the brink of financial disaster. Our chickens have come home to roost.

I know, Mr. President, that spending is popular, t at every member of Congress is subjected to extreme pressure from the supporters of particular programs.

When I came to the Senate I believed that most thoughtful citizens were eager to see efficiency in government, wanted wasteful spending ended, would support a member of Congress who worked to that end. Before I had been here a year I discovered the painful truth—that it is quite all right to cut the other fellow's program, but don't touch our particular area.

This type of citizen thinking was brought home to me quite forcefully when it was decided to close a military base in my state. This training base was no longer needed, and continued expenditure of public funds there could not be justified. I was in favor of closing the base.

A delegation of good, solid citizens from the community nearest that base descended upon me in Washington. They didn't want to lose the payroll; they didn't want to lose the federal purchases; they didn't want to lose the population. I pointed out that the base was .o longer needed, that to keep it was unnecessary and wasteful. I didn't impress them. They wanted that federal payroll and that federal money, and they made it plain they believed it was my duty as one of their Senators to help them preserve that small island of privilege.

We closed the base, and I think by now the members of that delegation have forgiven me. I recite this history only because it is necessary for all of us to understand the realities of our responsibility to all the citizens of this nation. Now is the time for the members of Congress and for the policy-making leaders of this administration to recognize that our resources are not inexhaustible.

We once had a President who turned out the lights in the White House to save pennies on the electrical bill. I suggest now it is time for us to turn the floodlight of public disclosure on the fiscal policies of the federal government in order that we may lead our countrymen to recognize the danger of present policies.

Will the Congress continue to spend at an ever-accelerating rate? Will we continue to indulge our whims and desires, placing a mortgage on the earnings of our children and their children?

Will we continue and condone those practices which have made it impossible for any Congress to truly control the expenditures of government? Will we hide our head in the sands like the ostrich? Will we refuse to face the present reality, and like Scarlet O'Hara put off thinking about that until tomorrow?

Now is the time for the Members of this Congress to examine their own conscience, to recognize the errors of the past, to put aside profligate policies, to tell it like it is.

Mr. President, the American people are not little children. Today they are uneasy, frightened, prisoners of multiplying uncertainties, and the evil genius of our current malaise is inflation.

The American people deserve to be told the truth. They have demonstrated their courage to accept bad news, their willingness to sacrifice now for the sake of a brighter tomorrow. This Congress holds in its hands the future of every American, and perhaps the future of the world. The house of freedom and opportunity, the monuments to individual dignity which have been erected on these shores, are now in jeopardy.

The institutions created by almost two centuries of labor can be destroyed the moment public confidence in our currency is destroyed. The memory of the misery of the Germans following World War I shouts a warning. Mr. President, the Administration's proposed budget for fiscal '75 must be reduced.

Like the prudent householder dedicated to remaining solvent, we must limit the federal expenditure to the federal income. We must commence reducing the federal debt.

No single member of this Congress, Mr. President, would attempt to handle his personal finances as we have in concert—handled the finances of government entrusted to us by our constituents.

If we refuse to act, if we pursue the easier path, the holocaust may not descend upon us this year or next year. But inevitably, the day will come when the people, distrusting their country's currency, will lose all reason to believe in the integrity of their government, and that most noble of experiments in the freedom of man will be dragged down into the dust. The government of the United States of America will either disappear or be so distorted as to no longer be recognizable.

Only the Congress of the United States has the power to implement the necessary reforms. May God grant that the Congress has the courage to act now.

COLLEGE COSTS ON THE RISE

Mr. HARTKE. Mr. President, there is no more important set of institutions in our society than those which comprise our educational system. I place greater importance on them than governmental institutions because, in a democracy, Government does not function properly with a population which is uninformed and insensitive to society's needs and goals.

It should be our purpose to assure that every American is educated to his or her fullest potential. Twelve years of basic education is necessary for everyone, with the opportunity for postsecondary education for those who desire it and whose interests and potential make it feasible.

Unfortunately, the costs of postsecondary education have been rising steeply during the past several years. Even if colleges do not expand every year, their costs rise. With rising costs must come rising tuition, putting postsecondary education out of the economic reach of more and more students each year.

Mr. President, the middle income family is suffering the most from this rise in postsecondary education costs. I ask unanimous consent that an article describing new cost increases which appeared recently in the New York Times be printed in the RECORD.

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

COLLEGE COSTS WILL RISE BY 9.4 PERCENT IN FALL

(By Gene I. Maeroff)

The cost of a college education, which has been causing growing anxiety among American families, will rise again next fall, making it 9.4 per cent more expensive than this year and 35.8 per cent more than it was four years ago.

A report released yesterday by the College Entrance Examination Board, based on a survey of 2,200 institutions of higher education, shows that in the coming academic year a student living on campus at an average four-year private college will have to pay $4,039, which is $346 more than this year.

Beset by mounting costs in an economy squeezed by inflation, few colleges and universities seem to be winning the battle to hold down expenses. The effect of inflation is such, according to the report, that by next fall a family will find it almost as costly to maintain a commuting student living at home as to send a student away to live at college.

"Meeting the costs of a college education is a problem more and more American families face every year," the college board says in its report. "Not only the lower-income family, but also middle-income and upper-income families are finding it increasingly difficult to meet these costs."

The report makes the following findings:

Community colleges, traditionally the least expensive type of higher educational institution, will have a larger percentage increase in tuition next year than private or public four-year colleges and universities.

Despite the fact that tuition is increasing at a faster rate at public four-year institutions than at private ones, it will still be far cheaper next fall for resident students at public colleges and universities—total cost: $2,400—than for those at private institutions—total cost: $4,039.

The cost of room and board for students living away at college, which requires the largest outlay after tuition, will be fairly similar next fall at public ($1,116) and private ($1,207) institutions.

While averages give a general indication of what the costs will be at colleges and universities, there is a wide range of individual differences.

Among the most expensive four-year private institutions, Harvard will cost $5,700 and Princeton $5,825, according to the college board report. By comparison, the State University of New York College at Brockport will cost $2,800 and Slippery Rock State College in Pennsylvania will cost $2,350.

All of the costs computed by the board, on the basis of figures it says it received from financial aid officers at the various institutions, include tuition, room and board, transportation and miscellaneous expenses, including books and toiletries.

There is apparently little hope for financial relief for middle-income and upper-income families that have been complaining this year about soaring college costs and the scarcity of grants and loans. The state of Ohio has put a moratorium on tuition increases at its public institutions and the University of Michigan has reduced its tuition, but these actions do not seem to be harbingers of a trend.

The tuition-free City University of New York will remain one of the best bargains in higher education next year. Student fees at the various C.U.N.Y. units will average $100 a year. The university estimates the total annual costs of its average commuter student next fall will be $1,040.

Copies of the report, entitled "Student Expenses at Postsecondary Institutions 1974–75," are available for $2.50 each from Publications Order Office, College Entrance Examination Board, Box 592, Princeton, N.J. 08540.

The report was prepared under the auspices of the board's college scholarship service, which helps institutions of higher education analyze the financial needs of students applying for grants and loans.

Here is a sampling of the costs, subject to change between now and the fall, that resident students at institutions around the country can expect to pay during the 1974–75 academic year:

	Tuition and fees	Room and board	Total
California:			
Claremont	$3,044	$1,456	$5,100
University of California at Berkeley	640	1,830	3,290
Florida: Miami	2,640	1,320	4,920
Georgia: Georgia Tech	530	1,120	2,350
Illinois: Northwestern	3,180	1,400	5,280
Kansas: University of Kansas	560	1,290	2,540
Maryland: Johns Hopkins	3,100	1,580	5,480
Massachusetts:			
Boston University	2,990	1,557	5,100
Brandeis	3,100	1,400	5,100
Mount Holyoke	2,950	1,550	5,100
Radcliffe	3,200	1,875	5,750
Smith	3,030	1,550	5,250
Wellesley	3,050	1,600	5,250
Minnesota: Macalester	2,550	1,110	4,200
New Hampshire: Dartmouth	3 570	1,545	5,900
New Jersey:			
Bloomfield	2,080	1,260	4,000
Fairleigh Dickinson	2,150	1,300	4,050
Stockton State	666	1,320	2,700
Rutgers	725	1,300	2,700
New York:			
Adelphi	2,650	1,337	4,537
Barnard	3,100	1,520	5,120
New Rochelle	2,300	1,400	4,400
Columbia	3,430	1,700	5,900
Hamilton	2,900	1,330	4,730
Hofstra	2,570	1,550	5,270
Post	2,460	1,300	4,610
Pace	2,200	1,775	4,395
Pratt Insititute	2,600	1,600	5,500
Skidmore	3,390	1,510	5,550
S.U.N.Y. Fredonia	785	1,280	2,825
Vassar	3,165	1,350	5,065
Pennsylvania:			
Haverford	3,045	1,700	5,245
University of Pennslyvania	3,165	1,535	5,350
Tennessee: Fisk	1,950	1,285	3,835
Texas: University of Texas	366	1,300	2,400
Wisconsin: Marquette	2,250	1,300	4,200

SPRING BRINGS GOOD NEWS

Mr. HARTKE. Mr. President, it was at the beginning of spring 3 years ago that I testified before a Senate subcommittee considering the fate of some of Washington's historic buildings. The weather outside the hearing room was filled with sunshine, but the future of those buildings looked rather bleak.

Since that day, we have gone through periods of desolation when it appeared that the bulldozer would be ready to begin its destructive work at any moment, but we have emerged into a new springtime when people are more intent upon rejoicing in that which is around us.

Not too long ago, I read that there was a new move afoot to preserve the Old Post Office here in Washington. And, more recently, I learned that the Pennsylvania Avenue Development Commission had proposed the retention of the Willard Hotel and the Washington Hotel as part of a revitalized Pennsylvania Avenue.

We must refurbish much of downtown Washington, not just the area seen by tourists; but, as we refurbish, not all of the past should be wiped away by the shovel and the bulldozer. I trust that the approach taken by the Pennsylvania Avenue Commission will be approved by Congress and emulated by other renewal groups throughout the Nation.

Mr. President, I ask unanimous consent that an article on this subject which appeared on March 23 in the Washington Post be printed in the RECORD.

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

A NEW HUMILITY FOR AN OLD NATIONAL AVENUE

(By Wolf Von Eckardt)

The Willard has been pardoned—conditionally.

Ten years ago, the President's Council on Pennsylvania Avenue condemned the handsome, historic hotel to death by demolition. The sentence was pronounced in an expensively printed and beautifully illustrated cloth-bound book proposing the total and somewhat totalitarian redevelopment of the avenue.

The Queen's messenger came quietly last week in a 50-page, typewritten plan for the avenue proposed by the new Pennsylvania Avenue Development Corporation. It doesn't even have a cover on it.

The corporation says saving the Willard is its "first and preferred alternative" if the money can be found for its rehabilitation.

The old council of august architects and urbanists wanted to demolish the Willard and a good many other fine buildings around it to create a large "National Square" that would have been the crowning abstraction of a "grand avenue" of abstract monumentality.

The scheme was conceived in the spirit of the time, a time of national affluence and arrogance.

The new plan by the new corporation, directed by citizens and officials and only one architect, reflects a new humility—a fundamental change in the nation's approach to its history and its cities.

The corporation says that as it drew up its plan, its staff consulted community, business and professional groups in more than a hundred meetings. The most thoughtful of these groups, perhaps, was the new planning division of the District of Columbia government.

In a discussion paper put together by John Fondersmith, the city's planners acknowledge that Pennsylvania Avenue "is the great symbolic street of the nation." The link between the Capitol and the White House, however, is only symbolic. In reality, the avenue does not touch either center of power directly. The fact is that you cannot even see the White House from the avenue. The symbolic importance comes to the fore only once every four years, when the inaugural parade is held.

The city's planners want to give the avenue importance on the 1,459 days in-between. They want to make it a lively part of a lively downtown.

"We should ask ourselves," the city's discussion paper says, "whether our children and grandchildren would rather have a Pennsylvania Avenue with eight more buildings like the new FBI headquarters along its north side, or whether they would rather have an avenue reflecting the development of the nation. We believe the answer is clear."

It became clear to the corporation's small planning staff, headed by John Woodbridge, a newly elected fellow of the American Institute of Architects.

Instead of cataclysmically seeking to redevelop the avenue, the corporation proposes to develop the many unique assets the avenue already has. It would give importance, not to the abstract symbolism, but to the real potential for life on the avenue.

Pennsylvania Avenue has width, sweep and grandeur. It is the most dramatic urban setting in the nation. This asset is to be enhanced by wide sidewalks paved with material that will be pleasant to walk on, more shade trees and other planting and amenities that will invite people to visit.

And to give the visitors comfort and company at all hours, this asset is further to be enhanced by housing and hotels.

Pennsylvania Avenue has history. Its history is not just contained in books, but manifest in many of the avenue's buildings—the Willard and Washington hotels, Rhodes

Tavern, the Evening Star Building, the Old Post Office, the Apex Building, the National Bank of Washington branch, the Gilman's Drugstore building which once housed the studios of Civil War photographer Matthew Brady, and several others. The corporation would save and recycle them for new uses and enjoyment along with the many diverse statutes and monuments that have, over the years, mushroomed along the avenue.

And Pennsylvania Avenue, which is now a Berlin Wall between our seedy downtown business district and tourist attractions on the Mall, could be the place where the two become one. Most tourists don't even know there is a downtown beyond the avenue. It isn't a downtown worth knowing.

The corporation's designers have set out to meet these objectives with ingenuity. Their plan has three major features.

Between 6th and 7th Street, around the Apex Building, originally built in 1859 and endowed with its picturesque towers in 1886, they propose what they call a "gaslight district," a tightly clustered complex of old and new buildings full of shops and eateries of all kinds. With or without actual gaslights, the old buildings, plazas and arcades should give the place atmosphere and warmth.

The next two blocks, between 7th and 9th Streets, would be the site of a housing development designed by Hugh Newell Jacobsen. The corporation's economic consultants, Gladstone Associates, assert that there would be a strong market for small, middle-income households.

Jacobsen has come up with a design that maintains the downtown city scale on the exterior of the block but has an intimate townhouse scale in the interior.

Seen from the avenue, the structure would rise 85 to 90 feet. It is to have an arcade with shops on the ground level. The next three stories would contain offices and above them would be four stories of apartments.

Within the block, however, you stand inside a huge cup, as it were. The housing units are designed like townhouses along tiers, or risers, that serve as landscaped walkways. The "houses" step down to an interior plaza. The structure is pierced by the proposed 8th Street pedestrian mall leading from the Archives to the Portrait Gallery. Clever.

This "hilltown-in-town" is to contain 1,500 housing units, parking on various levels, lots of shops, the Woodrow Wilson Center with its offices, meeting rooms and apartments for visiting scholars. The corporation hopes that the Archives, which needs space to expand, will expand into the basement of the Jacobsen village and thus defray some of its cost.

The third prominent design feature is on the block between 14th and 15th Streets. The Willard and Washington hotels are to be retained—at least under the preferred alternative—and between them is to be an open plaza, backed by a new office building that would front on F Street. The office is to help defray the cost of rehabilitating the Willard, which has been closed since 1968 and has fared no better than a man in a death cell awaiting his execution.

Between 10th and 14th Streets, that is between the beautiful Willard and the beastly FBI, commercial development is to take its course.

In the months to come, there will be a great deal of discussion about the wisdom and cost of all this. The corporation's report has been sent to the mayor and the Secretary of the Interior who, under the legislation which set up the corporation, now have 90 days to mull it all over before it goes to the Hill.

There will be public hearings and outcries but also, I should hope, public praise for the intents of this plan and its basic features. The corporation has probably made a greater effort than anyone in this town ever made to arrive at a community consensus, at a plan that makes sense not just for the federal interests, but for the city.

It will cost money to bring people and life back to the city, but once the investment is made, the people and life will generate the income to make the investment pay.

In the end, the problem of Pennsylvania Avenue is not a problem of architecture or public money, but of public confidence. If the public and the investors can be brought to believe that something will happen at last, something will happen at last.

Confidence, however, is not very high in a city where an agency of the federal government brings in its bulldozers early on a Sunday morning to tear down cherished old buildings while their fate is still being publicly discussed.

ATTACKS ON THE PRESIDENT

Mr. CURTIS. Mr. President, I do not want to belabor the point that people in high public places make mistakes the same as other human beings.

We all know this to be true, and it is no defense except as to the mitigating effect if it was a decision made and carried out by someone down the line to whom the top person had delegated the responsibility. And, of course, we sometimes weigh the question as to whether it was "an honest mistake."

We have heard much discussion in the press and in the Congress in recent months, and the impression has been given that all the mistakes reflecting poorly on the United States and its mores and its governmental system have been mistakes made by Richard M. Nixon or his appointees and close associates.

I do not defend wrongdoing. I think it should be exposed and prosecuted when law violations have occurred and can be proved. Likewise I do not defend slandering. I think it should be exposed and the record set straight. And just plain misinforming of the public, honestly done, should be exposed and corrected in the public record.

It is a serious mistake, honest or not, that prompts me to speak now. I think a gross disservice has been done to the President of the United States and to the people of the United States by some of the attacks that have been made on the President—attacks that can in no way be substantiated by facts and hardly even can claim partial hearsay as a basis.

I refer again to a matter I brought before the Senate on March 4, involving certain charges that were made by a distinguished Member of the House of Representatives, the Honorable THOMAS P. O'NEILL, of Massachusetts, the majority leader of the House.

Speaking at a seminar at the Kennedy Institute of Politics in Cambridge, Mass., Representative O'NEILL stated that he has seen the evidence that the grand jury has taken in the Watergate case, and that it is so "damaging" that Special Prosecutor Jaworski could have indicted the President.

Representative O'NEILL further declared:

> Rather than see the evidence made public, I think the President will resign.

Those statements were carried nationwide by the Associated Press after they were broadcast on radio station WHRB in Cambridge.

They constitute not only very serious unfounded charges but a breach of the confidentiality of grand jury proceedings, a matter of highest concern to the judicial officers in charge of the courts of the land. They warrant thorough investigation to determine the source of the breach of confidence which in itself is the basis for a contempt proceeding if facts supporting such a charge against one or more individuals can be developed.

I told the Senate about this problem on March 4 and placed in the RECORD of that date a copy of a letter which Rabbi Baruch Korff, general chairman of the National Citizens' Committee for Fairness to the Presidency, had sent to Attorney General William B. Saxbe requesting an investigation to try to establish the facts.

Rabbi Korff phrased the problem thusly:

> The two direct quotations attributed to Majority Leader O'Neill at the very least, strongly imply that he has either had access to and read minutes of the grand juries sitting on Watergate matters or he has discussed in detail evidence presented to these grand juries with Mr. Jaworski or informed members of the Jaworski staff.

He stated further:

> If indeed Majority Leader O'Neill made such statements, protection of the Presidency, the integrity of the separation of Congressional (O'Neill), and Judicial (Grand Juries), and Executive (the President and the Special Prosecutor) powers has been seriously violated by making available either directly or indirectly to Representative O'Neill the evidenced presented to the grand juries. Either Mr. Jaworski or the members of his staff and Representative O'Neill should be brought before the courts at least to be reprimanded and perhaps to be more severely punished for what would be such a serious violation of the laws and rules of court if these facts are correct.

I believe Rabbi Korff has a good point. I was, therefore, disappointed when he informed me yesterday that the Attorney General had turned down his request. He made available to me a copy of the reply that was sent to him from the Department of Justice, a letter dated March 19 signed by the Assistant Attorney General in charge of the Criminal Division, Mr. Henry E. Petersen.

Mr. President, I ask unanimous consent to have printed in the RECORD a copy of the letter received by Rabbi Korff from Mr. Petersen.

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

> DEPARTMENT OF JUSTICE,
> *Washington, D.C., March 19, 1974.*
>
> Rabbi BARUCH KORFF,
> *General Chairman, National Citizens' Committee for Fairness to the Presidency, Providence, R.I.*
>
> DEAR RABBI KORFF: The Attorney General has referred to me your letter of February 28, 1974, regarding remarks attributed to Representative Thomas P. O'Neill by WHRB radio and the Boston Globe at a seminar at the Kennedy Institute of Politics, Cambridge, Massachusetts on February 25, 1974.
>
> As a member of the House Judiciary Committee, which is currently conducting an inquiry to determine whether impeachment proceedings should be instituted against President Nixon, Congressman O'Neill is privy to all of the evidence which the Committee has obtained to date. Accordingly, I believe it is reasonable to assume that the remarks attributed to him regarding the damaging nature of the evidence against the President were based on his knowledge of evidence in the Committee's possession, rather than access to grand jury minutes or

discussions of grand jury evidence with Special Prosecutor Leon Jaworski or members of his staff.

Under these circumstances, therefore, I do not believe that any investigation of this matter is warranted.

Sincerely,

HENRY E. PETERSEN,
Assistant Attorney General.

Mr. CURTIS. Now, Mr. President, you will recall I began by mentioning how people in high public places sometimes make mistakes. I am sure Mr. Petersen will agree with me on that. He has been prominent in pointing out the mistakes made by others during his brilliant career at the Justice Department. I specifically recall he has been quoted extensively in the public media as having recommended early to President Nixon that he dismiss certain of the President's top staff members for alleged mistakes they had made.

Against that backdrop, Mr. President, I challenge Mr. Petersen to explain the statement that—

As a member of the House Judiciary Committee, which is currently conducting an inquiry to determine whether impeachment proceedings should be instituted against President Nixon, Congressman O'Neill is privy to all of the evidence which the Committee has obtained to date.

As a matter of fact, Congressman O'NEILL is not a member of the House Judiciary Committee. He is not a member of any committee or body that is privy to the information gathered by the Judiciary Committee or any other committee or any grand jury as to any possible criminal actions by the President. Neither he nor Mr. Petersen has any basis in fact for claiming that he, Congressman O'NEILL, is in some kind of special position which entitled him to view any evidence in the case and proclaim it "damaging" enough to force the President to resign or be impeached.

I further challenge Mr. Petersen's followup assertion that—

Accordingly, I believe it is reasonable to assume that the remarks attributed to him regarding the damaging nature of the evidence against the President were based on his knowledge of evidence in the Committee's possession, rather than access to grand jury minutes or discussions of grand jury evidence with Special Prosecutor Leon Jaworski or members of his staff.

Congressman O'NEILL made his remarks on February 25.

As a matter of fact, the House Judiciary Committee did not really complete its staff organization for purposes of conducting its impeachment inquiry until the first week in February. The first staff report was not presented to the Judiciary Committee until February 21. As of February 25, the Judiciary Committee had not received any tapes of Presidential conversations nor had it received any information from the Special Prosecutor or the grand jury. As a matter of fact, the tapes from the White House did not begin reaching the committee until after March 6 and the secret report of the grand jury was not delivered to the committee by court order until March 26.

How did Congressman O'NEILL see evidence that was "very damaging" upon which he based a statement that Special Prosecutor Jaworski could have indicted the President, all by or before February 25?

I submit, Mr. President, there is only one way Congressman O'NEILL could have made such a claim and meant it, and that is by having access to the records of the Special Prosecutor's office or conversations with members of the Special Prosecutor's staff in which confidential information was conveyed to him orally. His exact statement was that "From what I have seen" the evidence was damaging to the point that the Prosecutor could have indicted the President.

By February 25?

Impossible, except by leaks of highly confidential information.

I am sincerely disappointed and indeed astounded that Mr. Petersen concluded his letter to Rabbi Korff by saying:

Under these circumstances, therefore, I do not believe that any investigation of this matter is warranted.

As a matter of fact, this apparent breach of executive or judicial confidence cries out for investigation.

I am today contacting the court and turning over the information I have compiled, together with a request that the court conduct an investigation into the leaks of confidential information to Congressman O'NEILL in this specific instance involving public statements he made at the Kennedy Institute of Politics in Cambridge, Mass., on February 25. I hope the court will see it in a different and more serious and more accurate light than did Mr. Petersen speaking for Attorney General Saxbe.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, one of the most common complaints leveled against lawmakers and politicians is that they do not pay enough attention to the human side of political issues. Sometimes it is not difficult for us to get caught up in a seemingly all-inclusive net of statistics, technicalities, facts, and figures that tend to upstage the actual issues at stake.

The United States did not come out of World War II without having learned something about man's capacity to occasionally commit infamous crimes such as genocide. Now in that struggle our forces were able to defeat our opponents; but today, when military strength is measured in how many times it can destroy the Earth, we must find other ways to check this human capacity for inhumanity. This is why I feel it is important to view the issues with which we deal from the human standpoint.

The International Convention on Genocide is just such an issue. It was designed with human rights and human concerns in mind. It was drafted over a quarter century ago. And it still awaits action in this Chamber. In an age where we must find alternative methods of protecting human rights to avoid reliance on our military might, it is imperative that we build up a system of international law to protect rights of all. The Genocide Convention is a vital step in establishing this type of law. It has been ratified by 76 other nations already. We are one of only two charter members of the United Nations who have not yet ratified the treaty.

The only action necessary in this country is the advice and consent of this body. No action is needed in the House. The President has already endorsed it. Mr. President, we must act with all possible speed to ratify this treaty in the interests of human rights and safety.

DISCLOSURE OF INCOME, INCOME TAXES PAID, FINANCIAL HOLDINGS, AND OUTSIDE SOURCES OF INCOME

Mr. SCHWEIKER. Mr. President, as a U.S. Senator, I believe it is in the public interest to make a disclosure periodically of my income, Federal income taxes paid, financial holdings, and outside sources of income.

Therefore, today, Mr. President, I am voluntarily disclosing my 1973 income, Federal income taxes paid in 1973, financial holdings and outside sources of income. My honoraria are publicly disclosed in accordance with Senate rules.

For the calendar year 1973, my wife and I had an adjusted gross income of $63,814.22—line 15 of our Federal return—and we paid $15,767.65 in Federal income taxes. In addition, we have paid the Pennsylvania State income tax since its inception, and I have also paid the Worcester Township, Montgomery County, Pa., wage tax since its inception.

The only stocks which my wife and I own are Harleysville Life Insurance Co., Merrill Lynch & Co., and National Gypsum Co. My wife and I receive dividend income from these stocks.

We hold no real estate other than that at Worcester, Pa., and McLean, Va. Our other holdings are life insurance policies for the protection of our family, two automobiles and household furnishings.

I hold no business directorship, business position or partnership, and receive no director's fees, consultant's fees, or salary aside from my U.S. Senate salary. When I was first elected to Congress in 1960, I resigned all such business positions.

SOLAR ENERGY

Mr. BIDEN. Mr. President, solar energy has been demonstrated to be a usable source of energy, both here in the United States and in other countries. In this country, solar houses have been with us for many years—one of them right here in the Washington area. In an article which was printed in the New York Times Magazine, Mr. Wilson Clark analyzed the economic feasibility of solar home heating and cooling by examining a Connecticut house built to utilize the Sun as an energy source. The economic potential of the house appears to be good:

The solar energy system in the three-bedroom, $60,000 house will probably supply about half the heat for the house, thereby cutting annual fuel costs in half—from $600 to $300 (based on current fuel costs). The solar heating system is costing an estimated $3,500 more than a conventional heating system, and represents about 6% of the overall cost of the house. Mr. Barber estimates that with increasing fuel costs the system will pay for itself in about seven years.

The article also describes the various research programs begun in Delaware, Washington, D.C., California, and Massachusetts.

Mr. President, I ask unanimous consent that the text of this informative and interesting article be printed in the RECORD.

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

SOLAR ENERGY

On the Connecticut coast of Long Island Sound, workmen are putting the finishing touches on a new house of contemporary design sandwiched between other resort cottages. From the street, the house looks no different from its neighbors. Viewing it from the south, along the shore, however, one observes three long slanted rows of glass-covered panels mounted on the roof. The panels contain blackened copper plates which absorb sunlight and transfer heat to blackened copper pipes carrying water for use in the home's space-heating and water-heating systems.

The house is the first solar-heated home in the state of Connecticut. Many persons in science and government believe that houses like this one, utilizing the sun as an energy source, offer one exciting solution to the energy crisis, both today and in years to come. The heating and cooling of new houses and buildings with solar energy could save the nation $180-million in fuel costs in 10 years, according to the recent report of a panel of scientists organized by the National Aeronautics and Space Administration and the National Science Foundation. Furthermore, solar-energy technology is not complicated, and could be used in most areas of the United States.

The Connecticut house was designed by two Yale faculty members, architect Donald I. Watson and engineer Everett M. Barber Jr., who teach courses on energy conservation in buildings, and the use of solar energy. Mr. Barber has devoted most of the past five years to research and experimentation on ways to use solar energy economically in homes.

Last winter, Mr. Barber established a small company, Sunworks, Inc., of Guilford, Conn., to market solar-energy collectors. The first client was the owner of the Connecticut house (who prefers not to be identified), who was attracted by the possibility of saving both energy and money by using the sun's radiation. The solar-energy system in the three-bedroom, $60,000 house will probably supply about half the heat for the house, thereby cutting annual fuel oil costs in half—from $600 to $300 (based on current fuel costs). The solar heating system is costing an estimated $3,500 more than a conventional heating system, and represents about 6 per cent of the over-all cost of the house. Mr. Barber calculates with increasing fuel costs the system will pay for itself in about seven years.

There are no moving parts in the solar heating system in the Connecticut home. On the roof of the house are 36 collector "modules"—each about 2 feet wide—arranged in three rows of panels about 6 feet high. The collectors are simple in design: a single sheet of glass stretches over a copper plate coated with a "selective surface" black finish to maximize the absorption of sunlight and minimize reradiation of heat from the black surface. To trap as much heat as possible, even the back of the collector is lined with 3 inches of Fiberglas insulation. Temperatures as high as 350 degrees Fahrenheit are expected to be reached in the solar collector on clear days.

A solution of ethylene glycol (antifreeze, to prevent freezing during the winter) and water is circulated through blackened copper pipes built into the collector surface and down into the basement of the house to heat an enormous 2,000-gallon water tank. The tank is designed to store heat from the collectors at night, and for as long as four to five days of cloudy weather. Mr. Barber calculates that the average temperature of water in the storage tank will be between 120 and 140 degrees Fahrenheit in the winter. A hot-water coil moves the heat to a coil in a hot-air duct that blows heat into the house as in a conventional hot-air heating system. Auxiliary heating for the house is provided by an oversized oil-fired water heater, which is connected to the house air-duty system.

Mr. Barber estimates that, ideally, the solar collecting panels should equal about 40 per cent of the heated space inside the house. Unfortunately, local zoning requirements on height limited the area of the panels on the Connecticut house to only 20 per cent of the home's 1,900-square-feet living area. Nonethless, the solar collectors will still provide half the house heating requirements.

Next summer, the architects will test an air-conditioner designed to use solar heat as its primary energy source. The solar air-conditioning principle is the same as that employed in air-conditioners prowered by natural gas, where heat, instead of the more common electricity-driven compressor, is used to power the cooling process.

Although the idea of using solar energy is thought to be a relatively new concept, the principle of solar heating is an old tenet of architectural science. The Greek historian Xenophon noted about 400 B.C. that "we should build the south side of [houses] loftier, to get the winter sun and the north side lower to keep out the cold winds." The Roman architectural historian Vitruvius devoted much of his "Ten Books on Architecture" to suggestions on building design for various climates and locales.

Though these principles were obvious to the Greeks and Romans, the lesson of climate design and the architectural use of solar energy has largely been lost in modern American architecture. Modern climate design depends of mechanical control—the use of heating and air-conditioning, which in turn are dependent on limited supplies of fossil fuels—rather than the utilization of sunlight and wind. In the nineteen-forties, national attention was directed to several solar houses which were built with extensive south-facing walls of glass. These facades were usually built with wide eaves, or overhangs, to encourage the penetration of sunlight into the house in winter, when the sun is low in the sky, while shading the windows in summer when the sun is more directly overhead. An essential design feature of the houses was the use of double-walled insulating glass.

A major research program was conducted between 1939 and 1958 at the Massachusetts Institute of Technology (M.I.T.) to develop solar energy collectors for the home. Test houses were built, the last one in 1958 at Lexington, Mass. The two-story house was equipped with 640 square feet of metal and glass solar collector panels on a south-sloping roof. The system, which employed forced-air heating derived from the warmth stored in a 1,500-gallon water tank, supplied about half the heating demand.

More than two dozen houses have been constructed using this basic type of heating system. One leading solar engineer, Dr. George Löf of Denver, Colo., has built two houses using solar heating, and is now constructing a third under a grant from the National Science Foundation. Another pioneer, former Army patent attorney Harry Thomason of Washington, D.C., has constructed three solar houses in the Washington area. Mr. Thomason reported that during the first year of operation, the heating system in his first solar house provided more than 90 per cent of the heating needs of the home, requiring the expenditure of only $4.65 for oil for a supplementary heater. The following winter, 1960–61, proved to be the coldest in Washington in 43 years, yet the family spent only $6.30 for supplementary oil. Mr. Thomason, now living in a spacious house equipped with a rooftop collector, reports continued satisfaction with solar heating technology. (Plans for the Thomason home solar-energy system are available from the Edmund Scientific Co. of Barrington, N.J.)

An unusual experimental solar house has been built at the University of Delaware's Institute of Energy Conversion. The house utilizes solar-electric cells, similar to those used on satellites for space power systems, to provide electricity by converting the sun's energy to electric current. The solar cells are far too expensive for commercial use, although researchers hope that production costs can be brought down.

Solar heated houses need not be expensive, however. In cooperation with architects and engineers at California State Polytechnic, solar scientist Harold Hay recently built a "Sky-therm" house at Atascadero, Calif. The roof of the house is covered with clear plastic bags filled with water, similar in design to water beds. In winter, they gather and store heat for the home. An insulated panel covers the "water beds" at night preventing heat from escaping. During the summer, the process is reversed: The "water beds" are covered during the daytime, and the insulating panels are removed at night to allow the bags filled with water, similar the house during the day. Near Albuquerque, N.M., Steve Baer of the Zomeworks Corporation has built several houses using solar heating and cooling techniques similar in principle to the "Skytherm" system. Mr. Baer's houses incorporate such low-cost features as the use of ordinary 55-gallon drums for heat storage, and the use of skylights with insulating panels for additional heat.

At the Massachusetts Institute of Technology, architect/engineer Sean Wellesley-Miller and physicist Day Chahroudi are testing news methods of fabricating solar collectors from inexpensive plastic materials. Mr. Chahroudi has designed an inexpensive solar-heated structure that he calls a "biosphere," which would contain a greenhouse for growing vegetables and plants. The biosphere would be constructed with a south-facing wall of a transparent plastic membrane that turns opaque in certain temperature ranges. In winter, the plastic surface would remain transparent only when the sun was shining, and would turn opaque at other times to reduce the loss of heat; the process would be reversed during the summer.

Professor Wellesley-Miller emphasizes that the idea of incorporating a greenhouse with solar heating is nothing new. The native Briton says that "in the past, houses of the [English] middle class always had conservatories—greenhouses off the side of the house." The two scientists contend that more than 80 percent of a typical home's heating needs could be supplied by using the plastic collectors, and that an 800-square-foot greenhouse could provide almost all of a family's fruit and vegetable needs in the Northeastern United States. They believe that a combination solar heating/greenhouse system can be mass-produced for about $5,000, and that it would pay for itself in about three years in reduced food and heating costs.

A study completed last year by Dr. George Löf and Ohio State University economist Richard Tybout concluded that the use of solar energy for heating houses would be cheaper than heating with electricity in such geographically various cities as Albuquerque, N.M.; Phoenix, Ariz.; Santa Maria, Calif.; Charleston, S.C.; Omaha, Neb., and Boston, Mass. The Löf-Tybout study emphasized that "life-cycle" costs of house heating would be cheaper with the use of solar equipment; that is, the over-all energy costs, amortized over the lifetime of the house would be less. Were the study updated today, the use of

solar energy would appear to be even more economic, given the increased electricity costs in the nation and escalating oil prices.

Significant institutional obstacles prevent the widespread use of solar energy for home heating because most of today's homes are built with low initial costs, not with "life cycle" costs in mind. This means that energy-conserving equipment and materials are often beyond the reach of homebuyers.

Architect Donald Watson, codesigner of the Connecticut solar home, is convinced that more people would build such houses today if lower mortgage rates were made available for energy-conserving features. "Banks don't figure life-cycle costs in today's house loans," he says, adding that the additional initial costs of a solar-heating system would raise the tax assessment of a home.

Addressing this very problem, the state of Indiana recently acted to permit all residents to deduct the added value of solar heating and cooling systems from the assessed value of their real estate. In addition, Congressman Charles Vanik, Democrat of Ohio, introduced legislation in the Congress to grant a tax credit to homeowners of up to $1,500 for the installation of solar heating equipment and other energy-conserving features such as insulation and storm windows.

Both Congress and the Nixon Administration appear to have a long-range commitment to solar-energy development. The Solar Heating and Cooling Demonstration Act of 1974, sponsored by Congressman Mike McCormack, Democrat of Washington, passed the House of Representatives by an overwhelming vote of 253–2 in February. The legislation, if passed by the Senate, would fund a $50-million solar-energy project under the auspices of the National Aeronautics and Space Administration. While the Nixon Administration does not support Mr. McCormack's proposal, it has requested $17-million in fiscal year 1975 for the development of solar heating and cooling equipment.

According to Charles Hauer of the National Science Foundation's Public Technology Projects office, about $6-million will be spent by the Federal Government this year to develop solar heating and cooling systems for buildings. Several schools have recently been equipped with solar collectors for heating under contracts to large industries by the N.S.F. To date, however, these Federal efforts to encourage solar-energy utilization have concentrated on large-scale, long-range schemes to implement solar energy on a national scale. Mr. Hauer says that little information is available from the N.S.F. for an individual who wishes to use solar energy for his own home. "We're trying to develop an industry," he says. "The 'do-it-yourself' approach will not affect the mass market."

In fact, many corporations have become interested in the potential market for residential solar devices. Last year, the Boston consulting firm, Arthur D. Little, Inc., initiated an industry-sponsored project to ascertain potential future markets for solar housing and building equipment. Arthur D. Little spokesmen say that the market for solar-energy equipment will reach $1-billion in national sales in 10 years. "If solar energy provided 1 per cent of the nation's energy needs by 1983, this would conserve approximately 100 million barrels of oil per year," the consulting firm predicts.

The use of solar energy for household heating is not a new technology, and stems more from the tradition of architecture than the history of enginering. Solar engineer Dr. Jerome Weingart, formerly of the California Institute of Technology, points out, "It's the most trivial kind of technology imaginable." In fact, the use of solar collectors and heat-storage systems is more of a plumbing problem than an engineering problem.

The nation need not wait years for a scientific validation of solar energy for heating. What is needed is recognition by architects and builders that housing design can incorporate solar-energy technology as an integral part of the house. Economic incentives, such as Government subsidies, tax credits or progressive low-interest loans by the nation's banks and lending institutions, should immediately be developed to encourage the widespread use of this old and promising technology. At present, aside from the Indiana property-tax breakthrough, there are no real economic incentives for the use of solar energy by homeowners, or by those who wish to develop and market equipment for the use of solar energy.

Efforts to remedy this situation will help to fill a major national need. Dr. Peter Glaser of Arthur D. Little, Inc., believes that widespread use of solar energy will reduce the demand for oil in the United States within 15 years "equal to the total of all the oil that will ever flow through the Alaska pipeline." The way to attain that goal is to overcome the current obstacles to the widespread use of the sun's energy.

INCREASED DUES FOR THE ICRC

Mr. PELL. Mr. President, I am particularly pleased by the recent Senate action authorizing an increase in the U.S. annual contribution to the International Committee of the Red Cross from its present level of $50,000 to $500,000 per annum. This authorization, contained in section 8 of H.R. 12466, incorporated the original proposal for this increase that I made in S. 2258.

As I have stated on previous occasions, this increase in our ICRC contribution is long overdue. The current level of $50,000 was authorized by the Congress on October 1, 1965, and has stayed at that level ever since. This level is far too low in view of the ICRC major responsibilities in the areas of prisoners of war and protection of war victims.

In Vietnam, for example, ICRC delegates and doctors visited over 37,000 Communist prisoners of war. During a 7-year period, more than 60 ICRC representatives carried out more than 450 separate inspections of prisoner of war facilities in South Vietnam.

All of us know that North Vietnam stubbornly refused to allow the ICRC to visit U.S. prisoners of war under their control. Quietly and resourcefully the ICRC tried through the years to gain access to our men held by Hanoi. Even though they were denied access, I believe that the moral pressure symbolized by the ICRC's presence in Indochina was a factor of which the North Vietnamese were aware and to which they responded.

Today, the ICRC is continuing its efforts on behalf of Americans missing and still unaccounted for in Indochina. Representatives of the ICRC's Central Tracing Agency are at work in the area in support of our efforts to obtain information about our missing men.

In the Middle East, the ICRC played a vital role in the repatriation of the prisoners of war between Israel and Egypt. ICRC delegates have now visited the remaining POW's in Syria, and stand prepared to assist in the return of these men as well.

Throughout the world—wherever there is need for an impartial, humanitarian organization to come to the aid to the victims of armed conflict, the ICRC is there. They have played a key role in the movement of refugees and prisoners between India, Pakistan, and Bangladesh. Delegates are presently visiting political detainees in Chile, where their efforts have helped ameliorate the conditions of detention.

In the executive branch comment on my original bill, the State Department expressed full endorsement of this proposed increase. The Department wrote:

> It is our judgment that it would be entirely appropriate, and commensurate with our continuing interest in supporting the work of the I.C.R.C., for the United States to contribute $500,000 annually to that organization.

Speaking for the executive branch, the State Department reaffirmed that position in its letter supporting this provision when it was enacted by the House Committee on Foreign Affairs.

The provision will take effect with respect to our contribution to the ICRC commencing in the current year, and it is my hope that an appropriation for the full increased amount will be provided. This is what the bill would authorize, and that is what should be done.

FUTURE HOMEMAKERS OF AMERICA WEEK

Mr. HRUSKA. Mr. President, the week of March 31–April 6 was designated as "Future Homemakers of America-Home Economics and Related Occupations Week." I should like to take this opportunity to express my support for the FHA–HERO chapters located throughout the country.

Future Homemakers of America has a national membership of 500,000 young men and women. There are currently some 12,000 chapters located throughout this country. Any student who has taken a course in home economics or its related fields is eligible for membership in one of the chapters.

FHA chapters place major emphasis on consumer education, homemaking, and family life education along with exploring career opportunities. HERO chapters place emphasis on job preparation with recognition that workers also fill multiple roles as homemakers and consumer leaders.

One of the things that has impressed me most about the FHA organization is the emphasis it places on developing the leadership skills of young Americans. We have a very good example of this in my State. Currently serving as the national vice president of the Central Division of the Future Homemakers of America is a very lovely young lady from Murray, Nebr.: Miss Lori Schlichtemeier.

Miss Schlichtemeier has assumed her duties in this post with vigor and dedication. She makes a point to keep me advised of FHA activities both in Nebraska and nationwide. She is a credit to our State and represents us well at the national level.

All of us recognize that the home and family are the most important institutions of American society. Both men and women must contribute to the strength of these institutions. The theme of FHA–HERO Week is simple. Men and women must work together to emphasize the importance of consumer education, homemaking, family life, and job preparation.

SEX DISCRIMINATION IN EDUCATION

Mr. MONDALE. Mr. President, in recent months the Congress has become increasingly aware of the problem of widespread sex discrimination in education.

Across the country, women's groups and education organizations have been demonstrating that sex discrimination is found in the administration and operation of our educational institutions and in the curriculum. Two recent newspaper articles demonstrate that encouraging action is being taken on the local and State levels to eliminate sex discrimination in education.

On April 2, the Minneapolis Tribune published an article entitled "End of School Sex Stereotyping Urged." The story explains that the Minnesota State Department of Education is insisting that local school districts comply with guidelines making home economics and industrial arts courses equally available to boys and girls.

On April 5, the Washington Post published an article entitled "Fairfax Panel Finds School Sex Bias." This story reports on the findings of the Fairfax, Va., county government commission on women. This group contends that the county school administration "acts with overt and tacit sex discrimination in areas involving equal pay, sick leave and job advancement opportunities."

I ask unanimous consent that these two articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

FAIRFAX PANEL FINDS SCHOOL SEX BIAS

(By Donald Nunes)

The Fairfax County government commission on women has reported that the county school administration acts with overt and tacit sex discrimination in areas involving equal pay, sick leave, and job advancement opportunities.

The report also says that school administration hiring practices are "in effect" discriminatory and that girls interested in team sports such as basketball and track feel that a "systematic pattern of discrimination" militates against their use of school sports facilities.

The commission's report, to be presented to the County Board of Supervisors Monday and the school board on April 18, concludes that most sex discrimination within the school system is the result of tradition and habit rather than active policy. But it also notes that in many cases there is an apparent lack of commitment to the eradication of sex discrimination.

The report, a copy of which was obtained by the Washington Post from sources outside the commission, charges that a majority of textbooks used in the county schools are "overwhelmingly sexist," depicting females in illustrations as ironing, cooking, and doll-playing, for example.

Other commission findings include:

Frequently, girls wishing to take industrial arts courses which have limited space must wait until all the boys who want to take the course are assigned.

Despite the fact that nearly 73 per cent of all teachers in the county system are women, they earn an average of $1,474.54 less than their male counterparts.

For every $1 spent on girls' athletics programs, the county spends $9 on boys sports.

There is only one woman principal in the county's 36 intermediate and high schools.

Sick leave for childbirth, which is restricted to five days, is "unrealistic and harsh."

In order to correct what it called sex bias within the school system, the report recommends among other things that the school board hire a human relations specialist to coordinate antidiscriminatory programs. In addition, the report urges the Board of Supervisors to begin a close monitoring of the school system equal opportunity programs.

As of yesterday, few senior county officials had read the 135-page report, which was distributed quietly earlier this week. Most of them had no comment.

"I don't hear any real surprises there," said school board Chairwoman Mary Anne Lecos, who said she had not read the report. "The superintendent (John Davis) has already moved in several areas to correct sex discrimination problems where he can," she said.

She mentioned as examples training programs for guidance counselors encouraging them to examine wider fields of job opportunity for girls, and a revamping of the girls' athletics programs. But she admitted that, in many areas "we're nowhere near equal with the boys."

"I hope the school board and the administration will take this not as criticism for criticism's sake," said Glenda B. Surovell, the commission's study coordinator, yesterday. "We meant it just as a description of some problems . . . do help."

Chairwoman Lecos said that following the April 18 presentation, the school board will ask the administration to return with recommendations on what should be done to implement the report by mid- or late-May.

END OF SCHOOL SEX STEREOTYPING UNIT

(By Sam Newlund)

The State Department of Education is pressuring Minnesota school principals to end sex stereotyping by making home economics and industrial arts available equally to boys and girls.

A department administrator made a "good ballpark guess" Monday that nine out of 10 of the state's junior high schools still discourage or forbid boys from taking home economics and girls from taking industrial arts.

Such schools are in violation of a departmental position paper adopted in September 1972, and other directives. This January the State Board of Education voted to revise old regulations linking girls to homemaking courses and boys to shop classes and ordered that a "strong letter" be sent to the schools with instruments to eliminate such groupings by gender.

The board, composed of seven men and two women, called for the letter after some members expressed dismay that the no-bias directive was being widely ignored.

The letter, signed by Education Commissioner Howard B. Casmey and sent last week to superintendents and principals reminded the administrators of the 1972 policy and gently urged compliance.

Even when homemaking-industrial arts "crossovers" by sex are allowed, Casmey's letter indicated, the courses generally "have been planned to be of interest to only one sex."

To carry out the no-bias policy, Casmey said, "it is necessary not only to encourage students of both sexes to enroll in non-traditional courses, but to examine the content of these courses to ensure that they meet the needs of both sexes."

Although the department has no figures on how many schools allow home economics-industrial arts crossovers, Audrey Grote, a department vocational supervisor, estimated that only about 10 percent do.

Most Minneapolis junior high schools, Ms. Grote said, are among those not in compliance. But she said that Minneapolis schools are cooperating fully to correct the situation and that "Minneapolis teachers really are trying to move with the challenge."

The former regulation language, which the board ordered changed at the January meeting, had included statements such as:

"All girls shall be required to take one full school year of home economics instruction in the 7th, 8th or 9th grade . . ." "Industrial arts shall be required for all 7th and 8th grade boys . . ."

That language, said Joleen Durken, department secondary vocational coordinator, "was good for the old days, but those days have long since passed."

KING COAL AND ITS IMPLICATIONS FOR THE MIDWEST

Mr. HRUSKA. Mr. President, the energy shortage has increased the interest of both American and foreign industry in the millions of tons of strippable coal lying close to the surface of several northern plains States.

Industrial activity—notably by the power industry—is accelerating rapidly in the States of Montana, Wyoming, and North Dakota. This activity brings with it many complex problems for State and local governments. It probably will mean sharply increased population, new towns, greatly expanded requirements for State and local government services, water problems, as well as other socioeconomic problems. As this development grows during this decade and into the next, it may mean wrenching changes in customary lifestyles, not only in the States I have mentioned but in many surrounding States as well.

The prospect of planning to meet and cope with these changes places a considerable planning burden on these States which are experiencing the relatively new phenomenon of large concentrations of industrial interest. This burden stretches the States' already limited resources to the breaking point.

Fortunately, much of the burden of this planning and much of the responsibility for subsequent action is being absorbed by the Old West Regional Commission, authorized under title V of the Public Works and Economic Development Act of 1965.

Last year the Congress gave this Commission which comprises a Federal-State partnership involving the States of Montana, Nebraska, North Dakota, South Dakota, and Wyoming specific responsibility for development of a program to help States and localities absorb the impact of industrial development and to assume that the development brings a broad and lasting prosperity to the region rather than a sudden coal boom followed by a collapse when the coal runs out.

Although the Old West Regional Commission is relatively new, it is moving aggressively forward to fulfill its congressional mandate. Because it is occupying an increasingly important role in the entire economic development progress of its constituent States, the Commission is beginning to come to the attention of important business and industrial elements in the region.

Last week the Professional Engineers of Nebraska, an association representative of the best of Nebraska's engineer-

ing talent, invited Warren C. Wood, Jr., the Old West Commission's able Federal Cochairman, to discuss the Commission's role in the resource development program and its other responsibilities.

In the thought that Mr. Wood's talk will be helpful to this body in achieving a better understanding of the problems which coal development are bringing to the Old West region, and likewise a clearer knowledge of the Commission's important role in future economic planning in the region. I ask unanimous consent that the text of Mr. Wood's remarks be printed in the RECORD.

Also, Mr. President, I ask unanimous consent to have printed in the RECORD a related story that appeared in the Omaha World Herald.

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

ADDRESS BY WARREN C. WOOD, FEDERAL COCHAIRMAN, OLD WEST REGIONAL COMMISSION, TO THE PROFESSIONAL ENGINEERS OF NEBRASKA

It is good to be back in Nebraska, the land of the quick "fill-er-up." The gas lines have largely disappeared in Washington now, but for several weeks the transportation problem there was really tough. The only way to get gas was to look for a line of occupied cars. You didn't care where it was headed; you simply hoped they were still pumping when you got there.

While there are differing theories behind the cause and scope of the current energy shortage, it is unanimously agreed the boycott performed a valuable and overdue national service. It brought home to us clearly and dramatically that our days of oil abundance may be gone forever, and at best uncomfortably short-lived.

Almost overnight, it seems, we have discovered that our horn of plenty was just an ordinary barrel—with a bottom which we are dangerously near to scraping, not only in the matter of energy but other resources as well.

No longer can we squander these resources. We must begin to think conservation and recycling. We must reconcile ourselves to the prospect that from time to time we will face shortages of natural resources and consequently many consumer items.

The theme of your meeting therefore is most appropriate—engineering in an age of shortage.

If we had read the signs and heeded them, we would not have been surprised at this disturbing phenomenon. Any nation with six percent of the world's population consuming 33 percent of the world's energy supply—and increasing its requirement by six percent a year—was heading straight for trouble. We're in the same boat as the fellow who designed his own epitaph to read: "I expected this, but not quite so soon."

We are responding to our problems with typical American ingenuity, however. We are perfecting a variety of recycling processes; we are making inroads into both disposal and energy problems by converting trash and garbage to energy; and we are launching billion-dollar programs to unlock the world's great untapped energy sources—nuclear, solar and geothermal.

Meantime we are piping oil in from Alaska; we are bringing it up from the ocean bottoms. We are making the search for new sources economically more attractive.

But with all these measures designed to improve our oil self-sufficiency, we still must face the fact that the world's supply of oil will soon be gone. And until our technology makes it feasible to tap nuclear, solar and geothermal sources, we must turn back the clock to a bygone era and depend upon coal. It is—in the words of Secretary of Interior Rogers Morton—"our ace in the hole."

Coal is not only the most versatile of all fuels. It is our most abundant fuel. The United States has some three trillion tons of coal, more than enough to serve all our energy needs for generations. And as most of you know, the greatest supply of that coal lies right in your backyard—in eastern Montana and Wyoming and southwestern North Dakota.

The sudden necessity to develop the vast coal resources of the northern plains has profound implications for residents of the three states in question, and also for neighboring states such as Nebraska and South Dakota. The entire area is facing in the next decade a variety of socio-economic changes—some pleasant and some perhaps not so pleasant—as energy-hungry industries move in upon this coal-rich area.

Since my organization, the Old West Regional Commission, is intimately involved in this coal development program, let me tell you at this point a little about the Commission, its history and its objectives.

The concept of a regional economic development commission is a relatively new one and our Commission is one of the newest. It is understandable that many in the audience will not have a clear picture of why we are here and what we do.

The Old West Regional Commission is a Federal-State organization funded by the Congress to help improve the economy and welfare of citizens of the five Old West states. As the Federal government goes, we are pikers. We do not have much money to spend. We use our limited resources to help the states in our region make more effective use of existing Federal programs; we serve as a catalyst to encourage and support state and local programs, and we serve a coordinating function in sponsoring region-wide programs beyond the scope and means of the individual states.

The Commission—one of seven in the nation—was authorized by the Secretary of Commerce about 19 months ago on the strength of a 1965 Public Works Act which permitted organization of such commissions whenever economic conditions in a given region fell substantially below the national average. The program was patterned after the Appalachia program begun in the early 60's.

A number of disturbing conditions in the Old West region led the governors of the five states to request establishment of a commission. Chief among these conditions was the out-migration of the labor force—caused primarily by sweeping technological changes in the agriculture industry; also a dispartiy in per capita income compared with the national average, and rising unemployment.

As Federal Cochairman, with a small staff in Washington, I represent the Federal interest in the program. State membership is composed of the governors of the five states. They have a staff and an executive director in Rapid City, South Dakota. A sub-regional office in Billings, Montana, has both Federal and state staff representation.

Our funds, appropriated annually by the Congress, are expended upon a vote of Federal and state members. They are used for a five-phase program of regional economic development aimed at the following objectives:

First, additional development and exploitation of natural resources such as agricultural and forestry products. We seek this objective by helping to expand processing facilities within the region, by helping to resolve water rights problems, and by expanding marketing opportunities. This latter aspect of our program will become especially important in view of interest in our coal, cattle and forestry products. The Japanese for instance are seeking greatly expanded trade in these items.

Secondly, we seek to help the states make improvements in the area of human resources, which in government parlance means improved educational opportunities, better housing, better health care. We view the health care problem as one of the most critical in view of the scarcity of adequate medical care and facilities in rural areas within the region.

Third, we want to improve capital resources, by providing regional economic data to financial institutions, by assisting in product development, by attracting new industries to the area, by expanding international trade, by accelerating the growth of our tourism industry, and similar measures.

Fourth, we want to improve transportation in the region by seeking better facilities and service among all forms of transportation. The area has long suffered from what many feel are discriminatory freight rates. In an effort to alleviate this problem, we represent regional interests in the Interstate Commerce Commission deliberations on freight rates. We are funding an investigation of the entire motor freight rate structure. In air transportation, where our growth has been lagging, we have undetaken an exciting step in consideration of a regional airport. The airport, envisioned as a large international facility with direct, worldwide connections, would be tied to all parts of the region by feeder lines. A feasibility study is underway now. If the results are favorable, we will proceed in a few months to study possible sites for the airport.

Now I am back where I started. The fifth phase of our program is development of the region's energy resources. Congress gave us $2 million this year to help the states and localities in the region soften the potential impact of coal development. We anticipate additional funds next year to carry on the work.

The Commission was organized about the time widespread industry and governmental interest began to focus on northern great plains coal. The arrival of our energy problems moved the timetable up sharply.

Now, with eastern industry looking avidly toward western coal; with more than a dozen federal agencies pursuing various federal interests—this is particularly important since much of the coal lies under federal property—and with state governments and legislatures besieged by intricate proposals and complex decisions, our role in the energy drama becomes more confused by the day.

At first glance, the states should welcome the additional income which coal will mean. Unfortunately it is not that simple. How will the coal be processed and transported? What of the environmental impact? What will happen to agriculture and grazing? How will the land be reclaimed? What will happen to our cities and towns as thousands of workers suddenly move in? Who will finance streets, schools, sewers—whole new towns? Where will the water come from? Coal conversion processes consume tremendous amounts of water; what will this mean to agriculture and the cattle industry?

Having all this coal suddenly become economically attractive is like discovering the girl next door has turned sixteen. While you have always been able to resist her charms, the eager intentions of all those new suitors force you to take another look.

The central difficulty in studying potential coal development is that there are a bewilder-

ing number of valid perspectives which demand attention. The paramount problems may range from the influx of an entirely alien class of people into a close-knit small town, to a broad consideration of whether the region may become another Appalachia for the sake of national energy considerations. Behind every decision is the nagging question of whether the area is heading into a gold-rush cycle which builds into a big boom—and then in a few decades, a bust, leaving unemployment, expanding welfare rolls and a land populated primarily by ghost towns.

Since there are practically as many decision-makers involved as there are perspectives, the Old West Commission views its role as providing guidance whereby decision-makers can make judgments serving the best long-range interests of their constituencies.

Let me cite a handful of typical problems which are arising like thistle in this garden of proposed prosperity.

The Michigan Wisconsin Pipeline Company has sited four gasification complexes in southwestern North Dakota, which has only a small portion of the coal. The state has approved a water allocation for only one complex, however. This complex, to be constructed near Beulah—a town of 1300 people—will create more than 1,000 new jobs and probably will mean an additional 1,000 jobs in supporting or service capacities. You can readily visualize the impact on this one small town—consider the effect if this one company is permitted to build 22 gasification plants in North Dakota, which is what it would like to do.

Reclamation is a paramount problem, and the companies seeking state permission to move in promise to return the stripped coal land to whatever condition the state requests. Since this business is new to North Dakota, however, the state does not yet know exactly how it wants the land reclaimed; thus Governor Link is in the process of establishing a task force which will establish reclamation criteria to apply in future cases.

Air pollution will be an inevitable byproduct of coal development. South Dakota officials recently expressed concern that a proposed facility in eastern Wyoming could pollute the air so severely that vegetation will be severely damaged in western South Dakota.

Availability of water is the biggest problem. Montana has just enacted a law placing a moratorium on industrial water appropriations from the Yellowstone River Basin, which runs like veins through Montana coal fields. Demands for industrial water already have exceeded one-third the mean annual flow of the river.

These are the questions and decisions which state and local governments are being required to face as they deal with conflicting hopes and dreams of their constituents. The answers unfortunately are more complex than that given by one small town old-timer who was asked his view of impending coal development: "Well," he said, "at least I hope the town gets a good restaurant out of it."

Old West's role in all these developments is expressed in a six-point program:

First, with industry endeavoring to move in at an increasing pace, we are attempting to establish criteria by which states can assess proposed development projects and weigh the advantages and disadvantages in practical long-range terms.

Second, we are attempting to develop further criteria by which states and communities can determine which type of generating, processing or extraction technologies would bring the greatest benefits to the area in terms of support facilities, water use, ambient air impact and similar matters.

Third, we are attempting to put the legal and regulatory framework into a digestible form so that the public or decision-makers can more wisely assess the alternatives. For instance, the gold rush of the 1850's proved to be the formative period for much of our present water and mineral law—likewise with the oil boom of the 1880's; dry farming and land reclamation around 1900 and reclamation of abandoned lands in the 30's. Questions of taxation, economic protection, population, corporate law, shipping and routing, are compacts and financial incentives now must be considered in an entirely new light.

Fourth, we are endeavoring to help the states determine water requirements of the various processes and projects. Both demand and supply sides of the water equation have been studied in geographically piecemeal fashion, but the demands for water under the new conditions will require closer analysis of water requirements for various extraction or processing alternatives. More importantly, they will require analysis of the trade-offs with regard to agricultural uses, other forms of industrialization, and population growth.

Fifth, we will be evaluating the capabilities of the region's educational systems to determine that they are capable of supplying skilled manpower necessary to staff the industries moving in.

Finally, we have added to our program a contingency phase in which we will undertake related or complementary efforts dictated by findings in the other phases of the work.

If the foregoing sounds like an extremely complicated program, it was meant to sound that way. But it is generally viewed as one of the most important programs in the history of the Old West states because it may have such an extensive effect on their future.

At the same time, we must guard against becoming oversensitive about energy development. The prospect of such development must not be allowed to distort our priorities and perceptions, for lurking beneath all of this planning is the outside possibility that coal development will be short-lived and smaller than anticipated. At least one forecast for our national energy needs suggests oil prices are presently artificially high and that within a few years, oil will again become the predominant energy source for several more decades.

At this point, you could not be blamed for wondering whether all of this activity—especially with regard to coal development—is really of importance to Nebraska. Again we would have to say we don't know for sure how important it will be to Nebraska, for we are dealing with many imponderables.

There is a school of thought that coal development will bring industry flocking to nearby states to facilitate quick and easy transportation of the fuel. There are equally convincing arguments that nearby states such as Nebraska will be bypassed industrially.

There are some areas in which Nebraskans will be vitally interested in widespread coal development, however. As you have noted in my earlier comments, the effects of heavy industrialization will be felt in downstream states with regard to both the quantity and quality of water. Since Nebraska's water supply comes directly from the affected area, this will be a prime concern for the state. Air quality is an equally important consideration. It is entirely conceivable that concerns such as these in nearby states will have an important effect on developmental decisions which are made in the coal-rich states themselves.

Thus the Commission and its five states face many uncertainties in the years ahead. We must do our best to be prepared to cope with a variety of contingencies which our energy situation may bring down upon us. The difficult task is not to plan to meet the impact of coal development. Rest assured more planning will be devoted to that than any of us can imagine before this is over.

Our underlying job rather is to help create an awareness of the common attributes, interests and problems which our states share, and to determine how the region can best resolve them and capitalize upon them for the benefit of all. We must do this without falling prey to an overcentralized approach which will serve ultimately to dilute the element of uniqueness which the states prize so dearly.

By building a mutual trust, awareness and cooperative effort among the states—no matter how the coal boom develops—we will still have forged a set of tools which will help achieve a better economy in the region.

OPPORTUNITY, UNCERTAINTY ARE FACED

(By Darwin Olofson)

There are experts in Washington and in the northern Great Plains states who feel that Murry was not overstating his case.

And what applied to North Dakota also could apply to other areas in the five-state region that includes Nebraska, in their view, with the unhooking of the wealth and energy in the vast coal deposits in Wyoming, Montana and North Dakota.

The fuel crunch and the national drive for self-sufficiency in energy have given coal a royal new title—King Coal.

For coal-rich regions, they also have created economic opportunities and not a few uncertainties.

Interior Secretary Rogers Morton said in West Virginia Friday that U.S. coal production might more than triple by 1985, rising from 600 million tons a year to as much as two billion tons.

TENFOLD INCREASE

A more than tenfold increase in the northern Great Plains is likely by the year 2000, according to some production projections.

It has been estimated that the coal output of Wyoming, Montana and North Dakota will jump from the 30 million tons mined last year to about 350 million tons by the end of the century.

Warren Wood, federal cochairman of the Old West Regional Commission, regards that estimate as reasonable.

"Our region has 40 per cent of the nation's coal reserves," he said.

His commission was created in 1972 to help advance the economic development of Nebraska, Wyoming, Montana and the Dakotas, but its thrust has been altered by the sudden new attractiveness of coal as an energy source.

ADJUSTMENT

"We really feel now that we are more concerned with economic adjustment than economic development," Wood said, adding:

"We are doing everything possible to assist the states in planning for the potential impact of large-scale coal development.

"Of our total budget of $3.9 million this year, $2 million is specifically earmarked for that purpose."

The commission was concerned a couple of years ago about the possibility of unemployment in the region, Wood said, but now wonders whether future manpower shortages might be a problem.

Even the modest development of coal resources will have "a significant impact" on the areas involved, he said.

With large scale development, he added the impact could be "phenomenal."

GERING NATIVE

Wood, who is a native of Gering, Nebr., said much is going to depend on the extent to which conversion plants are built in the region.

Gasification plants, in which a number of major oil companies and other firms are showing an interest, would convert coal to synthetic gas. Another conversion process, liquefacation, converts coal to petroleum.

Wood cited the activities in North Dakota of the Michigan-Wisconsin Pipeline Co. as an example of the economic promises—and problems—involved in coal development.

The firm asked the State of North Dakota to approve the withdrawal of 375,000 acre-feet of water a year from the Missouri River and Lake Sakakawea for 22 gasification plants it planned.

It later amended its request to 68,000 acre-feet for four plants, which it tentatively sited in the western part of the state near Beulah.

The four-county area involved has a population of about 25,000.

2,800 EMPLOYMENT

Each of the four plants would employ about 700 persons, with additional workers required to mine the coal and provide support services, according to Wood.

He estimates that the population of the four counties could increase by as much as 20,000 or 80 per cent, if all the plants are built.

Michigan-Wisconsin's water requirements, however, brought protests from ranchers and other agricultural interests and made North Dakota officials wary.

The state tentatively has approved 17,000 acre-feet of water for just one plant.

"There are water quality and water quantity issues," Wood said, in discussing coal conversion plants.

"There undoubtedly will be environmental and agricultural impacts," he said.

NEBRASKA ROLE

He said Wyoming does not have a great amount of water for use in conversion processes, then added:

"It is not inconceivable that coal could be shipped relatively short distances from Wyoming into areas in Nebraska where there is water available.

"I have not been able to in any way to verify reports. I have heard that sites for conversion plants in Nebraska are being considered."

The water issue appears likely to be a hot one in many areas. Montana has imposed a moratorium on the use of water from the Yellowstone River Basin for coal development.

Wood said he has been informed that at least seven major firms, not including Michigan-Wisconsin, have announced or are exploring plans for gasification plants in the Northern Great Plains.

The Northern Natural Gas Co. of Omaha announced last year that it and another firm would spend more than $10 million looking into the possibility of building such plants.

GRAIN RESERVES—THE CURRENT DEBATE

Mr. HUMPHREY. Mr. President, the issue of grain reserves is important to all of us. I have introduced S. 2005 which supports a modest program of Government-held reserves as well as larger amounts maintained privately.

Hearings were held by the Senate Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices, on March 21 and 22, on S. 2005, as amended, as well as Senator CLARK's bill, S. 2831, which also supports Government-held reserves.

In attempting to sort out the testimony, it appears that there are presently two basic positions and little middle ground. One side favors reserves which are publicly and privately held, and the other supports reserves which are exclusively owned and held by private interests. We will be attempting to find ways of bridging these two positions.

Those in favor of having the Government hold at least part of the reserves, base their case on three main principles:

First. There is a need to maintain adequate supplies for domestic requirements. This includes American urban consumers and also American farmers who use vast quantities of feed grains to produce livestock. Exporting without regard to our own requirements is seen as encouraging the wild gyrations in prices that we have had during the past year.

To give the farmers some measure of protection, the Government should share in the production risks it has called upon the farmers to take in order to maximize production for domestic and export requirements. This would appear to be no more than fair in terms of recognizing the investment required by the farmers and the vulnerability of relying on the export market.

Second. A sound reserve program is needed for the United States to remain a reliable supplier of exports. It is felt that a program of publicly owned reserves will be important in maintaining our export market which everyone agrees must be maintained. S. 2005 also attempts to encourage buyers to purchase regularly rather than jumping in and out of the market.

Three. A grain reserve which is held by the Government would be available to meet disaster requirements throughout the world. This need is generally agreed to although there are questions on the arrangements and the methods of sharing this responsibility. We must face the fact that this is a real need and particularly so since world food reserves will be under 1 month by June, and famine, particularly in Southeast Asia, is a likely prospect.

My bill attempts to address these three basic issues, and it also includes a number of triggering devices which come into play when anticipated total reserves—those held by the Commodity Credit Corporation and in private hands—go below the quantities set forth in the bill. These devices are designed to protect the American consumer against food supply raiding by any country and also to give the Department of Agriculture better information on actual sales in order to project more accurate the supplies on hand.

In addition, I suggested at the subcommittee hearings that both the target and loan prices needed to be revised upward in 1974 to recognize the fact that production costs have increased considerably during the past year. As a suggestion, target prices for wheat might be raised to $3 a bushel, corn to $2 a bushel, and cotton to $0.50 a pound. The loan prices would be raised correspondingly so that approximately the present spread between target and loan prices would be maintained.

The opponents of a publicly held grain reserve maintain that the absence of such a reserve bill will serve to stimulate both production and prices.

These people expect the large-scale exports to countries such as China and the Soviet Union will automatically continue. They choose to ignore the fact that the export market can fluctuate sharply as other countries have bumper harvests or make purchase decisions on political grounds.

We need to remember that greatly increased exports were responsible for the rapid increase in prices this past year. This burst in demand ate up the Government-held reserves, and the existing stocks did not hold the prices down.

Secretary Butz points with great pride to the fact that the American farmer and the consumer are now in the commercial market, but he does not choose to point out that they are competing with other governments, not other consumers. This is not what I consider to be fair competition.

The National Planning Association in its document, "Feast or Famine: The Uncertain World of Food and Agriculture and Its Policy Implications for the United States," points out that we are at a point where American agriculture exports could go either way. Despite the longrun trend toward food scarcity in the world, we could have excess crops this fall if our export markets begin to diminish. On the other hand, we could have continued scarcity because of high exports to the Soviet Union and China.

The opponents of a Government-held reserve program base their hopes on a reserve program held by private farmers and traders. The problem with this position is that private companies and farmers are in business to make a profit. That is understandable; however, they would not necessarily give the public interest foremost consideration in their purchase and sale decisions.

We have seen the same problem arise in allowing the oil companies to look out for the public interest. Putting our agriculture on a completely commercial basis will mean that companies could sell grain overseas leaving American consumers high and dry without adequate supplies.

We need to learn as much as possible from our past experience, but, as former Secretary of Agriculture Orville Freeman so eloquently stated at the hearings, we need to realize that this is a new ball game. We will likely be facing the future, according to Mr. Freeman, from a position of world food scarcity. The opposition, like generals victorious in a past war, looks to the past rather than the future.

I would suggest that we consider the question of Government-held reserves in terms of the three principles I outlined earlier. My position is flexible, and, as I have stated many times before, I would

be delighted to receive suggestions on ways of improving the bill.

I strongly believe that the issue is one we cannot and should not avoid. Contrary to the testimony of Secretary Butz, I do not view reducing the numbers of our livestock in a grain shortage situation as either a satisfactory or a desirable solution. The Soviet Union has clearly decided against such a course, and it is not one that we should seriously entertain.

I am also opposed to export embargoes. In the long run this would work to the detriment of American agriculture by restricting rather than expanding its export markets.

At the same time, being mesmerized with the high prices of today's grain market and the notion that the presently strong prices will automatically continue ignores the boom and bust potential of our present situation.

I hope that a fuller discussion of these issues will bring forth the need for such a grain reserve program and the importance of it. I and my staff will be working on further improvements on my bill, particularly relating to the target and loan prices.

FINANCIAL DISCLOSURE STATEMENT BY SENATOR CASE

Mr. CASE. Mr. President, I ask unanimous consent to print in the RECORD a combined statement for my wife and myself of our assets and liabilities at the end of 1973 and our income for that year. This is the 12th such report.

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

FINANCIAL STATEMENT

ASSETS

Cash in checking and savings accounts (after provision for Federal income tax for 1973), approximately, $84,000.

Life insurance policies with the following insurers (currently providing for death benefits totaling $138,500):

U.S. Group Life Insurance, Aetna Life Ins. Co., Conn. General Life Ins. Co., Conn. Mutual Life Ins. Co., Travelers Insurance Co., Continental Assurance Co., Equitable Life Assurance Soc., and Provident Mutual Life Ins. Co. of Phila.

Cash surrender value, $53,188.

Retirement contract with Federal Employees Retirement System (providing for single life annuity effective January 3, 1979 of $33,996 per annum). Senator Case's own contribution to the Fund total, without interest, $47,872.

Annuity contracts with Teachers Insurance and Annuity Association and College Retirement Equities Fund. As at 12/31/73 these contracts (estimated to provide a life annuity—10-Year Guaranteed Period—effective January 1979 of $2,097) had an accumulated value of $14,280.

Securities as listed in Schedule A, $405,723.

House in Washington, D.C. (original cost plus capital expenditures), $65,900.

Tangible personal property in Rahway and Washington, estimated, $15,000.

LIABILITIES

None.

INCOME IN 1973

Senate salary and allowances, $42,582, less estimated expenses allowable as income tax deductions of $5,245 (actual expenses considerably exceed this figure), $37,337.

Dividends and interest on above securities and accounts, $19,488.

Net gains on sales of property $9,304.

SCHEDULE A—SECURITIES

Bonds and Debentures of the following, at cost (aggregate market value somewhat lower): $65,244.

Principal amount	
American Telephone & Telegraph Co	$12,000
Cincinnati Gas & Electric Co	4,000
Consolidated Edison Co. of New York	5,000
Consumers Power Co	5,000
General Motors Acceptance Corp	5,000
Mountain States Tel. & Tel. Co	5,000
South Western Bell Tel. Co	5,000
Toledo Edison Co	5,000
U.S. Treasury Bills	20,000

Stocks (Common, unless otherwise noted) at market: $340,479.

Corporation	*No. of shares*
American Natural Gas Co	200
Chubb Corp	1,000
Consolidated Edison Co. of New York, $5 Pfd	50
DuPont	40
General Electric Co	340
General Motors Corp	420
Household Finance Corp	750
International Business Machines Corp.	169
Investors Mutual, Inc	2,760
Kenilworth State Bank	30
Marine Midland Corp	563
Merck & Company, Inc	400
Morgan, J. P	44
National Community Bank, Rutherford	600
Reynolds Industries	100
Tri-Continental Corp	1,705
United Counties Trust Co	1,254
Warner-Lambert Pharmaceutical Co	600

REQUESTING THE FEDERAL GOVERNMENT TO CONTINUE TO FUND COMMUNITY ACTION OF GREATER WILMINGTON, INC.

Mr. BIDEN. Mr. President, on March 28, 1974, the Delaware State Senate passed a resolution requesting the President and the Congress to support legislation that would continue Federal funding of Community Action programs.

Mr. President, I ask unanimous consent that the text of Senate Resolution 182 be printed in the RECORD.

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

SENATE RESOLUTION 182: REQUESTING THE FEDERAL GOVERNMENT TO CONTINUE TO FUND COMMUNITY ACTION OF GREATER WILMINGTON, INC.

Whereas, for the past eight years, Community Action of Greater Wilmington, Inc. has mobilized the forces against poverty in New Castle County; and

Whereas, during this period the Federal Government has funded Community Action of Greater Wilmington, Inc., under the Economic Opportunity Act of 1964; and

Whereas, through such funding CAGW, Inc., has planned, coordinated and carried out such programs as credit unions, neighborhood service centers and Head Start, helping to meet the human needs of 15,000 low- and no-income residents of New Castle County; and

Whereas, the Federal Government has not requested funds for its 1975 fiscal-year budget for CAGW, Inc., and, instead, would place this burden on State and local governments; and

Whereas, these governmental units do not have the revenue resources to assume federal responsibility for these programs.

Now therefore, be it resolved that the Senate of the 127th General Assembly of the State of Delaware requests the President and the Congress to support legislation to continue federal funding of the Community Action Programs, retaining the intent of the Economic Opportunity Act of 1964.

Be it further resolved that copies of this resolution be made available to his excellency, Sherman W. Tribbitt, Governor of Delaware, and to U.S. Senator William V. Roth, Jr., U.S. Senator Joseph R. Biden, Jr., and U.S. Representative Pierre S. duPont, IV for their consideration.

SURFACE MINING RECLAMATION

Mr. ALLEN. Mr. President, the featured speaker at the recent annual meeting of the Alabama Surface Mining Reclamation Council was the president of the National Coal Association, Mr. Carl E. Bagge.

The council was honored to have Mr. Bagge travel from Washington to Birmingham to address the delegates to the meeting. Parenthetically, I might add that I was privileged to attend the meeting and to hear the remarks of Mr. Bagge.

In view of the energy shortage now confronting our Nation, I feel the remarks of Mr. Bagge to be both timely and thought-provoking. I commend Mr. Bagge's speech to the Senate and ask unanimous consent that it be printed in the RECORD.

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

SAVE US FROM THE ZEALOTS

(By Carl E. Bagge)

Gentlemen, I normally enjoy these opportunities to get away from Washington, which is now defined as a town with empty, echoing marble halls and heads. But these days we can't get away from our country's energy crisis. About the only change in leaving Washington and coming to Birmingham is that here is where some of the crisis is happening, and Washington is where most of it is being caused.

I can't say that Washington has escaped the energy crisis. Our gasoline lines have been among the longest in the country. The Washington Post had a column about a man who had waited 45 minutes in line at the service station. He finally got up to the pumps, and saw that the line still extended two blocks behind him. The owner and the other attendants were rushing around and frantically pumping gas as fast as they could. In a loud cheerful voice, he asked, "How's business?"

Let me report for one corner of the energy business—coal. Our segment of business is harassed, bedeviled and increasingly kicked around by a mixed-up government that tells us to produce coal and then tries to prevent production, a government that says, "Use more coal," and at the same time says, "But don't burn it."

The coal industry should be able to take some sort of grim satisfaction over the arrival of the energy crisis. We have been forecasting it for more than a decade. The na-

tional policies—or lack of policies—which the United States has been pursuing made its arrival inevitable.

There is no point in dwelling at length on the familiar litany of how we got here. You all know that we have been using oil and gas faster than we have been finding them—and have not pursued policies which encouraged domestic discovery and development of our fluid fuels. Neither has our government paid more than lip service, and a very few dollars, to the prospect of converting coal, the only energy resource we have in true abundance, into oil and gas. Thus we turned to imported oil and gas—and we didn't even make that turn very smartly. To a very uncomfortable, if not crippling, extent we find ourselves at the mercy of the Arabs. And mercy is not the Arabs' long suit. Regardless of whether they allow oil to flow again, we must take some large, definitive steps not to get into this kind of mess once more.

At least that is what our government is saying. What it is doing about it is another matter. The government is proposing to spend large amounts for energy research, including coal research. We welcome this. The point is that it should have been done long ago. If we had an adequately financed and well planned coal research program in the 1950's and 1960's, on the scale which the size of our coal resource obviously deserves, we would not now today be turning back our thermostats and waiting in gasoline lines.

However, research would not then do all the job of assuring adequate energy supply, and it will not in the future. Research is one component of the complex pattern of energy supply. It is nice—indeed, it is necessary—to develop marvelous new things to do with coal. But these research results will be nothing but an interesting addition to our technical libraries unless we are able to mine the coal, transport it and use it. And in all these workaday activities of the coal industry—and for that matter, much of the energy industries—we face ill-conceived restraints which we as a nation simply no longer can afford to indulge in.

High among these constraints is the absolute tyranny over our nation's energy supply wielded by the starry-eyed environmentalists, their often cynical and self-serving professional leaders, and the politicians who cower before them. The tunnel vision of the zealots has brought us to the tragedy of energy poverty.

I find it hard to understand their thought processes. I like green hills, clean air, sparkling streams and undisturbed nature. But I also believe that man was put on the planet with a mission of surviving, not of starving to death in undisturbed woods.

It seems to me that the persons who most publicly profess their love for Mother Nature are those sufficiently insulated from her. It is only from a position of relative affluence and isolation that we can look at the pines and forget the poison ivy, admire the moss and ignore the mosquitoes. In the Walt Disney world of the theoretical environmentalists, there are no rattle snakes or sheep eating coyotes, and the polecats all have long eyelashes and never commit social indiscretions. The trees are all majestic oaks and the land is fertile beyond belief. There are no pine barrens, worked out farms and hard-scrabble hillsides.

In the real world, however, man cannot walk the earth without leaving tracks, and his environment is not always beneficient. Man has for centuries been forced to wrest a living from the earth as best he could; we have finally obtained a state of technology where we can do this without wrecking the earth in the process, but nevertheless our food and fuel, our minerals and metals, must still come from the thin skin of the planet, a few hundred feet of the surface of the earth we walk on. And it must be done where those minerals are found.

I know that there are sincerely concerned people who say, "Why disturb my neighborhood to produce coal for New York, Chicago or Detroit?" They would like for the world to go away and leave them in their private isolation. But they are still eager for—in fact, they demand—the clothing from New York's garment district, the beef from Chicago, and the automobiles made in Detroit.

We do not live any longer in scattered, self-sufficient pioneer settlements—we are a whole, united nation. In fact, we call it the United States.

I sometimes think these people are advocating no growth. If that is what they mean, let us examine the proposition. I think to approach it honestly, they should start with the idea of zero population. That is a moral and ethical question on which I do not intend to pass judgment, but I think that is where they have to start. Without that, you are telling people already born, already living, all ready to start their families and their homes, that they can't have it as good as you have—they can't have your standard of living. You have your automobiles and your air conditioning, but they can't aspire to that any longer. And when you say that then I believe you have the beginnings of real class conflict.

Or to put it more personally, are you willing to tell your own children that no matter how hard they work, no matter what success they may achieve, they can never attain your standard of living? Unless you are willing to do that, then the answer is not to prohibit growth but to find a way to accommodate orderly growth within the ground rules of maintaining the environment as best you can—you have to be clear in your priorities as to which comes first, man or nature.

Though a few environmentalists seem to be willing to return to the woods and live like Thoreau, I dispute their right to take the rest of us back to Walden Pond with them. And I notice that they manage to forget that even the worn-out blue jeans they wear were somewhere made by a factory that used energy.

But mostly they don't go back to the woods. They sit in their air-conditioned homes, warm and well-lighted, watching color TV on which their spokesmen appear on talk shows and advocate measures which would stop the production of the energy they are using.

I hope they have found comfort in their recent hours in the gasoline lines by the thought that it is largely the objections of environmentalists which have blocked the building of additional refineries in the United States which could have been producing the gasoline we have been missing.

If we are to have adequate fuel supplies, we need more refineries along the East coast. For example, there is an application pending to build a $500 million refinery at the economically depressed town of Eastport, Maine, on the Canadian border. It has run into stringent opposition from the environmentalists, and is subject to a ruling expected shortly by the State Environmental Board. Logic would indicate that this application, and others for refineries in New England, would be speedily approved. I hope logic prevails. On the record so far, this is by no means certain. Just a week ago, residents of a New Hampshire town voted against allowing a similar refinery to locate there.

And that brings me at last to our most abundant source of energy, coal. The coal industry's relations with the environmentalists resemble those of a bull in a ring with four toreadors. We are continually getting stuck, on grounds of air pollution, water pollution, subsidence in underground mines, and most particularly, and most acutely at present, on grounds of surface mining.

Let me give you a little irony. A quarter a century ago, Congress had its working quarters remodeled. Workmen took out the old skylights over the House and Senate chambers, and roofed them over completely. Now the House and Senate get no daylight at all. Their workings are illuminated, if that's the word, by electricity. As it happens, this supply of current from the Potomac Electric Power Company is generated almost entirely by surface mined coal from western Maryland, Pennsylvania and West Virginia. And the Congress is busily engaged in trying to put its own lights out.

As this audience well knows, the Senate last fall passed a bill which we estimate would prohibit the mining of 37 billion tons of our most readily accessible coal reserves. It is hard to conceive how much coal is represented by 37 billion tons. That is more than we would mine in 60 years at the current production rate. It also represents more energy than all the proved recoverable oil reserves of Saudi Arabia. The Senate has fumed and fulminated over our loss of access to the Arabian oil supply, but as for our loss of access to an equal amount of secure, reliable energy within our own borders—well, the Senate did it to us. I might say that the Senate acted in spite of valiant efforts by Senator Allen of Alabama and a small—alas, a too small—band of logical Senators like John Sparkman who warned of the consequences of such foolhardy action. They were too few to make the difference.

And now the House is moving toward a vote on legislation which in its present form is different from the Senate bill but has the same objective—to prohibit surface mining rather than regulate it, and to force mining underground. At the same time it would even impose new restrictions on underground mining.

It is obvious to any student of the energy situation, and we have lately acquired a lot of late-blooming experts in this field, that the United States is going to need in the years ahead all the coal it can produce, by whatever means it can be mined. The government tells us that by 1985 we will need to double, triple, or perhaps even quadruple our coal production to meet the demands it foresees by then. It may be possible, given every break, to achieve that goal by mining every ton we can in both underground and surface operations. But if Congress hampers and handcuffs surface mining, which now produces almost half our coal output, there is simply no way we can meet that challenge. The advocates of such a course are living in a dream world, if they think it is possible to acquire the manpower, machines and dollars, in time to meet the coal demands of the 1980's from underground mines alone. We can try until hell freezes—but we will all freeze first.

Perhaps the most ham-handed attempt to abolish surface mining in H.R. 11500 is in Section 3, an amendment sponsored by Congressman Seiberling of Ohio. It imposes a so-called fee of $2.50 on every ton of coal mined. This fee or tax—which is actually a fine for having the temerity to mine coal—can be 90 per cent offset by the operator's expenses for reclamation necessary under the Act, for mine health and safety equipment, and for black lung benefits under the Coal Mine Health and Safety Act. Proceeds of the fund would be used to acquire and reclaim orphan banks or other lands mined in the past and not adequately restored, and for which no operator can now be held accountable.

The proposition has a superficial logic. It

supposedly would make the coal industry pay for its past sins, and would destroy any price advantage which surface mined coal would have over deep mining. Actually it is a mischievous and ill-conceived example of over-kill. It will impose a heavy additional cost on consumers. The underground operators it purports to help will be compelled to pay at least another $.25 a ton, and probably much more. The relief they are offered in the form of a writeoff of the expense of safety equipment is largely a phony—most of the cost of complying with the Coal Mine Health and Safety Act is not in equipment but in lost productivity. The equipment expenses have mostly been already incurred by existing mines, and cannot be recouped under this measure, which allows a writeoff only of expenses incurred in the preceeding 4 month period.

Its heaviest impact, as intended, will be on surface mining. It takes no account of the Btu content of the coal—it would impose $2.50 a ton on high Btu coal in the East and the same amount on lignite in the West with half the heat content. In fact, according to the published prices that some western utilities are paying for lignite under long-term contracts, this would more than double their fuel costs.

I could go on about the economic illogic of the Seiberling amendment, but other follies are crying for attention. The bill also requires that mined land be returned to the approximate original contour. On slopes over 20 degrees, the operator may not place spoil on the downslope below the bench or cut, except for a very limited linear area necessary to gain access to the seam for use of the block cut method. The land must be returned to original contour even on such steep slopes, and the stability of the soil must be maintained. That's what Congress says, ignoring such fundamentals as the law of gravity, which says that every mountain is on the way to the sea, and rainfall on a steep slope induces erosion.

The regulatory authority under this bill may grant exceptions to the requirement to return steep slopes to original contour only if the land is to be used for industrial, commercial, residential, or public facility development. It does not allow the land to be shaped to other contours for agriculture. Thus a farmer who has a steep, unproductive, rocky slope may lease it for surface mining, but he cannot ask the operator to flatten it out so that it can be farmed or used for anything but pasture and pulpwood. He is supposed to get it back in the same shape he leased it—even if that shape is bad.

The environmental zealots who drafted this bill ignored farmers in another way also. It requires that the operator, before getting all his bond back, must maintain on the mined land a diverse and permanent vegetative cover capable of self-regeneration and plant succession. That has to be done for five years on all land, and ten years in areas, such as the West where rainfall is less than 26 inches a year. Again, it sounds great, but it knocks out any use of the land for grain crops, for example. They obviously can't be permanent and self-regenerating when you harvest them every year. Even alfalfa couldn't qualify under this language, for it gradually thins out and needs to be reseeded about every three years.

The intent of the authors to remove surface mining from the face of the earth is nowhere more apparent than in the section which requires each state to set up a process for reviewing all its land and declaring areas unsuitable for mining. The Senate Interior Committee, which wrote a similar provision into its bill, said in its report frankly that it wanted the authority to have the power to prohibit surface mining throughout any state. The House committee has not written its report, so it has not yet been so frank, but its intent is evident in the language which is broad enough to apply to any acre in the United States.

In fact, the bill lays a positive requirement on the state to declare land unsuitable for mining if the operator does not demonstrate it to be economically possible. This is sheer regulatory effrontery. I don't see how the licensing authority can decide whether the reclamation is economically possible until he examines the operator's books, including the price for which he intends to sell his coal, and decides whether perhaps the price should be increased. I would hope that the government would still leave a little freedom in this country, including the right to make an economic judgment on whether to undertake a job—or, for that matter, the right to go broke if you want to.

The foremost folly of this bill, however, is that it allows the state to make a judgment in advance about declaring an area unsuitable for mining before the operator has had a chance to show how he plans to mine and reclaim the land. This is a classic example of verdict first, evidence later. Or rather, under this system, the operator never gets a chance to present his evidence at all. This is a clear denial of due process. This whole section epitomizes the determination of the sponsors of this bill to prohibit coal mining wherever it may present the slightest problem, instead of effectively regulating it so that good reclamation can be attained. This bill does not solve problems, it ducks them.

The process of citizen intervention and the process of declaring an area unsuitable for mining combine in Section 205(c), which allows any citizen petition to have any area declared unsuitable for surface coal mining. The regulatory authority must respond in writing within 30 days, and then the petitioner may get a hearing within a reasonable time thereafter. Now couple that with Section 208(d), which provides that no one can get a permit for an area which is under study for designation as unsuitable for surface coal mining. This amounts to an open invitation to delay and obstruction, and it is designed for just that.

Even the procedural requirements of the bill present an administrative mare's nest. Consider what hearings an operator must go through in order to produce coal by surface mining. The law would allow a public hearing when he applies for a permit and again when his permit comes up for renewal. On slopes over 20 degrees, he must apply for a new permit each year. On the lower slopes, he has to apply every five years. He may also face a hearing if he tries to amend his permit, seeks exceptions to the original contour requirements for commercial or industrial use, and finally, he faces a hearing, or the prospect of one, when he seeks the release of his bond on completion of the job.

All these things can happen to him if he obeys the law completely and never incurs a violation. Consider further the fact that the results of these hearings can be appealed to courts. You can understand why when one operator said, "I see where I will be hiring more lawyers than miners."

Requiring a permit renewal application every year on steep slopes is nothing but pure harassment. Elsewhere the bill sets the standards for reclaiming land, and sets them with particular stringency on steep slopes. There are penalties for violating these standards. To go further and require that the operator come for a new permit every year simply attempts to drive him out of business, regardless of whether he is doing a good job.

Almost every page of the bill has similar examples of short-sighted, ill-conceived, and downright vindictive provisions. In short, H.R. 11500 is a disaster, not simply for the surface coal mining industry, but for the country which relies on coal for its main domestic fuel supply in the future. Unless the Interior Committee or the House itself makes major changes in this bill, it should be defeated.

Gentlemen, I think it is time that all sides of this debate back off and take a new look at where we are today. The Congress has been considering this issue of surface mining for more than three years now. In that time we have passed from a period of warnings of energy shortage to a real and present danger that the shortage now upon us will continue. Whether it lunges us into a prolonged period of energy poverty or whether it can be abated to an era of relative abundance depends on the sort of surface mining legislation that is in effect.

For our part, we cannot deny that surface mining in the past has all too often resulted in abuses of the environment. But we can and must deny that the bad old days of rip and run mining will recur. Responsible operators have developed methods of effective reclamation. A rising market for coal will sustain the cost of procedures which operators often could not afford in the past, even if they knew how to do them. States have revised and strengthened their reclamation laws and upgraded their enforcement. The bad old days are past. Their practices are not those of today, nor will they be those of tomorrow. We can and must do an effective job of restoring the land to useful purposes after mining. We can, and we will.

On the other hand, Congress and the public must judge the surface mining industry by today's accomplishments, not by yesterday's mistakes. To hamstring the vital segment of the coal industry which produces coal by surface mining because of its past mistakes is a cheap vindictiveness that in the long run will not be cheap but very expensive to the nation.

The stakes are enormous. If we are to have a synthetic gas industry to supplement our fading natural gas supply, we must convert coal from the rich reserves of the West. And if this is to be done at a reasonable price, it must be done from the billions of tons of western coal which can be recovered only by surface methods. If we are to have a dependable supply of synthetic petroleum instead of being mobile or immobile according to the whims of the Arab world, we must produce millions and billions of tons by surface mining. And if we are to meet the future demands of coal in its conventional uses, we must rely heavily on surface mining methods.

The advocates of a prohibitory surface mining bill have argued that it really does not matter much, because—so they say—the strippable coal reserves are only 3 per cent of the nation's total coal. This is a false argument, and they have repeated it knowing it to be false. With uninformed members of Congress, it has proved an effective point.

The fact is that in the real world where real miners produce real coal, a significant portion of our deep reserves cannot be recovered with existing technology. To be meaningful, any comparison must be based on what can be physically recovered. Thus, while the known coal resources of the nation are 1.5 trillion tons, the amount that we can recover with present mining methods is 417 billion tons. And of this total, 142 billion tons lies within the reach of present surface mining methods. Thus, 34 per cent of our total recoverable resources can be mined by surface methods.

Furthermore, when you take into account the rate of recovery of underground reserves in contrast to the higher, more efficient recovery in surface mining, the amount of

strippable coal reserves increases to some 42 per cent. Oddly enough, I do not hear the conservationists—which is what the environmental faddist sometimes mislabel themselves—argue that we should mine coal by the method which recovers the highest percentage of the deposit.

There is another important factor overlooked in the debate on this bill. While it is true that there are large reserves of underground coal in the West which can only be mined by deep methods, we do not have the technology to recover more than the top 20 to 25 feet of a thick underground seam. I have letters from the deans of nearly every mining engineering school in the United States attesting to the fact that in very thick seams, the weight of the overburden causes the walls of entries to collapse after a certain amount of coal is removed—the pillars crumble. In short, we need improved mining technology, but I do not know whether we will ever obtain it for mining under those conditions. Until we do, we had better count this coal as a future asset, and not one which is presently accessible. It is not grounds for lightly deciding that we will rely on deep-mined coal entirely, and forget about surface mining.

Our opponents also use the West and its prospective growth of surface mining as an argument against that time of mining in all parts of the country. They say Congress should make it tough, or impossible, to do surface mining anywhere, because otherwise the whole West is going to be converted to one big spoil bank, irretrievably and forever. To put it kindly, that is a myth. It ignores the fact that Western surface mine coal comes in seams as thick as 90 feet, and 50-foot seams are common. That means a tremendous amount of coal per acre.

In fact, the National Science Foundation laid that myth to rest in a recent report which said that if the anticipated demand for Western coal is met by surface mining, the amount of land disturbed in the West will be a total of 92,000 acres. I don't say that amount of land is insignificant, but it is a long way from overturning all of Marlboro Country. Put in Alabama terms, it is about the size of the city limits of Mobile. I suspect there are single ranches larger than that.

And if that land is mined, it will be reclaimed. That is already assured under state law or federal agreement.

More importantly, if it is not mined, you can say goodbye to the idea of a synthetic fuels industry based on coal. And that is a price we should not have to pay. It is, in fact, a price that the nation cannot afford to pay if we are to remain strong and prosperous. It is not a reasonable answer.

Reasonable men can reach reasonable agreements. The coal industry, I believe, has worked long and hard for reasonable compromise. Many members of Congress have attempted to write reasonable legislation—many, but so far not enough. A larger number, out of lack of knowledge, out of hysteria, or out of fear of the professional spokesmen who organize environmental movements, have yielded to the popular slogans instead of considering the facts. I hope that in the weeks and months ahead, members of Congress and the Administration will consider the consequences of crippling the American coal industry. If continued surface mining of coal is curtailed as the pending legislation proposes, I suggest that these members of Congress and the Administration also consider the consequences of having to answer whose fault it is when the lights finally go out. The culprit will not be the coal industry—it will be the zealots.

God save us from them.

THE BEEF INDUSTRY

Mr. HRUSKA. Mr. President, as I have upon many other occasions, I rise to bring this body's attention to the distressing situation facing this country's beef industry.

While the price of meat at the retail level continues to climb, the price being paid to the farmer for producing this beef is falling drastically. Some beef producers in my State are losing as much as $100 or $200 a head on their cattle.

Because of some false impressions about the retail price of beef, it appears that the consumer is not buying as much meat as before and is turning to substitutes. This is very distressing to farmers in my State as witnessed by an editorial and petition appearing in the April 4 edition of the Oakland, (Nebr.), Independent.

The petition signed by several hundred concerned Nebraskans urges that foreign beef imports be curtailed "until such time that the price situation is conducive to domestic beef production."

The editorial said:

As any housewife knows, the price of groceries and beef have gone up. What she, and her husband when she complains to him about the food bills, tend not to emphasize is that all things that are purchased have also risen.

It is a point well taken. Although average beef price increase over the last 10 years is 39 percent, as the editorial points out, over the same period, car repairs have gone up 45 percent, home maintenance costs are up 56 percent, and mailing costs are up 73 percent.

The only way to get the farmer's prices back up to a reasonable level is for the consumer to start purchasing beef in the supermarket. According to a Wall Street Journal article on April 8, this is not happening. The paper says that per capita beef eating slumped from 116 pounds in 1972 to 109 pounds last year. I am concerned about this trend and so are many people of my State who depend a great deal on beef to make a living.

To bring their plight to your attention I ask unanimous consent to have the Oakland Independent editorial and accompanying petition printed in the RECORD.

There being no objection, the editorial and petition were ordered to be printed in the RECORD, as follows:

BEEF COUNTRY SPEAKS UP

Hand in hand, the members of the agribusiness community are pitching in this weekend with a "The Beef Country Speaks Up" program. Businesses in Oakland the Burt County Feeders Association are making a big combined effort to tell the story of the most important industry of this area—the raising of feeder beef into meat for the nation's table.

As any housewife knows, the price of groceries and beef have gone up. What she, and her husband when she complains to him about the food bills, contend is not emphasized is that all things that are purchased have also risen.

Perhaps a comparison of a few basic items will put the matter in perspective. In the case of beef prices, the average raise over the last 10-year period is 39 percent. Since beef is indeed one of very favorite foods of the family, it is natural that this should receive major attention. After all, the consumer looks to beef as a highly desirable staple item as well as a delectable delicacy. It's the story of the popularity of everything from hamburger to porterhouse steaks.

What the housewife might not be thinking about when she budgets her household expenses is the way other basic items have increased. For instance, in the same 10-year period, repairs for the family auto have gone up an average of 45 percent and home maintenance expenses 56 percent. The item of health care is somewhat indicated by the adjustment in doctors' fees to rounded out 64 percent. Such a prosaic item as mailing costs—remember this affects items coming in as well as those going out of the home—is increased 73 percent.

There are, of course, many other things that have increased—some more and some less than the ones quoted here. These are typical ones that affect the largest number of people. The inflationary spiral is a critical one. The figures used here, in all cases, are from the U.S. Department of Agriculture.

The aim of the current promotion radiating out of the Oakland community is to get quantities of beef moving into the home for consumption. It is also to get the whole story of the important local segment of the beef industry on people's minds. Quite simply put—"The Beef Country Speaks Up . . ." is as timely as it will be effective.

BEEF PETITION

LIST THAT WENT TO WASHINGTON

We the undersigned are seriously concerned about the livestock feeding industry, and in particular, the impact of beef imports on the price of domestic beef when the price of these products is below the cost of production.

We urge you to reconsider and curtail the impact of foreign beef until such time that the price situation is conducive to domestic beef production:

Carroll E. Pearson, James E. Peterson, L. Gordon Nelson, Harold A. Nelson, Keith Potadle, Henry T. Olsen, Auga M. Svendsen, Gene H. Hansen, Vernolt Moseman, Galen D. Sailors, Elden Ahrens, Theo Eriksen, Jr., C. Gordon Nelson, Arnold Magnusson, Carl Magnusson, and Dale Magnusson.

Roger A. Nelson, Glenn M. Cull, H. L. Baldwin, Shirley Bromm, Ronald Carlson, Art Grenier, Dean Brudigam, Stephen L. Stalling, Ray Simpson, Iver Beckstrom, Erwin Muller, Donald Bromm, Glen Rosenboom, and Iver Beckstrom.

Robert Loftis, Ray Simpson, Emmet Connealy, Larry L. Hennig, Robert Richards, Dwayne Huffman, Mrs. Larry French, Joe Walter, Harold H. Swanson, R. O. Terwilliger, Patrick Bacon, Johnie Beard, Don L. Worley, Ben Erway, and George Busse.

Velma Cooper, Clinton Blevins, Don Worley, Sr., Rex Morgan, H. C. Larson, Dick Larson, Archie Pond, Arthur Mussack, Edward Smith, Ken Phelps, Jim Smith, Pat. J. Knutson, Gerald Bacon, Lyle E. Farrens, Harold Hale, Russell Claussen, Donald Walter, Linda Wortman, Mrs. H. W. Anderson, Kelsa McKain, and Bill Whee.

Franklin W. Johnson, Robert J. Brodersen, Pearl A. Broadersen, Harvey Walker, Wayne Hansen, Orville Hansen, Kenneth H. Miller, Ernest Rojem, Robert E. Coffman, Maurice B. Connealy, Eugene Chamberlain, Lawrence V. Johnson, Joe Roh, Jr., Robert H. Anderson, and Elden Ahrens.

Arnold Rieken, James W. Anderson, Robert Aicken, Roger Peterson, Delmar Anderson, Norman Wallerstedt, Ivan McKenzie, Fred Fager, Sherman Hultquist, Dwain R. Anderson, Jon Ronnfeldt, Vern Hansen, Howard E. Anderson, Johnie M. Beard, and Donald Drummond.

Richard Feyerherm, Mrs. Delwin Swanson, Willard Drummond, Lawrence Holmberg, Raymond Webster, Lawrence Stromquist, Harold C. Myers, Gerald Wacker, Robert Kiester, Roy Pounds, Leonard I. Anderson, Kathy Drummond, Bernard Noordhoek, Thelma Brink, William Stanek, and Kenneth L. Larsen.

Llye Redding, Larry L. Larsen, Phillip Cooper, Bruce Peterson, Lloyd Hurrell, Dwight Long, Maurice Moderow, Gerald Wallerstedt, Norman Petersen, Carrol Hall, Gene A. Meyer, Meryln D. Nelson, Mrs. Jon A. Johnson, Mrs. Melvin Meyer, Jon A. Johnson, Kenneth Stromquist, Sidney Lindstrom, Jim Severson, and Mrs. Garland Erickson.

Paul Haeffner, Darrell Anderson, Randy Andersen, Tim Huffman, Maynard Y. Deen, Earl V. Hightree, Neal Forrester, Lee Deman, Don C. Johnson, Dorothy Winingham, Mary Gallup, Lyle Tippery, Helen L. Tippery, Mrs. Larry Tippery, and Roy G. Tippery.

Myrtle E. Tippery, Joan Tippery, Anna L. Malloy, Joe Malloy, Dan L. Smith, Elaine Smith, Clark Beck, Larry Kellogg, Robert Baker, Larry Mussack, Alden E. Engdahl, Daryl Bromm, Harry L. Hansen, Frances D. Larson, and Arnold Peterson.

Sidney Lindstrom, Harlan C. Swanson, Emory Wickstrom, Ed J. Nelson, Bob Bogue, Gilbert Isaacson, Art Schlichting, Hilma Hall, Judith Olsen, Kent Johnson, Gerry Hill, Loren Bundy, Ronald D. Nelson, Everette Powell, Randy Johnson, and Darl Beck.

Jim Frahm, Carl T. Anderson, Dan Whitted, Mrs. Harlan Nelson, George I. Nelson, Bob Hogan, Bill Johnson, Donald L. Johanson, Cameron Nelson, John W. Ahrens, Nels Christoffersen, Willis Ahrens, Larry Feyerherm, Marvin Johnson, L. L. Chudomelka, R. K. Robertson, Leonard C. Johnson, Mrs. Larry English, and Mrs. Phillip Hall.

Clay Reppert, Bob Reppert, Leonard Neesen, Lavern Neesen, Lyle D. Larsen, Rex Morgan, Gale D. Peterson, John Yowell, Gerald Wortman, Merlin Topp, Roland Ulrick, Willard Zvacek, Merrill Larson, Richard Johnson, and Cy Grosserhode.

Marlowe Tipton, Bob Ruzicka, Allen Reimers, H. L. Weeks, Wallace Oerfelt, Dennis Jahnke, Richard Bammert, Carol Schuetze, Victor H. Bracht, Margaret Fenske, Lenore Feyerherm, Anton Wiese, Harold Swanson Jr., Lewis L. Beard, and Carl Swanson.

Joe McGill, Steve Juva, Clark Sorensen, James Smatt, Leo Feyerherm, Marvin Benne, Paul Herman, Martin Weiler, LeRoy Enstrom, H. H. Hensel, Norman Abrahams, John Kindschuh, Vincent Lindstrom, Leroy Villwok, Arthur Linden, Raymond Satree, and Arnold L. Nelson.

Garfield Monson, Floyd Monson, Harold Lindstrom, Tom Mallette, Melvin Von Seggern, Larry English, Vernon K. Johnson, David Greenwood, Gary Johnson, Dale Greenwood, Mrs. Herbert Young, Delwin Swanson, Willis Rabe, Roger Enstrom, Barry Rabe, Gust Von Essen, Russell Peterson, Bodolf Nissen, and Carl Wahlstrom.

Harvey Peters, Robert Miller, Bill Ahrens, Marlin Smith, Donald Dyson, Scott Smith, Dean Charling, Larry Anderson, Phillip Hall, Ben Erway, Clinton Bevins, Don Worley, Lyle Farrens, Donald Walters, and Ralph Neesen.

Bruce Schlecht, Ervin F. Smith, Ronald Rogers, George Guill, Clifford Saf, Lee Saf, Ralph Johnson, Ray Sebberson, Sid Wallerstedt, L. Johnson, Charley Cull, Dayton Benne, Keith A. Cook, Alfred Carlson, and Homer Francis.

Alva Beck, Dale Ruppert, Delbert Mahnke, Bud Douglas, James L. Nelson, Richard Grothe, L. C. Faudel, Walter Horn, Larry Larson, R. L. Peters, Mel Swenson, F. H. Darling, James A. Maly, Gerald Ludwig, Ralph Webster, Lyle Webster, and Jim Webster.

Mike McKenzie, Lumer Tichota, Jackie Cooper, Myron Rogers, Arlen Kempcke, Leon Olson, Kenny Frost, Mary Ahrens, Richard Dreyer, George Ray, Gene Kurz, Tom Johnson, Wesley Jacobs, Robin Newill, Bonita Going, Roland Slagle, C. W. Mailler, and Jim Weiler.

WORLD AVAILABILITY AND DISTRIBUTION OF FOOD

Mr. BIDEN. Mr. President, recently I had occasion to read an article regarding the world availability and distribution of food. I must admit that I was very surprised by some of the statistics that were offered. For example, the article said that by the end of fiscal year 1972 the total value of American agricultural exports was $8 billion. This contrasts with the figure for fiscal year 1974 which was 2½ times as much or $20 bilion. This indicates an almost overwhelming increase. It would be unfair though not to put it in its proper perspective. American agricultural production has almost consistently in the 20th century been marked by vast surpluses. What we have done with these surpluses is store them or channel them into our food for peace or Public Law 480 programs.

The picture that now faces us is a little different. Due to large-scale increases in basic commodity exports, our surpluses and reserves have diminished to the point where a trip to the neighborhood grocery store means spending a sizable chunk of money. Some even predict that we might experience certain food item shortages this year. The United States now finds itself in competition for basic foodstuffs with the world at large.

Now, the upsurge in American exports has produced a whole new set of influences on the domestic market.

The above quote from Douglas Kneeland's article raises some interesting questions and deserves close scrutiny and study.

Mr. President, I ask unanimous consent that an article from the New York Times of March 11, 1974, be printed in the RECORD.

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

CONSUMERS IN UNITED STATES FACE COMPETITION FOR NATION'S FOOD—AGRICULTURAL EXPORT VALUE RISES 150 PERCENT IN 2 YEARS TO MEET WORLD DEMAND

(By Douglas E. Kneeland)

When Americans push shopping carts through their supermarkets, not many of them are aware that they are now competing for much of the food they buy with people in Japan, Western Europe, the Soviet Union, China and most of the rest of the world. But they are.

Agricultural and economics experts agreed in interviews over the last three weeks that a major reason for some of the sharp increases in food prices in recent years had been the sudden and vast expansion of agricultural exports from the United States.

In the fiscal year ending June 30, 1972, the total value of American agricultural exports was $8-billion. For the year ending this June 30, the Government is estimating total agricultural sales abroad of $20-billion, 2½ times as much.

"We had a hellish big increase in quantity, but a lot of it was in price," said Kennard O. Stephens, deputy assistant sales manager in the Department of Agriculture's foreign agriculture service. "Maybe 50 per cent of this was price."

END NOT IN SIGHT

That is what happens when a lot of people are bidding for the existing products on an international market.

Discussions across the country with representatives of the food industry, officials of the Department of Agriculture, exporters, consulting agricultural economists and farmers themselves provided a consensus that the end of the expansion in foreign agricultural trade is not in sight.

Most Americans are familiar with the Soviet purchases of 350 million bushels of wheat in the late summer of 1972. That marked the beginning of the end of the huge surpluses that had occurred for decades in the United States. But most of those interviewed during the last few weeks agreed that the Soviet grain deal was only the tip of the iceberg.

RISING EXPECTATIONS

The law of supply and demand is at work, they emphasize, but it is no longer limited to the domestic level. It is the demand of a hungry world, whose ever-increasing population has rising expectations and somewhat more affluence, for food supplies that are having trouble keeping up.

For most of their lifetimes, Americans have been accustomed to relatively cheap basic foodstuffs made possible by an agriculture that regularly produced vast surpluses. The government, in turn, has spent billions to buy and store the leftovers and to pay farmers to hold acreages out of production.

Now, the upsurge in American exports has produced a whole new set of influences on the domestic market.

For instance, Japan has an insatiable appetite for soybeans, of which the United States is the world's biggest exporter. The demand may keep the price at a level that, in a side effect, adds considerably to the expense of feeding soybean products to poultry in this country and eventually to the cost of chickens to consumers. Likewise, a developing desire for more meat abroad may lead to a drastic increase in exports of American corn and other feed grains, pushing up their prices in making the cost of beef and pork much higher in the United States.

ANCHOVIES AND SALESMANSHIP

The change was spurred by a number of things, such as the easing of restrictions on trade with Communist countries, disappointing grain crops in many parts of the world, a poor catch of anchovies (used for protein in feed) off Peru two years ago, rising world demand for wheat and meat, rice crop failures in Asia and aggressive salesmanship over the last few years by many American growers' associations and export companies.

But it has come about so fast, rapidly draining off the traditional surpluses in this country, that it has caught many by surprise.

Little public notice was paid to the shifting situation until the American Bakers Association recently began badgering the Department of Agriculture to slow the record exports of wheat. The bakers sought the imposition of some sort of licensing controls, in effect, an embargo on new sales, lest the United States run out of wheat by the June 30 end of the crop year.

The bakers have insisted that the country could run so low on wheat that prices would soar and a family-size loaf of bread might cost $1.

The department, which has welcomed and encouraged an upward trend in sales, has resisted any type of embargo. The United States ended the last calendar year $9.3-billion ahead in agricultural exports over imports and $1.7-billion in the black in total balance of payments.

Secretary of Agriculture Earl L. Butz and his assistants are convinced that the credibility of the United States as a world trading partner was severely damaged in the summer of 1973 by a temporary embargo on soybean exports.

They insist that despite the bakers' predictions, the country will have a carryover of about 150 million bushels of wheat on July 1.

PUBLIC UNPREPARED

Most of those questioned were convinced that the bakers—like much of the American public—had become so used to prices dictated by surpluses that they were unprepared when wheat broke the historic $3-a-bushel barrier and rose to as much as $6 a bushel.

But the philosophy of Dr. Butz and many in the grain industry is that if Americans are to trade in a free world market they must pay the going price for products, even those that are raised in great surplus at home. In the case of wheat, the United States consumes only about a third of its annual crop, there are some obvious political risks in telling the people at home in a time of rising prices that they must bid against the rest of the world for their own grain.

Ray Davis, president of the National Association of Wheat Growers, does not believe the country is going to run out of wheat, but he enthusiastically embraces the new philosophy that American consumers are going to have to pay the world price if they want their share.

Cargill, Inc., in Minneapolis, is generally acknowledged as one of the largest, if not the leading, processor and handlers of United States farm products. Men like Walter B. Saunders, vice president for the company's marketing and transportation group, and Melvin H. Middents, vice president for the commodity marketing division, are dealing with the new world situation with relish. It's their business and it's booming.

IN 38 COUNTRIES

Cargill, which has annual sales in the billions, buys and sells grain (it accounts for more than 22 per cent of United States wheat exports). It also processes soybeans and other products, produces feeds and raises poultry, leases a fleet of 1,500 hopper cars, owns barges, towboats and ships, makes chemical products and operates salt mines and fishing fleets. It has more than 300 plants and offices in 38 countries.

But Mr. Saunders and Mr. Middents, dressed in conservative gray suits and rep ties, make it all sound simpler than that.

"Our economic function really two functions," Mr. Saunders said in company headquarters in a secluded brick chalet at Lake Minnetonka, "is to get grain from surplus area to deficit areas. That can be from Kansas City to Buffalo or to the U.S.S.R. The other is to take grain when it is in surplus and then distribute it when it is no longer in surplus. That's the grain business."

Mr. Saunders, slender, with dark wavy hair and horn-rimmed glasses, paused to smile across the table at Mr. Middents, a broad-faced friendly man.

"We store grain for other people," he went on. "Since World War II our biggest customer has been Uncle Sam, but we don't do much of that any more."

Both agreed that the world grain stocks were tight, but insisted that the United States would not run out of wheat.

"It's really been a shock to us," Mr. Saunders said. "Mel and I have been with Cargill a number of years and nobody paid any attention to our business. Now we've been on radio and television and people complain to us at cocktail parties. 'You're the guys who sold all that wheat to the Russians.' "

"That Russian grain deal is the most misunderstood thing," said Mr. Middents, "but it was just the timing more than anything. Nobody predicted the dramatic turnaround."

"We thought it would happen," Mr. Saunders interjected, "but we thought it would be gradual. Nobody expected the explosive nature of it."

"One of the things, as with energy," Mr. Middents said, "I think we'll still have reasonably priced food. But we can't take either energy or food for granted as something we'll have extremely cheaply."

THE AGE OF DOUBLESPEAK

Mr. McINTYRE. Mr. President, much to my chagrin, we seem to have entered the age of misuse and abuse of the English language for political purposes. Each day we are confronted with a new example of what has been variously referred to as "doublespeak," "Pentagonese," "bureaucratese," "linguistic pollution" and "Zieglerrata."

I refer, of course, to the all too common practice of distorting the true meaning of words in order to place a more favorable meaning of what might otherwise be an unthinkable or unspeakable concept. Thus, the Pentagon would have us believe that we do not bomb anymore—we provide "air support." False statements about Cambodian air raids are not "lies"—they are merely "erroneous reports."

Clearly, however, this art was not invented by the Pentagon, nor do they have a monopoly on its use. Who could forget the momentous day when some unidentified bureaucrat single-handedly eliminated poverty in this Nation—simply by ending the use of the word "poverty" in all official reports.

Perhaps it is my Yankee background, but I yearn for the days of simplicity, when words were straightforward, and your neighbor would look you in the eye when he spoke. Nothing was "inoperative" then—it was either broken or untrue.

This may seem to be a trivial complaint, Mr. President, but I am in earnest. We realize more and more every day that information is power, and that those who have control over our sources of information must be held accountable for misleading us.

I would commend to my colleagues attention an article in the April 13, 1974, issue of The New Republic. It is entitled "Zieglerrata," and I ask unanimous consent that it be printed in the RECORD.

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

Waffiers of the world, beware! An implacable enemy, versed in the ways of language, plots your destruction. For three years now the National Council of Teachers of English—130,000 members who live by the word—has been stockpiling invective to hurl at the specter it calls Doublespeak. The council has a Committee on Public Doublespeak—26 determinedly true-speaking, true-writing teachers of high school and college English, whose aim is to "combat semantic distortion by public officials, candidates for office, political commentators, and all those who transmit through the mass media."

Last November the Doublespeak Committee dispatched a daring suicide mission—under the cover name "Insider's Tour"—to the heart of enemy territory, Washington, DC. Four leaders found that the Federal Trade Commission representative had been unable to define "public interest," the Federal Communications Commision official had difficulties with "controversial," and the Department of Defense man struggled unavailingly with "national security"—though he had no trouble when asked if the Pentagon had lied to the Senate about the bombing of Cambodia. Spokesman Jerry W. Friedheim replied that the Pentagon hadn't lied, it had merely submited an erroneous report. This is pure Pentagon Doublespeak.

Back in World War I Maury Maverick defined Gobbledygook as "talk or writing which is long, pompous, vague, involved, usually with Latinized words." Others have contributed State Departmentese, Pentagonese, Strangeloveisms, Bureaucrat, bureaucrack, bureauquack, bureaucratic, indirect, bureaucratic amorphous, linguistic pollution, officialees, Nixonese, Ovaloid, Zieglerrata, marshmallow prose, Prosa Nostra, and of course Doublespeak's half-brother—Doubletalk. Rep. Robert F. Drinan (D, Mass.) calls it unlanguage. He once had such trouble understanding an untext of navy unlanguage that he arranged for navy officials to visit his office and debrief themselves.

To doublespeak is to polish up the handles on reality. "Things are seldom what they seem/Skim milk masquerades as cream," sang Gilbert and Sullivan. But the past master who damned unlanguage *a capella* was George Orwell. In "Politics and Language," he wrote: "In our time political speech and writing are largely the defense of the indefensible. . . . Defenseless villages are bombarded from the air, the inhabitants driven out into the countryside, the cattle machinegunned, the huts set on fire with incendiary bullets: this is called *pacification*."

Orwell suggested dealing with political chaos by verbal purification. "If you simplify your English, you are freed from the worst follies of orthodoxy," he wrote. "Political language—and with variations this is true of all political parties, from Conservatives to Anarchists—is designed to make lies sound truthful and murder respectable."

In *1984* Orwell foresaw the triumph of Newspeak, completely replacing Oldspeak (Standard English) by about 2050. Newspeak would make all forbidden beliefs unthinkable by stripping Oldspeak words of unorthodox meanings and diminishing the range of thought: "The word *free* still existed in Newspeak, but it could only be used in such statements as 'This dog is free from lice' or 'This field is free from weeds.' " And: "Ultimately it was hoped to make articulate speech issue from the larynx without involving the higher brain centers at all. This aim was frankly admitted in the Newspeak word *duckspeak*, meaning 'to quack like a duck.' "

James Thurber wrote: "The brain of our species is, as we know, made up largely of potassium, phosphorus, propaganda, and politics, with the result that how not to understand what should be clearer is becoming easier and easier for all of us." As usual his seals were barking up the right tree. Where but in the pea soup of our brain was there a culture for the Doublespeak of Vietnam, where troops were "advisors," where men were not murdered but "wasted," and where the CIA shunned assassination in favor of "termination with prejudice"? Jonathan Schell, who chronicled the terrors of US air warfare in Vietnam, noted that people bombed from their homes began as "hostile civilians" and—in camps—became "refugees." When the burden of empiricism became oppressive, one US official asked for outside help in thinking up derogatory names for the enemy.

"You always write it's bombing, bombing, bombing," Col. David H. E. Opfer, air attaché at the US Embassy in Pnompenh, complained to reporters. "It's not bombing. It's air support." What might have seemed an old-fashioned invasion of Cambodia turned out to be a simple "incursion."

"It gets worse and worse," said Henry Steele Commager in an interview. "Did you hear Caspar Weinberger, the Secretary of HEW, explain that we have enough medical

schools—they are just 'overapplied for'? The Lincolns and Jeffersons and Washingtons and Wilsons didn't use jargon: they found ways of eloquence. 'Make the world safe for democracy.' People can understand it. That doesn't turn the Franco regime into a democratic regime, as this crowd would."

Edward S. Herman, a professor of finance at the Wharton School, put together *The Great Society Dictionary* and *The Great Imperial Dictionary*, and translated Doublespeak into Singlespeak. "Urban renewal" was "Negro removal," "infiltration was their movement of troops into the battle zone." Vietnam talk led straight to Watergate language, and to all-time Orwellian award winner Ronald Ziegler, distinguished for his proclamation that "all previous White House statements about the Watergate case are inoperative." After the President's State of the Union address this year, Daniel Schorr of CBS reported that Mr. Nixon had avoided mentioning the negative income tax because his phrasemakers had not come up with a less negative name for it.

With scholarly discernment H. W. Fowler, in *Modern English Usage*, long ago identified a virus called Sociologese. Daniel Bell, professor of sociology at Harvard, sounded the tocsin for "sociological glossolalia" in an erudite study entitled "Sociodicy: A Guide to Modern Usage." Noam Chomsky sounded the anti-tocsin: "I sometimes think the whole function of the social sciences is to mystify trivial things by putting them into quasi-technical language." Henry A. Barnes, who served as transportation commissioner of New York City, produced a glossary of bureaucratic Western, including "doubtless" (unverified), "interesting fact" (drivel) and "universally recognized principle" (risky proposition).

"A society that cannot speak or understand sense is condemned to live nonsensically," says Prof. Richard Gambino, of Queens College and a member of the Doublespeak Committee. The committee believes in the curative powers of simplicity. To enforce Singlespeak it wields the instrument known as Occam's Razor, the rule in philosophy that entities must not be multiplied needlessly. H. L. Mencken pointed out that the American believes in raising the grandeur of his trade by elevating its name—landscape artist for gardener, podiatrist for chiropodist, which was earlier corn doctor. Evelyn Waugh in *The Loved One* and Jessica Mitford in *The American Way of Death* memorialized the verbal grandeur founded on corpses, and S. I. Hayakawa analyzed a word's "affective connotations"—"finest quality filet mignon" was another way of saying "first-class piece of dead cow."

Wesleyan's Richard M. Ohmann, a leading member of the Doublespeak Committee, has analyzed a language he calls Liberal. Speakers of Liberal keep their values tacit and remember that the indispensable word is "problem." "In Liberal," Prof. Ohmann noted, "one refers to the undesirable consequences of anything—selling arms to dictators, imprisoning dissenters, burning villages—as a problem."

Since he knows 25 languages, Prof. Roman Jakobson, who taught at Harvard, has isolated Doublespeaks all over the place. Talleyrand, he noted, said language exists to conceal true thought. Stanislavski passed out promptbooks with the dramatist's words at right—and at left what the dramatist meant. In *Kultura Yazyka* (*The Culture of Language*), Grigory Vinokur analyzed what the Russians call "paper language" and what English teachers recognize as false phraseology, as in the sacred phrase "Our Great October Socialist Revolution." Why waste paper and ink? asked Vinokur. Was there really such a revolution that was not ours? Not great? Not socialist? What's left is "October Revolution," and—as Professor Jakobson noted—it wasn't even in October.

The Doublespeak Committee has not yet devised an infallible guide to the perplexed, or a weapon that would cut the enemy to the quick, simple word, but Prof. Neil Postman of New York University hopes to wound the enemy nonetheless. He proposes a kind of Watergate hearing every month—focusing on public language. Postman also suggests a number of crucial questions that anyone in danger of victimization should ask: 1) What does this mean in plain language? 2) What interests or causes are served by this statement? 3) What avenues do I have to verify the truth content of the statement? 4) Is it a religious statement to be taken on faith?

"A taste of truth is like a taste of blood," said Dwight Bolinger in his 1972 presidential address to the Linguistic Society of America. Noam Chomsky prescribed "honesty" as the antidote to Doublespeak and warned of an enemy—even more insidious than Doublespeak—which cloaks itself in silence and muffles its aims in secrecy. Nospeak does not yet have the English teachers aroused, but their silence may conceal the worst.—ISRAEL SHENKER.

ABORTION

Mr. PERCY. Mr. President, the 1973 Supreme Court ruling on the issue of abortion has brought forth a momentous national response. I have listened to the points of view of people who support that ruling and of people who denounce that ruling. Recognizing and respecting strong arguments on both sides of this highly controversial issue, I believe that the Supreme Court ruling on abortion is correct and proper under existing circumstances.

The Supreme Court based its decision on the individual's right to privacy, which is founded primarily in the 14th amendment's concept of personal liberty and restrictions upon State action. The Justices determined that:

> The right of privacy is broad enough to encompass a woman's decision whether or not to terminate her pregnancy.

Many with whom I have talked even recently still do not understand that the Court decision prohibits State regulation of abortions only during the first 3 months of pregnancy. Beyond the first trimester, the State may regulate abortion procedures to preserve and protect maternal health; and beyond the second trimester, the State may prohibit abortion in all cases except those where the life or health of the mother is endangered.

The question as I view it is not an absolute one of pro-Court decision versus anti-Court decision, or of concern for human life versus lack of concern. The fact that women do desire abortions and will seek them out even under illegal and dangerous circumstances cannot be ignored or denied. Whether individuals, groups, or governments approve or not, this is the nature of the real world we live in. Rather, the question is whether the Government will force those women who desire abortions, and whose personal moral and religious views do not prohibit them, to seek abortions under illegal and potentially abominable surgical conditions.

Furthermore, legalized abortion allows for a far greater amount of personal counseling than was possible before the Supreme Court ruling. We know that prior to that decision, about 1 million abortions were performed annually in the United States. We also know that an illegal abortionist will seldom counsel a woman against abortion. If an expectant mother feels free to consult her family physician, however, that doctor might well counsel against abortion although the abortion would be legal.

The Court's ruling does not require any woman to undergo an abortion if she does not so choose; the ruling allows a woman a personal choice. The same cannot be said of laws prohibiting abortion; such laws deny freedom of choice. Although I view abortion as the least desirable means of birth or population control, and although I wish that no abortions were ever desired or performed, I cannot in good conscience work to overturn the Supreme Court ruling.

I am well aware that many people are in strong disagreement with me on this issue, and I believe that the individual rights of those people should be protected as well. Consequently, I have supported and will continue to support legislation to protect the rights of those who because of religious belief or moral conviction oppose abortion. I do not believe that any medical personnel should be required to perform abortions if personal or religious beliefs are in conflict.

The decision to terminate a pregnancy, at least in its earliest stages, should remain between a woman and her physician, and the Government should interfere as little as possible. This has been my position consistently during my years of public office, and it remains my position now.

Although I personally view the central issue in the abortion controversy to be the right of each woman to control her own reproductive life, there are a number of peripheral issues which indicate that the Supreme Court ruling of January 1973 has resulted in other types of social benefits. Improvements to our society with respect to health, child welfare, equal rights, and economy are evidenced by available information.

Because abortion has been legal nationally for only 1 year and information on the national impact of the new law is not yet available, existing statistics are mainly from New York and California, where new abortion laws took effect in 1968 and 1970 respectively. Although we cannot assume that the experiences of two States will be duplicated nationally, changing trends are apparent.

The number of women admitted to hospitals for post-abortion treatment has declined. In one San Francisco hospital, such cases decreased by 68 percent in 2 years following abortion reform. Abortion complication cases in one Los Angeles facility declined by 88 percent in 1 year. And statistics from 10 New York City hospitals indicate a 52-percent drop in abortion complications in the first 3 years of legalized abortion.

In my home State, the Illinois General Assembly 1969 Family Study Commission Report showed that the Cook County Hospital alone admitted approximately, 4,000 women annually from 1962 to 1968 for medical care following criminal abortions; in April and May of 1973, however,

the Chicago Board of Health found less than five such cases per month at the same facility.

Abortion-caused maternal deaths have declined as a result of legalized abortion. In California in 1967, there were 20 such deaths per 100,000 live births. In 1971, after liberalization of the law, there were only 2 abortion-caused maternal deaths per 100,000 live births. In New York City, only 4 maternal deaths from abortion were reported in 1972 to 1973, while 22 had been reported in 1970.

Although abortion has been a major cause of maternal mortality, many women, who in the past did not have the alternative of legal abortion, were actually endangered because of their pregnancies. Young teenage girls, women nearing menopause, women who have had many or problematic pregnancies, and women with medical handicaps all are at risk during pregnancy and childbirth. The number of women who die from all of these causes has also dropped since the liberalization of abortion laws. The New York City Department of Health reports a 51-percent decline in maternal deaths from 1969 to 1972, and in California, a 45 percent decline has been reported in the 4 years following abortion reform.

The rate of infant mortality has also decreased markedly. The New York City Department of Health reports a drop of approximately 20 percent in this figure from 1969 to 1972.

The number of babies born out of wedlock has dropped. In the first year of new abortion laws in California and New York, the out-of-wedlock birthrate declined 16 percent and 12 percent respectively, completely reversing the trend of earlier years of ever-increasing numbers of illegitimate births.

Fewer babies have been abandoned or given up for adoption. In one New York institution, there was a 56-percent decline in such cases the year following abortion reform. And the number of New York City children placed in foster homes dropped 41 percent in 2 years after the law was changed.

The Supreme Court decision has increased equality of opportunity between the rich and the poor. It has long been an alternative of those women who can afford to travel to countries or States—or the Nation's Capital in Washington, D.C., for that matter—with less restrictive laws. Legal abortion was thus available to the wealthy although it was a financial impossibility for the poor. The Supreme Court ruling has to a great extent eliminated this discrimination based on economic status.

Millions of tax dollars have been saved by providing availability of abortion to women on welfare. In 1971 in California, the State medical welfare program paid $17.9 million for abortions for women on welfare. If none of those abortions had been performed, the cost to taxpayers would have been $59 million for health care during pregnancy and immediately after birth alone, beyond which would have been the continuing payments for the additional children on welfare rolls that could have run into hundreds of millions of dollars.

From 1970 to 1972, the national fertility rate for welfare mothers declined by 2.1 percent. In New York City, however, where abortion reform had taken effect, the fertility rate for welfare mothers declined more than three times as much.

I bring these statistics to the attention of my colleagues because they are worthy of careful consideration. The abortion issue is a controversial and highly charged one: I believe it is imperative for us to be as fully aware of available data as possible and to keep our minds open to the moral, physiological, psychological, and economic issues involved, in that order. Only in this manner will we be able to view the abortion issue rationally and responsibly. As we debate what is "right" and what is "wrong" we must also be understanding and respectful of opposing views earnestly held by others.

TROUBLED CHILDREN

Mr. MONDALE. Mr. President, the April 8 issue of Newsweek contains an excellent article entiled "Troubled Children: The Quest for Help."

According to the article:

By the most conservative estimate, at least 1.4 million children under the age of 18 have emotional problems of sufficient severity to warrant urgent attention. As many as 10 million more require psychiatric help of some kind if they are ever to achieve the potential that medical progress on other fronts had made possible.

As chairman of the Subcommittee on Children and Youth, and a member of the Subcommittee on the Handicapped, I have a deep concern for the many children who do not receive the services they require.

Some of the witnesses who testified at my subcommittee's hearings on "The American Family: Trends and Pressures" have pointed out the tremendous strain faced by families with emotionally disturbed or otherwise handicapped children.

I commend Newsweek for calling attention to this problem and I ask unanimous consent that a copy of the article be printed in the RECORD.

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

TROUBLED CHILDREN: THE QUEST FOR HELP

(By Matt Clark)

The control of the often deadly diseases of childhood is the proudest achievement of medical progress in this century. Thanks to vaccines and antibiotics, the average American child no longer must run a gauntlet of physical threats such as the crippling effects of polio, the heart damage of rheumatic fever or diphtheria's death by slow strangulation. Thanks to better nutrition, today's children grow inches taller and pounds heavier than their forebears did. In short, the American youngster has never had better prospects for a long and healthy life.

But for all that modern medicine has done to protect and nourish the child's body, surprisingly little has been done to assure him of an equally healthy mind. Despite all the talk about America's child-centered society and all the best sellers purporting to tell parents how to raise happy, well-adjusted youngsters, the number of emotionally troubled children is appallingly high.

By the most conservative estimate, at least 1.4 million children under the age of 18 have emotional problems of sufficient severity to warrant urgent attention. As many as 10 million more require psychiatric help of some kind if they are ever to achieve the potential that medical progress on other fronts has made possible. "If we used really careful screening devices," says Dr. Joseph D. Noshpitz, president of the American Academy of Child Psychiatry, "we would probably double and maybe treble the official statistics."

The hard core of these children are those who are autistic or schizophrenic. They are helplessly withdrawn from reality and exist in an inner world that is seldom penetrated by outsiders. More than 1 million other children are hyperkinetic. They turn both living rooms and classrooms into shambles by their frenetic and uncontrollable physical activity. Millions more troubled children are plagued by neurotic symptoms. They are haunted by monster-ridden nightmares, frightened of going to school, held in the grip of strange compulsive rituals or lost in the loneliness of depression. Harder to pinpoint but just as troubled are those who simply don't function in society. They fail in school, they run away, they fight, they steal. Eventually, they fill reform schools and prisons.

Until recently, childhood emotional disorders have been tragically neglected as a national health problem of dramatic proportions. Because of his bizarre and often repellent behavior, the emotionally disturbed youngster has never made an appealing poster child for mothers' marches and annual fund-raising drives. While most of the nation's 17.6 million physically handicapped children receive educational and medical services through a variety of public and private channels, fewer than 1 million of the emotionally handicapped are receiving the help they need. All too often, the disturbed child has been expelled from public school as unteachable, or shunted into special classes for retarded children with brain damage. "We are in the Year One in care and treatment of these children," declares Josh Greenfeld, a 46-year-old writer whose 1972 book, "A Child Called Noah," vividly described his own agonizing search to find help for his autistic son. "We are going to have to shock ourselves into the fact that we are killing these children as well as destroying the lives of the families the kids are part of."

But within the past few years, parents like the Greenfelds have made some important gains in winning better care for their troubled children through the legislators and the courts. In one of the most far-reaching decisions of all, a District of Columbia Federal judge ruled in 1972 that all handicapped youngsters—including the emotionally disturbed—are entitled to public education under the Fourteenth Amendment. Thanks to the relentless lobbying of the National Society for Autistic Children in Albany, N.Y.—composed largely of parents—more than 30 states have passed laws providing special education for autistics in the last four years.

One reason for the increasing recognition of the needs of the troubled child is the strong evidence that his ranks are growing. The number of children receiving treatment for emotional problems in institutions and outpatient facilities has risen nearly 60 per cent in the last seven years—from 486,000 to 770,000. "The drift," says Noshpitz, "is to-

ward seeing more and more very disturbed children, youngsters who need residential treatment." And psychiatrists in private practice note similar trends. "There is now a widening scope of patients with childhood disturbances," says one veteran New York psychoanalyst, "and it is not just because more people are deciding to put their children in therapy."

Freud, who preached that the root causes of emotional disorders were to be found largely in a disturbed relationship between parent and child in early life, is no longer quite so predominant an influence on child-care professionals. The more eclectic psychologists and psychiatrists hold that childhood mental ills seem to arise from three interwining influences: predisposing physical and hereditary factors, forces within the family—including the Freudian traumas—and stresses imposed by contemporary life. "The fortunate child," says Ner Littner of Chicago's Institute of Psychoanalysis, "is the one with good heredity and adequate care provided by two parents who are able to recognize and meet the child's needs in early life, and a minimum of chronic, overwhelming stress situations as the child grows up."

But now more than ever before, the triad of forces seems to conspire against the emotional well-being of the American child. First, there is a growing recognition that children born prematurely or as a result of difficult labor, those suffering from complications of measles and other viral infections and those raised by parents who are themselves victims of mental disorders run a high risk of emotional disturbance. Boys, for reasons perhaps attributable to hormonal differences, are up to five times more vulnerable than girls.

Second, today's mobile society has all but abolished the extended family. Parents can no longer count on grandparents, aunts and uncles to act as authority figures in the raising of their children. "I'm personally convinced that no two parents can rear a child entirely alone," says Dr. Sally Provence of Yale's Child Study Center. "Yet young parents have fewer supports for parenting than ever before—it's either drag the kids along or get a sitter." With the increasing number of young women carving out careers for themselves, some experts see a threat even to the integrity of the nuclear family. "I'd much rather see people not have children at all than leave infants in a day-care center," says Dr. Lee Salk, chief child psychologist at New York Hospital-Cornell Medical Center and author of the best seller "What Every Child Would Like His Parents to Know."

Third, in today's push-button society children tend to learn about the world around them vicariously by television. "Many of our children and young people have been everywhere by eye and ear," notes a recent report of the Joint Commission on Mental Health of Children, "and almost nowhere in the realities of their self-initiated experiences." And much of what the children see is the vivid depiction of war, violence and social upheaval; aggression has become one of the most pervasive childhood experiences of all, says Dr. Ebbe Ebbesen of the University of California at San Diego. "Children learn abnormal behavior from observing other people," the California psychologist contends. "The more aggression a child is exposed to, the more likely that he himself will be aggressive."

Because there is no one cause of childhood emotional problems, many methods of treatment have evolved in recent years. Since a young child can hardly be expected to lie still for long, deep-probing sessions of analysis on the couch, psychiatrists have developed other ways to get at the source of his troubles. One involves watching how he plays with his toys or interpreting the pictures he draws. Other therapists ignore the deep-rooted sources of a child's problem and use reward-and-punishment conditioning techniques to modify the child's abnormal behavior. In many cases, the children with the overactivity syndrome of hyperkinesis can be helped with drugs. Unfortunately, no truly effective treatment has yet been found for the child afflicted with the most devastating of all the disorders—autism.

AUTISM

The term "early infantile autism," from the Greek for "self," was coined 30 years ago by Dr. Leo Kanner of Johns Hopkins to describe a group of disturbed schizophrenic children who showed a uniform pattern of disabilities in responding to their environment. As an infant, the autistic child may go limp or rigid when his mother picks him up. He may seem deaf to some sounds but not to others. He may show no sensitivity to pain, even to the extent that he can blister his fingers on a hot stove without flinching. For long periods, he may rock monotonously back and forth, flap his hands in front of his face, walk on the tips of his toes or whirl about like a dervish.

Autistics show unusual deviations in reaching the milestones of development. They may never sit up by themselves or crawl, but instead suddenly start walking. Some start to talk, but then abruptly stop using language altogether, or only echo words and phrases they have overheard. They reverse personal pronouns, such as saying "you" for "me." They seldom look anyone in the eye. When an autistic child wants something, he may, without looking at his mother, steer her hand toward the object as if manipulating a pair of pliers. Because many autistic children show certain "splinter skills" above and beyond their otherwise poor level of functioning—such at the ability to rattle off strings of numbers—they have traditionally not been classified as retarded or brain-damaged.

After Kanner's description of autism was published, some psychiatrists observed that the parents of such children tended to be intellectual, emotionally detached and with a tendency to think in abstractions. With the prevailing influence of Freud on child psychiatry at the time, it was hardly surprising that the condition should be blamed on these "refrigerator parents." Autism was supposed to result from rejection of the child by the mother at an early stage in infancy. Dr. Bruno Bettelheim, a distinguished psychoanalyst who recently retired after 30 years of dealing with autistic children at the University of Chicago's Orthogenic School, is a forceful exponent of the Freudian view.

The autistic child has an inherited predisposition to emotional trauma, Bettelheim says, but unconscious rejection by the mother is the major traumatizing event. The parents, he says, tend to deal with the child in a mechanistic way, out of a sense of obligation rather than genuine affection. "This is interpreted by the child as a feeling he shouldn't be alive," says Bettelheim. "When animals are threatened, they either play possum or fight back. Some children fight back, but the autistic child plays dead."

But the current trend is away from the Freudian view. Recent studies show that the parents of autistic children display no emotional traits that set them apart. "The only differences these parents show from other parents," notes Dr. Eric Schopler of the University of North Carolina School of Medicine, "is that they are all under stress themselves because they have a difficult child."

Moreover, researchers have made a number of observations that suggest that autism is more of a neurologic problem than an emotional one. A number of autistics, for example, show so-called "soft signs" of neurologic impairment, such as poor muscle tone, uncoordination and exaggerated knee-jerk responses. Drs. Edward Ornitz and Edward Ritvo of the UCLA School of Medicine have studied the eye reactions of normal and autistic children placed in a spinning chair. If the chair spins to the left, a normal person's eyes will move to the right, snap back and wander right again; when the chair stops, the eyes will reverse their movement. Autistic children show the same pattern of eye movement, but for a much shorter period. This suggests that the disorder involves a maturational lag in neural development. "The overwhelming evidence," says Ornitz, "is that this is an organic condition."

Because of the evidence suggesting that a physical abnormality is involved, there is a tendency among experts today to regard autism as a form of mental retardation rather than an emotional illness. "Autistic children both will not and cannot perform many tasks," says Ornitz. About 75 per cent of autistics remain retarded through life, he notes, and more than half eventually are institutionalized.

It is the parents of an autistic child who suffer the most. Many of them spend years going from specialist to specialist in a fruitless search for cures. At first, a pediatrician may tell them their child is deaf or simply "spoiled." Psychoanalysts may suggest that they, the parents, need treatment as much as their child does, only adding to an already unbearable burden of guilt. Psychiatrists may give the child tranquilizers, stimulants or even electroshock therapy. But the child remains his autistic self. Recently, some physicians have prescribed massive doses of such B vitamins as niacinamide, pyridoxine and pantothenic acid for both autistic and schizophrenic children. But most experts insist that the so-called megavitamin therapy has no scientific basis. "This is the false-hopes business," says one researcher, "and it causes a lot of anguish." Every time you go to someone you're desperate," says Connie Lapin, a Los Angeles mother of an autistic son. "They say they'll treat him. But then they can't reach him and they give up."

But while there is no specific treatment for autism, a number of centers now offer special training that has produced promising results in some children. One of them is TEACCH (Treatment and Education of Autistic and related Communications handicapped Children), begun by Drs. Eric Schopler and Robert J. Reichler eight years ago and now funded by the State of North Carolina. One of the outstanding features of the program, according to Schopler, is the participation of parents as co-therapists in training their own children.

Basically, the parents are instructed how to use reward-and-punishment behavior modification to train their children during daily half-hour sessions in their homes. Through a one-way glass, therapists show parents how to reward the child with hugs, or candy, when he performs an expected task. The early exercises focus on such basics as looking the parent in the eye, learning concepts such as "same" and "different" by sorting knives, forks or other objects, and Parents are taught to distract their children from psychotic movement, such as rocking. When a child fails to respond, the parent is assured that it is correct to show displeasure.

The road to advancement is painfully arduous, but many children *do* improve. Michael, a brown-haired 5-year-old, couldn't talk and was unmanageable when he entered TEACCH a year and a half ago. Now he has a vocabulary of 750 words and behaves well enough to attend a special school. David, who had an IQ of 70 when treatment began

nine years ago, now scores 30 points higher and is getting average grades at a regular private school. "By getting to them early," says Schopler, "some children can be salvaged."

SCHIZOPHRENIA

Schizophrenia in children bears some resemblance to autism and many psychiatrists consider them related. The child may be withdrawn and fail to use words. He may also be overactive and aggressive. Unlike schizophrenic adults, children affected by the disorder don't usually hear voices or otherwise hallucinate. But they do fantasize, according to psychiatrists, and they often can't distinguish between the real and the imaginary.

In the past, psychoanalysts tended to ascribe schizophrenia largely to the influence of a castrating "schizophrenogenic" mother. Many psychiatrists today believe the emotional environment of the home may play a greater part in the disorder than is the case with autism. But a growing number of the experts are now persuaded that a genetic defect, coupled with neurologic impairment of some kind, constitutes the underlying cause of the disorder.

The influence of genetics in childhood schizophrenia has been demonstrated by Dr. David Rosenthal of the National Institute of Mental Health. Rosenthal compared children with a schizophrenic mother or father who were raised by normal adoptive parents with adopted children of normal parents. In this way, the possible environmental influence of parenting was equalized. It turned out that the children of psychotic parents in the study had about twice the incidence of schizophrenic disorders as did those of normal parents.

The outlook for the schizophrenic child is considerably brighter than it is for the autistic. Many of these children are educable and never have to be institutionalized. Brooklyn's League School is typical of centers across the country that use a "psychoeducational" approach to treating schizophrenic children while the child lives at home.

Children are usually accepted at the school between the ages of 3 and 5 and most stay several years. Tommy Harper of Brooklyn began when he was in second grade. Throughout his childhood he had displayed a vicious temper. He threw blocks at his teachers when he couldn't get his way, and once pounced on a little girl and broke one of her teeth. Consigned to the cloakroom, he was later found sitting on a shelf, beating himself over the head with a toy gun and crying, "I want to die."

With the structured environment and intensive individual attention he received at the League School, Tommy settled down and learned to read, do math and function in groups. He was bright, a fast learner and in four years he was back in regular school. Today, at 15, Tommy is still a bit of a loner. But he can play sports such as football and not lose his temper in defeat; more important, he is an honor student. Dr. Carl Fenichel, director of the school, estimates that about 80 per cent of the children at the school had been destined for state institutions. Now, the majority go on to satisfactory jobs, regular schools and some even to college.

HYPERKINESIS

Of the more serious childhood behavior disorders, hyperkinesis has become the most widely publicized of late because it is being diagnosed in an increasing number of schoolchildren. The symptoms may be discernible in infancy, when the mother finds that her baby is unusually restless and difficult to soothe. They become more obvious when he reaches school age. Typically, hyperkinetic children are highly excitable, easily distracted and impulsive. They have trouble concentrating and therefore become disruptive in the classroom. Because they are failures in their work, they develop the emotional side effect of low self-esteem and frequently compensate by delinquent acting-out. "These youngsters consider themselves worthless," says Dr. Lawrence Taft of the College of Medicine and Dentistry of New Jersey, "because everyone is telling them they're no good."

Hyperkinesis seems to run in families, but there is also evidence that the disorder may be related to minimal brain damage, possibly occurring at the time of birth or after a viral infection such as measles. There is also evidence that lead intoxication may produce hyperkinesis among ghetto children who habitually put pieces of peeling lead-based paint into their mouths.

At least a third of hyperkinetic children show marked improvement on daily doses of stimulants such as amphetamines and even coffee (NEWSWEEK, Oct. 8, 1973). Just how the stimulants have this paradoxical calming effect isn't known, but they seem to improve the child's ability to concentrate.

Dosing large numbers of schoolchildren with the very drugs that constitute a major abuse problem in the U.S. has stirred controversy among many parents and even some psychiatrists. Some charge that the stimulants are prescribed as "conformity pills" for rebellious children. The drugs may produce side effects, including loss of appetite and sleeping difficulties. As a result, children who take them for several years may not grow as tall as they might have otherwise. But the effect of the drugs can be so dramatic, says Taft, "that you wonder whether an extra bit of height is all that important."

DEPRESSION

Among the childhood emotional disorders in which the relationship with the parents is of unquestioned importance, the outstanding example is depression. Some experts estimate that depression accounts for at least a quarter of the troubled children they see. The so-called "endogenous" form of depression, which seems to arise without any evidence of a traumatic life experience to account for it, is rarely diagnosed in youngsters. In nearly all cases, childhood depression is "reactive," associated with an event in the child's life, usually involving the parents. "The child-psychiatry books of twenty years ago may not have even mentioned it," says Dr. Leon Cytryn of the George Washington University School of Medicine. "But we're beginning to realize that there are many depressed children and we suspect a lot of them become depressed adolescents and depressed adults."

Its most pathetic form is the "anaclitic" (from the Greek, "leaning on") depression that is observed in infants separated from their mothers in the first six months of life and raised in institutions where they get little attention and neural stimulation. These babies, starved for warmth, withdraw and display some of the signs of autism, such as monotonous rocking and, as they grow older, difficulties with language. They will improve with regard to language and motor skills if moved to a favorable environment, but the profound emotional impact of their early experience may be devastating.

Beyond the age of 6, the depressed child may show signs of sadness, social withdrawal and apathy similar to the symptoms of adult depression. But usually it is masked. In young children it may be expressed in psychosomatic headaches or vomiting; in older children it may show up in aggressive behavior, truancy, vandalism and, particularly among girls, sexual promiscuity. The periodic episodes of sadness that are the tip-off, notes Dr. Donald H. McKnew, Jr. of the Children's Hospital of the District of Columbia, may be overlooked by the parents for months, but psychological testing may bring out the true extent of the child's depression quite quickly.

Asked to draw a picture and then tell a story about it, an 8-year-old boy brought to McKnew recently drew a picture of a small whale. Then he told how the whale was lost and was trying to get home. He tried to hitch a ride with another whale, but slipped off its back. Then he joined a school of whales, but they swam too fast for him to keep up. So the whale in the picture was lying with another whale, also lost, waiting to be found. "If an adult told you a story like that," notes McKnew, "you'd immediately give him antidepressants."

Depression in children almost always follows a sense of loss. Acute reactions occur, understandably enough, after the death of a parent or close relative, divorce or a move to a new community. Often, they are more like grief reactions and disappear with time. But many depressions occur because the child senses a withdrawal of interest and affection through frequent separations from, say, a father who travels a lot; or because a parent conveys an attitude of rejection or deprecation. In most instances, one or another of the parents has a depressed personality, McKnew observes.

Antidepressant medication is seldom prescribed for children. Most often, psychiatric counseling, involving both parent and child, is required. Fortunately, psychotherapy usually is effective. Here psychiatrists have devised methods that sidestep the completely verbal methods of communication used in more adult forms of psychotherapy. One of the most widely used is play therapy, in which the child uses a variety of toys to expose, under the therapist's watchful eye, the situations that may be at the bottom of his problem. The play-therapy concept is based on the common-sense notion that play is a more natural mode of expression for a child than verbalizing dreams.

One of the most common problems that call for psychiatric attention in children is school phobia. It may be a symptom of depression, but may also have a far more readily treated cause. Dr. Lee Salk recalls the case of Stephen, age 5, who lived on the twelfth floor of a New York apartment with his parents and grandparents, who continually expressed their fear of burglars. His mother warned him constantly of the evils that could befall him when he went out to play and often warned him not to let the elevator doors close on him. Soon, he had developed a fear of both burglars and elevators, and was afraid to go out alone.

Not surprisingly, his anxieties continued at school; his mother would drop him off at the door but could count on his coming out again minutes later. The problem, as Salk explained, was that the child had become totally helpless outside his mother's purview and dependent on her attention—a common source of school phobias. Salk explained to the overanxious mother that Stephen should hear fewer dire predictions about the world outside and be allowed more independence. In weeks, he was spending full days in school.

The relief of the most serious problems of troubled children—autism, schizophrenia and hyperkinesis—must wait much further research into the physical and biochemical mysteries of the brain. What is required is the same sort of commitment on the part of private agencies and the government that has lately been mounted in the war against cancer and heart disease. At the same time, the children who are already victims of these tragic disabilities must be afforded the special training that will give them the best

chance of finding a useful life. In view of the fact that 10 percent of the nation's children are now destined to develop some form of emotional disability, the effort would seem a small price to pay.

Meanwhile, in the view of child experts, there is a good deal that parents can do to protect their children from many kinds of serious emotional damage. First, say Salk, is to recognize the child's dependence during the first year of life and respond unstintingly to his need for warmth and affection. Once the child has learned to trust his parents, it is time to set limits that prepare him for his encounters with the world. To contend with the child's impulse to explore his environment, knocking over countless glasses of milk as he goes, may be a frustrating and seemingly endless task, Salk concedes. "But," he adds, "for the parent who loves his child, has patience and can still see the world through a child's eyes, the rewards are beyond measure."

THE SILENT STRUGGLE OF SHAWN LAPIN

At the age of 1, Shawn Lapin seemed to be a healthy, normal child. He never could hold onto his bottle, recalls Connie Lapin, 34. But on the other hand, Shawn had begun to walk even before his older brother and could say three or four words. So there seemed to be no reason for concern. Then a sudden change in Shawn occurred. "One day he tuned everything out," his mother says. "He didn't respond to his name any more. He didn't talk any more."

Soon, Shawn's behavior was growing worse. He cried all night, and Connie and her husband, Harvey, a Los Angeles dentist, split four-hour shifts to quiet him. But every time one of them picked him up, his body became rigid and he pushed his parent away.

Connie and Harvey then began the tormenting, purgatorial ritual that most parents of troubled youngsters seem to follow—making the rounds of experts. After several false leads, the Neuropsychiatric Institute at UCLA finally diagnosed Shawn as an autistic child.

The last stop for the Lapins in their search for help was the office of Dr. Ivar Lovaas of UCLA. A Norwegian-born psychologist, Lovaas has specialized for the past twelve years in changing the behavior of autistic children through reward-and-punishment "operant conditioning." Lovaas was kind but blunt about Shawn's prognosis. "This is not going to cure Shawn," he told the Lapins. "All it will do is modify his behavior, and probably get him into a better institution."

"It was Ivar who brought me down to earth," says Harvey. "All that work and that's all it would do—get him into a better institution. It blew my mind. But as a parent, what are you going to do? The kid didn't ask to be born, and he certainly didn't ask to be autistic. I thought I had to do what I could."

Lovaas and his assistants, usually UCLA undergraduates, spent several sessions a week with the child and his parents, both at the clinic and in the home. After six months, they turned the job over to the parents, consulting occasionally to see how they were doing. But Connie found she couldn't work with Shawn. "Every time I tried, it just hurt," she says. "Some parents can't do it." Connie, in fact, felt the need to see a psychiatrist herself—and it was a wrenching experience. "The first thing he asked me," she recalls, "was 'How do you feel about Shawn?' I couldn't answer."

Finally, thanks to two consultants to the Los Angeles County Autism Project, Alan Insul and Danielle Berger, who have worked with Shawn for the past year and a half, the child is slowly improving. Danielle demonstrated the conditioning technique one afternoon recently in the Lapin home. Holding a package of sliced cheese, Shawn's favorite food, she knelt on the floor and instructed the child to say, "I love mommy." Shawn mumbled unintelligibly and Danielle withdrew the cheese and frowned. Then she repeated the command, with similar results. Finally, after half an hour, Shawn formed the right words and earned his piece of cheese.

Shawn has learned his tiny repertoire of skills: he can now look his parents in the eye, he is toilet-trained, he can dress himself in three minutes instead of the 45 it used to take and he can say about fifteen words. It is a pathetically small set of achievements for a normal 5-year-old, but according to the standards by which the autistic child is judged, it represents dramatic progress. And the Lapins haven't given up.

FOOD FOR MOTHERS AND CHILDREN—HEARING PROVIDES MORE REASONS FOR BIGGER, BETTER "WIC" PROGRAM

Mr. HUMPHREY. Mr. President, on April 5, I was privileged to chair a hearing of the Senate Select Committee on Nutrition and Human Needs, to gather testimony from workers and specialists in the infant and maternal nutrition filed on the WIC—women, infants, and children—nutrition intervention program.

The aim of the program is to provide dietary supplementation to pregnant and nursing mothers and to infants and children in low-income families, as a means of preventing mental and physical disabilities resulting from malnourishment.

As I pointed out in my opening remarks at the hearing, the program had a very unsteady start. Delays and excessive administrative complications marked early activities of the U.S. Department of Agriculture in launching the program. Indeed, it required the prodding of a court order, which I was instrumental in obtaining, to get USDA to begin the program.

Problems reportedly have persisted. Our hearing involved listening to witnesses from USDA and from organizations and agencies in different parts of the country, and attempting to get both sides of the story.

This we accomplished, I believe, in a very productive hearing.

Our purpose was, first, to look into the recent past and see how the program has functioned during the few months of its operation. This is part of the legislative oversight function of Congress—a function which has become of increasingly vital importance in recent years.

The second part of our purpose was to look into the future, to see what steps should be taken to improve the program. This, too, is a basic job of the national legislature.

I believe we received some very valuable advice, and some highly significant comments, from all the witnesses who testified. I wish at this point, Mr. President, to publicly commend each of them for their excellent contributions, and for the time and effort they invested in coming to Washington to tell their stories.

The witnesses, in their order of appearance, were:

Edward C. Hekman, Administrator, Food and Nutrition Service, U.S. Department of Agriculture;

Rosalyn Rubin, Ph. D., associate professor and project director, Department of Special Education, University of Minnesota;

George Cunningham, M.D., M.P.H., president, Association of State and Territorial Maternal and Child Health and Crippled Children's Directors, Piedmont, Calif.;

Miss Patricia Fitzgerald, WIC administrator, Illinois Department of Public Health, Springfield, Ill., accompanied by Dr. Mani Sashankar, administrator, East Side Health District, east St. Louis, Ill.; and

Robert Waln, chairman, Tribal Health Board, Rosebud Reservation, Rosebud, S. Dak.

Mr. President, I ask unanimous consent that the text of the prepared statement of each witness be printed in the RECORD at the end of my remarks.

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

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, I would like to stress what I consider to be some of the most significant contents of the testimony, including some major points that were made in the oral responses of some of the witnesses to questions by other members of the committee and myself. The distinguished Senator from South Dakota (Mr. MCGOVERN), the chairman of the committee, and the distinguished Senator from Kansas (Mr. DOLE) posed excellent questions and prompted some of the most informative responses from the witnesses.

First, the representative of the Department of Agriculture, Mr. Hekman, was most cooperative. I was especially pleased with his promise to have the Department and its food and nutrition service produce, by early next month at the latest a new and improved set of regulations for the administration of this vital program.

Mr. President, I was pleased to learn today that the Department has fulfilled this promise, and on this date sent the newly rewritten regulations to the Federal Register for publication. I look forward to examining the new regulations, with the sincere hope that they will prove to contain the necessary remedies to the administrative problems that have accompanied the first regulations. I wish to publicly thank Mr. Hekman and his agency for their cooperation.

It appeared to me, and I am sure to other participants and observers at the hearing, that Mr. Hekman agreed that the hastily written regulations currently in effect have been subject to vagueness and differences of interpretation, leading to confusion and unnecessary complication in the field. I hope that the new regulations will eliminate these weaknesses. They should permit this vital program to go ahead smoothly and to serve the needs and interests of its intended beneficiaries, rather than

posing frustration and uncertainty for them.

Second, I wish to commend Rosalyn A. Rubin, Ph. D., from my home State of Minnesota, a dedicated and gifted researcher. Her testimony, concerning her studies of the relationships between low birth weight in infants and learning disability as those infants grow older, provided us with the first solid, scientific evidence to demonstrate this connection, though it has long been suspected to exist and indeed was among the factors that motivated Congress in establishing the WIC program.

Aside from Dr. Rubin's prepared testimony, she offered a highly valuable endorsement of the WIC program in responding to a set of questions I presented to her.

To summarize her response, she said she was unable at this time to state as a scientist that nutrition intervention programs like WIC are guaranteed to prevent learning disabilities associated with low birth weight.

She stated that there simply has not been enough research, following a sufficient number of individuals through a long enough period of their lives, to demonstrate what effect nutrition intervention has on learning disabilities.

However, she gave the WIC program her hearty endorsement. She said, first, that she believes that nutrition intervention probably is at least part of the answer to the low birth weight-learning disability syndrome and, second—and more importantly—that the WIC program offers the opportunity for the type of long-term continual research that is needed to answer the questions remaining in this field.

I thank Dr. Rubin for her candor and integrity. I hope her advice carries as much weight with my colleagues in the Senate and our counterparts in the House as it does with me, when the matters of funds and further legislation for this and related programs come before us.

Finally, I wish to thank the other witnesses, who stated repeatedly their full support for the program, coupled with their strong pleas to rid it of unnecessary administrative and bureaucratic stumbling blocks and to provide sufficient funds for this program to be operated at a magnitude equal to its popularity.

I believe that the most important underlying theme of our hearing was that this is a popular program—meaning that it is a program that has won far-reaching support and enthusiasm among sponsoring agencies and organizations and among its beneficiaries.

This can only be taken, Mr. President, as a strong appeal for its continuation, improvement and expansion. It is not merely that we, the Congress, have created something that is wanted. It is a program that is needed, and needed badly by so many persons that large numbers have been turned away because the program at present is not large enough to include them.

We began modestly, and we seriously underestimated the need. We must face this need, and must do all in our power to meet it.

EXHIBIT 1

STATEMENT BY EDWARD J. HEKMAN

Mr. Chairman and Members of the Select Committee:

We appreciate the opportunity to meet with you today to discuss development of the new Special Supplemental Food Program for Women, Infants and Children (WIC).

The new pilot program (WIC)—designed to provide special nutritional help to pregnant and lactating women and children up to four—joins an established network of food assistance activities which the Department of Agriculture administers cooperatively with State governments and local private and public agencies.

Children of needy families receive assistance through an array of Child Nutrition Programs which provide Federal grants for meal service in day care centers, summer recreation programs, along with the over 86,000 schools taking part in the National School Lunch Program.

The major thrust in assistance to families—currently reaching some 14.6 million low-income Americans—is toward a nationwide Food Stamp Program. With only a few exceptions—all remaining food distribution programs will change over to food stamps by June 30, in accord with the mandates of the Agriculture and Consumer Protection Act of 1973.

With a built in escalator clause—the food stamp program becomes an increasingly viable, responsive program of food aid for the whole family, including of course mothers, their infants and young children. This group, however, comes in for special attention and concern because of their vulnerability to the effects of poor nutrition.

My testimony today reports our progress in launching an extensive and thorough evaluation of a new pilot project, the Special Supplemental Food Program for Women, Infants and Children (WIC) according to the outlines Congress specified in P.L. 92-433. Assistant Secretary of Agriculture Clayton Yeutter met with this committee last June, to discuss plans for implementing the program . . . plans which have been carefully developed to produce the full scientific evaluation Congress wants.

Since then much has been accomplished toward two prime objectives: first to get the program into full operation as promptly as possible, and secondly, to build in a sound evaluation mechanism.

Looking first at progress in program operations:

Last July the Department issued program rules and regulations developed with the advice and counsel of experts from the Department of Health, Education and Welfare, as well as outside medical consultants. Immediate notification to States invited them to submit proposals for pilot projects.

By September, we had announced the selection of the first 20 project areas, that were slated to take part in the medical evaluation phase of the program. In December, we announced 196 more projects. And on March 6 we named 39 more—making a total of 255 WIC project areas named so far, expected to serve an estimated caseload of 387,000 mothers and young children.

On January 15, the first WIC project opened in Pineville, Ky. Assistant Secretary Yeutter joined State and local officials and 20 program recipients in launching WIC. Since then, projects have been opening up in rapid succession; at last count 123 were in business serving an estimated 168,000 participants.

We are closely monitoring the openings of WIC projects and particularly their timing so that we can make a running assessment of the use of WIC funds in the current fiscal year. Our aim is, of course, to make full use of the $40 million available this year.

Where there were delays in project openings or projects otherwise failed to begin full operations on schedule, we calculated the impact in terms of funding and determined that we could reallocate available funds to other areas wanting to start a WIC project. Thus, we were able to select the 39 new projects announced in early March, without constraint to existing or proposed projects.

Selection of all 255 projects we've named so far has been done with great care, considering first such nutritional risk factors as the incidence of nutritional anemia, rates of infant mortality, data on pregnancies and miscarriages. Other important considerations are the general economic level of the area, availability of other supplemental food assistance for mothers and children, and medical facilities and staffing.

Taking these factors into account—we have approved WIC projects according to three major priority categories, in order to make maximum use of program funds.

First priority went to those 20 areas selected for the full medical evaluation phase of the study. In addition to high need and risk factors, these areas had no existing supplemental program reaching the same target group, and provided a broad sample for evaluation purposes. They represent a wide cross section of racial, ethnic, urban and rural characteristics in diverse locations of the country.

Second priority goes to those areas showing evidence of need for supplemental assistance, and which do not presently have such a program for mothers, infants and children. We have been able to approve nearly all applications in this category.

Third priority includes requests from those areas already having a supplemental food program and which we will consider after the second category needs have been met.

Meantime we have moved to achieve the soundest possible evaluation of WIC program operations and to measure the extent of the medical and nutritional benefits to program participants.

As part of the evaluation, we will study the various systems used by local WIC projects to deliver supplemental food aid to participating women and children. Using cash grants, which FNS makes available to participating State health agencies, they may elect to distribute food at health clinics, issue food vouchers redeemable at retail stores, or a combination of the two, or some other system. Most have chosen the voucher route and we want to study and learn from their experience.

But whatever the delivery system, the selection of foods remains consistent—including milk, cheese, vitamin-C fortified fruit or vegetable juice, eggs, iron-fortified cereal and prescribed infant formula. Nutritionists made these particular food selections in order to provide the nutrients specified in the legislation and at the same time include widely acceptable food choices that are readily available and reasonably priced. These foods will in fact supply from 60 to 100 percent of the women's needs for protein, calcium, iron, vitamins A and C and from 90 to 100 percent of the infants' and children's needs for these nutrients.

Those eligible to get these foods at no charge include pregnant and lactating women, infants and children up to four years of age. To take part, they need to live in an approved project area and be eligible

for reduced-price medical treatment at a participating clinic or health agency. Health authorities at local clinics will determine their patients' needs for supplemental food help.

A major thrust of our evaluation of WIC will be a thorough appraisal of the program's nutritional and health benefits to the participants. Plans for this aspect have proceeded as an integral part of program development.

Shortly after issuing program regulations, the Food and Nutrition Service circulated a request for proposals to conduct the medical evaluation to prospective bidders, mainly medical and public health schools. Two resulting proposals were then thoroughly reviewed by a technical panel of physicians and nutrition experts both from within and from outside the Department of Agriculture. Passage of legislation in early November extending the WIC program for another year, called for significant changes in evaluation contract plans. By the end of the month, we had announced an 18-month contract with the University of North Carolina School of Public Health to conduct and oversee all phases of the medical evaluation including the training of workers, the collection of data and the analysis and evaluation of findings.

The University of North Carolina researchers have moved into operation as rapidly as possible, standardizing laboratory and testing procedures, and training local medical technicians to collect needed data.

While all projects will submit available medical and nutritional data for the evaluation phase of the program, primary target for the full medical study of program benefits will be the 20 sites we selected first for participation in WIC. Four of those sites are already in operation and the rest will open soon.

Measurements and evaluation in these primary test sites will cover such basic data as height, weight, head circumference, blood hemoglobin and hematocrit, serum protein, serum iron and transferrin. Baseline data on the family, including dietary records, will be collected as the participants enter the program and updated as they are checked periodically thereafter. Tests will be conducted as part of regular visits to the health clinic, with a minimum of deviation from their normal health care routines. We have been guided in all this by two distinguished panels of physicians and nutritionists providing needed expertise in epidemiology, pediatrics, obstetrics, and neurology as well as in nutrition.

Our objective is to come up with a sound evaluation that will be useful to us and to you in Congress in shaping the future direction of nutrition policies and programs concerning mothers, infants, and young children.

Thank you very much.

STATEMENT OF ROSALYN A. RUBIN, PH. D.

I am pleased to respond to your invitation to present testimony regarding the results of our research investigation into the relationship between low birth weight and later problems of school learning.

In describing the background of our present involvement in this topic, let me first explain that the study of the long-term correlates of low birth weight actually represents but one aspect of a much broader ongoing longitudinal investigation of the educational and behavioral consequences of a wide range of prenatal, perinatal and early childhood conditions and events. This larger project, "The Educational Follow-Up Study," is based upon an unequaled pool of perinatal medical data on over 1,500 children which was gathered for research purposes at the University of Minnesota Hospital during the early 1960's as part of the nationwide Collaborative Perinatal Study supported by the National Institute of Neurological Diseases and Stroke.

The Educational Follow-Up Study was begun at the University of Minnesota in the mid-1960's through the joint efforts of Drs. Bruce Balow and Maynard C. Reynolds of the Department of Special Education and Dr. John A. Anderson, Head of the Department of Pediatrics, in order to capitalize upon the availability of the vast amount of information already collected under the auspices of the Collaborative Project and apply it to the exploration of the antecedents of school-related learning and behavior disorders. Financial support came initially from the U.S. Office of Education, Bureau of Education for the Handicapped. Since September of 1972, the activities of the Educational Follow-Up Study have been supported by the National Institute of Education.

Thus, it is apparent that our current findings are the result not only of the efforts of my colleagues, Dr. Bruce Balow and Ms. Cynthia Rosenblatt, and myself who were directly involved in the low birth weight report, but also represent the partial outcomes of an extensive collaborative effort involving a number of University research teams and agencies of the federal government working cooperatively over an extended period of time.

The objective of the total Follow-Up Study research effort is to assess the relationship of prenatal and perinatal conditions to later school achievement and behavior in order to: (1) determine the limiting effects, if any, of early physical anomalies on later acquisition of school skills; (2) determine early predictors of such problems as mental deficiency, learning disability, speech handicap, behavior disorders and other categories of handicap; (3) obtain information regarding the prevalence of various educational handicaps and assignments to special services and programs provided by the schools; and (4) ultimately determine specific focal points for the development of early intervention strategies to prevent or remediate educational impairment to such early conditions.

Since low birth weight is the single most prevalent abnormality of birth and is frequently associated with the presence of other major reproductive disturbances, it was selected as the focus of the first in a series of analyses of the developmental repercussions of specific birth problems. Previous research had tentatively identified premature birth as a contributing factor to later impairment of intellectual and educational performance. However, such findings tended to be confounded either by the ambiguous use of the term "prematurity" to refer to short gestation period as well as low birth weight, by methodological problems in the case of studies based on retrospective analysis of child development or by the use of subjects who were primarily of lower socioeconomic status or from racial minority groups. Our present sample of children is drawn from a study population which is essentially representative of the white urban population of the upper midwest.

At this point I would like to briefly summarize the kinds of information which were collected and the types of comparisons which were made in our study of low birth weight. We first reviewed the birth records of the total Follow-Up Study population of over 1,500 children and identified all those who were "premature" either on the basis of low birth weight (less than 2,500 grams) or abbreviated period of gestation (less than 37 weeks). Subjects thus identified were divided into three groups: (1) pre-term low birth weight children, (2) full-term low birth weight children, and (3) pre-term children of normal birth weight. We then randomly drew a sample of full-term normal birth weight youngsters from our remaining population to serve as a control group for comparison purposes.

For all of the 241 children thus selected we analyzed socioeconomic information, birth data, standardized measures of mental and motor development administered at 8 months of age, individual IQ tests administered at four and at seven years of age, school readiness and language development at age five, prior to school entrance, and a widely used test of academic achievement in the basic subject matter areas of reading, spelling and arithmetic computation which was administered at age seven. In addition, in our annual survey of the classroom teachers of all study children we obtained information regarding retentions, remedial reading instruction, placement in special classes for the mentally retarded and receipt of special services from the school psychologist, school social worker or speech therapist.

On each measure comparisons were made between children of low birth weight and those of normal birth weight and between children born pre-term and those who were born after a normal period of gestation. Since boys are considered by some to be more vulnerable than girls to the stresses attendant upon premature birth, we also compared the performance of boys and girls within each birth weight group.

STUDY FINDINGS

1. Low birth weight was associated with a higher proportion of neurological abnormalities at birth as well as with a number of medical indicators of abnormal conditions during the neonatal period.

2. By eight months of age the low birth weight infants, on the average, lagged one month behind the normally developing full birth weight comparison group on measures of both mental and motor development.

3. On Stanford-Binet and Wechsler intelligence tests administered at ages four and seven respectively, the low birth weight children averaged five to nine points lower than did those of normal birth weight.

4. At age five low birth weight children scored below children of normal birth weight on the school readiness test, and they averaged six months behind the normal birth weight group on a standardized measure of language development.

5. At age seven there were significant differences in reading, spelling and arithmetic, all of which favored the normal over the low birth weight children.

6. Teacher reports of school progress revealed that a far higher proportion of the low birth weight group had been retained in grade, placed in special class or received special school services with almost two-thirds of the boys in the low birth weight group having received some form of special treatment beyond that of regular classroom instruction during their early elementary school years.

7. No differences were found between children who were born preterm and those who were born at full-term on any study variable when the effects of birth weight were held constant. It was therefore evident that all of the differences in later performance were related to initial differences in birth weight but not to differences in length of gestation period.

8. No differences were found between boys and girls with the exception of special school placement and services which were more frequently instituted for boys than for girls.

9. The most conclusive of the previously available research evidence had demonstrated a link between very low birth weight (1500 grams or less) and later school prob-

lems. A unique contribution of the present study was the finding that there was a surprisingly strong association between moderately low birth weight (80% of our LBW subjects weighed between 2000 and 2500 grams) and later manifestations of intellectual and educational deficits.

REMAINING QUESTIONS

In summary, our results show that low birth weight is associated with impaired performance on measures of mental development, language development, school readiness and academic achievement through age seven. However, there remain a number of significant questions on this topic, the answers to many of which lie beyond the scope of our present data. For example:

1. Whether the disadvantages observed through age seven will continue through the remaining school years and perhaps even influence adjustment in early adult life.

2. Whether appropriate early intervention programs could have prevented or alleviated some of the observed impairment of psychological and educational functioning.

3. Whether the condition of low birth weight could have been prevented.

4. Whether interventions designed to increase birth weight to within the normal range would also forestall the development of all of the problems now found to be associated with low birth weight.

Some of these questions, such as the persistence of learning problems over time, may yet be answered through the continued pursuit of the course of inquiry projected for the Educational Follow-Up Study. Other questions, including those regarding outcomes of intervention programs, await the implementation of such programs and the application of experimental research procedures in their evaluation as distinguished from the present investigation of the natural history of the development of "at risk" children.

PLANS FOR CONTINUED RESEARCH

The Educational Follow-Up Study currently has a commitment from the National Institute of Education for support of research activities through December of 1976. During this period of time we anticipate the collection and analysis of further information pertaining to the development of our low birth weight subjects as well as broad analyses of outcomes associated with other perinatal abnormalities, singly and in combination.

A. *Low birth weight.* We plan a continuing assessment of the school progress of these children as they move through the elementary grades and into the junior and senior high schools. Periodic analyses and reports of their developmental status and of the prevalence of school learning and behavior disorders will contribute to our knowledge of the magnitude and duration of such disabilities.

B. *Total Educational Follow-Up Study.* While the primary focus of the total project is upon relationships between perinatal data and educational and behavioral outcomes, the extensive data base on a large representative sample of children enables the exploration of additional significant educational, psychological and child development concerns such as the establishment of prevalence rates for disorders of school learning and behavior; and assessment of the influence of socioeconomic and family conditions interacting with the perinatal factors on the course of child development and eventual educational progress.

We anticipate that these research activities will assist in the early identification of those children most likely to experience developmental deficits and will eventually contribute to the development of early intervention programs designed to prevent or reduce the emergence of later learning and behavior problems in such "at risk" populations.

Thank you.

ROSALYN A. RUBIN.

TESTIMONY OF GEORGE C. CUNNINGHAM, M.D., M.P.H.

For the record my name is Doctor George Cunningham. I have been Chief of the Maternal and Child Health Unit of the State of California for the past eight years and am presently serving as President of the Association of State and Territorial Maternal and Child Health and Crippled Children's Directors. In spite of a succession of three Secretaries of Health, Education, and Welfare, and a variety of changing federal and state programs and administrative reorganizations, our program has managed to provide some prenatal services to approximately 1 out of every 10 mothers and health supervision to 1 out of every 4 infants. Our infant mortality rate has declined significantly for each of the past 10 years, and is the lowest of any of the large states at 15.9 infant deaths per 1,000 live births. I therefore hope to represent the perspective of an experienced state health professional who is currently implementing the largest WIC program in the country's largest state.

California has 27 local projects approved with a total authorized maximum monthly participation of 38,822 mothers, infants and children at a cost of $1,025,332.

I will not review the scientific evidence which has established the critical relationship of prenatal nutrition to maternal and infant health except to say that it has convinced me and most other health professionals that we can no longer delay translating this information into meaningful effective programs.

The Congress has recognized this fact and attempted to provide legislative authority and funds in a series of bills, Food Stamps, Supplemental Foods, and most recently in September 1972 by WIC. I was privileged to have an opportunity to address the Select Committee at a hearing on December 6, 1973, pointing out some problem areas and making a few suggestions. After additional experience and consideration, I would like to update that report.

There has been progress. The Department of Agriculture did finally publish regulations March 11, 1974, defining clinical costs separately from administrative costs which will help improve local implementation. A draft manual, *Food and Nutrition Service Instructions WIC Program Accounting Procedures,* has been developed and distributed which is helpful in spelling out some of the fiscal details of the program. The special medical evaluation has been detailed. Neverthless the program continues to be hampered by poor and fragmented administrative direction.

The fragmentation of responsibility is especially difficult for state administrators. We are frequently faced with a policy question such as: Are babies who are breast-fed eligible for supplemental food? The Food and Nutrition Service Regional Office may render a decision or refer the question to Washington. The state may develop its own interpretations. There may be at one time several different interpretations in different areas of the nation on this one point. It is even debatable under present regulations who has authority to make some of these decisions. This is only one example. Many more could be cited.

The selection of the letter of credit system as the method of disbursing funds to the states is administratively cumbersome, and puts the states in a position of not knowing the details and total for the program budget. Authorization to draw $3,000,000 for a three-month period is reduced to $2,000,000 if the program is delayed one month. Changes in program result in changing entitlement both up and down, forcing the federal and state fiscal agents to keep constantly recalculating new budgets and remaining available funds.

As reported previously, this results in continuing changes in details of program. The Dept. of Agriculture announced 7 additional projects in California as recently as March 6, 1974. This means the State has to prepare a new budget detailing how the clinical and administrative funds will be used at both the State and local levels, estimates of vouchers to be printed must be changed, and contracts and arrangements with banks need to be modified.

There are additional problems in the funding area. We have been unable to obtain commitments from the Food and Nutrition Service beyond this fiscal year. We have been given orally from central and regional office of the Food and Nutrition Service conflicting information on whether unexpended funds of fiscal 74 approved for projects can be carried over into fiscal 75. To continue presently authorized WIC programs in California for the next fiscal year, will require $12,304,000 without any program expansion. Translated on a national basis, the figure is close to $100 million as compared to an appropriation of $40 million. Unless this situation is corrected, there will be a major closure of operating programs in mid-year.

Administrative costs of voucher systems handled through banks could be substantially reduced by advancing state allocations and allowing the interest to be used only for specific WIC activities. This is not permitted under current regulations.

With regard to the regulations, I would offer these comments:

(1) The program should be required to cover pregnant and lactating women as well as infants because the earlier in life the malnutrition the more damaging and permanent are its effects. While it is a simpler procedure to develop an infant formula distribution program—the excellent programs in Baltimore and Detroit are good examples—I believe that such expertise can and should be expanded to meet the challenge of setting up the more difficult but more significant prenatal portion. [Ref. 246.2]

(2) The program should be limited to age 4 or under. Facing the practical reality that federal funds for these purposes will not be unlimited, priorities must be established. At the proposed level of $40 million only 375,000 women, infants and children, a small fraction of the population at risk, will be able to participate. Therefore, I would not recommend extension of age limit at this time. [Ref. 246.2]

(3) Postpartum women should be eligible for at least one year after delivery so as to make this definition consistent with existing supplemental feeding programs and serve as an inducement to keep infants in the program.

(4) The state should be responsible for details of local project budgets and acceptance of administrative clinical and food costs requested, working within broad and flexible federal guidelines. [Ref. 246.3]

(5) Eligibility should be restricted to agencies that can provide directly or under negotiated agreement, quality prenatal and well child health care. Public and private non-profit agencies should be eligible but an IRS tax exempt status should not be required. [Ref. 246.5]

(6) The specific nutritional data required in applications does not exist even in a sophisticated state like California that has

participated in two national nutritional surveys. Medical data is not available in small geographic areas served in a manner to be immediately applicable. Ref. [2246.6(1)]

(7) The state should select projects to be funded from whatever monies are made available under competitive contract or allocation using federally developed criteria. [Ref. 246.8]

(8) Reports which Food and Nutrition Service insists be used have still not been provided to the State. [Ref. 246.11]

(9) The specific food list should be expanded to give clinics more flexibility and include foods acceptable to their own particular clientele. Eggs should be increased to 3 dozen as 2½ dozen is difficult to work out. Cereal should be defined only in terms of total quantity, 32 to 36 ounces, not 4–8 oz. boxes since most iron-fortified cereals are not available in 8-oz. boxes. In addition, peanut butter, tuna fish, and frankfurters should be added as alternate high protein sources. [Ref. 246.13]

(10) Vitamins including folic acid and iron supplementation should be provided pregnant women as sufficient iron cannot be provided by the diet alone.

Having commented on the implementing regulations which are in the purview of the Department of Agriculture, let me briefly reinforce a comment directed to the legislation which is the prerogative of the Congress.

The legislation, PL 92–433, was assigned to the Department of Agriculture for implementation. There is much evidence supporting the position that supplemental programs, whose primary purpose is health promotion, are not within the area of expertise or interest of the Department of Agriculture. I can sympathize with the Department of Agriculture's apparent desire to be rid of these troublesome programs, and suggest that this dilemma might be constructively resolved by merging the current Supplemental Feeding Program and the WIC Program into one authority under a new section of the Social Security Act, Title V, Maternal and Child Health section, requiring each state health agency to provide for a program of projects in maternal and infant feeding. In my opinion, this new section should incorporate the best features of both programs and should provide as a minimum that populations currently served by either a WIC or Supplemental Food Program would continue to be served, that the funds available shall not be less than the total appropriation for the existing programs and state plans which should include local input and meet specific requirements that would be reviewed and accepted by HEW. Wherever the state plan fails to qualify, or if no state plan is submitted, HEW should be authorized to contract directly with local community groups. This approach has worked well in the past and can be made to work well again.

This concludes my prepared remarks. I will be pleased to try and answer any questions you may have.

STATEMENT OF THE ILLINOIS DEPARTMENT OF PUBLIC HEALTH ON ADMINISTRATION OF THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS AND CHILDREN (WIC)

The Illinois Department of Public Health was notified on July 19, 1973, by the United States Department of Agriculture, Food Nutrition Service, of the availability of funds for a Special Supplemental Food Program for Women, Infants and Children (WIC). The availability of this program provided a significant potential for coordinating nutrition education and the distribution of food with existing Maternal and Child Health services in Illinois.

Upon receipt of the Federal Regulations on July 23, 1973, and with the support and cooperation of Comprehensive Health Planning B Agencies, our office notified two hundred fifty (250) agencies in the State of Illinois, including local health departments, Model Cities and O.E.O. health centers, and private not-for-profit health agencies, of their eligibility to make application for these funds. The requirement of USDA that all applications be submitted to them no later than August 15, 1973, automatically eliminated the possibility of many of these agencies applying. (See attached Rejection Letters). However, by the deadline of August 15, we submitted to USDA fifteen (15) applications for WIC funding. Between August 15, 1973 and December 28, 1973, our office and the fifteen (15) agencies applying for WIC funds went through a nightmare process of submitting, on almost a daily basis, additional information on each of these applications; information not initially requested by USDA.

During this process several agencies withdrew their applications because it was, for all practical purposes, impossible for them to rewrite their grant applications five and six times. During the period July 23 through December 28, one public health pediatrician and myself at the State level, and staff of the local agencies spent more than fifty percent (50%) of our time writing and rewriting grant applications, redoing budget, gathering statistics and complying with requests for immediate transmittal of information that was not readily available to either local health agencies or the State Health Department. For example, we were asked for rates of nutritional anemias in pregnant and lactating women and numbers of pregnant teenagers. This information is not available in the form requested. (See attached Request for Additional Information)

Our staff and that of local health agencies took untold hours from their regular daily responsibilities to meet these demands to the best of our ability. I cannot adequately express the cooperation and commitment of local health agencies to making this program work on an efficient, effective, accountable and meaningful basis. All of the persons involved were convinced of the importance of this program to their local clientele and recognized the value of being able to integrate the distribution of nutritious food with the delivery of comprehensive health services. I have attached to this statement some available statistics on racial breakdown, low income, rates of prematurity, and rates of infant and maternal mortality in these program areas.

From the beginning it was unclear to us on what criteria and according to what priorities USDA was making decisions for approval of applications; what was clear to us was that USDA was not sure, from one day to the next, what information they wanted.

On December 28, 1973, we were notified of the approval of four (4) WIC programs: Quadri County Health Department, Tri-County Health Department, Mile Square Health Center, Inc., Chicago, and one Station of the Chicago Board of Health (see attached map). A total budget was approved for $562,000 to serve 6,540 eligible women, infants and children. These programs were approved for a starting date of February 1, 1974, and were expected by USDA to start distribution on that day.

Mile Square Health Center, Quadri County Health Department and Tri-County Health Department began certifying participants on February 1. Mile Square, who chose the direct distribution system, began distributing food to eligible participants on February 11. Because of mechanical and human delays in having coupons printed, Quadri County began distributing coupons on March 11, and Tri-County distributed their first coupons on March 18. Due to delays in the bureaucratic process, the Chicago Board of Health began coupon distribution this week.

On March 7, 1974, five (5) more programs were approved to begin operation on April 1, 1974, with a budget of $663,000 to serve 7,931 persons. Because there was no assurance of continuation of program funding beyond June 30, 1974, the Tazewell County Health Department did not accept funding. The other newly funded projects are: Winnebago County Health Department, Logan County Health Department, Fulton County Health Department and the East Side Health District (see attached map).

Due to the outstanding efforts of all persons involved, all eight programs funded for Illinois are now distributing food and/or coupons for food to 14,341 eligible mothers and children, at a cost of approximately $361,300 per month. Our total budget for the period February 1 through June 30, 1974 is $1,216,000.

To date we are functioning under vague, uncommitted, verbal communications and directives from USDA. Local agencies are reporting to the Illinois Department of Public Health on "unapproved", "draft" monthly report forms, and collecting medical data on "unapproved" forms from USDA. (See attached report forms)

I have been told that USDA presently plans to allocate $40,000,000 for FY 75 nationally; the same amount that was allocated for FY 74. This means, for example, that East Side Health District, if refunded, would receive the same amount of money for a twelve (12) month period that they are now receiving for a three (3) month period. This program is presently serving 6,400 people in the East St. Louis area. If they are held to a budget of $550,000 for FY 75, 4,800 or 75% of the present participants would have to be dropped from the program. Doctor Sashankar can tell you better than I what this would mean socially and politically, but most importantly, the severe repercussions of denying participation to 75% of the eligible participants.

The Illinois Department of Public Health has, to date, received no information from USDA defining specific requirements for continued funding of our eight (8) programs for FY 75. To our knowledge, no decision has been made allowing for the continuation of existing programs without a break in service between FY 74 and FY 75. It is extremely difficult for a State agency and for offices of local government to plan programs, anticipate budgets and personnel needs this late in the fiscal year without specific commitments for future required funding.

Early in March I requested that the Midwest Regional Office of USDA coordinate a meeting for the nine State WIC administrators in our Region, so that we could share our experiences with the program, our successes and our problems, and to plan for the provision of meaningful WIC program services in FY 75. Through correspondence and conversations, a number of State WIC administrators have expressed their desire to participate in such a meeting. On March 27 I was told verbally that, although USDA in Washington agreed that it was a good idea, they were not ready nor did they have the time to sit down with State administrators. It would be extremely helpful to me and to other State coordinators if such a meeting could be arranged.

The Illinois Department of Public Health has serious concerns about the risks involved in continuing as the responsible agent for providing a meaningful and accountable service to participants in the WIC program. The Department sincerely requests the cooperation of this Committee in securing a commitment from USDA that programs will

be refunded and that administrative changes will be made.

I am here today because of my Department's commitment to this program and because of the response received from our governmental representatives at the Federal level supporting the continuation of the WIC program in Illinois. I sincerely appreciate the opportunity to share our concerns with this Committee.

I respectfully submit the following recommendation for this Committee's consideration and request that our concerns and recommendations be transmitted to the proper authorities in the United States Department of Agriculture.

RECOMMENDATIONS

1. Priority consideration for continuation should be given to all presently funded programs based on the evaluations of their present efforts; not in competition with new Nationwide applications for FY 75.

2. Assurance in writing should be transmitted to each participating State and local agency insuring that acceptable programs will be continued through FY 75 *without a break in service.*

Our past experience with the application process convinces me that if these programs are considered in a nationwide Review Process, it is entirely possible that present programs could discontinue on June 30, 1974, only to start up again in the fall after FY 75 program approvals are made.

3. Planning funds should be made available immediately to allow for adequate preparation for FY 75.

Upon receipt of the Conference Report on Child Nutrition accompanying HR 14896 issued September 13, 1974, the Illinois Department of Public Health made preliminary plans establishing a statewide network for the provision of WIC services with special attention given to persons potentially eligible but not permanently residing within the jurisdiction of official health departments. One of our special concerns was providing WIC services to migrant workers. As you see from the attached map there are many areas in the State not covered by official public health agencies. We had also planned to utilize the University of Illinois Cooperative Extension Service for providing nutrition education. However, neither planning time nor funds were available.

4. Funding of the WIC program for FY 75 should be at the same rate as the present funding and not for the same dollar amount funded for FY 74.

Present programs cannot function for 12 months on a 3 or 4 months budget, as noted earlier with regard to East Side Health District.

5. Allocation of administrative monies to State and local agencies should not be dependent on the expenditure of food monies.

There was a period of up to one month before any of the Illinois programs were able to begin distribution of food and/or coupons, because of time required to provide for necessary administrative functions, i.e., rewriting budgets, duplication of forms, preparation and signing of agreements, printing of coupons, draw down on the letter of credit, certification of participants, etc. The expenditure of administrative funds is presently based on 10% of the expenditure of food monies. Because administrative funds were spent in preparation for expending food monies, it is possible that the Illinois Department of Public Health could be in financial debt to USDA on July 1.

6. Supplemental food should be supplied to an entire family where mothers and/or children are eligible.

If this program is to have any meaningful effect on the target population there must be some guarantee that these individuals will receive the total amount of allowed food items. It is not realistic to believe, in low income families where there are fathers and older children, that food will be reserved for "eligible" members of the family.

7. Consideration should be given to transferring the administration of the WIC program to the Department of Health, Education, and Welfare.

EAST SIDE HEALTH DISTRICT,
East St. Louis, Ill., April 1, 1974.

Hon. CHAIRMAN AND MEMBERS,
Select Senate Committee on Nutrition and Human Needs, Senate Annex, Washington, D.C.

Honorable Chairman and Members of the Select Senate Committee: On behalf of the residents of Southern Illinois, representing over three million people; and, on behalf of the local health agencies in Southern Illinois, which are presently involved in the WIC Program, may I respectfully submit the following for your kind consideration.

1. That a large proportion of the residents of Southern Illinois, particularly the metropolitan St. Louis area and the tristate area of Illinois, Kentucky, and Kansas have a very low income.

2. That the health and nutrition status of vulnerable groups of population, particularly the mothers and small children, in these areas is very low.

3. That the metropolitan St. Louis and Southern-most part of the State of Illinois have poor health indices; for example, East St. Louis area has the highest infant mortality rate in the State of Illinois, including Chicago, and is one of the highest in the whole country.

4. We were happy to note that Congress had considered providing some means to supplement food to the needy people. We hurried and applied for a grant sometime in August, 1973. However, the department concerned, namely, the U.S.D.A., took an unusually long time to make a decision, but ultimately approved our request for a period of 3-4 months only. Some of our applications were approved effective March 1974, and some effective April, 1974.

In spite of the fact that we did not have any planning time and had a very short notice to actually implement the program, we are pleased with the action of the U.S.D.A.

5. We have received no assurance that the WIC Program is going to continue beyond June 30, 1974. We feel rather uncomfortable. In the first place, we would not have involved ourselves in this program if we had known it was only for three months. The program is supposed to be medically oriented and is supposed to improve the nutritional status of small children even to a small extent. That cannot be achieved in a three month period and requires at least a couple of years to do so.

We have also been hearing rumors that there is a possibility that the U.S.D.A. may grant the same amount of money which they granted for three months to be used for the entire year of 1974–75. If that is true, we feel that it is just impossible for us to operate such a program. How can we cut 75% of our budget on the program? What shall we do with 75 out of every 100 eligible persons in the area. We will be simply mobbed by these needy people.

6. Under the circumstances, may we most humbly and respectfully urge the Select Senate Committee to kindly see that the WIC Program is continued and provides adequate funds to operate the program successfully.

7. One extra plea from the agency I represent; namely, the East Side Health District, in particular. The East St. Louis area is the poorest area in the State of Illinois as revealed by the census. Copies of census and State data are enclosed. Our local economy has gone down considerably within the last 10–12 years. Our per capita income is about $2,000 as opposed to approximately $3,000 in most other cities in the State. Approximately 29% of all residents and approximately 40% of city core residents are on public assistance. The nutritional status of our low-income mothers and children is really low as recognized by the U.S.D.A. May we respectfully urge your Committee and the U.S.D.A. administration to give some consideration to this area please.

I remain,
Respectfully yours,
MANI K. SASHANKAR, M.D., Dr., P.H.,
Director.

Statement to: Senate Select Committee on Nutrition and Human Needs.

Regarding: Continuation of Special Supplementary Food Program for Women, Infants, and Children (WIC).

On behalf of: Rosebud Sioux Tribe Health and Welfare Committee.

Prepared by: Sonny Waln, chairman of the Rosebud Sioux Tribe Health and Welfare Committee, Henry H. Kaldenbaugh, M.D., general medical officer USDHS, medical consultant to Rosebud Sioux Tribe.

Members of the Senate Select Committee on Nutrition and Human Needs, this testimony is prepared for the purpose of supporting the Special Supplementary Food Program for Women, Infants and Children (WIC), that has currently been introduced on the Rosebud Sioux Reservation in South Central South Dakota. Today's testimony is intended to supplement that given in Pine Ridge, South Dakota before this Committee on August 28, 1973.

Current nutritional problems: The Nutritional Problems of disadvantaged people in the United States are well known to this Committee. Unfortunately the Native Americans living in a traditional manner on reservations have to be included. Our experience on the Rosebud Reservation has been that an inadequate diet has contributed to the health problems afflicting many of our people.

The present census of the Rosebud Reservation inhabitants is 7143 Native Americans. The vast majority of these people receive their Health Care at the USPHS Hospital in Rosebud, South Dakota and the statistics kept by the USPHS for that hospital in fact represent the Health Statistics of the Rosebud Sioux Tribe. To amplify the need for aid in the area of Nutrition, we would like to present a few of our statistics in Nutritionally related areas.

OUTPATIENT VISITS BY DIAGNOSIS

	Fiscal year ending		
	June 1971	June 1972	June 1973
Diabetes mellitus	1,022 (92)	1,205 (47)	1,336 (92)
Obesity	43 (27)	72 (43)	12 (10)
Vitamin deficiency	8 (2)	3 (2)	3 (1)
Other nutritional problems	5 (2)	7 (6)	6 (6)
Protein malnutrition	1 (1)	0 (0)	1 (1)
Iron deficiency			
Anemia	25 (11)	53 (29)	70 (31)
Other anemias	13 (4)	16 (2)	14 (5)

NEWLY DIAGNOSED CASES

As can be seen the incidence of Nutritionally Related Medical Problems is frightfully large and not abating at this time, in addition the infant death rate is alarmingly high and probably at least indirectly a result of the nutritional status of our people.

	Mortality rates	Population July 1973 to February 1974
Stillbirths	9	6
Infant deaths (less than 1 yr)	3	3
Childhood deaths (1 to 12 yr)	1	1
Stillbirth	83	44
Infant 0 to 1 yr	18	22
Childhood (K to 18 yr)	1	1

Problems with (WIC) program: Prior to February, 1974 pregnant women, infants, and children were eligible to receive Supplementary Commodity Food Distribution Program. Almost all families with pregnant women, infants, and children depended on these foods for a major part of their diet. In 1972 when a shortage of canned milk occurred during several months a severe hardship was imposed upon many infants and families for there were no resources with which to purchase these foods.

The Rosebud Sioux Tribe was invited by the USDA and the South Dakota Department of Health to participate in the Special Supplementary Food Program for women, infants, and children (WIC) in August, 1973.

With less than two (2) weeks notice the Rosebud Sioux Tribe prepared and submitted an application for this program on August 14, 1973 and received an invitation to testify on its behalf on August 23, 1974, before this committee in Pine Ridge, South Dakota. At that time the program was scheduled to commence on October 1, 1973.

The Rosebud Sioux Tribe and the USPHS Hospital at Rosebud qualified for this pilot program and in fact would have been an ideal setting in which to achieve the original goals of this program. However, through numerous delays and significant hesitancy on the part of the USDA and the USPHS Aberdeen Area Office. The Rosebud Sioux Tribe received no notification of acceptance until February 20, 1974.

This acceptance was contingent upon discontinuance of the Supplemental Commodity Food Program on the Reservation. Since the Rosebud Sioux Tribe was informally notified that the Supplemental Commodity Food Program was to soon be discontinued anyway they notified the USDA on February 20, 1974 that they were agreeable. This letter was sent to Mr. Juan De Castillo, Director, Food Distribution Division FNS, USDA, via his Subordinate Mr. Richard Dowling and the South Dakota State Department of Health.

Presently the enrollment phase of the WIC Program is commencing on the Rosebud Reservation and there remains no alternative source of nutrition if this program discontinues in June 1974.

It is the sincere hope of the Rosebud Sioux Tribe as the representative of the Rosebud Sioux people that this program continue.

OIL PROFITS

Mr. HANSEN. Mr. President, I can think of no better introduction to an article in the May issue of the Alternative on oil profits than an Edmund Burke quotation the author used:

It is no excuse for presumptuous ignorance that it be directed by insolent passion.

The article by Alan Reynolds, "Should Oil Be Profitable," answers many of the charges of "windfall, unconscionable," and "obscene" profit charges leveled against the industry.

As I have said so many times, it is discouraging to see and hear the continuing outpouring of vindictiveness against the petroleum industry as the villain in the Energy Act.

It is even more discouraging to learn that we must now throw more Government regulations at a situation brought on by Government regulations.

In the long run, the American consumer will benefit more from higher industry profits than from Federal taxes to attempt development of our energy resources.

The proponents of price rollbacks, windfall profits taxes, further regulation of producer price of natural gas and oil apparently have forgotten the monumental contribution of free enterprise to the workability of this governmental system of ours and the enviable U.S. standard of living that is based on that foundation.

Before we drive another nail or two in the coffin of free enterprise or add more obscenity to the word "profit," I hope a few Senators will read what Alan Reynolds has said about oil profits.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

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

SHOULD OIL BE PROFITABLE?

(By Alan Reynolds)

"It is no excuse for presumptuous ignorance that it be directed by insolent passion."
—Edmund Burke (1777).

You already know the story. Oil companies created the shortage to drive up prices, push the Alaskan pipeline through, soften environmental roadblocks, and weed-out those pesky independents. That is, big oil cut supplies to increase supplies, and raised prices to squeeze competitors. "There are some," wrote Brit Hume (Jack Anderson's Sancho Panza), "who believe the major oil companies conspired to bring about these results." The oil majors wallowed in profits," added Time, "after-tax earnings at Exxon in the third quarter, for example, soared 80 per cent." Such profit increases, reports the National Observer, "set off a wave of criticism from lawmakers concerned that the industry may be reaping a windfall from the hardships of millions of citizens."

But third quarter profits obviously had no bearing on the oil crunch, which wasn't even announced until the fourth quarter. To imply that third quarter profits resulted from scarcity ignores the fact that unit sales of the big seven oil companies were up 6 percent in the first three quarters of 1973. Exxon's 80 percent gain in the third quarter was well above the 46 percent average for the "seven sisters." Taking the first nine months of 1973 as a whole, Exxon's profits rose 59 percent above the level of a year before, and sales were up 40 percent. Note that this compares with a 93 percent profit increase for the New York Times during the same period, and 57 percent for the Washington Post. The brokerage house of Wagenseller & Durst compared the return on stockholder equity of eleven oil majors with the combined return of ABC, CBS, the New York Times, Time, Times Mirror, and the Washington Post. The result: 14.7 percent for oil, 22 percent for the oil critics.

The percentage increase game was played again in the fourth quarter, but one had to be even more selective. I don't recall any headlines about the fact that Standard of Ohio's profits were down 40 percent. Significantly, Sohio ranks first among oil companies in domestic reserves per dollar of common stock. So much for self-sufficiency.

Many oil companies continued to do well, however, and Exxon's profits maintained that 59 percent lead. Booming profits were common in 1973, partly because everything expressed in dollars went up (dollars expressed in terms of everything went down). The Department of Commerce attributes 42 percent of the increase in pretax profits of nonfinancial corporations in the first nine months of 1973 to "inventory profit"—i.e., the effect of inflation in raising the value of inventories. Profits last year were generally exaggerated and overtaxed because of temporary inventory profits, depreciation being allowed only on the preinflation costs of machinery, and the general erosion of the purchasing power of a buck. George Terborgh has adjusted accordingly, and found that after-taxprofits of nonfinancial corporations, expressed in 1965 dollars, fell from $36.1 billion in 1965 to $18.6 billion in 1973. Adjusted retained earnings, after paying dividends, fell from $19.2 billion to $2.1 billion—which is surely a major explanation for the widespread "failure" of industries to invest enough to eliminate shortages.

With this in mind, it is not as easy to be upset because Del Monte's profits were up 82.5 percent in the fourth quarter, or because U.S. Steel's profits were up 91.1 percent, not to mention MGM (profits up 289 percent—I told you not to mention it).

But percentage increases convey no information whatsoever. My weight is up 25 percent—am I fat or thin? My income rose 100 percent in two years—am I rich or poor? In the New York Times (January 13, 1974) Tom Wicker reported that Occidental Petroleum had a 417 percent increase in net profits in the first nine months of 1973. What wasn't mentioned is the fact that Occidental's 1972 profits were only four-tenths of one percent of sales, and that Occidental's petroleum operations are almost entirely overseas. Gulf's 1972 profits were a modest 3.2 percent of sales, so they too showed a sizable (79 percent) increase. Tom Wicker even managed to get a column out of being outraged about Gulf's best quarter.

If oil is so profitable, one would expect critics to put their money where their mouths are. There are more than enough critics to drive the stock prices sky-high. But Exxon's stock rose only 8 percent last year, Mobil's fell 28 percent, and Texaco's fell 22 percent. These are the oil companies with the highest profit gains in the fourth quarter. The apparent paradox is explained by the fact that stock purchases are geared to future earnings, not to the recent past.

Before we get into the prospects for oil profits, several complications should be mentioned. First, most multinationals sell more abroad than they do here. A sizeable part of last year's "windfall" (about 30 percent of the increase in Texaco's foreign earnings) was due to the effect of dollar devaluation on foreign currencies held by foreign subsidiaries. Exxon's 59 percent profit gain translates into an 83 percent gain in earnings from over 100 foreign countries, and a 16 percent gain in the United States. Only 16 percent of Exxon's production and 32 percent of its sales are from the United States. Texaco earned 65 percent of its profits abroad, and had only a 3.6 percent gain in profits from U.S. operations. Most European governments attracted ample supplies, and cut demand, by letting gasoline prices rise by about as much as the total price here (the U.S.

price, if you subtract excise taxes, is still about the same as for distilled water). The "socialist" government of West Germany relied completely on a free-market solution, and now faces the highest growth and lowest inflation in Europe. Italy, like the United States, tried "tough" (stupid) price controls, and thus drained the blood from its economy. No other country has matched our insanity in allocating fuel according to "priorities" (favoritism) and 1972 use.

Second, with all the loose talk about big fish swallowing little fish, it isn't widely noticed that the big fish are foreign: Burmah Oil (London Exchange) acquired Signal, the half-nationalized British Petroleum company will soon have a controlling chunk of Sohio. "I don't think that we should be unnecessarily pressuring multinational corporations that are based here," warns Attorney General William Saxbe, "they'll just base someplace else. They'll have to." With huge national oil companies developing in most of the oil-rich nations, current congressional proposals could help translate the names of the biggest companies into Arabic or Spanish. If we levy stiff U.S. taxes on oil produced and sold abroad, that would put U.S. multinationals at an enormous disadvantage in competition with foreign-based giants like British Petroleum and Royal Dutch Shell. If we keep domestic crude at half the price of foreign crude (Henry Jackson's brainstorm), foreign producers will be able to attract the lion's share of equipment and expertise.

Third, the oil companies don't just sell oil. Cities Service and Continental Oil are definitely conglomerates; Sohio, Continental, and Occidental own very sizable U.S. coal companies; Gulf operates the new town of Reston, Virginia, and is considering buying Ringling Brothers-Barnum & Bailey Circus. In view of the threats of nationalization, even here, there is every reason to expect more and more oil companies to move out of oil and into other fields. That would certainly be my advice to the oil majors—if they must stay in countries where they aren't welcome, like the United States. There's enough risk in the oil business without adding political caprice.

Fourth, the enormous size of the industry simply means that people choose to buy a lot of their products. *U.S. News & World Report* says, "The oil business is huge . . . its total profits are larger than for any other industry." Tom Wicker complains that "Exxon recently announced the largest annual profit ever earned by any industrial company." These statements have no economic significance whatsoever: both are logically compatible with inadequate profits, or with the absence of a dominant firm within this large international market.

These caveats aside, the oil companies definitely *did* earn "windfall" and "excess" profits in 1973. When inventories have been purchased at a low price, and rising demand allows these inventories to be sold at a high price, the result is an unanticipated "windfall." If the outcome had been widely anticipated, it would not have been possible to purchase the inventories at a low price. This is why windfalls are, by definition, ephemeral. When the oil companies go to replenish their inventories, all concerned—from foreign governments to domestic laborers—will get a piece of the action. Costs will rise to eliminate the windfall. Yet those who are talking about taxing-away the windfall profits (windfalls to governments are apparently o.k.) are not talking about 1973 profits, but about 1974 and beyond.

Few investment advisers are confident that oil company profits are secure, and most are suggesting investing in companies that supply the oil companies (e.g., by building refineries). This indicates that costs are expected to rise more than revenues. About a fourth of the cost of operating a refinery, for example, is fuel to run its boilers: Ironically, this fuel is usually imported from Venezuela, and the cost has soared. I seriously doubt that 1974 oil industry profits on U.S. operations will be as high, as a percentage of sales or equity, as in 1973. Total dollar profits will drop sharply if federal allocation and price controls keep U.S. refineries from drawing foreign oil away from Europe's relatively free markets. Contrary to the prevailing demonology, it is very hard to make as much money on a much smaller volume.

"Excess" profits seems to mean above the average for either the industry or nation. George Shultz, my favorite treasury secretary, figures that the rate of return for twenty-two large oil companies averaged 15.1 perrent in 1973. That compares with 10.9 percent for those companies in the previous decade, and about 13 percent for all manufacturing in 1973. Thus, oil profits, at least for these twenty-two firms, were clearly "excessive." Of course, it isn't too hard to beat the industry's own average return on equity, which fell each year from 12.5 percent in 1967 to 8.7 percent in 1972, and was usually below the average for manufacturing.

Now while windfall profits from devaluation or inflation are just a lucky break, excess profits are the stuff that spark, fuel, and lubricate our economy. Even in a hypothetical stationary equilibrium, some profits must be above average to compensate for risk. Excess *losses* also serve the vital function of telling capital and labor to switch to new techniques or products.

Yet Congress would, on a dare, tax away excess profits and subsidize excess losses (e.g., Lockheed, Penn Central). "We should consider taxing excessive profits wherever they occur," says Senator Jennings Randolph of West Virginia, "not only petroleum or energy companies, but across the board and throughout industry." The underlying notion is to level every firm up or down to a "fair return"—a variant of the "just price." To the degree that this is tried, and it has been, resources are immobilized and entrepreneurship is stifled (congressmen should be required to read Israel Kirzner's *Competition & Entrepreneurship*). Profits must be free to deviate from the norm, because such deviations are signals for capital to move from losers to winners.

Resources can be devoted to current consumption (making food or fuel) or to expanding capacity for future production (making fertilizer plants or refineries). Land, labor, and machinery can't be doing two things at the same time. Tax and monetary policies encourage consumption and indebtedness, while many government policies discourage or even penalize saving and private investment. Banks, for example, aren't allowed to offer more than about 6 percent interest to small savers—even during a 9 percent inflation. The flood of government bonds is a drain on the private capital market—not a "fiscal stimulus." The result of this sort of thing is that people have the dollars and desire to buy more than can be produced.

Given this shortage of capital, which investment adviser T. J. Holt estimates at $75 billion, we should nonetheless want to see a sizable chunk being attracted to oil and other goods that are getting scarce and therefore profitable. John Winegar of Chase Manhattan's Energy Economics Division estimates that even the 1973 oil profits will fall short "by more than a billion dollars" of meeting capital needs. Between 1970 and 1985, says Winegar, the petroleum industry will need $1.35 trillion to keep up with demand—which implies an annual earnings growth of 18 percent. Banks turn out some pretty scholarly research, as a service to their customers (banks, like all industries where competition is banned, compete in frills). But "asking Chase's view of oil company profits," according to John Lee of the *New York Times*, "is like asking Herbert Stein's opinion of President Nixon's budget message." *Time* said something equally cute, and equally libelous, implying that it's all a matter of opinion and bank opinions are too biased to deserve serious consideration. If one must reduce matters so, it should be noted that when the oil companies can't finance operations out of profits, they borrow from banks. Banks do control a lot of oil stock (through pension funds and the like), but it is a simple matter to switch to something more profitable, like soft drinks.

The other side of keeping some profits down, as we noted, is keeping others up Federal Energy Office favoritism for industries that use a lot of energy is a serious obstruction to necessary adjustments. The rationale, as always, is to "save jobs." But industries that use a lot of energy don't use a lot of labor. Energy-intensive industries should not be artificially insulated, through "priority" allocations, from resource scarcity. If they can't bid oil away from competing uses, that means consumers prefer the other uses—including driving their cars. This isn't an either or decision, but a matter of marginal adjustments: a decline in the use of plastic containers and aluminum beer cans, an increase in the use of cotton textiles instead of polyester.

Ecologist Barry Commoner wrote a column entitled, "Profit Motive is Root of Our Crises." He reasons that "as power has been increasingly introduced there has been a comparable decrease in labor needed . . . Thus, as power productivity declined (sic), labor productivity increased. . . . Profits depend on labor productivity." The conclusion is absolutely wrong, of course. Profits depend on the difference between how much money you take in and how much you spend. Low labor productivity can be very profitable if wages are also low (e.g., Hong Kong). Firms substituted energy for labor partly because energy has been cheaper (not that one can make paint out of labor alone). Labor has been relatively costly because "labor" productivity rose, which in turn is largely due to the use of energy-using machines. Commoner's theory would lead one to believe that labor productivity (and real wages) should fall, and that we should substitute human for nonhuman energy—a strange conclusion indeed. As energy costs rise, events may follow Commoner's prescription. But it is incredible to claim that only profits would be affected. The real motivation behind the use of energy is the desire to have more goodies with less work. That's the definition of an increase in the real wage.

As an illustration of his theory, Commoner complains that "we now use . . . high-compression smog-generating engines instead of low-compression smog-free engines." Commoner must own a very old car. Since the Clean Air Act of 1970, cars have had inefficient low-compression engines with elaborate smog devices, and these changes have increased gasoline consumption by some 300,000 barrels a day. That may be a necessary cost of reasonable air quality, though even Congress is having doubts, but it is hardly a result of the "profit motive." New models are carrying an extra couple of hundred pounds of costly bumpers, which few would voluntarily pay for, and this too cuts mileage. More than half the new cars sold are compact or mini, but they don't get better mileage than a 1954 Cadillac.

I have been accused of simply making "a concise summary of the oil industry's arguments," and favoring "artificial devices which interfere with the free-market mechanisms" (Brit Hume, the *New York Times Magazine*, January 6, 1974). So, I will now

demonstrate the proper way to attack the oil industry. First, I have always openly opposed oil import quotas, and would have few objections to eliminating depletion allowances on new wells. But it seems silly to blame special-interest legislation on the special interests rather than on (a) the mixed economy which allows such things, and (b) corrupt and foolish legislators. Second, the oil industry wrongly blames high consumption on naughty consumers rather than on low prices. Most industry spokesmen have also supported government allocation (with favoritism to big business) and rationing, which is hardly the essence of my position. I have seen few things that I disagreed with more strongly than an obnoxious speech by the president of the American Petroleum Institute in Los Angeles, December 4, 1973: "We are all going to have to really tighten our energy belts," said Frank Ikard. "This will mean . . . fuels allocation, and it probably will mean fuel rationing . . . But any rationing program must be predicated on a sound priorities system. . . . Personal comfort and convenience must—of necessity—rank below the priority classes. . . ." Ugh. It wouldn't surprise me a bit if the scoundrels were behind all this talk about federal regulation, since everyone (except Tom Wicker) knows that's the road to minimum price enforcement and taxpayer underwriting of losses (e.g., airlines, trucks, railroads, telephones, stock brokers . . .). Have you ever heard of a regulated industry asking to be deregulated? Okay, one—natural gas—but no others.

Third, the Wall Street Journal (February 7, 1974) notes that after-tax profits in oil have not been quite as high as elsewhere, despite supposedly preferential tax treatment. "So far as we can see," says the Journal, "the only possible interpretation of this is that profit margins in the oil industry have been under competitive pressure, and because of the same pressure the effect of tax breaks has been passed along in lower prices to the consumer." Well, if we knew for sure that the corporate tax was completely shifted to consumers, rather than also coming out of stockholder income and funds available for growth, then we might be able to say that reductions in the corporate tax only benefit consumers. But tax subsidies, and direct subsidies, are usually at least partly capitalized within the price of the favored commodity.

Thus, tax advantages for homeowners drive up the price of houses and residential property. Those who are buying at this late date get no net advantage. Making municipal bonds tax-free drives up their prices and lowers the yield. Similarly, when the depletion allowance was introduced in 1926 it presumably increased the price of oil stock, and attracted producers who would otherwise be unable to cut the mustard. The latter, after all, was the intended effect. Among stockholders, however, only those who got in before the tax break would stand to benefit from it. Conversely, reducing the depletion allowance in 1969 imposed a rather unfair windfall loss on those who had purchased stock at a price reflecting any tax advantage. This surely contributed to the paucity of investment capital in the industry, which is sometimes (e.g., by Tom Wicker) called a "failure" to build sufficient capacity. Thus, while many tax breaks may have been a mistake from the start, they are not easy to get rid of.

Finally, the monopoly issue is as irrelevant as it is implausible. "In theory," says S. David Freeman, director of the Ford Foundation Energy Policy Project, "higher prices will not only dampen demand but provide the incentive for increased supply. This is true if an industry behaves in a competitive manner. But is there competition in the American energy industry?" Freeman doesn't bother to answer the question, but it's a red herring anyway. Once a monopoly has found the wealth-maximizing combination of price and output, it responds to changing supply and demand conditions exactly as a competitive firm would. If that sounds strange, you have been listening to the Big Lie too often, instead of browsing through any good economics text. Try Alchian & Allen's *University Economics* or Roger Miller's *Economics Today*. A hint: If the oil industry could increase profits by cutting supply, why did it wait until 1972–1973 to do so?

Well, these are complex matters. And people are talking economics even when they don't realize it. The trouble is that the discussion is so uniformly poor, especially when conducted by natural scientists and journalists. These people simply don't understand the significance of statistics, the role of profit, or the nature of taxes and monopolies. So why don't they have the decency and humility to just shut up?

THE COMPARISON OF PROFITS TO INVESTMENT FOR TEXACO

[Millions of dollars]

Year	Net income	Capital and exploratory expenditures
1973	1,292.4	1,333.9
1972	889.0	1,192.9
1971	903.9	1,162.2
1970	822.0	906.1
1969	769.8	791.9
1968	819.6	1,065.3
1967	750.5	893.7
1966	671.8	737.4
1965	590.9	718.9
1964	540.7	604.8

Note: Direct taxes (foreign and domestic) exceeded net income in every year since 1967. About 55 percent of capital and exploratory expenditures were in the United States in 1973.

COVERAGE OF THE SENATE AND HOUSE PROCEEDINGS BY TELEVISION

Mr. METCALF. Mr. President, yesterday, in hearings of the Joint Committee on Congressional Operations, Fred W. Friendly of the Columbia Guaduate School of Journalism made a compelling argument for a plan of action—a "bold, decisive act of Government"—to open proceedings of the Senate and House on television coverage.

Senators will recall that Mr. Friendly is a former president of CBS News, a pioneer in television and broadcast journalism. Now serving as the Edward R. Murrow Professor of Broadcast Journalism at Columbia University and adviser to the Ford Foundation on telecommunications, Mr. Friendly pointedly questioned the unwillingness of Congress to utilize the advancing technology of communications.

Whose fault is it, he asked—and I am paraphrasing his most eloquent and persuasive testimony—that technology and the natural inclination and motivation of Presidents have resulted in a move of "the great commanding theater of this Nation" to the other end of Pennsylvania Avenue? And he answered:

You closed your eyes and ears to a miracle permitting your gallery to be filled by three or four sightseers and lobbyists from each of your constituencies while the Executive Branch transformed its "Bully Pulpit" into an electronic throne. Presidents have used broadcasting as a magic political carpet transporting the citizenry to the Oval Office, to the ancient wall of China, ironically even to the floor of your joint sessions while you, with few exceptions, have relegated these miracles to the status of a kind of over-the-transom, Peeping Tom, too theatrical or "too dangerous" to be allowed in. So what happens—Presidents in solemn regal splendor and living color dominate center stage while Senators and Congressmen content themselves with a few frenetic, fleeting moments in interviews in corridors and cloak rooms. Perhaps unwittingly you have forced the television camera to become a kind of stage-door Johnny.

Urging more than just a rules change to facilitate access for the broadcast media, Mr. Friendly called for action now to bring the television camera front and center. He said:

What is needed is the affirmative statement of serious, imaginative men and women of state, conscious of their responsibilities as teachers of the art of government, as much as of their obligation as legislators of wisdom and deliberation. Instead of the final paragraph to your constituents at home, "Drop in and see me the next time you are in Washington," your act of faith would be to communicate with them in their living rooms.

Mr. President, the joint committee has heard from a large number of outstanding witnesses during 6 days of hearings on Congress and mass communications, including the leaders of the commercial networks and public television, distinguished Members of the Senate and House, and prominent print and broadcast journalists. A printed RECORD will be available in due course. Meanwhile, because of the timeliness of the subject—and because of the wide range of carefully conceived suggestions continued in his testimony—I want to call attention to Mr. Friendly's comments and to make them available to all Senators now. I therefore ask unanimous consent that Mr. Friendly's prepared statement of April 9 before the Joint Committee on Congressional Operations be printed at this point in the RECORD.

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

STATEMENT BY FRED W. FRIENDLY

APRIL 9, 1974.

My name is Fred W. Friendly. I am Edward R. Murrow Professor of Broadcast Journalism at the Columbia Graduate School of Journalism and Advisor to the Ford Foundation on Telecommunications. For 16 years I was Executive Producer of C.B.S. News and for two years President of that organization.

Permit me to use two small exhibits, this quill pen and this vidicon tube, and to begin with quotations from two distinguished colleagues, one who practiced my profession, the other yours.

"When a man is really important the worst adviser he can have is a flatterer." That's the scripture from Gerald Johnson, the Baltimore editor and historian, and I hope it applies to our dialogue here today.

The second quote, in 1808, is from a lame duck President, Thomas Jefferson, who, in an attempt to recruit barrister William Wirth of Virginia into running for office, wrote:

"The object of this letter is to propose to you to come into Congress. That is the great commanding theatre of this nation. . ."

My unflattering question to this committee and your colleagues is—have you let Mr. Jefferson down, have you permitted technology and the natural inclination and cen-

tral motivation of Presidents to move "the great commanding theatre of this nation" to the other end of Pennsylvania Avenue?

And whose fault is that—not Marconi's, or Murrow's, or Cronkite's or Chancellor's, not even Coolidge's, or Kennedy's or Nixon's. They merely invented or exploited new forms of communications which the Senate and the House chose to ignore or to regard as a howling sideshow instead of an electronic extension of the spectators' galleries of 426 seats in the Senate and 732 seats in the House. You closed your eyes and ears to a miracle permitting your gallery to be filled by three or four sightseers and lobbyists from each of your constituencies while the Executive Branch transformed its "Bully Pulpit" into an electronic throne. Presidents have used broadcasting as a magic political carpet, transporting the citizenry to the Oval Office, to the ancient wall of China, ironically even to the floor of your joint sessions while you, with few exceptions, have relegated these miracles to the status of a kind of over-the-transom, Peeping Tom, too theatrical or "too dangerous" to be allowed in. So what happens—Presidents in solemn regal splendor and living color dominate center stage while Senators and Congressmen content themselves with a few frenetic, fleeting moments in interviews in corridors and cloak rooms. Perhaps unwittingly you have forced the television camera to become a kind of stage-door Johnny.

I wonder if you and your colleagues are aware of what's going on in other republics? Let's take West Germany, where my wife and I have recently been. Later this month the Bundestag will be conducting a historic debate on proposed reforms of the abortion laws. It is an inflamed issue, but there is no controversy over the reality that Germans from the North Sea to Bavaria will be watching every minute of it on television. Indeed, nations which were not even born when television was a political fact of life in the United States, now permit and provide live coverage of their legislative process. Because the Security Council of the United Nations provides live coverage of its debates, many Americans understand more about the voting and deliberative process of that body than they do of their own nation's.

The founding fathers deserved better of you. Even in Article I, Section 4, of the Constitution, you have not kept pace.

"Each House shall keep a journal of its proceedings and from time to time publish a journal." As Mr. Jefferson later explained, the Constitution "must go hand in hand with the progress of the human mind . . . as new discoveries are made, new truths disclosed, institutions must . . . keep pace with the times."

Even as the keeper of the Congressional Record, you have not kept pace—what would the grand giants of the Congress say if they knew that in an age when virtually every smile and grimace, oration and voyage of Presidents are preserved on videotape and film, all that history has to show students of Dirksen and Barkley, Humphrey and Goldwater are the musty transcripts of disembodied words without the splendor and sweat of the process we call democratic government. That the epic debates on the Civil Rights Bill of 1964, and the Vietnam War are lost to history, except on corrected stenotype notes is to shortchange history. That there is a better record of Joseph McCarthy's method of interrogation and Frank Costello's hands than there is of Walter George or Sam Rayburn in action is a bitter commentary which will confound scholars of future generations.

But the hobbling of history is comparatively minor when measured against the blackout of Congressional debate and hearings at a crucial time in the American experiment when we are rediscovering that, "what we don't know could kill us." If your colleagues in the Senate and the House would act with scome of the dispatch it demonstrated on the blackout of the Washington Redskin home games, they would give renewed affirmation to what the founding fathers identified as "a decent respect for the opinions of mankind."

Gentlemen, it is within your power to provide a season ticket to all your deliberations to every constituent if you can manage our miracles with the vigor and skill with which you manage your floor fights.

These hearings are a step in the right direction, but frankly I find the study prepared for the Joint Committee far more analytical and creative than much of the testimony. Let me warn you that if the exhortations of the legions of broadcast executives who pleaded with you to allow unlimited coverage were granted, you would cause broadcast stocks to tumble. Perhaps my battle scars show, but I should not be optimistic about any increase in the quality of Congressional coverage in network prime time, nor do I believe that the commercial daytime schedule will permit much Congressional coverage to interfere with the schedule of soap operas and game shows. Watergate and the prospects of impeachment proceedings are a different matter. The spectacle will always be in demand; what is required is the substance and content, the unspectacular and sometimes dull ebb and flow of parliamentary dialogue by which free men govern themselves.

What you need is a plan of action, not just a removal of restrictions. Of all the more than 30 resolutions over the past 30 years from Senator Pepper to Representative Pepper, the most stimulating and potentially productive plan is S.R. 136, proposed by Senator Byrd of West Virginia. Simply stated, it suggests "a full and complete study and investigation with respect to the broadcasting and telecasting (including closed-circuit telecasting) of the proceedings of the Senate." I trust that the Senator will consider it a friendly if unofficial amendment if I add the phrase—the House of Representatives.

The decision before you now is not just a journalism or telecommunications opportunity, although those interests are certainly implicit. It is a bold, decisive act of government that is required, far more vital than laying the cornerstone of a new office building or renovating the west facade of the Capitol.

It is not just the lifting of a restriction against microphones and cameras, or altering the rules about access, it is the affirmative statement of serious, imaginative men and women of state, conscious of their responsibilities as teachers of the art of government, as much as of their obligation as legislators of wisdom and deliberation. Instead of the final paragraph to your constituents at home, "Drop in and see me the next time you are in Washington," your act of faith would be to communicate with them in their living rooms.

As I have said—just lifting embargoes is not the solution. You need to take S.R. 136 quite literally and determine to wire the Senate and the House. Costs and regard for technique and procedure are essential, but let me assure you that the miniaturization of equipment, not just this small vidicon tube which is the heart of the television camera, but soon, charged coupler image sensor cameras will make obsolete all arguments that bulky gear will disturb procedure decorum.

New technology has already reduced required light levels to thresholds well within normal chamber levels. Automated cameras will make live coverage practical with three automated cameras and one manned position. The little red light which so many of your colleagues fear will "turn on" the demagogues and grand-standers could have been eliminated years ago, and have been, by sensitive producers.

I do not share the view of those who are worried about the temptation for abuse of the medium by Senators and Representatives. It is my conviction, although I cannot prove it, that the presence of cameras discourages egocentric excesses. Television is a cool meduim, and the "hot" characters of the Dies-McCarthy era have been replaced by a new breed of politicians who understand the cool grammar of broadcasting. Indeed, I believe that it was Senator McCarthy's outrageous performance during the Senate hearings 20 years ago this May which turned public opinion against him. Contrary to common belief, television, more than all the rules of conduct, will censor the browbeating investigator and even Claghorn orator, if he still exists.

The wired Congress, if I may use that as shorthand for putting cameras and microphones in both chambers, and all hearing rooms, and connecting them by coaxial cable to every office, dining room, lobby and a videotape center will be expensive but will cost far less than building a modern destroyer or celebrating the bicentennial. Operating it will be less expensive than running a destroyer or an atomic submarine per year. Senator Byrd's resolution needs to be costed out and studied—now. Such a survey could be accomplished with an economy of time and funds.

As your staff study by John Stewart suggests—"Congress could create a quasi-public cooperative to manage the television and radio service; members of Congress, the communications industry and private citizens would be appointed to serve as directors of the corporation . . . Congress could establish a special unit to manage such a . . . service." The archives of history and "the first draft of history" which is the journalist's role would be served by this continuing library service. As at the United Nations, the subscribing broadcasters and other users would help defray the cost on a participating basis.

Now, Mr. Chairman, you will ask, "but how does wiring the Congress ultimately reach the Nation? Live or delayed coverage will stil be subject to the gatekeeper function of the commercial networks and even of public broadcasting." That is true although the performance of public television and radio during the Watergate hearings was a major breakthrough in prime time coverage.

My proposal is not only to make the wired Congress available to all networks, but to leap over all those gatekeepers with their varied values and priorities and deliver the signal direct to 200 American communities. If telephone company long line and microwave distribution is too expensive, synchronous satellites made possible by this nation's maximum, costly effort in the space program will this year and in the next three years make it possible to spray television signals into every time zone simultaneously. N.A.S.A. will have a special purpose experimental bird available later this spring. Hughes, Western Union, R.C.A. have plans for all kinds of launches for 10 and 12 channel satellites with much unassigned capacity.

Much study would be required, but it would be possible to deliver a Congressional Daily Service to the electronic switching center in every major community, available then to broadcast stations and cable television operators. As the new phenomenon of C.A.T.V. develops, it will have a massive need and capacity for relevant program material. Ground stations and antennas which at the time of Telstar and Early Bird were almost the dimensions of this building and then cost millions are now reduced to 25 feet and cost less than a hundred thousand dollars. Local and regional cooperatives of commer-

cial and public broadcasters, cable operators, university and newspaper interests could erect and operate these ground stations, and make the daily feeds from Congress, the United Nations and other sources available to all who choose to broadcast or view them on closed-circuit. It would be a new service organization, something between the current wire services and the Congressional Quarterly.

One may ask why will these local broadcasters relay them to regional audiences if the networks won't? My response is—for the same series of reasons that cause some 500 different newspapers to send correspondents to Washington. These editors know that political reporting from the nation's Capitol is like regional accents and customs—different for various communities.

Debates on farm subsidies will find their audiences in Kansas, Iowa and Louisiana, while New York and Massachusetts would be more attentive to the hearings on mass transportation and urban blight. A station in Seattle might elect to take gavel-to-gavel coverage on the S.S.T. debate, while Arizona and Colorado broadcasters would give extensive coverage to the debates on the Colorado River controversy. Incidentally, broadcast news organizations, with the exceptions of the networks, have less than 30 full correspondents in Washington, although their profits far exceed most newspapers. One way for these broadcasters to serve their communities is by relaying to their audiences the issue and national legislators that involve their own regional communities.

It might not work. I cannot guarantee you that these local stations and cable systems will utilize such a Congressional service, but you'll never know until you try, and making the service available is part of the experiment that the democratic process deserves. I believe that decentralized options with all the pressures of negional involvement in the open marketplace of ideas will stimulate a new level of enterprise and responsibility.

To sum up, take Senator Byrd's proposal of June 1973 seriously, combining it with Senator Pastore's proposal to commemorate our 200th birthday by opening Congress to the nation. A study on costs and feasibility would take less than six months, a decision to go could be possible in time for 1976.

I began my testimony by saying this committee and its work is too important to be subject to flattery. I am afraid that all the work of your staff and these hearings will join those 30 other dreams in the graveyard of proposals to open up this 19th century institution to the miracles of the 20th century.

Share this opportunity and decision with your colleagues, not just by distributing the musty notes of these hearings to members already suffering from information overload, try something innovative—schedule a series of informal seminars at night or some weekend at Williamsburg.

Make these deliberations on the broadcasting and the electronic emancipation of Congress part of the preamble to the very act of proclaiming that constitutional government still works and, with all its warts and blemishes, is a miracle we can still manage.

ALEXANDER SOLZHENITSYN

Mr. BIDEN. Mr. President, once again the Soviet Government has perpetrated an act, the forcible expulsion of Alexander Solzhenitsyn, that must be defined as socially and politically unacceptable. Once again, the Soviet system shows itself to be in a position of flagrant disregard for the personal rights of the individual. But this is hardly new. Communism nor socialism pretends to be the protector of individual rights, however, it still comes as a shock and painful reminder of the harshness and injustices suffered by Soviet citizens daily. Once again, Mr. Solzhenitsyn is the victim. This time the Soviets have managed to successfully and completely ostracize him from his beloved homeland, friends, and family. Effectively, he has been deprived of his citizenship and any chance to return or live in his birthplace and homeland.

A recent editorial places Mr. Solzhenitsyn's plight in the historical perspective of political tyranny first practiced under Russia's czars, then revolutionary Bolsheviks and now Soviet leaders. "The uneasy masters of modern Russia and their vast cadre of brutish spies, interrogators and jailers cannot tolerate the documented accusations of a Solzhenitsyn. They worry because his voice reaches the Western World. They tremble that it may ring through the minds and consciences of 250 million Russians."

Mr. President, I ask unanimous consent that an editorial from the New York Times of February 13, 1974, be printed in the RECORD.

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

DEAD SOULS

The knocking at the door, so long expected, has finally come. The misnamed "security agents," whose mission is to spread fear and insecurity throughout the populace, have knocked on the door of Aleksandr Solzhenitsyn's apartment in Moscow. They have dragged him away as his wife and her mother cried out in protest, desperately, hopelessly. The knocking and the cries can be heard around the world.

"Ah, what a cad country Russia is!" exclaimed one critic upon reading Gogol's masterpiece, "Dead Souls," when it was published in 1842. In that respect, Russia despite the revolution and 130 years of history has changed little since Czar Nicholas I—except perhaps for the worse. Gogol, like Solzhenitsyn, could probably not be published in his own country were he alive today.

The Bolsheviks, like the Romanovs, fear ideas, dread creativity, stamp out dissent with the policeman's boot. The prosecutors ask much the same inane and cynical questions; the servile judges mete out the same harsh sentences; those who will not or cannot conform are condemned to the same dreary round of exile in remote Siberian towns or imprisonment in labor camps.

It was perhaps inevitable that Mr. Solzhenitsyn would be once more caught up in the toils of this repression machine after he permitted the publication in Paris last December of "The Gulag Archipelago, 1918–1956." That book is his ambitious attempt to gather into one volume a comprehensive yet detailed account of the development from the first year of the Bolshevik revolution of a police system. Modelled upon the Czarist system but more efficient and more ruthless, the Soviet apparatus for control and conformity has become one of the most powerful onslaughts on the integrity of the human spirit in recorded history.

The uneasy masters of modern Russia and their vast cadre of brutish spies, interrogators and jailers cannot tolerate the documented accusations of a Solzhenitsyn. They worry because his voice reaches the Western world. They tremble that it may ring through the minds and consciences of 250 million Russians.

To borrow the phrase of Gogol's contemporary Mikhail Lermontov, Solzhenitsyn is "a hero of our times." Only a hero would challenge such a system. Only a hero would pit his lone voice rallying the conscience of the world against the massed material power of the tyrannical state and hope to prevail.

A master of literature such as Solzhenitsyn seized and bullied. Brilliant dancers such as Valery and Galina Panov confined and unable to dance. Outstanding scientists, historians, and writers silenced or imprisoned. The genius of the Russian people sacrificed to a politics of mendacity and fear. How long will the dead souls tyrannize over life and the living?

DÉTENTE

Mr. THURMOND. Mr. President, in the April 4, 1974, issue of the Aiken Standard newspaper, Aiken, S.C. there appears an editorial entitled "A Reminder for Americans: Détente Holds Dangers."

All of us favor détente but we must have a true détente and not permit a screen behind which the Soviets would attempt to gain a military advantage.

The Congress should remember the Soviets have broken agreements throughout the history of the Communist regime and there is nothing in the record to indicate they will not continue to do so if it would serve their purposes.

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD at the conclusion of my remarks.

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

A REMINDER FOR AMERICANS: DÉTENTE HOLDS DANGERS

Detente, Secretary of State Henry Kissinger told members of Congress recently "is not rooted in an agreement on values. It becomes above all necessary because each side recognizes that the other is a potential adversary in a nuclear war."

Americans, who are friendly and trusting by nature, need to be reminded of that definition from time to time. That the Soviet Union has no illusions about the adversary role has been all-too-apparent in recent weeks.

Item: Recently the Soviet Union bluntly accused the United States of trying to poison the atmosphere of European security talks and also discussions on mutual and balanced reduction of arms by timing North Atlantic Treaty Organization maneuvers in Norway and Denmark while discussions are in progress. Never mind that just a month ago the USSR had pointedly resumed its testing of missiles with multiple, separately targetable warheads just when the Strategic Arms Limitation Talks resumed in Geneva.

Item: At a crucial time in Arab discussions over whether the oil embargo which was irritating the U.S. economy should be removed, Russia began an intensive radio offensive in the Middle East to urge the Arabs to continue their sanctions. At the same time, Russia sent one of its most persausive statesmen to the Middle East to persuade Arabs that they should discontinue the two-party, face to face negotiations with Israel, so successfully staged by Mr. Kissinger, and return to Geneva meetings—which the Syrians won't even attend. Since relaxation of the embargo deepened upon success in the Kissinger negotiations, the intentions of the Soviet Union were plain.

Item: Sensing a rift in U.S.-European relations, the Soviet Union invited French President Pompidou to Moscow to persuade him to take the leadership in arranging an immediate European summit conference—

which would further exacerbate Atlantic problems as well as freeze the present European boundaries.

Item: Apparently believing that an internal upheaval in Communist China may be tilting toward the moderate forces led by Premier Chou En-lai, which favor detente with the United States, Moscow is taunting the Communist Chinese for "abandoning" their efforts to acquire the island of Taiwan and destroy the Republic of China. It was a deliberate, direct aim at one of Peking's most sensitive spots and a calculated effort to tip the balance back in favor of anti-U.S. forces.

Detente, as Mr. Kissinger reminded Congress, rests on a frank recognition of basic differences and dangers. The Russians apparently believe that too much detente also is a dangerous thing, a stark fact that Americans also should remember from time to time.

DAYTON NEWSPAPER COMMENDS SENATOR METCALF

Mr. METZENBAUM. Mr. President, I would like to call the attention of the Senate to an extraordinary and timely editorial about the distinguished junior Senator from Montana (Mr. METCALF). On Tuesday, April 2, the Dayton Daily News, a leading Ohio newspaper, recognized Senator Metcalf's abilities and his character in an editorial piece headlined "Quiet Honesty."

The editorial succinctly and precisely describes Lee Metcalf in these opening lines:

Politicians have a bad name these days, and a lot of them deserve it. But there are a few who actually are what civics textbooks say they're supposed to be: honest people who work hard for the public interest. One of them is Lee Metcalf, a Democratic Senator from Montana who most Ohioans never hear of.

Mr. President, I am delighted that a newspaper from my home State chose to commend our colleague. The piece expresses my own views better than I could myself. I ask unanimous consent that the full text of the editorial be printed in the RECORD.

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

QUIET HONESTY

Politicians have a bad name these days, and a lot of them deserve it. But there are a few who actually are what civics textbooks say they're supposed to be: honest people who work hard for the public interest.

One of them is Lee Metcalf, a Democratic Senator from Montana who most Ohioans never heard of. Mr. Metcalf is one of those peculiar Senators who isn't running for President. You rarely see his name in the headlines or before a TV camera.

That might change. The issues Mr. Metcalf has been pushing tirelessly for years—closer regulation of utilities and the breakup of monopolies—are suddenly fashionable. The energy crisis and growing public awareness of corporate shenanigans have made them so. Until recently, other politicians could look on Mr. Metcalf as a harmless reformer.

Now he looks like a prophet.

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT OF 1973

Mr. HARTKE. Mr. President, I am concerned about the fate of numerous programs under the Manpower Development and Training Act during their transitional phase into the Comprehensive Employment and Training Act passed by Congress last December.

Certain actions of the Department of Labor in implementing the Comprehensive Employment and Training Act are of concern to me. On December 20, 1973, I addressed remarks to the Senate which underscored the conference agreement on the Comprehensive Employment and Training Act. My remarks indicated that there should be no decrease in the present level of the manpower effort, and that training courses funded under the Manpower Development and Training Act prior to June 30, 1974, be allowed to run their full and formal course. I further noted that, with the language in section 3 of the bill, the committee meant to protect the Federal investment made in programs under the old manpower authority by assuring that there will be adequate staff in appropriate agencies including the State departments of education, which have manpower authority under the MDTA. My interpretation of the committee's intent was not challenged, but agreed with.

I further call to your attention the remarks of my distinguished colleague, Senator GAYLORD NELSON, in presenting the conference committee report to the Senate. Senator NELSON stated:

Let me point out that, under section 3 of the conference agreement, the Secretary of Labor is expected to continue financial assistance with no lessening of manpower support while the new prime sponsorship system is being set up.

Mr. President, it has come to my attention that the State departments of education, including that of my own State of Indiana, are having a financial squeeze put on them by the Department of Labor. Many institutional training programs funded under MDTA authority will run into fiscal year 1975. Yet, the Department of Labor is not setting aside funds for fiscal year 1975 for the support of the staffs that may oversee the remaining Federal investment. Instead, there appears to be discrimination in the Department's handling of the transition provisions of the Comprehensive Employment and Training Act.

For example, a March 8 field memorandum 54–74 to the Assistant Regional Directors for Manpower assures them that:

. . . each regional office will be provided additional funds to continue necessary employment service staff to support contracts or agreements extending into FY 1975.

I point out that no such assurance is forthcoming for the manpower staffs in the State education agencies. In fact, the Office of Education has been informed they should use nonobligated training funds for this purpose; that is an unreliable source, at best, to oversee the considerable Federal investment remaining in the hands of State departments of education in fiscal year 1975. Using training funds for administrative purposes further reduces the amounts available to the States for training during the transition period.

The State departments of education need funds set aside for fiscal year 1975 that will permit them to complete in an efficient manner the excellent job they have accomplished during the past 11 years under the Manpower Development and Training Act. I trust the Department of Labor will correct this oversight in their interpretation of congressional intention.

Mr. President, I ask unanimous consent that the text of a letter I have sent to Secretary of Labor, Peter J. Brennan, be printed in the RECORD.

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

U.S. SENATE,
Washington, D.C., April 3, 1974.

The Honorable PETER J. BRENNAN,
Secretary, Department of Labor,
Washington, D.C.

DEAR SECRETARY BRENNAN: It has recently come to my attention that implementation of the Comprehensive Employment and Training Act of 1973 is taking on a different approach than that envisioned by the Congress.

I made reference on the floor of the Senate on December 20, 1973 (*Congressional Record*—Senate, page 42812) to the transitional phase from the Manpower Development and Training Act to the Comprehensive Employment and Training Act, and that there should be no decrease in the level of manpower effort, and that training courses funded under the MDTA prior to June 30, 1974, be allowed to run their full and normal course.

I further noted that, with the language of Section 3, the Committee meant to protect the Federal investment made in programs under the old manpower authority by assuring that there will be adequate staff in appropriate agencies for the transition. My interpretation was not challenged by the floor manager of the bill, Senator Gaylord Nelson. Senator Nelson did state in the Record that: "the Secretary of Labor is expected to continue financial assistance with no lessening of manpower support while the new prime sponsorship system is being set up."

I now find that the state departments of education, including my State of Indiana, are having the monetary squeeze addressed to them by the Department of Labor. What the departments of education need are funds set aside for fiscal year 1975 to permit them to complete in an efficient manner the excellent job they have done over the past eleven years under the MDTA.

I trust that the Department of Labor will see that this is promptly arranged.

With my best wishes, I am

Sincerely,

VANCE HARTKE,
U.S. Senator.

A BREAKTHROUGH FOR PEACE IN SOUTH ASIA

Mr. KENNEDY. Mr. President, a giant step toward a more stable peace in South Asia was taken yesterday in New Delhi with the announcement of a new diplomatic agreement signed by the Foreign Ministers of India, Pakistan, and Bangladesh. To Americans who have closely followed developments in South Asia, this break in a diplomatic logjam comes as welcome news, and it reaffirms the faith that a bright and peaceful future in South Asia rested on the courage and good will of the leaders and people of the area. That courage and leadership has now been demonstrated and

deserves the praise and support of the international community.

Although the full text of the new agreement will not be released until today, reports from New Delhi indicate that the three governments have agreed to continue the repatriation to Pakistan of non-Bengalis in Bangladesh, as well as to complete the return of all Pakistani prisoners of war, including the last 195. This agreement paves the way for a further normalization of relations on the subcontinent—both domestically and economically.

Mr. President, the United States, along with other members of the international community, have joined over the past year in support of humanitarian programs to bring peace and relief to the peoples of South Asia.

In Bangladesh, the United Nations Relief Operation in Dacca—UNROD—has wound up its work after more than 2 years of effective programs to help in the rehabilitation and reconstruction of Bangladesh after the disastrous civil war in 1971. And, under the creative leadership of the United Nations High Commissioner for Refugees, Sadruddin Aga Khan, the international community has also helped in the massive repatriation effort that has been underway between the countries of South Asia this past year. To date, well over 200,000 people have been moved in one of the largest repatriation programs the world has witnessed in modern times.

Under the aegis of the U.N. High Commissioner, some 120,674 Bengalis from Pakistan have been airlifted or moved by sea to Bangladesh; 71,580 non-Bengalis in Bangladesh have been repatriated to Pakistan; and some 10,000 non-Bengalis in Nepal have been airlifted to Pakistan. Also, an orderly repatriation of prisoners of war has been undertaken from India to Pakistan.

The United States has, I am pleased to say, effectively supported the work of the U.N. High Commissioner. Our Government has taken the leadership in supporting up to one-third of the High Commissioner's costs, contributing $4.15 million for a total program of some $14 million.

If some additional funds are needed to support a further repatriation effort in light of the new agreement signed in New Delhi, I have been assured by the Department of State that such funds are available—some $800,000 remaining from our commitment of last year. This should be sufficient to provide for the final program needs of the High Commissioner.

Mr. President, for all those who have supported and worked in behalf of the peaceful evolution of relations in South Asia, the announcement of further diplomatic progress in New Delhi comes as welcome news and as a tribute to the leaders of India, Pakistan, and Bangladesh.

For those international agencies which have undertaken humanitarian programs in Bangladesh and Pakistan, such as UNROD and the U.N. High Commissioner for Refugees, yesterday's announcement serves as a further tribute to their effective effort in behalf of peace in South Asia.

Mr. President, I ask unanimous consent that the text of a news dispatch from New Delhi in this morning's New York Times be printed in the RECORD.

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

[From the New York Times, Apr. 10, 1974]

INDIA, BANGLADESH AND PAKISTAN END PRISONER DISPUTE

(By Bernard Weinraub)

NEW DELHI, April 9.—India, Pakistan and Bangladesh reached a major breakthrough tonight and signed an agreement to repatriate 195 Pakistani prisoners of war.

Details of the agreement, not made public tonight, are scheduled to be announced tomorrow. It was learned however, that the war-crimes trial planned for the Pakistani prisoners by Bangladesh, the former eastern wing of Pakistan, would be dropped.

The pact, reached after five days of tough negotiations, opened the way for normal diplomatic and economic relations between the three nations and the easing of tensions and hostilities that resulted from the 1971 Bangladesh war.

PLAN FOR BIHARIS

At the same time, the agreement seeks to work out a partial solution to what is expected to be a lingering problem—the fate of the so-called Bihari minority in Bangladesh seeking to go to Pakistan.

It is believed that Pakistan will accept an increasing number of Biharis and will be required to give clear reasons for rejecting any applications for repatriation. Until now, applications had been rejected without reason.

"The trials, tribulations, tensions, and conflicts of the subcontinent will become a thing of the past, something of a bad dream that is best forgotten," said India's Foreign Minister, Swaran Singh, moments after the signing of the agreement here.

MOMENT FOR SATISFACTION

The Bangladesh Foreign Minister, Dr. Kamal Hossain, said quietly, "This is a moment for satisfaction. The efforts for enduring peace in the subcontinent will put an end to conflict and confrontation, and the 700 million people of the subcontinent will be able to live as good neighbors."

With the agreement—which followed the first meeting of the three nations—India and Pakistan decided to exchange delegations and work out plans to resume postal, plane, and other links, to restore travel between the two nations, as well as trade and economic ties and cultural exchanges.

A joint communiqué did not, however, mention full diplomatic relations, which Pakistan has sought. Relations were severed at the time of the three-week Bangladesh war in which India crushed Pakistan.

The mood of tonight's signing, following days of tension, was relaxed and extraordinarily friendly. The Foreign Ministers who led the talks and their delegations seemed relieved, exhausted and emotional.

Aziz Ahmed, Pakistan's Minister of State for Defense and Foreign Affairs, had great praise for Bangladesh's Prime Minister, Sheik Mujibur Rahman, a figure who remains an object of scorn and anger in Pakistan.

Mr. Ahmed said, "Everything had depended on what he had proposed to do, on how far he was prepared to go. His magnanimity and farsightedness helped in concluding satisfactorily the task assigned."

Later, at the airport, Mr. Ahmed said: "The credit for having been able to resolve the problems successfully goes primarily to the Bangladesh Prime Minister.

"The agreement has brought to an end the painful chapter of the war of 1971. We have today taken a big step forward. It clears the way, clears the decks for the task that lies ahead of us."

The agreement on the 195 prisoners seemed a triumph for Pakistan's Prime Minister, Zulfikar Ali Bhutto. He has insisted that no war crimes trials take place in Bangladesh, partly because they would generate unrest in Pakistan.

AGREEMENT FORMALIZED

In February, Bangladesh tacitly agreed to drop war-crimes trials and thus gained Pakistan's diplomatic recognition. But the agreement, made during the meeting of Moslem nations in Lahore, was left cloudy and undefined. It was only at the current meeting that the issue was formally resolved.

Mr. Ahmed said: "All three of us are extremely happy that we have been able to reach a successful conclusion, particularly to the issue concerning prisoners of war, which is a very difficult one."

How Pakistan and Bangladesh will fully resolve the Bihari question seems unclear. The plight of the Biharis has been compared to the Palestinian Arabs, except they have no political leverage and are essentially without a country.

The Biharis are Moslems originally from the Indian state of Bihar who fled to what was East Pakistan in 1947 after the subcontinent was carved up between India, which is mostly Hindu, and Moslem Pakistan.

These non-Bengali Moslems largely sided with Pakistan during the army's 1971 efforts to repress the Bengali independence movement. With the emerging of Bangladesh, virtually all the Biharis were shifted to squalid emergency camps and colonies near Dacca and other cities. Their number is estimated at 600,000 to 900,000.

Although more than 500,000 Biharis have said they want to leave Bangladesh for Pakistan, Mr. Bhutto's government has said privately that only 140,000 would be accepted. The Pakistanis say that a big influx of Biharis would dislocate the economy, create refugee camps in Pakistan and spur political tensions. Nevertheless, it is now reported that Pakistan has agreed to accept more Biharis, although the figure has not been specified.

After today's meeting Foreign Minister Hossain of Bangladesh reflected the buoyant mood of the diplomats here when he said: "May we all live as good neighbors, may we all look forward to striving together for a better and happier future for all our peoples."

FEDERAL SPENDING

Mr. GURNEY. Mr. President, the budget reform bill (S. 1541) which the Senate approved as H.R. 7130 2 weeks ago, and which is now before a conference committee, is without question the most encouraging indication in decades of a congressional willingness to adopt the discipline necessary to control skyrocketing Federal spending.

This spending, which has resulted in a deficit budget in 36 of the last 43 years, and has multiplied the Federal budget 100 times since 1925, has been a primary cause of the serious inflation which is the grave personal problem facing many American families today. By avoiding the imposition of realistic controls on "back door spending" and ignoring the need for an enforceable ceiling on the Federal budget, the Congress has not taken positive actions to cure the spiraling inflation which has deprived the elderly of their hard-earned retirement funds, the young of their economic opportunity, and the middle-aged of their deserved standard of living.

The bill which we passed 2 weeks ago was not, however, an absolute cure-all

for costly Federal Government consumption of the American tax dollar. Its success will depend upon the final form in which it emerges from the conference committee, and—more importantly—the dedication with which we, as individual members of the Congress, insist upon the fullest use of the new budgetary procedures which the bill now makes possible, but does not require.

All fiscal conservatives such as myself would have preferred this legislation in its stronger form, as it was originally reported from the Committee on Government Operations, where my colleagues and I had worked for months to achieve a piece of legislation which included three particularly strong provisions—an enforceable overall ceiling on the budget, the setting of priorities in allocating expenditures between various governmental functions, and true control over "back door spending."

Without these three safeguards, Congress will be unable to maintain control over the budget, and it will continue its excessive spending, pushing living costs and inflation up.

As finally passed by the Senate, this legislation makes each of these safeguards possible, but does not make them mandatory. Accordingly, I call on each of my colleagues to join me in a dedication to insure that the true goals of this legislation are not subverted, leaving the public to continue to marvel at continuing congressional inability to apply the brakes to Federal spending.

I pledge myself to such a dedication.

RAPID TRANSIT FOR COMMUTERS

Mr. BIDEN. Mr. President, the energy crisis is affecting our habits and practices. It has had an obvious impact upon the manner in which we move ourselves around.

The rising price of gasoline, along with its relative scarcity at a retail level, has led many of us to seek alternative transportation to the single-rider automobile—car pools, buses, trains, and bicycles, to name a few.

An innovative program, designed to encourage a greater use of mass transit, is now underway in Boston as a cooperative venture by the Metropolitan Boston Transit Authority—MBTA—in the business community.

Arthur Jaehnig, manager of procedure and special projects for MBTA, has described the test program to a member of my staff. As I understand it, the program works in this way:

It is currently being tested in cooperation with the John Hancock Life Insurance Co. Approximately 2,000 employees of the estimated 5,500 were offered the program. The 2,000 employees were selected on the basis of a survey taken by the company as to who regularly commuted to work on the MBTA. Of the 2,000 employees to whom the program was offered, 900—or 45 percent—accepted. The program is basically restricted to urban routes with the exception of one route to the "South Shore," a suburban coastal area south of Boston.

The program involves a payroll deduction plan. Eligible John Hancock employees are billed monthly based on the type of transportation they commute on. There is one deduction occurring on the first of each month. The number of working days in each month is set at 20, regardless of the actual variation in each of the 12 months. The entire sum deducted from an employee's salary check is turned over to the MBTA. The pass itself is valid for 4 months. However, an employee is only obligated to utilize it for 1 month. Should he or she choose to withdraw from the program, it would be only necessary to surrender the pass to John Hancock at the beginning of the new months. The pass is visually verified as the commuter enters the bus or passes through the turnstile of the subway station. The pass is all an employee needs. There is no additional cost.

Currently, a one-way fare is 20 cents for surface buses, 25 cents for underground rapid transit, 45 cents for a combination of the two and 50 cents for the South Shore route. Thus, a working commuter, who uses a combination of a bus and underground rapid transit facility, spends 90 cents a day to get to work and return home—45 cents each way.

Employees who use a combination of a surface bus and underground rapid transit facility to go to and from work would be given a 45-cent pass and $15.75 deducted each month. If he paid each day he would pay $18 based on a 20-working day month. Those who ride only the underground transit system would receive a 25-cent pass and would have $8.75 deducted each month—compared to paying $10 a month if paying each of 20-working days. Those using the South Shore route would receive a 50-cent pass and would have $17.50 deducted monthly—compared to paying $20 if paying daily during a 20-day working month.

Consequently, by signing up for the payroll deduction plan, an employee saves a little money. It is an additional saving because an employee utilizing this plan is entitled to unlimited use of the transit system for which he pays, whether it be a Sunday, a holiday, or a working day.

Mr. Jaehnig informed my staff member that the program, in that it is implemented by means of payroll deduction, is a new one to the best of his knowledge. Obviously, he says, the objective of the plan is to increase the use of mass transit. MBTA would benefit by being able to rely upon an assured level of patronage for each month. Should the test program be successful, Mr. Jaehnig said, employees of other firms would be offered the opportunity to participate. Moreover, I understand that there is a possibility that ultimately the program might be offered to the general riding public.

In my opinion, Mr. President, this payroll deduction program has tremendous potential for use in other cities—for example, in Washington, D.C., where the basic intracity fare is now 40 cents, in New York City where it is now 35 cents and in Wilmington, Del., my home community, where the fare is also now 35 cents. Although the fares are somewhat cheaper under this program, the resulting increase in patronage would offset this disadvantage by more revenues.

Obviously, there are many benefits to be derived from this program. The obvious one is fewer cars on the road to cause pollution and a greater reliance of mass transportation services.

This also is the view of Jack Hidinger, Delaware State Director of Transportation. He has expressed to a member of my staff his support for some variation of the Boston program. Incidentally, Mr. Hidinger noted that the Delaware Area Rapid Transit—DART—has recorded a 25-percent increase in the use of its buses since the energy crisis and that later this month services will be increased by 30 percent overall as a result of purchasing additional used buses.

As a member of the Public Works Committee, and a prime sponsor of a successful effort to divert some funds from the highway trust fund for mass transit facilities, I am obviously pleased to learn about this imaginative effort in Boston. I hope that the Federal and District governments here in Washington, D.C., in conjunction with the Washington Area Transit Authority—Metro—would undertake to implement such a program here in this metropolitan area of approximately 2.7 million persons.

Mass transit surely must become more of a part of our way of moving about. It seems to me, Mr. President, that this MBTA program is one alternative that will encourage such public transportation.

JAYCEES FIGHT DRUG ABUSE

Mr. BAYH. Mr. President, the national problem of drug abuse—especially among our young people—remains a high priority issue of persistent concern to the American people.

As chairman of the Subcommittee To Investigate Juvenile Delinquency, I have spent as much time in the past 3 years on efforts to deal more effectively with the problem of drug abuse as I have on any other single issue. I have learned much about its causes and effects and have worked with many of my colleagues in Congress to pass legislation to combat this national dilemma.

It is no secret, however, that there must be a commitment from the citizens of this country to fight drug abuse, if we wish to control its terrible consequences. Much is said about the drug problem. In reality we have a collection of local problems. Nor do we have the solution. An approach that is successful in Washington, D.C., or New York is not necessarily appropriate elsewhere. I am happy to report that many local civic organizations in Indiana have picked up the challenge and are determined to do their part in this fight. On Sunday, April 7, 1974, the Jaycee chapters of Hammond and Gary sponsored an Olympic invitational karate tournament at Bishop Noll High School in Hammond for the purpose of raising funds to purchase and distribute antidrug literature in their cities, as well as exposing the community to one of the fastest growing forms of sport in the country. The tournament was very successful, and I wish to congratulate the

Jaycees and commend them for striking a blow in the battle against drug abuse.

CLASSIFICATION OF INFORMATION IN THE EXECUTIVE BRANCH

Mr. ROTH. Mr. President, in today's Washington Post there appeared an article by Morton H. Halperin once again pointing to the urgent need to reform and properly enforce our laws relating to the classification of information in the executive branch bureaucracy.

Much too much information which should be in the public domain is improperly classified by overused labels such as "national security," while some information which is properly classified is leaked to advance personal bureaucratic interests.

I very much welcome the bipartisan approach which has characterized much of Congress effort to deal with the problem of executive branch overclassification. On March 14, the House of Representatives passed legislation amending the Freedom of Information Act by an overwhelming 383 to 8 vote. In December, the Senate adopted without dissent the Congressional Right to Information Act which Senators ERVIN, MUSKIE and I devoted so much attention to. While I believed that the bill could have been strengthened by a congressional definition of executive privilege, rather than leaving the definition entirely to the courts, I supported the bill as an important first step in increasing the flow of information to the Congress. I hope each of these bills will receive early consideration in the other body.

Unfortunately, however, no action has yet been taken on important legislation directly affecting our classification systems. In 1971, I first offered a bill to establish a National Commission on Executive Secrecy to recommend reforms. This bill was revised and reintroduced last year by myself and Senator ERVIN with the cosponsorship of 20 Senators: Senators ABOUREZK, BAKER, BAYH, BIBLE, BROCK, CLARK, CRANSTON, FULBRIGHT, HART, MATHIAS, MCINTYRE, MONDALE, MONTOYA, PASTORE, PELL, PERCY, SPARKMAN, STEVENSON, SYMINGTON, and WILLIAMS. If Congress is unable to take any further action on secrecy in this session, it should at least pass this legislation so that the Commission can get to work and have recommendations for us to act on in the 94th Congress.

I ask unanimous consent that Dr. Halperin's article be printed in the RECORD.

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

REVIEWING "NATIONAL SECURITY"

(By Morton H. Halpern)

In a convincing demonstration that it has learned at least something about the abuse of the "national security" label, the House has overwhelmingly approved a revision of the Freedom of Information Act. But the Justice Department is opposed to the bill and is gearing up an effort to defeat the measure in the Senate Judiciary Committee or on the Senate floor.

The major substantive change in the legislation is in the provision relating to the "national security" exemption.

To understand what the change would do—and why it is needed—it is necessary to review briefly the history of the Freedom of Information Act and the Supreme Court's interpretation of it.

In 1966 after long debate and over strenuous objections of the Johnson administration, Congress passed the Freedom of Information Act which, for the first time in the nation's history, established the right of the people to have access to information held by the executive branch. The Act provided that information must be released unless it fits within eight relatively narrow "exceptions," and enabled any citizen to go into court to request information denied by the executive.

Despite the obstructionist tactics of much of the bureaucracy, the act has, in most areas, worked reasonably well. However, in the field of national defense and foreign policy, the act has turned out to be of relatively little value. The first exemption [known as b(1)] excludes from the reqiements of public release information "specifically required by Executive Order to be kept secret in the interest of the national defense or foreign policy."

In the definitive case interpreting this exemption to the Freedom of Information Act, the Supreme Court held in 1973 in the Mink case that the Act exempted from release any information classified under the provisions of the Executive Order on Classification.

In a concurring opinion Justice Stewart noted that the exemption as written "provides no means to question an Executive decision to stamp a document 'secret,' however cynical, myopic, or even corrupt that decision might have been." He noted, as did the opinion of the court that Congress could establish a different standard.

It is in response to the invitation in the Mink opinion that the House acted. The revised legislation provides for in camera inspection by the Court when the executive invokes exemption b(1) and amends the exemption to read as follows:

"authorized under criteria established by an Executive Order to be kept secret in the interest of the national defense or foreign policy."

Thus the bill (and a nearly identical bill sponsored by Senator Kennedy) is far from radical. The Court would simply be asked to judge whether, in the words of the Executive Order "disclosure could reasonably be expected to cause damage to the national security." This is a task which the courts have taken on themselves in civil litigation (when the government seeks to withhold information on national security grounds) and which the Supreme Court clearly indicated in the Mink case a willingness to accept.

What it would do is simply to enable the Court to go beyond a stamp to determine if a classification was in fact cynical, myopic or corrupt.

In this regard, it is worth reminding ourselves of some recent examples of the use of the classification stamp to hide bureaucratic or political embarrassment:

Before it released its copy of the Huston Plan, the Watergate Committee submitted it for security review. Among the information deleted as "classified" was the fact that electronic surveillance and penetration of "new left groups" was "grossly inadequate."

In its initial review of the censored book, The Cult of Intelligence by Victor Marchetti and John Marks, the CIA deleted as classified 399 items, including the fact that CIA Director Helms had mispronounced "Malagasy" at an NSC meeting and a reference to Air America, a well known CIA airline.

The Administration sought to keep the military spying on the NSC classified only to have it label the episode as insignificant once it came out.

Even if Congress succeeds in passing the revised language, the courts are likely to give great weight to an executive branch determination that information should be classified. But at least there would be some oversight by the courts. It is perhaps not too much to hope that the Justice Department will respond to the public mood and withdraw its opposition. If not, the Congress will have to show whether it is prepared to take on some responsibility for moderating the influence of the overused, abused and, therefore, now discredited incantation: "national security."

SOUL CITY

Mr. BIDEN. Mr. President, the decision to propose the creation of a "soul city" was greeted with derision by some, and with skepticism by others. Recently, the National Association of Home Builders printed an article in its newspaper, the Journal-Scope, which describes the continuing efforts of a minority group to realize their concept of what a city is. Soul City, envisioned by Floyd McKissick as a planned community including schools, industry, housing, shopping areas, and other urban amenities, will be the first community in the country not relying on a nearby urban area. It is also the largest project ever undertaken by a minority firm, the Soul City Co.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

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

FIVE MILLION DOLLARS IN GOVERNMENT-BACKED BONDS LAUNCHES CAROLINA NEW TOWN

The sale of $5 million in government backed bonds has released more than $27 million to finance Soul City, a new community in rural North Carolina. Floyd B. McKissick, president of the Soul City Company, announced the bond sale on March 19 in Washington, D.C.

The $5 million, from the sale of bonds guaranteed by HUD under the Urban Growth and New Communities Act of 1970, will be used for roads, utilities, and other basic developments. The $27 million in released funds will be used in developing a regional water system, a health clinic, and extensive industrial facilities.

Construction on the new town can begin in 60 to 90 days, said McKissick. "After five long years of dreaming, planning, and hoping, Soul City is on its way."

McKissick, former Durham attorney and national director of the Congress of Racial Equality (CORE), formed McKissick Enterprises, Inc., nearly six years ago to begin Soul City and to undertake other economic development projects to be owned and operated by blacks and other minorities.

McKissick Enterprises formed the Soul City Company on Feb. 22, 1974, with the National Housing Partnership of Washington, DC, and MMI, Inc., of Cleveland, OH, the development arm of Madison-Madison International, a minority owned architectural firm.

Soul City will be the first new community in the country not relying on a nearby urban area. It is situated in an economically depressed rural area and is the largest project ever undertaken by a minority owned firm, the Soul City Company.

Soul City eventually will have a population of nearly 40,000. The planned community will include schools, industry, a wide variety of housing, shopping, and other urban amenities. For every acre of residential land, one acre of open space or parks is being provided.

Soul City is located on a 5,700 acre tract

near the community of Manson in Warren County, North Carolina (about 10 miles south of the Virginia state line). The region has no major metropolitan area, and Soul City is about 50 miles north of the so-called Research Triangle (Raleigh, Durham, and Chapel Hill).

It is connected with the major metropolitan markets of Industrial Piedmont and the Eastern Seaboard by interstate highways I 85 and I 95, with U.S. 1 and 158 running along the northern periphery of the site.

THREE YEAR PLAN UNDERWAY

During the initial three year development period, 265 acres will undergo intensive improvement. While the three year plan has two distinct divisions (an industrial park and a residential neighborhood), the projected pace of land usage will favor the industrial segment.

The estimated goals for acreage absorption during the first three years are: 1) industrial, 112 acres; 2) residential, 36 acres; 3) parks and recreational, 78 acres; 4) institutional, 13 acres; and 5) commercial, 6 acres.

The emphasis on industrial development through the sale of land to industrial users is consistent with Soul City's goal of first creating a market for goods and services. Presently there is no substantial market for housing and other services because of the relatively low income in the region.

By providing better paying jobs, with training programs and facilities, Soul City Company is expecting to increase local buying power.

The industrial park is located north of a 60 acre lake, and extends to U.S. I 158. Its southern boundary is a community park (adjacent to the lake) which allows public access to the lake's northern shore, and at the same time, acts as a buffer between the industrial and residential districts.

The first residential neighborhood is located south of the lake area. This section can accommodate 300 dwelling units, two thirds of which would be multi-family townhouses and garden apartments. All single family detached dwellings are grouped in clusters of from 18 to 40 units and are developed around cul de sacs. These residential clusters are connected by walkways to the activity center.

The Soul City area is a strong market for single family dwellings, said McKissick. Existing housing in the area is predominantly single family, and there is evidence of a growing mobile home market.

Soul City is envisioned, in a density sense, as a "city," and a conscious effort will be made to educate the local residents about the amenities of apartments, townhouses, and other housing types in addition to the single family detached house.

During the first year of the three year development phase, housing will be constructed primarily for Soul City staff. This is because of the projected 18 month lag between industrial commitment to locate and the beginning of actual operation of that industry, which would generate housing need.

HOUSING ABANDONMENT

Mr. CRANSTON. Mr. President, on March 6, Senator HART, Senator MONDALE, and I introduced S. 3115, the Abandonment Disaster Demonstration Relief Act. The primary emphasis of our legislation is to assist in the recovery of neighborhoods whose vitality has been drained by large-scale housing abandonment. A second and essential purpose of the bill is preventive and is aimed at halting abandonment in its early stages.

An excellent article by Ms. Mary K. Nenno entitled "Coping With Abandonment" in the 1972–73 Housing Yearbook traces the role the Federal Government has played in assisting communities to rebuild neighborhoods and in helping localities to prevent neighborhood decline. Ms. Nenno, the Associate Director for Policy and Research with the National Association of Housing and Redevelopment Officials—NAHRO—ably sets out the substance of past Federal programs and the earmarks of future neighborhood preservation strategies. In this regard, I am pleased to note that the National Committee on Conservation and Rehabilitation of NAHRO has reviewed and endorsed the principles of S. 3115.

Mr. President, I ask unanimous consent that the text of Ms. Nenno's article, "Coping With Abandonment," be printed in the RECORD.

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

COPING WITH ABANDONMENT

(By Mary K. Nenno)

Widespread abandonment of existing housing in our larger cities has become the highly visible symbol of our failure to understand and cope with change in residential neighborhoods. The phenomenon of boarded-up, vandalized, and burnt-out structures on our urban landscape is perhaps most dismaying because it came with such suddenness. Nothing in our housing statistics prepared us for it, or fully recorded it, including the 1970 Census of Housing. The abandonment process worked so fast that it swamped any attempt to counter its impact through housing rehabilitation programs. There is still an air of mystery and contradiction about its symptoms and its causes.

THE MYSTERY AND CONTRADICTION OF HOUSING ABANDONMENT

There is now underway a national effort to probe the reasons for housing abandonment—a re-examination of seemingly contradictory 1970 housing census data on improvements in housing condition; a series of research studies and demonstrations; and a soul-searching by housing professionals concerned with neighborhood improvement and stability. There is a major task in unraveling the tangled and interrelated economic and social factors which produce such a massive physical shift. Hopefully, this probing of housing abandonment will lead not only to new understandings of the elements which cause neighborhood change, but also to new ways to anticipate change, and new responses to deal with it. Certainly, there is a great deal at stake: the preservation of one of the nation's most valuable assets—its existing housing supply.

As this probing proceeds, there are additional "danger signals" about the status of our national housing inventory. The Fourth Annual Report of National Housing Goals sent by the President to the Congress on June 29, 1972, points out a "possible danger of under maintenance of the nation's housing stock." The warning is based on a review of the eight-year trend (1962–1970) in the volume of expenditures by residential property owners for maintenance, repairs and improvements of their property. While the total of such expenditures increased almost 30 percent in the eight-year period, from $6.6 billion to $8.5 billion, if the increasing number of housing units and the rising costs of maintenance are taken into account, it appears that these expenditures (in constant dollars) have dropped from $127 to $102 per housing unit. Based on generally accepted norms of annual expenditures for maintenance, repairs and major replacements, the recent average of $124 per unit (before adjustment for changes in dollar value) would be appropriate for a housing unit valued at about $7,400 or slightly more than half of the average value of occupied housing units in the 1970 census. This is not encouraging news about the trend in quality in our housing stock.

RESPONSE TO "DANGER SIGNALS"

The question of the moment is whether the response to housing abandonment and other "danger signals" in the quality of our national housing inventory will be resignation and a paralysis in neighborhood improvement efforts; or whether it will be an affirmative response based on an interim program of emergency actions and a longer-term strengthening of the local structure of neighborhood improvement and housing services. The reaction of the Federal government will likely make the difference.

An affirmative response is a required course, unless we are to let the tide of abandonment further erode not only our changing urban neighborhoods, but our central cities as well—and increasingly, the changing areas of our urbanized metropolitan complex. Such a response of necessity involves a probing of our past national effort in housing and neighborhood rehabilitation. While this past effort is one of some frustration for both public and private interests, it also has yielded some progress, along with important lessons and insights. It is an appropriate and propitious time to take stock of this experience.

Whatever the shortfalls of local and Federally-assisted housing and neighborhood rehabilitation programs of the past, there is an emerging consensus about the essential elements of an effective program. Such a program should:

Deal with neighborhood improvement and neighborhood services, as well as rehabilitation of individual structures.

Include a neighborhood organization which can counsel and coordinate the decisions and voluntary actions of many individual property owners and tenants.

Cover the rehabilitation of properties which remain in private ownership while being rehabilitated, as well as properties acquired by public and non-profit agencies and rehabilitated for resale.

Provide the incentive rehabilitation assistance necessary to retain ownership and occupancy by moderate and middle income, as well as low-income residents.

Provide a method for the refinancing of existing mortgages in rehabilitation neighborhoods, including provisions for necessary rehabilitation of the structures covered by the mortgages.

Have access to the housing subsidies necessary to enable lower income neighborhood residents to live in rehabilitated housing.

Include the capacity to demolish adverse uses, to spot clear buildings which cannot be rehabilitated, and to make shifts in neighborhood use patterns to reflect new needs.

Provide for skilled and well trained personnel, particularly to insure the quality of housing rehabilitation.

Provide for continuity of effort, and a capacity to respond in an on-going way to neighborhood change.

Our past program efforts have had individual pieces of these essential elements, but these pieces have not been pulled together into a coordinated and continuing local neighborhood effort. The earliest approach to Federally-assisted housing rehabilitation (the FHA Title I Home Improvement Loans, adopted in 1934) as well as the complementary extension of the program (the Section 302(k) program adopted in 1961) deal largely with improvements and modernization of single family homes utilizing loan amounts and credit terms not usually applicable to changing urban neighborhoods. A further extension of this approach, the 220(h) loan insurance program adopted in 1951 for urban renewal areas, has seen only minimal use since it has generally been more advanta-

geous to refinance existing mortgages to cover the cost of major repairs.

REHABILITATION UNDER ASSISTED PROGRAMS

Another basic approach to the rehabilitation of housing has been tested under the Federally-assisted housing programs for low and moderate income families. In the year ending June 30, 1972, rehabilitation under these programs is estimated to total 31,700 housing units, with 18,700 under programs administered by the Department of Housing and Urban Development, and 13,000 units under the administration of the Department of Agriculture. These units represent only a minimal proportion (seven percent) of the total of 436,300 housing units estimated to be assisted under these programs in the 1972 fiscal year. Significantly, the proportion of units to be rehabilitated under the assisted housing programs as part of the 10-year national housing goals adopted by the Congress in 1968 was reduced as a result of the administrative revision in these goals made in 1969: from 2 million units to one million units, representing less than four percent of the 10-year production goal. An additional factor which may well reduce the future number of rehabilitations under the homeownership assisted housing programs is the difficulty experienced by lower income purchasers of existing housing—some of the units purchased involved units of inadequate quality which low income families were unable to maintain and defaulted back to the Federal government. A major point to be made about the rehabilitation of housing under subsidized housing programs, particularly relevant to the question of housing abandonment, is that they were individual transactions; it is unlikely that any significant number of housing units rehabilitated under these programs were part of an organized neighborhood rehabilitation effort. This lack of linkage between rehabilitation under the assisted housing programs and area-wide rehabilitation efforts is one of the major deficiencies of our past experience.

EXPERIENCE WITH NEIGHBORHOOD REHABILITATION

Beginning in the mid 1960's a new series of Federally-assisted approaches to housing rehabilitation involving a neighborhood dimension were adopted. These programs included the Section 117 Concentrated Code Enforcement program adopted in 1965, encompassing not only intensive neighborhood enforcement of the housing code related to individual structures, but also provision of essential public facilities such as street improvement, lighting, tree planting, sidewalks, curbs and gutters. Companion tools often utilized in conjunction with the 117 program were the 312 rehabilitation loan program, a direct Federal loan at 3 percent interest for individual property owners, adopted by the Congress in 1964; and Section 115 direct rehabilitation grants for low-income home owners. The combination of these three resources has gradually evolved into a popular and potential rehabilitation approach in local communities.

In the fiscal year ending in June 1972, some 12,600 housing units were estimated to be rehabilitated utilizing Section 312 rehabilitation loans and Section 115 rehabilitation grants. However, demand for these loans and grants by local communities far exceeds an administratively-imposed annual funding level of $50 million per program.

Another neighborhood-wide rehabilitation approach was adopted by the Congress in 1966—Section 221(h)—a program of FHA-insured 3 percent interest rate mortgages to permit non-profit organizations to finance the purchase and rehabilitation of deteriorating or substandard housing for resale to low-income purchasers. While successful in some local experiences, this approach has not been stimulated by Federal encouragement nor has it generated a significant volume of rehabilitation activity; in fiscal 1972 only 14 dwelling units were rehabilitated under this program. Two of the difficulties involve the uneven capacities and long-term stability of non-profit organizations, and the fact that structures to be rehabilitated cannot remain in individual property ownership, but must be sold to the non-profit organization before rehabilitation.

REHABILITATION AND URBAN RENEWAL

The Federally-assisted effort with the broadest capacity to deal with the elements of changes in a neighborhood's physical environment—including the capacity to demolish adverse uses, to spot clear buildings, to work with non-residential as well as residential properties and to make shifts in use of property to accommodate new needs—is the urban renewal program. The Housing Act of 1954 expanded Title I of the 1949 Housing Act to cover actions designed to prevent the spread of slums and blight through the rehabilitation and conservation of blighted and deteriorating areas. There has been significant accomplishment, and an increasing number of communities undertaking urban renewal rehabilitation, particularly since 1961. Through fiscal 1972, a cumulative total of 832 urban renewal projects have involved major rehabilitation of properties, including some 264,000 rehabilitated dwelling units.

While rehabilitation progress under urban renewal has been significant, experience indicated that a number of basic elements must be strengthened if a really massive volume of rehabilitation activity is to be achieved; a more effective neighborhood reorganization; a more integrated and coordinated administration of all rehabilitation tools on a community-wide basis; more effective coordination of city improvement and services with neighborhood rehabilitation efforts; more flexible to program rehabilitation activity on a short-range as well as longer-range basis; a capacity to sustain an on-going neighborhood improvement effort. The Neighborhood Development Program (NDP), adopted by the Congress in 1968, gives the urban renewal program new flexibility to cover areas of rehabilitation need on a community-wide basis, rather than within constricted project boundaries; it also permits actions to meet short-term rehabilitation needs without waiting for the full development of a long-term project plan.

"SERVICES" FUNCTION NEEDED

Looking at the Federally-assisted rehabilitation experience in the light of the current "danger signals" in our national housing supply, including housing abandonment, the time appears ripe to take firm steps toward establishing the effective neighborhood improvement program which emerges as a consensus from this experience. Such a program would include the basic elements for an effective program previously enumerated. It would be built upon the concept of the comprehensive community-wide development program which is contained in the "block grant" community development legislation adopted by the Senate (S. 3248, passed on March 2, 1972) but not finally approved in 1972. Specifically, it would encompass the approach set forth in the NAHRO Program Policy Resolution for 1971–73:

"NAHRO believes that it is time to recognize fully a major function in the local housing and community development process . . . "Management of Housing and Neighborhood Services" . . . with two basic components:

"A 'Neighborhood Improvement Program,' including all of the present elements of the Federally-aided rehabilitation and code enforcement programs, but not limited to areas of a community already in decline. Such a program to housing code enforcement with sufficient technical and financial resources to finance housing rehabilitation and to provide new public facilities and services. To expedite this effort, consideration should be given to a single coordinated, municipal housing services agency at the local level, to speed up the process of housing rehabilitation and supervise the process of neighborhood improvement.

"New and innovative approaches to management of existing housing, including tenant management and tenant ownership of large, multi-family dwellings. Whenever possible, the user of the building should have the opportunity to own his building or unit. Serious consideration should be given to grant and low-cost loan programs that would stimulate the growth and development of private or neighborhood management organizations to provide housing management services with more economy and efficiency than can be done by individual owners."

Such a new municipal function, as an integral part of a comprehensive community development program, could provide on-going capacity not only to carry out neighborhood improvement activities, but also to respond quickly and effectively to neighborhood change—even a traumatic crisis of housing abandonment.

HEMOPHILIA

Mr. JAVITS. Mr. President, hemophilia is a chronic blood disease which results in execessive and sometimes fatal bleeding as well as painful and crippling of the joints, elbows, knees, and ankles. During the past year a great deal of national attention has been focused on the economic and incredible hardships faced by hemophiliacs and their families.

Medical research recently discovered a new anticlotting substance which can be injected—much like a diabetic injects insulin—and which has given hemophiliacs new hope for a longer and more normal life. It is estimated that 25,000 of the 100,000 individuals afflicted with the disease have the severe forms of hemophilia which could be substantially eased with the administration of the anticlotting factor. Unfortunately, this treatment is enormously expensive with costs ranging from $6,000 to $20,000 per year per patient.

In order to assist hemophiliacs who cannot otherwise afford this expensive treatment, Senator HARRISON WILLIAMS, my friend and distinguished colleague from New Jersey, and the chairman of the Labor and Public Welfare Committee, of which I am ranking minority member, introduced legislation which would provide financial aid for the Nation's hemophiliacs. His bill has won the praise of millions of people throughout the country and I have publicly announced that I am very sympathetic to this measure and that I will do my utmost to help in the matter.

Most recently, it has been the subject of an excellent article in the Washington Post and a radio commentary on the CBS network. I would like to commend Senator WILLIAMS for his deep commitment to solving this terrible problem and ask unanimous consent that the text of the Washington Post article and the transcript of the Nick Thimmesch "Spectrum" commentary be printed in the RECORD.

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

[From the Washington Post, Mar. 3, 1974]

THE HIGH COST OF TREATING HEMOPHILIA

By Joseph D. Whitaker)

When Donald (Corky) Depfer was born 16 years ago, his parents, the Rev. George and Elta Depfer of Leesburg bought a new, 1957 Chevrolet to celebrate. Three months later, the Depfers discovered that Corky had hemophelia, widely known as bleeder's disease—a chronic blood disorder that results in uncontrolled bleeding. They sold the new car to pay Corky's mounting hospital bills.

Over the years since, the Depfers have kept on paying about $75,000 in family earnings has been spent to pay for the dozens of blood transfusions Corky needed to halt his frequent bleeding.

"We've sold out everything we owned three times trying to keep our boy alive," said Mr. Depfer, 41, who earns about $9,000 a year as a minister of the Pentecostal Church of Christ and administrator of a church-run home for the elderly.

Although the birth of a hemophiliac has traditionally forecast a lifetime of misery for the child and often financial ruin for his family, medical relief is now available.

Unfortunately, the help comes with a high price tag, and it is estimated that most hemophilia sufferers will still not have enough money to buy the blood derivative that would enable them to live and bleed like normal people.

In 1964, doctors first demonstrated a new substance that restores the clotting factors to a hemophiliac's blood. The availability of the blood component, called Factor VIII, has given hemophiliacs new hope for both a longer and more comfortable life.

But the National Hemophilia Foundation estimates that the clotting factor can cost between $10,000 and $22,000 a year, depending on the severity of the case. Because of this high cost, Sen. Harrison A. Williams (D-N.J.) chairman of the Senate Labor and Public Welfare Committee, introduced a bill last March to provide massive financial aid for the nation's estimated 100,000 hemophiliacs and to develop treatment and research facilities across the country.

Under the bill, called the Hemophilia Act of 1973, the federal government would spend between $125 million and $150 million a year to pay 100 per cent of the cost of blood, blood products and associated treatment and services for all hemophiliacs.

Legislators withheld action on the bill until President Nixon's national health care plan was completed.

President Nixon's bill, recently sent to Congress, would provide some assistance for hemophiliacs. An aide to Sen. Williams said the President's measure is thought to provide coverage for blood and blood products and some medical services. Precisely what the coverage under the bill would be, however, remains unclear, the aide said.

"In the United States today, there are 100,000 individuals suffering from hemophilia," Sen. Williams said at a hearing on his bill last November, "Of these, 25,000 have severe or moderately severe forms of this disease, and almost 90 per cent of these individuals are below the age of 25.

"Hemophiliacs are unique among chronic disease victims because they are not born crippled," the senator added. "They can be treated if financial conditions permit them to take advantage of newly developed forms of therapy."

The most prevalent and severe form of hemophilia occurs when the part of plasma responsible for blood coagulation (Factor VIII) is missing. The absence of a similar factor, Factor IX, results in Hemophilia B, also known as Christmas Disease.

Hemophilia is an inherited blood disorder occurring most often in males. The mother is always the genetic carrier and transmits the disorder to 50 per cent of the sons she bears.

Although two-thirds of all hemophiliacs inherit the disease, the remaining one-third—or 1 out of every 100,000 live births—are born with hemophilia attributable solely to genetic mutation.

For most of his life, Cork Depfer—who has a severe form of hemophilia—periodically has had to wear leg braces, ride in a wheelchair or walk on crutches following bleeding episodes to relieve pressure on swollen weight-bearing joints such as knees, elbows and ankles.

Although he was not a cripple at birth, Corky's right knee and ankle have been gradually stiffening over the years from an accumulation of crystalized blood lodged in the joints.

The problem of frequent bleeding into the joints, bone and soft tissue is common among hemophiliacs and often leads to the severe crippling of the hemophilia victim by early adulthood.

Corky received his first injection of Factor VIII (also known as cryoprecipitate) six years ago. He is given injections of the clotting factor on what is called a symtomatic basis, meaning that he is already bleeding before the substance is administered.

Corky now enjoys a new measure of freedom and security, knowing that his bleeding can be stopped quickly. But he still runs the risk of a dangerous loss of blood before he can travel from his home to Fairfax Hospital, 40 miles away, for treatment.

It costs about $4,600 a year to treat Corky with Factor VIII on a symptomatic basis. He, like other hemophiliacs, benefit most by the preventive use of Factor VIII, when the substance is infused into the blood regularly to prevent bleeding rather than stopping it. But this type of treatments costs as much as ———money the Depfers do not have.

Because of the extremely high cost, only about 1,100 of the 25,000 severely or moderately affected hemophiliacs are now using the clotting factor to maintain a specific coagulation level in the blood and prevent bleeding.

Peter Schmeisser, 9, is one of those 1,100. And because he has used Factor VIII regularly as a preventive for a year and a half, Peter will be able to escape many of the painful experiences Corky had.

"It's been revolutionary," said Peter's father, William C. Schmeisser Jr., of Potomac, Md. "Peter can now be a regular member of the family. Thank God. No more midnight trips to the hospitals, no more holidays in the hospital.

"In the last year and a half, Peter hasn't been out of school except for a cold—and that's pretty normal," Schmeisser said in praise of the life-saving clotting factor.

Before Peter began using Factor VIII, he was being treated under the old method of repeated transfusions of whole blood when he suffered bleedings. At age 7, Peter was already using crutches and had a plaster cast on one leg.

Now Peter leads a relatively normal, active life. He plays with friends at school. He goes bike riding with his father. Three times a week he goes swimming.

He also goes three times a week at the Suburban Hospital Hemophilia Treatment Center in Bethesda for his injections of Factor VIII. After the 30-minute transfusion, Peter has enough clotting factor in his system to protect him against bleeding for nearly two days.

"If Peter continues this kind of treatment for the rest of his life, he can expect to live a practically normal life without the characteristic crippling," said Dr. Eugene P. Libre, one of the directors of the clinic, which treats 42 hemophiliacs and is the area's largest hemophilia treatment center.

Each time Peter is infused with Factor VIII, his parents are charged $129. Over the course of a year, the treatment costs $20,124.

"I couldn't possibly pay for this treatment if I didn't have an excellent insurance company," said Schmeisser, an employee of the federal Agency for International Development. Schmeisser said he pays 20 per cent of the cost and his insurance company 80 per cent.

"The question that always haunts me is, 'What's going by my policy? Or what happens if I die?' " he added.

Under Sen. Williams' hemophilia bill, Peter would be entitled to complete care at the expense of the federal government for the rest of his life.

* * * * *

Christian can avoid much of the agonizing pain associated with hemophilia if he is infused regularly with doses of Factor VIII. But so far, he has been given only symptomatic treatment (twice so far at $50 each) because his father earns $7,300 a year as a laborer for the Fairfax County Park Authority and cannot afford better treatment.

"We thought we were going to get some help from our insurance company," Alexander said. "But the first hospital bill ($100) we sent to them was returned because it wasn't for an accidental injury."

Mr. Depfer said he signed up two years ago with an insurance company that agreed to pay at least part of the crushing cost of Corky's treatment, which has averaged $4,600 a year. (The amount covered by his insurance varies but sometimes the policy covers none of the treatment.)

Meanwhile, Mr. Depfer said he still is paying off old hospital bills totalling more than $10,000 for treatment Corky received years ago at the University Hospital in Baltimore and at Fairfax Hospital.

Mr. Depfer's memory of his son's struggle with hemophilia includes many horror tales of how a small bruise or scratch can erupt into major bleeding problems for Corky.

Eight years ago, Corky was playing with friends when he fell on a broken bottle and cut his leg. The impact of the fall also ruptured a kidney. Corky was rushed to the hospital to be treated for external and internal bleeding.

Two weeks later, after Corky had been given 103 pints of blood plasma in transfusions, his bleeding was brought under control. The hospital bill was $5,600. Mr. Depfer said he is still paying for that.

Between November, 1972, and June, 1973, Corky was hospitalized six weeks. On one trip, he required 180 bottles of Factor VIII, at a cost of $37.50 each, before his bleeding was stopped.

While Mr. Depfer calculates the financial cost of hemophilia to the family, Corky—whose right leg has been crippled by the disease—adds up the more intangible costs.

"The biggest gripe I have about being a hemophiliac is that I can't go out and play like other guys," Corky said. "I used to sneak outside and rough it up with my friends. But almost every time I'd end up in the hospital with transfusion tubes sticking out of my arm and my leg in a cast."

"I guess I've learned my lesson now," he continued. "I bowl and swim a little. I play bass guitar in church. But that's about it. I still have the horrifying thought of going somewhere by myself, getting hurt and bleeding to death before anyone finds me."

COMMENTARY BY NICK THIMMESCH

Every so often, a bill appears in Congress which just asks for support. We've got one like called the Hemophilia Act of 1973, authored by Senator Harrison Williams of New Jersey. This bill seeks to make sure that the 25,000 people, most of them children or

youths, who suffer from moderate to severe forms of this disease, can avoid becoming crippled, and also live fairly normal lives.

Hemophilia is a dramatic disease, largely because we've heard how its victims can bleed to death. Less known are other consequences—the crippling effects caused by internal bleeding, particularly in the joints, elbows, knees and ankles.

Hemophiliacs are not born crippled. They become crippled because when they are children they try to play like children. My twin sons have a good friend Andres, who is a hemophiliac. Andres likes baseball, basketball and all the rest. But sometimes after playing vigorously with other small boys he has to drag himself home. If Andres gets bumped, he bleeds, internally. Frequent bleeding episodes cause his joints to swell and eventually stiffen from the accumulation of crystalized blood.

And so many times, my boys tell me that Andres, their good friend, is in the hospital again.

Well, boys like Andres could be kept healthy through preventive maintenance and a new anticlotting substance, which hemophiliacs can inject like diabetics do. But to put a hemophiliac on a good preventive maintenance program costs anywhere from $6,000 to $20,000 a year. Families who can afford that kind of money are rare, so most children with hemophilia either go without treatment or are treated sporadically.

Altogether there are 100,000 hemophiliacs in the United States, but it is the 25,000 afflicted like Andres who really need help. Senator Williams' bill would entitle every hemophiliac to medical care consistent with available technology and with the person's ability to pay. The program would cost about $150 million a year.

The Nixon Administration doesn't favor this bill and says hemophilia victims would get better treatment under a National Health Insurance plan.

Maybe so. But the health insurance legislation has a way of getting kicked around for months or years, and in the meantime, youngsters like Andres often don't get treated, simply because it's too expensive.

Senator Williams' bill should be passed for humanitarian reasons and also because it might diminish the trend toward that school of thought which says some treatments are just too expensive. I don't think Andres and others should have to wait until we find the exact amount of money.

ATLANTIC COUNCIL REPORT ON TRADE REFORM

Mr. PELL. Mr. President, today the open societies of the West are engaged in decisive competition with the closed societies of the East. Unlike the days of the cold war, however, this rivalry is occurring primarily in the marketplace, rather than in the military arena. In an age of potential nuclear annihilation, that shift is as it should be, unless human beings, like the lemmings sometimes, are bent on mass suicide.

But because the competition is more economic—between different systems of production, distribution, and consumption—does not make the outcome less crucial for members of both societies.

On this outcome can also depend the victory or defeat of a free or totalitarian way of life—the ideals of our Founding Fathers or the diktats of Communist Party chairmen. We are fast approaching 1984. Let us hope Big Brother will not be there to greet us with an all-seeing eye.

In this light, today's headlines are troubling to people of open societies:

"U.S.S.R. Counts on Western Rifts."

"Year of Europe Ends Not With a Bang, But a Whimper."

"NATO Celebrates 25th Birthday Sick."

"Japan Faces Economic Strangulation."

"Autarchy Gains on Trade and Monetary Reform."

Whether exaggerated or not, the tenor of current headlines leaves little doubt that the trilateral world of industrial nations—Japan, North America, and Western Europe—is at the crossroads of critical decision.

As a cohesive whole, will this world follow the road of collaboration in seeking solutions to transnational problems—shortages in energy and raw materials, monetary and trade reform, limitations of growth, environmental protection—or will individual members of this world try to snatch at short-term, national advantages at the expense of the others?

The decision on these basic questions can well determine the outcome of the competition between open and closed societies.

In the open world, governments alone cannot produce the answers. There must be a joint effort with private groups of informed, concerned citizens. These are a precious asset of open societies. They cannot take seed in the sterile soil of conformity and suppression in the closed ones.

The United States is particularly rich in this respect—in our great foundations and other creative, vigorous, nongovernmental organizations running the circle from left to right.

One of the newest of these groups is the Trilateral Commission, a private North American, European, and Japanese initiative on matters of common concern. The North American chairman is Gerald Smith, our SALT I negotiator and a moving force in the establishment of the International Atomic Energy Agency, a dedicated public servant and public-spirited private citizen.

Although they are too long for insertion in the RECORD, I commend to your study some of the Commission's initial publications: "Toward a Renovated World Monetary System" and "The Crisis of International Cooperation."

A longer established organization with a record of accomplishment in helping create and strengthen the Atlantic Community is the Atlantic Council. Long chaired by Ambassador Randolph Burgess, a NATO founder, he has been succeeded by the equally capable former Secretary of the Treasury, Henry Fowler. This succession by a financier and economist is perhaps indicative of the shift of emphasis in the world today from military to economic concerns.

Nor is it surprising that the latest study of the Atlantic Council is entitled "Reform of the International Trade System—a Proposal." Prepared by an impressive panel of experts chaired by still another outstanding public servant, John M. Leddy, a former Assistant Secretary at both State and Treasury, the study is in the form of an interim report calling for the establishment of a Code of Trade Liberalization to govern the trading relations again of the countries of the trilateral industrialized world in the GATT—general agreement on tariffs and trade.

The findings of both these groups are based on the recognition of economic interdependency as a new reality of international life and the necessity for cooperative, transnational solution to global problems.

These findings are particularly relevant and timely to the Senate's consideration of the trade reform bill.

Mr. President, I ask unanimous consent that Council's "Interim Report on Reform of the International Trade System," be printed in the RECORD.

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

REFORM OF THE INTERNATIONAL TRADE SYSTEM—A PROPOSAL

The Trade Committee of the Atlantic Council, in a statement on international trade policy of February 14, 1973, called for urgent efforts to reform the international trading system to accompany the negotiations already under way to reform the monetary system. It called for a consensus, at least among the governments of the principal trading nations, on the general nature of the negotiations to be conducted. This policy statement was endorsed by the Atlantic Council on April 19, 1973. The trade bill now before the Congress is in general accord with the principles agreed upon by the Committee and opens the way to progress if it is enacted into law.

The Trade Committee also established an advisory panel which has been studying practical steps to achieve the reforms advocated by the Council and to bring them into relationship with the monetary reforms. The purpose of this report is to sketch in preliminary form the outline of a proposal which the advisory panel believes may prove to be the most promising method for achieving needed reform of the international trade system.

The essence of the Panel's conclusion is that the principal trading nations should initiate a plan to agree among themselves on new rules and measures of trade liberalization aimed at achieving an improved and fairer trading system.

The Panel believes that this could be accomplished by an agreement in the form of what might be called a Code of Trade Liberalization, supplemental to and supportive of GATT, the essentials of which are set forth below. It may be recalled that in the early post-war period the countries of Western Europe, with United States support, established among themselves a code of liberalization under which substantial progress was made in liberalizing intra-European trade, thus helping to pave the way for general currency convertibility. The time has come when the principal trading nations might well revive this concept of a trade liberalization code on a broader and fully nondiscriminatory basis.

The Panel has also recommended steps for coordinating more effectively the work of the International Monetary Fund and the GATT (General Agreement on Trade and Tariffs) and for reinforcing the authority of the Fund in dealing with trade measures taken for balance of payments reasons.

Shortages of foodstuffs in 1973 and restrictive measures taken by exporting countries high-lighted what may be a recurrent problem of managing supplies of, and international trade in, scarce materials. An addi-

tion dimension has ben added to this problem by recent actions of the oil-exporting countries. Concern has been expressed that producers of other basic materials may restrict access to them or take action sharply to increase prices. The Panel has some preliminary recommendations regarding the commercial policy aspects of restrictions imposed on grounds of short supply. The subject of export controls raises other important questions which the Panel is continuing to study.

I. GENERAL SCOPE

Since its establishment over a quarter-century ago the General Agreement on Tariffs and Trade has become the central forum for world trade policy, the trade counterpart of the International Monetary Fund in the field of monetary affairs. Like the Fund, the GATT has contributed greatly to the expansion of world trade. It has brought about a gradual but substantial reduction of tariffs and disputes and has contributed to economic prosperity and the high degree of international economic interdependence which has now been reached.

But, also like the Fund, the GATT's trade rules and machinery are no longer adequate to meet the changed world economic scene. We have witnessed the creation and enlargement of the European Community; the spread of free-trade arrangements; the emergence of Japan as a world trading power; the growing requirements of the developing countries for wider market outlets for their export industries; persisting difficulties in agricultural trade accompanied by concerns for food shortages; the growing importance of non-tariff trade barriers; far-reaching changes in the international monetary system.

Moreover, governments in highly industrialized societies are intervening more and more in domestic economic processes for social purposes—for example, improving the environment, assisting low income areas, and consequential effects on international trade. While these ends are desirable in themselves, the measures taken to achieve them will increasingly require a degree of international reconciliation if the benefits of an open trading system are to be maintained and improved.

All these developments call for fresh action to adopt and direct GATT's trade rules and machinery to the problems of today and the future.

The forthcoming trade negotiations will provide an opportunity to take the action required if the new trade legislation now being considered by Congress accords to the President authority sufficiently broad and sufficiently flexible—broad enough to enable the United States to play its part along with other industralized countries and flexible enough to provide the necessary leeway to deal with the negotiating problems that will inevitably arise.

The basic trade principles of the GATT continue to have validity, and GATT should remain the primary forum for world trade policy. What is required is not so much the application of policies or even radical surgery to GATT itself, but the undertaking of concerted action by those member countries capable of doing so to apply its rules in improved form with greater vigor, to adopt additional rules suited to modern needs, and to supply more effective means of international enforcement.

For many reasons it is improbable that such concerted action can be brought about by amendment of the GATT itself. More than 80 governments are members of GATT, most of them in such a stage of development that they are not expected to assume the full obligations of GATT as it now exists, much less more far-reaching obligations. Each GATT member has one vote in all GATT matters, oven in commercial policy questions arising among the industrialized members with regard to matters on which all GATT members do not have full obligations. Amendment of the GATT to adapt the rules among the industrialized countries and to alter GATT's voting system and enforcement machinery to provide better economic balance would be a formidable undertaking of doubtful success. Under the existing GATT some amendments would have to have the formal approval of all eighty or more governments. Others would require at least two-thirds.

Fortunately, amendment of the GATT is not essential to enable some of its signatories to undertake, in concert, more far-reaching trade commitments than those presently provided for in GATT and assure balanced institutional machinery for their enforcement. This could be accomplished through a new Code of Trade Liberalization, supplementary to GATT and supportive of it, open to participation by the GATT members economically capable of assuming all the new responsibilities involved. At the outset, these would be industrialized countries who now account for the largest part of total world trade.

GATT would continue as the leading international trade forum on a world scale and the central framework for handling trade policy questions arising between the industrialized countries on the one hand and the developing countries on the other. The Code of Trade Liberalization would create the setting for handling major policy questions arising in commercial relations among the industrialized members. All GATT countries would, of course, benefit from the new reductions of trade barriers undertaken by the industrialized countries in the Code by virtue of GATT's most-favored-nation clause. Additionally, in the implementation of the Code, the closest consultation would be necessary with GATT signatories which are not Code members on matters directly concerning them and which would, of course, continue to have all their legal rights under GATT.

There is need also for principles to govern restrictions on materials in short supply, for which GATT now contains no international guide rules or enforcement provisions. It is therefore proposed that the Code should require a signatory applying export restrictions for short-supply reasons both to consult with other Code members and to apply any such restrictions on an equitable basis in the light of their essential requirements as well as its own.

II. OUTLINE OF A NEW CODE OF TRADE LIBERALIZATION

There are set forth below what appear to be the essential elements which should be incorporated in such a new Code of Trade Liberalization. These will require considerable fleshing out, which will be done in a final report by this panel. However, our studies to date suggest that the general concept is a practical one.

1. *Membership.* Participation in the Code by the European Community, Japan and the United States as a minimum would be essential for its effectiveness. Other countries capable of assuming the obligations of the Code by virtue of their having achieved an economic position which would enable them to do so would include Austria, Australia, Canada, Norway, Sweden and Switzerland. Countries moving from the category of less developed to industrialized countries could join at that time and would be encouraged to do so. All members of the Code would be required to be members of GATT and the Fund.

2. *General Application of GATT Trade Rules.* Code members would agree to apply GATT's trade rules in commercial relations among themselves only in accordance with, and subject to, the provisions of the Code.

3. *Reduction of Tariff Levels.* All Code members would agree to reduce their tariffs in accordance with a common pattern and time schedule. For example, using the pattern suggested in the tariff section of the trade bill just passed by the House of Representatives and awaiting Senate action, all tariffs now amounting to five percent ad valorem or less might be eliminated, those between five and twenty-five percent ad valorem might be reduced by sixty percent and those over twenty-five percent ad valorem might be reduced by seventy-five percent but not below ten percent ad valorem. Reductions would be scheduled over a period of years. Necessary exceptions to the common tariff-reduction pattern would undoubtedly be required (in the United States probably as a result of the Tariff Commission hearings and analysis called for by pending trade legislation). The tariffs on these exceptional products could be established separately, in an annex to the Code. Exceptional treatment should, of course, be avoided to the extent practicable.

While all GATT countries would benefit from the Code tariff reductions, members of the Code would reserve to themselves the right to suspend tariff reductions on products principally supplied by an industrialized country which, although able to do so, refused to accept the obligations of the Code. This is essential to assure adequate reciprocity.

4. *The Use of Trade Restrictions.* Import restrictions for protective purposes would continue to be outlawed, as under GATT. In addition, export restrictions for short-supply reasons, now permitted by GATT unilaterally and without qualification, would be made subject to processes of international consultation among Code members and to the requirement that export quotas for short-supply reasons provide for a fair sharing of the product in scarce supply in the light of the essential requirements of importing as well as exporting countries.

5. *Nondiscrimination.* The GATT rules for equality of trade treatment (the most-favored-nation clause) would be tightened up in several ways:

Future free-trade areas and customs unions entered into by a Code member would be made subject to prior approval by other Code members to be sure that the free-trade area or customs union concerned truly meets established criteria and is not simply a preferential commercial arrangement in disguise.

Code members would be required to give up their legal claims to preferential trade treatment in less developed countries (for example those now extended by some African countries to the European Community).

Preferences by Code members to the developing countries would be permitted, but should be granted on a non-discriminatory basis and in accordance with standards roughly comparable among the various Code members (see below under "Trade Assistance to Developing Countries").

6. *Agriculture.* Major agricultural products for which existing GATT trade rules have proven clearly inadequate—mainly because domestic farm programs have made impossible adherence to conventional trade-agreement obligations—should be given special treatment in the Code to accomplish five main purposes:

Increased market access and expanded trade;

Equitable sharing of scarce supplies;

Adequate and more stable farm income;

International consultation on structural adjustments in agriculture on products for which domestic farm program exist or may be established; and

Where practicable, the establishment of agreed stockpiles of food to meet shortages and provide greater price stability.

The Code would, in an initial period of perhaps three years, establish specific ar-

rangements for certain major commodities (for example wheat, feed grains, certain oilseeds, dairy products).

These arrangements could include the setting of agreed margins of protection (or montants de soutien) which would limit the total amount of effective protection extended in any form (whether through border measures such as tariffs and quotas, price supports, income payments or other means) by importing and exporting countries. For certain products agreed stockpile goals, perhaps jointly financed, could be specified, and agreed levels of food aid to be provided less developed countries by Code members on concessional terms. Non-Code countries should participate in undertakings regarding specific agricultural products whenever their participation might prove necessary or desirable.

The Code should recognize the importance of helping farm communities to achieve an adequate level of income for their effort and invested capital, the need for continued structural adjustment in agriculture and for international consultation about such adjustments, and the principle that agricultural measures taken by a Code member should not entail a transfer of costs of adjustments to farmers and traders of other nations except on an agreed basis. Export restrictions on agricultural products in short supply should be subject to international consultation and the principle of equitable sharing among importing and exporting countries.

The Code would create an agricultural Committee to administer the commitments and further the principles of the agricultural section of the Code. In order to assure effective intergovernmental consultation, the Agricultural Committee should consist of senior officials having important policy-making responsibilities in the field of agriculture.

7. *Balance of Payments Adjustments.* Code members would agree not to use the right which GATT gives them to apply import quotas unilaterally and without prior consultation to safeguard the balance of payments. Rather, they would agree not to apply any trade measure for this purpose without the prior approval of the International Monetary Fund, but would have the right to apply any trade measure (for example import surcharges) which the Fund has approved. In addition, the Code members would agree that trade measures against exports of surplus countries would be permissible when the Fund considered them appropriate for international monetary reasons. Thus, the Fund would decide what trade measures would be suitable for monetary purposes in particular circumstances and the present overlapping jurisdiction of the GATT and the Fund on this subject would be ended so far as Code members are concerned. Code members would, however, continue to observe certain commercial policy principles of equity established in the GATT for the administration of trade measures once the measures had been approved by the Fund.

These proposed changes would regularize and bring within the scope of international surveillance such trade measures as import surcharges. In making these proposals, the panel does not mean to suggest that such surcharges are desirable in a reformed system. Indeed, in a monetary system in which par values are adjusted frequently, there should be diminished need for such measures.

Some amendments to the Articles of Agreement of the IMF may well be required to give the Fund necessary powers to carry out these added responsibilities; but amendments to the Fund Agreement in which both industrialized and developing countries participate on the basis of weighted voting should not present a serious problem.

8. *Protective Safeguard Provisions—The "Escape Clause".* The GATT "escape clause" (Article XIX of GATT) would apply to trade obligations assumed in the Code. Further study is needed to determine whether any changes in the international aspects of this clause, or possibly additional provisions, would be needed.

9. *Non-Tariff Barriers.* Provisions for dealing with certain non-tariff barriers, for example limits on the use of governmental "buy national" requirements or the international reconciliation of domestic environmental controls, might be the subject of specific commitments in the Code itself. Other non-tariff trade barriers would be the subject of later additions to the Code by means of supplementary agreements as they are negotiated. In the case of the United States, some of these supplementary agreements might be effective through the new Congressional-veto technique proposed in the trade bill recently approved by the House Ways and Means Committee.

10. *Trade Assistance to Developing Countries.* Code members would agree on a system, comparable in scope and degree among the several Code members, or tariff preferences to the less developed countries which would be extended to them without reciprocity other than the promise of nondiscriminatory treatment in return. They would also agree that these preferences would not be allowed to stand in the way of further reduction of the general (non-preferential) tariffs of Code members, which some developing countries might seek to prevent. They would also agree that the trade preferences they give to developing countries would not, in general, discriminate among the developing countries so as to create exclusive, or preferential "blocs". Finally, the Code members would agree to give up their existing legal claims to reciprocal or "reverse" preferences from the less developed countries and to seek no new reserve preferences. Through these measures the industrialized countries would help to widen the export opportunities of the less developed countries on an equitable basis while furthering equality of treatment as a governing principle in world trade.

Code members could not avail themselves of the special trade privileges allowed less developed countries under GATT (GATT Article XVIII and Part IV of GATT).

Code members would consult fully with the less developed countries in the GATT and through UNCTAD in administering these provisions of the Code and in exploring further means of helping the less developed countries through trade measures.

11. *Institutions, etc.* No new international secretariat or budget would be needed to help administer the Code. Instead, staff and financing should be provided by the GATT, or, alternatively, by the Organization for Economic Cooperation and Development of which all prospective Code members are now members.

The Code members would form a Trade Council at the ministerial level to meet at least once annually and an Executive Committee or senior trade policy-making officials from capitals to meet as required for purposes of administering and enforcing the Code. The Directors General of GATT and the OECD should sit in on the Trade Council and Executive Committee meetings without vote and one of them should chair the Executive Committee with the right to initiate proposals. Panels of Experts of independent, non-governmental personalities could be selected to help settle trade disputes.

Provision should be made for the interests of labor, agriculture, industry and consumers in member countries, to have their views considered by the Trade Council and its subordinate bodies.

Voting by Code members should reflect a better economic balance among them than the one-country-one-vote system prevailing in the GATT. In the context of such a balanced arrangement, the European Community taken as a whole and the United States should have substantial equality in the voting system, although the substantive importance of formal voting in a Code among industrialized countries should not be exaggerated.

Amending the Code from time to time should be made much more flexible than the present GATT system.

Members of the Code should be required, as in the Fund Agreement, to certify that they have taken all legal steps necessary to enable them to fulfill their Code obligations before signing. Any member should be free to withdraw from the Code at any time.

III. OBSERVATIONS ON THE PROBLEM OF SCARCE RESOURCES—FOOD, FUEL, AND BASIC MATERIALS

In the Code of Liberalization suggested in Parts I and II of our Interim Report, we have proposed the introduction of two principles relating to scarce resources, neither of which are to be found in the present GATT arrangements. The first would require members of the Code applying for export restrictions for short-supply reasons both to consult with other Code members and to apply any such restrictions in accordance with the principle of a fair sharing of the scarce product in the light of the essential requirements of importing as well as exporting countries. The second, relating to agriculture, would call for Code members and other countries which may be important suppliers or consumers of a specific agricultural product to create jointly-financed stockpiles where this seems desirable both to assure against future shortages and create greater price stability. Additional provisions relating to scarce resources may be recommended as the panel continues its work on the proposed Code of Trade Liberalization.

But it should be recognized at the outset that the contribution which any set of international rules on commercial policy can make to the problem of scarce resources is necessarily limited. Well-designed trade agreement arrangements can require the equitable sharing of scarce resources. They can also be drawn to permit countervailing economic action if one or a few governments deliberately create artificial scarcities in pursuit of political ends or monopoly profits. But they cannot deal with the most important problem of all, which is the scarcity arising from the impingement of increased consumption on limited natural resources. This problem can be alleviated only by a combination of positive measures to alter consumption patterns of major consumers, or enlarge supplies through new discoveries, technological advances, diversification of sources and substitution.

The OECD is the logical place to center beginning international efforts to foresee and forestall future resource scarcities. The members of the OECD are at once the primary cause of rapidly rising consumption of basic materials and the primary source of the technology and investment capital that would have to be devoted to enlarging supply. The OECD has already launched a broad study of long-term energy problems going well beyond its earlier work in this field. Its organization and resources should permit it to undertake studies of other materials as may be required.

In the coming weeks the Panel will review the possibilities for suggesting further international action regarding basic materials, whether through strengthened trade agreement institutions or the OECD.

FROM WEST VIRGINIA TO THE BOLSHOI

Mr. ROBERT C. BYRD. Mr. President, the current issue of the magazine Steel Labor contains a story about a talented daughter of West Virginia, Miss Rosalie Olinski.

Miss Olinski bids fair to follow in the famous footsteps of another West Virginian from Wheeling, Eleanor Steber, whose glorious voice thrilled music lovers all over the world.

This is proof that the West Virginia panhandle is more than a crucible of steel, chemicals, and coal—it is also a cradle of culture and artistry.

I ask unanimous consent that the article from Steel Labor be printed in the RECORD.

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

FROM WEST VIRGINIA TO THE BOLSHOI

WHEELING, W. VA.—It's a long way from Wheeling to the Bolshoi Opera auditions at Moscow but pretty Soprano Rosalie Olinski will be singing all the way.

Miss Olinski is the daughter of Mr. and Mrs. Stanley Olinski of Wheeling. Her father is a retired member of USWA Local 1238, Wheeling-Pittsburgh Steel Corp. Mom and Poppa Olinski will have the best seats in the Capitol Music Hall April 21 when Rosalie will be the featured soloist at the first Slavic concert ever performed in the Wheeling area.

Her musical career began at Sacred Heart School here and she continued until her graduation from St. Joseph Academy. A voice scholarship took her to Cincinnati Conservatory of Music. Since that time, she has made her home in Cincinnati where she sang for six seasons with the Cincinnati Summer Opera. She also has had concerts in Southern Ohio, Indiana and Kentucky. In recent years, she has been combining a full time music teaching career in the Sycamore public schools' system. She is founder and director of the Cincinnati-based Melodja Slavic Song and Dance Co.

Miss Olinski, because of her Slavic background, specialized in Slavic operatic, art song and folk songs. A chance meeting at Cincinnati's May Festival last year with Warsaw Opera Baritone Andjej Hiolski led to a successful audition for the Warsaw Poland Opera where she plans to sing next year.

She will audition for the Bolshoi Opera at Moscow in October. This month's Slavic Concert at Wheeling is being promoted by "Friends of Rosalie Olinski"—a committee comprised of Wheeling College professors, priests from Slavic ethnic parishes at Weirton, Steubenville and Wheeling and representatives from Slavic fraternal and cultural organizations.

ANALYSIS OF PRESS COVERAGE OF RESPONSE OF U.S. AMBASSADOR TO SOUTH VIETNAM, GRAHAM A. MARTIN, TO NEW YORK TIMES ARTICLE ON U.S. AID TO SOUTH VIETNAM

Mr. HELMS. Mr. President, a recent article in the respected British journal, the Economist, pointed out that the North Vietnamese presently are conducting an ongoing campaign to persuade the Congress of the United States to cut back on economic aid to the Republic of Vietnam. This campaign of so-called persuasion centers around contrived outrage on the part of critics of any continuing support of freedom in South Vietnam.

A typical example of this campaign is a recent article which appeared in the New York Times. Under the guise of investigative reporting, this article pretended to portray a picture of unceasing U.S. support of immoral and unjust activities on the part of the Government of South Vietnam. The article and its contents were given wide play in the press.

In response to what he considered to be obvious distortions, innuendo, and half-truths in the article, U.S. Ambassador to South Vietnam, Graham A. Martin, sent a telegram to the Secretary of State in which he analyzed, point by point, paragraph by paragraph, the assertions of the New York Times article. And what sort of press coverage did Ambassador Martin's side of the dispute receive, Mr. President? As is so painfully typical, only coverage which roundly denounced the Ambassador for attempting to point out what he felt were obvious errors in the Times article.

In short, Ambassador Martin was denounced for attempting to put the truth before the American people. All he sought was to let the American people know as many of the facts as possible before their representatives in Congress decided whether to continue to aid South Vietnam in its fight for freedom.

One would think that such information would be received by the press as being a significant contribution in the ongoing dialog on this matter. Such, however, was not the case. In an analysis made public recently by Accuracy in Media, Inc., a national organization dedicated to assuring that only the facts appear on the news pages of our newspapers, with opinions left for the editorial page, AIM analysts supply some interesting statistical data concerning the coverage of contents of the Martin telegram by the New York Times and the Washington Post, newspapers which are read locally in Washington. In order that Senators may have the benefit of this analysis—they are not likely to receive it otherwise—I ask unanimous consent, Mr. President, that a recent letter to the Washington Post from AIM Chairman Reid Irvine, and a table specifying the extent of the Times and Post coverage of the Martin telegram's contents be printed in the RECORD at the conclusion of my remarks.

There being no objection, the letter and table were ordered to be printed in the RECORD, as follows:

ACCURACY IN MEDIA, INC.,
Washington, D.C., March 17, 1974.

THE EDITOR,
The Washington Post, Washington, D.C.

SIR: Ambassador Graham Martin concluded his detailed, paragraph-by-paragraph critique of a recent *New York Times* story from Vietnam by saying that the story was "a case study of propaganda under the guise of 'investigative reporting' rather than a responsible journalistic effort."

Accuracy in Media has analyzed The Times' story and the Martin critique, and we find that the Ambassador's criticism is fully justified. The Times' reporter, David Shipler, liberally larded his news story with his personal opinions and judgments. He used the well-known device of making other points that he wanted made through the words of others, unfortunately selecting individuals with no obvious qualifications as authorities in the areas in which he employed them. In a lengthy story laden with criticism of the United States and the Government of South Vietnam for violations of the Paris accords, Shipler barely mentions the well-known fact that the Communists have been flagrantly violating the accords, and in the one paragraph in which he alludes to this, he does so in a way that suggests that he is skeptical of the charges of Communist violations. He even implied that Communist artillery and rocket attacks were justified, failing to mention that children and unarmed civilians are often the main target of these attacks. Ignoring the continued North Vietnamese and Viet Cong attacks and military buildup in South Vietnam which require defensive reactions from the South Vietnamese Government, Shipler charged that it was U.S. military aid, not the behavior of the Communists, that sets the course of the war.

The Shipler article, according to Ambassador Martin's commentary, is replete with factual inaccuracies, innuendo and bald assertions not backed by any evidence or proof. Shipler tries very hard to make the point that American aid to the national police of Vietnam is continuing despite a recently passed legislative ban on such aid. Ambassador Martin states that the legislative mandate is being scrupulously complied with, contrary to Shipler's assertions. He also points out the American people should understand why the Communists are so anxious to see support of the police by U.S. aid eliminated. He states that an effective police force is the most effective deterrent to terror and subversion and is therefore a bar to the achievement of the Communist goals. The Ambassador charged that Shipler's article closely fitted the propaganda line of the Communists.

For having the temerity to criticize a "newsman," Ambassador Martin has been subjected to a vicious attack in the news columns and in an editorial in The Washington Post. Murray Marder's article on Ambassador Martin's critique of Shipler's story covered only 8 of some 69 points made by the Ambassador. Twenty per cent of the space was used to attack Ambassador Martin rather than to report what he had said about Shipler.

This attack was placed at the beginning of the story, apparently to make sure that no reader of *The Post* would give any credence to the ambassador's criticisms. To make doubly sure the readers knew how to react, Mr. Marder called the ambassador's critique an "outburst." The news story omitted virtually all of the facts presented by Ambassador Martin to show how biased, distorted and inaccurate the Shipler article was. Notably, Marder said nothing whatever about the very important point that Shipler had neglected to discuss the thousands of flagrant violations of the cease fire by the Communists while focusing entirely on South Vietnamese violations and charging that it was American aid, not the requirements of self-defense, that was responsible for them.

If the Shipler article is a good case study of propaganda, as Ambassador Martin charged, Marder's news story is a classic example of advocacy journalism. It was designed not to tell the reader what the Ambassador had said and why he was provoked into saying it, but rather to develop reader antagonism against this ogre who dared criticize the press.

The Post next put its editorial writers to work to finish off the ambassador. The editorialist had nothing whatsoever to say about Ambassador Martin's devastating demonstration that *The Times* had printed a grossly inaccurate, distorted article. Instead of analyzing the ambassador's critique to see whether his points were justified or accurate, The Post indulged in another *ad hominem* attack on the ambassador. It characterized

his critique as "a throwback to the bad old days of one-sided, self-serving, over-simplified reporting on Vietnam. . ." Ambassador Martin demonstrated in great detail that Shipler's reporting had been one-sided, over-simplified and inaccurate. He did not charge that it was "self-serving," but he did charge that it served the ends of the Communists, who have mounted a very intensive campaign to terminate American aid to Vietnam.

This outraged the editorial writer. It was not clear whether he did not believe that the Communists had launched such a campaign or whether he did not believe that The Times' article fitted in with that campaign, wittingly or unwittingly. The existence of the campaign can be easily ascertained merely from an examination of the Communist press. It is not necessary to know Mr. Shipler's motives to determine whether or not his article supported the objectives of that campaign. However, it can be said that if Mr. Shipler had set out to write an objective article, presenting all the facts that were available to him in a balanced manner, he would have produced a very different article and one that would not have supported the objectives of the campaign nearly as well. His duty as a journalist was for some reason forgotten.

Aleksandr Solzhenitsyn noted this peculiarity of many of our journalists in his letter to *Aftenposten* nominating Andrei Sakharov for the Nobel Peace Prize. He said:

"The bestial mass killings in Hue, though reliably proved, were only lightly noticed and almost immediately forgiven because the sympathy of society was on the other side, and the inertia could not be disturbed. It was just too bad that the information did seep into the free press and for a time (very briefly) cause embarrassment (just a tiny bit) to the passionate defenders of that other social system."

Whatever it was that caused the news media to virtually ignore the bestial mass killings in Hue in 1968 by the Communists could also explain the appearance of one-sided, inaccurate, distorted articles such as Mr. Shipler's that build support for termination of American aid to South Vietnam.

Perhaps The Washington Post, with its demonstrated capacity for investigative journalism, could assign a few ace reporters to discover just what this peculiar force that produces such journalistic deformities might be.

Sincerely yours,

REED J. IRVINE.

AMBASSADOR GRAHAM MARTIN'S ANALYSIS OF DAVID SHIPLER STORY AND HOW THE POST AND TIMES REPORTED IT

(NOTE.—Points made by Ambassador Martin are indicated in numbered paragraphs. Points reported in the press are noted in parenthesis following paragraphs and by footnotes.)

I. HANOI'S PLAN

1. Embassy long aware of Hanoi decision to mount campaign to persuade Congress to cut economic and military aid to Vietnam. (Reported by both the Washington Post and New York Times.)

2. The Stockholm Conference was the main coordination mechanism of this campaign and the PRG delegation in Paris was to be the principal channel. (Reported by the Washington Post.)

3. Using remnants of American peace movement, influence was to be brought to bear on susceptible, influential elements of American communications media and Congressional staffers. (Reported by both the Washington Post and New York Times.)

4. Plan was to begin with heavy insertion of material into Congressional Record and hopefully to secure condemnation of Government of Vietnam by Congressional subcommittees.

5. This would be given wide dissemination and distortions would be expanded upon by media "investigative reporting."

II. COMMENTS ON SHIPLER ARTICLE OF FEBRUARY 25, 1974

6. Ray Harris, described by Shipler as a jet engine mechanic, is employed at Bien Hoa airbase as a cleaner of parts and equipment.

7. Harris is one of about 2800 civilian employees in Vietnam, as Shipler stated, down from about 5000 a year ago.

8. Shipler neglects to say that Harris is part of a civilian group whose mission is to teach Vietnamese how to service and maintain military equipment, as well as to maintain it until training completed.

9. Shipler did not report that these contract personnel are withdrawn when training is finished, though he knew this.

10. Shipler was wrong in saying that our military aid sets the course of the war. The course is set by the communist buildup and attacks and the need of the Vietnamese Government to protect its people.[1]

11. Charges that Shipler postulates So. Vietnam violations of Paris accords without presenting a shred of evidence and alleges that U.S. aid directly supports such violations and thus breaks spirit of accords. (Reported by both the Washington Post and New York Times.)

12. The "spirit of the accords" according to Hanoi, was that the Americans would deliver So. Vietnam into their hands. Only a few Americans agree with that interpretation. (Reported by both the Washington Post and New York Times.)

13. Shipler is incorrect in saying that large numbers of Americans have become "integral parts" of So. Vietnam supply, transport and intelligence systems. They provide limited and temporary technical aid only to help Vietnamese achieve self-sufficiency.

14. American generals who tour Vietnamese airfields observe use being made of our aid, as is required by law, and they do the same in other Southeast Asian countries. They are not "integral part" of Vietnamese forces as Shipler charged.

15. Liaison officers are actually civilians with little or no battle training, and they do not give advice to Vietnamese forces as Shipler charged.

16. Shipler stated a falsehood in saying CIA gives advice to national police.

17. Shipler said military aid budget for So. Vietnam would rise from $813 million in FY 1974 to $1.45 billion next year. This is wrong. The FY 1974 figure is $1.06 billion.

18. Shipler said most of the increase in military aid was probably going for ammunition. The actual increase in cost of ammunition is about $130 m.

19. Shipler said Vietnamese expending ammunition at "high rate," but rate is 30 to 50 per cent of rate during last year of war.

20. U.S. does not "dump millions in cash" into Saigon defense budget. Aid financed goods are sold for local currency is then allocated to support mutually agreed programs.

21. Shipler says U.S. aid supports So. Vietnam's resistance to accommodation with Communists. That is Hanoi's position, no doubt.

22. Shipler said aid enabled So. Vietnam to launch attacks on Viet Cong, but he did not mention that these were in retaliation for serious Viet Cong attacks.

23. Shipler does not mention thousands of communist ceasefire violations.

24. Shipler's description of Pres. Thieu's approach to elections is complete reversal of facts.

25. Steps required for election under Paris agreement not carried out because communists have not observed ceasefire, delineated areas under control.

26. Communists do not want internationally supervised elections because they could not win more than 10 per cent of vote.

27. Thieu has repeatedly offered dates for election, and they could be agreed upon immediately if communists would accept international supervision.

28. Shipler implies that communist artillery and rocket attacks are justified, and he fails to report that children and unarmed civilians are often the main target of these attacks.

29. Shipler implied skepticism of charge that North Vietnam had sent thousands of tanks and artillery pieces south in violation of Paris accords.

30. Best intelligence estimates actually are that the North has sent to the South at least 450 tanks and about 265 120 mm. guns since cease fire.

31. Shipler suggests communists are expending ammunition sparingly, but military experts believe any restraint is a matter of tactics, not ammunition shortages. Use hit and run tactics against known So. Vietnamese positions.

32. The F–5 fighter is not the mainstay of the Vietnamese airforce as Shipler stated. The main planes are the A–1 and A–37.

33. Shipler makes much of presence of GE technicians to work on aircraft engines, but this is normal. GE provides same service to U.S. airforce. It is true that this is mainly an American work situation with less training of Vietnamese, but GE does do considerable training.

34. Denies Shipler's implication that Vietnamese not interested in learning or incapable of learning.

35. Expert opinion does not support Shipler view that American presence will have to continue indefinitely if Vietnamese to have continued use of complex weapons. American instructors think they can and will be phased out. Hanoi wants immediate withdrawal.

36. As Shipler reports, South Vietnamese are "peaceminded," but they do not want the "peace of the grave or communist dictatorship."

37. Shipler found people to express personal opinions of the type desired to help him slant his article. Many uninformed Americans do think that the Vietnamese don't care what kind of government they have, but the facts show that the vast majority prefer the Thieu government to the communists.

38. Only 3 to 5 per cent of So. Vietnamese live in PRG-controlled areas, and 10 million have fled communist areas.

39. American contract personnel are instructed to work "with," not "in" Vietnamese military units. No American has authority in the Vietnamese military. The Vietnamese may still use the term "adviser" but this is force of habit and does not mean personnel are doing same job as old advisers.

40. Shipler alleges but does not show that Americans working with Vietnamese occasionally do things prohibited by Paris agreement.

41. Shipler confused about number of civilian employees and date when civilian operations supposed to be phased out. When cease fired agreed, U.S. had hoped most of the training work could be completed in a year, but this not yet possible.

42. U.S. has no military advisers in So. Vietnam giving advice in contravention of Paris agreement, contrary to Shipler's expressed opinion.

43. Contrary to Shipler statement, Vietnam does not get all the equipment and ammunition it asks for. More than 200 aircraft to which Vietnam entitled under one-for-one replacement program not supplied.

44. Shipler thought there was something sinister about the presence of an American

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[1] Both papers gave Shipler's charge but not Amb. Martin's response that the communist buildup and attacks set the course of the war, not U.S. aid.

regional Liaison Officer in the Paracel Islands when they were taken by China. He was simply unwilling to accept explanation that liaison officers frequently make inspections to report on Vietnamese efficiency and use made of U.S. military equipment and supplies.

45. Shipler erred in saying that Americans are stationed in every province.

46. True that six air force generals visited Vietnam in fall and again in recent months. Came to advise ambassador who wanted to be sure our military aid was adequate but frugal. Were helpful and ambassador hopes they will visit again after a similar interval.

47. Shipler statement that Vietnamese national police continue to receive regular advice from Americans is false and Shipler knows it is false.

48. CIA officers attached to embassy do meet with police officials in order to keep well-informed, as they do in other countries.

49. Americans in provinces who maintain contact with police may still be called by the Vietnamese term for "advisers," out of habit, but they do not perform an advisory role.

50. True that Amb. Martin ordered U.S. Aid officials in Saigon not to discuss these matters with Shipler, because it soon became apparent that he had no intention of writing a reasonably balanced story, but was intent on indicting the U.S.[2] (Reported by the Washington Post.)

51. It was not desired to "give a platform and inferred credibility to deliberate and gross distortions calculated to deceive the American Congress and the American people." (Reported by the New York Times.)

52. Contract personnel not told to refuse to talk to Shipler as he asserts.

53. Embassy cannot say how much AID and Defense Dept. have spent over many years on police and prisons programs, and figure given in Shipler article may be correct, but the legislative ban on such programs imposed last December is being scrupulously complied with, contrary to Shipler's assertion that this kind of aid is continuing.

54. American public should be told why Hanoi is so anxious to see aid to police terminated. Effective police force most effective deterrent to subversion and terror.

55. Communists making every effort to undermine support for an effective police force in So. Vietnam, including constant reiteration of charges of repression, brutality and corruption.

56. This is reflected in Shipler statement that police engage in infiltration, arrest, interrogation and torture of communists and dissidents. Police certainly engage in infiltration, arrest and interrogation, as do police the world over. Shipler presents no evidence that police torture or that they arrest "political dissidents."

57. There is no creditable proof of these allegations by Shipler nor does he refer to any possible truce violations on other side that may necessitate police action against communists.

58. Ambassador Martin denies statement Shipler attributes to him that So. Vietnam is in a crucial period and that he sees his role as unyielding support to build up and preserve non-Communist regime.

59. It is true, and no secret, that U.S. plans to replace some F–5A fighters with more maneuverable F–5Es. This is not a violation of the truce agreement, since the F–5E is a newer version of a jet no longer available.

60. Shipler quotes an International Commission of Control and Supervision as saying U.S. was not faithfully observing one-for-one rule governing replacement of weapons. This is true, but not in the way Shipler implies. U.S. has not been able to provide one-for-one replacements of all material So. Vietnam has lost defending itself against continuing communist aggression.

61. The ICCS has not been able to properly supervise truce provisions governing introduction of weapons and troops because of inability to reach agreement on the designated points of entry to be supervised or the "modalities" of control and supervision.

62. Government of So. Vietnam has designated the additional points of entry as required, but the communists have refused to do so and have tried to prevent deployment of ICCS teams.

63. For example, an ICCS helicopter taking a supervision team to the entry point of Lao Bao in communist territory was shot down in April 1973.

64. Shipler said the So. Vietnamese Gov't. was unlikely to give permission to investigate replacement of weapons, but the Gov't. has repeatedly indicated its willingness to cooperate if the other side shows cooperative attitude. Shipler is unjust in blaming frustration of point of entry teams on So. Vietnam Gov't. rather than on the communists.

65. So. Vietnam Gov't. did not object to Canadians and Indonesians involving themselves in supervision and control of military weapon shipments into its territory.

66. Shipler does not point out that ICCS has no supervision whatever of military shipments from the North, nor does he mention infiltration of combat troops from No. Vietnam since the cease fire, though he knew of this.

67. Shipler distorts words of former Amb. Elbridge Durbrow, leaving impression that Durbrow said that no American officials were trying to prevent So. Vietnam from violating cease fire agreements, when Durbrow's point was that no one could ask So. Vietnam to unilaterally observe the cease fire while the other side was completely ignoring it.

68. Shipler article not written to inform readers, but rather to give slanted impression that U.S. and So. Vietnam are grossly violating the cease fire and blocking any political accommodation with the communists. It deliberately omits mention or treats skeptically communist violations of Paris accords, all of which have been pointed out to Shipler and others at N.Y. Times repeatedly. (Reported by the New York Times.)

69. This message may be released to Congress and Press, and Embassy feels it might well be made available to Columbia School of Journalism as "case study of propaganda" under the guise of "investigative reporting" rather than a responsible journalistic effort.[3] (Reported by the New York Times.)

[2] *The Times* did not report that the Ambassador said it was apparent that Shipler did not intend to write a reasonably balanced story.

[3] The Washington Post said only that Amb. Martin had urged State Department to "make public his latest charge of slanted reporting."

BUDGET CONFERENCE COMMITTEE OPENED TO PUBLIC

Mr. ROTH. Mr. President, I would like to commend the action taken yesterday by my fellow conferees in unanimously agreeing to a motion offered by the distinguished Senator from Illinois (Mr. PERCY) to open to the public the conference committee's consideration of the budget reform legislation.

The budget reform legislation has been hailed by many as the single most important piece of legislation in some time. While I am not that optimistic as to its importance, I do believe that the legislation will be the first step in forcing Congress to come to grips with the budget problem.

However, I do believe that one of the most impressive accomplishments of this legislation is its opening up to the public of virtually the entire budget process.

The markup of the bill in the Government Operations Committee, which I have the privilege of sitting on, was open to the public.

The Senate on March 20 agreed to an amendment offered by the distinguished Senator from Florida (Mr. CHILES), which I cosponsored, to require that the newly-created budget committee's markup sessions be open to the public.

And, yesterday's action by the budget conferees will assure that the entire congressional effort to reform the budget process will have been opened up to public scrutiny.

We are experiencing a time when approximately three-fourths of the citizens of this country have little faith or respect for both the President and the Congress.

I am convinced that a large part of the public's distrust of the Congress stems from our policy of formulating legislation in closed, "smoke-filled" rooms.

The importance of the budget reform bill has been hailed by newspapers and television.

But, most of the media has not recognized the fact that virtually all of this legislation has not been formulated in "smoke-filled" rooms, but out in the "sunshine."

Again, I would like to commend my fellow budget conferees, Members of the Senate, as well as the House, for deciding to continue this open-door policy.

SPACE EXPLORATION

Mr. MOSS. Mr. President, as is the case with most programs of large scope and size, the space exploration program requires long-range planning and foresight. In a recent publication of the American Institute of Aeronautics and Astronautics, "Exploration of the Solar System," a story is cited that aptly depicts the need for taking the long view—especially in today's complex society. The story comes from a letter, written by Dr. Ernst Stuhlinger, to a nun working with starving people in Zambia.

Mr. President, as chairman of the Aeronautical and Space Sciences Committee, and as sponsor of Senate bill 2955, I am interested in and committed to the use of long-range planning in the space program. In our overall decisions on national priorities, we must remember to invest a little in the future while we wrestle with the problems of the present. Because of its applicability to the problems facing us in the space age, I therefore commend this story to your reading. I request unanimous consent to have the story printed in the RECORD.

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

"About 400 years ago, there lived a count in a small town in Germany. He was one of the benign counts, and he gave a large part

of his income to the poor in his town. This was much appreciated because poverty was abundant during medieval times and there were epidemics of the plague which ravaged the country frequently.

"One day, the count met a strange man. He had a workbench and a little laboratory in his house, and he labored hard during the daytime so that he could afford a few hours every evening to work in his laboratory.

"He ground small lenses from pieces of glass; he mounted the lenses in tubes, and he used these gadgets to look at very small objects. The count was particularly fascinated by the tiny creatures that could be observed with the strong magnification and which nobody had ever seen before.

"He invited the man to move with his laboratory to the castle, to become a member of the count's household and to devote henceforth all his time to the development and perfection of his optical gadgets as a special employee of the count.

"The townspeople, however, became angry when they realized that the count was wasting his money, as they thought, on a stunt without purpose. 'We are suffering from this plague,' they said, 'while he is paying that man for a useless hobby!'

"But the count remained firm. 'I give you as much as I can afford,' he said, 'but I will also support this man and his work, because I know that some day something will come out of it.'

"Indeed, something very good came out of this work, and also out of similar work done by others at other places: the microscope. It is well known that the microscope has contributed more than any other invention to the progress of medicine, and that the elimination of the plague and many other contagious diseases from most parts of the world is largely a result of studies which the microscope made possible.

"The count, by retaining some of his spending money for research and discovery, contributed far more to the relief of human suffering than he could have contributed by giving all he could possibly spare to his plague-ridden community."

THE ENERGY CRISIS

Mr. FANNIN. Mr. President, the energy crisis has produced a number of instant experts in the Congress. It seems like almost daily someone comes up with a new scheme which somehow is supposed to drive gasoline prices down, increase production, and make life more beautiful for everyone involved.

It is my belief that too many Members of Congress have been shooting from the hip—proposing new controls and new programs without any thorough understanding of what would happen if they were successful in passing their legislation.

In recent months I have had many conversations with industry officials and experts in the production of oil. Much of my inquiry has been aimed at the small, independent oilmen—the wildcatters. They are the ones who historically have located the relatively small pools of oil scattered across this continent. Unfortunately, our oil resources are not in large fields as they are in the Mideast. So we need literally an army of men who are willing to work ceaselessly and risk sizable amounts of money to hunt for oil. If we kill off these men and their small companies, we will destroy the hope we have for ever achieving some degree of energy sufficiency. Certainly we will see much higher prices for gas and all petroleum products if we discourage the independents.

Some efforts are being made at this very time to repeal one of the few constructive steps Congress has taken to resolve the energy crisis. I am talking about the incentives we provided for stripper wells. We also see proposals by which the Government would skim off the very money that the oil industry must have to expand its exploration for new oil.

Mr. President, last week I received a very informative letter from Patrick J. F. Gratton, an independent geologist in Dallas, Tex. He is editor of the Newsletter of the Society of Independent Professional Earth Scientists, and I had requested that he help in gathering information we need to determine what progress is being made to increase production.

His letter is highly informative, and it demonstrates how price incentives have been effective.

There is no doubt in my mind that price incentives have revived our domestic oil industry, but it will take a while to start forward after the regressive pattern we have had for many years.

Mr. President, I believe that each and every Member of the Senate and the House of Representatives would benefit by reading Mr. Gratton's letter. I therefore ask unanimous consent that it be printed in the RECORD.

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

AMERICAN ASSOCIATION OF
PETROLEUM GEOLOGISTS,
Dallas, Tex., March 26, 1974.

Subject: Petroleum Industry Activity.
Hon. PAUL J. FANNIN,
Senate, Washington, D.C.

DEAR MR. FANNIN: In your letter of 21 Mar. 74 you commented "it is essential that we obtain more information regarding the progress being made, especially in the increased production of petroleum from new exploration and stripper wells." Although I am just one individual responsible for about 4,000 barrels production per month, I can attest to the fact that until recently I had great difficulty obtaining investor support for my exploration and production ventures. The turnabout came with increases in domestic new, released and stripper oil prices. Although these increases were late in coming and much of my production (still price controlled) sells for approximately one-third (⅓) of foreign crude, the higher prices have greatly stimulated my exploration and development activities. I am now putting every dime of the higher price into expanding my production. One case does not prove the point, however, so let us move now away from my personal situation to that of the industry in general.

Mr. Fannin, it has taken years of attrition (since 1956) to cut domestic production. This was because old wells continued to produce, waterfloods came on stream and remedial work progressed even as drilling declined. Eventually, the lower rates of drilling (from 58,160 wells in 1956 to 28,755 wells in 1972) resulted in less oil being found which in turn caused less oil to be produced.

Reversing this trend in drilling is the first step toward increasing production. Indeed we have a major job in just keeping production from declining as a "hangover" from 15 years of declining drilling activity. Thus production can not be turned around overnight. But again the first step is increased drilling.

In support of my contention that better prices have produced more drilling (which in turn will cause more oil to be produced) I offer the following attached items:

1) "Active Rig Count"—from Hughes Tool Co. and Int. Asso. of Drilling Contractors and

2) "Statistics" showing total wells drilled for oil & gas in parts of NM & TX.

Both of these items were published by Petroleum Information, an industry news source in Denver, CO.

You will note that the total U.S. drilling rig count (ie., active rigs) was 1373 for 11 Mar 74 vs. 1063 for 12 Mar 73. This is a 29% increase in one year. I believe this 1373 number is very close to the total currently available from the decimated drilling industry (which has many rigs on order—orders placed within the last several months and orders which can not be filled for ½ year or more due to limited manufacturing capacity).

The "Statistics" illustrate the growth in well completions in East, North and West-Central TX, the Texas Panhandle and the Permian Basin of W. TX and SE NM. Not only is there a significant growth in number of completions from Jan 73 to Jan 74 (432 to 624—an increase of 45% in one year) but note also the apparent jump in completions from the 3rd quarter of 73 to the 4th quarter of 73 coinciding with increased prices. This may be in part seasonal and certainly all the evidence isn't in, but I am confident we will see a high level of drilling activity throughout 1974 UNLESS the federal government acts to effectively rollback oil prices OR to regulate intrastate gas producers.

I know that it is important to bring the story of the producer and what is happening under free enterprise to the consumer and his elected representatives. It is my fervent hope that we can re-establish communication with our fellow citizens and elected officials and review the situation in a spirit of cooperation.

I am not one of those who holds for special privilege. I support changes in our laws which will most likely produce a climate encouraging production and conservation of energy.

As Editor of the Newsletter of the Society of Independent Professional Earth Scientists, I will urge our readers to respond to your basic charge. I believe we can publish something meaningful in our next issue this summer.

Sincerely,

PATRICK J. F. GRATTON.

ACTIVE RIG COUNT, SOUTHERN REGION (HUGHES TOOL—IADC) (THIS WEEK)

State or district	Latest data, Mar. 11, 1974	Week ago, Mar. 4, 1974	Month ago, Feb. 11, 1974	Year ago, Mar. 12, 1973
Alabama	17	16	12	13
Arkansas	20	19	18	19
Florida	8	8	9	9
Georgia	1	1	2	0
North Louisiana	28	25	23	20
South Louisiana (inland waters)	57	57	61	46
South Louisiana (land)	54	49	56	61
Offshore Louisiana	71	71	61	74
Mississippi	25	30	31	29
New Mexico (southern townships)	66	65	72	38
Offshore Texas	21	20	19	6
South Texas (1, 2, and 4)	75	75	77	----
Texas Gulf Coast (3)	47	53	43	----
East Texas (5 and 6)	38	37	31	----
West-central Texas (7B)	29	26	30	----
West Texas (7C, 8, 8A)	184	186	175	----
North Texas (9)	30	30	27	----
Texas Panhandle (10)	29	33	31	----
Texas—total	453	460	433	351
Region total	800	801	778	660
Total United States	1,373	1,360	1,351	1,063

MEETINGS UPCOMING

(Listing events of current interest in the Southern Region and major industry meetings scheduled in the region and elsewhere).

March 27–28

North Texas Oil & Gas Association, annual meeting, Wichita Falls.

April 1–3

AAPG–SEPM, annual meeting, Convention Center, Hilton Palacios del Rio Hotel, San Antonio.

April 4–5

15th annual Institute for Petroleum Landman, Ramada Inn Central, Dallas.

April 11

Permain Basin Petroleum Association, annual meeting, Inn of the Golden West, Odessa.

April 26

Annual meeting of Society of Independent Professional Earth Scientists, Hyatt Regency Hotel, Houston.

May 6–8

6th annual Offshore Technology Conference, Astrohall, Houston.

WEEKLY COMPLETION SUMMARY

State or district	New field wildcats					Other exploratory wells (including new-pool, deeper-pool, shallower-pool, outpost or extension tests)					All exploratory wells	
	Oil	Gas	Dry	Total	Footage	Oil	Gas	Dry	Total	Footage	Year to date	Year ago
Northern Texas 9	0	0	6	6	26,859	1	0	0	1	6,000	39	33
Eastern Texas (5 and 6)	0	0	2	2	10,941	0	1	2	3	26,440	42	19
West coast Texas 7B	1	1	9	11	41,010	0	0	0	0		88	50
Texas Panhandle 10	0	0	1	1	10,979	0	0	0	0		17	14
West Texas 7C, 8, 8A	1	5	4	10	46,983	0	1	0	1	8,958	84	57
New Mexico (southern townships)	0	0	2	2	5,232	0	0	0	0		30	20
Division total	2	6	24	32	142,004	1	2	2	5	41,398	300	193

State or district	All wells drilled for oil or gas							Strat and service—	All wells—
	Oil	Gas	Dry	Total	Footage	Year to date	Year ago	Year to date	Year to date
Northern Texas 9	14	1	10	25	71,106	159	119	19	178
Eastern Texas (5 and 6)	1	1	5	7	32,607	74	159		74
West coast Texas 7B	7	2	15	24	71,551	218	159	15	233
Texas Panhandle 10	4	2	3	9	61,231	96	57	1	97
West Texas 7C, 8, 8A	41	13	7	61	345,105	593	459	23	616
New Mexico (southern townships)	5	0	2	7	24,706	115	100	4	119
Division total	72	19	42	133	606,306	1,255	1,053	62	1,317

TRIBUTE TO BOB ALLISON, SPORTS WRITER

Mr. FANNIN. Mr. President, it was with great sorrow that I learned of the death of one of America's finest sports writers, Bob Allison of the Phoenix Gazette.

He died last Friday, April 5, after a year-long fight against leukemia.

Bob Allison joined the Gazette in 1937, and he had been sports editor for the past quarter century. Tens of thousands of Arizonans followed his columns as our area was transformed from a State in which high school football was the biggest sports event into a center of major sports activity comparable with almost any place in this Nation.

His skill was recognized nationally in 1964 when he was named "Sportswriter of the Year" by the National Association of Sportswriters and Sportcasters.

Mr. President, I know that Bob Allison had many fans and admirers all over America. I ask unanimous consent that articles from the Gazette and The Arizona Republic paying tribute to the great newsman be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Phoenix Gazette, Apr. 6, 1974]

BOB ALLISON, GAZETTE SPORTS EDITOR, DIES

Robert B. "Bob" Allison, who joined The Phoenix Gazette in 1937 as a combination news and sports writer, and served the newspaper more than 25 years as sports editor, died yesterday at Good Samaritan Hospital.

Allison, a Mesa native, had been suffering from leukemia since last spring. He was 57.

He was perhaps best known through his column, "Along The Way," the last edition of which appeared in Tuesday's Gazette.

He was named sports editor of The Gazette in 1947, and earned a reputation for fairness and clarity of expression which made "Along The Way" one of the most respected columns in the state.

The direct cause of death was listed as a cerebral hemorrhage.

Eugene C. Pulliam, publisher of The Gazette and The Arizona Republic, said of Allison: "Bob was one of the most beloved men in the Gazette and Republic family.

"Almost any good thing that could be said about a man could be said about Bob Allison.

"He was a sweet man whose companionship always was enjoyed by his fellow employes. He knew sports as few writers did and loved to write about them. And the readers of The Gazette loved and appreciated what he wrote.

"Bob Allison was a man of great courage. He battled his fatal illness with the same great spirit he showed as a combat soldier in World War II, and a strongly competitive sports editor.

"It is a heart breaking experience to have to say good-bye to such a great friend and loyal associate."

Allison was named "Sportswriter of the Year" in 1964 by the National Association of Sportswriters and Sportscasters.

His Gazette assignments, wide-ranging and varied, included such major sports assignments as the Indianapolis 500, the U.S. Open and U.S. Amateur Gold Championships, the World Series, heavyweight championship boxing, and major baseball, basketball and football events.

Allison was graduated from Mesa High School in 1933 and attended Arizona State Teachers College (now Arizona State University) where he became editor of the college newspaper, the predecessor of the State Press.

In 1938, Allison became editor of the Flagstaff Journal. The following year, he returned to the Phoenix area, and joined The Gazette as a combination all-purpose newswriter and sportswriter under sports editor Larry Grill.

World War II interrupted his sports career. Allison joined the U.S. Army in January 1944 and served in combat with the 86th Infantry Division in Europe until the Germans surrendered. His unit was then reassigned as occupational troops in the Philippines. He was discharged honorably as a staff sergeant in 1946.

He returned to The Gazette and was named sports editor the following year.

He was also a charter member and past president of the Phoenix Press Box Association, a member of the journalism fraternity, Sigma Delta Chi; a charter member of the Phoenix Press Club, a director of Golf Writers of America, a member of the Football Writers Association and a charter member of the Arizona Golf Hall of Fame.

He resided with his family at 2341 W. Kein Drive. Survivors include his wife, Mary; a daughter, Judy Samuels; stepchildren, John Wilson and Mary Ann Emmons; a brother, Lewis, and three grandchildren.

[From the Phoenix Gazette]

(By Joe Gilmartin)

ON SECOND THOUGHT

Everybody always said Bob Allison was such a nice guy.

If I heard it once, I heard it a thousand times.

And every time, it seemed to irritate me a little bit more, until finally I almost wanted to scream.

"He's not a nice man, dammit! He's a great man. One of the greatest newspapermen I ever met."

But I never did.

Of course, I meant to tell him. In fact, as he fought the unfightable fight the last few

months, I even picked out the exact day I was going to tell him what I thought. It was called tomorrow.

WHERE ELSE?

Friday evening when managing editor Alan Moyer called to tell me tomorrow has been canceled, I cried. I cried hard.

I can't ever remember a time when I've felt sorrier for myself.

Today, as I sit here in what has to be the emptiest roomfull of desks, typewriters, telephones, file cabinets, waste baskets, and junk that ever there was, I'm still feeling sorry for myself.

Where else am I going to find someone with his ability to judge news and people . . . his knowledge of writing . . . his patience with my peculiarities . . . his willingness to do the office drudgery so that I and others would be free to concentrate on the "glamor". . . .

Where else?

A SLOW STUDY

Technically, Bob was the boss, but in truth, he wasn't terribly good at bossing.

Yet, in a field where unselfishness and loyalty often are smothered by instincts of self preservation, he built the most loyal and unselfish sports staff I've ever seen.

In the 13 years I've been here, nobody ever went away mad. All this he did not by being boss, but by being Bob.

He didn't use his knowledge and expertise like a club. Rather than hit you over the head with it, he just kept it handy for whenever you needed it.

And he had the patience to wait until you got smart enough to realize you did need it.

We had perhaps four or five major disagreements in 13 years, and, in each case, he was right and I was wrong.

In each case, he gave me all the time I needed to find it out. (And in one case, it took me almost two years.)

AN EPITAPH

For a piece about Bob, this column seems to have an awful lot about me, but I'm just hoping that in sharing some of the things he meant to me, I can make you understand that he was so much more than just a nice man.

Bob left so much of himself with each member of the staff that the casual reader may not realize he's gone.

But we will.

If I could have one day of my own life back, it would be the tomorrow that Moyer's call canceled.

If I could give one piece of advice, it would be: If you have something important you've been meaning to tell somebody important, don't wait.

And if I were asked to write an epitaph for Bob Allison, it would be:

He Gave At The Office.

And gave, and gave, and gave . . .

[From the Arizona Republic, Apr. 7, 1974]

BOB ALLISON'S LEGACY

It was no secret to Bob Allison, his colleagues, friends and most of the sports community that death was near every precious day.

But to read his column, to see him at the Phoenix Gazette's sports desk dashing off headlines and bantering with his young staff, Bob Allison's terrible personal burden never showed.

Death came Friday, ending a year-long fight against leukemia.

If Bob Allison could have dictated a eulogy, he would have asked to be remembered for the personal and professional pride he instilled in young craftsmen who learned their journalistic trade from him.

When other men might have given up, Bob Allison found the strength and courage to be at his typewriter producing breezy, newsy sports columns which made him a reading favorite for over 25 years in Phoenix.

Colleagues and readers in Arizona were only part of a large legion of admirers. Sports editors around the country voted him "Sportswriter of the Year" in 1964.

Those who worked around Bob in a business made more grueling by deadlines knew him as a gentle leader who pitched in to handle his share of the drudgery of a copy desk. A spanking new private office away from the hurried pace was not where Bob Allison hung his hat. He chose to be at a typewriter near his team.

Bob Allison the man, the friend, the craftsman—will be grievously missed. But the mark of excellence he gave to a generation of sportswriters will endure in the memories and skills of journalists for years to come.

SPECIAL CONFERENCE ON THE EFFECTS OF THE ENERGY CRISIS ON TOURISM

Mr. GURNEY. Mr. President, I would like to report to the Congress concerning final arrangements for the Special Conference on the Effects of the Energy Crisis on Tourism which has been arranged in conjunction with the tourism hearings held by the Senate Commerce Committee Subcommittee on Foreign Commerce and Tourism on March 29 and April 1.

Tourism is as important to the American economy and the American people as any other industry. Because of this, as I announced at the Tourism Subcommittee hearings, this major Conference on Tourism was called to take place on May 3, 1974, in Orlando, Fla. Tourist-oriented industries throughout Florida and other interested States, as well as representatives of the executive and legislative branches of Government, will participate in the Conference.

The purpose of this special Conference is to delineate actions which can be taken by Government at the national level to diminish the critical effects of the energy crisis on the tourism industry, with special emphasis given to States such as Florida, which have highly developed tourist industries.

The Conference will be composed of seven tourist-related industry groups which will be charged with the responsibility of developing specific recommendations and suggestions to be delivered to Federal and State officials for subsequent implementation.

The urgent need for this Conference can be readily underscored by taking a brief look at the tourism industry:

In 1972 the tourism industry contributed approximately $61 billion to the U.S. economy and provided direct employment to approximately 1.6 million Americans.

In Florida, tourism is one of the largest single industries, accounting for 15 percent of the State's total gross State product—GSP—in 1973. The energy crisis has hit this industry harder than any other. The tourism decline directly attributable to the energy crisis was 15 percent for Florida during the month of March alone.

The lifting of the Middle East oil embargo does not represent a solution to this crisis. We should indeed take advantage of the qualified relief due to the lifting of the embargo to plan now for future emergencies.

Anyone desiring to participate in the Special Conference on the Effects of the Energy Crisis on Tourism should contact my office, 5107 Dirksen Senate Office Building, Washington, D.C. 20510.

Without objection, I ask that the program for the Conference be printed in the RECORD following this statement.

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

PROGRAM: SPECIAL CONFERENCE ON THE EFFECTS OF THE ENERGY CRISIS ON TOURISM

(Friday, May 3, 1974—Gold Key Inn, Orlando, Fla.)

9:30 a.m. Coffee, Foyer of Inn.

10:15 a.m. Welcome, U.S. Senator Ed Gurney, Main Conference Room.

10:25 a.m. Welcome, Federal Energy Office Deputy Administrator John Sawhill.

10:30 a.m. Group Discussions: Hotels and Motel; Restaurant; Attractions; Camping; Chambers of Commerce. Transportation: Carriers and Agents; Retail and Wholesale Sales.

12:00 noon. Luncheon Break.

1:30 p.m. Discussion Group Work Sessions (Finalization of Recommendations).

3:00 p.m. Oral Presentations of Group Chairmen to Senator Gurney and Deputy Administrator Sawhill.

4:00 p.m. Remarks, FEO Deputy Administrator John Sawhill.

4:30 p.m. Remarks, United States Senator Ed Gurney.

5:00 p.m. End of Conference.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. ABOUREZK). The period for the transaction of routine morning business is now concluded.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the unfinished business, S. 3044, which the clerk wll state.

The legislative clerk read as follows:

S. 3044, to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The Senate resumed the consideration of the bill.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment of the Senator from Kansas (Mr. DOLE) No. 1127 which the clerk will state.

The legislative clerk read as follows:

Amendment No. 1127, proposed by the Senator from Kansas (Mr. DOLE), in the nature of a substitute.

The PRESIDING OFFICER. Time on this amendment is limited to 30 minutes, to be equally divided and controlled by the Senator from Kansas (Mr. DOLE) and

the Senator from Nevada (Mr. CANNON), with the Senator from New Hampshire (Mr. COTTON) being guaranteed 5 minutes of that time.

Who yields time?

Mr. DOLE. Mr. President, I yield such time as I may require.

As I indicated yesterday afternoon, we have gone full circle with public financing. At the outset, the promotors and the sponsors of public financing were, in effect, suggesting that we had to go to public financing to purify the poltical process, that those of us in politics must accept public funds in order to purify the political process, that for some reason, private contributions—even though they would require disclosure, even though we might set a spending ceiling, even though we would have strict reporting requirements—would lead to the suspicion that those who accepted private contributions, from whatever sources, were suspect, perhaps corruptible, or corrupt.

However, in the course of debate, we have seen a transformation. We now are asked to vote on the measure, unless there is significant change, to provide a mix—that is, some public financing and some private financing.

As I stated yesterday, it does appear that the original intent of the sponsors has been forgotten. We now hear speeches and statements from the sponsors of public financing suggesting that perhaps partly private and partly public money is all right, for some reason.

Mr. President, if, in fact, there is this great concern about the need for purifying the political process for those of us in politics, those who contribute, those who work in campaigns, or those who make contributions in kind, then in my opinion it should be one way or the other. There should be either total public financing, or there should be total private financing with adequate safeguards to make certain—as certain as we can—that there will not be these abuses which have been referred to over and over and over again, based on Watergate and based on elections before 1972.

My substitute campaign reform proposal would omit public financing, but it does provide reform. It does provide, in essence, what the Senate provided last year in passing S. 372 which is still awaiting action on the House side.

In addition, it has new provisions. It has an annual limitation on contributions of $3,000 for individuals and organizations. It has a limit on cash contributions of $50.

It addresses itself to the problem of so-called campaign "dirty tricks." There is a prohibition and penalty for violating the provisions of that section. It does, as the other bills do, provide for certain changes in the Federal Election Campaign Act of 1971 with reference to reporting, disclosure, and registration of candidates and committees. It establishes a nonpartisan Federal Election Commission and provides assistance to the States to promote compliance with the work of that Commission.

It deals with disclosure of financial interests—disclosure by Federal employees, and it covers the President, the Vice President, Members of Congress, candidates for Federal office, and anyone in GS–16 or above, or anyone paid over $25,000 a year.

It provides additional incentives for small contributors by doubling the tax credit for contributions to $25 and the deduction to $100; and of course that would be doubled to $50 and $200 for a joint return. It deals with gift tax treatment of political contributions. It deals with the length of Presidential and congressional campaigns by requiring that Presidential primaries should not be held before May 1 and that congressional primaries not take place before the first Tuesday in August. In essence it provides the reform we have been discussing since last year.

It seems to the Senator from Kansas that since we have created the Watergate Committee and the taxpayers have poured out millions and millions of dollars in expenditures for the Watergate Committee that we are acting prematurely in the case of the bill before us. The hearings started on May 12, 1972, as I recall; and we were told at that time by the distinguished Senator from North Carolina (Mr. ERVIN) and the distinguished Senator from Tennessee (Mr. BAKER) that after the hearings were conducted, certain legislative recommendations would be made, if necessary to clean up the political process. That report is not due to be filed until late May of this year. There have been no recommendations at all from the Watergate Committee.

Now, there appears to be some rush toward a judgment in the Senate of the United States. We all voted to create this committee, to look into political excesses and abuses and to recommend what we might do to correct those excesses and abuses. Now we find ourselves, perhaps based on the emotion of the moment, trying to pass legislation which permits the Members of Congress to dip into the Federal Treasury for the total cost or partial cost of their campaigns.

It is my belief that the American people have yet to fully understand the implications of "public financing." I suggest that this is just a foot in the door. I suggest that the last-minute efforts yesterday by sponsors of total public financing to water it down, to reduce the size of public financing, really demonstrated their lack of commitment to public financing—or perhaps their awareness that the American people are beginning to understand the impact of public financing because of publicity it may have received during the past 2 or 3 weeks. It occurs to the junior Senator from Kansas that the American people are concerned about a great many things and the financial concerns of politicians are not high on their list. We addressed ourselves for about 7 days this year to whether or not we should have a pay raise. Now we are in the third week of addressing ourselves—and taking almost every minute of every day—to whether or not the Senator from Kansas and others should have their campaigns paid for out of the Public Treasury. I do not believe this is of any great interest to the American people. They want to purify the political process; but in doing that, I do not believe they ever expected the Federal Government to give every candidate for public office, for the House of Representatives or for the Senate, a blank check on the Federal Treasury.

Mr. President, a historian of America's legislative process might have foreseen a fairly sizable reaction to the spectacular political revelations of the past year or so. After all, the Sherman Act, the National Labor Relations Act, the Social Security Act, and a number of other important laws were sparked by major events or trends in our Nation's 200 years of development.

But I question whether anyone could have predicted the direction that has been taken by many in Congress and numerous other observers in reaction to the bizarre and disturbing scandals which have recently swept Washington.

WATERGATE COMMITTEE CREATED

As the Senate will remember, its first response—and I believe an appropriate one—to the initial revelations of Watergate was the passage of Senate Resolution 60 establishing the Select Committee on Presidential Campaign Activities. This committee was clearly and specifically charged "to conduct an investigation" and "to determine whether in its judgment any occurrences which may be revealed by the investigation and study indicate the necessity or desirability of the enactment of new congressional legislation to safeguard the electoral process."

As every Senator knows, this committee has devoted hundreds, perhaps thousands, of hours and several million dollars to fulfilling its mandate, and as every Senator should know, the leadership of the select committee has been mindful of this legislative aspect of its responsibilities from the outset.

The opening statements of Senators ERVIN and BAKER on the committee's first day of hearings on May 17, 1973, are explicit in this regard.

Senator ERVIN. Of necessity the committee's report will reflect the considered judgment of the committee on whatever new legislation is needed to help safeguard the electoral process . . .

Senator BAKER. This committee was created by the Senate to . . . find as many of the facts, the circumstances and the relationships as we could, to assemble those facts into a coherent and intelligible presentation and to make recommendations to the Congress for any changes in statute law or the basic charter document of the United States that may seem indicated.

When Senate Resolution 60 was considered, there were many strong and ringing statements in the Senate to the effect that a deliberate, thorough and unemotional investigation of Watergate was the appropriate and proper response for Congress to make in the face of the apparent abuses and illegalities which had been revealed to that point. The resolution was passed, the committee was created, and substantial sums have been provided for its work.

Of course, the date for submission of the committee's report has been extended beyond the original February 28, 1974, date. But the reason for this extension is the massive job of the committee,

not procrastination or unreasonable delay on its part. And the Senator from Kansas has heard no suggestion that delay in submission of this report would in any way detract from the value of its legislative recommendations.

ACTION WITHOUT EXPERTS' RECOMMENDATIONS

So why should the Senate—after chartering a new committee and expending millions of the taxpayers' dollars to make its legislative recommendations as thorough and complete as possible—now pass a bill to deal with these matters before the select committee even has an opportunity to file its report? This is clearly illogical, it makes no sense as a matter of sound legislative procedure, and increases the danger that we will take mistaken or ineffective action.

If we are going to pass legislation without the benefit of our committees' recommendations, why bother having committees at all? Why not just save a lot of money and have the Senate sit as a Committee of the Whole and hold hearings and mark up bills and perform all the other jobs of our committee system?

URGE TO "DO SOMETHING"

Of course, the immediate American reaction to any spectacular development is to "do something." Whether that development is Sputnik, a missile gap, an energy crisis or whatever, the American people and especially Congress seem to consider immediate action the necessary and essential response.

That such action is not always required is a secondary consideration. And this point was clearly illustrated by the fact that the energy crisis came and went without any help from Congress a month or two back.

But that is another whole story that we do not want to become tied down to today. I cite it, though, as evidence that pure "action" is not always necessary to solve a crisis.

Sometimes, however, events do point to clear requirements for consented efforts. The abuses engaged in by monopolies cried out for the responses of the Sherman Act. Violence, disruption, and death in disputes between labor and industry were unavoidable signals for enactment of the NRLA. There are countless examples of this uniquely American propensity and capability for responding to situations with sound, sensible, and highly beneficial legislation being placed on the statute books. And these political scandals may eventually prove to be such a case.

WHERE ARE WE GOING AFTER WATERGATE?

But a look at the current trend of events in the Senate today gives rise to a real concern as to whether we will see such a result in the wake of what has become known by the shorthand term "Watergate."

If this mass of unfortunate and deplorable happenings is held up against the "action" that is being generated in response to it, the American people must begin to wonder what is going on.

Of course, "Watergate" has come to mean many things to many people. But looking beyond the emotions, rhetoric, and other trappings that have been hung on it, it boils down to basic elements that can be described primarily in terms of the substantive criminal law. This is what the indictments, trials, and grand jury proceedings are all about. And as far as I can tell, the prosecutors have had no trouble in matching title 18's provisions to the conduct that has come under their scrutiny.

MILLIONS IN TAXES FOR BUMPER STICKERS

But what has been done? Without waiting for the recommendations of its own expert committee and in the face of criminal conduct which had no real relation to campaign finances, an apparent majority in the Senate is proposing to spend millions upon millions of the American people's tax dollars on campaign bumper stickers, buttons, television spots, newspaper ads, and billboards.

These expenditures of tax dollars would be made on behalf of candidates who seek 435 seats in Congress, 100 seats in the Senate and the offices of President and Vice President.

Multiply that by two or more parties in every race, primaries, runoffs and general elections, and you are talking about a lot of bumper stickers. And it mounts up to a sizable sum of those tax dollars that are so important to every citizen as April 15 approaches each year.

For example, in Kansas alone a Senate race with Democratic and Republican primaries could have a taxpayers' price-tag of more than $1 million. And adding the cost of five congressional races, you quickly reach a cost of more than $2 million for a non-Presidential election year.

PUBLIC FINANCING IS NOT REFORM

The pending legislation is the so-called public financing bill.

A better name might be the Politicians Subsidy Act. It has been the subject of long and heated debate both in and out of the Senate, on and off of the "Today" show. And the end is not yet in sight, since a motion to close debate failed on Thursday.

I supported enactment of the landmark 1971 Federal Election Campaign Act and the amendments to it which passed the Senate last year, so I feel that I speak as one who is committed to campaign reform. But I cannot give my support to a proposal merely because some would label it as "reform." And this is my position on public financing.

Basically, my objections fall into two general areas: Concerns as to public policy and the requirements of the Constitution.

In the area of public policy, I am forced to the conclusion that public financing is unnecessary, ineffective, and fundamentally dangerous.

UNNECESSARY STEPS

Public financing is unnecessary because, regardless of all the crocodile tears on Capitol Hill, there is money to support the political system—cleanly, honestly and sufficiently—without milking the Federal Treasury. The campaigns of BARRY GOLDWATER in 1968 and GEORGE MCGOVERN in 1972 are the best evidence available that small contributors can be tapped—even against hopeless odds—to support major campaigns.

As far as I know we still subscribe to the free enterprise system in this country. And a basic element of this system is the old saying that if you build a better mousetrap the world will beat a path to your door. I do not recall anything in the free enterprise ethic that mentions Government beating a path to your door with handouts merely if you want to build a better mousetrap. So why should there be any difference between mousetrap makers, shoe salesmen, lawyers—or politicians?

With a few notable exceptions, we have gotten along pretty well with this philosophy in America. Newcomers have entered their chosen fields and found success or failure on the strength or weakness of what they had to offer. I see no reason for changing now. So far, no one has made even a convincing case to me that giving away Federal tax dollars to help politicians buy bumper stickers will accomplish anything for the general good.

It might make it easier for lazy people to get into politics. After all, if you did not have to seek out financial support, it would make campaigning a lot less strenuous. And it would save a lot of political stomachs from fundraiser overdoses of cold roast chicken and creamed peas.

But politics does not need lazy people. It needs men and women who will go to the public, sell their ideas and programs and who will work to attract public support of all kinds for their campaigns. And politics needs commitment and participation by the people—with their time, with their efforts and with their finances given to the candidates who earn their support.

There is much that can be done to encourage more people to give to the candidates and parties of their choice. Tax deductions and credits for small contributions are particularly appropriate and a sensible means of accomplishing this most desirable goal.

INEFFECTIVE REMEDY

Public financing is also objectionable, because it is an ineffective remedy for the ills of Watergate. In fact every public financing feature that is before the Senate today could have been in force for 5 years, and still the Democrats' headquarters would have been bugged, Ellsburg's psychiatrist's office would have been burglarized, coverups would have been attempted, lies would have been told—and GERALD FORD would still be Vice President of the United States.

Public financing is simply not a solution for human stupidity, individual criminality, or personal greed. Perhaps some might have felt better about the Watergate mess if the hundred dollar bills that were floating around had come from the U.S. Treasury instead of a Mexican bank. But I do not see how it would have made much difference to the overall outcome of the affair or to the criminal charges in question.

Other proposals have been made with regard to specific criminal code changes, and I support many of them and believe they are responsive to some of the problems which do exist in politics.

DANGEROUS IMPLICATIONS

A third point of objection I have to the policy of public financing is the danger it poses to the political system.

Admittedly, there are inequities in the present state of affairs. Incumbents may have excessive advantages—both official and unofficial. Wealthy individuals and their families may be able to unfairly outspend an opponent in a campaign. Big business, labor and any number of special interest groups may be able to pump too much cash into the campaigns of their friends, and television, news magazines, and syndicated columnists may have too much influence over the information conveyed about candidates and their activities.

But is an artificial one-candidate, one-dollar formula of equality among candidates really an improvement over what we have today? I do not believe so.

When everybody gets the same amount of money, when everybody can only spend the same—what stresses will be put on the system as people jockey for new advantages?

Will it mean that the wealthy individual will quit his job 2 or 3 years ahead of the election, so an elaborate "nonpolitical" publicity campaign can gain the exposure required for a successful race? If so, where does this leave an equally or better qualified man, say a young lawyer with a wife and family to support, who also might want to throw his hat in the ring? How could he hope to compete against such an opponent on an equal-dollar basis after a headstart like that?

As financial equality was imposed would we see more newscasters, astronauts, football players, and TV stars suddenly cashing in on their fame to become politicians?

And what about incumbents under such a system? How are you possibly going to give some unknown first-time candidate equality with an incumbent Senator or Congressman—or an incumbent President. I suppose you could lock every Member of the Senate and House in his office from June to November every election year, but then what would prevent NBC from broadcasting the sounds they made trying to get out?

I do not mean to be facetious, but this whole concept of forced equality in the political arena is a source of grave concern to me.

FORCED POLITICAL ACTIVITY

Looking at the constitutional side, is public financing not a form of forced political activity which treads upon the first amendment's rights?

It is one thing to require a person to pay—through his taxes—for anything, the paraphernalia and frivolities of politics, which many men and women believe are wasteful and stupid.

But what of using a Catholic's tax dollars to support a candidate who calls for unlimited abortion? What of taking a black man's taxes to support an advocate of racial persecution? How many wheat farmers want their taxes spent to elect a proponent of export quotas? How many parents would like to see their tax dollars put a probusing candidate in the Senate?

I do not believe these questions can be ignored as public financing is viewed in a constitutional perspective.

Of course, the entire area of campaign reform treads on some very thin ice in regard to the Bill of Rights. Contribution limits, spending restrictions, even disclosure requirements, call in to play some basic principles of our Constitution which should be examined closely. But foremost among all of these concerns I would rank public financing, for how can the Government force a person to support the advocacy of views in the political arena which may be contrary to his economic and social interests or totally abhorrent to his most basic religious, ethical, or personal beliefs?

REFORM SHOULD BE PRESSED

Let me say, however, that, as I have indicated, there are areas of campaign reform that should be pressed.

Tax incentives for small contributors is one point. Stiffer criminal sanctions for voting fraud and so-called dirty tricks is another.

Overall, though, I believe the basic premises of the 1971 Campaign Act are still valid and should be maintained. Full and detailed financial disclosure is the cornerstone of this approach. And coupled with effective contribution limits—which you will recall we have not really had yet—and with incentives for shorter and less costly campaigns, I believe the American people can be provided with a much stronger and better political system. And this can be accomplished without adding millions of dollars to the tax-load of the American people or tampering with our basic rights as free citizens.

In this regard, I invite the Senate's attention to a recent Reader's Digest article by one of our most distinguished and respected former colleagues, Senator John Williams of Delaware. In a few brief pages Senator Williams, in the manner which characterized his great service to the Senate, sets forth the basic requirements for constructive and effective campaign reform.

I ask unanimous consent that the text of his article be printed in the RECORD at this point.

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

AFTER WATERGATE A PLAN TO CONTROL CAMPAIGN BANKROLLING

(By John J. Williams)

It will probably be a long time before we can fully assess the impact of Watergate and related scandals on American life. Indeed, at this point we cannot foresee what more may yet emerge from continuing investigations. But from the squalid evidence already visible, it is clear that political corruption in this country is not just a moral problem. It is one that imperils the very survival of our democracy.

There is, of course, no magic solution to the problem of corruption, and we should be wary of any political nostrum that purports to offer one. But the recent scandals do illuminate one area where reforms are both essential and possible. For the reprehensible, clandestine political acts connected with Watergate were financed and made possible by an excess of campaign donations, many of them secretly and illicitly obtained. Equally important, the flow of massive contributions into both parties has created the impression among millions of Americans that the government of the United States can be bought.

To restore public confidence in the integrity of government, we need to end the dependency of our candidates on special-interest contributions. This we can do to a significant extent by reducing the costs and changing the methods of campaign financing. I believe there are a number of reasonable steps that can be taken toward this goal.

1. *Shorten the campaign.* Political campaigns cost so much, in part, because they last so long. The custom of prolonged campaigning originated at a time when much of the country was sparsely populated and a candidate had to travel by train or even on horseback for many months to communicate with the electorate. This tradition has been made obsolete by the jet airplane, television and other mass media. Yet our campaigns still drag on needlessly, consuming vast amounts of money and providing endless repetition.

I recall that after President Eisenhower once spoke in my state of Delaware, I complimented him on his speech. "Well, Senator," he replied, "the first time I made that speech. I thought it was pretty good. The next ten times I made it, I thought it was okay. Now I've made it so many times I think it's terrible."

I doubt that there is a politician alive who has not felt that way or who could not tell the people all he knows and thinks in two or three months. Thus, I believe that Congress should fix a uniform, nationwide date for the primaries and nominating conventions affecting all federal offices. By commencing the primary campaigns in early August, and the general-election campaigns in early October, we would at once sharply lower the cost of politics. At the same time, we would improve the quality of political discourse and heighten public interest in it.

2. *Grant free television time and mailing rights.* Candidates in the seven Congressional districts in and around Detroit usually pay about $2000 for one minute of prime network television time. With costs in other metropolitan areas—New York, Los Angeles, Chicago, Philadelphia—even higher, it is not surprising that candidates for federal posts had to spend $32 million for TV and $28 million for radio in 1972.

In urging free time for legitimate candidates, it is important to recognize that television and radio stations exist and make handsome profits because they have been given public property—namely, transmission channels, of which there are a limited number. So it seems to me only fair that the stations partially repay the public at election time by providing bona-fide candidates with the means of free communication of their political views. At the same time, the present law, which requires stations to give equal time to anyone claiming to be a candidate, whether he has any serious credentials or not, should be repealed.

Congress should then promulgate criteria by which state-election officials can certify bona-fide candidates for national office. It should also stipulate how much time stations must allot to them. This free access to broadcast media would greatly diminish what is often the largest item in a campaign budget.

The dependency of candidates on outside contributions could be further lessened by allowing them to mail one or two political statements to all voters free of charge. Presently prevailing printing and mailing costs make such mailings prohibitive. A

Senate candidate running in California would most likely need to spend at least $1.1 million to reach every registered voter in the state. In Ohio, the total would be more than $500,000; in New Jersey, $400,000; in Georgia, $250,000.

Incumbent Congressmen and Senators are already permitted to make mass mailings of "non-political" material that promotes their re-election efforts. By giving challengers limited mailing privileges, we would level the political scales now tipped in favor of those in office. In Great Britain, the practice of awarding candidates mailing privileges—and free television time—has proved both workable and effective.

3. Get Big Business and Big Labor out of political bankrolling. The law has long recognized, in theory at least, that it is wrong to allow corporations and unions to try to buy votes through political donations. As far back as 1907, Congress prohibited business contributions and unsecured loans by banks for political purposes, a ban that was reaffirmed by laws enacted in 1925 and 1971. Congress applied the same prohibition to unions in 1943 and 1947. But corporations and unions—as well as both major political parties—have flouted the intent of these prohibitions with virtual impunity.

As of last December, for example, at least eight executives had publicly admitted that their corporations made illegal contributions to the 1972 Nixon campaign. But Democrats as well as Republicans have shared in such political largess. Dairy lobbyists who gave $100,000 to the Republicans in 1969 also passed out hefty contributions to prominent Democrats in a position to influence Congressional legislation affecting dairy interests.

As for the unions, many, by a variety of measures, extract "voluntary contributions" from their members. These fixed "contributions," regularly deducted from each member's paycheck along with his dues, go into political funds controlled by union bosses. In the 1968 and 1972 elections, millions of rank-and-filers disagreed with the political candidates subsidized by their dollars. But they had no voice in the matter. Unions further aid favored candidates by financing "political education" and "voter registration" drives. Although nonpartisan in name, such campaigns are actually ultra-partisan because they are conducted only in those areas and among those voters known to favor the union leaders' candidates. Author Theodore H. White notes that in 1968 unions registered 4.6 million voters, distributed 115 million political leaflets, supplied 72,225 house-to-house canvassers, and on Election Day deployed 94,500 volunteers for political purposes.

To be sure, political activity—including genuinely voluntary contributions—should be encouraged among all citizens. But Congress should enact stringent new laws which effectively bar corporate and union contributions in any form.

4. Make small contributors the backbone of political financing. While reducing the costs of campaigns, we should endeavor to spread the legitimate costs that do remain among as many citizens as possible. Technically, present law makes it illegal for anyone to give a candidate more than $5000. However, a donor may contribute to unlimited numbers of local committees established solely to funnel money to a candidate. Thus, big contributors continue to supply a disproportionate share of campaign funds.

Recognizing that candidates should not become beholden to a comparatively few large donors, Congress is currently considering a proposal to have the federal government finance campaigns for national office. Worthy as the *aims* of this proposal are, I think such a plan is both undesirable and impractical. For one thing, federal financing would make political parties unresponsive to the people. Guaranteed millions of dollars from the public treasury, a party could pursue extremist or outworn aims year after year simply because it would not have to go to the people for financial support. In areas that are predominantly Democratic or Republican, candidates of the less-favored party would receive tax funds vastly disproportionate to their popular support.

The federal-financing proposal also seeks to impose a ceiling on overall campaign expenditures by limiting the amount a candidate may spend and by restricting individual donations to $100. In reality, this subsidy scheme could easily lead to even costlier campaigns, with the federal treasury simply adding on another layer of money. While candidates themselves could not exceed specified limits, nothing would prevent so-called "public interest" organizations from using their own money to promote politicians of their choice. Nor could a wealthy office-seeker be kept from promoting himself before he officially became a candidate.

As an alternative to straight federal financing, I think we should adopt an idea first advocated by President Kennedy. Its objective is to stimulate myriad small contributions, which would leave candidates unobligated to a few big donors. Such stimulus could be provided by allowing taxpayers a 50-percent tax credit on donations up to, say, $300. Thus, if a man earning $10,000 and a man earning $100,000 a year each contributed $300, the two of them would be treated equally—each would receive a tax rebate of $150.

Simultaneously, to discourage large contributions, Congress should bar a candidate from receiving money through more than one committee and prohibit anyone from giving a candidate more than $3000—with stiff tax penalties and jail terms for those caught cheating. Candidacies founded upon the spontaneous, truly voluntary support of many small contributors would be the most likely to produce the best political representation for all the people.

5. Enforce the campaign-funding laws. If properly enforced, existing statutes are, by and large, adequate to deal with the individual instances of dishonesty that will always be with us. Thus, no new laws were necessary during the past two years to successfully prosecute former Vice President Spiro T. Agnew; Sen. Daniel Brewster of Maryland; Representatives Cornelius Gallagher of New Jersey and John Dowdy of Texas; and former Illinois Governor Otto Kerner. However, too often existing laws *have not been enforced.*

To provide for enforcement of the reforms that inevitably will be enacted, Congress should establish a federal-election commission composed equally of Democrats and Republicans. The assurance that future scandals will not be covered up, no matter who is involved, will of itself help revive public confidence.

Watergate has damaged the country, and it would be foolish to pretend otherwise. And beyond Watergate we see flaws, inadequacies and multiplying problems in many sectors of our society. But, for all its defects, our democracy is still worth preserving and improving. Thus, it is vital that the Congress begin now to cleanse our politics and thereby to revitalize our faith in the democratic process. If the men presently in Congress do not act convincingly and effectively in the coming months, then at the polls next November all of us can exercise the old-fashioned American recourse of replacing them with men who will.

DOLE SUBSTITUTE PROPOSAL

Mr. DOLE. The substitute campaign reform measure which I have authored and which has been cosponsored by the Senator from Colorado (Mr. DOMINICK) embodies my views on the proper direction for the work started in 1971 to be continued. And in most respects it accords with Senator Williams' recommendations.

It would in part:

Allow broadcast of debates between major party candidates for all Federal offices;

Place a $3,000 annual limit on all individual and organization contributions;

Restrict the amounts a wealthy candidate or his family could spend on a campaign;

Forbid cash contributions above $50;

Establish a Federal Election Commission to supervise all congressional and Presidential campaigns;

Require full disclosure of every candidate's, officeholder's, and high Federal official's finances;

Expand tax credits and deductions for small contributions;

Shorten the campaigns for Congress and the Presidency;

Limit the use of the congressional franking privilege; and

Establish strict penalties for voting fraud and campaign "dirty tricks."

This gives a broad outline of the features of amendment No. 1127; but for a more detailed picture, I ask unanimous consent that its table of contents be printed in the RECORD at this point.

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

TITLE I—CHANGES IN COMMUNICATIONS ACT OF 1934

Sec. 101. Campaign communications.

TITLE II—CRIMES RELATING TO ELECTIONS AND POLITICAL ACTIVITIES

Sec. 201. Changes in definitions.
Sec. 202. Expenditure of personal and family funds for Federal campaigns.
Sec. 203. Contributions to committees.
Sec. 204. Prohibition of contributions and expenditures by foreign individuals.
Sec. 205. Limitations on political contributions; embezzlement or conversion of campaign funds; prohibited acts.

TITLE III—CHANGES IN FEDERAL ELECTION CAMPAIGN ACT OF 1971

Sec. 301. Changes in definitions for reporting and disclosure.
Sec. 302. Registration of candidates and political committees.
Sec. 303. Changes in reporting requirements.
Sec. 304. Campaign advertisements.
Sec. 305. Waiver of reporting requirements.
Sec. 306. Contributions in the name of another.
Sec. 307. Role of political party organization in Presidential campaigns; use of excess campaign funds; penalties.
Sec. 308. Applicable State laws.

TITLE IV—FEDERAL ELECTION COMMISSION

Sec. 401. Establishment of Federal Election Commission; central campaign committees; campaign depositories; authorization of appropriations.
Sec. 402. Indexing and publication of reports.
Sec. 403. Judicial review.
Sec. 404. Financial assistance to States to promote compliance.
Sec. 405. Authorization of appropriations.

TITLE V—DISCLOSURE OF FINANCIAL INTERESTS
Sec. 501. Federal employee financial disclosure requirements.
TITLE VI—RELATED INTERNAL REVENUE CODE AMENDMENTS
Sec. 601. Increase in political contributions credit and deduction.
Sec. 602. Repeal of existing provisions relating to Presidential campaign financing.
Sec. 603. Gift tax treatment of political contributions.
TITLE VII—MISCELLANEOUS PROVISIONS
Sec. 701. Presidential preference primary elections.
Sec. 702. Congressional primaries.
Sec. 703. Suspension of frank for mass mailings immediately before elections.
Sec. 704. Prohibition of franked solicitations.

Mr. DOLE. Mr. President, I believe my amendment embodies a responsible and constructive approach to the job of campaign reform. Personally, I would prefer that the Senate consider the Watergate Committee's report before acting in this area at all. However, if we must have action at this time, I feel we should build upon the basis of full disclosure and campaign costs limitations that was established in the 1971 act.

My amendment is consistent with that act. It responds to the abuses and problems which were disclosed in the 1972 campaign and it avoids the pitfalls, uncertainties and dangers of such a radical experiment as tax-supported political campaigns.

I am not putting it forward as a complete answer or the only possible answer to the problems we are facing. The comments, criticisms, and suggestions for improvement from any Senator would be welcome. There may be oversights in its provisions and other Senators may feel it goes too far in some areas. But I believe my proposal would provide a basis for discussion and hopefully for agreement on the proper approach to be taken. It is offered in that spirit, and I would urge its favorable consideration by my colleagues.

Mr. President, my proposal, the substitute, contains the repeal of the existing tax return checkoff with respect to presidential campaigns. However, during the debate and discussion, it occurred to the Senator from Kansas that there is widespread acceptance for this idea of providing voluntary, national support for a truly national office. Therefore, I ask unanimous consent that my amendment No. 1127 be modified by striking section 602, or 502 as it was erroneously printed, on page 60, and renumbering the present section 603 as 602.

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

Mr. DOLE. This does retain the voluntary checkoff system, and I believe it is appropriate.

The PRESIDING OFFICER. Will the Senator send the modification to the desk?

Mr. DOLE. Yes.

The modification is as follows:

Strike section 602 on page 60 and renumber the present section 603 as "602."

Mr. DOLE. This substitute eliminates public financing and is campaign reform. We have a clear choice, when the vote comes on this substitute, as to which way we wish to proceed.

Mr. President, I reserve the remainder of my time.

I ask unanimous consent that the name of the distinguished Senator from Colorado (Mr. DOMINICK) be added as a cosponsor of the amendment.

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

Mr. COTTON. Mr. President, will the Senator yield?

Mr. DOLE. The Senator from New Hampshire is allotted 5 minutes.

Mr. COTTON. Mr. President, I should like to ask the Senator from Kansas to add my name as a cosponsor of the amendment.

Mr. DOLE. Mr. President, I ask unanimous consent that the name of the Senator from New Hampshire be added as a cosponsor.

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

Mr. COTTON. Mr. President, I will try to crowd into 5 minutes a few comments on this bill. I felt it appropriate to do so when the substitute measure of the Senator from Kansas was before the Senate.

During the time I served in the State legislature of my State, we worked long and hard to devise a corrupt practices act that would be as effective and as airtight as we could bring about in the matter of keeping campaigns clean and above board and in protecting the rights of those who are not heavily endowed with this world's goods to have an opportunity to run for office. During those years, I learned some practical lessons I have never forgotten.

There is no question whatever that we want to do anything that is practical and reasonable and effective and in our power to satisfy the people of this country and to keep our elective process as clean as possible. But the matter of public financing of political campaigns, in the opinion of this Senator, who has completed 50 years of service—in the State legislature and various State offices, including 28 years of service in Congress—is a very impractical and ineffective approach; and it is a wasteful and dangerous approach. Despite the very obvious sincerity of others—and I respect the opinions of every Senator on this matter—I am steadfastly against it.

I commend the Rules Committee, under the leadership of the distinguished Senator from Nevada and the distinguished Senator from Kentucky and others, for a job well done, considering what they had to work with and what many Members of the Senate seem to be demanding. They have come up with as reasonable a bill as possible. However, in the last analysis, the only way to effectively purify and keep elections clean is exposure. It cannot be done effectively any other way, in the opinion of this Senator.

We are hearing on every side—and we are justly hearing on every side—about opening up so that the people may know. Everybody wants to televise the proceedings on the floor of the Senate and in the various committees, and they want the people to know.

The way to achieve pure elections is to have the people know. That is provided in this substitute and I shall support the substitute.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. COTTON. The 5 minutes I had went by quickly. May I have a little more time?

Mr. DOLE. I have a minute and a half. The Senator may have 1 minute of it.

The PRESIDING OFFICER. Under the rules, once cloture has been voted a Senator cannot yield his time to some other Senator.

Mr. COTTON. I have an hour of my own. I ask that it be taken out of that time. I do not want to crowd anyone else in the debate.

Mr. President, I ask unanimous consent that I may be allowed to use 5 minutes out of my hour, beyond the time that was ordered by unanimous consent.

The PRESIDING OFFICER. Is there objection?

Mr. CANNON. Mr. President, I would permit that 5 minutes to be charged against my time on this particular amendment.

The PRESIDING OFFICER. The ruling of the Chair is, if there is no objection to the use of 5 minutes of the Senator's own hour on this amendment, that will be ordered. However, it cannot be charged against any other Senator's time, except by unanimous consent.

Mr. CANNON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CANNON. What I am trying to do is this. We have a time limitation. I have so much time under the time limitation and the Senator from Kansas has the other half of the time. I do not care if the time is charged to me or not, but I do have control of one-half of the time in opposition to the amendment and I desire to let the Senator have 5 minutes out of that time.

The PRESIDING OFFICER. The Chair would advise the Senator that the parliamentary situation is that although the Senator from Nevada has charge of 12.5 minutes on this amendment, that comes out of the Senator's 1 hour under the cloture rule. Five minutes of that 12.5 minutes could be transferred by unanimous consent to the Senator from New Hampshire and that additional 5 minutes would then be charged to the Senator from New Hampshire's 1 hour under cloture.

Mr. COTTON. Mr. President, is it not proper for me to ask unanimous consent for 5 minutes or even 10 minutes from my own hour, and that it not be charged to the time allotted to this measure?

The PRESIDING OFFICER. Yes, it can be done by unanimous consent.

Mr. COTTON. Then I ask unanimous consent.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. COTTON. Not more than 10 minutes to be taken out of my hour and not charged to either the Senator from Nevada or the Senator from Kansas.

The PRESIDING OFFICER. The Chair would ask: Does that mean an ad-

ditional 10 minutes beyond the 5 minutes?

Mr. COTTON. Yes, 10 additional minutes.

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

Mr. COTTON. Mr. President, this is all I intend to say on this bill and I would like to have this time.

Now, as I was saying when we got into this time situation, the only effective way to control elections is exposure. It is useless to put limits on contributions and limits on expenditures. Those limits are not needed if periodically during the campaign, not after the campaign is over, after someone has been nominated or elected, but periodically during the campaign, twice a month or once a month over the preceding period, and certainly 10 days before the primary or election, there shall be reported by the candidates every expenditure made by him on his behalf, every cent that has been contributed and its source, every cent that has been promised and the source, every cent that has been spent and how it was spent, and every promise or contract made to expend money in the future. This would make public what we all know—that is, for instance, that if someone has a million dollars and I have only $50,000, and we sit down at the poker table, it does not make any difference what stakes we play for, he has the advantage because he can spare whatever he needs to use.

There is no way on earth campaign expenditures really can be limited because expenditures are simply driven underground. But if we could have the kind of law that provides for rigid, complete disclosure, periodically during the campaign of every candidate, then contributions could not be passed around among various people, divided up, or driven underground.

I would set a penalty for falsifying in any way the receipts and expenditures of the candidate, and provided for an immediate appeal to the court of highest jurisdiction in the State. If he were found guilty, his name would be removed from the ballot and he would be held to be ineligible to hold public office for 5 years. That would put teeth in it. From the experience of this Senator, in all the years he has been here, that is the way to do it.

This matter of digging into the public Treasury and taking the taxpayers' money to finance campaigns makes me very sad. For many years I have served, as Senators know, as the ranking minority member of the Subcommittee on Health, Education, and Welfare of the Committee on Appropriations in the Senate. When I think of the needs we have, when I think of the taxpayers' money we could use in our campaign against cancer, when I think of the people who are dying in remote areas of this country because they cannot get a kidney dialysis, when I think of the need, whether it is called the Kennedy bill, the administration bill, or something in between for taxpayers' dollars to bring down the cost of hospitalization and health in this country, and when I think of the needs in education, it just grates on my nerves to be talking about digging into taxpayers' money to finance political campaigns, because if we have strong laws that permit people to finance their own campaigns, maintaining the bar against labor unions contributing and various other safeguards, there is no need to use one single precious taxpayers' dollar in politics when there are so many crying human needs we must satisfy.

We will soon be working on the situation of people facing the tremendous cost of catastrophic illness, of people who desperately need medical care, and every dollar we take is taken from places where dollars are desperately needed. We can place limits from now to kingdom come, we can say that there shall not be a multiplicity of committees, and we can put all these restrictions in, but there is always a way around every one of them. It just drives campaigns underground. The keynote today is exposure—let the public know. If they know—not after the elections, but periodically—then they can know what is going on and they can take precautions to prevent certain happenings.

Those are the reasons why I shall support the substitute, even though I would like to go further than it goes. Those are the reasons why I shall be compelled to vote against the bill, although I am as anxious as any Senator to restore the confidence of the American public in our elective process and in our public servants.

I should mention, Mr. President, that in discussing my own feelings about this bill, one Senator here objected on the ground that periodic accountings all through the campaign by a candidate for the Senate or the House of Representatives would force the candidate to have a full-time or almost full-time accountant to handle the work. My answer is that the events of recent years have been such that any man running as a candidate on a statewide basis or from any congressional district, with the population we now have, should have the constant assistance of an expert in accounting, and I would not want to run for office myself without such an accountant.

Another reason in favor of frequent accountings rather than limits on expenditures is that the accountings are the fairest and most effective method, since in some States television is an important and effective way of campaigning while in other States it is entirely impractical—sometimes because no station reaches the entire State—and consequently direct mailings or some other methods have to be resorted to by the candidate.

All measures that have been advocated over the last few years have tended to present various new difficulties for some candidates in certain sections. But any way you slice it, artificial limitations encourage evasion of the law, while rigid requirements of disclosure to the people under penalty of being declared ineligible for office would, although not perfect, in my opinion be the best way, and I think the only way, to accomplish our purpose.

Mr. President, I hope the substitute will be adopted, although I again commend the Rules Committee and the leadership of the Senator from Nevada for a constructive job well done; but I cannot vote for the bill and I cannot vote to waste taxpayers' money in politics when it cannot be done effectively. That, in a nutshell, is what I wanted to say on the whole bill. I thank both Senators for their cooperation.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Nevada has 12½ minutes on this amendment; the Senator from Kansas has 1½ minutes.

Mr. CANNON. Mr. President, I am prepared to yield back my time.

Mr. DOLE. Mr. President, I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Kansas, as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Maine (Mr. HATHAWAY), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

Mr. HUGH SCOTT. I annonuce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), and the Senator from Maryland (Mr. MATHIAS) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 31, nays 55, as follows:

[No. 131 Leg.]

YEAS—31

Aiken	Curtis	Hruska
Allen	Dole	McClellan
Baker	Dominick	McClure
Bartlett	Eastland	Nunn
Bellmon	Ervin	Roth
Bennett	Fannin	Taft
Brock	Gurney	Talmadge
Buckley	Hansen	Thurmond
Byrd, Harry F., Jr.	Hatfield	Tower
Cotton	Helms	Weicker
	Hollings	

NAYS—55

Abourezk	Hartke	Pastore
Bayh	Haskell	Pearson
Beall	Huddleston	Pell
Bentsen	Humphrey	Percy
Bible	Jackson	Proxmire
Biden	Javits	Randolph
Brooke	Johnston	Ribicoff
Burdick	Magnuson	Schweiker
Byrd, Robert C.	Mansfield	Scott, Hugh
Cannon	McGovern	Sparkman
Case	McIntyre	Stafford
Chiles	Metcalf	Stevens
Clark	Metzenbaum	Stevenson
Cook	Mondale	Symington
Cranston	Montoya	Tunney
Domenici	Moss	Williams
Eagleton	Muskie	Young
Gravel	Nelson	
Hart	Packwood	

NOT VOTING—14

Church	Hathaway	Mathias
Fong	Hughes	McGee
Fulbright	Inouye	Scott,
Goldwater	Kennedy	William L.
Griffin	Long	Stennis

So, Mr. DOLE's amendment (No. 1126), as modified, was rejected.

LEGISLATIVE PROGRAM—UNANIMOUS-CONSENT AGREEMENT

Mr. HUGH SCOTT. Mr. President, I rise for the purpose of inquiring of our distinguished majority leader as to what is the pending business, and what he expects will be the business for the remainder of today and the remainder of the session before the recess.

The PRESIDING OFFICER (Mr. ABOUREZK). Will the majority leader refrain from responding until order is restored? The Senate will come to order. Senators are entitled to hear the majority leader announce the program for the remainder of the week. Senators having conversations will please remove themselves from the Chamber.

The majority leader may proceed.

Mr. MANSFIELD. Mr. President, in response to the question raised, first, I would appreciate it if there would be a show of hands of those Senators who still intend to offer amendments to the campaign practices proposal. (Counting) 1, 2, 3, 4, 5, 6, 7—it looks like 10 or 12. Not more than 15, anyway, and maybe not that many.

Mr. President, if the Senate will agree that it be in order at this time, I ask unanimous consent that there be a time limitation of 30 minutes on all amendments to be offered from now on, the time to be equally divided between the sponsor of the amendment and the manager of the bill.

Mr. HUGH SCOTT. And amendments thereto.

Mr. MANSFIELD. And amendments thereto.

Mr. HUGH SCOTT. I have no objection, except as to the——

Mr. MANSFIELD. This would be all amendments excepting that of the Senator from New York (Mr. BUCKLEY), who may or may not agree, but if he does not agree, he still has the hour which is allocated to each Senator.

Mr. HUGH SCOTT. As long as he is protected, that is fine.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. TAFT. Mr. President, reserving the right to object——

The PRESIDING OFFICER. First, the Chair would advise the majority leader as to the parliamentary situation with regard to the 1-hour time limit. There is a time limit of 1 hour for each Senator under cloture. That also includes any time on amendments. If there is a separate time limit placed on an amendment, and it is used, the time any Senator speaks on that amendment, irrespective of what the time limit on the amendment is, is taken from his hour of total debate, and time is not transferrable.

Mr. MANSFIELD. That is the intention of the joint leadership, that it be taken out of the 1 hour allotted to each Senator. If any Senator wishes to object, I will be glad to withdraw the request.

Mr. TAFT. Reserving the right to object——

Mr. MANSFIELD. If the Senator will withhold that, may I say the purpose is——

Mr. PASTORE. May we have order, please, Mr. President?

The PRESIDING OFFICER. Yes, the point is well taken. The Senate will come to order. Senators are entitled to hear this colloquy. Senators and staff members conversing will remove themselves from the Chamber.

The Senator from Montana may proceed.

Mr. MANSFIELD. The purpose in making this request at this time is that now we will proceed to the tornado disaster relief bill. There will be a number of amendments applied to that measure, and we will stay with it until it is concluded, even though there happens to be a time limitation. Then we will go back on the pending business.

Under the recess resolution, the Senate goes out at the conclusion of business Friday. I am not offering a carrot or a stick, but if it would be possible to get the Senate out on Thursday, I would appreciate it just as much as any other Member.

With that explanation, the Senator from Ohio may reserve his right to object.

Mr. TAFT. I thank the majority leader for his explanation. Do I understand correctly that, should this unanimous consent request be agreed to, each Senator would be limited to 15 minutes in discussing any amendment?

Mr. MANSFIELD. That is correct, but he would have the rest of his time under the cloture rule to discuss the amendment, and the amendment would not be voted upon until he has completed his time under the cloture rule. He may apply it to just the amendment.

Mr. TAFT. Well, when would the vote on the amendment occur? If the amendment is called up, and the Senator talks for 15 minutes, and then desires to take his additional 45 minutes, would he be able to take his additional 45 minutes before the vote occurs?

Mr. MANSFIELD. No, because in accordance with the agreement the time on the amendment would be limited.

Mr. TAFT. That is my understanding. I have an amendment pending on which I would like to have an hour reserved.

Mr. MANSFIELD. I would be willing to make an exception on the same basis as in the case of the Senator from New York, who is unavoidably absent.

Mr. HUGH SCOTT. Mr. President, I think that could be taken care of by the Senator discussing generally what he intends to do for the 45 minutes, and then going into the half-hour on the amendment. He does not need to call it up, in other words, until the end of the 45 minutes.

Mr. TAFT. The Senator from Ohio does not believe that would be appropriate with regard to the procedures that might arise.

Mr. HUGH SCOTT. Then I would be willing to make an exception on behalf of the Senator from Ohio as well as the Senator from New York (Mr. BUCKLEY).

The PRESIDING OFFICER. Is there objection?

Mr. BROCK. Mr. President, reserving the right to object, the Senator from Montana is not saying that an exception is made to the 1 hour under the cloture rule?

Mr. MANSFIELD. No.

Mr. BROCK. If the Senator from Ohio wants to spend his entire 1 hour on one amendment, that would be his privilege, but that would be all.

Mr. MANSFIELD. That is right. In his case that is true, yes.

Mr. BROCK. I thank the Senator.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered, that there be a 30-minute time limitation on each amendment except for the amendments of the Senator from New York and the Senator from Ohio.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield to the Senator from Rhode Island.

Mr. PASTORE. I would assume that the votes on these amendments would occur with some rapidity. I wonder if we could have a unanimous-consent agreement to confine the voting period to 10 minutes on each of these amendments. I think sometimes we just sit here for 5 minutes waiting for the 15-minute time to run out for the call of the roll.

Mr. HUGH SCOTT. Mr. President, if the Senator will defer that request until we can get the Senator from Oregon (Mr. PACKWOOD) to the floor, who has asked that he be present when such a request is made, I would have no objection.

I would like, if the majority leader will yield, to clarify something else. Am I correct that the time taken for the votes on amendments is not taken from the time of any Senator?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUGH SCOTT. And upon any Senator noting the absence of a quorum, the time for the quorum call would come from the time of the Senator who makes the point of order, is that correct?

Mr. MANSFIELD. No, a quorum call under this circumstance, or a vote, would not be charged to any Senator.

Mr. HUGH SCOTT. Then it is understood that the quorum calls in no event are charged to any Senator; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENSON. Mr. President, reserving the right to object——

The PRESIDING OFFICER. There is no unanimous consent request pending at this time.

Mr. MANSFIELD. I yield to the Senator from Illinois.

Mr. STEVENSON. Does the order limit the time on a motion to recommit?

The PRESIDING OFFICER. No, the request was as to amendments only, and not as to motions to recommit.

Mr. MANSFIELD. But if there is a motion to recommit, I would ask that there be a time limitation on the same basis.

Mr. STEVENSON. I would have to object to that limitation, and would hope an exception would be made if such a motion is made.

Mr. MANSFIELD. I said I would agree to a time limitation on a motion to recommit, and I ask unanimous consent that that be done, a time limitation of one-half hour, with the time to be equally divided between the mover and the sponsor of the bill.

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

SENATE RESOLUTION 308—RESOLUTION TO PERMIT SENATOR BELLMON TO APPEAR AS A WITNESS IN U.S. DISTRICT COURT IN OKLAHOMA

Mr. HUGH SCOTT. Mr. President, I sent to the desk a resolution and ask for its immediate consideration, notwithstanding the previous order.

The PRESIDING OFFICER. The clerk will state the resolution.

The assistant legislative clerk read the resolution.

The PRESIDING OFFICER. Is there objection?

There being no objection, the resolution (S. Res. 308) was considered and agreed to.

With its preamble, the resolution reads as follows:

Whereas, Honorable Henry L. Bellmon, a member of this body, has been served with a Subpoena to appear as a witness before the District Court of the United States for the Western District of Oklahoma, to testify at 9:30 o'clock a.m. on the Sixteenth day of April, 1974, in the Case of United States v. Leo Winters, et al; and

Whereas, under the Standing Rules of the Senate, no Senator may absent himself from the service of the Senate without leave of the Senate: Therefore be it

Resolved, that Honorable Henry L. Bellmon is granted leave to appear as a witness before the District Court of the United States in the Case of the United States v. Leo Winters, et al at a time when the Senate is not sitting in Session; and be it further

Resolved, that a copy of this Resolution be submitted to the said Court.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, informed the Senate that, pursuant to the provisions of section 804 (b), Public Law 90–351, as amended, the Speaker had appointed Mr. KASTENMEIER, Mr. EDWARDS of California, Mr. RAILSBACK, and Mr. STEIGER of Arizona as members of the National Commission for the Review of Federal and States Laws Relating to Wiretapping and Electronic Surveillance, on the part of the House.

The message announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 421. An act to amend the Tariff Schedules of the United States to permit the importation of upholstery regulators, upholsterer's regulating needles, and upholsterer's pins free of duty; and

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

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred, as indicated:

H.R. 421. An act to amend the Tariff Schedules of the United States to permit the importation of upholstery regulators, upholsterer's regulating needles, and upholsterer's pins free of duty. Referred to the Committee on Finance.

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

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

S. 1866. An act to provide increases in certain annuities payable under chapter 83 of title 5, United States Code, and for other purposes; and

H.R. 13542. An act to abolish the position of Commissioner of Fish and Wildlife, and for other purposes.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. ALLEN).

EXECUTIVE SESSION

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the Senate go into executive session for not to exceed 2 minutes, to consider a nomination now at the desk, and which was reported earlier today.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER (Mr. BIDEN). The nomination will be stated.

DEPARTMENT OF DEFENSE

The second assistant legislative clerk read the nomination of John M. Maury, of Virginia, to be an Assistant Secretary of Defense.

Mr. HARRY F. BYRD, JR. Mr. President, I might say that the action of the Senate is now taking has been cleared with the majority and minority leaders, the chairman of the Armed Services Committee, and the ranking minority member of the Armed Services Committee. It was reported unanimously this morning by the Armed Services Committee.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

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

LEGISLATIVE SESSION

Mr. HARRY F. BYRD, JR. Mr. President, I move that the Senate resume consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

DISASTER RELIEF ACT AMENDMENTS OF 1974

The PRESIDING OFFICER (Mr. ABOUREZK). Under the previous order, the Senate will now proceed to the consideration of Calendar No. 751, S. 3062, which the clerk will state.

The assistant legislative clerk read as follows:

S. 3062, a bill entitled the "Disaster Relief Act Amendments of 1974."

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. Debate on the pending bill is limited to 2 hours to be equally divided and controlled between the Senator from North Dakota (Mr. BURDICK) and the Senator from New Mexico (Mr. DOMENICI), with 30 minutes on any amendment in the first and second degree, and 10 minutes on any debatable motion or appeal.

Mr. BURDICK. Mr. President, I ask unanimous consent during consideration of and voting on S. 3062 the following staff members of the Committee on Public Works be granted privilege of access to the Senate floor:

Clark Norton, John Yago, Philip T. Cummings, M. Barry Meyer, Bailey Guard, Judy Parente, Steve Swain, Paul Ebeltoft of my staff, Grady Smith of Senator DOMENICI's staff, and George Shanks of the staff of Senator HARRY F. BYRD, JR.

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

Mr. BURDICK. Mr. President, the Disaster Relief Act Amendments of 1974 come before the Senate in the tragic shadow cast by the tornadoes that afflicted five states in mid-United States last week. The destruction and hardship that followed in the wake of these storms has aroused the sympathy of the Nation and I know that the hearts of each one of us go out to the people who have been so sorely tried. Indeed, the realization that the bill before us is of profound significance not simply in legal terms, but in human terms, must weigh

heavily in our considerations today. Yet, I request the indulgence of my colleagues in permitting me to bring to their attention considerations that otherwise may be forgotten in today's debate.

The law which forms the cornerstone of S. 3062, the legislation now before us, is the Disaster Relief Act of 1970—Public Law 91–606. I will not outline the genesis of this law except to say that it was the first of its kind. Never, before its enactment, had State and local governments, or those individuals affected by natural disasters, been able to rely upon a comprehensive Federal law for immediate relief as well as satisfaction of longer range needs. The law was a landmark insofar as it spelled an end to piecemeal disaster relief and made the provision of emergency disaster services and the reconstruction and rehabilitation of devastated areas a national priority.

But the act of 1970 was landmark in another respect. Never before has a law, drafted to meet emergencies that each of us pray will never come to pass, been called upon to perform so frequently and so extensively. Under the provisions of Public Law 91–606, the President declared 111 major disasters in 41 different States. Disregarding the expenditures which will be required to meet the nine disasters that have already been declared this year, payments from the President's emergency fund total in excess of $1.102 billion. Direct Federal expenditures for disaster assistance through the Small Business Administration, the Farmers Home Administration, and other agencies have been equally substantial. This level of expenditures is understandable when it is considered that, in 1973 alone, 46 major disasters were declared, affecting 31 States, and necessitating Federal help to more than 75,000 families.

As tragic as are the circumstances in which the act of 1970 has operated, it is fair to say that the law has been tested and retested under a variety of circumstances and those portions which may have been inadequate to effectively accomplish the objectives of relief and recovery have tended to become apparent.

In recognition of the broad scope of the act and understanding its effective operation is vital to the health, safety, and general well being of so many Americans, the Senate Public Works Committee established the Subcommittee on Disaster Relief. I was to become its chairman, and was joined by Senators DOMENICI, CLARK, BIDEN, and BUCKLEY. The charge given us by the chairman of the full committee, Senator JENNINGS RANDOLPH, was to evaluate the adequacy, cost and effectiveness of the Disaster Relief Act of 1970, and to recommend such changes as were found to be important to the improved operation of the law.

In early 1973, the subcommittee began the regimen that has led us to the Senate floor today. I hope that it will be obvious to my colleagues that the subcommittee has not come here in haste, nor have we used the last year wastefully.

In March of 1973 field hearings were begun in Biloxi, Miss., in the heart of the area devastated by Hurricane Camille and one of the first areas to receive help under the 1970 law. Shortly thereafter, the subcommittee met in Rapid City, S. Dak., the scene of tragic flooding. Finally, field hearings were conducted in May and in June in two of the areas hardest hit by Hurricane Agnes—Wilkes-Barre, Pa., and Corning-Elmira, N.Y. In September, the subcommittee met in Washington to review, with national officials, the data we gathered during the 7 days of field hearings. The comments and suggestions of more than 300 witneses who testified in person before the subcommittee, many of whom were former disaster victims, and the statements of 90 others submitted for the record were culled and reviewed by the subcommittee members and their staffs. Our preliminary findings were embodied in S. 3062, which I introduced on February 26 of this year for Senators RANDOLPH, DOMENICI, BIDEN, CLARK, and myself. The new concepts broached in this bill were discussed in another day of open hearings on March 6, 1974, and plans were then laid to meet with representatives of the FDAA to try to find accord between our language and that of S. 1840, the administration's major proposal. Subcomittee markup was to begin on April 9. In the interim, the States of Ohio, Kentucky, Tennessee, Indiana, and Alabama were ravaged by brutal storms.

Thus it was, that on April 5 and 6 my tireless companion, Senator DOMENICI, and I made an on-the-scene inspection of the disaster damage and recovery effort in the stricken areas. Meetings were held with Senators and staff from affected States and with Secretary James T. Lynn of the Department of Housing and Urban Development on April 8. The legislation was considered and favorably reported by the committee yesterday, April 9, by unanimous vote.

The following is a detailed synopsis of the major new provisions of the bill:

MAJOR NEW PROVISIONS OF S. 3062

1. DISASTERS AND MAJOR DISASTERS DISTINGUISHED

Under present law a Presidential declaration of a major disaster at the request of a State Governor automatically "triggers" all benefits authorized by Federal disaster legislation.

To make it more practicable to extend help during lesser emergencies, the definition of major disaster is amended to create a new "emergency" category. This will permit such aid as technical assistance equipment, advisory personnel, equipment, food, other supplies, medical care, and other essentials to be provided.

2. DISASTER PREPAREDNESS ASSISTANCE

Both 1969 and 1970 Disaster Relief Acts authorized 50 percent matching grants not to exceed $250,000 per state to assist them in developing comprehensive plans and programs to combat major disasters. For various reasons, the States have not fully utilized this aid. To encourage greater participation, Title II of the bill authorizes an outright, one-time grant of up to $250,000 for each State without required matching funds.

Any State receiving a $250,000 planning grant must submit, through an agency designated for that purpose, a comprehensive disaster preparedness program to the President which sets forth provisions for both emergency and permanent assistance and provides for the appointment and training of appropriate staff and for the formulation of necessary regulations and procedures.

The existing statutory provision for continuous revision and updating of disaster assistance plans, authorizing annual 50 percent matching grants not in excess of $25,000 to each State, is retained.

3. INSURANCE

The increased Federal costs of providing disaster assistance in recent years, especially to the private sector, has focused attention on the need for more extensive insurance coverage against losses caused by natural hazards.

The bill stipulates that insurance adequate to protect against future loss must be obtained for any disaster-damaged property which has been replaced, restored, repaired, or constructed with Federal disaster funds. Unless such insurance is secured, no applicant for Federal assistance can receive aid for any damage to his property in future major disasters. State governments may elect to provide self-insurance on their public facilities.

4. CRIMINAL AND CIVIL PENALTIES

Previously enacted disaster relief acts have not provided specific penalties for those who willfully failed to comply with their provisions.

The bill provides for a fine of not more than $10,000 or imprisonment for not more than one year, or both, for persons who willfully make fraudulent claims.

Anyone wrongfully applying the, proceeds of any loan or cash benefit would be civilly liable for one and one-half times the original principal of any loan or cash benefit.

5. AVAILABILITY AND DISTRIBUTION OF MATERIALS

At the request of the Governor of a State suffering damage caused by a major disaster, the President is authorized and directed to provide for a survey of the construction materials needed in the major disaster area for housing, farming operations and business enterprises and to take appropriate action to insure the availability and fair distribution of such materials for a period not to exceed 180 days. To the extent possible, the President is directed to implement any allocation program through companies which customarily supply construction materials in the affected area.

6. REPAIR AND RESTORATION OF DAMAGED FACILITIES

S. 3062 provides that assistance for damaged or destroyed public facilities can be provided under one of two plans at the option of eligible State or local governments. Grants may be made not to exceed 100 percent of cost for repair or reconstruction on a project-by-project basis, as authorized by current law or a Federal contribution based on 90 percent of the total estimated cost of restoring all damaged public facilities within its jurisdiction could be used to repair or restore selected facilities or to construct new ones. This will permit State or local choice as to reconstruction on a Federally-audited project-by-project basis, or with much greater freedom to construct with a minimum of Federal control the facilities it deems best for government functions in the area. In those jurisdictions incurring public facility damages totaling no more than $25,000, a block grant based on 100 percent of the total cost for repairing or reconstructing those facilities would be made.

Public recreational facilities, public educational facilities, private non-profit educational, emergency medical, custodial care and utility facilities are also eligible for grants from the President's emergency fund.

The 1970 Act expressly excluded from the disaster grant program public facilities used

solely for park and recreational purposes. Many local officials and other witnesses have requested the removal of this restriction. There seems to be no valid reason for treating such facilities differently, and the Committee has, therefore, included for assistance public parks and recreation areas. The Committee expects the FDAA to exercise discretion in committing Federal funds to the restoration of parks, insofar as practical, but within reasonable limits taking into account the value of the investment to the affected area.

7. TEMPORARY HOUSING

Temporary housing assistance can now be provided by using available Federal property, renting or purchasing vacant residential units, or employing mobile or other prefabricated homes.

But if a damaged home could be made habitable in a relatively short period with limited expenditures, such repairs should be performed without charge to the owners as a substitute for other temporary housing which the Federal government might have otherwise provided. Accordingly, S. 3062 authorizes the President to make expenditures for such "mini-repairs."

S. 3062 also authorizes the President to sell, or otherwise make available for disaster relief purposes, temporary housing units directly to States, other governmental entities and private voluntary organizations. At present such units may be disposed of only through the General Services Administration when declared to be in excess supply.

8. EXTRAORDINARY DISASTER EXPENSE GRANTS

S. 3062 authorizes the President to make grants to States of 75 percent of the actual cost of providing direct financial assistance to persons adversely affected by a major disaster. These grants are available to meet extraordinary disaster-related expenses or needs which are not provided for under this Act, under other programs, or by private means. Aid is limited to a maximum of $5,000 for each family, and is to be administered by the Governor (or his designated representative) according to national criteria, standards and procedures established by the President. Aid for this purpose should be related to financial need and to actual disaster expenses and losses of disaster victims. An advance payment of 25 percent of the estimated required Federal funds can be made to a State and the Committee expects that this will be done promptly so that States may implement the cash grants to families without delay.

9. UNEMPLOYMENT ASSISTANCE

Federal funds have been available since the Disaster Relief Act of 1969 for assistance to persons not adequately covered by unemployment insurance who are out of work because of a major disaster. Such individuals can now receive payments to the extent such payments do not exceed the maximum amount or the duration of compensation provided by the regular unemployment insurance system of the State in which the disaster occurs. Duplication of benefits is not possible because regular unemployment insurance payments, if any, must be deducted from those made for unemployment resulting from a disaster. It does, however, enable workers whose jobs are not included in the regular compensation system to be protected.

In view of the fact that competent agencies exist in every State to administer State unemployment insurance systems, and that payments for disaster purposes are closely connected by law and regulation to those systems, obvious advantages can be gained by using the services and personnel of those established State agencies. The bill authorizes the President to provide disaster unemployment compensation through agreements with States which, in his judgment, have adequate systems for administering the program.

Because unemployment compensation is provided by law in most States for a maximum of 26 weeks, those who lose their jobs because of a major disaster are now restricted to a like period for the duration of such payments. The Congress in recent years has authorized extended payments under certain conditions, and extended payments have been recommended by the Administration for certain purposes. Persons unemployed because of a disaster have not, however, been considered eligible under the Disaster Relief Act for extended compensation beyond the maximum period provided by State law.

In view of the serious and prolonged dislocations which may be caused by catastrophes of the magnitude of Hurricanes Camille and Agnes, the bill proposes authority to extend unemployment payments for six additional months.

10. FOOD COMMODITIES

Use of surplus food stuffs for mass feeding in evacuation shelters, mobile canteen units, and "Meals on Wheels" programs is especially essential during the emergency period after a flood, tornado, earthquake or other catastrophe when thousands may be dislocated and the normal economy has seriously disrupted. Similarly, the distribution of food coupons without charge has enabled many lower-income families to obtain needed food supplies at a time when their livelihood and income have been adversely affected in recent disasters.

The current lack of surplus commodities, and the decision to replace the USDA family food distribution program by July 1 with food stamps, has raised questions about our ability to provide sufficient supplies for mass feeding and for home use after major disasters.

To help meet these needs, the bill retains provisions of the 1970 Disaster Relief Act authorizing the President to make both food commodities and coupons available to disaster victims. In addition, it directs the Secretary to assure that adequate stocks of food will be readily and conveniently available for emergency mass feeding or use in any area of the United States in the event of a major disaster. The effect is to continue authority to provide agricultural commodities for distribution in major disaster areas, even if the present family and child nutrition commodity procurement programs should be phased out.

11. CRISIS COUNSELING ASSISTANCE

Disasters are often the occasion of unforgettable personal crisis. Such sharp mental stress and abrupt hardship may lend, almost as with the shock of war, to persistent psychological disturbances, especially among the elderly and the children. Expert observers have noted for example, an increase in mental health problems following recent catastrophes.

Previous Federal disaster relief legislation has not provided specific assistance for "psychological first aid" to disaster victims. The bill authorizes the President to provide professional counseling services and training for disaster workers, either directly or by financial assistance to State or local agencies to help relieve mental health problems caused or aggravated by a disaster or its aftermath.

12. COMMUNITY DISASTER LOANS AND GRANTS

Section 241 of the 1970 Disaster Relief Act authorized grants for as long as three years to any local government suffering a "substantial" loss of tax property revenue because of damages caused by a major disaster. Only three cities have qualified for these benefits, although seven applications for such grants are still pending.

Application of the phrase "substantial loss," and the dependence of local governments on sources other than the property tax for a sizable portion of their revenues, has made the provision difficult to apply. Also, it is usually a year or more before lowered property assessments for disaster damages are reflected in the loss of tax income. The need of these areas for supplementary funds to carry on normal operations is often more crucial during the first six months or so after the disaster than it is a year or two later.

In order to provide cash flow to local governments at the time of their greatest need after major disasters, S. 3062 substitutes for the present community disaster grant program a new system of loans—a portion of which could be cancelled at a later date under certain conditions.

Any local government suffering a substantial loss of tax and other revenues because of a major disaster, and demonstrating need for financial assistance to perform its governmental functions, would be eligible for a loan not exceeding 25 percent of its annual operating budget for the fiscal year in which the disaster occurred. The purpose of the loan is to permit the local governments to continue to provide municipal services, such as the protection of public health and safety and the operation of the public school system.

Part or all of the loan could be cancelled to the extent that local revenues during the following three full fiscal years are not sufficient to meet the operating budget of that government, including municipal disaster-related expenses. The loan, or any cancelled portion, cannot be used as the non-federal share of any Federal program, including those under this Act.

13. ECONOMIC RECOVERY FOR DISASTER AREAS

Implementation of economic recovery programs in severely damaged disaster areas requires development of unified long-range plans, a ready source of funds, and an area-wide agency to adjust priorities, allocate and schedule use of resources, and provide overall administrative direction.

To help attain these aims, Title V of the bill provides assistance for redevelopment in both public and private sectors. Because the functions of long range economic recovery are so similar to development in economically distressed areas, this program is changed in the programming of available or anticipated Federal funds.

Funds authorized for Federal-aid projects or programs in a major disaster area may be placed in reserve according to such recommendations. If the Governor requests, and affected local governments concur, these funds may be transferred to the Recovery Planning Council to implement the Recovery Investment Plan.

Loans may be made by the Recovery Planning Council to any State or local government, and private or public non-profit organization in a major disaster area to carry out the Recovery Investment Plan. Loans can be made for the acquisition or development of land and improvements for public works, public service or public development facilities (including parks and open spaces), and for acquiring, constructing, rehabilitating, expanding or improving those facilities (including machinery and equipment).

The Federal share of project costs may be increased by supplementary grants to a maximum of 90 percent, but no such limit would apply to grants benefiting Indians and Alaskan natives and to those where the President determines that a State or local government has exhausted its taxing and borrowing capacity. The interest rate for loans made under this section is to be fixed by the Secretary of the Treasury at a rate of one percent less than the current average proposed as a new Title VIII of the Public Works and Economic Development Act of 1965—over which the Committee on Public Works also has legislative jurisdiction. Au-

thority is vested in the President, however, who may choose to delegate these functions either to the Secretary of Commerce or the Secretary of HUD.

Determination of the need for special economic assistance and appointment of a Recovery Planning Council rests with the Governor. A majority of the Council members must be elected officials. The national and State governments would each have one representative.

The Federal representative could be the Chairman of the Federal Regional Council (or another member designated by him)—or where a Federal Regional Commission has been established under the Appalachian Regional Development Act or the Public Works and Economic Development Act, the Federal cochairman of that Commission. In any area where a multi-jurisdictional organization (such as a Council of Governments) exists and complies with these requirements, the Governor may designate that organization, with the addition of Federal and State representatives, to act as the Recovery Planning Council.

The Recovery Planning Council may revise existing land use, development or other plans, develop new ones, and prepare a five-year Recovery Investment Plan for submission to the Governor and to responsible local governments. The Council also may recommend market yield on outstanding marketable U.S. obligations (adjusted to the nearest one-eighth).

The language of Title V contains an anti-pirating provision. Loan guarantees to help industrial and commercial projects in major disaster areas can be made for such purposes as the purchase and development of land, the acquisition of machinery and equipment, and the construction, rehabilitation, alteration, conversion or enlargement of buildings. Loans made by private lending institutions for working capital in connection with such projects may be guaranteed up to a maximum of 90 percent of their unpaid balance.

Both public and private agencies may be provided technical assistance in handling such matters as projects planning, feasibility studies, management and operation problems, and the analysis of economic needs and potential. Such assistance can be extended by use of Federal personnel, by reimbursement of other Federal agencies for services by contract with private individuals, firms, and institutions, or by grants-in-aid. Organizations receiving grants for technical assistance may also, subject to certain limitations, be awarded supplementary grants to defray up to 75 percent of their administrative expenses.

A disaster recovery revolving fund, for which no more than $200 million is authorized to be appropriated, is to be established in the United States Treasury. Funds appropriated to carry out this Title, and any collections or repayments received under this Act, are to be deposited in the revolving fund. Payment of all financial assistance, obligations and expenditures for economic recovery under Title V is to be made from the fund. Sums necessary to replenish the fund annually are authorized to be appropriated, and interest on outstanding loans under the Act is to be paid by the fund into the Treasury at the end of each fiscal year.

Finally, to insure that the widest possible benefits and assistance will be made available to the people of the areas damaged by the recent tornadoes, the bill provides for its taking effect as of April 1, 1974.

Mr. BURDICK. Mr. President, I want to emphasize that the summary I have just given touches upon the major changes in the law proposed by the bill before us. It is not intended to be an outline of available relief to disaster victims and areas. All of us are aware of the contributions, especially during the emergency phase of any disaster, that are provided by the Red Cross and the private relief organizations. In many ways, these groups have been the vanguards in the field of disaster relief and their role continues, undiminished by S. 3062.

Further, to replace the homes or other property damaged or destroyed by natural disasters, present law provides through the Small Business Administration and Farmers Home Administration, loans to cover the amount of loss for damage not compensated by insurance. These loans would bear interest at 5 percent per annum. Regulations limit loans for homes to $50,000 for any damage to the home itself, $10,000 for damage to personal effects, and a combined home loan of $55,000. Businesses are limited to $500,000.

Debris and wreckage removal, emergency medical care, search and rescue, clearance of roads and bridges and demolition of unsafe structures are just a few of the additional aids in the panoply of Federal assistance that I have not addressed. I would be happy to try to explain any of these procedures that may not be clear to my colleagues.

In closing, let me reiterate the feelings of the members of the Senate Public Works Committee that the Disaster Relief Act of 1970 should be strengthened and updated, and new levels of local, State, and Federal participation should be established. I feel that S. 3062 accomplishes this, and I urge my colleagues to accept it.

Mr. DOMENICI. Mr. President, I yield myself as much time as I need for my opening statement.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, first, I ask unanimous consent that Tom Brookes of the Committee on Banking, Housing and Urban Affairs be accorded the privilege of the floor during the debate on this bill.

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

Mr. COOK. Mr. President, will the Senator yield?

Mr. DOMENICI. I yield.

Mr. COOK. Mr. President, I ask unanimous consent that Richard Scanlan of my staff may have the privilege of the floor during the debate and votes on this matter.

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

Mr. DOMENICI. Mr. President, as ranking Republican member of the Public Works Disaster Relief Subcommittee, I am pleased to join with Senator BURDICK, chairman of the subcommittee, Senator RANDOLPH, chairman of the full committee, and Senator BAKER, the ranking minority member of the committee, and other members of the committee in supporting the Disaster Relief Act Amendments of 1974.

This bill will continue and build upon the basic programs and mechanism established in the Disaster Relief Act of 1970, Public Law 91–606. The 1970 Disaster Relief Act was the first effort by the Congress to establish a permanent comprehensive program for Federal disaster assistance, culminating many years of experience and activity in this legislative area.

The Disaster Relief Act authorizes the President to declare major disasters, to provide specific kinds of assistance, including lifesaving and emergency measures, shelter, food, loans to homeowners and businesses, and grants for repair and reconstruction of public facilities. Besides the programs specifically authorized in the law, the Federal Coordinating Officer for the disaster, appointed by the President, is charged with administering and coordinating all Federal relief activities in the disaster area. Federal disaster aid has grown in a fragmented, ad hoc fashion and today there are over 30 Federal agencies, bureaus, and offices providing some form of disaster assistance either under Public Law 606 or their own statutory authority.

Last year the Public Works Committee reinstated the Disaster Relief Subcommittee to evaluate the adequacy and effectiveness of the 1970 act and to make recommendations, as may be necessary, to improve the law. Public Law 606 has been utilized in over 104 disasters since 1970 giving us extensive experience with the program in a wide variety of disasters, and it is being utilized right now for tornado devastated areas in the South and Midwest.

The amendments being proposed are based on the extensive hearing record compiled by the Disaster Subcommittee. The subcommittee held 7 days of field hearings last year, receiving testimony from over 200 witnesses in Biloxi, Miss., Rapid City, S. Dak., Wilkes-Barre, Pa., and Elmira-Corning, N.Y. All of these in recent years have been ravaged by natural calamities. Biloxi was struck by Hurricane Camille in 1969 and represented the most costly natural disaster up to that time. Rapid City was devastated by floods in 1972 with serious loss of life. Wilkes-Barre and Elmira-Corning were among the worst hit areas during tropical storm Agnes. Agnes is now considered the most destructive natural disaster in the history of this country.

In addition to field hearings, the subcommittee held several days of hearings in Washington on specific proposals to amend the 1970 Disaster Act, including S. 1840, the Disaster Preparedness and Assistance Act of 1973, proposed by the administration.

Just this last week Senator BURDICK and I viewed firsthand the disaster relief efforts taking place in the wake of the terrible tornadoes which struck in Indiana, Kentucky, Ohio, and Tennessee. We received suggestions from the distinguished Senators from these States and those suggestions were considered in this week's committee markup of the bill.

Since the language of this bill is contained in today's RECORD, I will not go through the bill section by section. Rather, I will confine my remarks to those sections of the bill which I consider most significant.

Section 408 of the bill would authorize a new program of direct grants to indi-

viduals who may, as a result of the disaster, need cash assistance to meet extraordinary disaster-related needs or to obtain immediate human needs and services. This section has been most carefully examined by the members of the subcommittee. Administration comment was solicited and carefully evaluated.

The grant program proposed in this section would be supplemental to all other forms of aid under the act and would be extended only in those cases where those programs are not adequate. The Disaster Relief Act authorizes several programs to help individuals and families recover from the disaster including shelter, food commodities and food stamps, home loans, and unemployment compensation. There are, however, individuals who, after receiving assistance under these sections, may still be in need of cash to meet their disaster related needs.

"Need" as used in this section refers to need created by the disaster and is not tied to a "means" test or an individual's income before the disaster. The approach proposed in this bill is to permit those victims most in need to obtain the most relief. Rather than the artificial structure of forgiveness which formerly was a feature of the disaster loan program, we must determine which families require extra assistance and satisfy that need with a grant.

As proposed, the President would develop national eligibility criteria and regulations for the program which the individual States would administer in the disaster area.

In our recent hearings, we received the views of Governors who will administer this section. While they had some concerns about the matching requirements, they expressed confidence in their States' ability to administer these grants.

Sections 409 and 410 clearly delineate Federal responsibilities in the areas of food assistance and mass feeding. These are areas in which the impending lapse of certain legislative authorities could have resulted in insurmountable administrative problems.

Section 414 establishes a community disaster loan procedure related directly to loss of local tax revenues and additional disaster related expenses. The purpose of this section is to enable communities to continue performing vital municipal services such as police and fire protection, trash collection, and the operation of public schools.

Finally, I would like to commend the subcommittee for the inclusion of title V, economic recovery for disaster areas, a section for which I feel some pride of authorship. Title V presents a new approach to long-range disaster recovery—an opportunity for area economic redevelopment and renewal without the normal accompanying costs of initial destruction.

Title V would authorize a long-range disaster recovery program under a Disaster Recovery Planning Council of locally elected officials and representatives of the State and Federal governments. The council would pull together and implement an overall recovery plan for an area.

One purpose of the recovery investment plan prepared by the council is to identify and mobilize Federal programs either operating in the disaster area being proposed or which could be tapped for the rebuilding effort.

Federal agencies, following council recommendation and the request of the Governor, would place funds for previously planned or eligible projects in reserve. These funds would go to the Recovery Planning Council to implement the recovery investment plan if local public bodies concurred and the Governor requested this action.

Section 503 authorizes grants, loans, and loan guarantees for implementation of the recovery plan.

In addition, grants for administrative expenses of the councils and technical assistance would be available.

Many questions could be raised regarding this title—not the least of which is to define the objective of Federal long-range recovery and the extent of our commitment. Long-range recovery is a completely new, very significant program equal in scope and importance to the Disaster Relief Act. The proposal in this bill is only one way to meet the very real need for coordinated long-range recovery in communities devastated by a disaster.

Mr. President, I want to again acknowledge the attention and hard work that Senator BURDICK and the other members of the subcommittee have given this legislation. Additionally, the staff of the Public Works Committee has performed admirably in the drafting of the Disaster Relief Act Amendments of 1974. I want to encourage each Member of the Senate to join with us today in the passage of this legislation. I join with the other members of the subcommittee in pledging continuing oversight of this legislation after its enactment. I trust that the Disaster Relief Act Amendments of 1974 will be recorded as a major legislative step forward in the implementation and coordination of Federal, State, and local disaster relief efforts.

Mr. President, the Committee report on S. 3062, which necessarily was filed last night under the pressure of time, does not contain agency views which the Senate Committee on Public Works customarily includes in its reports. Therefore, I ask for unanimous consent that there be printed in the RECORD at this point or following the debate at any appropriate point the letters addressed to the committee on March 29 by FDAA Administrator Thomas P. Dunne; on April 2 from the general counsel of the Department of Commerce, Karl E. Bakke; and of yesterday, April 9, from Secretary James T. Lynn.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MARCH 29, 1974.

HON. QUENTIN N. BURDICK,
Chairman, Subcommittee on Disaster Relief, Public Works Committee, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In my statement before the Disaster Relief Subcommittee on March 6, 1974, setting forth the Administration's views on S. 3062, I expressed our appreciation for the considerable effort by the Subcommittee in developing this bill and stressed our gratification that many features of S. 1840, the Disaster Preparedness and Assistance Act of 1973, were incorporated in the proposed amendments.

At the same time, however, I stated a number of concerns which we have both with the general philosophy underlying this bill and with certain specific provisions that, we believe, should be modified to enhance the equity and effectiveness of this revision of Public Law 91–606.

The Subcommittee was kind enough to offer me the opportunity to supplement my oral statement with a paper amplifying our views on some features of the bill which we find most difficult to accept in their present form. This letter and its attachments respond to that invitation. By way of introduction, I shall summarize the points at issue. The attachments set out in more detail the reasons for our problems with these points and suggest either alternative language for clarifying them or, in a few instances, our reasons for urging that they be deleted in their entirety.

Our overriding concern is that the supplementary character of Federal disaster assistance be emphasized in this bill as it was in its predecessors, PL 81–875 and PL 91–606. This Administration is convinced, as others before it have been, that disaster relief is properly a shared responsibility among private citizens, volunteer relief organizations, local and State authorities, and the Federal Government. To ensure that Federal aid remains a back-up to, not a substitute for, self-help efforts by other levels of government and the general public, we urge the Committee to write into the bill a requirement that the Governor of a State requesting emergency assistance take certain actions to alleviate the suffering and damage caused by the disaster. In the case of a request for a Presidential declaration of a "major disaster," he would, in addition, be required to certify to the commitment of State and local obligations and expenditures as a prerequisite to Federal supplemental assistance. A suggested way of accomplishing this result is set forth in Attachment A.

We are suggesting a modification of the definitions contained in Sections 102 (a) and (b) of S. 3062 better to distinguish between an "emergency" which is severe enough to require immediate Federal assistance and a "major disaster." If this distinction is accepted by the Committee, certain other sections of the bill will require conforming changes to differentiate between the kinds of assistance that are available in an "emergency" and those which are available as the result of a "major disaster." (See Attachment B.)

S. 3062 would place some responsibilities for administration of the Federal Disaster Assistance Program in the President and others in the Administrator, FDAA, or other officials of the Executive Branch. For reasons set forth in our comments on Section 102 (Attachment C), it is recommended that all authorities in the proposed Act be vested in the President.

Section 314(c), dealing with self-insurance by State and local governments, is incompatible with the more desirable self-insurance provisions of the Flood Disaster Protection Act of 1973 (PL 93–234) and could result in inconsistent application of the two statutes. Our recommendations for conforming this section of S. 3062 with PL 93–234 are set forth in Attachment D to this letter.

We urge deletion of Section 318, Emergency Wage, Rent, and Price Controls, on the grounds that there is no Federal restriction against the State and local governments' imposing such measures so long as they do not conflict with Federal controls. We believe it is more appropriate for States and localities to impose and enforce such controls if they

deem them necessary to cope with local inflationary trends occasioned by the disaster. (See Attachment E.)

One of the major improvements proposed by the Administration in S. 1840 was the use of flexible funding, or block grants, to replace the categorical grants under PL 91–606. The advantages of this approach are particularly evident in Section 402, Repair and Restoration of Damaged Facilities. Accordingly, we are proposing language changes for this section which, by eliminating categorical grants for the restoration of facilities, would allow the applicant to use Federal funds provided for this purpose in a manner which it determines to be best suited to its needs. We are urging that the Federal share be 75% of the estimated cost of facility restoration. If the Committee accepts the concept of total flexible funding, we would like to discuss with you further the percentage of the Federal grant. (See Attachment F.)

As I testified in my March 6 statement to the Subcommittee, we believe that Federal funding of temporary housing assistance is appropriate only when the number of families affected exceeds the normal capacity of the community to absorb those who are temporarily displaced, and where the time and effort required to restore family dwellings will be extensive. Where only a few houses have been damaged or destroyed in a less-than-major disaster, that housing responsibility should remain with the State or local government. When the exigencies of a "major disaster" do warrant Federal assistance, we feel that the temporary housing effort should be managed by those closest to the people, the local and State official who best understand the needs of their citizens. Further Section 404 of S. 3062 should contain all provisions that relate directly to temporary housing. The mini-repair program, described in Section 405, should be only a means of providing temporary housing and should be moved to Section 404. By contrast, emergency shelter is provided for under Section 306(a)(4) as a form of emergency service available with or without a "major disaster" declaration and does not properly belong in the section dealing with temporary housing assistance. (See Attachment G.)

The disaster unemployment assistance program authorized by Section 240, PL 91–606, has in our experience adequately served the needs of those temporarily unemployed as a result of the disaster. For this reason, we see no need for changing the legislative authority for this program. The section dealing with discretionary authority to increase the length of the benefit period is not sufficient to warrant amendment of the entire section. We recommend that the language contained in Section 240, PL 91–606, be substituted for subsection (a), Section 407 of S. 3062, and that the section be retitled "Unemployment and Reemployment Assistance." (See Attachment H.)

Section 408, Disaster Grants for Needy Persons, has a number of desirable features: it establishes an acceptable system to identify and indemnify the truly needy; it assuras a State role supplemented by Federal assistance; it establishes a maximum benefit; and it ensures assistance to those who have exhausted other sources of aid. One of the major problems with S. 3062 is that no one is able to clearly establish whether these grants are intended to be similar to loan forgiveness or to provide assistance supplementary to other resources. The lack of statutory restrictions and specific definitions could allow Section 408 to be interpreted to closely resemble the forgiveness features of the vetoed amendments to SBA and FHA disaster loans. The Administration's position on inequitable, across-the-board, grants to everyone with disaster damage has not changed from the position expressed in the veto of S. 1672. However, if the intent is to aid only those still in genuine need after obtaining other disaster assistance, then the section must be reworded to avoid any possibility of unwarranted grants. The Administration strongly prefers the latter intent of confining eligibility to those who require aid to meet their disaster related expenses, but those needs cannot be met under this bill's other provisions, other laws, or other sources. Specific language revisions that fulfill this latter intent and meet Administration objections to Section 408 are set out in Attachment I.

We favor eliminating Section 413, Crisis Counseling Assistance, because there is ample authority elsewhere in this bill, as in PL 91–606, to permit this action in those few large-scale disasters in which it may be required. This authority would be used only in exceptional cases.

Our experience under PL 91–606 indicates that few local governments suffer a "substantial loss of tax and other revenues as a result of a major disaster," and we anticipate that local governments could rarely demonstrate such a loss under Section 414 of S. 3062 and therefore could not qualify for a grant. We believe the urgent cash needs of a stricken community would be better met through loans which would provide immediate funds for day-to-day operations than they would through grants which, because of the time required to establish "loss" and "need," could not be processed quickly enough to satisfy immediate cash-flow requirements. The basis for loans may be less specifically stated than for grants, since the borrower must repay loans. For these reasons, we favor substitution of loans for grants in this section. (See Attachment J.)

With respect to Title V of the bill, the Administration believes that the proposed Economic Adjustment Act will provide an effective mechanism for delivering financial assistance for long-range economic recovery of disaster areas, and that it would be most inappropriate to include such provisions in a disaster relief act. We, therefore, strongly urge that this title be removed completely from S. 3062.

The attachments to this letter expand on the issues I have summarized above. Other specific language changes will be discussed with the Subcommittee.

We have summarized our recommendations for revisions to S. 3062 and have expressed our particular concern about the need for emphasis on the supplementary nature of the Federal role, the clarification of Section 408, and the deletion of Title V. The Office of Management and Budget has advised us there is no objection to the presentation of this report from the standpoint of the program of the President.

Sincerely,

THOMAS P. DUNNE,
Administrator.

ATTACHMENTS TO VIEWS LETTER ON S. 3062

ATTACHMENT A

SECTION 301—PROCEDURES

Discussion

Federal disaster assistance should supplement the efforts and resources of State and local governments when disaster emergencies exceed their capabilities. The procedural requirements for "emergency" or "major disaster" declarations should provide for appropriate information and assurances that State and local resources are utilized, and commitments are significant, before Federal aid is made available.

Section 201, S. 3062, provides for technical assistance and funding for the States to develop or improve disaster emergency plans. These efforts should promote greater preparedness and reduce the wide variances in the readiness of local and State governments to respond to emergencies. The Federal Disaster Assistance Administration is working with interested Federal agencies and the Council of State Governments on model disaster legislation which would tend to standardize State emergency funds, organization, and actions to improve State and local readiness. These would tend to make the declaration of an emergency by the Governor meaningful as to State participation.

Although past certification experience leaves something to be desired, this requirement has caused many Governors to consider carefully before requesting Federal assistance. If the present certification procedures were updated, they could be an effective means of obtaining firm commitments from the States before a major disaster is declared. This certification would be accompanied by a breakdown of the nature and cost of State and local disaster work. It could also include a statement of the Governor's declaration of an emergency and the extent and nature of State resources' utilization.

It is recommended that Section 301 language be amended as follows to provide for the appropriate information and assurances:

Suggested language change

Section 301. (a) All requests for emergency assistance from the Federal Government under this Act shall be made by the Governor of the affected State. Such Governor's request shall be based upon a finding that the situation is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments and that Federal assistance is necessary. The Governor's request will furnish information describing State and local efforts and resources which have been or will be used to alleviate the emergency, and will define the type and extent of Federal aid required. Based upon such Governor's request, the President may determine that an emergency exists which warrants Federal supplemental assistance.

(b) All requests for major disaster assistance from the Federal Government under this Act shall be made by the Governor of the affected State. Such Governor's request shall be based upon a finding that the disaster is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments and that Federal assistance is necessary. As a part of this request, and as a prerequisite to major disaster assistance under the Act, the Governor will formally declare an emergency under State statutes and will direct execution of the State's emergency plan. He will furnish information on the extent and nature of State resources which have been or will be used to alleviate the conditions of the incident disaster, and will define requirements for Federal supplemental assistance. He will certify that, for the current disaster, State and local obligations and expenditures (of which State commitments must be significant) exceed minimums established by the President. Based upon such Governor's request, the President may declare that a major disaster exists, or take whatever other action he deems appropriate in accordance with the provisions of this Act.

ATTACHMENT B

SECTION 102—DEFINITIONS

Discussion (sections 102 (a) and (b))

The definitions of "disaster" and "major disaster" in S. 3062, together with use of the two terms interchangeably throughout the bill would cause confusion in administering its provisions and add to the dimensions of Federal assistance in less-than-major disaster situations.

We recognize that emergency situations can occur in which Federal assistance is necessary and appropriate to save lives and protect public health and safety. In such cases, action by the Federal Government should not be inhibited by requirements necessary for the declaration of a major disaster by the President.

For maximum clarity it might be better to put less-than-major disaster assistance in a separate section. The separation of the two would eliminate confusion as to the extent and nature of assistance in less-than-major disasters. It would, however, require major changes in the bill.

A second approach is to give a title—"emergency"—to those situations in which Federal assistance would be made available without a major disaster declaration.

Throughout the Act, the terms "emergency" and "major disaster" should be used wherever assistance under either or both conditions is intended. We recommend this approach and suggest the following changes in Section 102—Definitions:

Suggested language change

Section 102. (a) "Emergency" means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, snowstorm, drought, fire or other catastrophe in any part of the United States which, in the determination of the President, is of sufficient severity and magnitude to warrant Federal assistance under this Act to supplement State and local efforts to cope with the situation or to avert or lessen the threat of a major disaster.

(b) "Major disaster" means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide snowstorm, drought, fire, or other catastrophe in any part of the United States which, in the determination of the President, is of sufficient severity and magnitude to warrant major disaster assistance under this Act, above and beyond emergency services by the Federal Government to supplement the efforts and available resources of States, local governments, and disaster assistance organizations in alleviating the damage, loss, hardship, or suffering caused thereby.

SECTION 102—DEFINITIONS

Discussion (section 102(h))

Federal disaster assistance under PL 91–606 is a Presidential program funded by the President's Disaster Relief Fund. Responsibility for its administration has been assigned by Executive Order to the Secretary of Housing and Urban Development, and through him, to the Federal Disaster Assistance Administrator. We believe it is desirable to retain this Presidential option to delegate authority for program administration as he deems appropriate. S. 3062 should assign all responsibilities to the President so as not to restrict his option of delegating program administration to the agency or agencies who he deems most capable of carrying out the program.

For these reasons, we recommend that all authorities in the proposed Act be vested in the President, and that Section 102(h) be deleted from the bill. Similar references scattered throughout the bill to other Federal agencies should also be deleted, except where legislative authority for the program activity is specifically set forth in other statutes.

ATTACHMENT D

SECTION 314—INSURANCE

Discussion

Self-insurance can be a viable vehicle for providing insurance protection for well capitalized entities. However, "self-insurance" is not synonymous with "no insurance." For self-insurance to be effective, it must be designed to comply with established insurance concepts and must be funded on an actuarily sound basis.

Very few State and local governments have the capability to become self-insurers against disaster losses for several reasons: First, since the risk exposure of government facilities is generally concentrated in one geographic locality, a spread of risk to minimize the loss from any single occurrence is impossible. Secondly, most State or local governments don't have the fiscal resources to fund a self-insurance program on an actuarily sound basis. Finally, many State or local governments lack personnel with sufficient expertise in insurance to competently administer a self-insurance program.

The Flood Disaster Protection Act of 1973, in Section 102(c), permits policies of self-insurance in lieu of Federal Flood Insurance in some cases. This provision, however, differs markedly from the proposed Section 314(c) of the Disaster Relief Act Amendments of 1974. The Flood Disaster Protection Act provision limits self-insurance programs to State governments and requires that the self-insurance be "an adequate policy of self-insurance satisfactory to the Secretary." Under this provision, therefore, the hazards of local government self-insurance are avoided, and States are prevented from using the self-insurance provision as a loophole through which to escape the requirement that they purchase insurance to protect State-owned property.

Even this limited self-insurance provision has not functioned smoothly. The Congress should be aware that on the basis of the programs of so-called "self-insurance" submitted to the Department of Housing and Urban Development by the several States to meet the requirements of the 1973 Act, only a handful could possibly qualify in terms of underlying funding.

Nevertheless, if the Congress decides to continue the principle of "self-insurance" for State governments in the Disaster Relief Act Amendments, there is no justification for extending it to local governments. From a practical standpoint, Congress should recognize that to permit "self-insurance" for local governments would be a delusion. It would mean that when a disaster struck, no local community would have specific funds to cover the losses and each community would exert whatever pressures it could to obtain disaster relief, even if this entailed seeking statutory amendment to provisions which on their face barred such a community from disaster relief.

Should Congress decide that it is advisable to retain a self-insurance provision in the Disaster Relief Act Amendments of 1974, I suggest that it be modeled after the self-insurance provision of the Flood Disaster Protection Act of 1973. Since the insurance requirements of both these acts are analogous and both are administered by the Department of Housing and Urban Development, the content of the requirements should be as uniform as possible to allow for maximum administrative cooperation between FDAA and FIA. Therefore, we suggest that, in the event that self-insurance is necessary to the proposed legislation, the following language be substituted to conform the proposed Section 314(c) to PL 93–234:

Suggested language change

Section 314. (c) Notwithstanding the other provisions of this section, insurance shall not be required on any State-owned property that is covered under an adequate State policy of self-insurance satisfactory to the Secretary. The Secretary shall publish and periodically revise the list of States to which this subsection applies. No such self-insurer shall receive assistance under the Disaster Relief Act Amendments of 1974, for any property covered by such a policy of self-insurance.

ATTACHMENT E

SECTION 318—EMERGENCY WAGE, RENT, AND PRICE CONTROLS

Discussion

Section 318 of S. 3062 should be deleted in its entirety. Other appropriate measures by Federal, State, and local authorities have proved adequate in past major disasters to cope with emergency inflationary trends. In the event that emergency wage, rent, or price controls are thought to be helpful or necessary by State or local government authorities, it would be more appropriate for those authorities to impose the controls and to enforce them. There is no Federal restriction against imposition of such controls by State and local governments so long as they do not conflict with, or are not preempted by, Federal controls.

ATTACHMENT F

SECTION 402—REPAIR AND RESTORATION OF DAMAGED FACILITIES

Discussion (section 402(e) and (f))

One of the major improvements proposed by the Administration was that flexible funding, frequently called block grants, be used in the future to replace categorical grants under PL 91–606.

This proposed change would eliminate categorical grants for restoration of facilities and would provide definite advantages to the applicant, State or local government, as well as to the Federal Government. It would allow the applicant to use Federal assistance for restoration of public facilities in a manner which it determined best suited its needs. It would relieve much of the administrative workload at the local, State, and Federal levels required for categorical grants. Under the flexible funding approach, it is anticipated that, once Federal approval by project application is given, Federal administration would be limited to a minimal inspection and audit to determine primarily that the funds were spent in accordance with broad Federal guidelines stated in the Act, or other statutory requirements, or by implementing Federal regulations or handbooks.

We urge that subsections (e) and (f) be deleted in their entirety and a new subsection (e) be added as follows:

Suggested language changes

Section 402. (e) The Federal contribution made under this section shall be based on 75 per centum of the total estimated cost of repairing, restoring, reconstructing, or replacing all facilities within the jurisdiction of an affected State or local government on the basis of the design capacity of each facility as it existed immediately prior to such major disaster and in conformity with applicable codes, specifications, and standards. Funds contributed under this section may be expended either to repair or restore certain selected damaged public facilities or to construct new public facilities which the applicant determines to be necessary to meet its needs for governmental services and functions in the disaster affected area, except that funds granted on the basis of repair, restoration, reconstruction, or replacement of private nonprofit facilities or facilities on Indian reservations specified in subsection 402(b) shall be utilized specifically for those facilities.

ATTACHMENT G

SECTIONS 404 AND 405—TEMPORARY HOUSING ASSISTANCE AND RESTORATION OF PRIVATE HOMES TO HABITABLE CONDITION

Discussion

Temporary housing, because of the many variables that are of a local nature, should be managed by the local and State governments. These governments can readily assess these variables and mesh the temporary housing program with the development planning of the community. If State and local management of the program is unacceptable, then we recommend that temporary housing authorities similar to those in PL 91–606 be retained.

The Federal Government should provide temporary housing only in major disasters. State and local governments, along with the

various voluntary organizations, should continue to have the responsibility for providing temporary housing in other than major disasters.

Section 404 should contain all those provisions that relate directly to temporary housing. The reference to emergency shelter should be deleted since it is a form of emergency service, as recognized in Section 306 (a)(4).

Section 405 should be deleted, and the provisions it contains for the mini-repair program should be included in Section 404. This program is a form of temporary housing and should be made available only in major disasters.

Section 404 should have an additional provision that would allow the President to transfer, at the end of disaster occupancy or the statutory free-rent period, mobile homes and other forms of temporary housing to other governmental entities and to volunteer organizations for the purpose of providing temporary housing assistance to disaster victims. Similar provisions should be included to allow the sale of federally owner mobile homes to States and local governments or voluntary agencies in emergencies where minimal temporary housing may be required.

We suggest that the following language be substituted for the provisions of Sections 404 and 405 of S. 3062:

Suggested language changes

Section 404. (a) The President is authorized to provide temporary housing for those who, as the result of a major disaster, require such accommodations, by using property held by the Federal Government and by acquiring, either by lease or purchase, rental housing, mobile homes, or other readily fabricated dwellings. Any mobile home or readily fabricated dwelling shall be placed on suitable land provided, at no cost to the Federal Government, either by the State or local government, or by the owner or occupant who was displaced by the major disaster. However, the President may elect to provide other more economical or accessible sites at Federal expense when he determines such action to be in the public interest.

(b) During the first twelve months of occupancy, no rentals shall be established for any such accommodations; provided that an occupant may be required to pay the usual and reasonable utility service charges attributable to such accommodations. Thereafter, rentals shall be established, based upon fair market value of the accommodations being furnished, adjusted to take into consideration the financial ability of the occupant. The State or local government shall provide necessary management of all temporary housing occupied beyond the free-rental period. The President is authorized to make grants to State and local governments for such management purposes, except that no such grant shall extend beyond six months.

(c) At the election of the eligible applicant and in lieu of providing other types of temporary housing after a major disaster, the President is authorized to make expenditures for the purpose of repairing or restoring to a habitable condition owner-occupied private residential structures made uninhabitable by a major disaster which are capable of being restored quickly to a habitable condition with minimal repairs. No assistance provided under this section may be used for major reconstruction or rehabilitation or alteration of damaged property.

(d) The President is authorized to provide assistance on a temporary basis in the form of mortgage or rental payments to or on behalf of individuals and families who, as a result of financial hardship caused by a major disaster, have received notice of dispossession or eviction from a resident by reason of foreclosure of any mortgage or lien, cancellation of any contract of sale, or termination of any lease, entered into prior to the disaster. Such assistance shall be provided for a period of not to exceed one year or for the duration of the period of financial hardship, whichever is the lesser.

(e) Notwithstanding any other provision of law, any such temporary housing acquired by purchase may be sold directly to individuals and families who are occupants of temporary housing at prices that are fair and equitable, as determined by the President. The President, may sell or otherwise make available temporary housing units directly to States, other governmental entities, and voluntary organizations. Such disposition shall be limited to units purchased under the provisions of subsection (a) of this section and to the purposes of providing temporary housing for disaster victims in emergencies or in major disasters.

(f) The President is authorized to make contributions to State and local governments for the purpose of carrying out the provisions of this section.

SECTION 407—UNEMPLOYMENT ASSISTANCE

Discussion

The title of Section 407 should be changed to "Unemployment and Reemployment Assistance."

The portion of Section 407(a) dealing with discretionary authority to increase the benefit period to one year should be deleted because:

1. It would add a provision for which there has been no historically demonstrated requirement.

2. It would extend to 52 the number of weeks for which benefits may be paid, thus making DUA the longest continuous unemployment compensation program, whereas in the past the goal had been to provide assistance to those ineligible for regular unemployment compensation.

Subsection 407(b) should be retained.

Subsection 407(a) should be deleted and the provisions of Section 240, PL 91-606, should be inserted in lieu thereof, as follows:

Suggested language change

Section 407. (a) The President is authorized to provide to any individual unemployed as a result of a major disaster such assistance as he deems appropriate while such individual is unemployed. Such assistance as the President shall provide shall not exceed the maximum amount and the maximum duration of payment under the unemployment compensation program of the State in which the disaster occurred, and the amount of assistance under this section to any such individual shall be reduced by any amount of unemployment compensation or of private income protection insurance compensation available to such individual for such period of unemployment.

ATTACHMENT I

SECTION 408—DISASTER GRANTS FOR NEEDY PERSONS

Discussion

Section 408 provides financial assistance to families or individuals affected by a disaster who are unable to meet extraordinary disaster-related expenses or needs. The language of the section would require that grants be made only where assistance made available under the other sections of this Act or through other sources is inadequate to enable families or individuals to meet such extraordinary expenses or needs. The term "needy" applies to any family or individual who qualifies for such assistance.

The following substitute language is suggested for Sections 408(a), (b), and (d):

Suggested language changes

Section 408. (a) The President is authorized to make grants to States to provide financial assistance to families or individuals adversely affected by a major disaster who are unable to meet disaster-related expenses, needs, or services such as food, communications, water, clothing, utility services, and public transportation. Such grants shall be made for use only in cases where assistance under other provisions of this Act, or other appropriate laws, or other means is insufficient to allow persons to meet such expenses or needs.

(b) The amount of funds to be granted under this section shall not exceed 75 per centum of the actual cost of providing assistance pursuant to subsection (a) of this section.

(d) The President shall promulgate regulations that shall include national criteria, standards, and procedures for the determination of eligibility and the administration of grants made under this section. No family shall receive grants under this section which total in excess of $2,500.

SECTION 414—COMMUNITY DISASTER GRANTS

Discussion

We recommend revision of Section 414 to provide a more workable program for providing ready cash flow to local governments promptly when needed after a disaster. Our experience under PL 91-606 indicates few local governments suffer "a substantial loss of tax or other revenues as the result of a major disaster." Property tax losses are usually more than offset by increased sales taxes, grants from State or Federal agencies, and other community revenues. We anticipate that local governments could rarely demonstrate a "substantial loss" under the proposed Section 414 and therefore could not qualify for a grant. With no requirement to verify "substantial loss", loans would provide a ready cash flow, which would be used conservatively, since the local government must pay interest and make repayment. Under guidelines similar to those for loans, a grant may be projected but must await Federal audit at the end of the year for accurate determination.

APRIL 2, 1974.

HON. JENNINGS RANDOLPH,
Chairman, Committee on Public Works, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request for the views of this Department concerning S. 3062, a bill "Entitled the 'Disaster Relief Act Amendment of 1974.'"

The Department of Commerce has the following comments with respect to Title V of S. 3062 which establishes a new, long-range economic recovery program for major disaster areas. The Department has no comment concerning the other Titles of S. 3062.

The stated purpose of Title V is to provide assistance for the economic recovery, after the period of emergency aid and replacement of essential facilities and services, of any major disaster area which has suffered a dislocation of its economy of sufficient severity to require, (a) continued assistance for the restoration of an employment base less vulnerable to disruption by disaster, (b) assistance in planning for development to replace that lost in the disaster, and (c) continued coordination of assistance available under federal-aid programs.

Under the bill the term "major disaster" means any disaster determined by the President to be of sufficient severity and magnitude to warrant disaster assistance above and beyond emergency services provided for lesser disasters.

If the impact of a disaster to an areas is of severe magnitude, the State Governor may apply for assistance under Title V. Within thirty days after authorization by the President for Title V assistance, the Governor is to appoint a Recovery Planning Council of not less than five members, a majority of whom are to be local elected officials from

the disaster area, a representative of the State, and a representative of the Federal Government. The latter is to be the Federal Cochairman of the Regional Commission established under Title V of the Public Works and Economic Development Act or the Appalachian Regional Development Act, or his designee, if all or part of the affected area is within the boundaries of the Commission. In all other cases, the Federal representative is to be the Chairman of the Federal Regional Council for the affected area, or a member thereof designated by the Chairman.

The Recovery Planning Council is to: (1) review existing development, land use and other plans for the affected area; (2) make such revisions as it determines necessary for the economic recovery of the area, including the development of new plans and the preparation of a five year recovery investment plan; and (3) make recommendations for such revisions and the implementation of such plans to the Governor and local governments.

Section 503 of S. 3062 authorizes a program to provide grants for public development facilities up to 80% of project cost, and in certain cases, the Federal share may be increased by supplementary grants to a maximum of 90%. Grants for Indians, Alaskan Natives, and States or local governments who have exhausted their taxing and borrowing capacities could be 100%.

Section 504 authorizes a loan program to help finance projects for the purchase or development of land and facilities for industrial and commercial use. Loans made by private lending institutions to private borrowers for working capital in connection with projects in major disaster areas assisted by direct loans may be guaranteed up to 90% of the unpaid balance.

Section 505 authorizes a broad scope of technical assistance activities including the provisions of 75% of the administrative costs of organizations receiving Title V grants for technical assistance. Section 506 authorizes a $200 million disaster recovery revolving fund to carry out Title V and such sums as may be necessary to replenish it on an annual basis.

This Department supports the objectives of Title V of S. 3062. The widespread devastation caused by Hurricane Agnes in 1972 revealed problems in Federal efforts, including the efforts of this Department's Economic Development Administration, in attempting to deliver both timely and coordinated redevelopment relief to devastated areas.

However, we oppose the program provided in Title V of S. 3062 on the grounds that, as a categorical assistance program, it is too narrow and inflexible for efficient and effective use by the States when a disaster occurs. Instead, we believe that section 204(a)(2) of the Administration's Economic Adjustment Act of 1974 (S. 3041 and H.R. 12942) offers a better means for disaster area economic recovery in the States through establishment of a discretionary fund which may be used for special needs, such as disasters.

We have been advised by the Office of Management and Budget that there would be no objection to the submission of our report to the Congress from the standpoint of the Administration's program.

Sincerely,

KARL E. BAKKE,
General Counsel.

APRIL 9, 1974.

Hon. QUENTIN N. BURDICK,
Chairman, Subcommittee on Disaster Relief, Public Works Committee, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: On March 29, 1974, Mr. Thomas P. Dunne, Administrator of the Federal Disaster Assistance Administration (FDAA), Department of Housing and Urban Development, forwarded to you comments on S. 3062, the Disaster Relief Act Amendments of 1974. I endorse Mr. Dunne's views.

I believe that S. 3062, with the modifications suggested by Mr. Dunne, will strengthen the existing disaster legislation. In particular, I believe that Section 408, Disaster Grants for Needy Persons, is an important addition to the present law.

The President's legislative proposals, which were introduced in the Senate as S. 1840, recognized this very important need. S. 3062 has retained and clarified the essential feature's of the President's proposal: that these grants are to meet extraordinary disaster related needs which cannot be met under other assistance authorities, and that the States will administer and participate in the grants.

There can be no doubt that the use of existing State administrative mechanisms is the only effective and efficient way to approach the problem. I commend and support the Committee's wisdom in selecting the State to administer the grants. The Committee has also made the State a participant by limiting the Federal share to 75 per cent of the actual cost. It is this responsibility for participation which I believe is most critical, without which administration by the State would be of questionable value.

State participation in these grants is entirely consistent with the basic concept of Federal disaster assistance legislation from its beginning in Public Law 81-875. Federal assistance is intended to supplement State and local government efforts, not substitute for them. It is particularly appropriate that the States share in the grants to needy persons, since one of the tests for eligibility is that the essential needs cannot be met by other State or local assistance programs. There is also ample evidence to support the proposition that States will be more careful managers of programs which are financed, at least in part, from their own revenues. Accordingly, I strongly urge that Federal and State sharing of these grant costs be retained.

As I indicated in our discussions yesterday, the Administration is strongly opposed to the concept of disaster loan forgiveness. Loan forgiveness features are indiscriminate, inequitable, and apply without regard to whether the purpose of the loan is for essential or non-essential disaster relief and without regard to the economic position of the recipient. As the President said in his September 22, 1972, message on this point: "The net result would be greater Federal assistance for the well-to-do than the needy, and an even larger bill for the general taxpayer. That is not my idea of good government." Forgiveness would reopen a tap in the Federal treasury which the Congress itself closed last April.

With all best wishes.

Sincerely,

JAMES T. LYNN.

Mr. HUDDLESTON. Mr. President, may I inquire whether or not the bill is now subject to amendment?

The PRESIDING OFFICER. The bill is open to amendment.

Mr. HUDDLESTON. I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. Are we under controlled time?

The PRESIDING OFFICER. We are under controlled time.

Mr. TAFT. Who is granted time?

Mr. AIKEN. Mr. President, I would like 5 minutes.

Mr. BURDICK. Mr. President, this time will be taken out of time on the amendment.

The PRESIDING OFFICER. The Senator from Kentucky has 15 minutes on this amendment. There is a half hour to each side on amendments.

Mr. RANDOLPH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RANDOLPH. I did not understand the Senator from Kentucky wants to take the whole time.

Mr. HUDDLESTON. I do not intend to use my entire 15 minutes. My own remarks will be very brief.

The PRESIDING OFFICER. The amendment of the Senator from Kentucky will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HUDDLESTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place in the bill, insert the following:

"INTEREST RATES AND CANCELLATION

"SEC. ——. (a) Notwithstanding any other provision of law, in the case of any disaster loan made in connection with a major disaster determined pursuant to the Disaster Relief Act of 1970 or this Act or in connection with a natural disaster or disaster determined under the Consolidated Farm and Rural Development Act or the Small Business Act, the Secretary of Agriculture or the Small Business Administration, as the case may be, shall cancel the principal amount of the loan, but not to exceed $5,000 shall be so canceled, and the interest on the balance of the loan shall be at a rate of 1 per centum per annum.

"(b) The provisions of subsection (a) apply with respect to any loan made in connection with a disaster which occurs on or after April 1, 1974, but prior to October 1, 1974."

Mr. DOMENICI. Mr. President, will the Senator yield?

Mr. HUDDLESTON. I yield.

Mr. DOMENICI. I failed to recognize, in my comments, the ranking Republican member of the committee (Mr. BAKER). I wonder if the Senator would allow me to yield to the Senator from Tennessee on my time so the Senator could make opening remarks on this measure.

Mr. HUDDLESTON. Mr. President, I yield under those conditions.

Mr. BAKER. Mr. President, I am very pleased that the Public Works Committee has acted swiftly to report to the Senate a comprehensive disaster relief assistance measure following the tornado tragedies just a week ago. And I am equally pleased that the Senate is acting so promptly to consider this important bill.

While this bill was reported from subcommittee and full committee yesterday—exemplifying the speed with which the Congress can act when speed is warranted—it is not an act of haste. The Disaster Relief Subcommittee has been considering disaster relief proposals for more than a year. Last year, the subcommittee conducted field hearings in Biloxi, Miss.; Rapid City, S. Dak.;

Wilkes-Barre, Pa.; and Elmira-Corning, N.Y., to examine effectiveness of the Federal response to past disasters. We also conducted 3 days of Washington hearings, held on an administration bill, S. 1840, and additional hearings were held this year on the bill that has been reported, S. 3062.

The chairman of the Disaster Relief Subcommittee, Senator BURDICK, and the ranking Republican member, Senator DOMENICI, are to be commended highly for their long hours of hard work and attention to the details of this legislation. I would also commend their decision to fly to the devastated areas of Tennessee and the Midwest within hours of last week's tragedy for an on-the-spot inspection. The chairman of the full committee, Senator RANDOLPH, as always provided valuable leadership and work to the committee.

I also want to mention the fine working relationship that the committee has had with the administration. The committee has paid close attention to the suggestions of the administration and, while there are some differences, I am pleased that the committee has adopted a number of provisions recommended by the administration. This includes the block grants for restoration of public facilities and 75 percent Federal funds for grants to families.

I want to express my deep thanks to Senator BURDICK and Senator DOMENICI for making the tour of Tennessee, Kentucky, Indiana, and Ohio last week to see the devastation and suffering inflicted by vagaries of nature.

Mr. President, the consensus that came from our hearings was that the Disaster Relief Act of 1970—Public Law 91–606—is a good and sound law. In general, it has worked well. While it has been effective for only 3 years, it has been tested again and again—in times of some of the worst disasters in our Nation's history, such as Hurricane Agnes.

This bill does not alter greatly the provisions of Public Law 91–606. It builds upon that law—improving it and adding to it. This bill continues the existing Federal disaster relief program, perfecting and improving with added assistance where that has proved necessary.

Mr. President, I am especially pleased that, upon my motion, the committee made the effective date of this legislation April 1, 1974. The series of about 100 tornados which struck many Southern and Midwestern States on the night of April 3–4 left vast damage and suffering. It killed more than 300 men, women, and children. More than 4,500 persons were injured. Many more thousands were left homeless, and property damage is estimated to exceed more than $500 million. These statistics show how imperative it is that the provisions of this bill be made law as quickly as possible to aid the recovery from this disaster.

The reported bill provides grants to States to help them meet extraordinary disaster-related expenses and the needs of families that are not covered by other programs, insurance, or aid. This is an important provision. It will provide valuable assistance to many families stricken by disasters but which, for one reason or another, are unable to obtain needed assistance from another source. This is a new provision, not currently provided. In the past, some disaster victims were provided $5,000 forgiveness on home or business loans. The provision in this bill provides grants up to $5,000 per family for extraordinary disaster-related expenses and needs over and above any other source. As introduced, the bill provided up to $2,500 per family. However, on my motion the committee raised the grant to $5,000 per family. And while the bill provides national criteria, standards, and procedures, this program would be administered by the States.

The bill also provides—for the first time—funds for the repair and restoration of private, nonprofit utilities, such as REA membership co-ops, plus public and private nonprofit schools and public recreational facilities and hospitals. This provision should prove invaluable to several States that were damaged by the recent tornados. For example, in my State of Tennessee, extensive damages were inflicted on many REA facilities.

Another new provision of the bill provides special assistance for long-range economic recovery of especially hard-hit communities—after the period of emergency aid and the essential facilities and services are replaced. I believe it has been shown that assistance of this type has been needed in the past and, I believe, this provision is an imaginative response toward meeting this need.

Under current law, funds for the repair and restoration of public facilities are provided on a project-by-project basis. This has led to burdensome red-tape, auditing, and administrative difficulties. This reported bill provides new flexibility by allowing a community to choose either the present method, or a block grant representing 90 percent of the cost of rebuilding its public facilities in lieu of project-by-project restoration.

The recent tornados have focused our attention on the great need for massive Federal assistance necessary in major disasters. In many other situations there is a need for emergency assistance which does not call for the declaration of a major disaster. In the past, emergencies have arisen which did not warrant a major disaster declaration, but did warrant limited or specialized Federal assistance.

For the first time, this bill would establish a distinction between major disasters and emergencies of a lesser magnitude. This would enable the President to respond with a response scaled to need. This distinction will enable the President to respond to such situations, without opening the full range of assistance that would be mobilized by a major disaster declaration.

The bill writes into law the so-called "mini-repair" program to rehabilitate damaged homes in lieu of providing temporary housing. This program was first tried following Hurricane Agnes, and it worked well.

The bill also expands the scope of the present program of unemployment assistance; and it provides up to 25 percent of annual operating budgets to local governments suffering revenue losses and in financial need. Such loans may be canceled to the extent that revenues during the following 3-year period are insufficient to meet the operating budget including disaster expenses of the local government.

Mr. President, in the most recent disaster, the response of Federal, State, and local agencies—and especially of the local people—has been excellent. I believe that as the recovery effort proceeds—and in future disasters—the measures provided under this bill may prove of additional help by creating a more flexible approach without in any way lessening the program's scope.

I recommend that the Senate pass this bill, and I hope it will become law expeditiously.

Mr. HUDDLESTON. Mr. President, before explaining my amendment, I would like to take this opportunity to commend the distinguished Senator from North Dakota (Mr. BURDICK), chairman of the Subcommittee on Disaster Relief; the distinguished ranking Republican member, the Senator from New Mexico (Mr. DOMENICI); and other members of the subcommittee for moving with such dispatch last week after the devastation from the tornadoes that struck several Midwestern States. The subcommittee went immediately to the scene of the disaster to obtain firsthand information for themselves.

The legislation that we are considering here today has been altered to some extent from the bill as introduced. New features have been added, as a direct result of the firsthand information that members of the subcommittee received in making that trip through the affected areas. I think it was very commendable of them to move with such rapidity and to bring this legislation to bear on conditions which actually now exist.

What I am proposing, in my amendment, Mr. President, is that we reinstate for the next 6 months the $5,000 forgiveness feature and the 1 percent loan rate for disaster loans made through the Farmers Home Administration and Small Business Administration. These are the same conditions which were in effect under Public Law 92–24.

Under existing law, the most favorable loan program available to a disaster victim is a 5-percent loan, with no forgiveness. That is really not a great deal of assistance for persons who have lost all or even most of their life possessions in a disaster.

I am well aware of the arguments which have been made against this proposal. The principal one is cost to the Federal Government. I suggest that if we can have a $300 billion-plus budget in this country, if we can spend $92.6 billion for defense, then we can afford to help restore extensive damage from natural disasters.

I agree wholeheartedly with the proposals which have been made for greater insurance coverage and for new preparedness programs, but it is a fact that these do not now exist to the extent that they should. Even the committee report on the pending disaster relief legislation

noted that the States had not fully utilized aid to develop programs to combat major disasters and that greater incentive was needed.

I am also aware of the extraordinary disaster grant program contained in the bill as reported. I requested that the committee increase the ceiling on this program and I commend them for raising the limit, on the basis of the information developed during the recent trip, from $2,500 to $5,000.

We do not, however, yet know the guidelines of that particular grant program or just how it will apply to individuals or how many will benefit. I think, therefore, that the reinstatement of the 1 percent and the $5,000 forgiveness feature for a limited period of time is a logical way to proceed. That will give the victims of the recent disasters the same grants, the same opportunities, and the same benefits that were given just over a year ago to victims of other disasters that occurred in the country.

I hope that in the future we will be better prepared, will have better plans and more extensive insurance coverage, and that this type of program may not be necessary. But I believe, due to the nature of the destruction and the individual losses in the various communities, including buildings, homes, and other property, it would be appropriate to reinstate these features for a limited time and give to these citizens the benefits of programs and qualifications that were available to persons in similar situations in the past.

Mr. RANDOLPH. Mr. President, may I commend the distinguished Senator from Kentucky (Mr. HUDDLESTON) and also, at the same time, indicate to the Senate that the Senator who has just spoken was one of several Senators who met with the Subcommittee on Disaster Relief of the Committee on Public Works in an effort to counsel and constructively work for bringing this important proposed legislation to the floor of the Senate today.

I trust that the amendment which has been offered and has been discussed might, frankly, be tabled or withdrawn. We are attempting to stay with the measure before us, which we believe covers the points the Senator seeks to cover. Of course, I respect the judgment of the individual Senator who presented the amendment, and I thank him for his contribution.

Mr. BURDICK. Mr. President, the amendment offered by the Senator from Kentucky has a considerable amount of appeal and, of course, was used in the disaster in Pennsylvania sometime ago, but we must bear in mind the history of this legislation.

It was a year ago that we had quite a round of discussions between the White House and Congress. It will be recalled that a proposition similar to this was defeated by the President. We attempted to get low-interest loans, but we did not succeed. The only interest we succeeded in getting was on the 5-percent loans.

Bear in mind that in addition to all the help extended under this act—and I enumerated many of the provisions in my opening statement—we have provided for a $5,000 extraordinary grant to the needy victims. This is in addition to all the other specific programs.

The theory behind the $5,000 grant is that there will be joint participation between the Federal Government and the State governments or local governments, or branches thereof, whereby the Federal Government will contribute a 75-percent supply to a $5,000 grant to the local government and the administration of the grant will be placed in the hands of the local government. The reason is that there were abuses in the program of several years ago. Many people who received forgiveness loans were not entitled to receive them. This program is put on a sound basis. It puts the grant on a local basis with the people who know the citizens, and will provide extraordinary assistance up to $5,000.

We have the unanimous agreement of the committee, and have cleared it with the administration. We have solid support for the bill. If we are going to depart from our present position and add a great many appealing amendments we may not get a bill. The people in the five-State area need the bill, and if we add extraneous amendments, we may not get a bill at all.

For these reasons, I oppose the amendment offered by the Senator from Kentucky.

Mr. DOMENICI. Mr. President, I commend the distinguished junior Senator from Kentucky (Mr. HUDDLESTON) for his diligent work on behalf of his constituents. I met with him for the better part of a day in some of the most devastated communities in his State, including Louisville, which has suffered rather substantial losses of property, although not totally.

I do suggest, however, that several provisions in the bill before the Senate, including the $5,000 grant for extraordinary disaster expenses, can be administered by the State. Seventy-five percent of the cost will be funded by the Federal Government. Each application will be evaluated, on an individual basis, to determine the extraordinary disaster related needs of individuals who have been affected, taking into consideration all the other assistance programs which are available under this act or other appropriate acts such as the SBA disaster loan. Taken together with their insurance coverage and the like, individuals are more apt to get basic justice in the wake of the catastrophe.

Congress, by a rather substantial margin, denied the further use of the $5,000 forgiveness provision when it passed Public Law 93-24 last April. I think it was obvious why the program was refused. I should like to quote briefly from a letter addressed to Senator BURDICK by Mr. James T. Lynn, Secretary of the Department of Housing and Urban Development, dated April 9, 1974, and referring to S. 3062. Before doing so, I should say that Secretary Lynn has spent a great deal of time—in fact, the greater part of an afternoon—with members of the subcommittee, discussing in detail the provisions of the bill and I believe the bill has, basically, the support of the administration. I think Secretary Lynn quite accurately described the differences between proposals to reinstate loan forgiveness and the provisions of S. 3062 as it now stands. I shall quote from the Secretary's letter:

> As I indicated in our discussions yesterday, the Administration is strongly opposed to the concept of disaster loan forgiveness. Loan forgiveness features are indiscriminate, inequitable, and apply without regard to whether the purpose of the loan is for essential or non-essential disaster relief and without regard to the economic position of the recipient. As the President said in his September 22, 1972, Message on this point: "The net result would be greater Federal assistance for the well-to-do than the needy, and an even larger bill for the general taxpayer. That is not my idea of good government." Forgiveness would reopen a tap in the Federal treasury which the Congress itself closed last April.

I may say to the junior Senator from Kentucky that the $5,000 grant program is supported in the Senate in terms of what it can do for the individual citizen. For instance, he need not apply the grant solely to the repair of his home; he can use the money for any other extraordinary needs or expenses which occur as a result of the catastrophe. Individual needs are so varied that to go back to the $5,000 restrictive forgiveness would be a step backward.

I, therefore, reluctantly indicate to the Senator that I cannot support his amendment. I join with the chairman of the full committee and the chairman of the subcommittee in asking the Senator to let us proceed with dispatch and pass the bill as proposed by the full Committee on Public Works.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. DOMENICI. I yield.

Mr. BAKER. Mr. President, I have great admiration for both Senators from Kentucky. I am entirely sympathetic to the purposes they are trying to accomplish. However, the subcommittee under the leadership of the chairman, the Senator from North Dakota (Mr. BURDICK) and the Senator from New Mexico (Mr. DOMENICI) have worked long and hard on a bill that is not only comprehensive but also really helpful and effective.

If we proceed with amendments, even though they are meritorious in their own rights—as certainly this amendment is—I think it would not serve the general purpose of disaster relief. So it is with great reluctance that I cannot support the amendment of the Senator from Kentucky.

I hope that we will preserve intact a passable bill and that the Senator will consider withdrawing his amendment so that we can proceed to pass the bill.

So I suggest, in the interest of trying to get a bill, that the Senator from Kentucky withdraw his amendment.

Mr. DOMENICI. Mr. President, I thank the Senator from Tennessee.

The senior Senator (Mr. COOK) and the junior Senator from Kentucky (Mr. HUDDLESTON) and other Senators whose States were involved, met with the committee and expressed their concern about the inadequacy of the $2,500 originally in the committee proposal and requested

we raise the amount. The full committee did increase the grant from $2,500 to $5,000, because of their concerns expressed on behalf of their constituents.

Mr. ALLEN. Mr. President, will the Senator from North Dakota yield?

Mr. BURDICK. I yield.

Mr. ALLEN. I commend the chairman of the Public Works Committee (Mr. RANDOLPH), the chairman of the subcommittee (Mr. BURDICK), the Senator from New Mexico (Mr. DOMENICI), and the other members of the subcommittee for the fine work they have put into this bill, and for the deep concern and compassion that they have exhibited in connection with the tragedy that struck Alabama and a number of other States of the Union. They went immediately to the disaster area and saw the conditions firsthand, and other Senators have come back and reported on the needs of their States and the citizens of their States.

Alabama was perhaps the hardest hit of any of the States. At least 76 of our people lost their lives. Actually, representing the people of Alabama, it would be very pleasing to me if the amendment offered by the Senator from Kentucky might become the law of the land. But the committee is recommending the $5,000 grant to those in need, to be shared by the States on a 3-to-1 matching basis, and to be administered by the States.

It would seem to me that this is going to eliminate a lot of redtape and a lot of unjustified claims, and is going to cause the grants to be made on the basis of the needs of our people. It seems to me that it is equitable indeed; and I appreciate the willingness of the subcommittee and the full committee to go along with the increase from $2,500 up to $5,000. I think this will serve a great purpose in alleviating the hardships of the people of our area and the people of the country who have been struck by this disaster.

I commend the majority leader and all of the Senators for allowing this matter to come up at this time, in the midst of the debate on the campaign bill under the cloture proceedings. I feel that it deserves the support of the Senate; and we hope that the House of Representatives will quickly go along with the Senate bill.

I would hope that the distinguished Senator from Kentucky would be satisfied with the grant provision of the bill. It has a better chance of becoming law, it seems to me, than does the amendment of the Senator from Kentucky, because while the President has shown great interest and concern about the plight of so many of our people, it is doubtful if he would go along with the concept of the forgiveness feature not based on need.

We want to alleviate the pain and suffering and the needs of our people, and not necessarily to provide forgiveness of the $5,000 loans to the people who do not need that forgiveness. So the subcommittee bill, it seems to the Senator from Alabama, is very fair and generous indeed, and that is the proposal which I shall support.

Mr. HUDDLESTON. Mr. President, will the Chair advise the Senator from Kentucky how much time remains on his portion?

The PRESIDING OFFICER. The Senator from Kentucky has 6 minutes remaining, and the opposition to the amendment has 5 minutes remaining.

Mr. HUDDLESTON. Will the distinguished floor manager of the bill yield on my time for some clarification as to what kind of "national criteria or standards" might be expected for the $5,000 grant provision of the committee bill?

Mr. BURDICK. Mr. President, as the Senator knows, other provisions of the bill go a long way toward taking care of housing needs, debris clearance, business losses, and so forth. This is more or less of a catch-all, where other matters are not covered.

For example, a family might lose an automobile, or they need some small repairs, or even burial expenses. There are so many things that happen in a catastrophe like this that are not covered by specific categories under the law, that there really is no limit. The only limit is what is directly attributable to and connected with the disaster. It could be clothing, medical supplies—there is no limit at all.

Mr. HUDDLESTON. Would it, for a median income family that lost its home and all that is in it, cover expenses beyond the insurance coverage and whatever costs are otherwise covered?

Mr. BURDICK. That is correct. This is not confined to the poverty level by any means. It is based on the objective appraisal of the need.

Mr. HUDDLESTON. Does the Senator have any suggestion as to how long it might take, assuming that we have legislative success with this feature, to get a grant program in operation at the local level?

Mr. BURDICK. We are advised that the administration believes this can be put into operation within a few weeks. Of course, it depends upon the cooperation of the Governors of the various States. The Governors assure us they can act promptly and speedily.

Mr. HUDDLESTON. Mr. President, I offered my original amendment because of the dire situation in which many who have suffered so greatly from this recent disaster find themselves. Just over a year ago, the victims of another disaster, primarily flooding at that time, received the benefit of the particular features I am requesting now.

Most of the damage in that case was done by flood water. A flood is a terrible thing to have happen; but flood waters do recede, and as a rule they leave buildings standing, which can be cleaned up and reoccupied again. Tornadoes often destroy entire buildings.

In this case, the situation in my State and most of the other States involved is that most of the homes that have been in the paths of these tornadoes are totally destroyed. Even what is left standing will have to be torn down and rebuilt. This is true for residences, business places, public buildings, and all types of buildings.

It seems to me that under those conditions, even though a person may have what he considers to be an adequate insurance program, it is highly unlikely that it would be sufficient to pay for tearing down, clearing away, and rebuilding to anywhere near the standards prior to the disaster.

It seemed to me that the people suffering this kind of misfortune should be entitled to whatever was available to those who, some 2 years ago, were victimized by another natural disaster. However, I try to be a practical person, and I want to do whatever is the very best I can do, not just for my people in Kentucky, but for all the people in this country who have suffered from this natural disaster or any other natural disaster.

I am well aware of the Senate action and the action of Congress a year ago that eliminated the features that I am asking now. I am well aware of the very adamant and strong opposition of the White House to these amendments, and I recognize that should they be enacted there is a possibility that the entire bill would be vetoed, thus delaying aid to those victims that we might provide now.

I recognize the highly desirable action of the committee in providing for the $5,000 grant program, but I am still hopeful that we can do something about the loan programs. I know that there may be offered here today other amendments that would adjust downward the interest rate to perhaps the 2 percent level, and I will support them. That would be some improvement.

So, recognizing these things, knowing the diligence of the committee, knowing the position of the administration, being anxious to move as quickly as we can on this legislation and to place no stumbling block, no barrier, to adequate legislation that will provide in the quickest possible time all the help possible to those who have suffered from this disaster, I ask unanimous consent, Mr. President, at this time, to withdraw my amendment, with the understanding that before final action is taken on the bill, it or one similar to it might well be reintroduced.

The PRESIDING OFFICER (Mr. HATHAWAY). Without objection, it is so ordered, and the amendment is withdrawn.

Several Senators addressed the Chair.

Mr. RANDOLPH. Mr. President, the able Senator from Tennessee, the ranking minority member of the Committee on Public Works, has determined that in the interest of expediting consideration of the amendment, rather than the speeches that would be given, the RECORD will show the documentation. Therefore, I ask unanimous consent that my remarks be printed in the RECORD as if given.

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

SENATE EMERGENCY LEGISLATION PROVIDES FOR DISASTER RELIEF

Mr. RANDOLPH. Mr. President, this legislation is considered by the Senate only a week after a series of tornadoes struck a wide area of our country.

The bill, however, is not a hurried response to the events of the past week. It is a measure that has been in preparation for more than 2 years and was in-

troduced on February 26. Refinements were made in the past week and were based to a large degree on the experience of responding to the ravage of the tornadoes.

The measure before us is a comprehensive revision of the Disaster Relief Act of 1970 which established the first permanent, standing mechanism for an immediate Federal reaction to disasters.

For more than a year our Subcommittee on Disaster Relief, under the vigorous chairmanship of the Senator from North Dakota (Mr. BURDICK) worked to develop the provisions of S. 3062. Last Thursday and Friday, Senator BURDICK, Senator DOMENICI, the ranking minority member of the subcommittee, and Senator BAKER, the ranking minority member of the full committee, visited tornado damaged areas of Tennessee, Kentucky, Indiana, and Ohio. They returned from this inspection determined to see enactment of this bill as soon as possible.

The subcommittee previously had scheduled a meeting for yesterday to consider the bill. At the morning session it was approved, and yesterday afternoon the Committee on Public Works ordered it reported to the Senate.

Earlier this week we met with Senators from States where the tornadoes struck and others, including Secretary of Housing and Urban Development, James T. Lynn, to receive comments and recommendations on the bill. Among those who contributed to our efforts was Senator BAYH, a former member of the committee. It was through his concern and leadership that the initial work of our committee in the field of disaster relief was conducted and the 1970 statute developed.

The other members of the Disaster Relief Subcommittee—Senators CLARK, BIDEN, and BUCKLEY—were conscientious in their work and made valuable contributions.

Enactment of the 1970 disaster relief law brought a significant improvement in the ability of the Federal Government to aid those individuals and communities stricken by disasters. No longer must we introduce new bills each time a disaster strikes. A wide variety of Federal assistance programs, and the administrative machinery to deliver them, is available when the President issues a disaster declaration.

Nearly 4 years of experience with the act have permitted us to see its provisions applied in various kinds of disasters—floods, fires, tornadoes, and earthquakes. This experience has shown us where improvements can be made so that the right kind of assistance is delivered where it is needed without undue delay or complications.

This bill, S. 3062, is built on the base of the earlier legislation. I believe its provisions will greatly improve our ability to serve those who suffer hardship resulting from disaster.

Response to disasters consists of two phases: The rescue and relief that must take place immediately to alleviate human suffering and hold communities together and the long-range recovery to rebuild communities.

Title V of the bill contains new tools to carry out the reconstruction necessary in the aftermath of a disaster. This portion of S. 3062 establishes a new, long-range recovery program and authorizes a revolving fund of $200 million for grants and loans to disaster areas. An important feature of this program is that it maintains a Federal presence in the disaster area during rebuilding activities. While emphasis is placed on reconstruction decisionmaking at the local level, the Federal Government will be on hand to coordinate the many aspects of rebuilding disaster-ravaged areas.

The need for a coordinated approach to recovery has been evident in the 2 years since the Buffalo Creek flood in West Virginia in which 125 people died and whole communities were wiped out. Rebuilding the Buffalo Creek Valley has not been carried out as smoothly as it should have for the benefit of the people who live there.

This is not the fault of any individual or group, but results, I believe, from the absence of a unified approach to building such things as housing, water and sewer systems, roads, and schools.

The difficult problem of repairing or rebuilding certain community facilities also is dealt with in this measure. Section 402 offers restoration for public educational and recreational facilities and private, nonprofit medical and educational facilities, as well as other types of public facilities. They may receive 100-percent grants to repair and reconstruct facilities damaged by major disasters. State and local governments may elect to be awarded grants with greater flexibility as to rebuilding or consolidation of facilities with funding based on 90 percent of rebuilding everything.

In some instances the regular disaster relief available to individuals may be inadequate. This can occur because of the extent of the loss or, more frequently, because some people simply do not have or have lost the personal resources to pay their share of extraordinary costs.

To alleviate these situations, section 408 of the bill authorizes extraordinary disaster expense grants. This program is administered by the States to provide financial assistance to disaster victims in need.

In addition to the physical and financial consequences of disasters, the mental health of many victims is often impaired. This can be one of the most tragic and lingering results. It is likewise one of the most difficult to resolve.

Again, I turn to the Buffalo Creek flood in West Virginia where many people are still undergoing psychological counseling more than 2 years after the tragic day when the waters roared down that narrow valley.

If we restore homes and jobs we have still done an incomplete job if we fail to relieve the fears and anxieties that can affect the lives of victims for years. To provide a full range of services during and after disasters, the bill provides for professional crisis counseling services. Financial aid for this work is authorized for State or local agencies or private mental health organizations. The bill also makes possible the training of disaster workers so that they can deal immediately with problems they encounter in the pursuit of their other duties.

There are circumstances in which the full disaster relief effort is not needed. These could be, for instance, floods in which there must be rescue or relief operations of short duration but which do not require long-term rehabilitation.

To provide the assistance needed in these cases, the bill for the first time differentiates between major disasters and emergencies of lesser impact.

Disasters often bring with them the loss of the employment sources. This can place severe hardship on indviduals or entire communities for extended periods of time. Regular assistance for the unemployed can be inadequate to meet this need.

The bill recognizes this condition by expanding the scope of aid to those whose jobs have been terminated, either temporarily or permanently, by a disaster. When they have exhausted their eligibility for regular unemployment benefits, they can continue to receive payments as long as disaster unemployment lasts or until they are reemployed.

Mr. President, this is legislation that has been carefully considered at both the subcommittee and committee levels. I have discussed only a few of its major provisions to supplement the detailed description of the bill by Senator BURDICK.

As a total package it represents what we of the Committee on Public Works believe to be a well-reasoned refinement of the Federal disaster relief program. Members of the Senate are fully cognizant of last week's tornadoes and the personal hardship and community disruption they caused.

Many communities in many States, therefore, could make immediate use of the expanded assistance authorized in this legislation. The bill addresses itself to the full range of disaster relief in a realistic manner. There must be, then, no protracted delay in bringing this measure into law. For this reason, members of the committee believe that the Senate should pass S. 3062 as reported, without amendments.

I have already called attention to the contributions to this legislation by members of the Subcommittee on Disaster Relief. The remaining members of the Committee on Public Works have been equally diligent in their attention to this bill and the program it is intended to strenghen. I am appreciative of the interest and participation of Senators MUSKIE, MONTOYA, GRAVEL, BENTSEN, STAFFORD, WILLIAM L. SCOTT of Virginia, and MCCLURE.

We are also indebted to the committee staff for the excellent support it has given us in developing this legislation on a complex subject and in bringing it to the Senate expeditiously.

Particular mention must be made of the experience and knowledge of Clark F. Norton who has been deeply concerned with disaster relief legislation for 9 years. He was a member of Senator

BAYH's staff when tornadoes struck in Indiana on Palm Sunday of 1965 and has carried the major Senate staff responsibility for disaster relief since that time.

Important staff contributions to this measure also were made by Philip T. Cummings, Judy Parente, M. Barry Meyer, Bailey Guard, John W. Yago, Paul Ebeltoft, E. Steven Swain, and Margie Powell.

Mr. President, this is legislation that is needed immediately to help relieve conditions that came about just a few days ago. I strongly urge the Senate to approve S. 3062.

Mr. AIKEN. Mr. President, I send to the desk an amendment and ask that it be stated. It is cosponsored by Senators DOLE, JOHNSTON, and my colleague, Mr. STAFFORD.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 102, line 16, strike out the period and insert in lieu thereof a comma and the following: "except that section 408 shall take effect as of April 20, 1973."

Mr. AIKEN. Mr. President, I can certainly understand the desire of the managers of S. 3062, the Disaster Relief Act Amendments of 1974, to expedite this legislation. I am in favor of giving relief to the victims of tornadoes as fast as we possibly can.

I note that section 408 establishes an extraordinary disaster expense program.

As I understand it, the President is authorized to make grants to States for financial assistance not in excess of $5,000 to families adversely affected by a major disaster who are unable to meet the extraordinary disaster expenses.

Further, I understand that the grants to the States cannot exceed 75 percent of the actual cost and that the States will put up the remaining 25 percent.

I further note that the effective date of S. 3062 is April 1, 1974.

I would like to call to the attention of the managers of the bill a serious inequity that this causes not only for the State of Vermont, but for people living in some 46 other major Presidential disaster areas.

The problem is this:

On April 20, 1973, Public Law 93-24 was enacted.

This repealed the authority for $5,000 forgiveness for Small Business Administration loans and Farmers Home Administration emergency loans, and the 1-percent interest rate for those loans that were not forgiven.

The new law provided that for disasters occurring after April 20, 1973, there would be no SBA or FHA grants, but only loans at a 5-percent interest rate.

I would call to the attention of the managers of the bill that between April 20, 1973, and April 1, 1974, there were 47 presidentially declared disaster areas, including almost all of the States in the Union—as I say, some 38 States, where people lost their homes, where they lost everything, where they did not have the money to recover those losses and be able to set up their homes again.

I fully understand that the new extraordinary disaster expense grants are much more limited than the old law which allowed the SBA and FHA to make grants up to $5,000.

I do not feel that at this time it would be wise to try to reinstate the old $5,000 FHA-SBA disaster grant program. That is what the President vetoed. The President did not veto that proposal to be unfair to the people who lived over the State boundaries from those who lost their homes to tornado damage.

However, it is only fair that since the Committee on Public Works saw fit to make the extraordinary disaster expense grants retroactive to April 1 of this year to cover the victims of the recent tornadoes, that we should make section 408 retroactive to April 20, 1973, to make them available to those qualified people who were victims of disasters occurring between April 20, 1973 and April 1, 1974.

I would further call to the attention of this body that the Governor of Vermont just last week signed into law a bill creating a $650,000 State fund to be available for hardship cases resulting from the Vermont flood disaster.

The State of Vermont was declared a Presidential disaster area after the July 1, 1973 flood, with the total damage estimated at $75 million. Some people lost their homes and all their belongings in that flood, and they have not been able to recover since. They have been waiting for this Congress to be fair, for the Federal Government to do what they expected the Federal Government would do last year.

Therefore, I have called up my amendment and will ask for the yeas and nays on it.

The amendment would make retroactive to April 20, 1973, only section 408 of the pending legislation.

For the sake of elementary fairness to all concerned, I urge its approval.

I might point out that the States this bill would discriminate against includes all the New England States and New York, New Jersey, Pennsylvania, West Virginia, Kentucky, Tennessee, Florida, Alabama, Georgia, North Carolina, Illinois, Wisconsin, Louisiana, Arkansas, New Mexico, Texas, Oklahoma—Oklahoma has been declared a disaster area four times and Louisiana twice, the last one being declared in February of this year.

The list goes on to Kansas, Iowa, Nebraska, Missouri, Colorado—three times for Colorado—Montana, Hawaii, California, Alaska, Oregon, Washington, and Idaho—and others where people lost their homes as completely as if they had been swept away by the recent wave of tornadoes.

I am going to ask for the yeas and nays, but if I have some time left, I yield now to the Senator from Louisiana (Mr. JOHNSTON).

Mr. JOHNSTON. Mr. President, I thank the Senator from Vermont for yielding me this time. The Senator referred to the disasters in Louisiana having occurred in February. On March 20, 1974, just 10 days before the effective date of this act, a tornado struck Natchitoches, La., and inflicted over $2 million worth of damage and rendered some 65 families homeless. It struck the poorest section of the town and damaged 100 additional homes. It is incredible that only one death could be attributed to that tornado. But the point is, and I ask this in the form of a question both to the distinguished Senator from Vermont (Mr. AIKEN) and the distinguished floor manager of this bill, how can we distinguish between two tornadoes that struck 10 days apart and both of which did total damage to homes, and say that one is covered and one is not? I think that the amendment of the Senator from Vermont addresses itself to that problem.

Mr. AIKEN. I could not distinguish between tornadoes, one of which struck on the last week of March and another the first week in April, but apparently the committee can.

Mr. JOHNSTON. I understand the problem of the committee. It had to draw an arbitrary line, but the line drawn by the Senator from Vermont is a better line and more fairly drawn and at a more appropriate time, April 1—which happens to be April Fools' Day.

Mr. AIKEN. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. AIKEN. Mr. President, if I have any time left, I should like to yield briefly to the distinguished Senator from Vermont (Mr. STAFFORD).

Mr. BURDICK. Mr. President, one thing seems to be overlooked in the fine statement just made by the distinguished Senator from Vermont and others who preceded me, and that they seem to believe there is no legislation on the books. We are operating now under the Disaster Relief Act of 1970. It is in full force and effect. We were told, so to speak, to update and revise that act. We were acting prospectively. We were not acting in any manner different from that. So when we introduced this bill on February 28, we were dealing prospectively.

I can see now that we can get into all sorts of trouble by trying to fix a retroactive date. I am certain there are some dates that might go beyond those mentioned by the speakers a few minutes ago.

Bear in mind that we have a Disaster Relief Act on the books now. It gives all sorts of remedies to various people. We are trying to upgrade this and act prospectively. We had to start with some date. As a matter of fact, our executive hearing was set for April 2. We could have used April 2 if we had wished. We have to start with some date. I am afraid we are going to face all sorts of troubles if we are going to date this legislation backward.

Mr. STAFFORD. Mr. President, will the Senator yield?

Mr. AIKEN. I yield 2 minutes to the Senator.

Mr. STAFFORD. I thank my distinguished senior colleague for yielding.

Mr. President, I have joined as a sponsor of the amendment with the distinguished senior Senator from Vermont (Mr. AIKEN) because I am convinced of the merit of the amendment. I am in complete sympathy with the view of my fellow members of the Committee on Public Works that there is a danger that

this bill may become a Christmas tree proposal if amendments are accepted from the floor. However, I am convinced this amendment deserves to be the exception to the rule. Indeed, I am convinced that the full Committee on Public Works could have been persuaded to accept this amendment had it been presented to the committee before it gave its favorable report to the bill. The bill was moved out of committee with speed—and deservedly so—in response to the recent tornado disasters. As my senior colleague (Mr. AIKEN) has noted, 35 States will lose appropriate and deserved assistance unless this amendment is approved.

I hope the amendment will be adopted by the Senate.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield 3 minutes to the Senator.

Mr. DOLE. Mr. President, I thank the distinguished senior Senator from Vermont not only for yielding but also for permitting me to cosponsor the amendment.

I would say at the outset, as a former member of the Committee on Public Works, that I understand the great constraints the committee is under. I have great respect for the distinguished chairman, the Senator from West Virginia, and the members of the subcommittee.

The same problem arose when I was a member of that committee and a member of the Disaster Subcommittee. It does appear that now we have reached some agreement based on need. I think that the fault with the provision after Hurricane Agnes and the experience in Pennsylvania, which cost in excess of $1 billion—based not on need but on the indiscriminate handing out of $5,000 at a time—has been corrected by the committee, and I applaud that action.

I share the view, however, expressed by the distinguished Senator from Vermont. There is a gap existing of about 12 months. That gap happened to affect the State of Kansas, as it did many other States. All the Senator from Vermont wishes to have is equity, fairness, and justice. If there are those in need in Vermont, Maine, West Virginia, North Dakota, New Mexico, Kansas, or any other State, they should have a chance to participate under the new provision.

Therefore, I am pleased to cosponsor the amendment, and I trust that it will be adopted.

Mr. AIKEN. Mr. President, may I add, finally, that among the States that would be discriminated against which have recently been declared disaster areas are Oregon, Washington, Idaho, California, Montana, and West Virginia, where disaster areas were declared on January 29 of this year; then there was Louisiana this year, and a few weeks ago, on March 22, Oklahoma.

I ask unanimous consent to have printed in the RECORD this list of the States which would be discriminated against by the passage of this bill without the amendment I offer. It includes Maine and New Hampshire, which have had disaster areas declared this year and cannot get the extraordinary disaster expense grants assistance which is provided in this bill for those who had unfortunate disasters after April 1.

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

RECORD OF DISASTERS AND DATES DECLARED BETWEEN APRIL 24, 1973, AND APRIL 1, 1974

REGION I

Maine, May 23, 1973.
Vermont, July 6, 1973.
New Hampshire, July 11, 1973.
Massachusetts, October 16, 1973.
Maine, January 18, 1974.
New Hampshire, January 21, 1974.

REGION II

New York, July 20, 1973.
New Jersey, August 7, 1973.

REGION III

Pennsylvania, July 17, 1973.
West Virginia, January 29, 1974.

REGION IV

Kentucky, May 11, 1973.
Tennessee, May 11, 1973.
Florida, May 26, 1973.
Alabama, May 29, 1973.
Georgia, June 11, 1973.
North Carolina, June 25, 1973.
Tennessee, June 28, 1973.

REGION V

Illinois, April 26, 1973.
Wisconsin, April 27, 1973.
Ohio, April 27, 1973.
Ohio, June 4, 1973.

REGION VI

Louisiana, April 27, 1973.
Arkansas, April 27, 1973.
New Mexico, May 11, 1973.
Arkansas, May 29, 1973.
Oklahoma, June 13, 1973.
Texas, June 25, 1973.
Texas, July 11, 1973.
Oklahoma, October 13, 1973.
Oklahoma, December 10, 1973.
Louisiana, February 23, 1974.
Oklahoma, March 22, 1974.

REGION VII

Kansas, May 2, 1973.
Iowa, May 23, 1973.
Kansas, September 28, 1973.
Nebraska, October 20, 1973.
Missouri, November 1, 1973.

REGION VIII

Colorado, May 8, 1973.
Colorado, May 23, 1973.
Colorado, July 6, 1973.
Montana, January 29, 1974.

REGION IX

Hawaii, May 16, 1973.
California, January 25, 1974.

REGION X

Alaska, November 7, 1973.
Oregon, January 25, 1974.
Washington, January 25, 1974.
Idaho, January 25, 1974.
Total of 47 Presidential Disaster Areas.
Total number of SBA home loans expected for these disasters, 27,463.

Mr. DOMENICI. Mr. President, as ranking member of this subcommittee, I rise in opposition to the amendment.

The Senator from Kansas, as he looked over the list of States experiencing disasters since April 1973 did notice the State of New Mexico and quite aptly reminded me of that.

I would say, however, that we have a bill that, first of all, demands some urgency. Second, without question, it demands, in my opinion, that the President of the United States sign it.

There is another consideration. All these disasters have occurred at a point in time. I am not familiar with everyone's legislative proposals, but it seems to me that until this bill came to the floor with this particular proposal, there has been little or no effort to reinstate the $5,000 or other grant provisions to take its place.

I say this because I think it is true, but in no way because I do not want to be fair to people who have been victimized by disasters. I believe that my conduct and support of this bill for the year that we have investigated improvements in disaster relief laws indicates to the contrary. Every time we pass legislation such as this, we have to draw a line. Historically in our country, when we pass social legislation dealing with anything from welfare to social security, we always have the problem of drawing the line. "If it were not age 60, I could qualify for social security." I believe the same is true in criminal law.

I think there is danger with a new provision, which is as yet untried, on which we are asking expeditious implementation by the administration. There is some danger in trying to go back and figure out how to apply it to cases occuring 9 or 10 months ago.

I believe the decision to make the bill effective April 1 and apply prospectively is a good one. I do not say that this amendment is not meritorious, but I believe that we take real risks when we start with one part of this bill and make it retroactive. Why not all the other provisions? Why not title V and all the other provisions we have added? I submit that it is not because we do not have sympathy, not because we do not want to be fair; but we were charged with improving the existing law and I believe we have.

I respect the opinions of those Senators who support this amendment, but I must oppose this amendment, based upon the efforts of the Public Works Committee to this point and my understanding of what might be the result of opening a Pandora's box.

Mr. AIKEN. Mr. President, I have one question to ask of the committee members.

Is the family of Maine or Montana or West Virginia or Vermont or New York or Ohio who lost their home and belongings last summer—perhaps October, November, January, or March of this year—any less in need than the family who lost all their belongings after April 1? I think the vote on this amendment is going to be as complete a vote on the fairness of the Senate as we could ask for.

Mr. BURDICK. Mr. President, the able Senator from Vermont has asked a question.

Bear in mind that the present law takes care of homes, takes care of businesses, and takes care of public facilities and other things. The section that the Senator from Vermont is attempting to amend is section 408. That deals with extraordinary expenses, based on need. How is it possible, after 12 or 13 months has gone by, to assess what those extraordinary expenses are?

The victims to whom the Senator from Vermont refers have all the benefits of the Disaster Relief Act of 1970. This is a new section dealing with the extraordinary expenses. How does one determine after the fact what those extraordinary expenses were at the time of the disaster?

Mr. AIKEN. Mr. President, the victims in the States that the committee now proposes not to include were supposedly covered last year by the bill which was vetoed by the President in November because it went too far. The provisions which the President vetoed are not included in this bill. I am sure if President Nixon feels that this bill is fair to the people who lost everything after April 1, that it is also fair to those who lost everything in March or in previous months when they were depending upon Federal assistance that did not materialize because of the veto, and that the President probably had far better reason to veto that measure than this measure.

Mr. BURDICK. I am pointing out that from a practical approach it would be difficult to go back 12 months.

Mr. AIKEN. It is not difficult. The records are there. I shall vote for the bill. I am for the victims of the tornado disaster probably as much as any Member of Congress, but I am also for being fair.

Mr. BURDICK. I am trying to get a bill through that will do some good for these people and that will become law.

Mr. President, I move to lay on the table the amendment of the Senator from Vermont.

The PRESIDING OFFICER. The motion is not in order until all time has expired or been yielded back.

Mr. AIKEN. Mr. President, I ask Members of the Senate to vote no if they believe in fairness.

The PRESIDING OFFICER. The distinguished Senator from Vermont has 2 minutes remaining.

Mr. AIKEN. I yield back my time. Let us start finding out now.

Mr. BURDICK. I move to lay on the table the amendment of the Senator from Vermont.

Mr. BAKER. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Vermont. The yeas and nays have been ordered, the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), and the Senator from Ohio (Mr. METZENBAUM) are necessarily absent.

Mr. HUGH SCOTT. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), and the Senator from Maryland (Mr. MATHIAS) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 49, nays 40, as follows:

[No. 132 Leg.]

YEAS—49

Abourezk	Eastland	Moss
Baker	Ervin	Muskie
Bayh	Fannin	Nelson
Bentsen	Fulbright	Pell
Bible	Gravel	Percy
Biden	Gurney	Proxmire
Brock	Hart	Randolph
Buckley	Hartke	Roth
Burdick	Haskell	Sparkman
Byrd, Harry F., Jr.	Helms	Stennis
	Hruska	Stevens
Cannon	Humphrey	Symington
Chiles	Magnuson	Taft
Clark	McClure	Tower
Cook	McGovern	Tunney
Cranston	Mondale	Weicker
Domenici	Montoya	

NAYS—40

Aiken	Hansen	Packwood
Allen	Hatfield	Pastore
Bartlett	Hathaway	Pearson
Beall	Hollings	Ribicoff
Bellmon	Huddleston	Schweiker
Bennett	Jackson	Scott, Hugh
Brooke	Javits	Stafford
Byrd, Robert C.	Johnston	Stevenson
Case	Kennedy	Talmadge
Cotton	Mansfield	Thurmond
Curtis	McClellan	Williams
Dole	McIntyre	Young
Dominick	Metcalf	
Eagleton	Nunn	

NOT VOTING—11

Church	Hughes	McGee
Fong	Inouye	Metzenbaum
Goldwater	Long	Scott, William L.
Griffin	Mathias	

So the motion to lay on the table the amendment of the Senator from Vermont (Mr. AIKEN) was agreed to.

Mr. BURDICK. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. DOMENICI moved to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that, notwithstanding the order of business, I may speak for 1 minute.

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

SWEARING IN TOMORROW OF JOHN WARNER AS NEW CHAIRMAN OF THE BICENTENNIAL COMMISSION

Mr. HUGH SCOTT. Mr. President, I would like to announce that at 11:45 a.m. tomorrow the new Chairman of the Bicentennial Commission, the retiring Secretary of the Navy, Mr. John Warner, will be sworn in on the House steps of the Capitol by the Vice President, and this is being done at the request of the chairman, in order to evidence his objective and the objective of the administration of the commission to work closely and jointly with the legislative and executive branches of the Government in the planning and execution of the bicentennial program.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the concurrent resolution (H. Con. Res. 475) providing for a conditional adjournment of the House from April 11 until April 22, 1974, in which it requests the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the amendment of the House to the bill (S. 1745) to provide financial assistance for research activities for the study of sudden infant death syndrome, and for other purposes.

DISASTER RELIEF ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3062) entitled the "Disaster Relief Act Amendments of 1974."

Mr. EAGLETON. Mr. President, I have an amendment at the desk. I ask that it be stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk proceeded to state the amendment.

Mr. EAGLETON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of the bill, add the following:

TITLE VII—TEMPORARY EMERGENCY PROGRAM DISASTER LOAN INTEREST RATES

SEC. 701. Notwithstanding any other provision of law, any disaster loan made in connection with a major flood disaster determined pursuant to the Disaster Relief Act of 1970 or this Act to which this title applies shall bear interest at a rate of 1 per centum per annum.

APPLICABILITY

SEC. 702. The provisions of this title apply only if—

(1) the major disaster results from a flood which occurs after the date of enactment of this title, but prior to the date on which flood insurance under the National Flood Insurance Act of 1968 is made available to the community in which the property with respect to which the loan is made is located;

(2) the property with respect to which the loan is made was situated in an area determined to have special flood hazards; and

(3) the property is located in a community which the Secretary of Housing and Urban Development determines is making a good faith effort toward participation in the flood insurance program under the National Flood Insurance Act of 1968.

TERMINATION

SEC. 703. The provisions of this title shall be effective until July 1, 1975.

Mr. EAGLETON. Mr. President, I fully support the bill now pending before the Senate. I fully recognize that it provides disaster relief for all disasters, not only for floods.

Nevertheless, there remains an urgent flood disaster program, which I should like to bring to the attention of the floor manager of the bill, and which is the subject of an amendment which I have sent to the desk.

My amendment is analogous to the

amendment of the distinguished Senator from Kentucky (Mr. HUDDLESTON) but is distinguishable in two very important and specific details.

My amendment would provide a transitional low-interest loan program for communities that have been unable to qualify for Federal flood insurance for reasons beyond their immediate control. In many cases, that reason is the lack of statutory authority to make the zoning changes required as a condition for qualifying under the flood insurance program. As an example of this problem, I want to read into the RECORD a letter from the County Court of Ste. Genevieve County, Mo. We have received dozens of additional letters of a similar type. This letter reads:

CLERK OF THE COUNTY COURT,
Ste. Genevieve, Mo., February 20, 1974.

Senator THOMAS F. EAGLETON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR EAGLETON: With memories of last spring's devastating floods still fresh in the minds of Ste. Genevieve County residents, the victims of that disaster are again hearing forecasts of possible similar flooding this spring.

While the cities of Ste. Genevieve and St. Marys are already qualified for the Flood Insurance Program, and the federally-subsidized insurance is available to those city residents who want it, the County Court has been, thus far, unable to make such insurance available to rural residents in flood prone areas.

The County Court, through the Southeast Missouri Regional Planning Commission, submitted an application for the insurance on December 31st, 1973, but has been informed by various sources that the county cannot qualify since it does not have the authority to adopt a Land Use Plan as required by the Department of Housing and Urban Development. Meanwhile, the spring flood season draws closer and closer and those persons whose property is subject to flooding are justifiably calling for the Federal Flood Insurance protection.

We trust you understand the plight of our county, and the many others like ours, which cannot qualify for this much needed program. The County Court respectfully asks any assistance you might be able to provide through your office.

House Bill 1366, introduced in the Missouri General Assembly, which provides for the establishment of minimum planning and zoning requirements, is the authority needed by the counties for the flood insurance qualification; however, we understand its fate is uncertain.

The Ste. Genevieve County Court thanks you for your consideration in this very important matter.

RAYMOND B. DONZE,
Presiding Judge.
ART SCHWENT,
Associate Judge, 1st District.
WILLIAM GRAVES,
Associate Judge, 2nd District.

I have before me a State-by-State breakdown of the number of communities eligible for flood insurance and the number of those that have in fact been accepted into the program. Nationwide, the number of eligible communities is approximately 16,000 As of April 10, according to the Federal Insurance Administration, only about 3,400 had actually been accepted into the flood insurance program. I ask unanimous consent that this listing be printed in the RECORD.

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

COMMUNITIES PARTICIPATING IN THE NATIONAL FLOOD INSURANCE PROGRAM AS OF APR. 10, 1974

State	Number of flood-prone areas	Communities accepted
Alabama	300	32
Alaska	122	6
Arizona	74	14
Arkansas	290	15
California	432	149
Colorado	199	38
Connecticut	134	71
Delaware	53	10
Florida	322	137
Georgia	234	71
Hawaii	4	4
Idaho	141	7
Illinois	786	144
Indiana	317	35
Iowa	297	26
Kansas	370	20
Kentucky	230	27
Louisiana	252	122
Maine	189	8
Maryland	126	40
Massachusetts	351	99
Michigan	246	162
Minnesota	591	107
Mississippi	236	89
Missouri	456	103
Montana	84	3
Nebraska	241	17
Nevada	27	3
New Hampshire	167	6
New Jersey	507	252
New Mexico	85	6
New York	1,024	209
North Carolina	287	81
North Dakota	148	16
Ohio	66	65
Oklahoma	252	22
Oregon	272	41
Pennsylvania	2,109	636
Puerto Rico	1	1
Rhode Island	38	26
South Carolina	198	42
South Dakota	90	11
Tennessee	205	48
Texas	1,041	158
Utah	192	2
Vermont	307	19
Virginia	228	37
Washington	244	37
West Virginia	225	11
Wisconsin	528	130
Wyoming	57	5
Total	15,971	3,488

Source: Department of Housing and Urban Development, Federal Insurance Administration.

Mr. EAGLETON. Mr. President, I am certain that many reasons are involved in the disappointing participation of communities in flood insurance programs thus far. I am sure some communities are simply reluctant to make the required zoning changes. Others, while they could today be accepted into the program have simply not gotten around to it.

None of the communities in these categories would qualify under my amendment for low-interest loans. Only those communities which are making a good faith effort to become qualified but for some reason beyond their control—lack of legal authority to make zoning changes, as an example—would be qualified for the transitional low-interest loans.

The clear advantages of the flood insurance program over any loan program make it highly unlikely that my amendment would act in any way as a disincentive for communities to apply for flood insurance.

What my amendment will do is to insure the equitable treatment of communities which want to apply but cannot qualify for flood insurance prior to the advent of floods this spring or fall.

I take note of the administration's opposition to my amendment on the general philosophical grounds that flood insurance protection is more equitable than a disaster loan program. I do not disagree with that view and I supported passage of the Flood Insurance Act.

My amendment has nothing at all to do with the decision to move from dependence on disaster assistance loans to subsidized flood insurance. It merely seeks to meet an unanticipated problem which arose after enactment of the flood insurance legislation. It provides a decent interval so that communities which want to make the transfer to flood insurance but cannot are provided with some relief.

Mr. President, let me summarize. There is no $5,000 forgiveness provision in the amendment now pending before the Senate. It is a low-interest, 1-percent loan program completely. It would not apply to every area that might be affected by disaster, be it wind, tornado, flood, or other disaster. The only areas that would qualify under my amendment would be those areas which have made a good-faith, sincere effort to obtain flood insurance, but because of some good reason beyond their control are prevented from obtaining such insurance.

I should like to point out some figures from a statistical tabulation. For instance, in my own State of Missouri, there are 456 flood-prone areas, and only 103, thus far, have been able to qualify for flood insurance—about one-fifth of them are basically unprotected.

I notice that the State of Kansas has 370 flood-prone areas, but only 20 areas in Kansas have been able to qualify, thus far, for flood insurance.

Colorado has 199 flood-prone areas, but only 38 of those communities have applied for and been accepted into the program.

In West Virginia, here are 225 flood-prone areas; yet only 11 communities out of West Virginia's 225 have flood insurance.

So far as North Dakota is concerned, there are 148 flood-prone areas; yet only 16, at present, have flood insurance.

New Mexico—and New Mexico is a dry area—has only 85 flood-prone areas, and six of New Mexico's communities have qualified at the present time for insurance.

So what I am saying in essence is that there is a gap, even if communities decide flood insurance is the way to go. I wish that every flood-prone area in the country had flood insurance today. If they had it, they would be in excellent shape. There would be no need for an amendment such as mine, and they would be in as good shape as they could be under potentially disastrous circumstances. In the meantime, there has to be some type of intermediate relief to afford some protection for those communities which want the insurance but which, for some of the reasons I have stated, cannot qualify.

That type of interim relief is provided by this amendment, which would, as I said, provide low-interest loans with no forgiveness provision. There also would

be a terminal time on my amendment, it would expire on July 1, 1975.

Mr. President, I reserve the remainder of my time.

Mr. BURDICK. Mr. President, I rise in opposition to the amendment of the Senator from Missouri.

First of all, it actually adds a new section to the bill. It does not amend any particular section, and it deals only with losses through floods.

It is a proposal to provide for 1 percent interest disaster loans, which of course runs counter to the theory of the bill before us today.

The proposal has the firm opposition of the administration. I shall read a portion of the letter that was sent to the chairman of the Committee on Banking, Housing, and Urban Affairs by Robert R. Elliott, Acting General Counsel of Housing and Urban Development. Quoting from the letter:

This bill would make 1% interest disaster loans available to victims of flood disasters in communities where their property was located in an identified special flood hazard area.

The Administration continues to be opposed to the concept of Federally subsidized, low-interest disaster loans. Such loans are indiscriminate, inequitable, and apply without regard to economic need. Indeed, they benefit the well-to-do more than the needy.

Mr. President, I ask unanimous consent that the letter from Acting General Counsel Robert R. Elliott of the Department of Housing and Urban Development, from which I have quoted, be printed in the RECORD.

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

GENERAL COUNSEL OF HOUSING
AND URBAN DEVELOPMENT,
Washington, D.C., April 9, 1974.

Hon. JOHN SPARKMAN,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR CHAIRMAN SPARKMAN: This replies to your request for our views on S. 3005, a bill "To provide for a transitional disaster relief program in connection with floods in areas having special flood hazards prior to the time when flood insurance under the National Flood Insurance Act of 1968, as amended, is available."

This bill would make 1% interest disaster loans available to victims of flood disasters in communities where their property was located in an identified special flood hazard area.

The Administration continues to be opposed to the concept of Federally subsidized, low-interest disaster loans. Such loans are indiscriminate, inequitable, and apply without regard to economic need. Indeed, they benefit the well-to-do more than the needy.

Moreover, this Department believes that low-interest loans have proved ineffectual and counterproductive in that they discourage property owners and communities from protecting themselves against the ravages of natural disasters. The Congress, in enacting the Flood Disaster Protection Act of 1973, Public Law 92-234, which was favorably reported by your Committee only last fall and signed into law by the President on December 31, 1973, recognized that insurance protection offers a more desirable approach to the protection of property than such loans do. Flood and other insurance offer property owners rapid indemnification for their losses, with a minimum of red-tape. Further, the National Flood Insurance Program requires, as a condition to the availability of flood insurance protection in a community, that the community take action to protect against and reduce future losses. It would be most unfortunate if the Committee were at this point to undercut the sound approach of the Flood Disaster Protection Act of 1973 by favorably considering a proposal which would be extremely damaging to the accomplishment of the purposes of that Act.

The Office of Management and Budget has advised it has no objection to the presentation of this report from the standpoint of the program of the President.

Sincerely,

ROBERT R. ELLIOTT,
Acting General Counsel.

Mr. BURDICK. Based on the history of the legislation particularly a year ago, we know that we faced strong opposition then from the administration. But I might add that even flood control victims will have the benefit of the present act. The $5,000 grant that has been referred to in S. 3062 will apply to any type of victim of wind, flood, tornado, or whatever it is. Flood victims will also share in the benefits of the bill.

For those reasons, I oppose the amendment.

The PRESIDING OFFICER. Who yield time?

Mr. TAFT. Mr. President, will the Senator from New Mexico yield me 10 minutes?

Mr. DOMENICI. I will be delighted.

The PRESIDING OFFICER. On the bill, or on the amendment?

Mr. TAFT. Is there an amendment before the Senate?

Mr. DOMENICI. Yes.

Mr. TAFT. I do not desire recognition at this time.

Mr. EAGLETON. Mr. President, does anyone else wish to speak on the amendment?

If not, in the light of the opposition of the floor manager of the bill—and I take it that tacitly the ranking Republican member of the committee is likewise opposed—and in the light of the debate on the previous amendment, I shall withdraw my amendment with considerable reluctance. However, before doing so officially, I wish to state that I think we are making a mistake in not facing up to the fact that there is this significant gap between where communities want to be and where we are.

Where we want to be is completely covered by flood insurance, but we are not at that point. We are only about 20 percent, or perhaps 25 percent, at the most, of the way along that road. And while trying to arrive at the very desirable and attractive ultimate goal, so that every flood-prone community would have flood insurance, I think we should have an interim disaster assistance program of the type I have envisioned.

It is not new or novel. Up until April 20, 1973, not only was a 1 percent loan available, but it also had a $5,000 forgiveness provision. That was the law in effect as of that time, almost exactly a year ago today, April 20, 1973. So there is nothing new, fantastic, or innovative insofar as this proposal is concerned.

Nevertheless, I know it is opposed as an amendment to this particular bill by the administration and by the manager of the bill and the ranking Republican member. Thus I can see, as one would say, the handwriting on the wall. But that will be of small comfort, this spring in Missouri, Iowa, Kansas, Mississippi, and all up and down the Missouri-Mississippi River system, where just a year ago at this time there was enormous flooding, causing millions of dollars in damage. It will be of small comfort to 80 percent of those communities when they are told, on the arrival of the bad floods, if they have them again this spring—and it is about a 50–50 proposition—"You know, you should have been working your way toward flood insurance."

We know of communities such as Sainte Genevieve County which wanted to get flood insurance but were unable to get it because of no fault of their own.

How can we say to these communities: "Well, we are sorry about that, fellows. We are sorry about the law, and that Congress did not see fit to give you relief according to what had been the law up until April 20, 1973. We hope that by the time you are flooded out for the third time, perhaps in 1975, HUD will work something out with you and you can have insurance. We hope this is of great relief to you as you sit in your rowboat above your house."

But that apparently is the current viewpoint and the current concern, which distresses me very much.

So, Mr. President, it is with concern and reluctance that I will not press the pending amendment at this time, but will continue to work for its enactment as a separate bill.

The PRESIDING OFFICER. Who yields time?

Mr. BURDICK. Mr. President, I just want to say to my distinguished friend from Missouri that I appreciate his withdrawing the amendment. I do not say that his position is without merit. However, he should know, as he does, that the jurisdiction for his proposal is in the Committee on Banking, Housing, and Urban Affairs, and I for one hope that he will raise this question again in the proper committee. I think that something should be done in this flood control area.

Mr. DOMENICI. Mr. President, the Senator from Missouri was correct in assuming that I oppose his amendment. However, I certainly do not oppose it in principle. As the ranking Republican member of the Disaster Subcommittee, I would welcome the opportunity to encourage our entire committee to support the Senator's proposal, by way of asking that the appropriate committee of the Senate consider expeditiously the vacuum that does exist.

There is no question but that whenever we move from the national policy of a few years ago toward the present one of trying to get to a position of maximum coverability in areas of flood proneness, we are going to run into some problems. Personally, I would say to the Senator that I would be delighted to assist in encouraging the Banking, Housing and Urban Development Committee to consider the substance of his proposal im-

mediately, as an urgent matter, in order to take care of a very serious problem. I compliment the Senator on the substance of his proposal, and I regret that I have to indicate I cannot support it as a part of this major improvement in Public Law 91–606.

Mr. BAKER. Mr. President, will the Senator yield briefly?

Mr. DOMENICI. I yield to the Senator from Tennessee.

Mr. BAKER. Mr. President, the Senator from Missouri has already been amply thanked for offering his amendment, and my thanks would be superfluous, but with reference to his illustration about that rowboat above the house, I can see that he has correctly perceived the problem. I regret that we cannot solve that problem in this measure.

I am happy, I state to the Senator, to the extent that our committee has jurisdiction, that he has seen fit to withdraw the amendment, so that we can get on with passing this bill as soon as possible.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. STEVENSON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 52, line 22, insert "erosion directly related to floods, high water and tidal waves," immediately after "fire,".

Mr. STEVENSON. The Federal Disaster Assistance Administration makes an artificial distinction between damage caused by flooding and other damage classified as erosion when the damage is, in fact, the same. In many areas, particularly around the Great Lakes, roads are collapsing into the lakes, houses are collapsing into the lakes. The damage is caused, as a practical matter, by a combination of floods, high water, and wave action. Because that kind of damage is treated as "erosion," the sufferer is unfairly denied any disaster relief assistance.

I recognize that the managers of the bill are very reluctant to accept amendments and I respect their wishes. In the past, on two occasions in the Senate, I have offered an amendment which would make the intent of Congress clear. This amendment has been twice approved by the Senate and once approved by the House.

Clearly, we should make it plain that the intent of Congress is to include erosion as damage for which disaster assistance is available. I would hope that we might resolve this question now not with an amendment but by making the intent of Congress clear. I would hope that the managers of the bill might be willing to state that the reference in the bill to floods is intended to include erosion directly related to floods, high water, and tidal waves. That would make the legislative history clear—that there should be no discrimination against those who suffer as a result of natural disasters from causes which are arbitrarily and unfairly, I think, described as "erosion"; that in the future those people will be able to get the same benefits as those who suffer virtually the same kind of damage. So perhaps in the legislative history we could eliminate this unfair discrimination against some people who suffer, and suffer grievously, from erosion directly related to floods, high waters, and tidal waves.

Mr. BURDICK. Mr. President, I believe that the language of the present bill will take care of the Senator's problem.

Under the present act, 91–606, the definition of a disaster is as follows:

"Major disaster" means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, earthquake, drought, fire, or other catastrophe in any part of the United States, which, in the determination of the President, is or threatens to be of sufficient severity and magnitude to warrant disaster assistance by the Federal Government to supplement the efforts and available resources of States, local governments, and relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby, and with respect to which the Governor of any State in which such catastrophe occurs or threatens to occur certifies the need for Federal disaster assistance under this Act and gives assurance of the expenditure of a reasonable amount of the funds of such State, its local governments, or other agencies for alleviating the damage, loss, hardship or suffering resulting from such catastrophe;

Bear in mind that on page 53 of the proposed legislation, section (d) of section 102, it reads as follows:

"Major disaster" means damage caused by any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, snowstorm, drought, fire, explosion, or other catastrophe in any part of the United States which, in the determination of the President, is of sufficient severity and magnitude to warrant major disaster assistance under this Act, above and beyond emergency services by the Federal Government, to supplement the efforts and available resources of States, local governments and disaster relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby.

Mr. STEVENSON. I thank the distinguished Senator from North Dakota for that helpful clarification. My understanding is, based on what he has just said, that erosion which is caused by high waters and wave action would be included and people would be able to receive assistance. That was my purpose in bringing up the amendment. I thank the Senator from North Dakota very much.

Mr. President, I withdraw the amendment.

The PRESIDING OFFICER (Mr. STEVENS). The amendment is withdrawn.

Mr. TAFT. Mr. President, will the Senator from New Mexico yield me some time?

Mr. DOMENICI. I yield to the Senator from Ohio as much time as he desires.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. TAFT. Mr. President, I thank the Senator from New Mexico very much for his courtesy in yielding me this time.

First of all, I should like to commend the committee for doing such an excellent job in bringing out this piece of legislation so promptly after the tornadoes which occurred in the middle part of the country last week.

Last Friday, I went there, and by helicopter visited almost every area of southwestern Ohio which was hit by this disaster.

I shall not take the time of the Senate to describe in great detail the extent of that disaster but it is absolutely enormous in its impact.

The course of the tornado was a narrow one, perhaps as much as a mile wide, but the devastation was complete within that area. The loss of life, the injury to people, the loss of life savings and investments, are enormous. It will take considerable time for the people of that part of the country to recover from it.

It seems to me that if any help is appropriate to any individuals from the government at all levels, certainly these are the circumstances under which that aid is called for.

The American people are a magnanimous people. They have been very generous in their gifts to people all over the globe in cases of disaster. I commend that sentiment and in no way resent the extent to which our Federal Government may have participated in helping out victims of such disasters.

But as I have said, Mr. President, if ever there were a case for helping in a disaster situation, this one certainly is it. We must help our own people. We must help them not out of charity, but in order to help ourselves by helping them to get back on their feet so that they will be self-sustaining again and can return to a normal and productive life for themselves, the areas of the country that were hit, and for the entire country.

I recognize that the committee had some major problems in bringing out this piece of legislation in such a hurry. As I say, it is well to bring it out as a general piece of legislation, rather than designing a bill just for this specific disaster.

Since almost a year ago, I have had pending a measure on disaster relief which attempts to make some sense out of the patchwork treatment of the disasters we have had in the past by the various pieces of legislation we have had on the books.

The legislation which was left on the books, partly in response to some of the action taken by Congress in the past 2 years, is wholly inadequate, amounting to 5-percent, 30-year loans. That just never seemed enough to me. Apparently, the committee agrees.

I do not totally share with the committee the approach taken with regard to how disasters should be handled and how they should be financed. I am going to comment on that soon and perhaps in a few minutes will introduce an amendment to indicate my feelings in this regard. But I do have my own bill pending, which has been considered by the committee. They have come out with a somewhat different conclusion. While I may differ with them on certain provisions that they have in the bill, and also feel that the bill needs clarification as to exactly what is intended in some instances, I intend to support the bill. I concur strongly with the committee that we should try to complete action on this

measure with great dispatch. It is my hope that the House will follow suit and do so also.

I should like to discuss several specific provisions in the measure. I do so not so much to prolong this debate or to ask that the questions I raise be answered, but knowing that the bill will go to the House for consideration and knowing that in all probability it will be in conference, I hope that these provisions can be considered and raised at that time even though we may not carry them to a vote on the floor today.

Under the community disaster section 414, on page 86 of the bill, there is a provision that

> The President is authorized to make disaster loans to any local government which may suffer a substantial loss of tax and other revenues as a result of a major disaster, and has demonstrated a need for financial assistance in order to perform its governmental functions. The amount of any such disaster loan shall be based on need, and shall not exceed 25 per centum of the annual operating budget of that local government for the fiscal year in which the major disaster occurs.

Having visited Xenia in my State, the extent of the devastation seems to require clearly an amount greater than the 25 percent figure. The community is not a rich community. I do not know what other source they may be able to draw on for funds to meet their needs. Certainly many people will need to postpone payment of their real estate taxes or their State income taxes. I am not sure exactly where the revenues will come from to support the budget, and thus assistance under this provision may be crucial for them.

I also would call attention to what seems to me to be an unresolved question with regard to the annual operating budget. It is perfectly clear that the annual operating budget of Xenia, if it can receive assistance funds to spend within the fiscal year, will include vast expenditures over and above what a regular operating budget would be because of the nature of the disaster that occurred.

I hope that some clarification may be forthcoming with regard to treatment of that problem.

I think that perhaps the strain on the definition question might be relieved by going up from the 25 percent to a figure of 50 percent or more, insofar as the operating budget determination of a percentage the Federal Government might give is concerned.

Turning to another area on which I have a number of questions, I call the Senate's attention to the extraordinary disaster-related expense grant. I am disturbed by the fact that a State administered program is set up here. Considering the nature of disasters, crossing State lines as they do, existing often in one State and not at all in other States over a long period of time, I have serious question whether the State is really an appropriate unit insofar as the handling of many disasters—indeed, perhaps most disasters—is concerned.

It is easy to pass the buck in this way and perhaps take some of the onus off the Federal Government for the administration involved; but I know of no reason to think that there is any necessity, from the point of view of preserving State and local government and building and strengthening it as we have tried to do under the revenue sharing program, to go the same way insofar as disaster assistance is concerned. In the circumstances where a disaster exists, disaster relief is a temporary governmental function and one that is set up immediately, or should be set up immediately, and should be terminated as soon as the obligations or the problems calling for its creation do not exist. So that I see no particular reason for going the route of the State at all. But that is the choice of the committee, and I am not going to try to change it today.

I do think, however, that there is one very major consideration to which the committee ought to give some attention, insofar as going the route of the State administration is concerned, and that is that I do not think the States are going to be ready to proceed within a reasonable period of time to meet the needs of either the present disaster victims or victims of any new disasters in the upcoming days.

The first reaction of people I met and talked with in this tornado-stricken area was one of relief that they were alive at all. It was also one of great empathy and sympathy for others who had been affected, and perhaps affected worse than they had been. Then, too, there was a great feeling of camaraderie and getting together of the American people, in the way they do in the face of crisis. So that there was almost a wave of what one would call a positive emotion on the part of the people with whom I talked.

I think all of us who have been through any such experience know that within a very short period of time, the spirits turn downward.

When you need the help and you need the kind of assistance that this emergency disaster grant could give within a very short period of time, so that you can start making plans, so that you do not have a long time in limbo with the government unresponsive to the demands of individual cases, you need the organization already set up. That is why I have been pushing for a general standing disaster relief program with reasonable benefit levels in this country.

I hope that the committee, in proceeding further with this bill and as it goes to the House and to conference, will consider the fact that the States are not set up, in my opinion, to respond within the time frame in which I think it is necessary to respond.

What I am going to suggest with regard to that is that there at least be a transitional period of perhaps from now to September 1 or October 1, or something of that sort, in which the Federal Government would administer the program. The program could then be turned over at the termination of that period to the States, if that is the decision of Congress in working out this legislation.

I see a crying need for an immediate effort, under the disaster relief operation of the Federal Government that is already set up, to proceed with a grant program. I see no reason why the grant program should be singled out for this State approach—at least, in the first few months of this program—when I think it is bound to result in considerable delay. In that regard, Mr. President, I do have an amendment which I expect to submit to the Senate in a moment. Before doing that, however, let me point out two or three other questions that come to my mind in looking at the wording of the bill.

First, apparently there is a requirement of 25 percent matching, which is an overall requirement against the total Federal funds that are expended. But there are in my mind many unanswered questions as to its actual operation.

For example, if no State contribution is made or if no local governmental contribution is made or no contribution is made by a private charitable organization to meet that 25 percent requirement, is it the intention of the committee that that requirement could be made up by individuals? I realize that this is not the usual situation, but it is one that, in my opinion, may well come up, and I see no reason why the private contributions should not be made. Why should you discriminate against people simply because the local units of government may not be willing to come forward or private charity may not be available to make the kind of contributions that is desired? I think that ought to be clarified at some point in the discussion of the language.

Also, some further clarification of what a family is, under line 8 on page 83, might well be helpful, because I think that inevitably this is going to cause many arguments. Some sharpening up of that definition seems to me to be desirable.

In section 408(e) is a provision that not more than 3 percent of the total grant provided to an affected State shall be utilized for administrative purposes. What does the committee mean by that? This raises one of the kinds of questions that must be addressed, really unnecessarily, when you get into the matter of State administration. It seems to me pretty clear that for a long period during the initial part of this program there may well be necessary administrative expenses that exceed the 3 percent limitation that is put on here. I do not know how long the exception should last but it seems to me that some reasonable period—a 2-year period or something of that sort—ought to be provided in the law.

Mr. President, I send an amendment to the desk, for myself and the Senator from New Hampshire (Mr. McINTYRE).

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. TAFT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 102, line 16, change the period to a comma and insert thereafter the following: "except that section 408 shall take effect as of September 1, 1974."

At the end of the bill add the following new section:

TEMPORARY PROGRAM OF EXTRAORDINARY DISASTER EXPENSE GRANTS

SEC. (a) The President is authorized to make grants to provide financial assistance to persons adversely affected by a major disaster who are unable to meet extraordinary disaster-related expenses or needs. Such grants shall be made for use only in cases where assistance under other provisions of this Act or other appropriate laws, or other means, is insufficient to allow persons to meet such expenses or needs.

(b) The President shall promulgate regulations that shall include national criteria, standards, and procedures for the determination of eligibility and the administration of individual assistance grants made under this section. No family shall receive grants under this section which total in excess of $5,000. Grants shall be made only during the period for which the major disaster has been declared.

Mr. TAFT. Mr. President, this amendment, which I have already discussed somewhat, would have the effect of setting up a temporary federally administered, 100 percent federally financed emergency grant program for extraordinary disaster-related needs, for the period between the effective date of the act, April 1, and September 1 of this year. Other than Federal administration and funding the provisions of the temporary program would be the same as provisions in the committee's State-administered program.

It seems to me that this would be a way of assuring people of far more immediate and far more direct responsibility for administering this program than the sharing provision we have.

I have no desire to push this amendment. I know that the committee has discussed adopting some type of transitional arrangement. The form of this amendment may not be ideal. I believe it presents a method, a way of going. It would, of course, cost somewhat more, because we would be providing the full 100 percent rather than providing only the 75 percent of the actual cost of the grants made. But this slight additional cost for this outset period would be justified and would be a more workable way than trying to go back and pick up the State money which is not likely to be available immediately in some cases.

It just seems to me a great deal simpler to go 100 percent Federal as far as financing is concerned. Obviously, there is a sort of check rein within the Federal Government itself on the total amount expended in the program, because the grants under the amendment would be discretionary with the particular officers involved. Within the 5-month period involved, I do not think there would be any great abuse, or that the amount of the expense to the Federal Government would be so great that the benefits of immediate relief should be sacrificed.

Mr. President, that completes my remarks on this portion of the bill. I would be glad to have any comments on the amendment. If the committee feels strongly about it, I am willing to withdraw it.

Mr. DOMENICI. Mr. President, before I comment on the Senator's amendment, and I shall defer on that to the chairman of the committee, I would like to respond by way of explanation and comment to three or four very serious questions raised by the Senator from Ohio regarding the bill.

Might I first state that the Senator from Ohio started with an observation about the people in the affected areas and how well they responded. He commented on the fact that there is a great willingness on the part of everyone in the community to do his share to alleviate the circumstances in which fellow citizens found themselves.

Not only do I agree with that statement, but I would like to cite an example that was rather extraordinary in one of the Senator's cities. I was in Xenia, Ohio, only 2½ days after the disaster We picked up a copy of the local newspaper. It was not very large. I was amazed to find an announcement on the front page of that newspaper that the newspaper had contributed $10,000 to a local community fund to aid those in need. Sometime before we left the community, the other newspaper in that very small town of 30,000, as I recall, had followed suit and put into this fund $10,000.

I wish to speak in reference to two or three of the Senator's comments. Indeed, the Senator raises an appropriate question on community disasters and the provision in the bill whereby the Federal Government will provide financial assistance to communities that have suffered a substantial loss. We saw two communities that had suffered very substantial loss. The town of Brandenburg, Kentucky is in very serious condition. It is almost totally destroyed. The senior Senator from Kentucky (Mr. COOK) discussed the adequacy of the community disaster loan provision when he met with the chairman of the subcommittee (Mr. BURDICK) and myself on Monday. We claim no pride of authorship in connection with the 25 percent but it is an improvement over current law.

Mr. COOK. Mr. President, will the Senator yield?

Mr. DOMENICI. I am delighted to yield to the senior Senator from Kentucky.

Mr. COOK. I am sure the Senator from Ohio is aware of this, but I shall submit an amendment, now that section 414 has been changed from a grant section to a loan section, to increase the 25 percent to a 100-percent loan and then a forgiveness of any part of it that the President may wish to forgive.

The reason I do this, I hope the Senator does not mind, is if a loan were made to the community of Brandenburg, even based on the 25 percent, and it was 10 percent in the beginning, their budget is $34,000 a year. So under the previous 10 percent you are going to give them $3,400; now you are going to give them an additional 15 percent, which is meaningless.

The entire budget for Xenia, Ohio, is interesting. It raises an interesting question because all of a sudden we think we are spending a great deal of money in a disaster loan program, and we are not because you are not lending them the entire city budget, but less than the amount of the disaster that occurred. But their entire budget, for revenue-sharing purposes, is $1.117 million.

For instance, the entire community of Stamping Ground in Kentucky is almost wiped out. Their budget is $6,640. Are we being gracious in allowing them to have a loan from the Federal Government for 25 percent? My answer is that all of a sudden we are concerned about figures but not looking at budgets, and the budgets reflect that these communities have very small budgets.

For instance, Hardin County has an entire county budget for the fiscal year of $619,235. Now, if they are 20-percent destroyed as a result of a tornado, is there any reason why we cannot allow them to have a 20-percent loan of $619,000? I just do not believe we are being realistic about the true approach when we talk about 25 percent.

A great deal of damage was done in Meade County, as we know. Their entire budget is $177,000. I must say I think we are not being realistic. I know the procedure is to lay all these amendments on the table, but when I submit my amendment I shall ask for a vote simply because instead of asking for a 25-percent loan we are asking for up to 100 percent and allowing forgiveness for such part of that loan as the President may deem is forgivable. So we are not saying we are going to give it all to them. I think the problem is that we think in such tremendous terms in Congress that we do not really realize the small budgets that local communities function on.

I think I can make a substantial argument and I am so sorry that all Senators will not be in the Chamber when it is made because I think we could succeed.

The 25 percent really puts me in a position where I am saying, "25 percent of what?" I do not think anyone has a realization as to what it amounts to, as it results in such an insignificant figure.

Mr. DOMENICI. I thank the Senator from Kentucky.

Mr. President, I wish to continue briefly to explain the provision for loans to communities. When the Senator from Kentucky introduces his amendment I am certain that the chairman of the subcommittee and I will have some remarks directed specifically to it. First, I wish to make several observations.

In Xenia, Ohio, we found that their school system was rather substantially destroyed. Senators will find in the report on page 9 a specific reference that loans to communities can be used for the operation of the public school system. We had in mind that there might be exceptional costs for a school district when it goes through a transition from the disaster to permanent replacement. We also indicate in the language of the bill itself that if the operational budget of a city or local jurisdiction is increased by disaster-related expenses that these additional disaster-related expenses can be considered in cancelling part of the loan.

I will talk for just a moment about the next comment concerning extraordinary grants. Certainly I agree with the Senator from Ohio that we are involving ourselves in a brandnew program. However, I believe I am correct in telling the Senator that we had testimony on at least three occasions from a number of Governors and also from the National Governors Conference that they support the idea of grants to the needy program.

They thought since they were already operating individual assistance programs, since they have that kind of administrative ability available to them, and if they were given advance funding such as this section provides, that they could perhaps administer the grant and do a better job than the Federal agencies.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOMENICI. I yield.

Mr. TAFT. I would be interested in knowing whether the governors, when they commented on the ability to deal with this program, existing had machinery to handle it or whether some need for a transitional program might have been indicated.

Mr. DOMENICI. To the best of my recollection, there was no specific discussion of a transitional implementation. Such as we are faced with now in applying this provision immediately to the recent disasters, I would say, the point is that we should have had the law on the books 6 months so the States could get ready for it. I would suggest, however, that with all the emphasis on the need to get ready and to prepare for a disaster, the States really have not done it. Even with the law on the books for months, many States would be building this organization, just as they will be in a week from now, after the disaster.

Mr. TAFT. If the Senator will yield further, that was really the point I was attempting to make. Under HUD, a disaster relief agency would and should be set up permanently, ready on a moment's notice to go into action—something which a State would not have any justification for creating. States would not maintain the personnel and readiness that the Federal Government, having the concern of the entire 50 States, would and should have.

Mr. DOMENICI. The Senator makes a good argument, although when we are talking about this particular program, we can look back historically and find that the U.S. Government has maintained a very small group of disaster relief experts. The Federal agencies are looked upon as if they bring in an army. Really, they usually are only utilizing local or State people. For example, the Small Business Administration has few experts in a disaster area and relies on local people they train on the spot. In most instances the Corps of Engineers comes in with five men and contract with local contractors to do the work.

I think the committee received ample testimony to justify the assumption that the States could do the job, especially if they had a little money invested in the program. That is why the 25 percent matching provision.

One last comment. The Senator asked a question: "What about the 25 percent match?" Does it include funds from individuals? Let me say that the matching may come from the State. It could be provided by a philanthropic organization. It could also mean a local unit of Government, but we did not have in mind a program by which an individual would match on a 75–25 basis. I think I speak for the chairman when I say that was not our intention.

I have responded in a very general way to the Senator's concerns but I hope this has been of some assistance.

I would remind the Senator of one other matter. He is concerned about the time lag on the extraordinary need grants. There is private insurance claims that would be handled expeditiously by the companies. There is the food program. There is workmen's compensation.

There are the SBA and FHA disaster loans. These are all ongoing programs. I believe that if the extraordinary grants become effective in a reasonable period of time, it would be enacted in time to meet the needs we have intended to meet—extraordinary needs which cannot be met by assistance under this Act, other appropriate acts or other means.

Mr. BAKER. Mr. President, will the Senator yield briefly?

Mr. DOMENICI. I am delighted to yield to the distinguished Senator from Tennessee.

Mr. BAKER. I express my apology to the distinguished Senataor from Ohio (Mr. TAFT) and to the managers of the bill for digressing for a moment, but at 2:30—and it is now 2:35—I had a meeting in executive session of the Commerce Committee to consider, among other things, whether to report to the Senate two nominations to the Federal Communications Commission. I am the ranking minority member of that subcommittee, as well as of this full committee, and I find myself in an uncharacteristic conflict.

Before I go to that meeting, I would like to ask the managers of the bill if they could verify for me their understanding of the reference, on page 74 of the bill, to financial assistance to repair, restore, reconstruct, or replace facilities for private nonprofit educational, utility, emergency, medical, and custodial care facilities. I would like to know whether or not that does, in fact, include, in their judgment, rural electric and telephone membership cooperatives, as they are known in my State and other States.

I might state, before the distinguished managers of the bill answer, that I took the liberty to inquire of the REA, U.S. Department of Agriculture on their understanding of that language, and they responded that private nonprofit utilities would include, in their judgment, electric and telephone membership cooperatives which borrow from REA.

Mr. President, I ask unanimous consent that a copy of that reply from REA may be inserted in the RECORD appropriately in reference to this matter.

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

U.S. DEPARTMENT OF AGRICULTURE,
OFFICE OF THE GENERAL COUNSEL,
Washington, D.C., April 10, 1974.

BAILEY GUARD,
Minority Clerk, Senate Public Works Committee, Dirksen Senate Office Building, Washington, D.C.

DEAR MR. GUARD: Pursuant to your request in our telephone conversation of April 9, 1974 this will confirm that I consider that, for purposes of a Federal Disaster Relief Bill (S. 3062, § 402 or S. 1840) the phrase "private non-profit utilities" would include the electric and telephone membership corporations and cooperatives which borrow from the Rural Electrification Administration.

Sincerely,

NORMAN L. PLOTKA,
Director, Electric and Telephone Division.

Mr. BURDICK. Mr. President, is that the letter written by Mr. Plotka to the committee?

Mr. BAKER. Yes.

Could I solicit from the manager of the bill information as to whether this provision for repair and restoration of facilities would include electric and telephone membership co-ops?

Mr. BURDICK. My understanding is that it would include electric and telephone co-ops. I agree completely with the explanation given by Mr. Plotka. I believe the committee proceeded on that assumption, too.

Mr. BAKER. I thank the Senator.

Does the distinguished ranking minority member of the subcommittee and the minority manager of the bill (Mr. DOMENICI) agree with that interpretation?

Mr. DOMENICI. Mr. President, I concur unequivocally in the response of our chairman. I would phrase it this way for the Senator from Tennessee: In Public Law 91–606, public owned utility facilities of the type the Senator has been inquiring about were covered. To that same extent, such Federal financial resources are now made available to the REA cooperatives which the Senator has described.

Mr. BAKER. I thank the Senator very much.

I thank the Senator from Ohio for permitting this interruption.

HOUSING AND URBAN DEVELOPMENT

Mr. TAFT. Mr. President, I do not have a great deal more to say about this. I would point out, with regard to the question of Federal administration, that while the Governors may have competence—and I know they are competent and have the ability to implement this program once it is set up—they are bound not to have anything set up today. By contrast, I think the Department of Housing and Urban Development, considering the new responsibilities it has had, has at least gotten off to a pretty good start in Ohio. This indicates that we should and can have immediate responsibility for the program in the Federal disaster agency.

I would also point out that in hearings last year, when I was on the Banking, Housing and Urban Affairs Committee, it is my recollection that there was considerable testimony, from charitable organizations and others that have been involved in disaster relief matters, as to the questionable feasibility of State administration of this particular type of program.

So the opinions on the question are certainly not unanimous and are something which I hope we will continue to review, just as I hope we will continue to review this piece of legislation and every piece of disaster relief legislation that may be pending, with the idea of trying to perfect this legislation if it is passed with its shortcomings.

Realizing, as I said in the beginning, that there is an urgent and immediate

need for legislation of some kind or type, and that this is the legislation upon which the committee has labored so hard, even though I am extremely concerned about the shortcomings as of this time I ask to withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. BURDICK. Mr. President, I thank the distinguished Senator from Ohio. I think he will see that the provisions of the bill will do a great deal for his State.

Mr. DOMENICI. Mr. President, I thank the distinguished Senator from Ohio for his consideration in withdrawing the amendment and also for the excellent observations he has made during the past discussions on the floor of the Senate. I think many of his questions have been answered, and I think that by the time the legislation goes to the President, following a conference with the House, it will contribute greatly to clarifying the legislation.

Mr. COOK. Mr. President, I submit an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. COOK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be printed in the RECORD.

The amendment ordered to be printed in the RECORD is as follows:

On page 86, line 14, insert the following: In Section 414(a), strike "25" and insert in lieu thereof "100", and on page 86, line 16 in section 414(a), strike all after the word "President" down to and including "character" on line 22 and insert the following: "is authorized to make such loans for a period not to exceed three fiscal years from the year in which the major disaster occurred and to cancel repayment of all or any part of such disaster loans to the extent that revenue of the local government during the three-full fiscal year period following the last loan are insufficient to meet the operating budget of the local government, including additional disaster related expenses of a municipal operation character".

Mr. COOK. Mr. President, in my previous remarks I pretty well laid out to the Senate what I should like to do in this amendment. In section 414 at present the President is authorized to make disaster loans to any local government which may suffer a substantial loss of tax and other revenues as a result of a major disaster and has demonstrated a need for financial assistance in order to perform its governmental functions. The amount of any such disaster loan shall be based on need, and shall not exceed 25 percent of the annual operating budget of that local government for the fiscal year in which the major disaster occurs.

We propose to change that 25 percent to 100 percent in the annual operating budget of a local government. The amendment reads:

The President is authorized . . . to cancel repayment of all or any part of such disaster loan to the extent that revenues of the local government during the three full fiscal year period following the last loan are insufficient to meet the operating budget of the local government, including additional disaster-related expenses of a municipal operation character.

That is up to 100 percent, and the reason for this is very simple, and I merely have some figures to place in the RECORD.

The best example I could give—and I could give the regulations and the figures in the communities—is the community of Brandenburg, Ky., which is suffering substantially a 40 percent loss. The operating budget now is $34,000. The loss would be $620 under this bill, and the President could give whatever part of that amount he wanted to. Suppose that community retains 40 percent. A 40-percent loss of revenues would be $13,710. Based on that, they say, "We will lend you 25 percent of that loss, which is 20, and which means 25 percent of that would be met. The disaster loss to the community of Brandenburg, Ky., would be $3,490. The officials of the city of Brandenburg could bring $3,490 back and say, "We really do not want to deprive you of it. Take it back."

Let us take the community of Stamping Ground, which is almost totally eliminated. It is a small community. It has an operating budget of $6,640. That means that with a 25-percent loan they could get a loan of $660, but if there is any part of it left, they could reduce that by up to the percentage of the amount that is left.

Hardin County had an operating budget for the year of $619,000. A 25-percent loan would mean that the community, which is the entire county, would be wiped out. They could get a loan of 25 percent of their operating budget. If 25 percent of that figure were wiped out, they could get a loan of $39,000. I am not sure they could electric power back on the line if they owned their own system. I am not sure they could get their schools open. I do not think Brandenberg could get its schools open after a tornado.

We are talking about loans on which I would not be proposing a 100-percent figure if they had not changed section 414 from grants to loans. This is important, because this does not call for grants. It calls for loans for communities. It calls for the President of the United States to forgive any part of that loan.

I have made it conform to my amendment, which will be for not to exceed 3 fiscal years, and the revenue for 3 fiscal years may be insufficient to meet the operating conditions.

I feel that we are talking about cold, hard-headed realities. We are talking about loan programs that I am not sure really mean anything.

If we are going to offer loans to communities, then let us offer disaster loans. We are not giving it to them. The President is authorized to forgive any or all of it, but he may not forgive any of it. All of us have seen pictures of Xenia, Ohio, whose operating budget is $1,312,000. What percentage of that, may I inquire of the Senator from Ohio—50 percent or 40 percent of the community—would be the disaster loan to be authorized—$600,000? Is that what we are going to do for that community? Will it do that community any good? Right now the operating funds to keep that community going are insufficient to keep the community going any longer. No surplus is left in that community any longer. These communities have had to hire everything and bring in everything, and everybody, in every way they can. They say, "Maybe the Red Cross, maybe some community agency, will help."

We are talking about governmental agencies. My only point is that I would not have submitted this amendment, I say to the manager of the bill and ranking minority member of the committee, had it not been for the fact that section 414 was changed from grants to loans. When that was changed from grants to loans, it was said that the Government is not really in jeopardy in handing out money and not getting it back. It can get all of it back, or it can get whatever part of it back that it feels it is entitled to in relation to the situation in which it finds itself in evaluating a community. I only say that the figures I have given—and I plead with the managers of the bill to consider these figures—that we are not talking about tremendous sums.

We stood on the floor of the Senate last year and granted a guranteed loan to Lockheed for $250 million. We could take the budgets of every county plus all the disaster loans in my State, and they would not amount to $250 million. They would not amount to $100 milion. They would not amount to $30 million.

All I am saying is that we are making a loan to them because of a disaster. I hope that we will consider this proposal. I do not think we are going to fail to get a bill because of this amendment. As a matter of fact, I think this amendment makes it a much, much better bill, because we are saying to the local communities that are trying to fight out from under this disaster that there is at least sufficient money for them to do something. We all are aware of the paperwork that the Government goes through. I do not think that any community at this stage of the game could spend the time to fill out the paper forms and go through all the redtape that would be required.

Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Kentucky has 6 minutes remaining.

Mr. COOK. I reserve the remainder of my time.

Mr. BURDICK. Mr. President, the distinguished Senator, from Kentucky makes a very persuasive argument. One has to keep in mind that we have hammered out a bill that we think is far superior to the present legislation. We have the unanimous support of the committee. We have the support of the administration. We do not desire and cannot make any major departures in the bill, if we want a bill, and the situation in the stricken areas demands it.

This is just a part of our bill. This budget support is only a part of the bill. The Senator from Kentucky referred to the powerplants, and so forth. They will all be taken care of under another section. We can pay up to 100-percent replacement for all public facilities, buildings, streets, bridges, and everything under the sun, owned by the public and only when the city wants to opt for 90 percent to take an immediate settlement, that is the only time it drops below the 100-percent figure.

We have provided for low-interest loans for businesses and individuals. We have provided for cleaning up the streets and cleaning up the thoroughfares. We have done all those things.

Moreover, this section is so far superior to the sections we have had in the past that there is no comparison. Under the 1970 act, you would be eligible for nothing unless you had a substantial loss, which was interpreted to be over 25 percent. So this is a tremendous gain over and above what we have had in the past.

When you consider the total bill, all the provisions and all the sections, I believe the Senator will find it would do a great deal of good for these stricken communities. So, although the amendment has some appeal, I regret to say that I must oppose it.

Mr. DOMENICI. Mr. President, let me first say to the distinguished Senator from Kentucky——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from New Mexico?

Mr. BURDICK. I yield.

Mr. DOMENICI. Let me first say that the Senator from Kentucky has raised an issue that is somewhat related to the problems he discussed previously concerning a community which has lost part of its tax base and with reference to that part of our law which deals with general revenue sharing.

I am pleased to say to the Senator from Kentucky that the protection of general revenue sharing entitlements is incorporated in the bill as the Senator proposed.

I compliment him for calling the matter to our attention.

I want to address the Senator's concerns about the community disaster loan section. First of all it is my understanding, and I could be mistaken, that most local units of government that use the ad valorem property tax as a substantial portion of their operating budgets have collected their taxes, are operating from funds on deposit, and, in fact, will not suffer a substantial loss in their operational capacity for another 6 months to a year. I am not suggesting that this will be the situation for the communities the Senator has mentioned, but I am just suggesting that historically we have found that to be the case.

Mr. COOK. Mr. President, will the Senator yield?

Mr. DOMENICI. I yield.

Mr. COOK. Let me say to the Senator in all fairness that whatever funds they have on hand after what has occurred as of last Wednesday night and what they found on Thursday morning, they had to expend funds that ordinarily they never anticipated they would have to expend. Obviously, the immediate requirements have had to come out of whatever general fund revenues they had.

Mr. DOMENICI. Many of the expenses the Senator is referring to are the kind of expenses that will be reimbursed under other provisions of this Act, and the community will probably get that money as soon as they could effect a loan.

These are expenditures of the kind they receive general revenue sharing for, or are covered in their budget. And, as I stated, many will be covered when they apply for assistance for debris removal services or other programs under this Act.

I would also say, in repeating this, that their crunch will probably come in 6 months to a year. It is my understanding that the committee and the Federal Disaster Assistance Administration will be in contact with these communities and, if it appears that more than 25 percent is required, I am sure we would consider changing it.

I would like to point out that the 25 percent is not 25 percent of the loss; it is 25 percent of the budget.

Mr. COOK. Up to.

Mr. DOMENICI. Up to 25 percent of the budget. So if it is a $10,000 budget, the loan can be $2,500, regardless of whether there is a 40 or 50 percent destruction in the city. We are talking about a percentage of the operational budget, not a percentage of the loss.

I believe we should recede from this proposal and proceed with the bill which has received the unanimous concurrence of the Public Works Committee. I regret to have to propose that, but I believe it is in the best interests of the overall bill.

The PRESIDING OFFICER. Who yields time?

Mr. COOK. Mr. President, may I say, in all fairness, that this Senator honestly believes this is a deficiency in the bill.

I know how the membership feels. I voted to table the proposed amendment of the Senator from Vermont, purely and simply because in that regard I do not know that anyone would have his records together back 12 months, to document for the purpose of the Federal Government that he would be entitled to individual relief.

But this is a question where I feel that some communities, for instance certainly the community in Ohio and several communities in my State, will be 2 or 3 years getting out from underneath this thing. There is no question about the fact that they have lost their tax base.

I appreciate tremendously that the members of the committee accepted my amendment, and made it a part of the bill in the markup, that required that there by no backing off of figures that have been established for revenue sharing, that if an area had been declared a disaster area, the Government could not, in its evaluation of tax base figures for next year's revenue sharing, decrease it by 25 or 30 percent; that if in fact a disaster had occurred, they could go no lower than the figures they had used for last year on revenue-sharing funds.

I appreciate that. The committee increased the figure from 10 percent to 25 percent; we have discussed that. But when we went from grants to loans, we, in essence, had a new ball game.

Mr. President, it has been some 72 hours since the Disaster Relief Subcommittee has returned from an inspection of the tornado damage heaped upon several Midwestern States, including the Commonwealth of Kentucky. Within this short period of time, representatives of the affected States have met with the subcommittee to recommend changes to S. 3062, the Disaste Relief Amendments of 1974. The subcommittee has reported S. 3062 to the full committee, and the full committee has reported out the legislation we are considering today. For this unbelievably speedy action on this vital piece of legislation, the Public Works Committee is to be commended.

The Disaster Relief Act Amendments propose some 13 changes in Public Law 91–606. In addition, the committee has accommodated the requests made by myself and several of my colleagues to make other changes in the legislation. The committee has agreed to amend section 408, subsection (d) to increase the maximum assistance grant to affected needy families to $5,000 from the original grant of $2,500. At this time I would like to place into the record a copy of a letter to the chairman of the Public Works Committee sent by myself and six of my colleagues which will explain our reasoning for requesting that the amount of grant assistance to needy families be increased.

The Public Works Committee also agreed to accept my recommendation that an area declared a disaster would not have its—for the purpose of distribution of revenue sharing—funds evaluated downward for a period of not to exceed 5 years. The purpose of this amendment is to offer protection from a loss of vitally needed revenue sharing funds for those areas struck by a disaster such as accurred in the State of Kentucky, among others, when tornadoes hit.

Revenue sharing funds, now totaling an annual allocation of $16,061 to the city of Brandenburg, which was almost totally destroyed, and $138,664 to Meade County in which Brandenburg lies, will provide very necessary assistance to the area in rebuilding and restoring public services. We are all aware of the priority categories for which revenue sharing money must be spent: public safety, environmental protection, public transportation, health, recreation, libraries, social services for the poor or aged, financial administration, and capital expenditures. This language placed in S. 3062 will assure that the areas affected by the disaster will not be penalized by withdrawing Federal funds already granted them.

In a special session of the Disaster Relief Subcommittee Monday afternoon, I also suggested an amendment to section 414 of the bill with regard to community disaster grants. I felt that a community such as Brandenburg, Ky., which was almost totally destroyed,

should not be limited to a grant of 10 percent of its operating budget as it would be unreasonably low when some 50 percent of the city's tax base was wiped out by the disaster. The Public Works Committee has agreed to increase the amount that the cities may receive. However, any money received is now a loan rather than a grant.

I have no objection to this change to community loans as the language of the bill authorizes the President to cancel repayment of all or any part of the loan to the extent that the revenues are insufficient to meet the operating budget of the local government. However, I do object to the amount of the loan the city can receive when a need is proven. I am, therefore, sending to the desk an amendment to section 414(a) which provides that a city, when it has demonstrated a need for financial assistance in order to perform its governmental functions, can receive a disaster loan not to exceed 100 percent of the annual operating budget for the fiscal year in which the major disaster occurs. The amendment would also provide that loans could be made for 5 fiscal years following the year in which the disaster occurred.

I submit this amendment for the consideration of my colleagues as I believe the local government should be allowed to obtain loans to meet the expense of vital services which would equal the amount the city would normally have expected to receive had the disaster not occurred. It is crucial that a city, in this time of greatest need, have the funds it will not realize because the tax base has been wiped out because of a natural disaster. As these funds will now be on a loan basis, rather than grants, I can see no reasons for not providing the funds which the city would have received prior to the disaster.

I say to Senators that I just feel if we add all this up, in all of the areas involved, we are not talking about a great deal of money, and we are talking about loans, we are not talking about grants. We are talking about the Federal Government having the ability to be repaid.

So I do feel that, of all the amendments I have listened to, this one has a tremendous amount of merit in regard to the ability of these communities to resolve their problems.

May I say to the Senator from New Mexico, in relation to what happened in Hardin County, if they had a 25-percent loss and were entitled to a loan of $154,340, we have given that community, I suspect, grants in the last 2 or 3 years to build a swimming pool, and it has probably cost $154,000, or maybe even more. Yet here we are talking about giving to that community a loan to meet a disaster.

Let me summarize by saying that I understand the situation I am in, and I do not quite know what to do. I do feel this is something that should be done, and should be done fast.

I do not know; perhaps I shall ask for a voice vote on the amendment. But I will say to the committee that I am really going to stay with them on this. I just feel, and I agree with the Senator from New Mexico, there is no question about the fact that it is next year. That is when the real crunch will come.

Mr. RANDOLPH. Mr. President, I presume it would be several days before we would go to conference. The attitude of Senators BURDICK and DOMENICI and all the members of the committee is such that we would counsel with the Senator, as we did on his amendment we accepted in committee, because we thought he had a valid argument. We would like to have the Senator from Kentucky know, as I am sure all the Members of this body would, that there is not only realism in the committee, there is also compassion in the committee.

I hope that the Senator, in his judgment of course, which I will respect, would permit a voice vote, keeping in mind the fact that we can come back to this matter if it proves to be a problem in the next year.

Mr. COOK. I thank the Senator from West Virginia and tell the President of the Senate that while it will not be my desire to ask for a rollcall vote, as there are not enough Senators here, this amendment has tremendous merit, if I could have the opportunity to explain it. I would not want it defeated on a rollcall vote because of the merit of the amendment.

Therefore, I can only say that maybe someone would say that politically it would be better to ask for a voice vote and say I went down swinging. It is not good to lose when one does not think he should lose. There is no merit in losing when you should not lose. Therefore, I do not want to submit it to that kind of confrontation.

I think I have made my point. I will ask for a voice vote. I hope I have convinced more than myself on the floor of the Senate that this is a good amendment.

Mr. DOMENICI. Mr. President, I am certain that all those on the committee who have worked on this bill have a concern for any community that truly could not meet its operational expenses even with a 25-percent loan, subsequently cancelled.

I think it only appropriate that we assure the Senator from Kentucky that if in the interim, between now and conference or even between now and the passage of a year—which is what I think it will take for the real impact to be felt—if he will give us any evidence that the 25-percent loan is inadequate, we will ask our staff to make inquiry of the communities that have been partially or totally destroyed. We understand that this is a loan not a grant. We have no intention of not providing sufficient funds to communities that have suffered a substantial loss of their taxes and other revenues.

I think the feeling on the committee is that we will modify the percentage to whatever figure is needed to do the job adequately.

Mr. COOK. I would be more than delighted to give the Senator that information, if I am here a year from now, either by election or otherwise.

I yield back whatever time remains to me.

Mr. BURDICK. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. BROCK). All time on the amendment has now expired.

The question is on agreeing to the amendment of the Senator from Kentucky (Mr. COOK).

The amendment was rejected.

The PRESIDING OFFICER. Who yields time?

The bill is open to further amendment.

The question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. BURDICK. Mr. President, I send to the desk a series of technical amendments to correct errors made in the printing of the bill and ask unanimous consent that they be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, the amendments are considered and agreed to en bloc.

The question is on final passage of the bill (S. 3062).

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

There was not a sufficient second.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DOMENICI. Mr. President, after our return from the tornado struck area, Senators RANDOLPH, BAKER, BURDICK, and I met on Monday afternoon with Senators and staff of the affected States, to advise them of the action and proposals we were considering; and following that meeting with HUD Secretary James T. Lynn to determine more precisely the position of the administration and receive its recommendations.

We were very glad to receive later that same day and on yesterday, recommendations from several Senators representing the affected States. A number did urge that the amount for family grants be increased some $2,500 to $5,000, and the full committee on Senator BAKER's motion so modified the bill.

In order to complete the record, I ask unanimous consent to have printed in the RECORD the letter confirming this recommendation addressed to the chairman by Senators COOK, BAYH, TAFT, STEVENSON, HUDDLESTON, NUNN, and ALLEN.

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

COMMITTEE ON THE JUDICIARY,
Washington, D.C., April 9, 1974.

HON. JENNINGS RANDOLPH,
Chairman, Committee on Public Works, Dirksen Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: We, the undersigned, representing the States ripped apart by the tornadoes last week, commend the Committee on Public Works for your desire to take immediate action on the Disaster Relief Act Amendments of 1974, S. 3062, for which you have our support.

However, there is one provision in the legislation which we believe to be far too insufficient to meet the requirements of a disaster such as the one last week. This is the provision in Section 408(d) which provides a maximum assistance grant of $2500 to affected families. Because of the broad and extensive damage that occurred as a result of the rash of tornadoes last week almost every aspect of a person's life was affected. Many of these people are left homeless without clothing, food, employment and other basic human needs. There will be burial expenses and the essential expenses of putting a household back together again. We believe that the $2500 ceiling on family assistance is unreasonably low and respectfully request the Committee to raise this amount to $5000 when it considers this legislation in executive session today.

This is perhaps the most important and helpful provision contained in this bill, and we believe that it ought to be strengthened. You will have our support in encouraging the rest of our colleagues in the Senate to accept the new provision.

We sincerely hope that the Committee will see fit to accept this proposal.

Very truly yours,

MARLOW W. COOK.
ROBERT TAFT, JR.
SAM NUNN.
WALTER D. HUDDLESTON.
BIRCH BAYH.
ADLAI STEVENSON III.
JAMES B. ALLEN.

Mr. BAYH. Mr. President, I should like to compliment all those who have had an active role in revising and strengthening our disaster relief laws.

Having spent the entire day last Friday with a National Guard helicopter crew, looking over many of the tragic areas in Indiana, I was reminded again as I first was during that period immediately following the tragic Palm Sunday tornadoes which hit Indiana in 1965, of just what a natural disaster really means in terms of pain and suffering, economic loss and hardship, not only to the individual but to entire communities.

Based on my visits to a dozen communities throughout Indiana, I can assure my colleagues that the measure before us enables the Federal Government to be substantially more responsive in meeting the needs of the individuals and communities affected by natural disasters. It initiates vital and obviously timely improvements in the scope of aid available and, of equal importance, increases the speed and efficiency with which the help can be delivered.

It was my privilege to serve previously as chairman of the Senate Subcommittee on Disaster Relief. Those of us who have dealt so long with the many difficult problems facing homeowners, farmers, businessmen, and community leaders in the wake of a natural disaster, such as the recent tornadoes, note that several provisions of S. 3062 will provide crucial help at this time.

The 1970 Disaster Relief Act established a comprehensive program of assistance of governmental units and private citizens incurring serious losses in major disasters. In addition to emergency relief for food, clothing, temporary housing, medicine, and other supplies, the President was authorized to make available funds for debris clearance, public transportation, communications, and other services. For the first time damaged or destroyed public facilities were made eligible for grants equal to 100 percent of the cost for repairing or reconstructing those facilities, and communities which suffered a severe loss of property tax revenue were eligible for additional funds.

Displaced families were to be provided without charge living quarters for as long as 12 months, and persons threatened with eviction because of defaults caused by a major disaster could receive supplementary rental or mortgage payments. Homeowners and businessmen could secure SBA and FHA disaster loans at favorable interest rates and with a portion of the loan forgiven, while mortgages on damaged or destroyed property could be refinanced. Other benefits provided disaster victims included unemployment compensation for those not eligible for regular compensation payments, free food coupons and surplus commodities, and legal guidance and assistance.

The new bill, however, will provide additional aid not now available under the 1970 act. The citizens of Monticello, Ind., for example, will benefit from title V, establishing a disaster recovery revolving fund of up to $200 million. The tornado that struck Monticello went through the center of town, more or less following the bed of the Tippecanoe River. It damaged or destroyed structures as diverse as a railroad bridge, a manufacturing plant, a hardware store, a bank, the county courthouse, a new hospital wing, and a public school. We must be prepared to assist in the restoration of every one of these facilities, and we must do so on a basis dictated by commonsense, not artificial guidelines.

We must reconstruct communities such as Monticello not piece by piece, but on a systematic all-encompassing basis. Title V establishes a five-member recovery planning council, appointed by the Governor. A majority of the members must be elected local officials, with the State and National Government having one representative each. I fully support this coordinated, locally based approach to the reconstruction of Monticello and other communities in a similar predicament, because I believe it can lead to the sensible reconstruction of vital cities and towns and enable them to meet the needs of their citizens for many decades to come.

In a similar vein, I note an additional provision of this measure which may substantially benefit the citizens of communities such as Kennard, Ind. S. 3062 provides that, rather than receiving Federal grants on an audited project-by-project basis, a community may be able to obtain 90 percent of its total repair and reconstruction cost for public facilities in the form of a block grant, to be administered at the local level with a great deal of flexibility. This would permit the citizens of Kennard to decide for themselves exactly how they wish to reconstruct their relatively small, close-knit community. In nearby Grant City, Ind., which appeared from the air to be totally leveled, the residents might also wish to take advantage of this substantial flexibility afforded by S. 3062.

Section 318 of the bill authorizes and directs the President to insure the availability and fair distribution of scarce building materials needed in major disaster areas. This winter the residents of Indiana faced shortages of a great many products that all Americans had taken for granted. It is imperative that this body do everything in our power to insure that any future material shortages not be permitted to compound the tragedy wrought by nature. The family without a home, the businessman without a business, the teacher or student without a school clearly must come first in the allocation of construction materials.

During my helicopter flight from town to town I saw, from the air, a great many houses and mobile homes that had been totally destroyed. But I also saw many that were repairable and I am pleased to note that section 404 of this measure establishes by law a program begun in the summer of 1972. It will permit the residents of communities such as Depauw, Palmyra, or Martinsburg to have minimal repairs done to their homes without charge, in instances where they can be made habitable in a short period with limited expenditures. This program minimizes the duration and nature of the interruption of many lives affected by the disasters, and is most appropriate to complement the existing availability for up to 1 year of no-cost temporary housing in cases where a home is destroyed.

This bill will also help institutions such as Hanover College in Hanover, Ind., by extending the availability of repair and reconstruction grants to private nonprofit educational, emergency, medical custodial care, and utility facilities. S. 3026, of course, does much more. Among other things it creates a grant program which provides up to $5,000 per family to meet the extraordinary needs of individual victims of the disasters; directs the procurement of food commodities for distribution in major disaster areas; authorizes loans to local governments suffering revenue losses and in financial need because of a major disaster, and provides a method of dealing with mental health problems caused or aggravated by disaster.

It is my belief that several years hence the action we take today will be viewed as a vital step forward in the provision of speedy and adequate relief to the victims of natural disasters. At this moment, however, some 150 families in Fulton County, Ind., have lost their homes, 200 must repair their houses or mobile homes, and 45 have lost their barns. The citizens of towns such as Tal-

ma and Atwood are wondering where to begin the enormous task of rebuilding their entire communities. Mayor Carl Capper of Monticello is seeking ways to provide vital public services and employment to his city until it is back on its feet.

Every one of these Hoosiers needs and deserves our help. Prompt enactment of S. 3062 will provide valuable and immediate assistance to these unfortunate, but proud and hard-working victims of disaster as they begin the lengthy process of rebuilding their entire lives. I commend the Senate for its speedy action today and urge the House and the President to act with dispatch so that the relief provided by S. 3062 may be implemented at once. I am also seeking immediate action on my request for an additional $100 million to be appropriated for the President's disaster relief fund and trust this immediate relief will be available soon.

I am glad to be associated with this legislation and again I want to offer my deep appreciation—not only my personal appreciation but also the appreciation of the citizens I represent who have been afflicted by this disaster.

Mr. RANDOLPH. Mr. President, I am sure that those of us on the Public Works Committee appreciate the statement just made by the able Senator from Indiana (Mr. BAYH). It is important for us working now under the leadership of the Senators who have managed this bill, Senators BURDICK and DOMENICI, to recall that in 1965 Senator BAYH really began the pioneering work on disaster relief legislation when he was a member of the Public Works Committee.

I recall the tragic Palm Sunday disaster when tornadoes swept through Indiana and 141 persons lost their lives in that State. His expertise and his attention to this problem we remember now. We appreciate his joining us in the passage of the bill. This vote will endorse not so much the work of the committee, although it has been diligent work and we think well-reasoned work that will benefit the people of the country. It will also show the American people that during this short period of time since the tornadoes, with the destruction of property and the loss of 355 lives, we responded and responded with care and deliberation with legislation that we could bring to the floor.

The Senator from Indiana (Mr. BAYH), as I have observed, has had extensive experience with disaster relief legislation. Although he is no longer a member of the Committee on Public Works, his most recent committee assignment places him in a position to help speed the implementation of this legislation once it becomes law. I know that his continuing concern for victims of disasters will enable us to look to him as a member of the Appropriations Committee to help expedite funding for programs authorized in this bill.

Indeed, the Senator from Indiana has already proposed an amendment to the second supplemental appropriations bill which would add $100 million to the funds available for disaster relief this fiscal year. It is the efficient and compassionate response such as that exhibited by Senator BAYH that enables us to deal effectively with the problems of major disasters.

As we approach a vote on this bill, I must express my appreciation for the spirit of concern which prompted Senators to offer amendments to this measure.

The Members of this body, including the Senator from West Virginia now speaking, consider very carefully any proposal put forth by the Senator from Vermont (Mr. AIKEN). I have always given his recommendations my sympathetic attention. I regret that this was an occasion when I could not be with him.

The amendment offered by Senator AIKEN and those put forward by Senators HUDDLESTON, EAGLETON, TAFT, STEVENSON, and COOK were well reasoned and contained a number of good ideas. The recommendations offered by our colleagues are all worthy of consideration. The circumstances under which we consider this bill, however, militate against including them in this particular measure. I believe the approach taken by the committee in this bill was, on balance, the correct one to properly revise the disaster relief program.

I commend the Senators who proposed amendments for their action demonstrating a deep concern for this problem and their desire to be of service to their constituents.

Mr. DOLE. Mr. President, I would like to ask one question concerning this bill. Does this legislation affect in any way the current emergency or disaster loan programs of the Farmers Home Administration and the ASCS in the Department of Agriculture?

Mr. RANDOLPH. The question posed by the distinguished Senator from Kansas (Mr. DOLE) is a very valid one particularly since the legislation under consideration contains extensive revisions of the disaster relief program. The Senator from Kansas is a former member of the Committee on Public Works and was involved in our earlier activities in this field. In answer to his query, the provisions of this bill in no way affect the emergency or disaster loan programs in the Department of Agriculture to which he refers.

Mr. BAYH. Mr. President, I should like to express my personal appreciation to the distinguished chairman of the Public Works Committee who made it possible for me to be the first chairman of the Disaster Relief Subcommittee, now so ably chaired by Senator BURDICK. It was because of his efforts and those of other members of the committee that we were able to get legislation on the books before the disaster. It seemed to me to be unwise, as we began in 1965, to provide aid for each disaster after its occurrence. This legislation continues the practice which was implemented in past disaster relief bills which I introduced, of having disaster relief legislation on the books to apply in the field immediately without having to wait for further action.

I am deeply grateful that I was able to play a small role in this important endeavor.

Mr. BURDICK. Mr. President, I ask unanimous consent that the names of the Senator from Ohio (Mr. METZENBAUM) and the Senator from Alabama (Mr. ALLEN) be added as cosponsors of the bill.

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

Mr. BAKER. Mr. President, as we approach the final passage of the pending bill, I want to express my gratitude to the chairman of the full committee and the distinguished managers of the bill, Senators BURDICK and DOMENICI, for the outstanding job they have done in bringing us what I consider to be a good piece of legislation.

I also express my appreciation to the staff members, both majority and minority staffs who worked so laboriously and so well on his bill for such a length of time. Barry Meyer, chief counsel and staff director for the committee, and Bailey Guard, staff director for the minority, have always worked long and hard and provided valuable assistance.

Judy Parente worked very diligently for us, and even suffered a personal hardship when she became airsick during part of her visit to the disaster-stricken area last weekend. In addition, Clark Norton, Phil Cummings, Steve Swain, Paul Ebeltoft, and Grady Smithey contributed of their time, their resources, and their energy to bring us to this point.

I also thank our colleagues in the Senate for permitting us to move forward with this bill intact, without engrafting a number of amendments which would make it more difficult to pass and be signed by the President.

My congratulations to all who worked on this bill for a job well done.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the names of the Senator from Kentucky (Mr. COOK), the Senator from Ohio (Mr. TAFT), the Senator from Indiana (Mr. HARTKE), and the Senator from Tennessee (Mr. BROCK) be added as cosponsors of the bill.

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

Mr. HUDDLESTON. Mr. President, I am pleased to support S. 3062, the Disaster Relief Act Amendments of 1974.

Last week, a number of areas in our Nation, including my State of Kentucky, learned at firsthand that the forces of nature can be brutal and devastating. With little warning, tornadoes ripped through the State, leaving 72 of our people dead, 746 injured, and 219 hospitalized. Many were left homeless as over 1,200 houses were destroyed, 1,200 damaged in a major way, and over 1,300 damaged in a minor manner. Businesses and farm property were wrecked, in some cases beyond repair. Parks were ruined, trees uprooted. The damage from wind and water was widespread.

This most recent disaster, together with the fact that we have had some 104 major disaster declarations in the past 36 months, dramatically demonstrate the need for a consistent, comprehensive, and humane disaster relief program.

Many of the problems we encounter in our lives are of our own making. Many

could, with a little common sense and planning, be foreseen and avoided. But, calamities of nature are generally another thing. They come without warning. The protections which have thus far been developed against them remain far from complete. In these cases, we are truly at the mercy of forces beyond our control.

This is not to deny that there are some actions which can be taken as a guard against such events. Insurance is, of course, a major one of these. But natural calamities can result in destruction far beyond what one man, one woman, one family, one community, one insurance company, or even one State can be expected to cope with on its own.

Perhaps next to peace and security, the greatest obligation of a Federal Government to its people is assistance in times when homes, businesses, farms, normal possessions are severely damaged, rendered useless, or even destroyed.

We often hear people talking about starting from scratch, but it is hard to understand what this really means until one sees a man look at a pile of boards which was once his home and its furnishings, until one sees a man seek for blocks to find a heap of rubble that was once his car, until one sees a man begin to reseed his acres, replace his barn or restore his business to the point where it can reopen.

Man at the mercy of nature is man in need.

The legislation before us is legislation designed to assist man at the mercy of nature, and it should be legislation which will meet man's needs.

I am pleased that the proposed bill contains authority for grants for the repair of public education and recreation facilities and private nonprofit medical and educational facilities, for restoration of private homes to habitable condition, for unemployment assistance, for food commodities storage, and crisis counseling.

The section relating to recreation facilities should be of special value in returning Cherokee Park, in the city of Louisville, to a place of natural beauty within a busy metropolitan area. While Federal funds will not be available to restore Cherokee Park completely, they should go far in assisting the area to reassume some semblance of the notable municipal park Cherokee has been since the 19th century.

The community disaster loan program under which localities may borrow up to one-fourth of their operating budget for the year in which the disaster occurred and the longer range economic recovery program should also be helpful.

I am particularly pleased, however, that the committee adopted language which I proposed relating to materials allocations. In the aftermath of any disaster, an affected area's need for building and construction materials is great. Furthermore, local suppliers are often either unable to operate or unable to secure all the needed goods. In a situation such as the present one, where materials shortages unrelated to the disaster are already a problem, the situation will be particularly difficult. Under this provision, I envision a prompt survey of the construction materials needed for repair and replacement of homes, farms and businesses, followed by efforts to bring needed materials into the affected area.

The latter might involve contacting manufacturers and distributors, arranging for transportation and other activities involved in locating, obtaining and moving materials. In those areas which are in particularly severe straits, an allocation program could be implemented for up to 6 months in order to insure that priority needs were met and that available supplies were distributed in a fair manner. In the event that an allocation program were implemented, however, those operating it would be directed to work, to the extent possible, with and through those companies which normally supply the area. It is not the intention here to deprive any supplier of business, only to facilitate the obtaining and distribution of materials which will be needed by so many persons for so many various purposes.

I was also among those who joined in a request that the committee increase the extraordinary disaster expense grant limitation from $2,500 to $5,000 per family. These grants are to be made to those with a special need not covered by other programs. I believe this increase was needed and is entirely justified. I am pleased the committee adopted it. I do, however, have some concerns over the implementation of this program. We do not have the guidelines under which the program will operate; we do not know precisely how it will work; we do not know exactly who will benefit—or how many. And, while it sounds good at the moment, I hope it will not prove to be an over-promise which will eventually provide little benefit to the people of Kentucky and other disaster areas.

My own preference is a return to the low-interest loan program, with a forgiveness feature. That program could have been made available immediately, through established mechanisms and experienced agencies. For that reason, I offered an amendment, which was later withdrawn, to reinstate the 1 percent, $5,000 forgiveness features for Farmers Home Administration and Small Business Administration loans.

Despite my concerns about possible omissions in the reported bill, I believe it has many valuable features. It is the work of a subcommittee which came at once to the affected areas to obtain information on the extent and type of damage and to discuss needs with those affected. It is the work of a subcommittee and committee which tackled promptly the legislative problems, consulting consistently with Senators from affected areas, and moved a bill as speedily as possible toward floor consideration. I appreciate the efforts and the actions of the members of the committee and the staff, as I am sure all those in the Commonwealth of Kentucky who have been touched by the disaster do.

Mr. BUCKLEY. Mr. President, at the outset, I should like again to call the attention of my colleagues to the outstanding job that the distinguished Chairman (Mr. BURDICK) and the ranking Republican member of the subcommittee (Mr. DOMENICI) have accomplished in bringing this bill to us for consideration. As a member of the subcommittee and a participant in many of its deliberations, I speak from firsthand knowledge when I point to the nearly 2 years of effort which have gone into the writing of this bill, most of which burden has been carried by the two gentlemen just mentioned.

Mr. President, I want to emphasize the fact that this bill has been in preparation for many months, for I am sure some will say that we are again acting hastily only in reaction to the latest in a seemingly never-ending series of natural disasters. That simply is not the case. While we have admittedly moved rapidly in the past few days that his bill might be considered by the Senate prior to our Easter recess, our markup session had been scheduled long before the occurrence of the tragic tornadoes of the past week. The timing, then, is coincidental.

There is no question but that action by the Congress in the field of disaster legislation is both necessary and proper. In the past we have reacted rather than acted, and often emotionally, and not altogether wisely.

Mandated by the Congress to do so in the aftermath of "Agnes," the President submitted his recommendations for permanent disaster legislation nearly a year ago. Senators who have had a special interest in or a special concern with this kind of legislation have also introduced bills expressing their particular points of view. All of these have been thoroughly discussed and adequately considered.

Several days of hearings, both in the field to gather the expertise of those who had experienced several different types of disaster, and in Washington to consider the viewpoint of those who must cope from that vantage point, have been held. Repeated discussions have been conducted by the staffs involved and lengthy deliberations by the members of the committee have brought us the legislation we now have before us.

As has been said, this bill comes to us having been reported unanimously by the Committee on Public Works to the Senate, and having been reported unanimously by the subcommittee before that.

Such unanimity, however, should not be construed as an indication that this is perfect legislation, or that all members of the committee are completely happy with every section and detail of the bill. I, for example, have some serious reservations about title V of this bill and the appropriateness of its inclusion in this kind of legislation. Rather, it seems to me, the provisions of title V might better be dealt with in legislation amending the Economic Development Act, if, indeed, they should be dealt with at all.

In a spirit of cooperation, however, and with the goal in mind of averting the possibility of this bill becoming a "Christmas tree" to be adorned with the pet ideas of one and all, I have acceded to the strong feelings of my colleagues on the committee and have accepted certain provisions of this bill with which I

am less than enthusiastic. In all fairness, though, I must point out that my colleagues have acquiesced in kind to certain of my firmly held beliefs with regard to other portions of the bill we had before us.

Mr. President, this bill, then, is on balance a good bill and one which I fully support. I am particularly pleased by its emphasis on State action and responsibility. I believe that this bill, together with the flood insurance legislation we have already enacted, will be adequate to meet all conceivable needs for current and future natural disasters. It is far superior to the legislation now on the books, and far better than anything that would be likely to emerge if the line is not held on floor amendments. I shall vote for it, and I urge my colleagues to do likewise.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senator from New York (Mr. JAVITS) and the Senator from Pennsylvania (Mr. HUGH SCOTT) be added as cosponsors of the bill.

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

The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), and the Senator from Wyoming (Mr. MCGEE) are necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming (Mr. MCGEE) would vote "yea."

Mr. HUGH SCOTT. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Michigan (Mr. GRIFFIN) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

I further announce that, if present and voting, the Senator from Hawaii (Mr. FONG) would vote "yes."

The result was announced—yeas 91, nays 0, as follows:

[No. 133 Leg.]

YEAS—91

Abourezk	Cotton	Jackson
Aiken	Cranston	Javits
Allen	Curtis	Johnston
Baker	Dole	Kennedy
Bartlett	Domenici	Magnuson
Bayh	Dominick	Mansfield
Beall	Eagleton	Mathias
Bellmon	Eastland	McClellan
Bennett	Ervin	McClure
Bentsen	Fannin	McGovern
Bible	Fulbright	McIntyre
Biden	Gravel	Metcalf
Brock	Gurney	Metzenbaum
Brooke	Hansen	Mondale
Buckley	Hart	Montoya
Burdick	Hartke	Moss
Byrd, Harry F., Jr.	Haskell	Muskie
	Hatfield	Nelson
Byrd, Robert C.	Hathaway	Nunn
Cannon	Helms	Packwood
Case	Hollings	Pastore
Chiles	Hruska	Pearson
Clark	Huddleston	Pell
Cook	Humphrey	Percy
Proxmire	Stafford	Thurmond
Randolph	Stennis	Tower
Ribicoff	Stevens	Tunney
Roth	Stevenson	Weicker
Schweiker	Symington	Williams
Scott, Hugh	Taft	Young
Sparkman	Talmadge	

NAYS—0

NOT VOTING—9

Church	Hughes	Scott, William L.
Fong	Inouye	
Goldwater	Long	
Griffin	McGee	

So the bill (S. 3062) was passed, as follows:

S. 3062

An act entitled the "Disaster Relief Act Amendments of 1974".

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 "Disaster Relief Act Amendments of 1974".

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TITLE I—FINDINGS, DECLARATIONS, AND DEFINITIONS

FINDINGS AND DECLARATIONS

SEC. 101. (a) The Congress hereby finds and declares that—

(1) because disasters often cause loss of life, human suffering, loss of income, and property loss and damage; and

(2) because disasters often disrupt the normal functioning of governments and communities, and adversely affect individuals and families with great severity;

special measures, designed to assist the efforts of the affected States in expediting the rendering of aid, assistance, and emergency services, and the reconstruction and rehabilitation of devastated areas, are necessary.

(b) It is the intent of the Congress, by this Act, to provide an orderly and continuing means of assistance by the Federal Government to State and local governments in carrying out their responsibilities to alleviate the suffering and damage which result from such disasters by—

(1) revising and broadening the scope of existing disaster relief programs;

(2) encouraging the development of comprehensive disaster preparedness and assistance plans, programs, capabilities, and organizations by the States and by local governments;

(3) achieving greater coordination and responsiveness of disaster preparedness and relief programs;

(4) encouraging individuals, States, and local governments to protect themselves by obtaining insurance coverage to supplement or replace governmental assistance;

(5) encouraging hazard mitigation measures to reduce losses from disasters, including development of land use and construction regulations;

(6) providing Federal assistance programs for both public and private losses sustained in disasters; and

(7) providing a long-range economic recovery program for major disaster areas.

DEFINITIONS

SEC. 102. As used in this Act—

(a) "Emergency" means damage caused by any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, snowstorm, drought, fire, explosion, or other catastrophe in any part of the United States which requires Federal emergency assistance to supplement State and local efforts to save lives and protect public health and safety or to avert or lessen the threat of a major disaster.

(b) "Major disaster" means damage caused by any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, snowstorm, drought, fire, explosion, or other catastrophe in any part of the United States, in the determination of the President, is of sufficient severity and magnitude to warrant major disaster assistance under this Act, above and beyond emergency services by the Federal Government, to supplement the efforts and available resources of

States, local governments and disaster relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby.

(c) "United States" means the fifty States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Canal Zone, and the Trust Territory of the Pacific Islands.

(d) "State" means any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Canal Zone, or the Trust Territory of the Pacific Islands.

(e) "Governor" means the chief executive of any State.

(f) "Local government" means (1) any county, city, village, town, district, or other political subdivision of any State, or Indian tribe, authorized tribal organization, or Alaska Native village or organization, and (2) includes any rural community or unincorporated town or village or any other public or quasi-public entity for which an application for assistance is made by a State or political subdivision thereof.

(g) "Federal agency" means any department, independent establishment, Government corporation, or other agency of the executive branch of the Federal Government, including the United States Postal Service, but shall not include the American National Red Cross.

TITLE II—DISASTER PREPAREDNESS ASSISTANCE

FEDERAL AND STATE DISASTER PREPAREDNESS PROGRAMS

SEC. 201. (a) The President is authorized to establish a program of disaster preparedness that utilizes services of all appropriate agencies (including the Defense Civil Preparedness Agency) and includes—

(1) preparation of disaster preparedness plans for mitigation, warning, emergency operations, rehabilitation, and recovery;

(2) training and exercises;

(3) postdisaster critiques and evaluations;

(4) annual review of programs;

(5) coordination of Federal, State, and local preparedness programs;

(6) application of science and technology;

(7) research;

(8) assistance in updating disaster legislation.

(b) The President shall provide technical assistance to the States in developing comprehensive plans and practicable programs for preparation against disasters, including hazard reduction, avoidance, and mitigation; for assistance to individuals, businesses, and State and local governments following such disasters; and for recovery of damaged or destroyed public and private facilities.

(c) Upon application by the States, the President is authorized to make grants, not to exceed $250,000, for the development of plans, programs, and capabilities for disaster preparedness. Such grants shall be applied for within one year from the date of enactment. Any State desiring financial assistance under this section shall designate or create an agency to plan and administer such a disaster preparedness program, and shall, through such agency, submit a State plan to the President, which shall—

(1) set forth a comprehensive and detailed State program for preparation against, and assistance following, emergencies and major disasters, including provisions for assistance to individuals, businesses, and local governments; and

(2) include provisions for appointment and training of appropriate staffs, formulation of necessary regulations and procedures, and conduct of required exercises.

(d) The President is authorized to make grants not to exceed 50 per centum of the cost of improving, maintaining and updating State disaster assistance plans, except that no such grant shall exceed $25,000 per annum to any State.

DISASTER WARNINGS

SEC. 202. (a) The President shall insure that all appropriate agencies are prepared to issue warnings of disasters to State and local officials.

(b) The President shall direct Federal agencies to provide technical assistance to State and local governments to insure that timely and effective disaster warning is provided.

(c) The President is further directed to utilize or to make available to Federal, State, and local agencies the facilities of the civil defense communications system established and maintained pursuant to section 201(c) of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. app. 2281(c)), or any other Federal communications system for the purpose of providing warning to governmental authorities and the civilian population in areas endangered by threatened or imminent disasters.

(d) The President is further directed to enter into agreements with the officers or agents of any private or commercial communications systems who volunteer the use of their systems on a reimbursable or nonreimbursable basis for the purpose of providing warning to governmental authorities and the civilian population endangered by threatened or imminent disasters.

TITLE III—DISASTER ASSISTANCE ADMINISTRATION

PROCEDURES

SEC. 301. (a) All requests for emergency assistance from the Federal Government under this Act shall be made by the Governor of the affected State. Such Governor's request shall be based upon a finding that the situation is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments and that Federal assistance is necessary. The Governor's request will furnish information describing State and local efforts and resources which have been or will be used to alleviate the emergency, and will define the type and extent of Federal aid required. Based upon such Governor's request, the President may determine that an emergency exists which warrants Federal assistance.

(b) All requests for major disaster assistance from the Federal Government under this Act shall be made by the Governor of the affected State. Such Governor's request shall be based upon a finding that the disaster is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments and that Federal assistance is necessary. As a part of this request, and as a prerequisite to major disaster assistance under the Act, the Governor shall formally declare an emergency under State statutes and direct execution of the State's emergency plan. He shall furnish information on the extent and nature of State resources which have been or will be used to alleviate the conditions of the disaster, and shall certify that, for the current disaster, State and local government obligations and expenditures (of which State commitments must be a significant proportion) constitute the expenditure of a reasonable amount of the funds of such State and local governments for alleviating the damage, loss, hardship, or suffering resulting from such catastrophe. Based upon such Governor's request, the President may declare that a major disaster exists, or take whatever other action he deems appropriate in accordance with the provisions of this Act.

FEDERAL ASSISTANCE

SEC. 302. (a) In the interest of providing maximum mobilization of Federal assistance under this Act, the President is directed to coordinate, in such manner as he may determine, the activities of all Federal agencies providing disaster assistance. The President shall direct any Federal agency, with or without reimbursement, to utilize its available personnel, equipment, supplies, facilities, and other resources including managerial and technical services in support of State and local disaster assistance efforts. The President may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and he may exercise any power or authority conferred on him by any action of this Act either directly or through such Federal agency or agencies as he may designate.

(b) Any Federal agency charged with the administration of a Federal assistance program is authorized, if so requested by the applicant State or local authorities, to modify or waive, for the duration of a major disaster, such administrative conditions for assistance as would otherwise prevent the giving of assistance under such programs if the inability to meet such conditions is a result of the major disaster.

(c) All assistance rendered under this Act shall be provided pursuant to a Federal-State disaster assistance agreement unless specifically waived by the President.

COORDINATING OFFICERS

SEC. 303. (a) Immediately upon his designation of a major disaster area, the President shall appoint a Federal coordinating officer to operate in such area.

(b) In order to effectuate the purposes of this Act, the Federal coordinating officer, within the designated area, shall—

(1) make an initial appraisal of the types of relief most urgently needed;

(2) establish such field offices as he deems necessary and as are authorized by the President;

(3) coordinate the administration of relief, including activities of the State and local governments, the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations which agree to operate under his advice or direction, except that nothing contained in this Act shall limit or in any way affect the responsibilities of the American National Red Cross under the Act of January 5, 1905, as amended (33 Stat. 599); and

(4) take such other action, consistent with authority delegated to him by the President, and consistent with the provisions of this Act, as he may deem necessary to assist local citizens and public officials in promptly obtaining assistance to which they are entitled.

(c) When the President determines assistance under this Act is necessary, he shall request that the Governor of the affected State designate a State coordinating officer for the purpose of coordinating State and local disaster assistance efforts with those of the Federal Government.

EMERGENCY SUPPORT TEAMS

SEC. 304. The President shall form emergency support teams of Federal personnel to be deployed in a major disaster or emergency area. Such emergency support teams shall assist the Federal coordinating officer in carrying out his responsibilities pursuant to this Act. Upon request of the President, the head of any Federal department or agency is directed to detail to temporary duty with the emergency support teams on either a reimbursable or nonreimbursable basis, as is determined necessary by the President, such personnel within the administrative jurisdiction of the head of the Federal department or agency as the President may need or believe to be useful for carrying out the functions of the emergency support teams, each such detail to be without loss of seniority, pay, or other employee status.

EMERGENCY ASSISTANCE

SEC. 305. (a) In any emergency, the President may provide assistance to save lives and

protect public health and safety or to avert or lessen the threat of a major disaster.

(b) The President may provide such emergency assistance by directing Federal agencies to provide technical assistance and advisory personnel to the affected State to assist the State and local governments in—

(1) the performance of essential community services; warning of further risks and hazards; public information and assistance in health and safety measures; technical advice on management and control; and reduction of immediate threats to public health and safety; and

(2) the distribution of medicine, food, and other consumable supplies, or emergency assistance.

(c) In addition, in any emergency, the President is authorized to provide assistance in accordance with section 306 of this Act and such other assistance under this Act as the President deems appropriate.

COOPERATION OF FEDERAL AGENCIES IN RENDERING DISASTER ASSISTANCE

SEC. 306. (a) In any major disaster or emergency, Federal agencies are hereby authorized, on the direction of the President, to provide assistance by—

(1) utilizing or lending, with or without compensation therefor, to States and local governments, their equipment, supplies, facilities, personnel, and other resources, other than the extension of credit under the authority of any Act;

(2) distributing or rendering, through the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief and disaster assistance organizations, or otherwise, medicine, food, and other consumable supplies, or emergency assistance;

(3) donating or lending equipment and supplies, including that determined in accordance with applicable laws to be surplus to the needs and responsibilities of the Federal Government, to State and local governments for use or distribution by them for the purposes of this Act; and

(4) performing on public or private lands or waters any emergency work or services essential for the protection and preservation of public health and safety, including but not limited to: search and rescue, emergency medical care, emergency mass care, emergency shelter, and provision of food, water, medicine, and other essential needs, including movement of supplies or persons; clearance of roads and construction of temporary bridges necessary to the performance of emergency tasks and essential community services; provision of temporary facilities for schools and other essential community services; demolition of unsafe structures that endanger the public; warning of further risks and hazards; public information and assistance on health and safety measures; technical advice to State and local governments on disaster management and control; reduction of immediate threats to public health and safety; and making contributions to State or local governments for the purpose of carrying out the provisions of this paragraph.

REIMBURSEMENT

SEC. 307. Federal agencies may be reimbursed for expenditures under this Act from funds appropriated for the purposes of this Act. Any funds received by Federal agencies as reimbursement for services or supplies furnished under the authority of this Act shall be deposited to the credit of the appropriation or appropriations currently available for such services or supplies.

NONLIABILITY

SEC. 308. The Federal Government shall not be liable for any claim based upon the exercise or performance of or the failure to exercise or perform a discretionary function or duty on the part of a Federal agency or an employee of the Federal Government in carrying out the provisions of this Act.

PERFORMANCE OF SERVICES

SEC. 309. (a) In carrying out the purposes of this Act, any Federal agency is authorized to accept and utilize the services or facilities of any State or local government, or of any agency, office, or employee thereof, with the consent of such government.

(b) In performing any services under this Act, any Federal agency is authorized—

(1) to appoint and fix the compensation of such temporary personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointments in competitive service;

(2) to employ experts and consultants in accordance with the provisions of section 3109 of such title, without regard to the provisions of chapter 51 and subchapter III of such title relating to classification and General Schedule pay rates; and

(3) to incur obligations on behalf of the United States by contract or otherwise for the acquisition, rental, or hire of equipment, services, materials, and supplies for shipping, drayage, travel, and communications, and for the supervision and administration of such activities. Such obligations, including obligations arising out of the temporary employment of additional personnel, may be incurred by an agency when directed by the President without regard to the availability of funds.

USE OF LOCAL FIRMS AND INDIVIDUALS

SEC. 310. In the expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster assistance activities which may be carried out by contract or agreement with private organizations, firms, or individuals, preference shall be given, to the extent feasible and practicable, to those organizations, firms, and individuals residing or doing business primarily in the disaster area.

NONDISCRIMINATION IN DISASTER ASSISTANCE

SEC. 311. (a) The President shall issue, and may alter and amend, such regulations as may be necessary for the guidance of personnel carrying out Federal assistance functions at the site of a major disaster or emergency. Such regulations shall include provisions for insuring that the distribution of supplies, the processing of applications, and other relief and assistance activities shall be accomplished in an equitable and impartial manner, without discrimination on the grounds of race, color, religion, nationality, sex, age, or economic status.

(b) As a condition of participation in the distribution of assistance or supplies under this Act or of receiving assistance under section 402 or 404 of this Act, governmental bodies and other organizations shall be required to comply with regulations relating to nondiscrimination promulgated by the President, and such other regulations applicable to activities within a major disaster or emergency area as he deems necessary for the effective coordination of relief efforts.

USE AND COORDINATION OF RELIEF ORGANIZATIONS

SEC. 312. (a) In providing relief and assistance under this Act, the President may utilize, with their consent, the personnel and facilities of the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations, in the distribution of medicine, food, supplies, or other items, and in the restoration, rehabilitation, or reconstruction of community services, housing and essential facilities, whenever the President finds that such utilization is necessary.

(b) The President is authorized to enter into agreements with the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations under which the disaster relief activities of such organizations may be coordinated by the Federal coordinating officer whenever such organizations are engaged in providing relief during and after a major disaster or emergency. Any such agreement shall include provisions assuring that use of Federal facilities, supplies, and services will be in compliance with regulations prohibiting duplication of benefits and guaranteeing nondiscrimination promulgated by the President under this Act, and such other regulations as the President may require.

PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY AND PUBLIC HOUSING ASSISTANCE

SEC. 313. (a) In the processing of applications for assistance, priority and immediate consideration shall be given, during such period as the President shall prescribe by proclamation, to applications from public bodies situated in major disaster areas, under the following Acts:

(1) title II of the Housing Amendments of 1955, or any other Act providing assistance for repair, construction, or extension of public facilities;

(2) the United States Housing Act of 1937 for the provision of low-rent housing;

(3) section 702 of the Housing Act of 1954 for assistance in public works planning;

(4) section 702 of the Housing and Urban Development Act of 1965 providing for grants for public facilities;

(5) section 306 of the Consolidated Farmers Home Administration Act;

(6) the Public Works and Economic Development Act of 1965, as amended;

(7) the Appalachian Regional Development Act of 1965, as amended; or

(8) title II of the Federal Water Pollution Control Act, as amended.

(b) In the obligation of discretionary funds or funds which are not allocated among the States or political subdivisions of a State, the Secretary of Housing and Urban Development and the Secretary of Commerce shall give priority to applications for projects in major disaster areas in which a Recovery Planning Council has been designated pursuant to title V of this Act.

INSURANCE

SEC. 314. (a) An applicant for assistance under this Act shall comply with regulations prescribed by the President to assure that, with respect to any property to be replaced, restored, repaired, or constructed with such assistance, such types and extent of insurance will be obtained and maintained as may be reasonably available, adequate, and necessary to protect against future loss to the property.

(b) No applicant for assistance under this Act shall receive such assistance for any property or part thereof for which he has previously received assistance under the Disaster Relief Act Amendments of 1974 unless all insurance required pursuant to this section has been obtained and maintained with respect to such property.

(c) A State may elect to act as a self-insurer with respect to any or all of the facilities belonging to it. Such an election, declared in writing at the time of accepting assistance under this Act or subsequently, in a manner satisfactory, to the President shall be deemed compliance with subsection (a) of this section. No such self-insurer shall receive assistance under this Act for any property or part thereof for which it has previously received assistance under the Disaster Relief Act Amendments of 1974, to the extent that insurance for such property or part thereof would have been reasonably available.

DUPLICATION OF BENEFITS

SEC. 315. (a) The President, in consultation with the head of each Federal agency administering any program providing financial assistance to persons, business concerns,

or other entities suffering losses as the result of a major disaster, shall assure that no such person, business concern, or other entity will receive such assistance with respect to any part of such loss as to which he has received financial assistance under any other program.

(b) The President shall assure that no person, business concern, or other entity receives any Federal assistance for any part of a loss suffered as the result of a major disaster if such person, concern, or entity received compensation from insurance or any other source for that part of such a loss. Partial compensation for a loss or a part of a loss resulting from a major disaster shall not preclude additional Federal assistance for any part of such a loss not compensated otherwise.

(c) Whenever the President determines (1) that a person, business concern, or other entity has received assistance under this Act for a loss and that such person, business concern or other entity received assistance for the same loss from another source, and (2) that the amount received from all sources exceeded the amount of the loss, he shall direct such person, business concern, or other entity to pay to the Treasury an amount, not to exceed the amount of Federal assistance received, sufficient to reimburse the Federal Government for that part of the assistance which he deems excessive.

REVIEWS AND REPORTS

SEC. 316. The President shall conduct annual reviews of the activities of Federal agencies and State and local governments providing disaster preparedness and assistance, in order to assure maximum coordination and effectiveness of such programs, and shall from time to time report thereon to the Congress.

CRIMINAL AND CIVIL PENALTIES

SEC. 317. (a) Any individual who fraudulently or willfully misstates any fact in connection with a request for assistance under this Act shall be fined not more than $10,000 or imprisoned for not more than one year or both for each violation.

(b) Any individual who willfully violates any order or regulation under this Act shall be subject to a civil penalty of not more than $5,000 for each violation.

(c) Whoever wrongfully misapplies the proceeds of a loan or other cash benefit obtained under any section of this Act shall be civilly liable to the Federal Government in an amount equal to one and one-half times the original principal amount of the loan or cash benefit.

AVAILABILITY OF MATERIALS

SEC. 318. The President is authorized, at the request of the Governor of an affected State, to provide for a survey of construction materials needed in the disaster area on an emergency basis for replacement housing, farming operations, and business enterprises and to take appropriate action to assure the availability and fair distribution of needed materials, including, where possible, the allocation of such materials for a period of no more than one hundred and eighty days after such major disaster. Any allocation program shall be implemented by the President to the extent possible, by working with and through those companies which traditionally supply construction materials in the affected area. For the purposes of this section "construction materials" shall include building materials and materials required for construction of replacement housing and for normal farm and business operations.

TITLE IV—FEDERAL DISASTER ASSISTANCE PROGRAMS

FEDERAL FACILITIES

SEC. 401. (a) The President may authorize any Federal agency to repair, reconstruct, restore, or replace any facility owned by the United States and under the jurisdiction of such agency which is damaged or destroyed by any major disaster if he determines that such repair, reconstruction, restoration, or replacement is of such importance and urgency that it cannot reasonably be deferred pending the enactment of specific authorizing legislation or the making of an appropriation for such purposes, or the obtaining of congressional committee approval.

(b) In order to carry out the provisions of this section, such repair, reconstruction, restoration, or replacement may be begun notwithstanding a lack or an insufficiency of funds appropriated for such purpose, where such lack or insufficiency can be remedied by the transfer, in accordance with law, of funds appropriated to that agency for another purpose.

(c) In implementing this section, Federal agencies shall evaluate the natural hazards to which these facilities are exposed and shall take appropriate action to mitigate such hazards, including safe land-use and construction practices, in accordance with standards prescribed by the President.

REPAIR AND RESTORATION OF DAMAGED FACILITIES

SEC. 402. (a) The President is authorized to make contributions to State or local governments to help repair, restore, reconstruct, or replace public facilities belonging to such State or local governments which were damaged or destroyed by a major disaster.

(b) The President is also authorized to make grants to help repair, restore, reconstruct, or replace private nonprofit educational, utility, emergency, medical, and custodial care facilities, including those for the aged or disabled, and facilities on Indian reservations as defined by the President, which were damaged or destroyed by a major disaster.

(c) For those facilities eligible under this section which were in the process of construction when damaged or destroyed by a major disaster, the grant shall be based on the net costs of restoring such facilities substantially to their predisaster condition.

(d) For the purposes of this section, "public facility" includes any publicly owned flood control, navigation, irrigation, reclamation, public power, sewage treatment and collection, water supply and distribution, watershed development, park, or airport facility, any non-Federal-aid street, road, or highway, and any other public building, structure, or system, including those used for educational or recreational purposes.

(e) The Federal contribution for grants made under this section shall not exceed 100 per centum of the net cost of repairing, restoring, reconstructing, or replacing any such facility on the basis of the design capacity of such facility as it existed immediately prior to such disaster and in conformity with current applicable codes, specifications, and standards.

(f) In those cases where a State or local government determines that public welfare would not be best served by repairing, restoring, reconstructing, or replacing particular public facilities owned or controlled by that State or that local government which have been damaged or destroyed in a major disaster, it may elect to receive, in lieu of the contribution described in subsection (e) of this section, a contribution based on 90 per centum of the total estimated cost of restoring all damaged public facilities owned by it within its jurisdiction. Funds contributed under this subsection may be expended either to repair or restore certain selected damaged public facilities or, after due consideration of the impact on the environment, to construct new public facilities which the State or local government determines to be necessary to meet its needs for governmental services and functions in the disaster-affected area.

(g) On the application of a State or local government for which the total estimated cost of restoring all damaged public facilities owned by it within its jurisdiction is less than $25,000, the President is authorized to make a contribution to such State or local government based on 100 per centum of such total estimated cost, which may be expended either to repair or restore all such damaged public facilities, to repair or restore certain selected damaged public facilities, or to construct new public facilities which the State or local government determines to be necessary to meet its needs for governmental services and functions in the disaster-affected area.

DEBRIS REMOVAL

SEC. 403. (a) The President, whenever he determines it to be in the public interest, is authorized—

(1) through the use of Federal departments, agencies, and instrumentalities, to clear debris and wreckage resulting from a major disaster from publicly and privately owned lands and waters.

(2) to make grants to any State or local government for the purpose of removing debris or wreckage resulting from a major disaster from publicly or privately owned lands and waters.

(b) No authority under this section shall be exercised unless the affected State or local government shall first arrange an unconditional authorization for removal of such debris or wreckage from public and private property, and, in the case of removal of debris or wreckage from private property, shall first agree to indemnify the Federal Government against any claim arising from such removal.

TEMPORARY HOUSING ASSISTANCE

SEC. 404. (a) The President is authorized to provide, either by purchase or lease, temporary housing, including, but not limited to, unoccupied habitable dwellings, suitable rental housing, mobile homes or other readily fabricated dwellings for those who, as a result of a major disaster, require temporary housing. During the first twelve months of occupancy no rentals shall be established for any such accommodations, and thereafter rentals shall be established, based upon fair market value of the accommodations being furnished, adjusted to take into consideration the financial ability of the occupant. Notwithstanding any other provision of law, any such emergency housing acquired by purchase may be sold directly to individuals and families who are occupants thereof at prices that are fair and equitable. Any mobile home or readily fabricated dwelling shall be placed on a site complete with utilities provided either by the State or local government, or by the owner or occupant of the site who was displaced by the major disaster, without charge to the United States. However, the President may elect to provide other more economical or accessible sites or he may authorize installation of essential utilities at such sites at Federal expense when he determines such action to be in the public interest.

(b) The President is authorized to provide assistance on a temporary basis in the form of mortgage or rental payments to or on behalf of individuals and families who, as a result of financial hardship caused by a major disaster, have received written notice of dispossession or eviction from a residence by reason of foreclosure of any mortgage or lien, cancellation of any contract of sale, or termination of any lease, entered into prior to the disaster. Such assistance shall be provided for a period of not to exceed one year or for the duration of the period of financial hardship, whichever is the lesser.

(c) In lieu of providing other types of temporary housing after a major disaster, the President is authorized to make expenditures for the purpose of repairing or restoring to a habitable condition owner-occupied private residential structures made

uninhabitable by a major disaster which are capable of being restored quickly to a habitable condition with minimal repairs. No assistance provided under this section may be used for major reconstruction or rehabilitation of damaged property.

(d) (1) Notwithstanding any other provision of law, any such temporary housing acquired by purchase may be sold directly to individuals and families who are occupants of temporary housing at prices that are fair and equitable, as determined by the President.

(2) The President may sell or otherwise make available temporary housing units directly to States, other governmental entities, and voluntary organizations. The President shall impose as a condition of transfer under this paragraph a covenant to comply with the provisions of section 311 of this Act requiring nondiscrimination in occupancy of such temporary housing units. Such disposition shall be limited to units purchased under the provisions of subsection (a) of this section and to the purposes of providing temporary housing for disaster victims in emergencies or in major disasters.

PROTECTION OF ENVIRONMENT

SEC. 405. No action taken or assistance provided pursuant to sections 305, 306, or 403 of this Act, or any assistance provided pursuant to section 402 of this Act that has the effect of restoring facilities substantially as they existed prior to the disaster, shall be deemed a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (83 Stat. 852).

MINIMUM STANDARDS FOR PUBLIC AND PRIVATE STRUCTURES

SEC. 406. As a condition of a disaster loan or grant made under the provisions of this Act, the recipient shall agree that any repair or construction to be financed therewith shall be in accordance with applicable standards of safety, decency, and sanitation and in conformity with applicable codes, specifications, and standards, and shall furnish such evidence of compliance with this section as may be required by regulation. As a further condition of any loan or grant made under the provision of this Act, the State or local government shall agree that the natural hazards in the areas in which the proceeds of the grants or loans are to be used shall be evaluated and appropriate action shall be taken to mitigate such hazards, including safe land-use and construction practices, in accordance with standards prescribed by the President after adequate consultation with the appropriate elected officials of general purpose local governments, and the State shall furnish such evidence of compliance with this section as may be required by regulation.

UNEMPLOYMENT ASSISTANCE

SEC. 407. (a) The President is authorized to provide to any individual unemployed as a result of a major disaster such assistance as he deems appropriate while such individual is unemployed. Such assistance as the President shall provide shall be available to individuals not otherwise eligible for unemployment compensation and individuals who have otherwise exhausted their eligibility for such unemployment compensation, and shall continue as long as unemployment caused by the major disaster continues or until the individual is reemployed in a suitable position, but no longer than one year after the major disaster is declared. Such assistance shall not exceed the maximum weekly amount authorized under the unemployment compensation program of the State in which the disaster occurred, and the amount of assistance under this section to any such individual shall be reduced by any amount of unemployment compensation or of private income protection insurance compensation available to such individual for such period of unemployment. The President is directed to provide such assistance through agreements with States which, in his judgment, have an adequate system for administering such assistance through existing State agencies.

(b) As used in this section—

(1) the phrase "not otherwise eligible for unemployment compensation" means not eligible for compensation under any State or Federal unemployment compensation law (including the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.)) with respect to such week of unemployment; and

(2) the phrase "exhausted their eligibility for such unemployment compensation" means exhausted all rights to regular, additional, and extended compensation under all State employment compensation laws and chapter 85 of title 5, United States Code, and has no further rights to regular, additional, or extended compensation under any State or Federal unemployment compensation law (including the Railroad Unemployment Insurance Act (45 U.S.C. et seq.)) with respect to such week of unemployment.

(c) The President is further authorized for the purposes of this Act to provide reemployment assistance services under other laws to individuals who are unemployed as a result of a major disaster.

EXTRAORDINARY DISASTER EXPENSE GRANTS

SEC. 408. (a) The President is authorized to make grants to States to provide financial assistance to persons adversely affected by a major disaster who are unable to meet extraordinary disaster-related expenses or needs. Such grants shall be made for use only in cases where assistance under other provisions of this Act or other appropriate laws, or other means, is insufficient to allow persons to meet such expenses or needs.

(b) The amount of funds to be granted under this section shall not exceed 75 per centum of the actual cost of providing assistance pursuant to subsection (a) of this section.

(c) The Governor or his designated representative shall be responsible for administering the grant program authorized by this section. An initial advance may be provided which shall not exceed 25 per centum of the estimated Federal funds required to implement the purposes of this section.

(d) The President shall promulgate regulations that shall include national criteria, standards, and procedures for the determination of eligibility and the administration of individual assistance grants made under this section. No family shall receive grants under this section which total in excess of $5,000. Grants shall be made only during the period for which the major disaster has been declared.

(e) Not more than 3 per centum of the total grant provided to an affected State shall be utilized for administrative purposes.

(f) Administration of this grant program shall be subject to Federal audit for purposes of determining whether the criteria, standards, and procedures required by subsection (d) have been complied with.

FOOD COUPONS AND DISTRIBUTION

SEC. 409. (a) Whenever the President determines that, as a result of a major disaster, low-income households are unable to purchase adequate amounts of nutritious food, he is authorized, under such terms and conditions as he may prescribe, to distribute through the Secretary of Agriculture or other appropriate agencies coupon allotments to such households pursuant to the provisions of the Food Stamp Act of 1964 and to make surplus commodities available pursuant to the provisions of this Act.

(b) The President, through the Secretary of Agriculture or other appropriate agencies, is authorized to continue to make such coupon allotments and surplus commodities available to such households for so long as he determines necessary, taking into consideration such factors as he deems appropriate, including the consequences of the major disaster on the earning power of the households to which assistance is made available under this section.

(c) Nothing in this section shall be construed as amending or otherwise changing the provisions of the Food Stamp Act of 1964 except as they relate to the availability of food stamps in a major disaster area.

FOOD COMMODITIES

SEC. 410. (a) The President is authorized and directed to assure that adequate stocks of food will be readily and conveniently available for emergency mass feeding or distribution in any area of the United States which suffers a major disaster or emergency.

(b) The Secretary of Agriculture shall utilize funds appropriated under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), to purchase food commodities necessary to provide adequate supplies for use in any area of the United States in the event of a major disaster or emergency in such area.

RELOCATION ASSISTANCE

SEC. 411. Notwithstanding any other provision of law, no person otherwise eligible for any kind of replacement housing payment under the "Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970" (Public Law 91-646) shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to meet the occupancy requirements set by such Act.

LEGAL SERVICES

SEC. 412. Whenever the President determines that low-income individuals are unable to secure legal services adequate to meet their needs as a consequence of a major disaster, he shall assure the availability of such legal services as may be needed by these individuals because of conditions created by a major disaster. Whenever feasible, and consistent with the goals of the program authorized by this section, the President shall assure that the programs are conducted with the advice and assistance of appropriate Federal agenceis and State and local bar associations.

CRISIS COUNSELING ASSISTANCE AND TRAINING

SEC. 413. The President is authorized through the National Institute of Mental Health) to provide professional counseling services, including financial assistance to State or local agencies or private mental health organizations to provide such services or training of disaster workers, to victims of major disasters in order to relieve mental health problems caused or aggravated by the disaster or its aftermath.

COMMUNITY DISASTER LOANS

SEC. 414. (a) The President is authorized to make disaster loans to any local government which may suffer a substantial loss of tax and other revenues as a result of a major disaster, and has demonstrated a need for financial assistance in order to perform its governmental functions. The amount of any such disaster loan shall be based on need, and shall not exceed 25 per centum of the annual operating budget of that local government for the fiscal year in which the major disaster occurs. The President is authorized to cancel repayment of all or any part of such disaster loan to the extent that revenues of the local government during the three full fiscal year period following the disaster are insufficient to meet the operating budget of the local government, including additional disaster-related expenses of a municipal operation character.

(b) Any disaster loans made under this section shall not reduce or otherwise affect any grants or other assistance under this Act.

(c) (1) Subtitle C of title I of the State and Local Fiscal Assistance Act of 1972 is amended by adding at the end thereof the following new section:

"SEC. 145. ENTITLEMENT FACTORS AFFECTED BY MAJOR DISASTERS.

"In the administration of this title the Secretary shall disregard any change in data used in determining the entitlement of a State government or a unit of local government for a period of 60 months if that change—

"(1) results from a major disaster determined by the President under section 301 of the Disaster Relief Act Amendments of 1974, and

"(2) reduces the amount of the entitlement of that State government or unit of local government.".

(2) The amendment made by this section takes effect on April 1, 1974.

EMERGENCY COMMUNICATIONS

SEC. 415. The President is authorized during, or in anticipation of, an emergency or major disaster to establish temporary communications systems and to make such communications available to State and local government officials and other persons as he deems appropriate.

EMERGENCY PUBLIC TRANSPORTATION

SEC. 416. The President is authorized to provide temporary public transportation service in a major disaster area to meet emergency needs and to provide transportation to governmental offices, supply centers, stores, post offices, schools, major employment centers, and such other places as may be necessary in order to enable the community to resume its normal pattern of life as soon as possible.

FIRE SUPPRESSION GRANTS

SEC. 417. The President is authorized to provide assistance, including grants, equipment, supplies, and personnel, to any State for the suppression of any fire on publicly or privately owned forest or grassland which threatens such destruction as would constitute a major disaster.

TIMBER SALE CONTRACTS

SEC. 418. (a) Where an existing timber sale contract between the Secretary of Agriculture or the Secretary of the Interior and a timber purchaser does not provide relief from major physical change not due to negligence of the purchaser prior to approval of construction of any section of specified road or of any other specified development facility and, as a result of a major disaster, a major physical change results in additional construction work in connection with such road or facility by such purchaser with an estimated cost, as determined by the appropriate Secretary, (1) of more than $1,000 for sales under one million board feet, (2) of more than $1 per thousand board feet for sales of one to three million board feet, or (3) of more than $3,000 for sales over three million board feet, such increased construction cost shall be borne by the United States.

(b) If the appropriate Secretary determines that damages are so great that restoration, reconstruction, or construction is not practical under the cost-sharing arrangement authorized by subsection (a) of this section, he may allow cancellation of a contract entered into by his Department notwithstanding contrary provisions therein.

(c) The Secretary of Agriculture is authorized to reduce to seven days the minimum period of advance public notice required by the first section of the Act of June 4, 1897 (16 U.S.C. 476), in connection with the sale of timber from national forests, whenever the Secretary determines that (1) the sale of such timber will assist in the construction of any area of a State damaged by a major disaster, (2) the sale of such timber will assist in sustaining the economy of such area, or (3) the sale of such timber is necessary to salvage the value of timber damaged in such major disaster or to protect undamaged timber.

(d) The President, when he determines it to be in the public interest, is authorized to make grants to any State or local government for the purpose of removing from privately owned lands timber damaged as a result of a major disaster, and such State or local government is authorized upon application, to make payments out of such grants to any person for reimbursement of expenses actually incurred by such person in the removal of damaged timber, not to exceed the amount that such expenses exceed the salvage value of such timber.

TITLE V—ECONOMIC RECOVERY FOR DISASTER AREAS

SEC. 501. The Public Works and Economic Development Act of 1965, as amended, is amended by adding at the end thereof the following new title:

"TITLE VIII—ECONOMIC RECOVERY FOR DISASTER AREAS

"PURPOSES OF TITLE

"SEC. 801. It is the purpose of this title to provide assistance for the economic recovery, after the period of emergency aid and replacement of essential facilities and services, of any major disaster area which has suffered a dislocation of its economy of sufficient severity to require (a) assistance in planning for development to replace that lost in the disaster; (b) continued coordination of assistance available under Federal-aid programs; and (c) continued assistance toward the restoration of the employment base.

"DISASTER RECOVERY PLANNING

"SEC. 802. (a) (1) In the case of any major disaster area which the Governor has determined requires assistance under this title and for which he has requested such assistance, the Governor, within thirty days after authorization of such assistance by the President, shall designate a Recovery Planning Council for such area or for each part thereof.

"(2) Such Council shall be composed of not less than five members, a majority of whom shall be local elected officials of political subdivisions within the affected areas, at least one representative of the State, and a representative of the Federal Government. During the period for which the major disaster is declared, the Federal coordinating officer shall also serve on the Council.

"(3) The Federal representative on such Council may be the Chairman of the Federal Regional Council for the affected area, or a member of the Federal Regional Council designated by the Chairman. The Federal representative on such Council may be the Federal Cochairman of the Regional Commission established pursuant to title V of the Public Works and Economic Development Act, or the Appalachian Regional Development Act, or his designee, where all of the affected area is within the boundaries of such Commission.

"(4) The Governor may designate an existing multijurisdictional organization as the Recovery Planning Council where such organization complies with paragraph (2) of this subsection with the addition of State and Federal representatives. Where possible, the organization designated as the Recovery Planning Council shall be or shall be subsequently designated as the clearinghouse required by the Office of Management and Budget circular A-95.

"(5) The Recovery Planning Council shall include private citizens as members to the extent feasible, and shall provide for and encourage public participation in its deliberations and decisions.

"(b) The Recovery Planning Council (1) shall review existing development, land use and other plans for the affected area; (2) may make such revisions as it determines necessary for the economic recovery of the area, including the development of new plans and the preparation of a recovery investment plan for the five-year period following the declaration of the disaster; and (3) may make recommendations for such revisions and the implementation of such plans to the Governor and responsible local governments. The Council shall accept as one element of the recovery investment plan determinations made under section 402(f) of the Disaster Relief Act Amendments of 1974.

"(c) (1) A recovery investment plan prepared by a Recovery Planning Council may recommend the revision, deletion, reprograming, or additional approval of Federal-aid projects and programs within the area—

"(A) for which application has been made but approval not yet granted;

"(B) for which funds have been obligated or approval granted but construction not yet begun;

"(C) for which funds have been or are scheduled to be apportioned within the five years after the declaration of the disaster;

"(D) which may otherwise be available to the area under any State schedule or revised State schedule of priorities; or

"(E) which may reasonably be anticipated as becoming available under existing programs.

"(2) Upon the recommendation of the Recovery Planning Council and the request of the Governor, any funds for projects or programs identified pursuant to paragraph (1) of this subsection may be placed in reserve by the responsible Federal agency for use in accordance with such recommendations. Upon the request of the Governor and with the concurrence of affected local governments, such funds may be transferred to the Recovery Planning Council to be *expended in the implementation of the* recovery investment plan.

"PUBLIC WORKS AND DEVELOPMENT FACILITIES GRANTS AND LOANS

"SEC. 803. (a) The President is authorized to provide funds to any Recovery Planning Council for the implementation of a recovery investment plan by public bodies. Such funds may be used—

"(1) to make loans for the acquisition or development of land and improvements for public works, public service, or development facility usage, including the acquisition or development of parks or open spaces, and the acquisition, construction, rehabilitation, alteration, expansion, or improvement of such facilities, including related machinery and equipment, and

"(2) to make supplementary grants to increase the Federal share for projects for which funds are reserved pursuant to subsection (c) of section 802 of this Act, or other Federal-aid projects in the affected area.

"(b) Grants and loans under this section may be made to any State, local government, or private or public non-profit organization representing any major disaster area or part thereof.

"(c) No supplementary grant shall increase the Federal share of the cost of any project to greater than 90 per centum, except in the case of a grant for the benefit of Indians or Alaska Natives, or in the case of any State *or local* government which the President determines has exhausted its effective taxing and borrowing capacity.

"(d) Loans under this section shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturi-

ties of such loans, adjusted to the nearest one-eighth of 1 per centum, less 1 per centum per annum.

"(e) Financial assistance under this title shall not be extended to assist establishments relocating from one area to another or to assist subcontractors whose purpose is to divest, or whose economic success is dependent upon divesting, other contractors or subcontractors of contracts therefore customarily performed by them: *Provided, however,* That such limitations shall not be construed to prohibit assistance for the expansion of an existing business entity through the establishment of a new branch, affiliate, or subsidiary of such entity if the Secretary of Commerce finds that the establishment of such branch, affiliate, or subsidiary will not result in an increase in unemployment of the area of original location or in any other area where such entity conducts business operations, unless the Secretary has reason to believe that such branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where it conducts such operations.

"LOAN GUARANTEES

"SEC. 804. The President is authorized to provide funds to Recovery Planning Councils to guarantee loans made to private borrowers by private lending institutions (1) to aid in financing any project within a major disaster area for the purchase or development of land and facilities (including machinery and equipment) for industrial or commercial usage including the construction of new buildings, and rehabilitation of abandoned or unoccupied buildings, and the alteration, conversion, or enlargement of existing buildings; and (2) for working capital in connection with projects in major disaster areas assisted under paragraph (1) hereof, upon application of such institution and upon such terms and conditions as the President may prescribe: *Provided, however,* That no such guarantee shall at any time exceed 90 per centum of the amount of the outstanding unpaid balance of such loan.

"TECHNICAL ASSISTANCE

"SEC. 805. (a) In carrying out the purposes of this title the President is authorized to provide technical assistance which would be useful in facilitating economic recovery in major disaster areas. Such assistance shall include project planning and feasibility studies, management and operational assistance, and studies evaluating the needs of, and developing potentialities for, economic recovery of such areas. Such assistance may be provided by the President through members of the staff, through the payment of funds authorized for this title to other departments or agencies of the Federal Government, through the employment of private individuals, partnerships, firms, corporations, or suitable institutions, under contracts entered into for such purposes, or through grants-in-aid to appropriate public or private nonprofit State, area, district, or local organizations.

"(b) The President is authorized to make grants to defray not to exceed 75 per centum of the administrative expenses of Recovery Planning Councils established pursuant to section 802 of this Act. In determining the amount of the non-Federal share of such costs or expenses, the President shall give due consideration to all contributions both in cash and in kind, fairly evaluated, including but not limited to space, equipment, and services. Where practicable, grants-in-aid authorized under this subsection shall be used in conjunction with other available planning grants, authorized under the Housing Act of 1954, as amended, and highway planning and research grants authorized under the Federal-Aid Highway Act of 1962, to assure adequate and effective planning and economical use of funds.

"DISASTER RECOVERY REVOLVING FUND

"SEC. 806. Funds obtained by the President to carry out this title and collections and repayments received under this title shall be deposited in a disaster recovery revolving fund (hereunder referred to as the 'fund'), which is hereby established in the Treasury of the United States, and which shall be available to the President for the purpose of extending financial assistance under this title, and for the payment of all obligations and expenditures arising in connection herewith. There are authorized to be appropriated to carry out this title not to exceed $200,000,000 to establish such revolving fund and such sums as may be necessary to replenish it on an annual basis. The fund shall pay into miscellaneous receipts of the Treasury, following the close of each fiscal year, interest on the amount of loans outstanding under this title computed in such manner and at such rate as may be determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, during the month of June preceding the fiscal year in which the loans were made."

TITLE VI—MISCELLANEOUS

AUTHORITY TO PRESCRIBE RULES

SEC. 601. The President may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and he may exercise any power or authority conferred on him by any section of this Act either directly or through such Federal agency or agencies as he may designate.

TECHNICAL AMENDMENTS

SEC. 602. (a) Section 701(a)(3)(B)(ii) of the Housing Act of 1954 (40 U.S.C. 461(a)(3)(B)(ii)) is amended to read as follows: "(ii) have suffered substantial damage as a result of a major disaster as determined by the President pursuant to the Disaster Relief Act Amendments of 1974".

(b) Section 8(b)(2) of the National Housing Act (12 U.S.C. 1706c(b)(2)) is amended by striking out of the last proviso "section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "section 102(b) and 301 of the Disaster Relief Act Amendments of 1974".

(c) Section 203(h) of the National Housing Act (12 U.S.C. 1709(h)) is amended by striking out "section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "section 102(b) and 301 of the Disaster Relief Act Amendments of 1974".

(d) Section 221(f) of the National Housing Act (12 U.S.C. 1715l(f)) is amended by striking out of the last paragraph "the Disaster Relief Act of 1970" and inserting in lieu thereof "the Disaster Relief Act Amendments of 1974".

(e) Section 7(a)(1)(A) of the Act of September 30, 1950) Public Law 874, Eighty-first Congress, as amended (20 U.S.C. 241–1(a)(1)(A)) is amended by striking out "pursuant to section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "pursuant to sections 102(b) and 301 of the Disaster Relief Act Amendments of 1974".

(f) Section 16(a) of the Act of September 23, 1950 (79 Stat. 1158; 20 U.S.C. 646(a)) is amended by striking out "section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "section 102(b) and 301 of the Disaster Relief Act Amendments of 1974".

(g) Section 408(a) of the Higher Education Facilities Act of 1963 (20 U.S.C. 758(a)) is amended by striking out "section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "section 102(b) and 301 of the Disaster Relief Act Amendments of 1974".

(h) Section 165(h)(2) of the Internal Revenue Code of 1954, relating to disaster losses (26 U.S.C. 165(h)(2)) is amended to read as follows:

"(2) occurring in an area subsequently determined by the President of the United States to warrant assistance by the Federal Government under the Disaster Relief Act Amendments of 1974,".

(i) Section 5064(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5064(a)), relating to losses caused by disaster, is amended by striking out "the Disaster Relief Act of 1970" and inserting in lieu thereof "the Disaster Relief Act Amendments of 1974".

(j) Section 5708(a) of the Internal Revenue Code of 1954 (2 U.S.C. 5708(a)), relating to losses caused by disaster, is amended by striking out "the Disaster Relief Act of 1970" and inserting in lieu thereof "the Disaster Relief Act Amendments of 1974".

(k) Section 3 of the Act of June 30, 1954 (68 Stat. 330; 48 U.S.C. 1681 nt.), is amended by striking out of the last sentence "section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "section 102(b) and 301 of the Disaster Relief Act Amendments of 1974".

(l) Section 1820(f) of title 38, United States Code (80 Stat. 1316, as amended by 84 Stat. 1753), is amended by striking "the Disaster Assistance Act of 1970" and inserting in lieu thereof "The Disaster Relief Act Amendments of 1974".

(m) Whenever reference is made in any provision of law (other than this Act), regulation, rule, record, or document of the United States to the Disaster Relief Act of 1970 (84 Stat. 1744), or any provision of such Act, such reference shall be deemed to be a reference to the Disaster Relief Act Amendments of 1974 or to the appropriate provision of the Disaster Relief Act Amendments of 1974 unless no such provision is included therein.

REPEAL OF EXISTING LAW

SEC. 603. The Disaster Relief Act of 1970, as amended (84 Stat. 1744), is hereby repealed, except sections 231, 232, 233, 234, 235, 236, 237, 301, 302, 303, and 304. Notwithstanding such repeal the provisions of the Disaster Relief Act of 1970 shall continue in effect with respect to any major disaster declared prior to the enactment of this Act.

PRIOR ALLOCATION OF FUNDS

SEC. 604. Funds heretofore appropriated and available under Public Laws 91–606, as amended, and 92–385 shall continue to be available for the purpose of completing commitments made under those Acts as well as for the purposes of this Act. Commitments for disaster assistance and relief made prior to the enactment of this Act shall be fulfilled.

EFFECTIVE DATE

SEC. 605. This Act shall take effect as of April 1, 1974.

AUTHORIZATION

SEC. 606. Such funds as may be necessary are hereby authorized to be appropriated to the President to carry out the purposes of this Act.

Mr. BURDICK. Mr. President, I ask unanimous consent that the Senator from Alabama (Mr. SPARKMAN) may be made a cosponsor of S. 3062.

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

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of

1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The PRESIDING OFFICER. Under the previous order, the Senator from Iowa (Mr. CLARK) is recognized to call up an amendment.

Mr. MANSFIELD. Mr. President, will the Senator yield to me for 1 minute?

Mr. CLARK. I yield.

MEDIA POLLS

Mr. MANSFIELD. Mr. President, I have been informed that at least one Senator—and perhaps others—has been contacted by a media organization as to what his position would be if an event of an extraordinary nature occurred in the Senate. That Senator raised some question about such a procedure. I want to join that Senator and to express the hope that, although under the first amendment of the Constitution the media has that right, there would be no polls taken of Senators so that we could be as open-minded as possible and as free from pressures of this kind as necessary.

Mr. HUGH SCOTT. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. I yield.

Mr. HUGH SCOTT. I think it was nearly a year ago that I expressed much the same sentiment at a conference of members of my party. I would join in what the distinguished majority leader has said—that it is the request of the leadership, subject to a Senator's own right to say what he thinks on any subject. I request that they would defer expressing an opinion as to what they may or may not have in mind when, as, and if we might be confronted by those situations, and I would hope that they would resist poll seeking information, in their own interest as well as in the interest of the dignity of the Senate, because this is not a ball game; as the Senator has said, it is not a circus; it is not a contest; it is not something on which ideas should be wagered. It is an extremely serious matter, and it is of a nature on which it would be well to avoid any challenge or question in the future based on what some Senator has said. Having said that, I realize that Senators may say what they wish, but I feel obliged to say what I said a year ago.

Mr. MANSFIELD. The Senator is correct. The media can do what they wish under the first amendment, but the Senate has an obligation if and when certain extraordinary situations arise. So far, I am very proud of the way the Senate has conducted itself, and that includes each and every single Member of the Senate.

Mr. HUGH SCOTT. I am, too.

ORDER FOR ADJOURNMENT UNTIL 9:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m. tomorrow.

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

ORDER FOR RECOGNITION OF SENATORS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that immediately after the two leaders or their designees have been recognized under the standing order tomorrow, the following Senators be recognized, each for not to exceed 15 minutes and in the order stated: Senators BIDEN, ROTH, MUSKIE, HATHAWAY, CLARK, BIDEN again, STEVENS, NELSON, JAVITS, HARTKE, ERVIN, MONDALE, MATHIAS, STENNIS, and ROBERT C. BYRD.

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

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. FANNIN. Mr. President, the Senate apparently is on the brink of passing a campaign financing bill designed to fool the American people into thinking that it solves the major problems in our political system. Nothing could be further from the truth.

In addition to its many other shortcomings, this bill fails completely to advance any remedy for the illegal and undesirable activities of unions in the campaign process.

Unions make their greatest impact by providing services for their chosen candidates for office. These services are provided by union staff, union supplies, and union equipment paid for out of union dues.

The great concern we have heard in the debate over campaign reform involves the amount of money donated to candidates, and the money these candidates spend on their campaign.

This money simply is used to purchase campaign services on behalf of the candidate.

If we are going to prevent people or organizations from donating money to candidates, then it follows that we also must prevent the donation of services which are the equivalent of money.

Unions simply short circuit the system by providing campaign workers who are on union payrolls, union computers, union presses, union vehicles, union phones, and other such services. These services are the same as money to the candidate.

If it is illegal for someone to donate money to candidates to purchase these services, why then is it not illegal for anyone or any organization to donate equivalent services. We are talking about services that are worth tens and hundreds of thousands of dollars—even millions in some national campaigns.

Mr. President, I am deeply concerned about what is happening here. Union leaders are seeking a "veto-proof" Congress, and they are going to great lengths to accomplish this goal.

As a Republican, I have a vested interest and you would expect me to be concerned. What worries me is that most Democrats apparently fail to see the great danger here. We face the situation where neither the Democrats nor the Republicans will be in charge of the Congress—it will be a few union leaders who will be able to call all the shots if they are successful in winning the strong control of Congress which they seek.

Our Government has functioned well over the decades and centuries because we have sought to provide a balance of all the interests in our society. Today we are in great danger of providing the unions—which represent only about 10 percent of the American people—a stranglehold on our Government. This legislation would aid them in gaining this stranglehold.

Mr. President, the union leaders have bragged that they have the most powerful political machine in the Nation, and I for one believe them. They are very powerful because Congress has not only failed to restrain them, but seems to encourage them to exercise an influence far in excess what is good for the country. An article in today's Wall Street Journal demonstrates very clearly how far the unions are going.

We have heard arguments that when a candidate accepts $1,000 or $5,000 from a contributor there is a danger that he becomes indebted to that contributor and thus loses independence and objectivity once in office.

What then, happens when a candidate gets $27,000 or about 44 percent of his funds from a union, plus union services that probably are worth double or triple the cash? How objective can he be, if elected, when it comes to considering legislation which has the stamp of approval of COPE, AFL–CIO, or the like.

Mr. President, I ask unanimous consent that the article from the Wall Street Journal be reprinted in the RECORD:

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

POLITICS AND LABOR—UNIONS MAKE BIG BID TO ELECT A CONGRESS THAT IS VETO-PROOF

(By James C. Hyatt)

SAGINAW, MICH.—Bob Traxler had only five minutes to make his pitch when he appeared before AFL–CIO political leaders early this year to promote his race for Congress. So he kept his message short.

"I told them I had come with a tin cup, a white cane and dark glasses," he recalls. I said. " 'Send money.' "

They have. Unions have provided over $27,000 so far. And lots of help besides.

For scores of pro-labor candidates such as Mr. Traxler, labor's goal of electing a "veto-proof Congress" this year means getting generous amounts of money, manpower, organizational talent and the other aid that can make the difference in a close race.

Mr. Traxler does have to wrestle with many worries as he strives for victory in a special House election next Tuesday. For one thing, he is seeking to become the first Democrat elected from Michigan's Eighth Congression-

al District since the Depression. For another, he is running in a district that gave the last Congressman, Republican James Harvey, a 59% victory in 1972. But winning labor's active help isn't something he must worry about.

The list of unions whose political arms are supporting his campaign reads like a labor Who's Who: the United Auto Workers, the Machinists, the United Transportation Union, the Amalgamated Clothing Workers, the Retail Clerks, the National Education Association, the International Brotherhood of Electrical Workers, the Firefighters, the Meatcutters and the Communication Workers.

THE MEMBERS PITCH IN

Individual union members are pitching in hard for the Democrat. Wallace "Butch" Warner, a cable splicer who is president of a Communications Workers local, has taken leave from his job in Saginaw to help coordinate labor's efforts in the Traxler campaign; a telephone hot line from the political to the union headquarters speeds appeals for campaign manpower.

Jim Chalou, a tool and die maker, is assigned full-time by the Allied Industrial Workers to drum up Traxler support; he figures he has "probably been in at least 25 or 26 plants" making his pitch. Several hundred UAW members have helped out, putting up yard signs, licking envelopes and distributing literature.

Of the $61,000 contributed to the Traxler cause through last Thursday, about 44% came from labor groups. The largest single donation, $12,000, was made by the UAW, and one high official of that union says it might cough up another $10,000 or so if necessary.

Labor's activity here, however effective in this campaign, is certainly a springtime warm-up for the heavy politicking that unions are planning for next fall. Union strategists figure that more than 70 House elections will be close enough for labor to influence the results. Already, labor's war chests are bulging, and union men are intent on electing a "veto-proof" Democratic Congress.

REAPING DIVIDENDS

The unions' intensive participation in three other special House elections this year has reaped dividends. Winning Democrats in Johnstown, Pa., Cincinnati and Grand Rapids all benefited from heavy union aid.

Labor's efforts have Republicans worried, and they are trying to turn union politicking into an issue. Thus, Vice President Gerald Ford has attacked union "outsiders" for taking over Democrats' campaigns and injecting "massive out-of-state money" into the special House campaigns. James Sparling, the GOP candidate here, charges: "The AFL–CIO and the UAW bosses want this Eighth District seat. Cost is no object; money is no object."

Without question, labor's involvement is crucial if Mr. Traxler is to win the election. And for all concerned, this is no ordinary political event.

President Nixon will appear in the Saginaw district today, a development that dismays some Republicans and delights many Democrats. Certainly the contest here will be widely interpreted as a referendum on the Nixon presidency, and the result will be seen as a harbinger of autumn election sentiment.

THE WATERGATE WEAKNESS

Labor analysts believe that Mr. Nixon's Watergate weakness gives them a real chance of electing enough Democrats to make the next Congress "veto-proof." Such a Congress, union men say, would override the President and enact bills closing many tax "loopholes" and imposing tighter controls on multinational corporations and energy-producing companies. Enactment of a liberal program of national health insurance also is a top labor goal.

While Democrats would need to elect nine more Senators and 44 more House members to gain a two-thirds edge in Congress, labor isn't setting its goal quite that high; it can usually count on some Republican support for overriding vetos. "We need to elect 23 more friends in the House and seven in the Senate," an AFL–CIO spokesman says. He adds that George Meany, the federation president says that "it is a tough job but one we think we can do." (Most politicians believe that labor's goal is achievable in the House; in the Senate, however, the consensus guess is that Democrats probably will make a net gain of only three seats or so.)

Electing a "veto-proof Congress," of course, doesn't mean supporting Democrats only. Republican Sens. Richard Schweiker and Jacob Javits have labor's backing, and so do several GOP House members. In a speech last week to a building-trades rally, AFL–CIO lobbyist Andrew Biemiller warned against "knocking off good friends of ours on the Republican side of the aisle."

But Democrats are the big beneficiaries of labor's aid, and the unions have a lot to spread around. By Feb. 28, union political-action groups had $5,032,584 on hand, reports Common Cause, the self-styled people's lobbying group, which monitors campaign contributions. The sum is about equal to unions' reported political spending in the presidential year 1972.

This year's early war chest includes $1 million amassed by several maritime unions ("We're going to reward our friends and punish our enemies," vows Jesse Calhoun, president of the Marine Engineers' Beneficial Association) and $717,000 gathered by the UAW.

And the push is on for more political cash. COPE, the AFL–CIO's Committee on Political Education, the political action arm of the federation, has renewed its usual request for a $2 voluntary contribution from each union member. While the federation usually hits about 25% of that goal, "there are indications that COPE fund raising is more successful this year," one AFL–CIO official says.

The Machinists Union, which raised $246,209.47 last year, is planning a "special $2-per-member drive" to aid the objective of a "veto-proof Congress." The Brotherhood of Railway Clerks, proposing to seek $10 a member for this year's congressional races, finds contributions so far running about twice as high as usual.

Union political money has already shown up impressively in the earlier special elections this year. The Democratic winners in the first three races spent $75,000 to $90,000 each; labor contributions ranged from $18,000 to $25,000.

Most political forecasters figure that the total outlay here will top the sum spent in any of the earlier special elections and will set a high for the district as well. But money alone won't win. The key must be voter turnout, and that's where labor's activity could be crucial.

Indeed, the union-backed campaigns organization in this congressional district provides an example of how labor will operate in many campaigns next fall. The full-time and part-time manpower that unions are pumping into the Traxler campaign is giving the Democrat much higher visibility among union members than he otherwise could achieve.

To help rouse potential supporters, Mr. Traxler has laid out $9,239 for a campaign film and film-showing equipment. In the hands of his labor backers, that may turn out to be his most valuable investment.

The film, carried by campaigners to union halls and other rallies, is a 14-minute account of "Bob Traxler's Journey for Change," a piece larded with references to a childhood "Tom Sawyer existence" and shots of a pipe-smoking candidate looking thoughtfully at Michigan farmland. His 11 years in the Michigan Legislature are recalled, including his sponsorship of a law letting charitable organizations run bingo games. The working people in the audience are told of employes "losing their jobs because of wrong decisions by the administration" and by the auto companies. (Of 24,400 workers normally employed by General Motors in Saginaw and nearby Bay City, about 2,480 were laid off at last count. The local jobless rate is about 10%.)

Mr. Chalou, who is president of an Allied Industrial Workers local, finds the film effective as he campaigns for Mr. Traxler. "When the candidate can't be there," he says, "the film does the job." It was probably shown 200 times before the primary, which was held March 19.

Mr. Chalou has also distributed 22-by-28-inch lawn signs to union members—"the ones that live on main roads"—and on primary day, he called other union leaders and reminded them to turn out voters. He personally handed out 800 sample ballots in the town of Bad Axe, placing them on car windshields. Of the 309 members in his local, Mr. Chalou figures that a dozen or so have worked in the campaign up to now.

(Why is he involved? "A fellow can only take so much," he says. "I've seen enough of my fellow workers get batted around by high prices, by inflation, and by Presidents paying $750 in taxes on a $250,000 income.")

To enlist additional union manpower, his fellow coordinator, Mr. Warner, can not only call on his own Communications Workers local but also can tap some of the 240 other union locals in this congressional district.

And he can always call Frank Garrison, a third local union man who started early and full-time on the Traxler campaign. Mr. Garrison is permanently assigned to the UAW's Saginaw Community Action Program—its political- and social-action arm. His union has perhaps the biggest single union interest in the Traxler race; the UAW has 43,000 active members in the district, plus 5,0000 to 6,000 retirees.

"Our members have been calling and asking, 'Can we help?'" Mr. Garrison says. "They've put up yard signs, licked envelopes, distributed literature door to door." Night workers have volunteered to help during the day, and others promise to "lose a day of work on election day to help." Laid off auto workers provide other help. "Richard Nixon made it possible for them to volunteer in our campaign," says Jim Goff, Mr. Traxler's campaign organizer.

Some labor groups that haven't been particularly active politically in other years are fired up for Mr. Traxler. The Michigan Education Association's Eighth District teacher members have campaigned actively for him. Some helped arrange voter-registration drives in high schools to line up 18-year-old voters. The drive registered perhaps 2,000 young voters in the district, potentially 3% or 4% of the expected Traxler turnout and certainly enough to win a close election.

Despite this congregation of labor help for Democrat Traxler, not all Republicans are alarmed. State GOP Chairman William McLaughlin says, "You take labor's involvement for granted in Michigan. I don't get ulcers over it."

Moreover, Mr. Sparling, the GOP candidate, isn't exactly campaigning by himself. Five or six staff members from the Republican National Committee have been to Saginaw to help map his election strategy. A big-name Republican, Sen. Charles Percy, has appeared on Mr. Sparling's behalf. Last weekend, Sparling campaigners put on a "door-to-door blitz"; several hundred volunteers came from outside the district to help.

Mr. HART. Mr. President, now that the Senate has invoked cloture on the campaign reform bill, S. 3044, and turned back repeated efforts to weaken its provisions, I am hopeful we can send a strong bill to the House of Representatives and provide the country with at least one constructive effort to remedy the disastrous effect of Watergate on our body politics.

In these brief remarks, I wish not only to urge support for the committee bill, but also to respond to several disturbing themes which I have heard during the past few weeks of debate.

For several months the American people and the Congress have been told to "stop wallowing in Watergate" and to get on with "the Nation's business"—as if the problems of inflation, the energy crisis and our other dilemmas were unrelated to the preoccupations of the White House, or were unrelated to the corrosion of public confidence in their elected leaders.

Now, during debate on this bill, a companion theme has emerged: "Lets stop wallowing in campaign reform" we are told, "and lets get on with the Nation's business."

Mr. President, I am confident that tactic will meet with as singular a lack of success in diverting the American people as has its predecessor. For the public understands full well that the election of a representative Government—free from both the actual danger and the appearance of undue influence—is very much their business.

It is not necessarily true that he who pays the political piper will always call the tune. Nevertheless, it is hardly reassuring to the average citizen to know that big donors at least have access to go backstage before the performance and request a few favorite melodies.

Sure, I can go to bed at night with a fair degree of confidence that my votes have not been improperly influenced by a contribution. But try to tell that to some of my constituents who disagree strongly with my views. And particularly after the revelations of the past 18 months, who can really blame them.

It is surprising, however, that after all the scandals which have emerged—and the obvious repercussions this has had on public trust of elected leaders—some still seek to portray this bill as a greedy grab by those in office, as a private raid on the Public Treasury.

Yet the President and Congress act on an annual budget in the hundreds of billions of dollars. What wiser investment could a democracy make than a few dollars per voter each year—the best estimate of what this proposal would cost—to restore confidence that public spending decisions are made with the public interest in mind, and not the private interests of those who underwrite our campaigns. We are willing to pay for clean air, clean lakes and clean streets—at least I hope we are. We should also be willing to pay for clean elections.

Moreover, a moment's reflection also reminds us that perpetuation of the present system of campaign financing is far more advantageous to we who are incumbents, than would be a fair system of adequate funding insured for both incumbent and challenger alike.

We need not worry about the cry that the only reason for the low rating of politicians in the polls is a cynicism generated by our debate on this measure, itself. Clearly that claim presumes an exaggerated view of the impact our debate here has on millions of citizens who already have formed strong opinions about the trust their Government deserves. And it most seriously underestimates the devastating effect the past 2 years' revelations have had on the public's view of honesty and responsiveness in Washington.

Of course, campaign finance reform is not a panacea for all the ills of Watergate. No one has suggested that. It will not provide a safeguard against perversion of the processes of justice to cover up scandal, or curb the potential for invoking "national security" to cloak constitutional abuses.

But it is the single most constructive step we can take right now to minimize the pressures for illegal actions, to reduce the potential for financial manipulations which generate their own corruptive momentum, and to help restore the essential public confidence in Government.

As Senator MANSFIELD observed in his state of the Congress address:

> We shall not finally come to grips with the problems except as we are prepared to pay for the public business of elections with public funds.

Now let us look at the bill before us. Under the leadership of the distinguished chairman of the Rules Committee (Mr. CANNON) and the chairman of the Subcommittee on Privileges and Elections (Mr. PELL) the committee has provided a comprehensive, fair yet far-reaching bill. The committee report indicates great sensitivity to the issues of policy such as the impact of its proposal on our party system, the constitutionality of schemes to screen candidates and distinguish between major and minor parties, the problem of Federal control of campaigns, and other important questions. The report, and the hearings of the committee, belie the claim that the bill is based on hasty, ill-considered action, without adequate attention to the underlying issues involved in campaign finance.

S. 3044 incorporates the provisions for spending and contribution limits and a strong independent commission to enforce the Federal elections laws, all of which the Senate passed last summer as part of S. 372 which now awaits action in the House.

It provides for Federal assistance to qualified candidates in primary elections for nomination in congressional and Presidential races. After raising a threshold fund to demonstrate some significant base of support, primary candidates would be eligible to receive Federal assistance on a matching basis for every $100 per contributor.

In the general elections, once having received their party's nomination, all major party House, Senate, and Presidential candidates are entitled to Federal payments equal to their overall spending limit. However, they may take as much or little of this available fund as they wish, and raise the rest of their campaign funds in allowable private contributions.

Minor party candidates would receive a proportionate share of the assistance available to major party candidates in general elections.

Without discussing all of the bill's provisions, I do wish to comment on four major criticisms which have been leveled against the committee bill. First, the question of why any public financing is necessary; second, the argument that private financing should play the dominant role; third, the opposition to including primaries in any financing scheme; and finally, questions about the proposal's constitutionality.

WHY IS THE PUBLIC FINANCING NECESSARY?

The most fundamental objection to S. 3044 is the claim that low contribution limits will take care of the "corruption image." If you eliminate the potential influence of large gifts that takes care of Watergate, the argument goes, so why get bogged down in the tricky problems of devising a fair, workable public funding scheme?

This is a myopic view of meaningful campaign reform. We should not deal with the Watergate horrors in a way which will perpetuate and intensify the pervasive advantage enjoyed by incumbents in their bid for reelection.

In large States such as my own, California, or New York, Senate campaigns are costly. The funds for an adequately informative, competitive race will be difficult to raise, even for a well-known incumbent, in the small amounts we seek to impose as contribution limits for any one donor.

Without substantial public financing, the great danger is that nonincumbent challengers will have even more difficulty raising adequate resources.

This crucial point has been obscured by repeated reference to the wonderful involvement of thousands of citizens contributing a few dollars from their cookie jar for the candidate of their choice. That is indeed an appealing image and of course I encourage and endorse the desirability of full citizen involvement in politics. But that does not mean that truly small contributions will be an adequate source of funds for large, expensive campaigns.

The committee report focused this issue sharply, at page 5:

> The only way in which Congress can eliminate reliance on large private contributions and still ensure adequate presentation to the electorate of opposing viewpoints of competing candidates is through comprehensive public financing.
>
> Modern campaigns are increasingly expensive and the necessary fundraising is a great drain on the time and energies of the candidate. Low contribution limits alone will compound the problem. . . . Drastically reducing the amounts which may be expended by the candidate would ease this burden, but at the cost of increasing the present disadvantage for non-incumbent challengers and endangering the whole process of political competition.

That, Mr. President, is why we must pass a bill with both contribution limits and comprehensive public financing for Federal elections.

PRIMARY RELIANCE ON PUBLIC FINANCING

Some of my colleagues who favor a modest amount of public assistance, oppose the availability of full public funding. They argue that the availability of substantial public funds should turn on the candidate's ability to raise first an equally large amount of private donations.

At bottom, this reflects the view that if a candidate has less support at the outset of a campaign—perhaps because he is not as well known as his incumbent opponent—it is appropriate that he has less resources with which to campaign. I would prefer a fairer approach to competitive elections.

The danger of primary reliance on a matching fund approach is the self-perpetuating advantage for the candidate who is initially better known. He would usually be able to raise more private contributions of small denomination than could his opponent. This would bring larger sums of Federal matching funds, and he could then mount a more elaborate campaign than his challenger to raise even more private funds, which would then be matched with more Federal money, and so on.

The use of matching funds to provide an ongoing test of support may be a valid screening technique in the primaries. But once a major party has chosen a candidate, we are no longer concerned with screening frivolous candidacies. Both candidates in the general election should have adequate resources to seek support from the voters during the campaign, including the support of those initially inclined to favor their opponent.

With primary reliance on matching small contributions, a less well-known challenger must bootstrap his campaign by winning additional support before he can get enough Federal assistance to mount a fully competitive campaign. The Federal Government would be interposing a pre-election popularity contest before the voters have had an opportunity to hear a full debate of the issues. Instead, the voters choice should be tested in November at the end of the campaign, and not at its outset.

SHOULD PRIMARY ELECTIONS BE INCLUDED

Unfortunately, I am sure that the same intense pressure to eliminate primary elections from the public financing feature of S. 3044 exerted during the Senate's deliberation will also be felt in the House.

The logic in favor of including all elections is simple, but compelling. It is impossible to justify the expenditure of substantial public funds in order to help purify the political process, if the candidates receiving that assistance must still raise the full costs of expensive primary campaigns from private contributors in order to win their party's nomination in the first place. Meaningful reform of campaign financing practices requires inclusion of primary as well as general election.

CONSTITUTIONAL ISSUES RAISED REGARDING S. 3044

Finally, Mr. President, a few words are in order in response to the continued suggestions, although often vague, that this bill would be found unconstitutional.

First, some suggest it is unconstitutional to limit the amount which a person can contribute to my campaign, or to limit the total amount I can spend.

However, the Senate has already faced that issue twice, in 1971 and again last summer. Each time, we decisively found that the power to preserve the integrity of the electoral process, as well as the underlying purpose of the first amendment to prevent oligopoly in the political marketplace by a powerful few, provides ample basis for reasonable regulation.

Next it was suggested that the threshold fund used to screen out frivolous candidates in primary elections imposes an unconstitutional burden on some political aspirants. But as the committee report notes, the Supreme Court has upheld the use of filing fees and other charges as a means of preventing a proliferation of candidates. Similarly, the Court has approved differential treatment of major and minor parties, based on past performance at the polls, if the difference is reasonably related to a state interest such as the desire to avoid splintering a coherent party system. See *Bullock* v. *Carter* 405 U.S. 134 (1971); *Jeness* v. *Fortson* 403 U.S. 431 (1971).

The committee bill would not freeze the status quo; it does not prevent any political party from getting its candidate on the ballot, nor from organizing resources to support them.

As the Supreme Court recognized in the Jeness case:

> Sometimes the grossest discrimination can lie in treating things that are different as though they were exactly alike. 403 U.S. at 442.

Only a few weeks ago, the Supreme Court reaffirmed these principles in two decisions, Storer against Brown—March 26, 1974—and American Party against White—March 26, 1974.

On the basis of these decisions and other cases dealing with the regulation of elections and the treatment of major, minor, and independent candidates, I am convinced the measure would be upheld as a reasonable, fair, and workable scheme to promote the integrity of elections, to insure the influence of many diverse points of view in the political marketplace, and to balance these goals against the other first amendment and equally protection interests which are involved.

To end where I began, Mr. President, this proposal for public financing would not guarantee the election of wise and honest men and women. But it would remove the major cause of cynicism and distrust in our system. Now is the time to act to remove the distorting effect of reliance on private fundraising both from the campaign and from the operation of Government.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent, with the consent of the distinguished Senator from Iowa (Mr. CLARK), that his pending amendment, No. 1013, be temporarily laid aside in order that I may call up my amendment No. 988, and I do this with the understanding that the Senator from Iowa (Mr. CLARK) not lose his right to the floor following disposition of my amendment.

The PRESIDING OFFICER (Mr. DOMENICI). Without objection, it is so ordered.

Mr. HUGH SCOTT. Mr. President, this is a very minor amendment.

The PRESIDING OFFICER. The clerk will read amendment No. 988.

The legislative clerk read the amendment offered by Mr. HUGH SCOTT for himself and Mr. KENNEDY (No. 988) as follows:

> On page 19, after the period in line 19, insert the following: "The Secretary of the Treasury may accept and credit to the fund money received in the form of a donation, gift, legacy, or bequest, or otherwise contributed to the fund.".

Mr. HUGH SCOTT. Mr. President, this is a very minor matter which is proposed on behalf of the distinguished Senator from Massachusetts (Mr. KENNEDY) and myself. It has to do with the fact that under present law individuals may make tax-deductible contributions to candidates.

The Presidential election campaign fund at the Treasury Department is financed solely from dollars checked off on income tax returns, and therefore the Treasury Department advises us it will not accept small contributions earmarked for this fund.

Amendment No. 988 simply authorizes the Secretary of the Treasury to receive private contributions and earmark them for the fund is so requested. These contributions would be tax deductible, as is the case under present law, with respect to direct contributions to candidates.

This has to do with a contribution of the Senator from Massachusetts and myself of $75 each, representing payment for two newspaper articles, which was accepted by the Treasury as a gift to the Treasury but which could not be earmarked. Therefore, the purpose of the amendment is to permit earmarking. It is not ex post facto at all.

Mr. President, I understand the amendment has been cleared with the Senator from Kentucky (Mr. COOK) and with the manager of the bill on the majority side of the aisle, and I ask for its immediate consideration.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I yield myself 1 minute.

I would like to ask a question. The Senator said this amendment would permit earmarking for tax credit purposes. I do not think it would permit earmarking other than insofar as its being deposited to go to this special account.

Mr. HUGH SCOTT. That is right.

Mr. CANNON. So it could not be earmarked for any other purpose.

Mr. HUGH SCOTT. Oh, no, not for any purpose except being channeled to this fund instead of being channeled to the general Treasury, as it is now.

Mr. CANNON. The Senator also mentioned that a tax deduction could be

taken. I do not think it could be taken without another change elsewhere in the law.

Mr. HUGH SCOTT. I am advised by the Treasury that a tax deduction can be taken, but only as a charitable contribution.

This may be a surprise to the Senator, but the U.S. Treasury is considered a charity in this regard.

Mr. CANNON. I did not think it was a charity, but a tax credit could be taken as a charitable contribution.

With that explanation, I am willing to accept the amendment.

Mr. KENNEDY. Mr. President, I am pleased to join the distinguished minority leader, Senator HUGH SCOTT, in proposing the pending amendment. By authorizing the Secretary of the Treasury to accept tax-deductible gifts earmarked for the Federal election campaign fund, the amendment will establish a constructive supplement to the dollar checkoff under existing law.

As we know, the preliminary results under the dollar checkoff for the 1973 tax year are highly encouraging. Approximately 15 percent of the returns being filed are using the checkoff. At the present rate, the campaign fund in the Treasury will contain upwards of $50 million by 1976, or more than enough to make the 1976 Presidential election a historic first—paid for entirely out of public funds.

But more is necessary, especially if the dollar checkoff is to be adequate for financing other Federal elections out of public funds. My hope is that, as the checkoff becomes more familiar to taxpayers, its use will continue to increase, so that the Federal election campaign fund will be sufficient to pay for all Federal elections.

In the interim, the pending amendment is a useful method to supplement the dollar checkoff fund. Under current law, taxpayers are entitled to a charitable deduction for gifts made to the Treasury. However, unless there is a specific authorization in the law allowing gifts to be made for a specified program, the gifts simply go into the general fund of the Treasury. The pending amendment would enable taxpayers to earmark their gifts for the Federal election campaign fund, and I am pleased that the managers are willing to accept it.

Mr. CANNON. I yield back my time.

Mr. HUGH SCOTT. I yield back my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment offered by the Senator from Pennsylvania for himself and the Senator from Massachusetts (Mr. KENNEDY), No. 988.

The amendment was agreed to.

Mr. CLARK. Mr. President, on behalf of myself and Senators BELLMON, CRANSTON, HART, GRAVEL, MATHIAS, and SCHWEIKER, I call up my amendment No. 1013. I ask unanimous consent to modify the amendment to make technical corrections.

The PRESIDING OFFICER. Is there objection?

Mr. CANNON. Mr. President, what was the request?

The PRESIDING OFFICER. Will the Senator restate the request?

Mr. CLARK. I ask unanimous consent to make a technical correction in amendment No. 1013.

Mr. CANNON. Mr. President, reserving the right to object, may I ask the Senator to state the nature of the technical correct? I would like to know whether it is going to change in essence some important provision of the amendment.

Mr. CLARK. It would not change any important provision of the amendment. It is my understanding it would not be in order if it did. We had talked with the Parliamentarian previously to make sure it was not a substantial change.

I send a copy of the technical correction to the manager to look at. It simply clarifies a definition somewhat, we felt.

Mr. CANNON. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendments, as modified, are as follows:

On page 75, line 21, strike out "nomination for election, or".

On page 76, strike out line 19 through line 22 and insert in lieu thereof the following:

"(3) For purposes of this section, the term 'campaign' includes all primary, primary runoff, and general election campaigns related to a specific general election, and all primary, primary runoff, and special election campaigns related to a specific special election.".

Mr. CLARK. Mr. President, I ask unanimous consent that following the disposal of this amendment my Amendment No. 1118 be the next order of business.

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

Mr. CLARK. Mr. President, as it now stands, S. 3044 sets a contribution limitation of $3,000 for individuals and $6,000 for organizations, applied separately to primary, primary run-off, and general elections.

Our amendment has one simple effect: it would eliminate the bill's distinction between primaries, primary run-offs, and general elections, setting a true contribution limit of $3,000 for individuals and $6,000 for organizations, applied to a candidate's entire campaign for public office.

Throughout the debate on S. 3044, many Senators have referred to the $3,000 contribution limitation in the bill. But, in fact, the limitation now in effect in S. 3044 sets a much higher limit. In any given campaign, an individual might actually be able to contribute $6,000 altogether—$3,000 in the primary and $3,000 in the general election—or even $9,000 if there were a primary runoff. For organizations, the limit could be as much as $18,000.

The Rules Committee has incorporated the contribution limits set in S. 372 in the present bill. But S. 372 had no provisions for public financing—it was merely an attempt to limit campaign expenditures and private contributions.

However, with the comprehensive public financing system in the bill now, there is no need to allow such excessive contributions—up to $9,000 for individuals and $18,000 for organizations. This amendment would put those limits at $3,000 and $6,000 respectively.

Three thousand dollars is a large chunk of money in any campaign. No individual contributed more than $3,000 to my campaign, and I am sure that many of my colleagues had the same experience. Clearly, a $3,000 limitation, with $6,000 for groups, is not going to cause any hardship for anyone, whether or not they decide to use public financing.

Even the $3,000 and $6,000 limitations this amendment proposes are excessive—a person or organization contributing this much would obviously enjoy more access than the average voter, and I think everyone is aware of that.

But more important than the actual effect of these large donations is the question of how they will be viewed by the public. To the average American, $9,000 or $18,000 is an incredibly large amount for a candidate for public office to accept from any single individual or group. But the present legislation would permit just such contributions.

The limits proposed in this amendment still represent big money, but a contribution limit of this kind would at least be a step in the right direction. And the American people would know it.

The Rules Committee bill represents a truly significant reform of the American political process. I think all of us have been continually impressed by Chairman CANNON's skillful handling of the legislation, and by the commitment to meaningful campaign reform demonstrated by a majority of the Senate. I believe this amendment is fully consistent with the scope and intent of S. 3044, and I urge its adoption.

Mr. CANNON. Mr. President, I yield myself 5 minutes.

We have gone up the hill and down again on this particular issue. We have seen before, in the course of debate on the bill, amendments to change the limits on contributions. The Senator from Iowa has pointed out that the amounts ought to be cut in half from what we have in the bill now, because of the matching portion of public financing. But we do not authorize a candidate to go to public financing. If we were to adopt this amendment, it is quite likely we would force every candidate to go to public financing, whereas some of them if they were given reasonable enough limits, might desire to go the private financing route. But if they did, they would then be still more unduly restricted, as under S. 372, and much more unduly restricted than we have desired to restrict them.

I urge that the Senate stand fast on the position it has already taken by voting to reject this amendment.

Mr. President, I reserve the remainder of my time.

Mr. CLARK. Mr. President, in answer to the distinguished Senator from Nevada on his particular point, I think it is still possible and very practical for a candidate to run a campaign on private financing and keep within the $3,000 or $6,000 limitation. I say that out of personal experience, because, as the RECORD will show, in the 1972 campaign I accepted no contributions in excess of

$3,000. There are many Senators who have committed themelves to accept no more than that in the coming campaign of 1974. Some have a limitation as strict as $1,000; some $2,000; others, $3,000. They will not receive any public financing in the 1974 campaign. So although some restrictions are imposed, a candidate cannot take $18,000, in the case of groups, and he cannot take in excess of $3,000, in the case of individuals. He can take only $3,000. That is the intent of the amendment. It seems to me that when we talk about taking amounts such as $7,000, $8,000, $9,000, or $10,000, from individuals, we are talking about a very, very heavy influence on the person who receives such a large contribution.

Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were not ordered.

Mr. CLARK. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the Clark amendment.

The yeas and nays were ordered.

Mr. CANNON. Mr. President, I move to lay the amendment on the table, and I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada (Mr. CANNON) to lay the amendment of the Senator from Iowa (Mr. CLARK) on the table. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), and the Senator from Wyoming (Mr. MCGEE) are necessarily absent.

Mr. HUGH SCOTT. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Michigan (Mr. GRIFFIN) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 37, nays 54, as follows:

[No. 134 Leg.]

YEAS—37

Baker	Ervin	Pastore
Bennett	Fannin	Pell
Bentsen	Hansen	Percy
Bible	Hartke	Ribicoff
Brock	Hatfield	Scott, Hugh
Buckley	Hathaway	Stennis
Byrd, Harry F., Jr.	Hruska	Stevens
Cannon	Huddleston	Talmadge
Cook	Magnuson	Tower
Curtis	McGovern	Tunney
Dominick	Metzenbaum	Weicker
Eastland	Montoya	Williams
	Moss	

NAYS—54

Abourezk	Eagleton	Metcalf
Aiken	Fulbright	Mondale
Allen	Gravel	Muskie
Bartlett	Gurney	Nelson
Bayh	Hart	Nunn
Beall	Haskell	Packwood
Bellmon	Helms	Pearson
Biden	Hollings	Proxmire
Brooke	Humphrey	Randolph
Burdick	Jackson	Roth
Byrd, Robert C.	Javits	Schweiker
Case	Johnston	Sparkman
Chiles	Kennedy	Stafford
Clark	Mansfield	Stevenson
Cotton	Mathias	Symington
Cranston	McClellan	Taft
Dole	McClure	Thurmond
Domenici	McIntyre	Young

NOT VOTING—9

Church	Hughes	Scott, William L.
Fong	Inouye	
Goldwater	Long	
Griffin	McGee	

So the motion to lay on the table was rejected.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment of the Senator from Iowa (Mr. CLARK).

On this question the yeas and nays have been ordered.

Mr. CANNON. Mr. President, I yield myself 2 minutes to explain to my colleagues what this amendment will do, because I think many of them do not understand what the amendment would do.

The PRESIDING OFFICER. Time on the amendment has expired.

Mr. CANNON. Mr. President, this Senator has not used all of his time on the amendment. He used only 2 minutes on the amendment. No one else has used the time.

The PRESIDING OFFICER. The Senator is correct.

The Senator from Nevada is recognized.

Mr. CANNON. Mr. President, under the——

Mr. CHILES. Mr. President, would a motion to table be in order after the time has been yielded back?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator from Nevada may proceed for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered, and the Senator from Nevada is recognized for 2 minutes.

Mr. CANNON. Mr. President, the bill's provisions with relation to private contributions is such that a person can receive a contribution of not to exceed $3,000 from another person for any one election—a primary, a runoff, or a general election.

If this amendment is adopted, it would limit the $3,000 in contributions to a one-time contribution for any election—for the total election. So that in a year, if a person had a primary election, a runoff election, and a general election, the maximum private contribution that could be received from one person would be $3,000 rather than $3,000 per election as it is under the bill.

This would automatically have the effect of driving a candidate toward public financing, because of his inability to raise adequate amounts.

I yield back the remainder of my time.

Mr. CLARK. Mr. President, I would simply like to add to the statement of the distinguished Senator from Nevada by saying that he states the amendment very accurately and very exactly. That is the intent of the amendment, to prevent any individual from contributing more than $3,000 in that campaign—in other words, in the primary, in the runoff, and in the general. Otherwise, we do not have a $3,000 limitation but a $9,000 limitation from any individual, and $9,000 from that individual's spouse if they so desire; or an $18,000 limitation in the case of organizations.

That is the purpose of this amendment, to restrict it to $3,000 for individuals and $6,000 for groups.

The PRESIDING OFFICER. All time having been yielded back on this amendment, the question is on agreeing to the amendment of the Senator from Iowa (Mr. CLARK).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), and the Senator from Wyoming (Mr. MCGEE) are necessarily absent.

Mr. HUGH SCOTT. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from Illinois (Mr. PERCY), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 65, nays 24, as follows:

[No. 135 Leg.]

YEAS—65

Abourezk	Dole	Metcalf
Aiken	Domenici	Metzenbaum
Allen	Eagleton	Mondale
Bartlett	Ervin	Moss
Bayh	Fulbright	Muskie
Beall	Gravel	Nelson
Bellmon	Gurney	Nunn
Bennett	Hart	Packwood
Bentsen	Hartke	Pastore
Bible	Haskell	Pearson
Biden	Hatfield	Proxmire
Brooke	Helms	Randolph
Buckley	Hollings	Ribicoff
Burdick	Humphrey	Roth
Byrd, Harry F., Jr.	Jackson	Schweiker
Byrd, Robert C.	Johnston	Stafford
Case	Kennedy	Stevens
Chiles	Magnuson	Stevenson
Clark	Mansfield	Symington
Cotton	Mathias	Taft
Cranston	McClure	Thurmond
	McIntyre	Williams

NAYS—24

Baker	Hansen	Pell
Brock	Hathaway	Scott, Hugh
Cannon	Hruska	Sparkman
Cook	Huddleston	Stennis
Curtis	Javits	Talmadge
Dominick	McClellan	Tower
Eastland	McGovern	Tunney
Fannin	Montoya	Weicker

NOT VOTING—11

Church	Hughes	Percy
Fong	Inouye	Scott,
Goldwater	Long	William L.
Griffin	McGee	Young

So Mr. CLARK's amendment was agreed to.

Mr. CLARK. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHILES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of amendment No. 1118 proposed by the Senator from Iowa (Mr. CLARK).

The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

The amendment is as follows:

On page 7, line 9, strike out "$10,000;" and insert in lieu thereof "$5,000;".

On page 7, line 14, strike out "20 percent" and insert in lieu thereof "10 percent".

Mr. CLARK. Mr. President, I offer this amendment on behalf of myself and Senators BEALL and MATHIAS.

Mr. President, I ask unanimous consent to modify my amendment.

The PRESIDING OFFICER. Is there objection?

Mr. CANNON. Mr. President, reserving the right to object, I would like to know the nature of the perfecting amendment first.

The PRESIDING OFFICER. The modification will be stated.

The assistant legislative clerk read as follows:

After line 4, insert the following:

On page 7, line 17, strike out "$125,000;" and insert in lieu thereof "$75,000;"

The PRESIDING OFFICER. Is there objection to the modification? Without objection, the amendment is so modified.

Mr. CLARK. Mr. President, this amendment would reduce the threshold amounts required under the bill to qualify for matching public payments in congressional and senatorial primary elections. It cuts in half the levels set in the committee bill.

Although these limits are intended to prevent frivolous candidates from receiving public financing, the threshold amounts set by the committee are so high that they will almost certainly preclude public financing for many serious candidates as well.

Some of the opponents of S. 3044 have called the bill an "incumbency protection bill," charging that public financing will inevitably favor incumbent office holders. Chairman CANNON and the Rules Committee have very scrupulously maintained the rights of challengers in this legislation, and it should be done here as well.

But the primary threshold amounts—set as high as they are—represent an exception. Incumbents could reach the threshold easily—a single hundred-dollar-a-plate dinner might be enough. But for challengers, it would be an overwhelming task. As Senator BEALL said during debate on March 27:

Sometimes there is a difference between demonstrating public support and collecting money. Sometimes one can get the votes but not the dollars to back up the votes.

It seems to me that by using this formula, a terrible burden is placed upon those people who might want to challenge an incumbent in a primary, and I do not think that is in keeping with the purpose of the legislation.

I started out by saying that I am not opposed to public financing combined with private financing. But I am opposed to public financing that discriminates against people who want to challenge the incumbents.

The best example I can offer of the dangers inherent in this section of the committee bill is the Democratic races for the House and Senate in Iowa in 1972. Altogether, there were nine Democrats competing for the nominations for six House seats and one Senate seat. Mr. President, not a single one of us would have qualified for public financing under the committee formula.

And I am not talking about frivolous candidates. Of the seven who were nominated, not one candidate received less than 45 percent of the vote in the general election. Four of us were elected to the Congress, and three of us defeated incumbents in the process. But again, not a single one of us would have been able to get public financing in the primary under the committee bill.

It is also very interesting to examine the 1972 campaigns of the 13 freshman Senators.

According to reports filed 5 days before the primary, at least 7 of the 13 would not have qualified for public financing in the primary under the present formula. Of the six others, of course, there were three incumbent Congressmen, an incumbent Governor, and an incumbent mayor of the State's largest city. The seven of us were not frivolous candidates—after all, we won. But under the committee's requirements we would not have been able to demonstrate enough public support to qualify for matching public funds.

Mr. President, we are not dealing with a threshold which must be raised to receive a flat subsidy. We are only talking about a level which must be met before the Government will match small contributions on a dollar for dollar basis. The Rules Committee correctly states in its report that one of our primary goals must be to—

Ensure adequate presentation to the electorate of opposing viewpoints of competing candidates through comprehensive public financing.

We can take a step toward achieving that goal by passing this amendment and cutting the threshold amount for public financing in the primaries.

Mr. President, I reserve the remainder of my time.

Mr. CANNON. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. CANNON. Mr. President, I do not have any strong feelings one way or the other about the amendment. For people who oppose public financing this means it is easier to get public financing. It lowers the threshold amount in the case of Representatives from $10,000 to $5,000 and in the case of a candidate for the Senate from $25,000 to $12,500.

Now it was the feeling of the committee we should have some reasonable threshold amount to demonstrate that a man had some sort of public appeal before he could go the public financing route.

As far as I am concerned, if the Senate wants to, it can take away all the threshold and just say everybody is eligible. We did not think it was a good idea.

I reserve the remainder of my time.

Mr. CLARK. Mr. President, I yield to the Senator from Maryland (Mr. BEALL).

Mr. BEALL. Mr. President, I rise in support of the amendment offered by the Senator from Iowa. As he pointed out, both Senator MATHIAS and I are cosponsors of the amendment. He also alluded to the colloquy I had, on the first day of the debate, with the distinguished chairman of the Rules Committee on this subject matter. I used the Republican Party of Maryland as an example of an unfair advantage that would be given to an incumbent if we allowed the 20 percent threshold to remain in the bill before a candidate would become eligible for his share of public financing.

In the State of Maryland, unfortunately, there are only 480,000 Republicans, but 1.5 million Democrats. We would be allowed under the bill, because we have a voting-age population of 2.7 million, at the rate of 10 cents per voting age population, $270,000 in primary elections. If we take 20 percent of that, it comes to $54,000.

I think it is absurd to expect that someone can raise $54,000 in a primary when only 480,000 voters are registered in his party. This is excessive. I think that it is impossible for any challenger to raise $54,000 when he is running against an incumbent, especially when he has only 480,000 voters registered in his party, because we have a limit on contributions, and it would be very, very difficult for anybody to challenge an incumbent.

I think if we are going to move in the direction of public financing, then we had better make sure that we are not making the Congress of the United States a self-perpetuating body. It seems to me that is just what we are doing if we are creating the high thresholds where challengers will not be able to get the kind of money they need to participate in public funds.

I think it should go further, but I think it is extremely reasonable to lower the threshold from 20 to 10 percent. Therefore, I hope the Senate will adopt the amendment in order to make it fair to those who are going to be involved in future primaries.

The PRESIDING OFFICER. Who yields time?

Do Senators yield back their time?

Mr. CLARK. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CLARK. Mr. President, I yield back my remaining time on the amendment.

Mr. CANNON. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time having been yielded back on the amendment, the question is on agreeing to the amendment of the Senator from Iowa (Mr. CLARK), as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

Mr. HUGH SCOTT. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), and the Senator from Illinois (Mr. PERCY), are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 34, nays 54, as follows:

[No. 136 Leg.]

YEAS—34

Abourezk	Cranston	Mondale
Aiken	Hart	Montoya
Beall	Hartke	Nelson
Bible	Haskell	Packwood
Biden	Hatfield	Proxmire
Brooke	Hathaway	Randolph
Buckley	Humphrey	Ribicoff
Burdick	Johnston	Schweiker
Case	Mathias	Weicker
Chiles	McIntyre	Williams
Clark	Metcalf	
Cook	Metzenbaum	

NAYS—54

Allen	Ervin	Nunn
Baker	Fannin	Pastore
Bartlett	Gravel	Pearson
Bayh	Gurney	Pell
Bellmon	Hansen	Roth
Bennett	Helms	Scott, Hugh
Bentsen	Hollings	Sparkman
Brock	Hruska	Stafford
Byrd, Harry F., Jr.	Huddleston	Stevens
Byrd, Robert C.	Jackson	Stevenson
Cannon	Javits	Symington
Cotton	Kennedy	Taft
Curtis	Magnuson	Talmadge
Dole	Mansfield	Thurmond
Domenici	McClellan	Tower
Dominick	McClure	Tunney
Eagleton	McGovern	Young
Eastland	Moss	
	Muskie	

NOT VOTING—12

Church	Hughes	Scott, William L.
Fong	Inouye	Stennis
Fulbright	Long	
Goldwater	McGee	
Griffin	Percy	

So the Clark amendment, as modified, was rejected.

Mr. CRANSTON obtained the floor.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. CRANSTON. Mr. President, I yield to the distinguished Senator from New York.

Mr. JAVITS. Mr. President, I shall use my own time, of course, but I intend to limit my remarks on the amendment to 5 minutes.

I call up my amendment No. 1185 and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 15, line 11, after the word "held" insert the following: "(except that if the office sought is President or Senator the amount shall be 14 cents)".

Mr. JAVITS. Mr. President, this amendment proposes to restore, for the offices of President and Senator, the amount of 14 cents per voter instead of 12 cents which resulted from the Allen amendment, which was successful here by a vote of 46 to 43.

The reason for limiting it to President and Senator is twofold. First, not to reargue the Allen amendment, which would not be fair to Senator Allen nor to the Senate, I omit the Members of the House of Representatives; and second, because it really is not necessary to include the Members of the House of Representatives, as they have a limit of $90,000, which, considering the general population of congressional districts, which is under one-half million, is not out of line with either the 12-cent figure or the 14-cent figure.

The amendment applies only to elections, not to primaries. I am not seeking to change that at all. But the fact is that this is a qualified amendment; and the reason I give the Senate this opportunity is the fact that really the amounts are getting down to the point where, with any kind of big State, and small States are even more affected, where a Senator like myself or any other Senator who has had considerable time in the Senate has to go to the people with so many issues—it is simple, after all, to take a Senator apart when we vote here 400 or 500 times a year, and when votes are connected in philosophy or have a historical relationship, or you have strategic or tactical situations that face you—and you try to run around in a State with 15 million people, even 15 cents speedily fails.

I do not mind telling the Senate I ran, with the aid of my State committee, a campaign in 1968 that cost me, aside from the help they might give, about $1,250,000. That same campaign would cost about $2 million today, and if you subtract the State—and many State organizations now do not want to get involved with Federal law—you run into a campaign that may cost $2,500,000 to $3,000,000.

I cannot raise that. I cannot afford it. But if the committee thought 15 cents was a reasonable figure, I think we ought to have an opportunity to vote on a figure larger than that now set, which I consider too low.

All you have to do is deduct one-fifteenth from the column 15 cents for the Presidency; that results in roughly $19 million for the Presidency, rather than the figures which are set up here, $21 million-something for the 15-cent fund, and similarly down that column.

I simply lay this question before the Senate: Under these conditions, the only chance we have to somewhat raise the figures, for purposes of negotiation with the other body, is in an amendment that is qualified. This is qualified.

I ask unanimous consent that the names of Senators MONDALE and DOLE be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. Who yields time?

Mr. CANNON. Mr. President, I yield myself 2 minutes.

I would hope that the Senate would not change the position it has already taken on this particular issue. It is true that the committee reported the 15 cents in the general election and the 10 cents in the primary, but that issue has been debated on the Senate floor, and we did reduce it by a vote to 12 cents and 8 cents. I voted for that amendment; I think it was a good amendment.

I will say to my colleague that while he indicates that in a State such as his he may be limited, the limit applies both ways; it also applies on whoever the opponent or challenger may be.

One of the purposes of the overall bill is to try to contain or restrain the cost of campaigns. We are not going to restrain them if we fix the limit that can be spent at higher than is normally spent.

With the exception of a few races in the last election—I do not recall the exact number, but there were not many races that did exceed, though some of them exceeded very materially, the limit we have set in the bill.

I would point out that under the limited bill now, for the State of New York, a candidate there could spend, in the primary, $1,213,000 and could again spend $1,508,000 in the general election under the bill as it now stands. If the Senate should adopt this amendment, it would increase that amount for the general election by roughly $126,000, it would appear.

So I say to my colleague that I believe we have settled this matter in a reasonable fashion. I think if we are going to try to contain the cost of the campaign, we have got to fix limits, not just fix a figure far above that which we have expended.

I reserve the remainder of my time.

Mr. JAVITS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JAVITS. I will yield myself 1 more minute to reply, and that is all. We have very completely argued these questions before.

All that I say is this: It is as tough for the challenger as for the challenged, in view of the enormous increase in costs, and I do not see any disposition on the part of the American people not to want a campaign which reveals the positions of both sides. That costs money, unfortunately, in this particular society.

When you realize that there are city campaigns which cost $2 and $3 million for a candidate for mayor, I do not think these sums, at a 14-cent level, are at all out of line. I have given the Senate my own figures. These I know. I sweated blood raising them, so I know them only too well.

I am not anxious to make them more, but it is simply, in my judgment, the necessities of the situation.

Finally, we always talk a lot about committee deliberations, with the committee hearing evidence, thinking it over, and debating it in committee, so that

they come to the right conclusion. Here we have a committee, and the manager of the bill says they did not come to the right conclusion, that he voted against it. So, since he voted against it, he has got to vote against it again.

I hope very much that will not be the logic of the Senate. The committee came up with 15 cents. The Senate, by a majority of 46 to 43, reduced it to 12 cents. Here is an opportunity to again come closer to the amount the committee, which deliberated, provided.

The PRESIDING OFFICER. Who yields time?

Mr. DOMINICK. Mr. President, I think I have an hour, if I wanted to talk that long.

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMINICK. I yield myself 2 minutes, in order to back up my distinguished friend from New York. I am sure everyone will say that if he and I are on the same side on this issue, one of us is obviously wrong, but we will find out pretty quickly.

I will say to the Senate as a whole that I think, to begin with, this whole bill is unconstitutional. I do not think you can put a limit on the right of any individual to support in any legal way that he wants to the candidate of his choice. I think that is what we have attempted to do. One three-judge Federal court has already so ruled, in connection with the bill that is now part of the law. The ruling has not been appealed. They ruled on that ground, that this is a violation of the first amendment, and I think that is exactly what it is.

Second. I think we have sought to do indirectly, by what my distinguished friend from Alabama did and as a matter of fact what this bill does, what we cannot do directly; namely, limit the amount you can expend; and you have to include whatever anyone expends, no matter whether they have any connection with you or not, as an overall limitation; thus we are denying them the right to support the candidates of their choice.

Third. As I think everyone has known from the beginning, I am and always have been totally opposed to public financing. I think it is a real rip-off of the taxpayer. That is not a part of this amendment, which would seem to me only sensible, that if we are going to have an unconstitutional bill, which I think is a disaster from beginning to end, and I think we are all acting as masochists, if I may say so, to the detriment of the taxpayer, then we ought to have a limit which is high enough. So I am happy to support it and will support the amendment but I am going to vote against the whole bill no matter what happens.

Mr. ALLEN. Mr. President, I yield myself 4 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 4 minutes.

Mr. ALLEN. What this amendment seeks to do is to go over ground that the Senate went over yesterday. It seeks, in effect, to reconsider the vote which was taken on yesterday, and one motion to reconsider has already been made and tabled. So actually this is a method of doing indirectly what the Senator is prevented from doing under the rules directly; that is, reconsidering that vote and offering his own amendment. The distinguished Senator had the opportunity yesterday. If he thought there was some magic to the 14-cent figure, he could have offered that as an amendment when the Senator from Alabama put in the amendment calling for a 12-cent per person of voting age limitation on the general election. He saw fit not to do that.

After the Senate has acted and a motion to reconsider has been made and tabled, the distinguished Senator from New York comes in and says that a subsidy of $1,519,000 in a Senate race in New York is insufficient unless they recapture two-thirds of the reduction that was made on yesterday in order that the 100-percent Government subsidy for general election campaigns in New York and other States can be increased.

The 2-cent increase does not sound like a great deal, but it amounts to millions of dollars throughout the entire Nation and, of course, the amount is several hundred thousand dollars in New York.

As the distinguished chairman of the committee stated, this would provide for primary and general elections expenditures for the Senate seat. The 12 cents and the 8-cent figures would provide for a campaign fund in the primary and in the general election.

If there were to be a run-off, it would be another million dollars, but just the primary and general election is $2½ million. So I believe a candidate could struggle along on $2½ million in a campaign. If the Senate thinks it should be increased, of course, it can do so; but I want to stress that what the Senator seeks to do is to reconsider the action of the Senate, which has already been sought to be reconsidered, and the Senate refused to do so. The Senator limits it to President and Senator. As he stated, the House is already 14 cents above, anyhow. So actually there is a full reconsideration of the action of the Senate yesterday and a substitution of another figure which the Senator was at liberty to offer yesterday, had he seen fit so to do.

So I hope that the amendment will be rejected and that we will be able to go on to other matters that the Senate has not yet considered about this bill.

Mr. President, I reserve the remainder of my time.

Mr. JAVITS. Mr. President, I yield myself 1 minute to make a point which I think, is pretty interesting. I thought my friend from Alabama was a real expert on the rules of the Senate although he has served here a lot less than others have. I regret to say I must call this to his attention, that I could not move to reconsider yesterday because I was on the losing side. I thought that 15 cents was right, so I could not move to reconsider. I am not going to reconsider today. I am just saying that we have another chance, before we lock up the bill, to take another look at this, because of the expertise of the committee, and get closer to their figure.

Mr. ALLEN. Mr. President, I did not say that the Senator should have moved to reconsider, because the Senator from Alabama made that motion yesterday. I said that the effect of what the Senator is doing here is to seek to reconsider. That action was sought to be taken yesterday and the Senate refused to reconsider it because it favored it. What the Senator is trying to do now is to do indirectly what the rules forbid him from doing directly, since the motion to reconsider has already been tabled and another motion is not in order.

Several Senators addressed the Chair.

Mr. TOWER. Mr. President, I should like to support the amendment offered by the Senator from New York. To begin with, to place an arbitrary limit on campaign expenditures based on a per capita figure is foolish, because campaign costs vary from State to State.

The Senator of New York can reach a great many of his constituents, perhaps half of them, via the subway. But in my State, to get to the various major population centers, because of population dispersal, I have to lease an aircraft because many cities in Texas are not served by the commercial airlines. Of course, no one is served by trains any more and the bus service is not all that good. So campaign costs vary from State to State.

To place an arbitrary limit on this is stupid and foolish, in my opinion, in the first place, because it takes none of these things into consideration.

The reason we have 50 sovereign States and different ways of exercising the police power in those States, is that situations, people, geography, and everything else, differ from various regions of the country to others.

But if we are going to place an arbitrary limit, let us err on the side of giving too much rather than too little, because it is unfair to many people who are campaigning to be expected to get by with 12 cents a voter. We cannot do it. The figure of 12 cents is unrealistic, as has been pointed out eloquently and ably and precisely by my friend from New York.

So I hope the Senate will follow his urgings, that we raise the limit to 14 cents.

Mr. DOLE. Mr. President, I yield myself 1 minute to ask a question of the distinguished chairman. I think I understand it, but do these limitations—I am addressing my question to the distinguished Senator from Nevada—if one is unopposed or at least one is certain he is unopposed, he does not know it until filing deadline. What happens to the limitation so far as the primary is concerned?

Mr. CANNON. The provisions in the bill limit the amount spent to not more than 10 cents. If a person has no opponent in the primary, that is in addition to the amount permitted in the general.

Mr. DOLE. That is the primary reason I am supporting the Senator from New York. Perhaps some of the one-party States, where we do not have any opponent, we are not worried about it. Perhaps the Senator from Alabama may be

unopposed—he probably is—but it does not make much difference at this point whether it is 10 cents, 12 cents, 30 cents, or whatever. But in a two-party State, where we have a primary and a general election, it makes a great deal of difference.

It makes a great deal of difference whether the opponent may have a primary and you have no primary. He can spend up to the limit in the primary and the general, even though the primary opponent may be a token opponent. Some are getting resourceful and they are talking about setting up a token opponent in a primary in order to bypass certain provisions of the law, which indicates the foolishness of this. So, to set up a strawman in the primary he can spend more money in the primary and get ready for the general election.

As the Senator from Texas has stated, perhaps on this question, where the committee initially recommended 15 cents per voter, the compromise should be at 14 cents because those States are there and everything depends on our own situation from time to time. For instance, in Kansas, which is a small State bordered by the State of Missouri, where television costs are high, we start our campaign early and try to play it straight and we have already spent 4 or 5 cents per voter and we are still far from the general election. We find many other things like that entering into the situation, so that we have been hiring people with contributions that have been coming in to our campaign, and every expense has been registered and every expenditure has been disclosed, but when we do that you soon learn, if you have an opponent, that 14 cents is not unrealistic.

The PRESIDING OFFICER (Mr. NUNN). The question is on agreeing to the amendment of the Senator from New York.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Ohio (Mr. METZENBAUM), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

Mr. HUGH SCOTT. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), and the Senator from Illinois (Mr. PERCY) are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT) is absent on official business.

The result was announced—yeas 37, nays 51, as follows:

[No. 137 Leg.]

YEAS—37

Abourezk	Case	Haskell
Baker	Clark	Hatfield
Bayh	Cranston	Hathaway
Beall	Dole	Huddleston
Biden	Domenici	Hughes
Brock	Dominick	Humphrey
Brooke	Hart	Javits
Buckley	Hartke	Johnston
Kennedy	Pell	Tunney
Mansfield	Schweiker	Williams
Mondale	Scott, Hugh	Young
Pastore	Stevens	
Pearson	Tower	

NAYS—51

Aiken	Ervin	Muskie
Allen	Fannin	Nelson
Bartlett	Gravel	Nunn
Bellmon	Gurney	Packwood
Bennett	Hansen	Proxmire
Bentsen	Helms	Randolph
Bible	Hollings	Ribicoff
Burdick	Hruska	Roth
Byrd, Harry F., Jr.	Jackson	Sparkman
Byrd, Robert C.	Magnuson	Stafford
Cannon	Mathias	Stevenson
Chiles	McClellan	Symington
Cook	McClure	Taft
Cotton	McGovern	Talmadge
Curtis	McIntyre	Thurmond
Eagleton	Metcalf	Weicker
Eastland	Montoya	
	Moss	

NOT VOTING—12

Church	Inouye	Scott, William L.
Fong	Long	Stennis
Fulbright	McGee	
Goldwater	Metzenbaum	
Griffin	Percy	

So Mr. JAVITS' amendment was rejected.

Mr. ALLEN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me?

Mr. CRANSTON. I am delighted to yield.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

UNANIMOUS-CONSENT REQUEST

Mr. ROBERT C. BYRD. Mr. President, I take the floor at this time, through the courtesy of the distinguished Senator from California, to inquire as to how many amendments remain to be called up at this time. One, three, five, seven, nine—

Mr. ALLEN. I have two amendments that will require only 5 minutes each.

Mr. ROBERT C. BYRD. Very well. We have 11 amendments remaining.

Mr. President, I have not discussed this request with the leadership on the other side of the aisle nor have I discussed it with anyone on this side of the aisle.

Mr. President, I ask unanimous consent that the time on any remaining amendment be limited to 15 minutes, with 5 minutes to the manager of the bill and 10 minutes to the mover of the amendment.

Mr. PACKWOOD. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Does the Senator have an amendment?

Mr. PACKWOOD. Yes.

Mr. ROBERT C. BYRD. Would the Senator object if an exception were made for his amendment?

Mr. PACKWOOD. Yes, I would.

Mr. ROBERT C. BYRD. Mr. President, would the Senator object if the request were modified to limit the time to 20 minutes on any amendment, to be equally divided?

Mr. PACKWOOD. Let me ask the Senator's intention in terms of attempting to finish tonight or going over until tomorrow.

Mr. ROBERT C. BYRD. Well, it would suit me either way, frankly. I will stay here as long as Senators want to stay or go over until tomorrow. But my thought was that if time could be cut down on amendments, then it might be that we could go until 7 or 7:30 this evening; or we could go over until tomorrow and finish tomorrow—or later tonight—whatever Senators prefer.

Mr. PACKWOOD. If we could reach a unanimous-consent agreement to adjourn tonight at 7:30 and come back tomorrow I would have no objection to the limitation proposed.

Mr. PASTORE. Mr. President, I came to my office this morning at 8 o'clock. I have been busy today with a half dozen conferences, I have gone to every meeting it was my responsibility to attend, and I have been on the floor. Here it is 5:30 and it looks as if these amendments are still coming forth. We have had cloture imposed.

I say there should be a sense of fairness in the Senate. When we get to the hour of 6 o'clock we should quit and come back tomorrow. We have not had notice that we were going to stay tonight. Most of us have family obligations. I think that should be taken into consideration. I think this matter has gotten completely out of hand and the time should come to put a stop to it.

If it becomes necessary to stay late tomorrow night we should have notice so that we can advise our families that we will not be home for dinner tomorrow evening.

We have been considering this bill since the latter part of March. I wonder what will happen to the bill anyway when it goes to the House, and here we are straining ourselves and keeping ourselves from our families, which I think is a great injustice. I hope we can reach an agreement. Now there has been a request for a yea and nay vote.

It takes 20 minutes. I have heard about 11 amendments, and then some other Senator came along and put up his fingers. I do not think it was the "V" sign—it was two more amendments. That makes 13. That is 4 hours and 20 minutes alone on rollcalls.

Now, when are we going to go home and when are we going to finish the bill? I say the time has come when we ought to have an agreement to quit at 6:30 tonight and come in tomorrow morning, at 9 o'clock, 8 o'clock, 5 o'clock——

SEVERAL SENATORS. Five o'clock.

Mr. PASTORE. Five o'clock, and finish the bill, but please do not let that dinner get cold tonight.

Mr. HUGH SCOTT. Mr. President, will the Senator yield for an interjection?

Mr. PASTORE. I will yield for anything.

Mr. HUGH SCOTT. Mr. President, if the Senator will yield for an interjection, I would like to note, for the Senator's scheduling table, that I believe there are about 15 Senators who are scheduled to

speak for 15 minutes each tomorrow, and that will chew into the Senators' travel schedule like crazy if we cannot figure out some way to get out of here by 3 o'clock tomorrow. We have about 25 Senators who want to get out of here.

Mr. PASTORE. Mr. President, I would ask unanimous consent at this time that those 15 Senators who have 15-minute speeches begin to talk after passage of this bill and let them stay here until midnight tomorrow night.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. There will be order in the Senate.

Mr. ROBERT C. BYRD. Mr. President, I will revise my unanimous-consent request in this fashion: That time on any amendment be limited to 20 minutes; that time on any debatable motion or appeal, with the exception of a motion to recommit, which Senator STEVENSON was interested in earlier today, be limited to 10 minutes, to be equally divided; that the time on any motion to recommit be limited to 30 minutes; and that the vote on final passage occur at no later than 3 p.m. tomorrow.

Mr. BUCKLEY. Mr. President, reserving the right to object——

Mr. ROBERT C. BYRD. With this further proviso: that time on any rollcall, with the exception of the first rollcall tomorrow, be limited to 10 minutes, the warning bells to be sounded after the first 2½ minutes.

Mr. BUCKLEY. Mr. President, reserving the right to object, I do have an important constitutional point that I intend to raise, and although I do not believe I would use my full hour, I do not want to give up my full hour.

Mr. ROBERT C. BYRD. Would the Senator wish to speak tonight? I will be happy to remain, and he can make his speech tonight.

Mr. PASTORE. It will be in the RECORD. We will read it.

Mr. BUCKLEY. I would hope to get the ears of more than one or two Senators on that important constitutional question.

Mr. ROBERT C. BYRD. I hope the Senator will make his speech this evening, because Senators are on notice that he is going to make the speech, and before the final vote they would look at the RECORD tomorrow and read it.

Mr. BUCKLEY. With all due respect, I doubt that they will.

Mr. ROBERT C. BYRD. I am afraid that they would not stay to listen at this hour of the day, or even tomorrow, may I say to the Senator. I have been here 16 years and I have not seen anyone capture their attention in that way.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. TOWER. If the consent agreement is not agreed to, that would mean we could stay here tonight and Senators could bring up their amendments, and have votes on them, unless there were a motion to adjourn, which would be debatable.

Mr. PASTORE. No, there is no debate on such a motion.

Mr. ROBERT C. BYRD. A motion to adjourn is not debatable.

Mr. President, I repeat my request that there be a limitation of 20 minutes——

Mr. PACKWOOD. Mr. President, if the Senator will yield, if we are including in that proposed agreement a vote at 3 o'clock tomorrow, can we have assurances of leaving here at 7 o'clock this evening instead of 10 o'clock?

Mr. PASTORE. I will buy 6:30.

Mr. PACKWOOD. Six-thirty—fine.

Mr. BAYH. Mr. President, reserving the right to object, perhaps this is inappropriate, and I seldom find myself on the opposite of an issue with my distinguished friend from Rhode Island, but, you know, Mr. President, we have been kicking this bill around for a long, long time. Some people have expressed strong reservations about it. I do not deny that every Senator has his parliamentary right to prolong the debate, but I will tell you, Mr. President, the people of Indiana would be glad to let Senators remain here so their suppers will get cold. It would be a pretty good precedent if we stayed here until we finished this bill for campaign reform. We have debated it at length. Two-thirds of the Senate have exercised their will to limit debate on it, and now we ought to be willing to give up our conveniences and work until we finish action on the bill.

Mr. PASTORE. Come, come, come, Mr. BAYH. This is getting to be a little ridiculous. This Senator can sustain any inconvenience that is necessary to do his job. All I am saying is that it has been the custom and the habit of this body that when we are going to stay here beyond 7 o'clock, we receive notice of it the day before.

I do not know the obligations of the Senator from Indiana for his own family, but I have my family waiting for me tonight. When he talks about inconvenience, all I am saying is that we have been here for a month, and we are not going to finish this bill tonight. All I am saying is, let us come in early tomorrow morning and let us get started early and do our job.

Mr. BAYH. Mr. President——

Mr. PASTORE. I do not want to be a tinhorn hero, but I am a little surprised at my colleague from Indiana. He is not more conscious of his responsibility than the Senator from Rhode Island, and when he says we are going to give up our conveniences because this is important, whom are we kidding? [Laughter.]

Mr. ROBERT C. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER. Senators will please take their seats.

Mr. BAYH. Mr. President——

Mr. ROBERT C. BYRD. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Indiana.

Mr. ROBERT C. BYRD. How did the Senator from Indiana get the floor?

The PRESIDING OFFICER. Because he addressed the Chair for the last 5 minutes while the Senator from Rhode Island was speaking.

Mr. ROBERT C. BYRD. Very well.

Mr. BAYH. Mr. President, I hope my friend from Rhode Island will read what I said, and if he can point to anything which, either by direction or indirection, implied or suggested that my friend from Rhode Island was not one of the most dedicated Members of this body, willing to sacrifice his own conveniences, then I will stand corrected. I think he knows of my great respect for him. My statement goes not to any degree of piosity, but it seems to be clear to me that a lot of people are looking for us to stand up and get this thing behind us. I think we have a great opportunity to do so. I am not asking for any merit badges, but I am telling you, Mr. President, a lot of people think this is important. This might give us an opportunity to do something a little exceptional and get it behind us, and what it does to my family is not going to be different from what it does to anybody else's.

Mr. ROBERT C. BYRD. Mr. President, we could argue this point ad infinitum. I would hope we would try to reach an agreement. Let me try again.

I ask unanimous consent that time on any amendment be limited to 15 minutes, with 10 minutes to the mover of such amendment and 5 minutes to the manager of the bill; that time on any debatable motion or appeal be limited to 10 minutes, to be equally divided in accordance with the usual form, with the exception of a motion to recommit, on which the Senator from Illinois (Mr. STEVENSON) wanted 30 minutes today and was assured of that by the majority leader; and that time on any rollcall vote be limited to 10 minutes, with the warning bells to be sounded after the first 2½ minutes; with the time allotted under the cloture rule to be vitiated; with a waiver of paragraph 3 of rule XII; and that the vote on final passage occur at no later than 3 tomorrow afternoon.

Mr. HUGH SCOTT. Mr. President, will the Senator accept an amendment to his request—that the Senator from New York (Mr. BUCKLEY) be recognized first tomorrow at the end of the special orders and be allowed to use not more than 30 minutes of his time at that time and may then proceed on his amendment in the time limited?

Mr. ROBERT C. BYRD. With that modification.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. ROBERT C. BYRD. Yes.

Mr. AIKEN. I should like to say that for more than a week I have had six amendments to improve this bill very much. But in the interest of bringing consideration of this bill to an early conclusion, I have refrained from offering the amendments. However, if we come in tomorrow, I should like to offer the six amendments. I assume that they will be permitted if we come in tomorrow. If we can finish tonight, I shall be glad to bring this unhealthy situation to an earlier close.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. BAKER. Mr. President, the purpose of my rising at this time is to ask the Senator from West Virginia if I fully

understand his remarks. Is the time on these amendments from this point forward to be limited to 15 minutes, 10 minutes for the proponents and 5 minutes for the manager of the bill?

Mr. ROBERT C. BYRD. The time allotted under the cloture rule would be vitiated.

Mr. BAKER. That is what I wanted to bring up. Is the Senator asking that the cloture vote be vitiated?

Mr. ROBERT C. BYRD. No. I would ask only that the time limitation under the cloture rule be vitiated, because otherwise the 15 minute agreement on any amendment would be worthless.

Mr. BAKER. Do I understand that we are going to run for any very great length of time tonight?

Mr. ROBERT C. BYRD. No, I did not say that. I would have to leave that up to the Senate.

Mr. BAKER. I am perfectly agreeable to any time limitation. I was wondering what the leadership had in mind.

Mr. ROBERT C. BYRD. With the number of amendments that have been adopted, and with the number of Senators who want to speak tomorrow morning, it would be necessary to go for a while yet tonight.

Mr. BAKER. Well, would the Senator say 7 or 7:30?

Mr. ROBERT C. BYRD. Yes, in order to finish tomorrow at 3 o'clock, but even then, Senators may be shut off from debate on their amendments at 3 p.m.

Mr. BAKER. My final concern is with reference to the statement by my friend from Rhode Island (Mr. PASTORE), that we would receive notice the day before if we were going to run beyond 7 o'clock. If that is so, I should like to be put on that list.

Mr. ROBERT C. BYRD. I know of no such list.

Mr. PASTORE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time on any amendment be limited, to instead of 30 minutes, to 20 minutes, the time to be equally divided.

The PRESIDING OFFICER. Is there objection?

Mr. DOMINICK. Mr. President, reserving the right to object—and this is a point I wanted to make before—the Senator from West Virginia indicated to the Senator from Tennessee that this vitiated the 1-hour cloture rule.

Mr. ROBERT C. BYRD. Only if we were able to get unanimous consent to the package agreement earlier proposed.

Mr. DOMINICK. I happen to be one of those who do not have amendments, but I may want to talk on an amendment or talk on the bill, and I would hate to give up my hour without any agreement.

Mr. ROBERT C. BYRD. Without an agreement, the Senator will not lose his right.

Mr. DOMINICK. That is correct. Without an agreement, I would not be losing my right. But if we got a unanimous-consent agreement, I would, as I understand.

Mr. ROBERT C. BYRD. But the request I now propose is only with respect to time on amendments.

Mr. DOMINICK. But objection has already been made to that.

Mr. ROBERT C. BYRD. But I am now proposing a different consent request.

Mr. AIKEN. If the Senator believes that we can postpone completing this work tonight and come in tomorrow, would it be possible to complete the bill and get a final vote on it before the adjournment for Easter?

Mr. ROBERT C. BYRD. Yes, I think so. The idea, in trying to get a definite time limitation, is to accommodate Senators who wish to make plane reservations to go afar. Some of them want to get away by 3 o'clock p.m. tomorrow.

Mr. AIKEN. I would be willing to agree to a time limitation for tonight. If we are to come in tomorrow, we might just as well strike this proposal.

Mr. ROBERT C. BYRD. I will be glad to try again.

Mr. President, I ask unanimous consent that time on any amendment be limited to 15 minutes, 10 minutes to the proposer of the amendment and 5 minutes to the manager of the bill, with time on any amendment to an amendment, motion, or appeal limited to 10 minutes, to be divided in accordance with the usual form, with section 3 of rule XII being waived, with time under the cloture rule being vitiated, and that the vote on final passage of the bill occur at no later than 10 o'clock tonight.

The PRESIDING OFFICER. Is there objection?

Mr. PACKWOOD and several other Senators objected.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, I will make a final effort. I renew my request that time on any amendment be limited to 15 minutes, to be divided 10 minutes to the mover of the amendment and 5 minutes to the manager of the bill, with 10 minutes on any rollcall votes for the remainder of the bill; and that the warning bells be sounded after 2½ minutes. I shall make no further request.

Mr. PASTORE. Mr. President, how long will we be going tonight?

Mr. ROBERT C. BYRD. I am not going to attempt to answer that question. When Senators are ready to quit, I shall be glad to move to adjourn. As long as Senators want to stay, I will stay.

Mr. PASTORE. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, I ask that the time that has been utilized be charged to me under the rule and that no time be charged to the able Senator from California (Mr. CRANSTON).

Mr. METCALF. Mr. President, under section 3 of rule XII, to whom is the debate that is taking place being charged?

The PRESIDING OFFICER. It has been assigned to the Senator from West Virginia.

Mr. ALLEN. Mr. President, I yield myself 1 minute. I have used only 1 minute, so the parliamentarian has advised me; and I certainly do not intend to use the whole hour.

I believe there is only one way out of the situation, and that is to move to table the bill. I move that the bill be laid on the table, and I call for the yeas and nays.

Mr. ROBERT C. BYRD. Mr. President, the Senator from California had the floor before yielding to me.

The PRESIDING OFFICER. Does the Senator from California yield for the purpose of allowing the Senator from Alabama to make his motion?

Mr. CRANSTON. No, I do not.

Mr. ALLEN. I thought the Chair had recognized the Senator from Alabama.

The PRESIDING OFFICER. The Senator from California has the floor. The Senator from California yielded to the Senator from West Virginia for a unanimous-consent request.

AMENDMENT NO. 1177

Mr. CRANSTON. Mr. President, I call up my amendment No. 1177 and ask that it be stated.

Mr. HUGH SCOTT. Mr. President, my congratulations to the Senator from California.

Mr. CRANSTON. I thank the Senator from Pennsylvania.

Mr. President, this is mainly a technical amendment.

Mr. STEVENS. Mr. President, will the Senator yield for a question?

Mr. CRANSTON. I yield.

Mr. STEVENS. Mr. President, as I understand, there is no time limitation.

The PRESIDING OFFICER. There is an existing agreement of a half-hour on each amendment.

Mr. STEVENS. I thank the Chair.

The PRESIDING OFFICER. This is superimposed on the 1 hour that each Senator has under the cloture rule.

The amendment will be stated.

The legislative clerk read as follows:

S. 3044

On page 5, line 19, following the word "office", insert the words ", and if, in a State which registers voters by party, that said party's registration in such State or district is equal to 15 per centum or more of the total voter registration in said State or district".

Mr. CRANSTON. Mr. President, this is largely a technical amendment which will, I believe, improve on the committee's intent in section 501(8) of S. 3044. As written, the bill provides that if only one political party qualifies as a major party entitled to full funding, a political party whose candidate received in the last election less than 25 percent of the total votes cast in that election but more than 15 percent would qualify as a major party. I believe that that provision was included because of concern expressed by several Senators, including myself, that occasionally in a two-party State an incumbent may be sufficiently popular as to receive more than 75 percent of the vote in a given election.

I support section 501(8) of the bill, but I wish to suggest that it be modified to take into account the following situation which has arisen this year in California.

There are five incumbent Democratic Congressmen who are facing no Republican opponents this fall. However, in two of these districts there are candidates

seeking the nomination of the Peace and Freedom Party and of the American Independent Party. It therefore appears likely that on the November ballot these two Democratic Congressmen will find themselves opposed by nominees of these minor parties. It is entirely possible that Republicans or Democrats wishing to vote against the Democratic incumbent for whatever reason would vote for a minor party candidate. Thus, a minor party candidate will become the recipient of such protest votes and could conceivably receive 15 percent of the total vote cast. As a result in the 1976 election, under the provision of the bill as it is before us, either of the minor parties might be entitled to receive full funding as a major party. The fact is that in neither district does either party have as much as 1 percent of the total voter registration in the district.

Therefore, Mr. President, I would like to suggest that in addition to receiving 15 percent of the votes cast in the previous election, a party, in order to qualify as a major party, should also have voters in the district equal to at least 15 percent of the total registered voters.

That is what my amendment would do. It adds the language:

and if, in a State which registers voters by party, that said party's registration in such State or district is equal to 15 percent or more of the total voter registration in said State or district.

This would prevent the unjust enrichment of the political coffers of minor parties who have no basis for being treated as major parties.

Mr. CANNON. Mr. President, I yield myself 20 seconds. The eloquence of the Senator from California has convinced me of the merits of his amendment, and I am prepared to accept it. I yield back the remainder of my time.

Mr. CRANSTON. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment (No. 1177) of the Senator from California.

The amendment was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1125

Mr. CRANSTON. Mr. President, I call up my Amendment No. 1125, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. CRANSTON'S amendment (No. 1125) is as follows:

On page 15, line 18, strike the words "primary or".

On page 15, line 20, strike the words "primary or".

On page 15, line 21, strike the words "(a) or".

Mr. CRANSTON. Mr. President, this amendment, incidentally, is cosponsored by the Senator from Kansas (Mr. DOLE).

As presently written, S. 3044 provides that a candidate unopposed in a primary or general election can spend only 10 percent of what he would be able to spend if he had opposition. I have no objection to this restricted spending limit for a candidate unopposed in a general election. The primary, however, is a totally different matter.

Let me give two examples of what might happen if the bill is enacted in its present form:

The most likely situation would involve an incumbent unopposed in his own primary, while two—or more—individuals seek the nomination of the other party. The two challengers might well decide that the best way to win their party's nomination is to campaign against the incumbent—with each challenger ignoring the other. Thus the incumbent would be subject for a period of several weeks or months to a campaign against him by two opponents, both of whom would be permitted to outspend him 10 to 1.

A second example involves a primary election where the incumbent has nominal opposition and the person seeking the nomination of the other major party is unopposed. The incumbent would ignore the opponent within his own party and campaign on his record for a period of weeks or months during which time he would be able to outspend his real challenger in the other party by 10 to 1.

Both situations are obviously inequitable and unfair.

Let me point out the situation which I face this year, and what might happen under a public financing system with this limitation on primary spending.

As it happens, I have two virtually unknown opponents in my own Democratic primary in June. Neither man is conducting a visible campaign, to the best of my knowledge. It is for all practical purposes, then, that I am unopposed, and it could well have been that neither man filed and thus I would have been actually unopposed.

There are four highly visible, active candidates seeking the Republican nomination for the U.S. Senate. All four are raising money and all four have to be classed as serious candidates for the Republican nomination.

As the bill is written, these four candidates would be entitled to spend $4½ million campaigning against me during a period of at least 4 months, while I would be able to spend only a hundred thousand dollars defending myself against their attacks. Now it is true, under the bill the situation would be equalized under the general, with each candidate able to spend the same amount. But the huge disadvantage of being outspent better than 40 to 1 in the primary might well create an insurmountable disadvantage from which a candidate could not recover.

There has been some suggestion that the 10-percent figure might be changed, allowing an unopposed candidate in a primary to spend 20 percent. At 20 percent, I would be able to spend only 5 percent of what my opponents could spend. At 50 percent I would be able to spend only 12½ percent of what my opponents could spend.

Even if my amendment is accepted, with four opponents all of whom may be conducting their primary campaigns by running against me, I would be outspent 4 to 1. But at least no one candidate would be able to spend more than I would be permitted to spend.

There is an additional disadvantage for an unopposed candidate of such a limitation in the primary. Much of the groundwork for the general election must be laid in the primary. The candidate's campaign organization must be put together, for if the candidate waits until the general election, he will find that both staff and workers have been preempted by other candidates and campaigns. He must travel, he must speak, he must make public appearances—even though he may decide not to put on a substantial media campaign. All of these activities cost money.

Finally, he may wish to begin his direct mailing solicitation of small contributions during the primary—the cost of which, in a State like California, could quickly eat up the total amount a candidate would be allowed to spend.

I suspect—and this is another very serious objection, I believe, to the present language of the bill—that if the bill is enacted in its present form, no candidate of either party would ever allow himself to be unchallenged. This could lead to nonserious candidates put up by serious candidates of either party—or by the parties themselves—to assure that the serious candidate receives full funding. Such a situation would be unhealthy, unwise, and might well lead to a greater need for Federal funding than would be the case if an unopposed primary candidate were allowed to spend as much as an opposed primary candidate—and if he chose to. Under a matching system, I doubt that an unopposed primary candidate would, under normal circumstances, raise or spend as much as a candidate with opposition.

My amendment, No. 1125, would simply strike any reference to the primary from section 504(c) of the bill. I urge Senators to support the amendment.

I am delighted to yield to my distinguished cosponsor of the amendment, the Senator from Kansas (Mr. DOLE), on his time.

Mr. DOLE. I will use my time, but I would like to ask the Senator a question.

Mr. COOK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COOK. What does the Senator mean, on his time?

Mr. DOLE. I have 48 minutes left, or 43.

Mr. COOK. Well, there are 30 minutes on an amendment. Is the Senator utilizing time on the amendment, or on his hour?

Mr. DOLE. Both.

Mr. COOK. All right. That makes sense.

Mr. DOLE. As I understand it, the Senator from California would strike section 504(c)?

Mr. CRANSTON. We would strike the

provision that makes it impossible to spend more than 10 per cent in a primary.

Mr. DOLE. All right. As a cosponsor of the amendment, I should know what it does, but I wanted to make certain.

I agree with the Senator from California. As discussed with him earlier, I believe the present provisions will lead to the serious primary candidate having a non-serious primary opponent, if he is faced with a tough general election to permit him to spend a greater total amount.

We are going to see more and more efforts to evade or avoid the law if this restriction remains. I support the amendment and am pleased to cosponsor it with the Senator from California.

I also raise the question, How do we know when we are going to be opposed in a primary? In Kansas, the filing deadline is June 20. I started campaigning a year ago. In the process, I have spent a great deal of money—for a small State like Kansas—making preparations for a primary, if I have one, and if not, then for the general election.

I may yet have a primary because we have several months before June 20. Seems to me this is one of the restrictions in the bill which makes the entire proposition at least appear to be unworkable. I have made expenditures based on the supposition that I could have a primary. If unopposed then I can only spend 10 percent and the rest must be charged, I guess, against what I might have spent in the general election. This is not fair so I believe the amendment would be helpful.

Mr. CRANSTON. I think the Senator from Kansas very much.

Mr. CANNON. Mr. President, I think the Senator from Kansas has made a very good point about the fact that a person may be campaigning long before he finds out that they are not going to have a primary and he might well have spent more than the 10-percent limit we have in the bill. It is a valid point and I am willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

The amendment was agreed to.

Mr. BUCKLEY. Mr. President, during the course of the past 2 weeks we have examined and debated many facets of S. 3044. Many of us have questioned specific provisions of the legislation on conceptual and practical grounds. We have questioned the effect such legislation might have on our two-party system, on challengers seeking to unseat incumbent officeholders and on the faith of the American people in their elected leaders.

In addition, several Senators have questioned the wisdom of spending millions of tax dollars to pay for political campaigns. Others have introduced amendments designed to tamper with the mechanics of the legislation; to raise this limit or lower that spending ceiling.

I have supported many of these amendments and I have joined in raising practical and theoretical questions concerning the wisdom of this approach to campaign reform. The voting on the various amendments we have considered convinces me that there is a majority in this body willing to go along with S. 3044 regardless of the consequences.

It is clear that the pressure for reform is enough to force many Senators to go along with a proposal that might easily create more problems than it will ever solve. The argument has been cast in a way that allows those in favor of S. 3044 to appear as heroes in the press while those of us who oppose it are made to look like the villains of the piece.

In fact, however, the legislation under discussion is far too important and far too complicated to be decided on the basis of slogan and lobbyist pressure. We have an obligation to look at the facts, to analyze the specifics of the legislation before us and at least to guess at the consequences that might follow its passage.

That, in my view, is what those who question the wisdom of the bill have been trying to do for some time now.

It would be unfortunate if we were to move to a vote on this legislation without a thorough discussion of the constitutional implications of some of its provisions. As I indicated when I introduced my amendment No. 1140, I hoped thereby to stimulate a discussion of these implications.

Briefly, my amendment would eliminate the expenditure ceilings imposed by section 504 of S. 3044 on Federal candidates, retaining them only as ceilings on the maximum amount of Federal money a candidate might receive. Thus while every major candidate would be assured of adequate funds to wage a campaign, there would be no overall ceiling on campaign expenditures on behalf of a given candidate.

I have introduced the amendment in this form because most constitutional experts who have analyzed campaign reform proposals of the kind we are debating today have concluded that limits on total expenditures raise the most serious constitutional questions. It is their belief that such limits are necessarily violative of the first amendment and would be found unconstitutional if a proper case were brought before the Supreme Court.[1]

In a moment, I will analyze the reasoning that leads so many scholars to this conclusion. At this point, however, I would simply like to note that some who are supporting overall limits today were not at all sure of their constitutionality when we were debating the 1971 Federal Election Campaign Act.

The senior Senator from Massachusetts (Mr. KENNEDY), for example, who now seems so certain that S. 3044 deserves our support, evidently felt at the time of our earlier debate of this issue that a limit on total expenditures would raise grave constitutional questions.

He said at that time that a ceiling on total expenditures "is a step that cannot be justified except under the most stringent circumstances, in accord with the standard of 'clear and present danger', established long ago by the Supreme Court as the test by which denials of free speech under the first amendment must be measured. To me, no ceiling on total campaign spending in present circumstances can meet this test." [2]

As we get into the discussion on this question I hope the Senator from Massachusetts and others who like to consider themselves civil libertarians will try to square their views on the first amendment with their support of this legislation. It is my feeling that try as they might they will not be able to do so because I am convinced that S. 3044 directly infringes on the freedom of speech and association guaranteed to all Americans by that amendment.

I realize that there has been popular pressure for reform in the wake of Watergate and believe that most of those who are supporting S. 3044 are doing so because they want to respond to the perceived need for some sort of reform, and because they have not really thought about the constitutional questions that troubled the Senator from Massachusetts only 3 years ago.

But good intentions are not enough; good intentions alone will neither guarantee good laws nor protect the laws we do pass from a stringent, critical examination by the courts. This is especially true when we pass legislation that limits freedom of speech—and that is exactly what we are going to be doing if we pass S. 3044 as presently written.

Thus, as Prof. Martin Redish pointed out in a New York University Law Review article:

> To argue that campaign spending limitations . . . may violate the First Amendments is in no way to contend that the problems with which these measures deal are not serious difficulties, nor, for that matter, that they would be ineffective in solving them. But the courts have felt compelled to invalidate laws intended to foster legitimate societal interests because of their conflict with the First Amendment in many situations.[3]

Redish's point is, of course, precisely the point that I have made: The fact that S. 3044 was drawn up by well-meaning men to solve a problem they perceived as important will not get it past a court interested in defending the right of free speech as defined by the first amendment.

Thus in 1971, with the best of intentions, we passed the Federal Election Campaign Act, portions of which have already been struck down as unconstitutional by a three-judge panel here in the District of Columbia.

Just last fall, Judge Bazelon ruled for the panel that title I of that act is unconstitutional. In the case of ACLU against Jennings, the Court avoided a general decision on spending limits per se, but did conclude that our attempt to close spending loopholes violated free speech guarantees.

And in an amicus brief, filed in that case, the New York Times described our work as "shot through with constitutional deficiencies" and "patently inconsistent with basic first amendment freedoms." If we do not examine the constitutional problems inherent in the legislation now before us we are liable to

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Footnotes at end of article.

have our handiwork described in even harsher terms by higher courts in the future.

It is at least possible that the limited discussion of the constitutional problems inherent in this bill is a direct result of Common Cause's attempts to assure would-be supporters of the legislation that it does not present a constitutional problem. To this end, Common Cause's lobbyists have circulated a legal memorandum that discounts the constitutional questions. I have referred this memorandum to Prof. Ralph Winter of the Yale Law School, for his analysis.

Based on what Professor Winter tells me, the Common Cause memorandum may be charitably described as slovenly, professionally incompetent, and in its use or misuse of citations, grossly misleading. I ask unanimous consent to have printed at the conclusion of my remarks his analysis of some of the more obvious flaws in this memorandum.

The PRESIDING OFFICER (Mr. McINTYRE). Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUCKLEY. Mr. President, we should realize that in spite of Mr. Gardner's assurances to the contrary, constitutional experts feel spending limits do raise serious and probably fatal constitutional questions. Thus, a number of constitutional scholars have argued that the first amendment has as a primary objective the encouraging of the dissemination of information to voters so as to aid them in the performance of their electoral functions.[4]

The Supreme Court gave voice to this aspect of the first amendment in New York Times against Sullivan.[5] In that decision the Court gave firm support to the view that self-government requires that the public be able to be exposed to a full range of opinion about matters of public concern. The case itself did not involve an election, but it did involve an elected official about whom allegedly libelous statements had been published. The Court held that the first amendment precluded an award of damages in the absence of a showing of "actual malice."

The Court's reluctance to countenance actions that might limit the public's right of access to political information was also a deciding factor in Mills against Alabama,[6] a case involving a law passed for admirable purposes by well-meaning men.

The Mills case impresses me as interesting in that it dealt with an Alabama law prohibiting the solicitation of votes on election day. The legislature enacted the law as a campaign reform measure to prevent emotional or slanted last-minute appeals to which an opposition candidate could not reply. The case arose when the publisher of the Birmingham Post-Herald was convicted of running an editorial on election day that urged voters to vote in a certain way.

In overturning the publisher's conviction, Mr. Justice Black wrote:

> Whatever differences may exist about interpretations of the First Amendment, there is practically universal agreement that a major purpose of that Amendment was to protect the discussion of governmental affairs. This, of course, includes discussions of candidates, structures and forms of government, the manner in which government is operated or should be operated, and all such matters relating to the political processes.[7]

In commenting on the Mills decision, Professor Redish observes that:

> Once it is recognized that a significant purpose of the First Amednment is to insure that the public will be provided with information necessary to the performance of its self-governing function, it follows that information disseminated in the course of an election campaign must rank high in terms of First Amendment values.[8]

A thorough reading of these cases demonstrates rather clearly that the Court views with suspicion any regulations or laws having the effect of reducing the total amount of discourse or discussion on public questions. If this is so, it is difficult to see how the Court could uphold spending limitations of the kind included in S. 3044.

Still, those who support spending limits and have considered the constitutional problems seem to believe that the power and, indeed, the duty of the Congress to regulate Federal elections must be balanced against first amendment considerations and that in such a balance considerations of free speech must give way to the perceived need for such limits to guarantee a "clean" electoral system.

No one denies that Congress has the right to regulate Federal elections, but this does not automatically mean that laws designed to accomplish this will not be struck down if in conflict with the first amendment.

The problem has been summarized clearly in a 1972 article by the editors of the Columbia Journal of Law and Social Problems:

> Any limit on a candidate's right to purchase the use of communications media limits his ability to speak effectively to his fellow citizens, and may limit their right to be informed of his identity and positions on political issues.[9]

It goes without saying that the same reasoning applies with equal or even greater force to any citizen not a candidate who is prevented from publishing his views of a candidate by virtue of limitations on spending.

The question then is whether the restrictions on free speech contemplated by the authors of this legislation can be justified constitutionally. Though the majority of the Court has generally rejected what might be termed the absolutist view of the first amendment championed by the late Justice Black, it has nevertheless been extremely reluctant to allow laws that limit freedom of speech to stand.

Thus, as the Court stated in Konigsberg against State Bar in 1961, valid restrictions on freedom of speech must fall within one of two categories:

> On the one hand, certain forms of speech, or speech in certain contexts, have been considered outside the scope of constitutional protection . . . On the other hand, general regulatory statutes, not intended to control the content of speech, but incidentally limiting its unfettered exercise, have not been regarded as the type of law the First . . . Amendment forbade Congress . . . to pass, when they have been found justified by subordinating valid government interests, a prerequisite to constitutionality which has necessarily involved a weighing of the government interest involved.[10]

The first category here includes cases involving advocacy of overthrow of the government, obscenity, and other cases where the speech itself is offensive to the public safety or to morals. I do not know of anyone who seriously contends that campaign rhetoric resulting from present spending levels falls within this category.

The second category includes a number of cases involving situations in which the government while in pursuit of some legitimate goal, restricts or curtails freedom of speech as a means of achieving that goal. To validate a law in this category the Court conducts a sort of "balancing test" of the kind alluded to in the Konigsberg language I quoted a moment ago.

Some experts, such as Profs. Ralph Winter and Alexander Bickel, also of the Yale Law School, take the position that the balancing test would be inapplicable in a case involving expenditure limitations. As Winter has testified before the Senate Commerce Committee:

> There is no countervailing interest . . . to "balance" against a campaign restriction on speech inasmuch as the restriction is imposed not to preserve some other legitimate interest of society but solely for the sake of restricting the speech itself . . .[11]

Thus, Professor Winter would find himself in agreement with Mr. Justice Black's opinion in Barenblatt against United States:

> There are, of course, cases suggesting that a law which primarily regulates conduct but which might also indirectly affect speech can be upheld if the effect on speech is minor in relation to the need for control of the conduct. With these cases I agree . . . But (they did not) even remotely suggest that a law directly aimed at curtailing speech and political persuasion could be saved through a balancing process.[12]

The question then is whether a limit on political spending is, in fact, a law "directly aimed at curtailing speech."

Winter's position on the question seems most in line with recent constitutional thought, though I recognize that some would disagree. The Senator from Iowa (Mr. CLARK) quoted Prof. Archibald Cox on the floor of the Senate a few days ago to the effect that limitations on spending are not really limitations on speech because they are limitations "once removed."[13]

I have great respect for Professor Cox and for his opinions, but I am afraid this contention strikes me as a bit farfetched.

Prof. Joel Fleishman of Duke University considered this question in a 1971 study of campaign reform legislation that is worth reading and quoting:

> It is exceedingly unlikely that the Court would create a new category of unprotected speech particularly for political speech and association, since it has been continually shrinking the vitality of the pre-existing categories of obscenity, libel, "fighting words" and "speech plus". With the possible exception of the last, those categories would

See footnotes at end of speech.

indeed be strange bedfellows for an activity that the Court has called "the essence of self-government" and to argue that the presence of money converts political speech into "speech plus" would . . . deny protection entirely to most forms of political campaigning.[14]

Mr. Justice Douglas would no doubt agree with Professor Winter and have trouble with Professor Cox's reasoning if he still stands by what he wrote in United States against United Auto Workers some years ago:

The making of a political speech up to now has always been one of the preferred rights protected by the First Amendment. It usually costs money to communicate an idea to a large audience. But no one would seriously contend that the expenditure of money to print a newspaper deprives the publisher of freedom of the press. Nor can the fact that it costs money to make a speech—whether it be hiring a hall or purchasing time on the air—make the speech any the less an exercise of First Amendment rights.[15]

Thus, Mr. Justice Douglas, like Professor Fleishman and Professor Winter, would be forced to class a limit on expenditures with a limit on speech. By so classifying it, he would also be forced to rule it an unconstitutional infringement of a vital freedom.

To sum up this point, let me return again to Professor Winter:

A limit on what a candidate may spend is a limit on his political speech as well as on the political speech of those who can no longer effectively contribute money to his campaign. In all the debate surrounding the First Amendment, one point is agreed upon by everyone: no matter what else the rights of free speech and association do, they protect explicit political activity. But limitations on campaign spending and contributing expressly set a maximum on the political activity in which persons may engage . . . The First Amendment prohibits the setting of a legal maximum on the political activity in which an individual may engage. This is the case whether or not the maximum is imposed in the name of equalizing or whether an actual discriminatory effect can be shown. Even under a "balancing" test, such regulation is invalid because there is no countervailing interest (for example, preserving public peace) to "balance" against the restriction on speech.[16]

But even if we assume for the sake of argument that Professor Cox and his friends at Common Cause could convince a court that spending limits are indirect or incidental as opposed to direct limits on political speech, it is still not at all clear that a court would find them constitutional.

Mr. Justice Rutledge described the burden supporters of laws incidentally affecting the publicizing of citizens' views must bear in the 1948 Supreme Court case of United States against Congress of Industrial Organizations:

The loss inherent in restrictions upon expenditures for publicizing views . . . forces upon its authors the burden of justifying the contraction by demonstrating indubitable public advantage arising from the restriction outweighing all disadvantages, thus reversing the direction of presumptive weight in other cases.[17]

This is a difficult test and a heavy burden; a test and a burden, I submit, that the limits in this bill cannot pass and its authors are not able to bear.

The supporters of limits of the kind included in S. 3044 evidently believe they can meet this test by arguing that only by imposing such limits can we purify our electoral process. By turning the concept of free speech on its head, they are forced to argue that the imposition of restrictions will have the effect of expanding rather than contracting First Amendment rights.

Mr. President, I find this second argument novel and worthy of examination. But first I must point out that many experts disagree with the first argument.

Indeed, after an examination of the evidence, the majority of those who have written on campaign reform in general have rejected spending limitations as unwise, unneeded and probably unconstitutional. Given this fact, the authors and supporters of S. 3044 will undoubtedly have an extremely difficult time demonstrating the "indubitable public advantage" the courts would be looking for as evidence that such a law should be sustained.

But let me return now to the argument that by limiting speech we would be expanding it. This argument was summarized in the 1972 issue of Harvard Civil Rights—Civil Liberties Law Review which argued that a limitation would prevent "either side from flooding the media with a single point of view . . . (and) prevent one candidate from destroying, by sheer volume rather than by reason, the effectiveness of informational advertising presented by opposing candidates." [18]

This is an interesting view, but one that Professor Fleishman notes—

Assumes that someone—presumably Congress—knows how much information is the right amount and reflects a basic distrust in the capacity of individual citizens to discount the greater volume of political advertising in reaching their decisions.[19]

Professor Redish also rejects this rather novel argument saying that while:

It is generally argued that a wealthy candidate should not be permitted to "buy an election" with his finances and that legislated limits on campaign spending are therefore necessary. The reasoning implicit in this argument seems to be that, when one candidate's financial resources are limited, the only equitable solution is to require the wealthier candidate to reduce his spending to a level approximating that of his opponent. In other words, if a portion of the voting public is to be generally unfamiliar with one candidate's view and records because of his financial inability to become well known, it is only fair that the public be almost as uninformed about the other candidate. Such reasoning presents at the very least a prima facie conflict with the first amendment policy of encouraging as much communication in the political realm as possible.[20]

I state that if my amendment is adopted we will retain Federal financing at the stipulated levels, thereby assuring all candidates of adequate money with which to bring their own platforms into the view of the public without venturing into the unconstitutional realm of stating that no more than legislative limits may be spent.

I have to agree with Redish, Winter, and Fleishman on these points. It seems to me beyond question that spending limitations of the kind under consideration are in violation of the first amendment.

I recognize that the Supreme Court has never faced a case involving these limitations, but in analogous cases a majority has always followed a line of reasoning that if applied to expenditures limitations would force a finding of unconstitutionality.

Let us not forget that portions of the 1971 act have already been declared unconstitutional and that we have an affirmative obligation to square our actions with the dictates of the Founding Fathers. There is no way we can do that and still support S. 3044 as written.

Before I conclude, I would like to return to the statement by the Senator from Massachusetts (Mr. KENNEDY) 3 years ago. I have read the memorandum Common Cause has prepared supporting the constitutionality of spending limits and I have read as much of the literature on the subject as time has permitted.

The fact that strikes me is that to argue in support of the constitutionality of these limits requires one to accept a theory of the first amendment that civil libertarians have uniformly rejected as antithetical to the concept of free speech in a democratic society.[21]

I only hope that those who, like the Senator from Massachusetts, have reversed field and have either accepted the argument that such limits on political discourse can be justified or are ignoring the question, realize that they are promoting a view of the Constitution that might prove dangerous to the very concept of a free society.

It is a view that I, for one, cannot accept and I, therefore, urge the adoption of this amendment.

Mr. President, I ask unanimous consent to have printed in the RECORD the footnotes referred to in my prepared text.

There being no objection, the footnotes were ordered to be printed in the RECORD, as follows:

FOOTNOTES

[1] See A. Rosenthal, *Federal Regulation of Campaign Finance: Some Constitutional Questions* (Princeton, N.J.: Citizens' Research Foundation (ed.), 1972); H. Alexander, *Money in Politics*, (Washington, D.C., Public Affairs Press, 1972); A. Rosenthal, *Campaign Financing and the Constitution* (Cambridge, Mass., 8 Harvard Journal on Legislation 359, 1972); J. Fleishman, *Freedom of Speech and Equality of Political Opportunity: The Constitutionality of the Federal Election Campaign Act of 1971* (51 North Carolina Law Review 389, 1973); M. H. Redish, *Campaign Spending Laws and the First Amendment* (46 N.Y. University Law Review 900, 1971); H. R. Penniman and R. Winter, *Campaign Finances: Two Views of the Political and Constitutional Implications*, (American Enterprise Institute, Washington, D.C. 1971); Ralph Winter, *Campaign Financing and Political Freedom*, (American Enterprise Institute, Washington, D.C., 1973); T. Emerson, *The System of Freedom of Expression*, 1970.

[2] Press release of Senator Kennedy cited in 8 Harvard Journal on Legislation 640, 665 (1971).

[3] Redish, *supra*, at 903.

[4] See especially Redish, *supra*, at 900 and Fleishman, *supra*, generally.

[5] 376 U.S. 254 (1964).

[6] 384 U.S. 214 (1966).

[7] 384 U.S. at 218–19.

[8] Redish, *supra*, at 910.

[9] *Campaign Spending Controls Under the*

Federal Election Campaign Act of 1971, 8 Columbia Journal of Law and Social Problems 285, 299 (1972).

[10] 366 U.S. 36, 50–1, (1961).

[11] From Winter's testimony before the Subcommittee on Communications, Senate Comm. on Commerce Hearings on S. 382, 92nd. Congress, 1st Secs. 576 (1971).

[12] 360 U.S. 109, 141–42 (1959) (dissenting opinion).

[13] Congressional Record for April 5, 1974 at page 9980.

[14] Fleishman, *supra*, at 441.

[15] 352 U.S. 567, 544 (1957).

[16] Winter, *supra, Money, Politics and the First Amendment*, in *Campaign Finances* 45, 60.

[17] U.S. v. C10, 355 U.S. 106, 140–45 (1948).

[18] 7 Harvard Civil Rights, Civ. Lib. L. Review 351 at 228 (1972).

[19] Fleishman, *supra*, at 455.

[20] Redish, *supra*, at 912.

[21] Emerson, *supra*.

EXHIBIT 1

MEMORANDUM ON THE CONSTITUTIONALITY OF S. 3044 AND DEFECTS IN THE COMMON CAUSE MEMORANDUM ON THE SUBJECT

This memorandum is in response to your inquiry concerning the legal memorandum submitted by Mr. John Gardner of Common Cause during Senate hearings on campaign reform last fall. I am familiar with that memorandum, and in my judgment it misrepresents the state of present case law by misstating the importance of relevant Supreme Court decisions and by relying on precedents which most scholars agree have lost their vitality. This analysis is not as detailed and specific as I would like be time to prepare, but I do herein attempt to cause such an analysis will require more point out some weaknesses in the Common Cause argument.

Ironically the Common Cause memorandum relies on a number of decisions that have long been the target of much criticism from many of those who now vigorously support S. 3044. Common Cause's position incorporates what can only be described as a horse and buggy view of the first Amendment.

The Common Cause memorandum makes several arguments to which I shall respond seriatem.

I. CAMPAIGN SPENDING IS AN ASPECT OF FREEDOM OF SPEECH AND RESTRICTIONS THEREON RAISE CONSTITUTIONAL PROBLEMS

Common Cause argues that Campaign Financing is more action than speech and thus more regulatable by Congress. According to the memorandum, private Campaign Financing should be viewed as essentially analogous to picketing and demonstrations. Even if this is the case, however, the power of Congress to impose restrictions must be very, very limited, for it is quite clear from relevant Supreme Court decisions that peaceful picketing and demonstrations which merely advocate certain ideas of public interest are not subject to governmental restriction. If Common Cause is in fact right in the argument it makes, then presumably Congress could pass a law restricting the number of demonstrators that could come to Washington on behalf of a cause. If the law, as the quotation from Professor Freund suggests, restricts the protection to acts of verbal communication, only then Congress might declare that being a part of a large peaceful demonstration is not protected by the First Amendment.

Common Cause also argues that private Campaign Financing is "all too often only an attenuated form of bribery: the donation of money is likely to communicate to the candidate the information that the donor seeks either a direct *quid pro quo* . . . or, more usually, an indirect form of influence, such as access or consultation". This sweeping charge alleges too much; for all kinds of political activity create an indistinguishably analagous situation. For example, Common Cause's willingness to spend large amounts of money to purchase advertising attacking Congressmen who disagree with the group's views creates precisely the same indirect form of "influence" and also guarantee Mr. Gardner's lobbyists access to those Congressmen who fear Common Cause's well-financed wrath.

One may also question whether Common Cause is willing to make such a sweeping statement when directed at Congressmen and Senators with whom it is in sympathy rather than with whom it disagrees. The logic of Common Cause's statement strongly suggests, for example, that Chairman Rodino is unable to exercise independent judgment during the present impeachment inquiry because of the large contributions he receives from organized labor which strongly and vigorously supports impeachment of the President. Such implications should be rejected.

In the event that the Common Cause assertions are true, it is truly a case of overkill to call for a widespread attack on private financing rather than more precise legislation aimed at bribery.

Private campaign financing does, contrary to Common Cause assertions, perform valuable functions in the political process and must be viewed as an aspect of political freedom.

"All political activities make claims on society's resources. Speeches, advertisements, broadcasts, canvassing, volunteer work—all consume resources. Money is the medium of exchange by which individuals employ resources owned by others. If political activities are left to private financing, individuals are free to choose which activities to engage in, on behalf of which causes, or whether to do so at all. When the individual is deprived of this choice, either because government limits or prohibits his using money for political purposes or takes his money in taxes and subsidizes the political activities it chooses, his freedom is impaired.

Money is fungible with other resources suitable for political use and, distributional questions apart, the individual who contributes a resource directly, for example, time and labor, is in many ways indistinguishable from the individual who contributes money which in turn purchases time and labor. Money, it must be conceded, though, is the most "fungible" resource.

Campaign contributions, therefore, perform honorable and important functions. The contribution of money allows citizens to participate in the political process. Persons without much free time have few alternatives to monetary contributions other than inaction.

Campaign contributions are also vehicles of expression for donors seeking to persuade other citizens on public issues. Contributing to a candidate permits individuals to pool resources and voice their message far more effectively than if each spoke singly. This is critically important because it permits citizens to join a potent organization and propagate their views *beyond their voting districts*. Persons who feel strongly about appointments to the Supreme Court, for example, can demonstrate their convictions by contributing to the campaigns of sympathetic senators.

Nor is there anything inherently wrong with contributing to candidates who agree with one's views on social an economic policies, even where those policies may benefit the donor. Obviously, groups pursue their self-interests and seek support from others. *This is a salient characteristic of a free political system*. Those who seek to regulate that kind of contribution can stand with those who would deny the vote to welfare recipients to prevent that vote from being "bought" by promises of higher benefits. So long as we accept the bestowal of economic favor as a proper function of government, potential recipients will tend to exchange this support for such favors.

Contributions of this sort may represent broad interests that might otherwise be underrepresented. Suppose land developers mount a campaign against proposals to restrict the use of large undeveloped areas. Certainly they represent their own economic interests, but they also functionally represent potential purchasers, an "interested" group that would otherwise go unnoticed since few persons would consider themselves future purchasers at the critical moment.

These functions of campaign contributions are often ignored because critics of the present system mistake cause and effect. A senator may support union causes because he receives large union contributions but in fact it may be more likely that he receives contributions because he supports the causes.

Contributions also serve as a barometer of the intensity of voter feeling. In a majoritarian system, voters who feel exceptionally strongly about particular issues may be unable to reflect their feelings adequately in periodic votes. As members of the anti-war movement often pointed out, the strength of their feelings as well as their numbers should have been taken into account. If a substantial group feels intensely about an issue, a system which does not allow that feeling to be heard effectively may well be endangered. Campaign contributions are perhaps the most important, and least offensive, means by which the intensity of feeling can be expressed. People who feel strongly about United States support for Israel, for example, are able to voice that conviction with greater effect through carefully directed campaign donations than in periodic elections in which the stance of the available candidates does not permit a clear signal to be given.

This function might be discounted if large contributions reflected only intense but idiosyncratic views. For the most part, however, intense feelings will not generate substantial funds unless large numbers of citizens without great wealth also share those convictions. Campaign contributors in these circumstances serve as representatives or surrogates for the entire group. That Mr. X, who favors free trade, can make larger contributions than Mr. Y, who does not, really matters little, if Mr. Z agrees with Mr. Y and gives heavily.

Candidates seeking change, moreover, may have far greater need for, and make better use of, campaign money than those with established images or those defending the existing system. Money is, after all, subject to the law of diminishing returns and thus generally of less use to the well-known politician than to the newcomer. The existence of "seed money" may be an important agent of change.

The challenge to the arguments that private campaign financing enlarges political freedom and contributes stability to the system is essentially distributional: because money is maldistributed throughout the society, its use in political campaigns undesirably skews the political process by allowing wealthy individuals too much power. As noted present evidence does not demonstrate that monetary support is available only for certain ideas. Quite the contrary, it strongly suggests that a wide array of causes and movements on the right and left can attract money. Still, individuals can increase their personal political power through contributions, and even if they functionally represent like-thinking but poorer people, it might be

argued that wealth nevertheless is skewing the process.

This argument rests on the assumption that by reducing the personal political power of the large contributor, political influence will be spread more evenly through the society. Such an assumption seems almost surely wrong, for limitations on the use of money may aggravate rather than diminish any distortion. Direct access to the resources most useful for political purposes may be even more unevenly distributed than wealth.

For example, restrictions on private campaign financing may well enhance the power of those who control the media, particularly if public subsidies are modest in size and thus increase candidate dependence on the goodwill of the media. Limitations on the use of money must also increase the relative power of individuals with large amounts of free time and the ability to attract public attention. Finally, groups with the ability to take their money "underground" and operate independent "issue" (rather than "political") campaigns will have their power increased. It has been reported, for example, that unions favor a ban on contributions because their own power would be relatively increased as a result of the host of "indirect contributions" they can provide.

What emerges is the likelihood that restrictions on private campaign financing will not increase the political power of the people generally but will further concentrate it in already powerful segments of the community. Ironically, the increment will largely fall to various sectors of the well-to-do, because direct access to resources useful for political purposes (free time, control of the media, ability to operate "issue" campaigns) is concentrated not in the poor but in the wealthy. Private campaign financing in short may in fact be a means of spreading political power and expanding the range of discourse.

The call for regulation of campaign financing can be extended to other kinds of resources and could easily become a call for substantial limitations on political freedom. The allegations about the influence of money reflect a basic and disturbing mistrust of the people.

If campaign financing really "distorts" legislative or executive behavior, candidates can raise its effect as an issue and the voters can respond at election time. The call for legislation must be based on the belief that the voters cannot be relied upon to perceive their own best interests. If one really believes the people are this easily fooled and in need of this protection, however, there may be no end to the campaign tactics eligible for regulation and no end to calls for increases in the power of those "protecting" the public.

II. LIMITATIONS ON PURCHASES OF POLITICAL ADVERTISING ARE UNCONSTITUTIONAL

Common Cause argues that it is permissible for Congress to place a limitation of $1,000 on any individual or committee expenditure on behalf of a candidate. It is ironic that the limit supported is a fraction of what Common Cause has spent on newspaper advertising attacking Congressman Hays for opposing this very kind of legislation under S. 3044. No one individual or committee would be able even to purchase a full page ad in the New York Times stating its views on the election of a particular candidate under the terms of S. 3044. That calls for such legislation come from organizations which have been wielding such financial power in purchasing advertising is both ironic and instructive.

The Supreme Court has held explicitly that paid advertising which comments on matters of public interest is protected by the First Amendment. This was the explicit holding in the *New York Times v. Sullivan*. Two other decisions of the Court made clear that such advertising doesn't lose constitutional protection because the advertisers are seeking "action on laws in the hope that they may bring about an advantage to themselves and a disadvantage to their competitors . . . to disqualify people from seeking a public position in matters which they are financially interested would itself deprive the government of a valuable source of information and . . . deprive the people of their right to petition in the very instances in which that right might be of the most important to them". *Eastern Rail Road Presidents conference* V. *Noerr Motor Freight*, 365 U.S. 126, 127 (1961).

Common Cause attempts to escape the conclusions in these cases by distinguishing between organizations which address themselves to public issues and do not endorse or support candidates and organizations which do endorse candidates. The distinction, however, is totally irrational. Consider Common Cause's own advertisements referring to representative Hays. The legal distinction Common Cause would make discriminates between that kind of advertisement and the very same advertisement which concludes by advising Hays' constituents to vote against him.

Common Cause would add to the advertisements now prohibited by statute communications by an organization to its members. But why should one's statements to members be covered, while one's statements to one's neighbors are not, simply because they appear in the form of a newspaper advertisement.

Beyond that, what Common Cause suggests creates a huge loophole in the act. All special interest organizations need do now is use their money to purchase advertising supporting candidates on the issues but stopping short of explicit endorsement. Indeed, the statute for that reason probably increases the power of special interests over the electoral process and thereby further limits the influence of the individual citizen.

Finally, the distinction Common Cause makes is not explicitly set out in S. 3044. Indeed, it is not at all clear from the language of that statute whether Common Cause's advertisement about Representative Hays would not in fact be prohibited if made during an election campaign.

III. S. 3044 IS NOT SAVED FROM CONSTITUTIONAL CHALLENGE ON THE GROUNDS THAT IT PRESERVES THE INTEGRITY OF THE ELECTORAL PROCESS

Common Cause argues in its memorandum that ceilings on campaign contributions and expenditures are constitutional because they are designed to preserve the integrity of the electoral process. This claim is an example of the group's gross misrepresentation of the effect this legislation might have. Limitations on expenditures necessarily assist incumbent officeholders. This is particularly true when the incumbent is setting the level. The incumbent has the advantage of being well-known as well as the in kind benefits the Government provides such as offices, a staff, access to mailing privileges, access to media facilities, etc. All of these can be turned to political advantage and give incumbents an advantage that can be overcome only if a challenger can raise and spend an amount of money sufficient to off-set it. S. 3044 includes extremely low limits and is therefore essentially an incumbent's bill. For example, the average spent by challengers who unseated incumbents in House races in 1972 amounted to $125,000. No limit even suggested in the Congress approaches that figure. If the legislation passes no challenger will be able to spend close to that amount.

The idea proposed by Common Cause that "this is an area in which the Court should properly refer to the expertise of Congress . . . might be considered ludicrous were it not so seriously made. The expertise of incumbents is in maintaining their incumbency. Any legislation and particularly legislation which can be turned to the advantage of incumbency so easily should be scrutinized with the greatest of care.

IV. S. 3044 CANNOT BE JUSTIFIED ON THE GROUNDS THAT IT EFFECTUATES FIRST AMENDMENT RIGHTS OF LESS AFFLUENT CITIZENS

Common Cause has argued that legislation such as S. 3044 is justified on the grounds that it protects first amendment rights of less affluent citizens by:

(1) "protecting the ability of even poor candidates to run for office,

(2) by preventing the drowning out of other political viewpoints by the best financed voices,

(3) by assuring the equality of the voting rights of the less affluent citizens by limiting the influence on candidates of affluent contributions."

Even if these goals might justify the severe restrictions included in S. 3044, there is no basis to believe the legislation will effectuate them. Quite the contrary, it is likely to be counter-productive in that respect.

Candidates and causes which begin without substantial sums have traditionally relied on large contributors or patrons. What they need has been called by some "seed money"—and is likely to come only from a small number of large contributors. S. 3044 does not give money to candidates that do not already have substantial support.

There is no reason, moreover, to anticipate that less affluent persons would be better off under S. 3044. As I have already indicated above, the greater advantage of the wealthy is the free time they can devote to politics as well as their ability to get into the public eye through "non-political" activities. S. 3044 maximizes rather than minimizing many of the advantages of the relatively more affluent.

For many of the same reasons S. 3044 will not prevent the "drowning out of contrary viewpoints or insure the equality of voting rights of less affluent citizens." S. 3044 will not spread political power throughout the society. What it will do is give an advantage to those with direct access to resources which are easily put to political purposes. Those with free time (students and the wealthy), those who control the media (the wealthy), and those organizations which can run "issue" campaigns (wealthy organizations) will all have their power increased. The poor and the powerless will be helped not at all.

The whole point of the exercise now going on in Congress is not the cleansing of the political process but the skewing of it. Those in power are seeking to maximize that power instead a number of special interest groups which attempt to wield influence to the use of money in forms of money other than campaign contributions are seeking to increase their power.

Mr. BUCKLEY. Mr. President, I call up my amendment No. 1140.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

The amendment is as follows:

On page 6, beginning with "that—" on line 20, strike out through "contributions" on line 24, and insert in lieu thereof "that no contributions".

On page 7, line 15, strike out "spend" and insert in lieu thereof "receive".

On page 10, lines 19 and 20, strike out "the amount of expenditures the candidate may make" and insert in lieu thereof "the maximum amount of payments the candidate may receive".

On page 13, beginning with the comma on line 9, strike out through line 14 and insert in lieu thereof "exceeds the maximum amount of payments he may receive in con-

nection with that campaign under section 504.".

On page 13, line 15, strike out "EXPENDITURE" and insert in lieu thereof "PAYMENT".

On page 13, line 17, strike out "(f)" and insert in lieu thereof "(d)".

On page 13, beginning with "who" on line 19, strike out through line 21 and insert in lieu thereof "may receive payments under section 506 in connection with his primary election campaign in excess of".

On page 13, line 24, strike out "(g)" and insert in lieu thereof "(e)".

On page 14, line 9, strike out "(A)".

On page 14, line 10, strike out "make expenditures in any" and insert in lieu thereof "receive payments under section 506 in connection with his campaign in any".

On page 14, line 17, strike out "expend in that State" and insert in lieu thereof "receive under section 506".

On page 14, beginning with line 19, strike out through line 3 on page 15.

On page 49, lines 16 and 17, strike out "616, and 617" and insert in lieu thereof "and 616".

On page 49, line 23, strike out "616, or 617" and insert in lieu thereof "or 616".

On page 71, lines 13 and 14, strike out "AND EXPENDITURES".

On page 71, beginning with line 19, strike out through line 17 on page 75.

On page 75, line 18, strike out "615." and insert in lieu thereof "614.".

On page 77, line 9, strike out "616." and insert in lieu thereof "615.".

On page 77, line 17, strike out "617." and insert in lieu thereof "616.".

On page 78, line 19, strike out "616, and 617" and insert in lieu thereof "and 616".

On page 78, in the matter below line 22, strike out the item relating to section 614 and redesignate the items relating to sections 615, 616, and 617 as 614, 615, and 616, respectively.

On page 15, line 5, strike out "(f)" and insert in lieu thereof "(d)".

On page 15, beginning with "who" on line 5, strike out through line 8 and insert in lieu thereof "may receive payments under section 506 in connection with his general election campaign in excess of the greater of—".

On page 15, line 10, strike out "(g)" and insert in lieu thereof "(e)".

On page 15, line 19, strike out "make expenditures" and insert in lieu thereof "receive payments".

On page 15, beginning with line 22, strike out through line 3 on page 17.

On page 17, line 4, strike out "(f)" and insert in lieu thereof "(d)".

On page 17, line 21, strike out "(g)" and insert in lieu thereof "(e)".

On page 18, line 4, strike out "(h)" and insert in lieu thereof "(f)".

On page 18, lines 6 and 7, strike out "expenditure" and insert in lieu thereof "payment".

On page 18, line 10, strike out "(h)" and insert in lieu thereof "(g)".

On page 48, lines 18 and 19, strike out "616, and 617" and insert in lieu thereof "and 616".

The PRESIDING OFFICER. Who yields time?

Mr. BUCKLEY. Mr. President, I yield myself such time as I may require.

Mr. President, are we under a time limitation?

The PRESIDING OFFICER. There are 15 minutes on each side. The Senator has 15 minutes plus the time remaining from his 1 hour.

Mr. BUCKLEY. Mr. President, I call up the amendment and ask unanimous consent that the reading of the amendment be dispensed with. It reads like gobbledygook, but its effect is to remove the ceiling on overall expenditures. In other words, all those portions of the bill that would place a total limit on campaign expenditures would be excised. As I explained earlier, however, it would preserve the Federal financing aspects of the bill.

Mr. President, I would also like to send to the desk a modification of my amendment and ask unanimous consent that it be accepted.

The PRESIDING OFFICER. Without objection, the modification is made.

The modification is as follows:

On page 4 of the amendment, after line 20, insert the following:

On page 65, between lines 6 and 7, insert the following:

EXPEDITIOUS REVIEW OF CONSTITUTIONAL QUESTIONS

SEC. 214. Title IV of the Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new section:

JUDICIAL REVIEW

"SEC. 407. (a) The Federal Election Commission, the national committee of any political party, and individuals eligible to vote for President are authorized to institute such actions, including actions for declaratory judgment or injunctive relief, as may be appropriate to implement or construe any provision of this Act or of Chapter 29 of title 18, United States Code. The district court shall immediately certify all questions of constitutionality of this Act to the United States court of appeals for that circuit, which shall hear the matter sitting en banc.

"(b) Notwithstanding any other provision of law or rule any decision on a matter certified under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal must be brought within 20 days of the court of appeals decision.

"(c) It shall be the duty of the court of appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any question certified under subsection (a)."

Mr. BUCKLEY. Mr. President, it is a modification that I am sure will prove acceptable to the managers of the bill. It merely provides for the expeditious review of the constitutional questions I have raised. I am sure we will all agree that if, in fact, there is a serious question as to the constitutionality of this legislation, it is in the interest of everyone to have the question determined by the Supreme Court at the earliest possible time.

Mr. President, I ask for a division and that the various provisions of my original amendment be considered en bloc.

The PRESIDING OFFICER. Is there objection? There is none, and it is agreed to.

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

Mr. DOMINICK. Mr. President, will the Senator withhold that request and yield to me?

Mr. BUCKLEY. I yield.

Mr. DOMINICK. Mr. President, I want to congratulate the Senator on what was a very forceful, thoughtful, and erudite speech. I was not so erudite, but I got on my feet and said, first, that we were being masochistic and we were being unconstitutional and we were dealing with public funds that I thought was a travesty on the taxpayers; but the Senator brought up a number of cases, over and beyond the three-judge-court case that I referred to, which has already ruled, in effect, that a limitation on expenditures is unconstitutional. This is in connection with S. 372.

So I congratulate the distinguished Senator. I suspect he is not going to win on a vote, but I think this may be very good history for the country and for the courts in determining what we are voting for when this bill finally goes down.

Mr. BUCKLEY. I thank the Senator from Colorado. I think that the constitutional aspects of the legislation before us have been almost totally ignored by the press, the Congress, and in most of the discussions we have seen in columns and editorials. Yet, the importance of protecting the first amendment in all its aspects, especially in its political aspects, is so essential to a free society that I urge this body not to be swept into enacting legislation that we will all live to regret; legislation that will most assuredly be found to be unconstitutional once its key provisions are tested.

It is for these reasons that I have offered my amendment. I understand it may be an exercise in futility; yet I think the effort must be made.

Mr. NUNN. Mr. President, will the Senator yield for a question?

Mr. BUCKLEY. I yield.

Mr. NUNN. I understand the Senator's constitutional question, and I think he has performed a real service in bringing it out in clear fashion. I would like to ask, however, what his amendment does.

Mr. BUCKLEY. Its effect is to eliminate limitations on total expenditures by or on behalf of a candidate. It does not affect the public financing aspects of this bill. It assures that, within the limitations set, all candidates for Federal office will be provided with public campaign funds. My intent is as I indicated in my formal remarks to raise the important constitutional questions that I feel should be answered before we vote on final passage.

Mr. NUNN. But it would eliminate the overall limitation on what a candidate could spend in a campaign?

Mr. BUCKLEY. Yes, and on what may be contributed, though not on the limits on what an individual could legally contribute.

Mr. NUNN. It simply affects what a candidate could spend.

Mr. BUCKLEY. Yes.

Mr. NUNN. Does it affect the subceilings on advertising and media expenses?

Mr. BUCKLEY. No, my concern is with the problems raised by a ceiling on total spending.

Mr. NUNN. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. Mr. President, I yield myself 1 minute.

I certainly would like to support the amendment of the distinguished Senator from New York, but without taking a position on that or having a vote on it, I would like to direct a motion to the bill as a whole, and if that fails, then the Senator's amendment would still be in order.

Mr. President, I move that the bill and pending amendment be now laid on the table, and I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Ohio (Mr. METZENBAUM), and the Senator from Mississippi (Mr. STENNIS), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Illinois (Mr. PERCY), and the Senator from North Dakota (Mr. YOUNG), are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT), is absent on official business.

The result was announced—yeas 31, nays 57, as follows:

[No. 138 Leg.]

YEAS—31

Aiken	Curtis	Hruska
Allen	Dole	Johnston
Baker	Dominick	McClellan
Bartlett	Eastland	McClure
Bellmon	Ervin	Nunn
Bennett	Fannin	Roth
Brock	Griffin	Talmadge
Buckley	Gurney	Thurmond
Byrd, Harry F., Jr.	Hansen	Tower
Cotton	Helms	Weicker
	Hollings	

NAYS—57

Abourezk	Hartke	Muskie
Bayh	Haskell	Nelson
Beall	Hatfield	Packwood
Bentsen	Hathaway	Pastore
Bible	Huddleston	Pearson
Biden	Hughes	Pell
Brooke	Humphrey	Proxmire
Burdick	Jackson	Randolph
Byrd, Robert C.	Javits	Ribicoff
Cannon	Kennedy	Schweiker
Case	Magnuson	Scott, Hugh
Chiles	Mansfield	Sparkman
Clark	Mathias	Stafford
Cook	McGovern	Stevens
Cranston	McIntyre	Stevenson
Domenici	Metcalf	Symington
Eagleton	Mondale	Taft
Gravel	Montoya	Tunney
Hart	Moss	Williams

NOT VOTING—12

Church	Long	Scott, William L.
Fong	McGee	
Fulbright	Metzenbaum	Stennis
Goldwater	Percy	Young
Inouye		

So the motion to table the bill (S. 3044) was rejected.

Mr. MANSFIELD. Mr. President, will the Senator from New York yield briefly to me?

Mr. BUCKLEY. I yield to the majority leader.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on the pending amendment, which I understand is divided into two parts—and I understand that if need be he intends to ask for a rollcall vote on both—there be a limitation of 10 minutes. This meets with the distinguished Senator's approval and that of the leadership and the managers of the bill on each of the two parts, if there is a rollcall, the time to be equally divided between the Senator from New York (Mr. BUCKLEY) and the manager of the bill, the Senator from Nevada (Mr. CANNON), and that the votes on each, if any, be limited to 10 minutes. That would include, may I say, before the final judgment is made, a motion to table as well.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from New York is recognized.

Mr. BUCKLEY. Mr. President, as the distinguished majority leader has stated, my amendment is divided into two parts. I shall ask for the yeas and nays on the first part.

The PRESIDING OFFICER. The Senate will be in order. The Senator will suspend until order is restored.

The Senator may proceed.

Mr. CANNON. Mr. President, will the Senator yield to me on my time?

Mr. BUCKLEY. Gladly.

Mr. CANNON. Mr. President, the second part of the division of the amendment of the Senator from New York relating to judicial review is acceptable to me, and I would like to propose, if he wishes me to, that I would accept that part of the division. That is, as I understand, agreeable to the Senator.

Mr. BUCKLEY. Mr. President, I am delighted. I had hoped that the managers would accept it.

Mr. CANNON. The Senator will, then, ask for the yeas and nays on the first part?

Mr. BUCKLEY. Therefore, I ask for the yeas and nays only on the first part.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. MCINTYRE). The question is on agreeing to the second part of the amendment of the Senator from New York.

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from New York may proceed.

Mr. BUCKLEY, Mr. President, I reserve the remainder of my time.

Mr. CANNON. Mr. President, I yield myself 2 minutes on the amendment.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Nevada may proceed.

Mr. CANNON. For the benefit of my colleagues who were not here during the discussion, the distinguished Senator from New York raised the constitutional question as to a limitation on contributions and expenditures. Basically, that is what this amendment does: It just removes all limitations on contributions and expenditures. Accordingly, I am opposed to the amendment, and I hope it will be defeated.

Mr. President, I reserve the remainder of my time.

Mr. BUCKLEY. Mr. President, I just want to clarify one point. My amendment does not affect limits on individual contributions. The limitations written in the bill remain. What my amendment does do is lift the ceilings on total expenditures.

In other words, as I understand it, at a certain time the total contributions received by a candidate reach the statutory limit now written into this bill, and then no one can come along and choose to express his support of that candidate by contributing additional money to him.

In my remarks, I cited the opinion of any number of constitutional lawyers to the effect that such a limitation is clearly violative of first amendment freedom of speech and association.

Mr. President, if the distinguished Senator from Nevada has yielded back his time, I yield back the remainder of mine.

The PRESIDING OFFICER. All remaining time has been yielded back.

Mr. PASTORE. Mr. President, I move to lay the amendment on the table.

Mr. COOK. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. MCINTYRE). The question is on agreeing to the motion of the Senator from Rhode Island (Mr. PASTORE) to lay on the table part 1 of the amendment of the Senator from New York (Mr. BUCKLEY). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Ohio (Mr. METZENBAUM), the Senator from Rhode Island (Mr. PELL), and the Senator from Mississippi (Mr. STENNIS), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Utah (Mr. BENNETT), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. PERCY), and the Senator from North Dakota (Mr. YOUNG), are necessarily absent.

I also announce that the Senator from Virginia (Mr. WILLIAM L. SCOTT), is absent on official business.

The result was announced—yeas 64, nays 21, as follows:

[No. 139 Leg.]

YEAS—64

Abourezk	Eastland	Moss
Allen	Ervin	Muskie
Baker	Gravel	Nelson
Bartlett	Hart	Nunn
Bayh	Hartke	Pastore
Beall	Haskell	Pearson
Bellmon	Hatfield	Proxmire
Bentsen	Hathaway	Randolph
Bible	Hollings	Ribicoff
Biden	Huddleston	Schweiker
Brooke	Hughes	Scott, Hugh
Burdick	Humphrey	Sparkman
Byrd, Harry F., Jr.	Jackson	Stafford
Byrd, Robert C.	Javits	Stevens
Cannon	Johnston	Stevenson
Case	Kennedy	Symington
Chiles	Magnuson	Taft
Clark	Mansfield	Talmadge
Cranston	McGovern	Tunney
Dole	McIntyre	Weicker
Eagleton	Mondale	Williams
	Montoya	

NAYS—21

Aiken	Dominick	McClellan
Brock	Fannin	McClure
Buckley	Griffin	Metcalf
Cook	Gurney	Packwood
Cotton	Hansen	Roth
Curtis	Helms	Thurmond
Domenici	Hruska	Tower

NOT VOTING—15

Bennett	Long	Scott,
Church	Mathias	William L.
Fong	McGee	Stennis
Fulbright	Metzenbaum	Young
Goldwater	Pell	
Inouye	Percy	

So Mr. PASTORE's motion to lay the first part of Mr. BUCKLEY's amendment on the table was agreed to.

Mr. MANSFIELD. Mr. President, the Senate is quite tired. It has been a long day. It has been a hard day. We will have another long day tomorrow, I am afraid.

It is my understanding that the distinguished assistant majority leader, the Senator from West Virginia (Mr. ROBERT C. BYRD), has already gotten permission for the Senate to come in at 9:30 a.m. tomorrow.

It is my further understanding that a number of Senators have special orders for the purpose of conducting two colloquies.

It is anticipated that sometime around 12 o'clock or shortly thereafter, the next amendment, whichever it may be, will be pending. I would hope that some Member of the Senate who is going to offer an amendment will lay it before the Senate so that it will be the pending business at the conclusion of morning business.

Mr. TOWER. Mr. President, if the Senator will yield, I would be delighted to call up my amendment now.

Mr. MANSFIELD. Offer it right now.

AMENDMENT NO. 1153

Mr. TOWER. Mr. President, I call up my amendment No. 1153 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

TITLE VI—REVIEW OF MEMBERS OF CONGRESS INCOME TAX RETURNS

On or before July 1 of each and every year year hereafter, the Joint Committee on Internal Revenue Taxation shall obtain from the Internal Revenue Service all returns of income filed by each Member of Congress for the five previous years. Upon receipt of such returns, the committee staff shall submit such income returns to an intensive inspection and audit for the purpose of determining the correctness with respect to the Member's tax liability.

Upon completion of its inspection and audit, the Joint Committee on Internal Revenue Taxation shall prepare and file a report of the results of its inspection and audit with the committee chairman who shall thereupon forward a copy to the Member concerned and to the appropriate officer of the Internal Revenue Service for such further action with respect to such return as the Internal Revenue Service shall deem proper.

Mr. MANSFIELD. Mr. President, will the Senator from Texas be here sometime shortly after 12 o'clock tomorrow to begin debate on his amendment?

Mr. TOWER. I will be glad to come in, as the Senator from Rhode Island (Mr. PASTORE) has already suggested, at 5 o'clock in the morning. (Laughter.)

Mr. MANSFIELD. We have special orders.

Mr. TOWER. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, will the Senator from Texas consider a reduction of the time on his amendment from 30 to 20 minutes?

Mr. TOWER. Mr. President, perhaps it could be dispensed within 15 minutes, if I may have 10 minutes and the manager of the bill 5. [Laughter.]

Mr. MANSFIELD. The manager of the bill says that will be fine with him. So, Mr. President, I ask unanimous consent that there be a time limitation on the Tower amendment now pending of 15 minutes.

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

Mr. MANSFIELD. Mr. President, there will be no further votes tonight. This will conclude the consideration of the pending business at the moment.

Mr. TOWER. Mr. President, is there something which precludes me from speaking for 5 minutes tonight?

Mr. MANSFIELD. Well, we wanted to start it tomorrow. Too many Senators are tired right now.

Mr. President, I ask unanimous consent that Calendar No. 744, S. 3231, a bill to provide indemnity payments to poultry and egg producers and processors be limited to not to exceed 1 hour when it is called up tomorrow.

The PRESIDING OFFICER. The Chair would inquire, does that time include the bill and the amendments?

Mr. MANSFIELD. There are no amendments, I understand. Not to exceed 1 hour on the bill.

The PRESIDING OFFICER. The Chair is informed that there are three amendments at the desk.

Mr. MANSFIELD. All right. Within that, I ask unanimous consent that there be 10 minutes on each amendment, to be equally divided and controlled between the manager of the bill and the sponsor of the amendment.

Mr. GRIFFIN. Mr. President, reserving the right to object—assuming that the amendments are germane to the bill?

Mr. MANSFIELD. They have to be germane to the bill.

Mr. GRIFFIN. I thank the Senator.

Mr. JAVITS. Mr. President, I am a cosponsor of one of the amendments. How much time was allocated to the amendment, 10 minutes?

Mr. MANSFIELD. 10 minutes.

Mr. JAVITS. That is only 5 minutes to a side. Will you give us 10 minutes on the amendment we are interested in?

Mr. MANSFIELD. Not to exceed—well, the one that Senator JAVITS is interested in, let that time limitation be 20 minutes, with 10 minutes to a side.

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

Mr. MANSFIELD. Mr. President, now there are some nominations which were reported from the Foreign Relations Committee today unanimously, relative to appointments in the United Nations.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider those nominations, which were reported earlier today.

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

UNITED NATIONS

The second assistant legislative clerk read the names of the following persons to be Representatives of the United States of America to the Sixth Special Session of the General Assembly of the United Nations:

John A. Scali, of the District of Columbia.
William E. Schaufele, Jr., of Ohio.
John H. Buchanan, Jr., U.S. Representative from the State of Alabama.
Robert N. C. Nix, U.S. Representative from the State of Pennsylvania.
Clarence Clyde Ferguson, Jr., of New Jersey.
Barbara M. White, of Massachusetts, to be the Alternate Representative of the United States of America to the Sixth Special Session of the General Assembly of the United Nations.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed.

Mr. MANSFIELD. Mr. President, may I ask the clerk whether there are any further nominations reported by the Committee on Foreign Relations today?

The PRESIDING OFFICER. There are no other nominations.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

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

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

CALENDAR CALL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 750, Senate Concurrent Resolution 81, and Calendar No. 752, S. 3304.

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

AMERICANS MISSING IN SOUTHEAST ASIA

The Senate proceeded to consider the concurrent resolution (S. Con. Res. 81) relating to unaccounted-for personnel captured, killed, or missing during the Indochina conflict, which had been reported from the Committee on Foreign Relations with amendments.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order at this time that the technical amendments be considered en bloc and approved.

The amendments were agreed to.

The concurrent resolution (S. Con. Res. 81), as amended, was agreed to.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. GRIFFIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The preamble was agreed to.

The concurrent resolution, as amended, with its preamble, reads as follows:

Whereas the Agreement on Ending the War and Restoring Peace in Vietnam, signed in Paris on January 27, 1973, and the joint communique of the parties signatory to such agreement, signed in Paris on June 13, 1973, provide that such parties shall—

(1) repatriate all captured military and civilian personnel,

(2) assist each other in obtaining information regarding missing personnel and the location of the burial sites of deceased personnel,

(3) facilitate the exhumation and repatriation of the remains of deceased personnel,

(4) take such other steps as may be necessary to determine the fate of personnel still considered to be missing in action; and

Whereas the Government of the Democratic Republic of Vietnam and the Provisional Revolutionary Government of Vietnam have failed to comply with the obligations and objectives of the agreement and joint communique, especially the provisions concerning an accounting of the missing in action; and

Whereas the Lao Patriotic Front has failed to supply information regarding captured and missing personnel or the burial sites of personnel killed in action, as provided in the Laos agreement of February 21, 1973, and the protocol of September 14, 1973; and

Whereas it has not been possible to obtain information from the various Cambodian authorities opposed to the Government of the Khmer Republic concerning Americans and international journalists missing in that country: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that new efforts should be made by the Government of the United States through appropriate diplomatic and international channels to persuade the Government of the Democratic Republic of Vietnam, the Provisional Revolutionary Government of Vietnam, and the Lao Patriotic Front to comply with their obligations with respect to personnel captured or killed during the Vietnam conflict and with respect to personnel still in a missing status; that every effort should be made to obtain the cooperation of the various parties to the conflict in Cambodia in providing information with respect to personnel missing in Cambodia; and that further efforts should be made to obtain necessary cooperation for search teams to inspect crash sites and other locations where personnel may have been lost.

SEC. 2. The Government of the United States should use every effort to bring about such reciprocal actions by the parties to the peace agreements, including the Government of the Republic of Vietnam and the Royal Lao Government, as will be most likely to bring an end to the abhorrent conduct of the Government of the Democratic Republic of Vietnam, the Provisional Revolutionary Government of Vietnam, and the Lao Patriotic Front regarding the missing in action.

SEC. 3. The Congress declares its support and sympathy for the families and loved ones of the Americans missing in action, who have suffered such deep human anguish for so long due to the undisclosed fate of the missing in action.

SEC. 4. Upon agreement to this resolution by both Houses of the Congress, the Secretary of the Senate shall transmit a copy of such resolution to the President of the United States.

INDEMNIFICATION FOR LOSS OR DAMAGE TO ARCHEOLOGICAL FINDS OF PEOPLE'S REPUBLIC OF CHINA

The bill (S. 3304) to authorize the Secretary of State or such officer as he may designate to conclude an agreement with the People's Republic of China for indemnification for any loss or damage to objects in the "Exhibition of the Archeological Finds of the People's Republic of China" while in the possession of the Government of the United States was considered, ordered to be engrossed for a third reading, read the third time, and passed, 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 State or such officer as he may designate is authorized to conclude an agreement with the Government of the People's Republic of China for indemnification of such Government, in accordance with the terms of the agreement, for any loss or damage suffered by objects in the exhibition of the archeological finds of the People's Republic of China from the time such objects are handed over in Toronto, Canada, to a representative of the Government of the United States to the time they are handed over in Peking, China, to a representative of the Government of the People's Republic of China.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. GRIFFIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

PERMISSION FOR SENATOR BARTLETT TO APPEAR AS A WITNESS

Mr. GRIFFIN. Mr. President, on behalf of the minority leader, the Senator from Pennsylvania (Mr. HUGH SCOTT), I send a resolution (S. Res. 309) to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will read the resolution.

The legislative clerk read as follows:

Whereas Senator Dewey F. Bartlett, a Member of this body, has been served with a subpoena to appear as a witness before the District Court of the United States for the Western District of Oklahoma, to testify at 9:30 o'clock A.M. on the sixteenth day of April, 1974, in the case of United States v. Leo Winters et al; and

Whereas it is the sense of the Senate that by virtue of the provisions of the Constitution of the United States said court has no authority to compel the attendance of any Member of the Senate as a witness before said court during his attendance at any session of the Senate; and

Whereas, under the Standing Rules of the Senate, no Senator may absent himself from the service of the Senate without leave of the Senate: Therefore be it

Resolved, That Senator Dewey F. Bartlett is granted leave to appear as a witness before the district court of the United States in the case of the *United States v. Leo Winters* et al, at a time when the Senate is not in session or at a time when Senator Bartlett determines that such appearance will not interfere with his duties in the Senate.

Resolved, That a copy of this resolution be submitted to the said court.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the resolution.

There being no objection, the resolution, S. Res. 309, was considered and agreed to.

QUORUM CALL

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

ORDER FOR CONSIDERATION OF THE UNFINISHED BUSINESS, S. 3044, TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the orders for the recognition of Senators tomorrows are concluded, the Senate resume consideration of the unfinished business, S. 3044.

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

ORDER FOR ADJOURNMENT FROM TOMORROW UNTIL 10 A.M. FRIDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business tomorrow, it stand in adjournment until 10 a.m. Friday. I ask this merely for insurance purposes.

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

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 9:30 a.m.

After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes, and in the order stated: Messrs. BIDEN, ROTH, MUSKIE, HATHAWAY, CLARK, BIDEN again, STEVENS, NELSON, JAVITS, HARTKE, ERVIN, MONDALE, MATHIAS, STENNIS, and ROBERT C. BYRD.

After the orders for the recognition of Senators have been concluded, the Senate will resume consideration of the unfinished business, S. 3044. The pending question at that time will be on the adoption of the amendment by Mr. TOWER, amendment No. 1153. The yeas and nays have already been ordered thereon, and there is a time limitation on that amendment of 15 minutes.

ADJOURNMENT TO 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9:30 a.m. tomorrow.

The motion was agreed to; and at 7:16 p.m., the Senate adjourned until tomorrow, Thursday, April 11, 1974, at 9:30 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate on April 10, 1974:

DEPARTMENT OF DEFENSE

John M. Maury, of Virginia, to be an Assistant Secretary of Defense.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

THE JUDICIARY

Wendell A. Miles, of Michigan, to be U.S. district judge for the western district of Michigan.

UNITED NATIONS

The following-named persons to be Representatives of the United States of America to the Sixth Special Session of the General Assembly of the United Nations:

John A. Scali, of the District of Columbia.

William E. Schaufele, Jr., of Ohio.

John H. Buchanan, Jr., U.S. Representative from the State of Alabama.

Robert N. C. Nix, U.S. Representative from the State of Pennsylvania.

Clarence Clyde Ferguson, Jr., of New Jersey.

Barbara M. White, of Massachusetts, to be the Alternate Representative of the United States of America to the Sixth Special Session of the General Assembly of the United Nations.

HOUSE OF REPRESENTATIVES—*Wednesday, April 10, 1974*

The House met at 12 o'clock noon.

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

My meat is to do the will of Him who sent me and to finish His work.—John 4: 34.

Our Father God, whose loving kindness is over all Thy works and whose truth endureth forever may Thy blessing rest upon the Members of this House of Representatives who are called to serve our Nation and our world in these trying times. Grant unto them strength to endure, faith to keep them steady, and wisdom to interpret rightly the signs of this age in which we live.

May they serve with integrity and fidelity helping to build an order of life in this divided and discordant world in which men and women can learn to live together in peace and harmony with good will in their hearts.

"To serve the present age,
My calling to fulfill,
O may it all my powers engage
To do my Master's will."

Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 13542. An act to abolish the position of Commissioner of Fish and Wildlife, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1866. An act to provide increases in certain annuities payable under chapter 83 of title 5, United States Code, and for other purposes.

COMPREHENSIVE PRIVACY LEGISLATION

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

Mr. KOCH. Mr. Speaker, today my colleague, BARRY GOLDWATER, JR., and I are introducing a bill intended to regulate the collection of personal information by both governmental agencies and the commercial private sector. We will circulate the bill to interested persons, both individuals and organizations, for comment. We know that refinements of its provisions will be necessary and we solicit constructive criticism of any of those provisions.

The Koch-Goldwater bill—thus called because of the toss of a coin—is the product of our joint efforts and is being introduced today by my colleague, BARRY GOLDWATER, JR., as the first sponsor. The bill will be circulated after the recess for cosponsorship by our colleagues.

The time is long overdue for this Congress to address itself to the invasion of personal privacy through the collection of personal data by the Government and the private sector heretofore left practically unregulated. The legislation takes into consideration the legitimate needs of both the Government and private sector in collecting and using data and provides safeguards for the privacy of individuals. The bill does not inhibit the collection of material needed for national defense considerations or for the pursuit of active criminal prosecutions but it does provide legitimate protections against the invasion of personal privacy. The sponsorship by BARRY GOLDWATER, JR., a Republican, and myself, a Democrat, with our differences in other fields, demonstrates that on the issue of personal privacy there is a common bond between conservatives and liberals. That is why I have high hopes that this legislation can be enacted this year.

PERMISSION FOR SUBCOMMITTEE ON CENSUS AND STATISTICS TO SIT DURING DEBATE TODAY

Mr. WHITE. Mr. Speaker, I ask unanimous consent that the Subcommittee on Census and Statistics of the House Post Office and Civil Service Committee be permitted to sit during the debate under the 5-minute rule today.

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

There was no objection.

CONGRESS NEEDS TO RECAPTURE LEADERSHIP

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

Mr. CONABLE. Mr. Speaker, I am one of those who believes that it is within the capacity of Congress to recapture some of the leadership it has so casually abdicated during the past 10 years. With some of the examples of congressional economic leadership to which we have been treated this week, however, perhaps we had better just forget it. Is proposing a massive tax cut really the best we can do at this point? Tired rhetoric about millions of workers losing their jobs when the unemployment rate has been stable for 3 months now, and simplistic solutions which insult the intelligence of the American people are not leadership but evidence of why we have lost leadership.

Three months ago the same voices were predicting an 8-percent unemployment rate and widespread factory closings. Even Leonard Woodcock, scarcely an administration puppet, now says that our troubled economy has held up surprisingly well and that we are in fact on the verge of a capital goods boom.

Cynical election year pressure for a tax cut is most disturbing at this time when our Ways and Means Committee is just about to begin working on tax reform. Unless governments spend less money, a fond hope and a faint prospect,