HOUSE OF REPRESENTATIVES—*Monday, July 21, 1975*

The House met at 10 o'clock a.m.

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

In returning and rest shall ye be saved; in quietness and in confidence shall be your strength.—Isaiah 30: 15.

Oh God, our Father, Who hast led us apart from the busy world into the quiet of this moment; grant us grace to worship Thee in spirit and in truth, for the comfort of our souls and the upbuilding of every good purpose and every great desire.

Enable us to do more perfectly the work to which Thou hast called us, to labor for the good of all the citizens of our country, particularly for those who are poor, suffering, and needy. May we strive to order our lives and the life of our Nation in accordance with Thy will.

So we would worship Thee not with our lips only but in word and in deed every day of our lives.

In the spirit of Christ we pray. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

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

H.R. 4073. An act to extend the Appalachian Regional Development Act of 1965 for an additional 2 fiscal-year period.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 644. An act to amend the Consumer Product Safety Act to improve the Consumer Product Safety Commission, to authorize new appropriations, and for other purposes.

ANNUAL CONVENTION OF LEAGUE OF FAMILIES OF THE MIA'S

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

Mr. MONTGOMERY. Mr. Speaker, this past week the National League of Families of the MIA's had their annual meeting here in Washington.

There are still 37 Americans classified as POW's; 980 missing in action and 1,500 Americans presumed dead but bodies not recovered.

At this meeting each branch of the military had representatives to let the families look at the records of each missing individual. All of these records have been declassified and the families were permitted to see it all.

I will never forget this scene of the families looking at the pictures and records; of the quietness in the rooms, of the frustration on their faces.

Mr. Speaker, I do not say the resolution we have introduced creating a select committee on MIA's will solve the frustrations of these families but at least over 280 Members of the House of Representatives think it is worth trying.

Mr. Speaker, you are a man of compassion. We need your help.

RE-REFERRAL OF H.R. 5483, TO ESTABLISH A HUDSON RIVER COMPACT COMMISSION, TO COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. RODINO. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from consideration of the bill, H.R. 5483, a bill to establish a Hudson River Compact Commission, and that the bill be re-referred to the Committee on Interior and Insular Affairs.

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

There was no objection.

THE PRESIDENT'S ANNOUNCEMENT TO VETO H.R. 4035 AND THE EXTENSION OF THE EMERGENCY PETROLEUM ALLOCATION ACT

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

Mr. OTTINGER. Mr. Speaker, over the weekend the President announced that he would veto not only H.R. 4035, but also a simple extension of the Emergency Petroleum Allocation Act. If he goes through with that threat and we are unable to override the vetoes, it means economic ruin for the country; the prices of oil energy products are going to jump so high as to be intolerable, and it will mean an increase in the price of all the goods and services within our economy beyond that which a shaky economy can take.

So I do hope that the House, when these bills come before it for overriding the vetoes, has in mind the tremendous economic consequences that are involved. We do not need anything like that kind of windfall to the oil companies in order to get full production in this country. The country simply cannot afford it.

This certainly does not represent the President's announced policy of conciliation, cooperation, and compromise. It is clear confrontation. The President is saying we must take his decontrol program and he will accept nothing else. The confrontation is not with us, however, so much as with the American people and I do hope they will make their voices clearly heard.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 410]

Abzug	Fulton	Peyser
Adams	Giaimo	Pike
Alexander	Gibbons	Pressler
Andrews N.C.	Gilman	Randall
Ashbrook	Gonzalez	Rangel
Ashley	Gude	Rees
Badillo	Harkin	Reuss
Barrett	Harrington	Riegle
Bedell	Harsha	Risenhoover
Bell	Hayes, Ind.	Rose
Biaggi	Hays, Ohio	Roybal
Bingham	Hébert	Runnels
Blouin	Hefner	Ruppe
Bolling	Hillis	Ryan
Bowen	Hinshaw	Satterfield
Breckinridge	Holtzman	Scheuer
Brinkley	Hughes	Sebelius
Brooks	Hyde	Seiberling
Brown, Calif.	Jarman	Shuster
Brown, Mich.	Jenrette	Snyder
Buchanan	Johnson, Colo.	Solarz
Burke, Calif.	Karth	Spellman
Butler	Kasten	Spence
Byron	Keys	Staggers
Chappell	Lent	Stanton, James V.
Chisholm	Litton	Steiger, Wis.
Clay	Lott	Stokes
Cochran	McCloskey	Sullivan
Conyers	McCormack	Symington
Corman	McDade	Taylor, Mo.
Cornell	McDonald	Teague
Crane	McEwen	Thone
Dellums	Macdonald	Thornton
Dent	Madigan	Traxler
Diggs	Maguire	Udall
Dingell	Mann	Ullman
Downing, Va.	Matsunaga	Walsh
Drinan	Mazzoli	Waxman
Esch	Meeds	Whitehurst
Eshleman	Meyner	Wolff
Evans, Ind.	Mineta	Wydler
Findley	Mink	Wylie
Fithian	Moss	Yatron
Flowers	Mottl	Young, Fla.
Ford, Mich.	Murphy, N.Y.	Young, Ga.
Ford, Tenn.	Nix	Zeferetti
Fountain	O'Hara	
Fraser	Patten, N.J.	
Frenzel	Pepper	

The SPEAKER. On this rollcall 290 Members have recorded their presence by electronic device, a quorum.

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

CONSENT CALENDAR

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

MANDATORY CIVIL SERVICE RETIREMENT AT AGE 70 WITH 5 YEARS' SERVICE

The Clerk called the bill (H.R. 504) to amend subchapter III of chapter 83 of title 5, United States Code, to provide for mandatory retirement of employees upon attainment of 70 years of age and completion of 5 years of service, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

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

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

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

There was no objection.

AUTHORITY FOR CIVILIAN EMPLOYEES OF DEPARTMENT OF DEFENSE TO ADMINISTER OATHS

The Clerk called the bill (H.R. 508) to amend title 5, United States Code, to authorize civilians employed by the Department of Defense to administer oaths while conducting official investigations.

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

H.R. 508

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 303 of title 5, United States Code, is amended by inserting "(a)" immediately before "An employee" and by adding at the end thereof the following new subsection:

"(b) An employee of the Department of Defense lawfully assigned to investigate duties may administer oaths to witnesses in connection with an official investigation.".

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

PROVIDING FOR THE REAPPOINTMENT OF DR. JOHN NICHOLAS BROWN AS CITIZEN REGENT OF THE BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

The Clerk called the joint resolution (H.J. Res. 353) to provide for the reappointment of Dr. John Nicholas Brown as a citizen regent of the Board of Regents of the Smithsonian Institution.

There being no objection, the Clerk read the joint resolution as follows:

H.J. RES. 353

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, which will occur by the expiration of the term of Doctor John Nicholas Brown of Rhode Island on June 13, 1975, be filled by the reappointment of the present incumbent for the statutory term of six years.

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

PROVIDING FOR THE REAPPOINTMENT OF THOMAS J. WATSON, JR., AS CITIZEN REGENT OF THE BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

The Clerk called the joint resolution (H.J. Res. 354) to provide for the reappointment of Thomas J. Watson, Jr., as citizen regent of the Board of Regents of the Smithsonian Institution.

There being no objection, the Clerk read the joint resolution as follows:

H.J. RES. 354

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, which will occur by the expiration of the term of Thomas J. Watson, Junior, of Connecticut on June 17, 1975, be filled by the reappointment of the present incumbent for the statutory term of six years.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and pasesd, and a motion to reconsider was laid on the table.

AMENDING TITLE 28 OF THE UNITED STATES CODE AS TO TITLE OF THE COMMISSIONERS OF THE U.S. COURT OF CLAIMS, AND FOR OTHER PURPOSES

The Clerk called the bill (H.R. 4152) to amend title 28 of the United States Code as to the title of commissioners of the U.S. Court of Claims, and for other purposes.

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

H.R. 4152

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 792, 797, 1492, 2503, 2504, and 2509 of title 28, United States Code, and section 20 of Public Law 92-203, December 18, 1971 (85 Stat. 710; 43 U.S.C. 1619), are amended by striking out the words "commissioner", "commissioners", or "trial commissioner", wherever such words appear, and inserting in lieu thereof, as appropriate, the words "trial judge" or "trial judges".

SEC. 2. Sections 792, 1492, and 2509 of title 28, United States Code, and section 20 of Public Law 92-203, December 18, 1971 (85 Stat. 710; 43 U.S.C. 1619), are amended by deleting the words "chief commissioner" wherever such words appear and inserting in lieu thereof the words "chief of the trial division".

SEC. 3. (a) The chapter analysis of chapter 51 of title 28, United States Code, is amended by deleting the catchlines

"792. Commissioners."

and

"797. Recall of retired commissioners."

and inserting in lieu thereof the catchlines

"792. Trial judges."

and

"797. Recall of retired trial judges.".

(b) The chapter analysis of chapter 165 of title 28, United States Code, is amended by deleting the catchline

"2503. Proceedings before commissioners generally."

and inserting in lieu thereof the catchline

"2503. Proceedings before trial judges generally.".

With the following committee amendment:

Page 2, after line 14, add the following:

SEC. 4. Rule 1101(a) of the Federal Rules of Evidence (Public law 93-595; 88 Stat. 126) is amended by striking "commissioners" and inserting in lieu thereof "trial judges."

Mr. DANIELSON. Mr. Speaker, H.R. 4152 provides for amendments to title 28 of the United States Code and related statutes so that present statutory references "commissioners" of the U.S. Court of Claims will be changed to read "trial judges" so as to conform with the current organization of the court and the functions of these officers.

In order to follow current practices governing titles of officers performing judicial duties, on August 1, 1973, in a general order, the U.S. Court of Claims directed that:

The Commissioners of this court shall, in the performance of their duties and the exercise of their functions, be known and referred to by the title of "Trial Judge".

The changes required by this general order have been incorporated in the court's rules and in the court's trial procedures.

In recent years there has been growing recognition that good administrative practice favors the use of titles that reflect adjudicatory functions. A "hearing examiner" in the various administrative bodies, by regulation promulgated by the Civil Service Commission on August 19, 1972, now is referred to by the title of "Administrative Law Judge." The Judicial Conference in October 1972 approved revision of the Bankruptcy Rules to provide that "Referees in Bankruptcy" shall have the title of "Bankruptcy Judges." In military legal proceedings, the former law officers are now known as "Military Judges." Board members of the various Boards of Contract Appeals now bear the title of "Administrative Judges."

As to cases within its jurisdiction, the U.S. Court of Claims functions with a trial division. The officers of the trial division historically have been called commissioners. The title "commissioner" had its basis in the nomenclature that was followed when the court was first established in 1855. At that time, the court was authorized to designate "commissioners" to gather evidence. Procedures in use in those early days of the court required these officials merely preside over the taking of depositions. They made no evidentiary rulings and were not required to be lawyers. In the court's proceedings, they were frequently referred to as "Reporters-Commissioners."

Over the years, Court of Claims procedures have changed to keep abreast of developing complexities in the adjudication of claims against the United States. Under modern procedures, the trial judges act in a capacity very similar to that of a district court judge in a nonjury civil proceeding. The trial judges rule on all procedural motions, including discovery; conduct pretrial proceedings; preside at trials; rule on all questions relating to the admissibility of evidence; receive requested findings of fact and briefs; make findings; and write opinions. The term "trial judge" is descriptive of the actual functions of the officers in the trial division and of their involvement in the judicial proceedings of the court.

H.R. 4152 also makes appropriate perfecting amendments in the sections of title 28, United States Code, relative to congressional reference cases and in title 43, United States Code, relative to the settlement of Alaska native claims. These sections of the code presently refer these cases to the chief commissioner of the U.S. Court of Claims. This bill amends the appropriate sections so that matters will be referred to the "chief of the trial division."

The committee was advised that the judges of the court have considered

favorably H.R. 4152, and unanimously support the title change it provides.

The bill, H.R. 4152, was the subject of a subcommittee meeting on April 22, 1975. At that hearing the witness representing the Department of Justice, the Honorable Irving Jaffe, Acting Assistant Attorney General, Civil Division, U.S. Department of Justice, stated the Department of Justice did not oppose the bill. His statement in this connection is as follows:

First as to H.R. 4152, which proposes to amend certain sections of Title 28 of the United States Code by deleting those references to "commissioners" or "trial commissioners" of the Court of Claims and replacing these terms with the words "trial judge" or "trial judges." The bill also proposes to amend certain sections of Title 28 as well as section 20 of Public Law 92–203, December 18, 1971 (85 Stat. 710, 43 U.S.C. § 1619) by deleting references to the court's chief commissioner and replacing them with the words "chief of the trial division". Finally, the bill proposes that similar changes be made in the chapter analyses of chapters 51 and 165 of Title 28.

The Department of Justice does not oppose the enactment of this bill. However, we believe that the bill should be modified to reflect a similar change with respect to Rule 1101 of the recently enacted Rules of Evidence. Public Law 93–595, January 12, 1975 (43 LW 137) since Rule 1101 "Applicability of Rules" presently refers in paragraph (a) to "commissioners of the Court of Claims".

The committee amendment provides for the change in rule 1101(a) suggested by the Department of Justice witness in the above quotation.

H.R. 4152 makes no change in substantive law or in the manner trial judges are appointed. No additional budgetary expenditures are required or authorized. The changes provided in the bill merely change statutory references to conform with the rules and procedures of the Court of Claims. It is recommended that the amended bill be considered favorably.

Mr. MOORHEAD of California. Mr. Speaker, this is not complex or controversial legislation but it is a measure which deserves favorable consideration by the House of Representatives. It merely proposes a change in title for the 15 officials, now designated as the "Commissioners" of the U.S. Court of Claims. Under the terms of this bill their title would henceforth be "Trial Judge."

This statutory change will have absolutely no effect on their salaries, the scope of their duties, or their article I status. The Committee on Judiciary, and in particular the members of the Subcommittee on Administrative Law and Governmental Relations, felt that this change in title would better reflect the actual functions of these officers.

At present, there are 15 Commissioners serving the U.S. Court of Claims. They act as the trial division, in the two-stage appellate process of that court. They function in a capacity directly analogous to that of a U.S. district court judge in a nonjury civil proceeding. They rule on motions, oversee the discovery process, conduct pretrial deliberations, rule on the admissibility of evidence, hear the facts, make findings, and write opinions. They are truly judges and should be officially designated as such.

Mr. Speaker, the U.S. Court of Claims is an important and truly unique forum within our Federal judicial system. Its existence dates back to 1855, and the growth of its jurisdiction has been an evolutionary process. Today, its docket is primarily composed of cases arising out of contracts with the Federal Government, claims by civilian and military personnel for back pay and retired pay, and claims for the refund of Federal income and excise taxes. The Chief Commissioner and others in the Trial Division also perform an important advisory function for the legislative branch, under the so-called congressional reference procedure detailed in title 28, United States Code, section 2509.

H.R. 4152 received unanimous support in both the Subcommittee on Administrative Law and Governmental Relations and in the full Judiciary Committee. When appearing before our subcommittee in April, the Department of Justice indicated its full support for enactment of this measure.

Mr. Speaker, I strongly urge my colleagues in the House to give this legislation their full and unanimous consent.

The committee amendment was agreed to.

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

TIME LIMITS IN APPLYING FOR CIVIL SERVICE RETIREMENT BENEFITS

The Clerk called the bill (H.R. 4573) to amend chapter 83 of title 5, United States Code, to establish time limitations in applying for civil service retirement benefits, and for other purposes.

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

H.R. 4573

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8345 of title 5, United States Code, is amended by adding the following new subsection at the end thereof:

"(g)(1) No payment shall be made from the Fund unless an application for benefits based on the service of an employee or Member is received in the Civil Service Commission before the one hundred and fifteenth anniversary of his birth.

"(2) Notwithstanding paragraph (1) of this subsection, after the death of an employee, Member, or annuitant, no benefit based on his service shall be paid from the Fund unless an application therefor is received in the Civil Service Commission within 30 years after the death or other event which gives rise to title to the benefit.".

SEC. 2. Title 5, United States Code, is amended as follows:

(1) In section 302(b)(2) strike out "324" and insert "3702" in place thereof;

(2) In section 2902(b) strike out "the Postmaster General,";

(3) In section 3351 strike out ", except an appointment made under section 3311 of title 39";

(4) In section 3363 strike out ", except an appointment made under section 3311 of title 39";

(5) Strike out section 3364;

(6) In the analysis of chapter 33 strike out item 3364;

(7) In section 3501(b) strike out ", except an employee whose appointment is made under section 3311 of title 39";

(8) In section 3581(5)(A) strike out "3582(a)" and insert "3582(b)" in place thereof;

(9) In the last sentence of section 3582(b) strike out "on or after the date of enactment of the Foreign Assistance Act of 1969" and insert "after December 29, 1969" in place thereof;

(10) In section 4102(a)(2)(B) strike out "(except a Postmaster)";

(11) In section 5102(c)(5) strike out "White House Police" and insert "Executive Protective Service" in place thereof;

(12) In section 5102(c)(9) strike out "40" and insert "305" in place thereof;

(13) In section 5303(c) strike out "and section 3552 of title 39";

(14) In section 5365 strike out "(a)";

(15) In section 5533(d)(7) strike out subparagraph (F) and redesignate subparagraphs (G) and (H) as (F) and (G), respectively;

(16) In section 5541(2)(iv) strike out "White House Police" and insert "Executive Protective Service" in place thereof;

(17) In the catchline of section 5545 strike out "SUNDAY;";

(18) In the analysis of chapter 55 strike out "Sunday," in item 5545;

(19) In section 6101(a)(4) strike out "education" and insert "educational" in place thereof;

(20) Strike out section 6309;

(21) In the analysis of chapter 63 strike out item 6309;

(22) In section 6324(a) strike out "White House Police" and insert "Executive Protective Service" in place thereof;

(23) In section 6324(b)(3) strike out "White House Police" and insert "Executive Protective Service" in place thereof;

(24) In section 7511(1) strike out ", except an employee whose appointment is made under section 3311 of title 39";

(25) In section 8332(b)(8) strike out "on or after February 19, 1929, and prior to the effective date of section 442 of the Legislative Reorganization Act of 1970" and insert "after February 18, 1929, and before noon on January 3, 1971" in place thereof;

(26) In section 8332(b)(9) strike out "8339(h)" and insert "8339(i)" in place thereof;

(27) In section 8333(c)—

(A) strike out "of title 5" and insert "of this title" in place thereof;

(B) strike out "of this chapter" and insert "of this title" in place thereof;

(28) In section 8340(c)(3) strike out "on or after the first day of the first month that begins on or after the date of enactment of the Civil Service Retirement Amendments of 1969" and insert "after October 31, 1969" in place thereof;

(29) In section 8341(c) strike out "8339(k)" and insert "8339(k)(1)" in place thereof;

(30) In section 8348(h)(2) strike out "thirty" and insert "30" in place thereof.

With the following committee amendments:

On page 5, line 8, strike out "thereof." and insert in lieu "thereof;" and immediately following line 11, insert the following:

(31) Amend section 8331(4) to read as follows:

"(4) 'average pay' means the largest annual rate resulting from averaging an employee's or Members rates of basic pay in effect over any 3 consecutive years of creditable service or, in the case of an annuity under subsection (d) or (e)(1) of section 8341 of this title based on service of less than 3 years, over the total service, with each rate weighted by the time it was in effect;";

(32) In section 8332(b)(7) strike out "(—U.S.C.—)";

(33) In section 8336(d) strike out "a reduced" and insert "an" in place thereof;

(34) In the last sentence of section 8336 (g) strike out "a reduced" and insert "an" in place thereof; and

(35) In section 8902 redesignate subsection (j), as added by the Act of July 30, 1974 (P.L. 93-363, 88 Stat. 398), as subsection (k).

The committee amendment was agreed to.

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

INSURABLE INTEREST ANNUITIES

The Clerk called the bill (H.R. 7053) to amend chapter 83 of title 5, United States Code, to eliminate, subsequent to the death of an individual named as having an insurable interest, the annuity reduction made in order to provide a survivor annuity for such an individual.

The SPEAKER. Is there objection to the present consideration of the bill?

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

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

There was no objection.

AMENDING TITLE 10 OF THE UNITED STATES CODE, TO PROVIDE FOR AN EXCLUSIVE REMEDY AGAINST THE UNITED STATES IN SUITS AGAINST THE MILITARY MEDICAL PERSONNEL BASED UPON MALPRACTICE

The Clerk called the bill (H.R. 3954) to amend title 10 of the United States Code, to provide for an exclusive remedy against the United States in suits based upon medical malpractice on the part of active duty military medical personnel, and for other purposes.

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

H.R. 3954

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

(a) by adding a new section at the end thereof:

"§ 1089. Defense of certain malpractice and negligence suits

"(a) The remedy against the United States provided by sections 1346(b) and 2672 of title 28 for damages for personal injury, including death, allegedly arising from malpractice or negligence of an active duty physician, dentist, nurse, pharmacist, or paramedical (for example, medical and dental technicians, nursing assistants, and therapists) or other supporting personnel of the armed forces in furnishing medical care or treatment while in the exercise of his duties in or for the Department of Defense or any other Federal department, agency, or institution shall hereafter be exclusive of any other civil action or proceeding by reason of the same subject matter against such physician, dentist, nurse, pharmacist, or paramedical or other supporting personnel (or his estate) whose act or omission gave rise to such claim.

"(b) The Attorney General shall defend any civil action or proceeding brought in any court against any person referred to in subsection (a) of this section (or his estate) for any such damage or injury. Any such person against whom such civil action or proceeding is brought shall deliver within such time after date of service or knowledge of service as determined by the Attorney General, all process served upon him or an attested true copy thereof to his immediate superior or to whomever was designated by the Secretary of Defense to receive such papers and such person shall promptly furnish copies of the pleading and process therein to the United States attorney for the district embracing the place wherein the proceeding is brought, to the Attorney General and to the Secretary of Defense.

"(c) Upon a certification by the Attorney General that the defendant was acting in the scope of his employment in or for the Department of Defense or any other Federal department, agency, or institution at the time of the incident out of which the suit arose, any such civil action or proceeding commenced in a State court shall be removed without bond at any time before trial by the Attorney General to the district court of the United States of the district and division embracing the place wherein it is pending and the proceeding deemed a tort action brought against the United States under the provisions of title 28 and all references thereto. Should a United States district court determine on a hearing on a motion to remand held before a trial on the merits that the case so removed is one in which a remedy by suit within the meaning of subsection (a) of this section is not available against the United States, the case shall be remanded to the State court.

"(d) The Attorney Genral may compromise or settle any claim asserted in such civil action or proceeding in the manner provided in section 2677 of title 28, and with the same effect.

"(e) For purposes of this section, the provisions of section 2680(h) of tile 28 shall not apply to assault and battery arising out of negligence in the performance of medical, surgical, dental, or related functions, including the conduct of clinical studies or investigations.

"(f) The Secretary of Defense or his designees may, to the extent that he or his designees deem appropriate, hold harmless or provide liability insurance for any active duty physician, dentist, nurse, pharmacist, or paramedical or other supporting personnel of the armed forces for damages for personal injury, including death, negligently caused by any such personnel while acting within the scope of his office or employment and as a result of the performance of medical, surgical, dental, or related functions, including the conduct of clinical studies or investigations, if such person is assigned to a foreign country or detailed for service with other than a Federal agency or institution, or if the circumstances are such as are likely to preclude the remedies of third persons against the United States described in section 2679(b) of title 28, for such damage or injury."

(b) by adding at the end of the analysis of chapter 55 the following:

"1089. Defense of certain malpractice and negligence suits.".

SEC. 2. This Act shall become effective on the first day of the third month which begins following the date of its enactment and shall apply to only those claims accruing on or after the effective date.

Amend the title so as to read: "A bill to amend title 10 of the United States Code, to provide for an exclusive remedy against the United States in suits based upon medical malpractice on the part of military or civilian medical personnel of the armed forces, and for other purposes.".

With the following committee amendments:

On page 2, line 1, strike the words "an active duty" and insert "a".

On page 3, line 20, strike the word "General" and insert "General".

On page 3, line 25, strike the word "tile" and insert "title."

On page 4, lines 21 and 22, strike the words "the first day of the third month which begins following."

The committee amendments were agreed to.

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

The title was amended so as to read: "A bill to amend title 10 of the United States Code, to provide for an exclusive remedy against the United States in suits based upon medical malpractice on the part of military or civilian medical personnel of the Armed Forces, and for other purposes."

A motion to reconsider was laid on the table.

REEMPLOYED ANNUITANTS

The Clerk called the bill (H.R. 3650) to clarify the application of section 8344 of title 5, United States Code, relating to civil service annuities and pay upon reemployment, and for other purposes.

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

H.R. 3650

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 8344(a) of title 5, United States Code, is amended to read as follows:

"(a) If an annuitant receiving annuity from the Fund, except—

"(1) a disability annuitant whose annuity is terminated because of his recovery or restoration of earning capacity;

"(2) an annuitant whose annuity, based on an involuntary separation (other than an automatic separation or an involuntary separation for cause on charges of misconduct or delinquency), is terminated under subsection (b) of this section;

"(3) an annuitant whose annuity is terminated under subsection (c) of this section; or

"(4) a Member receiving annuity from the Fund;

becomes employed in an appointive or elective position, his service on and after the date he is so employed is covered by this subchapter. Deductions for the Fund may not be withheld from his pay. An amount equal to the annuity allocable to the period of actual employment shall be deducted from his pay, except for lump sum leave payment purposes under section 5551 of this title. The amounts so deducted shall be deposited in the Treasury of the United States to the credit of the Fund under such procedures as the Comptroller General of the United States shall prescribe. If the annuitant serves on a full time basis, except as President, for at least 1 year, or on a part-time basis for periods equivalent to at least 1 year of full-time service, in employment not excluding him from coverage under section 8331(1) (i) or (ii) of this title—

"(A) his annuity on termination of employment is increased by an annuity computed under section 8339 (a), (b), (d), (e), (h), and (l) of this title as may apply based on the period of employment and the basic pay, before deduction, averaged during that employment; and

"(B) his lump sum may not be reduced by annuity paid during that employment.

If the annuitant is receiving a reduced annuity as provided in section 8339(j) or section 8339(k)(2) of this title, the increase in annuity payable under subparagraph (A) of this subsection is reduced by 10 percent

and the survivor annuity payable under section 8341(b) of this title is increased by 55 percent of the increase in annuity payable under such subparagraph (A), unless, at the time of claiming the increase payable under such subparagraph (A), the annuitant notifies the Commission in writing that he does not desire the survivor annuity to be increased. If the annuitant dies while still reemployed, the survivor annuity payable is increased as though the reemployment had otherwise terminated. If the described employment of the annuitant continues for at least 5 years, or the equivalent of 5 years in the case of part-time employment, he may elect, instead of the benefit provided by subparagraph (A) of this subsection, to deposit in the Fund an amount computed under section 8334(c) of this title covering that employment and have his rights redetermined under this subchapter. If the annuitant dies while still reemployed and the described employment had continued for at least 5 years, or the equivalent of 5 years in the case of part-time employment, the person entitled to survivor annuity under section 8341(b) of this title may elect to deposit in the Fund and have his rights redetermined under this subchapter.".

(b) Section 8344 of title 5, United States Code, is amended—

(1) by redesignating subsections (b) and (c) thereof as subsections (d) and (e), respectively; and

(2) by inserting immediately after subsection (a) thereof the following new subsections:

"(b) If an annuitant whose annuity is based on an involuntary separation (other than an automatic separation or an involuntary separation for cause or charges of misconduct or delinquency) is reemployed in a position in which he is subject to this subchapter, payment of the annuity terminates on reemployment.

"(c) If an annuitant is appointed by the President to a position in which he is subject to this subchapter, payment of the annuity terminates on reemployment.".

(c) Section 8344(d) of title 5, United States Code, as redesignated by this Act, is amended by striking out the last sentence.

(d) Section 8339(f)(2)(C) of title 5, United States Code, is amended by striking out "8344(b)(1)" and inserting in lieu thereof "8344(d)(1)".

SEC. 2. Section 8332(j) of title 5, United States Code, is amended—

(1) by striking out in the first sentence ", except" and inserting in lieu thereof "(except"; and

(2) by inserting in the first sentence immediately after "civilian position,", the following: "or military service performed by an individual who, for purposes of accepting an appointment by the President to a position requiring Senate confirmation, obtained a discharge or separation prior to becoming entitled to retired pay on account of such military service)".

SEC. 3. (a) Except as provided under subsection (b) of this section, the amendments made by this Act shall become effective on the date of enactment of this Act and shall apply to annuitants serving in appointive or elective positions on and after the date of enactment of this Act.

(b) The amendment made by subsection (e) of the first section of this Act shall become effective on the date of enactment of this Act but shall not apply to any annuitant reemployed prior to the date of enactment of this Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

That (a) section 8344(a) of title 5, United States Code, is amended to read as follows:

"(a) If an annuitant receiving annuity from the Fund, except—

"(1) a disability annuitant whose annuity is terminated because of his recovery or restoration of earning capacity;

"(2) an annuitant whose annuity, based on an involuntary separation (other than an automatic separation of an involuntary separation for cause on charges of misconduct or delinquency), is terminated under subsection (b) of this section;

"(3) an annuitant whose annuity is terminated under subsection (c) of this section; or

"(4) a Member receiving annuity from the Fund;

becomes employed in an appointee or elective position, his services on and after the date he is so employed is covered by this subchapter. Deductions for the Fund may not be withheld from his pay. An amount equal to the annuity allocable to the period of actual employment shall be deducted from his pay, except for lump-sum leave payment purposes under section 5551 of this title. The amounts so deducted shall be deposited in the Treasury of the United States to the credit of the Fund. If the annuitant serves on a full-time basis except as President, for at least 1 year, or on a part-time basis for periods equivalent to at least 1 year of full-time service in employment not excluding him from coverage under section 8331(1)(i) or (ii) of this title—

"(A) his annuity on termination of employment is increased by an annuity computed under section 8339 (a), (b), (d), (e), (h), and (i) of this title as may apply based on the period of employment and the basic pay, before deduction, averaged during that employment; and

"(B) his lump-sum credit may not be reduced by annuity paid during that employment.

If the annuitant is receiving a reduced annuity as provided in section 8339(j) or section 8339(k)(2) of this title, the increase in annuity payable under subparagraph (A) of this subsection is reduced by 10 percent and the survivor annuity payable under section 8341(b) of this title is increased by 55 percent of the increase in annuity payable under such subparagraph (A), unless, at the time of claiming the increase payable under such subparagraph (A), the annuitant notifies the Commission in writing that he does not desire the survivor annuity to be increased. If the annuitant dies while still reemployed, the survivor annuity payable is increased as though the reemployment had otherwise terminated. If the described employment of the annuitant continues for at least 5 years, or the equivalent of 5 years in the case of part-time employment, he may elect, instead of the benefit provided by subparagraph (A) of this subsection, to deposit in the Fund an amount computed under section 8334(c) of this title covering that employment and have his rights redetermined under this subchapter. If the annuitant dies while still reemployed and the described employment had continued for at least 5 years, or the equivalent of 5 years in the case of part-time employment, the person entitled to survivor annuity under section 8341(b) of this title may elect to deposit in the Fund and have his rights redetermined under this subchapter.".

(b) Section 8344 of title 5, United States Code, is amended—

(1) by redesignating subsections (b) and (c) thereof as subsections (d) and (e), respectively; and

(2) by inserting immediately after subsection (a) thereof the following new subsections;

"(b) If an annuitant, other than a Member receiving an annuity from the Fund, whose annuity is based on an involuntary separation (other than an automatic separation or an involuntary separation for cause or charges on misconduct or delinquency) is reemployed in a position in which he is subject to this subchapter, payment of the annuity terminates on reemployment.

"(c) If an annuitant, other than a Member receiving an annuity from the Fund, is appointed by the President to a position in which he is subject to this subchapter, payment of the annuity terminates on reemployment."

(c) Section 8344(d) of title 5, United States Code, as redesignated by this Act, is amended by striking out the last sentence.

(d) Section 8339(f)(2)(C) of title 5, United States Code, is amended by striking out "8344(b)(1)" and inserting in lieu thereof "8344(d)(1)".

SEC. 2. (a) Except as provided under subsection (b) of this section, the amendments made by this Act shall become effective on the date of the enactment of this Act and shall apply to annuitants serving in appointive or elective positions on and after the date of the enactment of this Act.

(b) The amendment made by subsection (c) of the first section of this Act shall become effective on the date of the enactment of this Act but shall not apply to any annuitant reemployed before the date of the enactment of this Act.

The committee amendment was agreed to.

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

WHEAT MARKETING YEAR CHANGE

The Clerk called the Senate bill (S. 435) to amend section 301(b)(7) of the Agricultural Adjustment Act of 1938, as amended, to change the marketing year for wheat from July 1–June 30, to June 1–May 31.

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

S. 435

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 301(b)(7) of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out "Wheat, July 1–June 30" and inserting in lieu thereof "Wheat, June 1–May 31".

SEC. 2. The amendment made by the first section of this Act shall become effective June 1, 1975.

Passed the Senate April 24 (legislative day, April 21), 1975.

Mr. WAMPLER. Mr. Speaker, S. 435, a bill to amend section 301(b)(7) of the Agricultural Adjustment Act of 1938, as amended, to change the marketing year for wheat from July 1–June 30 to June 1–May 31, is a noncontroversial bill which is supported by the Department of Agriculture, the American Farm Bureau Federation, and the National Association of Wheat Growers.

The bill passed the Senate April 24, 1975, and was reported by the House Agriculture Committee in exactly the same form as it passed the Senate.

The reasons for the enactment of this legislation are as noted in the letter of May 19, 1975, from the Department of Agriculture which states in pertinent part as follows:

The Department supports the passage of the bill.

The proposed change has a great deal of

merit. Technology associated with wheat production has greatly advanced the time of wheat harvest with as much as 40 percent of the winter wheat crop harvested in some years prior to July 1. In most years, a significant amount of new crop wheat is processed or exported prior to July 1, and this creates serious unknowns as to the utilization of the grain for individual crop years. The shift of the marketing year to begin June 1 would minimize the utilization unknowns associated with individual crop years. The harvest of durum wheat and other spring wheat does not present similar problems because of the timing of spring wheat harvest.

The designation of June 1 as the beginning of the marketing year for wheat would require the conduct of a wheat stocks survey as of June 1. This survey is now conducted as of July 1 as an integral part of the stocks survey for the other grain and oilseed commodities for which stocks data are provided. As soon as feasible after enactment of the bill, it is proposed to shift the date of the stocks survey for all commodities concerned to June 1. A shift to June 1 should present no additional problems in the collection of farm and off-farm stocks, as the same basic survey procedures followed on June 1 would also be used for a June 1 survey. The shift of all commodities would not involve additional costs to the Department.

It will not be practical at this date to shift all commodities to the June 1 date in 1975. If the legislation is passed, it is proposed to maintain the July 1 stocks survey date for wheat and all other commodities in 1975 and to shift all commodities to a June 1 date in 1976 at no additional cost.

There was some concern expressed in the committee about whether the change in marketing year would have any appreciable effect on the deficiency payments made under the wheat program. The House report accompaying this bill addresses this issue and how it was resolved:

In its consideration of the bill a question was raised concerning the effect that the change in the marketing year would have on the effect that the change in the marketing year would have on the rate of payments which may be received by wheat producers as deficiency payments under the wheat program. A compilation was obtained of the average prices received by farmers for wheat for the 20-year period, 1955 through 1974. During this period the November price was higher than the June price in 16 years and the June price was higher than the November price in only 4 of the years involved. Thus, if the market price for wheat should fall below the target price of $2.05 per bushel (as adjusted for 1976 and 1977), it appears unlikely that the deficiency payments would be reduced as a result of the change in the marketing year, as provided for in S. 435.

The committee unanimously reported this bill recommending its passage. I urge you to give it prompt and favorable action at this time.

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

PROVIDING FOR THE REAPPOINTMENT OF DR. JOHN NICHOLAS BROWN AS CITIZEN REGENT OF THE BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

Mr. NEDZI. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate joint resolution (S.J. Res. 42) to provide for the reappointment of Dr. John Nicholas Brown as citizen regent of the Board of Regents of the Smithsonian Institution.

The Clerk read the title of the Senate joint resolution.

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

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. RES. 42

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, which will occur by the expiration of the term of Doctor John Nicholas Brown, of Rhode Island, on June 13, 1975, be filled by the reappointment of the present incumbent for the statutory term of six years.

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

A similar House bill joint resolution (H.J. Res. 353) was laid on the table.

PROVIDING FOR THE REAPPOINTMENT OF THOMAS J. WATSON, JR., AS CITIZEN REGENT OF THE BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

Mr. NEDZI. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate joint resolution (S.J. Res. 41) to provide for the reappointment of Thomas J. Watson, Jr., as citizen regent of the Board of Regents of the Smithsonian Institution.

The Clerk read the title of the Senate joint resolution.

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

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. RES. 41

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, which will occur by the expiration of the term of Thomas J. Watson, Junior, of Connecticut, on June 17, 1975, be filled by the reappointment of the present incumbent for the statutory term of six years.

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

A similar House joint resolution (H.J. 354) was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 6799, TO APPROVE CERTAIN OF THE PROPOSED AMENDMENTS TO THE FEDERAL RULES OF CRIMINAL PROCEDURE, TO AMEND CERTAIN OF THEM, AND TO MAKE CERTAIN ADDITIONAL AMENDMENTS TO THOSE RULES

Mr. HUNGATE. Mr. Speaker, I move to take from the Speaker's desk the bill (H.R. 6799) to approve certain of the proposed amendments to the Federal Rules of Criminal Procedure, to amend certain of them, and to make certain additional amendments to those rules, disagree with the Senate amendments, and agree to a conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? The Chair hears none, and appoints the following conferees: Messrs. HUNGATE, MANN, THORNTON, Ms. HOLTZMAN, Messrs. RUSSO, WIGGINS, and HYDE.

LEGISLATIVE PROGRAM

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

Mr. O'NEILL. Mr. Speaker, I rise to make an announcement that we are adding to the suspension list tomorrow, H.R. 504, mandatory civil service retirement, and H.R. 7053, insurable interest annuities.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provision of clause 3(b) of rule XXVII, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

After all motions to suspend the rules have been entertained and debated and after those motions to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

CONSUMER GOODS PRICING ACT OF 1975

Miss JORDAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6971) to amend the Sherman Antitrust Act to provide lower prices for consumers.

The Clerk read as follows:

H.R. 6971

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 "Consumer Goods Pricing Act of 1975".

SEC. 2. Section 1 of the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890 (15 U.S.C. 1), is amended by striking out the colon preceding the first proviso in the first sentence and all that follows down through the end of such sentence and inserting in lieu thereof a period.

SEC. 3. Paragraphs (2) through (5) of section 5(a) of the Federal Trade Commission Act (15 U.S.C. 45(a)) are repealed and paragraph (6) of such section 5(a) is redesignated as paragraph (2).

SEC. 4. The amendments made by sections 2 and 3 of this Act shall take effect upon the expiration of the ninety-day period which begins on the date of enactment of this Act.

The SPEAKER. Is a second demanded?

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

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

There was no objection.

The SPEAKER. The gentlewoman from Texas (Miss JORDAN) will be recognized for 20 minutes, and the gentleman from Illinois (Mr. MCCLORY) will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Texas (Miss JORDAN).

Miss JORDAN. I yield such time as he may consume to the chairman of the Committee on the Judiciary, the gentleman from New Jersey (Mr. RODINO).

Mr. RODINO. Mr. Speaker, it is my pleasure to join with the gentlelady from Texas in urging the repeal of the so-called Fair Trade Enabling Acts. The Subcommittee on Monopolies and Commercial Law and the Judiciary Committee are of one mind in believing that this simple repealer may be one of the most effective single actions this Congress can take to combat inflation. At one stroke, it eliminates vertical price fixing in large segments of our economy.

The Miller-Tydings and McGuire Acts, children of the Great Depression, have lived far beyond their useful life. They have aged to the point where they preserve classic restraints of trade, which but for the protective umbrella they provide, would be considered per se violations of the antitrust laws.

Representative JORDAN noted the remarkable unanimity for repealer. The States, the courts, the antitrust agencies, consumer groups and large segments of the business community concur that these laws are no longer necessary.

We justified these measures on the theory that they would protect small businesses. They have not done so. Our competitive system recognizes that some businesses must fail. At times there are valid reasons for preventing this. But the fair trade laws never accomplished that purpose. Economic studies clearly indicate that small business failure rates are as high or higher in fair trade States as in States allowing robust price competition.

Our hearings marshaled impressive evidence that the only certainty is that these laws represent artificial and unwarranted price stabilization for an already overburdened consumer.

We are presently plagued by a unique combination of inflation and recession, aptly termed "stagflation." In such times, it is unconscionable that we should, by means of special interest legislation which artificially alters the forces of free competition, deny the consumer the benefits of prices set by a free and open marketplace.

Similar legislation, sponsored by Senator BROOKE of Massachusetts, reflects similar feeling in the Senate. As he so aptly noted when he appeared before the Subcommittee on Monopolies and Commercial Law:

> I feel that competition is our safeguard. I don't know that there is any other safeguard that we can write into legislation, but I think competition will protect us.

To accomplish this, we need only repeal legislation which has for too long burdened the American consumer. I urge rapid enactment of this repealer.

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

Mr. Speaker, it is my privilege and pleasure today to move the passage of H.R. 6971, the Consumer Goods Pricing Act of 1975. Happily, this long-overdue legislation adds no bulk to the present body of Federal law—instead, it strikes that language which has for 38 years permitted what is perhaps our most pernicious form of vertical price fixing, the so-called fair trade laws.

In response to the economic conditions of the Great Depression, Congress passed the Miller-Tydings Act as a rider to an appropriation bill for the District of Columbia. That act permitted States to pass legislation which, under certain conditions, legalized vertical price fixing and eliminated the right of a businessman to set his own price for the resale of his product. Of course, the result was artificially high prices to the consumer, a condition which this country can simply no longer afford.

In 1952, in response to judicial hostility to this blatant form of price fixing, Congress expanded the enforcement of certain types of vertical price fixing by permitting the States to enact so-called nonsigner provisions which bound even those not a party to a fair trade contract to adhere to resale price contracts as fixed by the manufacturer.

Together, the Miller-Tydings and McGuire Acts constituted special interest legislation that legitimized what, without the exemption granted by those acts, would be per se violations of the antitrust laws.

Acting in response to this legislation, some 46 States had, at the zenith of "fair trade," some form of resale price maintenance legislation. It is with pride that I note that as far back as 1937 the State of Texas noted its hostility to this form of price fixing when the House Judiciary Committee, under the chairmanship of Congressman Hatton Sumners of Dallas, refused to act on fair trade legislation. Again in 1952, the Judiciary Committee refused to countenance this form of price fixing.

I note that our sister States are now following the lead that we in Texas furnished so long ago. We, together with Missouri, Alaska, Vermont, and the District of Columbia, never countenanced such activity and never enacted such legislation.

Where once fair trade was in full favor, it is now in full flight. As of July 7, 1975, only 24 States retain some form of fair trade legislation. In 1975 alone, 13 States have repealed their fair trade laws.

In response to rapidly changing economic conditions, the Subcommittee on Monopolies and Commercial Law reported favorably on H.R. 6971 without a dissenting vote after 2 days of hearings and the receipt of numerous statements for the record.

That record establishes conclusively that these laws are, and always were, severely anticompetitive, serving little purpose but to shield competitors from the natural play of market forces, and artificially inflating prices to a consumer increasingly burdened with skyrocketing costs.

The record established by the subcommittee demonstrates clearly that so-called fair trade laws, while ostensibly permitting vertical price fixing, have as well, a broader effect wholly unintended by Congress. For while the enabling statutes sanction only vertical agreements, such agreements facilitate simple horizontal price fixing at the manufacturing level. For when manufacturers who engage in resale price maintenance publish price schedules, ostensibly competing businesses have an easy reference point for their own pricing policy, thus further eliminating competition.

The standard defense for resale price maintenance is that it protects the small retailer, the "mom and pop" store which survives only because resale price maintenance insulates these stores from the procompetitive price cutting of larger businesses.

The subcommittee looked thoroughly at this argument. It was, interestingly enough, put forward more by manufacturers than retailers. In fact, one witness who favored the retention of the fair trade enabling statutes candidly admitted that since the emergence of the discount industry, fair trade has been something that manufacturers have willingly dropped as soon as they had enough volume to employ mass marketing methods.

As Senator BROOKE, the sponsor of similar legislation in the Senate, noted when he consented to testify before our subcommittee, studies simply do not support the contention that fair trade laws either lessen the number of retail failures or increase the number of retail stores. A 1962 Justice Department study found that States with fully effective fair trade laws had nearly a 150-percent higher rate of firm failure than free trade States. If any doubt remains, a Library of Congress study confirmed these findings and determined that in 1972, fair trade States had a 55-percent higher rate of firm bankruptcies than did free trade States.

Other evidence impressively confirms this. The State of Rhode Island repealed its fair trade laws in 1970. A study by the Marketing Science Institute found that prices in four of nine product lines investigated had declined anywhere from 20 to 40 percent. Seventy-four percent of the retailers responding to the study unequivocally indicated that the repeal of fair trade had no substantial adverse affect on them one way or the other. Only one manufacturer of nine interviewed had actually encountered a decline in sales after the repeal of State fair trade law. Similar experiences in Great Britain and Canada confirm this.

Congress should note as well that there is by no means unanimous support for the retention of fair trade laws in the business community. The Small Business Association of New England supports the repeal of the fair trade laws, and I might add as well as that Corning Glass Works ended its fair trading practice effective April 19. It found, in effect, that it "had met the enemy, and it was itself"; Corn-

ing was competing against itself with products which were fair traded as well as nonfair traded.

Of course, the Federal Trade Commission's suit against Corning for their use of interstate fair trade restrictions may have had something to do with that. Both that agency, and the Department of Justice unequivocally support the repeal of fair trade enabling statutes. Testimony before our subcommittee by the Department of Justice estimates that consumers are overcharged something like $2 billion a year for fair traded items. This is unconscionable.

In conclusion, it is rather standard criticism these days that Congress and the administration are unable to agree on anything. Happily, President Ford has publicly stated that he is fully in favor of repealing these inflationary and outmoded statutes. Thus, as Chairman RODINO has also frequently stated, Congress is placed in the unusual position of being able to react to a surprising unanimity of view on the part of large segments of the business community, Federal agencies, the States, and the administration. Our colleagues on the Interstate and Foreign Commerce Committee, and the minority of the Judiciary Committee, led by Mr. MCCLORY, support the measure. I, therefore, urge rapid enactment of this legislation.

Mr. McCLORY. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. HUTCHINSON) the ranking member of the full Committee on the Judiciary.

Mr. HUTCHINSON. Mr. Speaker, I rise in support of this legislation.

This bill knocks the legal props from under our fair trade laws. Upon enactment of this bill it would be a violation of the Federal Antitrust Act for a manufacturer to set a minimum retail price for any item he makes; that would be price fixing.

Back in the 1930's most States enacted fair trade laws to protect manufacturers' reputations for quality products and to protect small retailers from the price-cutting strategies of large discount houses. In order to validate these State laws against antitrust attack, Congress passed the Miller-Tydings Act and the McGuire Act, exempting fair trade laws from the reach of the Sherman Act and the Clayton Act.

The bill we are now considering will repeal both the Miller-Tydings Act and the McGuire Act, leaving State fair trade laws in violation of Federal antitrust law and, consequently, no longer of any force and effect.

Many States have already repealed their fair trade laws, and today those statutes are on the books of less than half of them. Even in those States where fair trade laws still operate, only about 4 percent of retail sales are fair traded.

While the hearings produced one or two witnesses in support of fair trade concepts, it would appear that fair trade laws, restrictive as they are of competition, reflect an economic policy that has lost most of its validity in today's marketplace.

I support the suspension of the rules to pass H.R. 6971.

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

Mr. Speaker, I want, first of all, to commend the gentlewoman from Texas upon her leadership in the subcommittee in connection with the development of this legislation and for her sponsorship of this measure which is before us today.

Mr. Speaker, it is my privilege today to speak in behalf of the passage of H.R. 6971, the Consumer Goods Pricing Act of 1975, which would repeal exemption in the Federal antitrust laws relating to fair trade. This legislation is to my mind vital to our economy at this time if we are to promote a climate conducive to the expansion of the private enterprise system and benefit the American consumer. H.R. 6971, which our Committee on the Judiciary has unanimously reported out, should be passed by the House of Representatives in order to assure to the American consumer protection from the artificially high prices being maintained through State fair trade laws. The adverse effect on our economy inherent in fair trade legislation, as well as the anticompetitive practices permitted under such fair trade statutes, have been most detrimental to the interests of the American consumer. Fair trade laws have but one effect from the consumer's point of view—higher prices.

As one of the original sponsors of this legislation, I have been personally interested in the repeal of the exemptions to the Sherman Antitrust Act, the Miller-Tydings Act of 1937—which permits States to adopt fair trade laws if they wish—and the McGuire Act of 1952—which would allow State fair trade laws to bind retailers who were not parties to the fair trade contracts. My original bill, presented in behalf of the administration as a companion measure to S. 408, introduced by our colleague, Senator EDWARD BROOKE, of Massachusetts, is virtually identical to the bill before us today, H.R. 6971. President Ford has repeatedly indicated his desire for legislation such as this. It is his belief—and mine—that the elimination of restrictive Government practices and the reform of outdated regulations is essential if we are to combat inflation and return our economy to stable growth and prosperity. The enactment of H.R. 6971 would repeal these Federal exemptions and thus invalidate State fair trade laws and the contractual provisions supported by such State laws.

The Miller-Tydings Act, passed during the depression of the 1930's, was followed by the enactment of laws by 46 States under which contracts between wholesalers and retailers may establish fixed retail prices under threat of State-imposed penalties for underselling such fair traded merchandise.

The enactment of the McGuire Act in 1952, in effect, expanded the exemption by allowing State fair trade laws to bind retailers who were not parties to the fair trade contracts to adhere to such agreements. It should be noted here that the State laws which resulted were in several instances found to violate their own State constitutions.

Now, regardless of the effect of the fair trade laws which were thereafter enacted, it can hardly be suggested that the consumer benefited. On the contrary, price fixing practices which resulted ostensibly from the desire to eliminate predatory competition in which the small retailers were foundering have, in fact, created hardships for both the consumer and the independent retailer. According to a Justice Department study conducted several years ago, prices on fair traded items ranged from 19 to 27 percent higher than prices on identical items sold in States which had no fair trade legislation. Furthermore, there is not a significant difference between the rates of failure of small firms in fair trade and nonfair trade States as would be expected if it were true that these fair trade laws protected the small retailer.

Mr. Speaker, taking into account today's economy, it is my view that the greatest benefit to business and industry in our private enterprise system would be the return to freer competition and an accelerated rate of production which can bring more jobs and likewise benefit the American consumer. In short, despite the appearance of benefits which the added or established profits to retailers produce, the best interests of our economic system result from the freest competition and the smallest number of price-fixing agreements between wholesalers and retailers.

During our hearings on this legislation, we made a concerted effort to investigate all of the legal ramifications of this act. It is my belief after these hearings and this investigation that "The Consumer Goods Pricing Act of 1975" is a most useful piece of legislation. Indeed, it was our feeling after these hearings that the current program of maximum price maintenance is not included within the McGuire Act, and, therefore, no exceptions need be made in this repealer for businesses operating under such a maintenance program. Furthermore, we must bear in mind that by repealing the Miller-Tydings and McGuire Acts, we are not stripping State legislatures of all authority to establish a program of price maintenance. We are eliminating these two statutory exceptions to the Federal antitrust law.

In light of the current economic situation—double-digit inflation and rising unemployment—the elimination of price-fixing agreements between manufacturers and retailers is imperative. The American consumer has suffered long enough from these statutes. It is time to repeal these provisions.

Mr. Speaker, inflated retail prices of consumer goods resulting from a variety of causes are a major concern to the American people today. One tried and proven method of bringing these high prices into line and giving the American people the proven benefit of a truly competitive economic system is to attack—and destroy—monopolistic, noncompetitive price fixing and other anticompetitive practices wherever they exist. This measure, "The Consumer Goods Pricing Act of 1975," is a most logical step in this direction, and I sincerely urge passage of this bill.

Miss JORDAN. Mr. Speaker, I yield such time as he may consume to the

gentleman from California (Mr. DANIELSON).

Mr. DANIELSON. Mr. Speaker, I thank the gentlewoman from Texas for yielding.

Mr. Speaker, I strongly support this legislation. The term "fair trade law" in itself is appealingly deceptive, a better name for the law would be "Anti-Competition Law." I submit that this law is logically inconsistent and totally unacceptable in an economy such as ours, in a country which prides itself on free enterprise and the theory that free competition brings about better quality and lower prices for all.

This bill will hurt no one, but the consumers all will benefit.

I urge a unanimous vote for this bill.

Miss JORDAN. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. VAN DEERLIN), the chairman of the Subcommittee on Consumer Protection and Finance of the Interstate and Foreign Commerce Committee.

Mr. VAN DEERLIN. Mr. Speaker, I thank the gentlewoman from Texas for yielding.

Mr. Speaker, is anything fair about the surviving fair trade laws?

Not if you are a consumer. Most people do not know these laws are on the books. Yet the laws deny free and open competition. They increase the cost of living. And they require consumers in some States to pay more for the same items than people in other States do.

Accordingly, I have no hesitation in supporting H.R. 6971, the Consumer Goods Pricing Act of 1975.

This is a bill that would close once and for all the gaping "fair trade" loophole in our antitrust laws.

What a misnomer, "fair trade." No doubt it referred to the benefits to manufacturers and retailers.

State "fair trade" laws are permitted under the Miller-Tydings Act of 1937 and the McGuire Act of 1952. It is these we are proposing to abolish, and not a moment too soon.

Under these statutes manufacturers are allowed, even invited, to bind retailers to honor fixed minimum sales prices. This has meant good profits for the retailers and bad prices for consumers. Without this helping hand from Washington, such price fixing would be illegal under the antitrust laws.

As if the laws permitting the negative State actions were not bad enough, there was a move in Congress in the 1960's to enact a national fair trade law, under the deceptively bland name of Quality Stabilization Act. Fortunately, this attempt never reached the markup stage in our House Commerce Committee.

Regardless of the name, the game was the same: price fixing.

Estimates of savings resulting from passage of H.R. 6971 vary from $1.5 billion to $6.5 billion annually. This is necessarily a wide range, and no one can say for sure what the final figure will be. But one thing we do know: Elimination of the fair trade laws can only result in lower, not higher prices.

One of the hoariest of arguments used to support the fair trade laws is that they would somehow prevent the large discount stores from running small mom and pop operations out of business.

In fact, the fair trade laws have probably hurt the small businessman. While the small stores were getting locked into fixed prices on many items, the discount houses were able to use their greater resources to develop quality private label brands which sold for less than the small stores' national brands. Thus it was the small stores, not the giants, that were denied the opportunity to compete on the basis of price on many of the items which they stocked.

There is also no evidence that the failure rates for small businessmen have been any higher in States lacking the dubious benefits of fair trade laws. To the contrary, all studies done on the subject indicate there is very little difference in failure rates between fair and nonfair trade States. Small businesses also are able to offer convenience and service that few of the chain operations can match, keeping the smaller firms competitive in areas unrelated to pricing.

A total of 46 States used to have fair trade laws, but now only 24 do, reflecting the diminishing regard for this brand of protectionism.

In closing, I would like to point out that the Consumer Protection and Finance Subcommittee, which I head, shares jurisdiction over this matter with the Monopolies and Commercial Law Subcommittee which worked on this bill. Despite the overlapping jurisdiction, my subcommittee chose not to ask for a sequential referral. We saw no way to improve on the four-paragraph bill before us this afternoon.

The general opposition to the Fair Trade laws is manifested by the fact that the full House Judiciary Committee reported out the bill without a dissenting vote.

Clearly, fair trade is an idea whose time has gone.

Mr. McCLORY. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. HEINZ).

Mr. HEINZ. Mr. Speaker, I take this time to commend the Judiciary Committee, the chairman of that committee and my good friend, the gentleman from Illinois (Mr. McCLORY) and the gentleman from Michigan (Mr. HUTCHINSON) for bringing to the House floor this long-awaited proposal to repeal the so-called fair trade laws.

The fair trade laws, in existence for over 40 years, have allowed manufacturers to specify minimum retail prices for designated brand name products. Rather than insuring fair trade practices, however, the fair trade laws have stifled competition, encouraged price fixing, increased costs to the consumer, and have generally denied the public the benefits of competition at the retail level.

In 1970, the Department of Justice conducted a nationwide survey to determine the effect of fair trade laws on the costs of consumer goods. The Department found that consumers in nonfair trade States paid between 0.2 percent and 37.4 percent less for items that are fair-traded elsewhere. And in January of this year, the President suggested that fair trade laws cost the consumer between $1.5 and $3 billion annually.

Mr. Speaker, I am delighted that through the repeal of the fair trade laws we will give businessmen and manufacturers an opportunity to compete. And I am pleased that this legislation will bring about a long-overdue savings to the consumer.

Again, I want to compliment the Judiciary Committee for bringing this important, anti-inflationary legislation to the floor, and urge my colleagues to support it.

Miss JORDAN. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. ROSENTHAL).

Mr. ROSENTHAL. Mr. Speaker, I want to commend the Committee on the Judiciary, and particularly the gentlewoman from Texas (Miss JORDAN) for bringing to the floor of the House this very, very important bill.

We have lived with the concept of fair trade and the stifling of competition for a number of years. In the early period, it was somewhat understandable, but today in the marketplace, there is no understandable reason to support the maintenance and continuation of fair trade. The fact is that it stifles competition. It really prevents the free market system from working. It is a crutch which many retailers and manufacturers have relied upon. It has caused substantial price increases to consumers. It has prevented legitimate competition in the retail field.

This bill is an important milestone in bringing free competition to the marketplace. If we are to have free enterprise, we must continue the purposes of this bill and others like it. I know that the American consumer shall and will be enormously grateful to our colleague, the gentlewoman from Texas (Miss JORDAN) and the Members of the committee, including the gentleman from Illinois (Mr. McCLORY) who brought this bill to the floor today.

Mr. Speaker, I urge all my colleagues to support passage of this important piece of legislation.

Mr. MEZVINSKY. Mr. Speaker, I support the Consumer Goods Pricing Act of 1975. For far too long we have allowed the outdated, fair trade laws to remain on the books. Passed during the 1930's to help small businesses stay solvent, these laws have outlived their usefulness, and now serve only to allow prices to be arbitrarily set and prevent retail outlets from engaging in price competition.

In a time of rampaging inflation, it is vital that the Congress take every feasible step to help the consumer get the most value for dollars spent. Estimates

are that from $3 to $6.5 billion a year will be saved by the enactment of this law repealing the fair trade laws. This is good for the public and may well help fight high prices.

I am pleased to note that this bill has broad bipartisan support and urge my colleagues to support this legislation.

Mr. HUGHES. Mr. Speaker, I thank the gentlewoman from Texas for yielding and offering me this opportunity to speak in support of H.R. 6971, the Consumer Goods Pricing Act.

Repeal of the fair trade laws was the first piece of legislation I cosponsored in the House, because fair trade laws are neither fair nor do they promote trade. They are at once inflationary and unfair to the consumer.

I wish to express my gratitude to Congresswoman BARBARA JORDAN for the leadership she has evidenced in moving this piece of legislation. It is just the tonic we need at a time of skyrocketing prices and decreasing competition in sectors of our economy where fair trade laws continue to exist. The legislature in my State of New Jersey has shown the wisdom to repeal such legislation which, if it ever was needed, has certainly now outlived its usefulness.

While at one time 46 States had adopted the so-called fair trade laws, that number has now decreased to 24 States. Thankfully the range of goods so traded has also dwindled.

As one member of the House Judiciary Committee who desires to see competition restored to segments of our economy where market manipulation and concentrations in restraint in trade have developed, I am proud to have been a part of this move to repeal these unfair trade laws.

Mr. SEIBERLING. Mr. Speaker, I enthusiastically support the repeal of the Federal legislation which has enabled States to enact the so-called fair trade laws. The Miller-Tydings amendment to section 1 of the Sherman Act and the McGuire amendment to section 5(a) of the Federal Trade Commission Act enabled the States to legitimize and immunize resale price maintenance which otherwise would have amounted to a per se violation of the Federal antitrust laws.

The theory behind the Miller-Tydings amendment and the McGuire amendment was to preserve small retail outlets against price-cutting by larger stores, which had driven smaller stores out of the business, since Congress believed that the public would be better served by the existence of a large number of retail outlets. There is a real question whether these laws, in fact, served that end. But the question is academic.

In the 38 years since the Miller-Tydings amendment and the 23 years since the McGuire amendment, our economy has evolved to the point that it no longer requires and no longer is served by resale price maintenance under the fair trade laws.

Moreover, the fair trade laws have been abused. They have permitted a manufacturer's contract with one retailer to bind all nonsigning retailers in the State. They have been used to keep manufacturers' profits at artificially high levels. They have not prevented the large chains from displacing the small retailers. Yet by preventing retail and wholesale price competition, these laws have had inflationary effects. As a result, the fair trade laws have clearly become anticonsumer. In an economic system built on the principle of competition, they are an anachronistic anomaly whose repeal is long overdue.

Mr. McCLORY. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Miss JORDAN. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentlewoman from Texas (Miss JORDAN) that the House suspend the rules and pass the bill H.R. 6971.

The question was taken.

Miss JORDAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. Pursuant to clause 3 (b), rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

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

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Texas?

There was no objection.

APPROVING THE "COVENANT TO ESTABLISH A COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS IN POLITICAL UNION WITH THE UNITED STATES OF AMERICA"

Mr. PHILLIP BURTON. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 549), to approve the "Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union With the United States of America," and for other purposes.

The Clerk read as follows:

H.J. RES. 549

Whereas the United States is the administering authority of the Trust Territory of the Pacific Islands under the terms of the trusteeship agreement for the former Japanese mandated islands entered into by the United States with the Security Council of the United Nations on April 2, 1947, and approved by the United States on July 18, 1947; and

Whereas the United States, in accordance with the trusteeship agreement and the Charter of the United Nations, has assumed the obligation to promote the development of the peoples of the trust territory toward self-government or independence as may be appropriate to the particular circumstances of the trust territory and its peoples and the freely expressed wishes of the peoples concerned; and

Whereas the United States, in response to the desires of the people of the Northern Mariana Islands clearly expressed over the past twenty years through public petition and referendum, and in response to its own obligations under the trusteeship agreement to promote self-determination, entered into political status negotiations with representatives of the people of the Northern Mariana Islands; and

Whereas, on February 15, 1975, a "Covenant to Establish A Commonwealth of the Northern Mariana Islands in Political Union with the United States of America" was signed by the Marianas Political Status Commission for the people of the Northern Mariana Islands and by the President's Personal Representative, Ambassador F. Haydn Williams for the United States of America, following which the covenant was approved by the unanimous vote of the Mariana Islands District Legislature on February 20, 1975 and by 78.8 per centum of the people of the Northern Mariana Islands voting in a plebiscite held on June 17, 1975: Now be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, the text of which is as follows, is hereby approved.

"COVENANT TO ESTABLISH A COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS IN POLITICAL UNION WITH THE UNITED STATES OF AMERICA

"Whereas, the Charter of the United Nations and the Trusteeship Agreement between the Security Council of the United Nations and the United States of America guarantee to the people of the Northern Mariana Islands the right freely to express their wishes for self-government or independence; and

"Whereas, the United States supports the desire of the people of the Northern Mariana Islands to exercise their inalienable right of self-determination; and

"Whereas, the people of the Northern Mariana Islands and the people of the United States share the goals and values found in the American system of government based upon the principles of government by the consent of the governed, individual freedom and democracy; and

"Whereas, for over twenty years, the people of the Northern Mariana Islands, through public petition and referendum, have clearly expressed their desire for political union with the United States;

"Now, therefore, the Marianas Political Status Commission, being the duly appointed representative of the people of the Northern Mariana Islands, and the Personal Representative of the President of the United States have entered into this Covenant in order to establish a self-governing commonwealth for the Northern Mariana Islands within the American political system and to define the future relationship between the Northern Mariana Islands and the United States. This Covenant will be mutually binding when it is approved by the United States, by the Mariana Islands District Legislature and by the people of the Northern Mariana Islands in a plebiscite, constituting on their part a sovereign act of self-determination.

"ARTICLE I

"POLITICAL RELATIONSHIP

"SECTION 101. The Northern Mariana Islands upon termination of the Trusteeship Agreement will become a self-governing commonwealth to be known as the 'Commonwealth of the Northern Mariana Islands', in political union with and under the sovereignty of the United States of America.

"SECTION 102. The relations between the Northern Mariana Islands and the United States will be governed by this Covenant which, together with those provisions of the Constitution, treaties and laws of the United States applicable to the Northern Mariana Islands, will be the supreme law of the Northern Mariana Islands.

"SECTION 103. The people of the Northern

Mariana Islands will have the right to local self-government and will govern themselves with respect to affairs in accordance with a Constitution of their own adoption.

"SECTION. 104. The United States will have complete responsibility for and authority with respect to matters relating to foreign affairs and defense affecting the Northern Mariana Islands.

"SECTION 105. The United States may enact legislation in accordance with its constitutional processes which will be applicable to the Northern Mariana Islands, but if such legislation cannot also be made applicable to the several States the Northern Mariana Islands must be specifically named therein for it to become effective in the Northern Mariana Islands. In order to respect the right of self-government guaranteed by this Covenant the United States agrees to limit the exercise of that authority so that the fundamental provisions of this Covenant, namely Articles I, II and III and Sections 501 and 805, may be modified only with the consent of the Government of the United States and the Government of the Northern Mariana Islands.

"ARTICLE II

"CONSTITUTION OF THE NORTHERN MARIANA ISLANDS

"SECTION 201. The people of the Northern Mariana Islands will formulate and approve a Constitution and may amend their Constitution pursuant to the procedures provided therein.

"SECTION 202. The Constitution will be submitted to the Government of the United States for approval on the basis of its consistency with this Covenant and those provisions of the Constitution, treaties and laws of the United States to be applicable to the Northern Mariana Islands. The Constitution will be deemed to have been approved six months after its submission to the President on behalf of the Government of the United States unless earlier approved or disapproved. If disapproved the Constitution will be returned and will be resubmitted in accordance with this Section. Amendments to the Constitution may be made by the people of the Northern Mariana Islands without approval by the Government of the United States, but the courts established by the Constitution or laws of the United States will be competent to determine whether the Constitution and subsequent amendments thereto are consistent with this Covenant and with those provisions of the Constitution, treaties and laws of the United States applicable to the Northern Mariana Islands.

"SECTION 203. (a) The Constitution will provide for a republican form of government with separate executive, legislative and judicial branches, and will contain a bill of rights.

"(b) The executive power of the Northern Mariana Islands will be vested in a popularly elected Governor and such other officials as the Constitution or laws of the Northern Mariana Islands may provide.

"(c) The legislative power of the Northern Mariana Islands will be vested in a popularly elected legislature and will extend to all rightful subjects of legislation. The Constitution of the Northern Mariana Islands will provide for equal representation for each of the chartered municipalities of the Northern Mariana Islands in one house of a bicameral legislature, notwithstanding other provisions of this Covenant or those provisions of the Constitution or laws of the United States applicable to the Northern Mariana Islands.

"(d) The judicial power of the Northern Mariana Islands will be vested in such courts as the Constitution or laws of the Northern Mariana Islands may provide. The Constitution or laws of the Northern Mariana Islands may vest in such courts jurisdiction over all causes in the Northern Mariana Islands over which any court established by the Constitution or laws of the United States does not have exclusive jurisdiction.

"SECTION 204. All members of the legislature of the Northern Mariana Islands and all officers and employees of the Government of the Northern Mariana Islands will take an oath or affirmation to support this Covenant, those provisions of the Constitution, treaties and laws of the United States applicable to the Northern Mariana Islands, and the Constitution and laws of the Northern Mariana Islands.

"ARTICLE III

"CITIZENSHIP AND NATIONALITY

"SECTION 301. The following persons and their children under the age of 18 years on the effective date of this Section, who are not citizens or nationals of the United States under any other provision of law, and who on that date do not owe allegiance to any foreign state, are declared to be citizens of the United States, except as otherwise provided in Section 302:

"(a) all persons born in the Northern Mariana Islands who are citizens of the Trust Territory of the Pacific Islands on the day preceding the effective date of this Section, and who on that date are domiciled in the Northern Mariana Islands or in the United States or any territory or possession thereof;

"(b) all persons who are citizens of the Trust Territory of the Pacific Islands on the day preceding the effective date of this Section, who have been domiciled continuously in the Northern Mariana Islands for at least five years immediately prior to that date, and who, unless under age, registered to vote in elections for the Mariana Islands District Legislature or for any municipal election in the Northern Mariana Islands prior to January 1, 1975; and

"(c) all persons domiciled in the Northern Mariana Islands on the day preceding the effective date of this Section, who, although not citizens of the Trust Territory of the Pacific Islands, on that date have been domiciled continuously in the Northern Mariana Islands beginning prior to January 1, 1974.

"SECTION 302. Any person who becomes a citizen of the United States solely by virtue of the provisions of Section 301 may within six months after the effective date of that Section or within six months after reaching the age of 18 years, whichever date is the later, become a national but not a citizen of the United States by making a declaration under oath before any court established by the Constitution or laws of the United States or any court of record in the Commonwealth in the form as follows:

"'I ——— being duly sworn, hereby declare my intention to be a national but not a citizen of the United States.'"

"SECTION 303. All persons born in the Commonwealth on or after the effective date of this Section and subject to the jurisdiction of the United States will be citizens of the United States at birth.

"SECTION 304. Citizens of the Northern Mariana Islands will be entitled to all privileges and immunities of citizens in the several States of the United States.

"ARTICLE IV

"JUDICIAL AUTHORITY

"SECTION 401. The United States will establish for and within the Northern Mariana Islands a court of record to be known as the 'District Court for the Northern Mariana Islands'. The Northern Mariana Islands will constitute a part of the same judicial circuit of the United States as Guam.

"SECTION 402. (a) The District Court for the Northern Mariana Islands will have the jurisdiction of a district court of the United States, except that in all causes arising under the Constitution, treaties or laws of the United States it will have jurisdiction regardless of the sum or value of the matter in controversy.

"(b) The District Court will have original jurisdiction in all causes in the Northern Mariana Islands not described in Subsection (a) jurisdiction over which is not vested by the Constitution or laws of the Northern Mariana Islands in a court or courts of the Northern Mariana Islands. In causes brought in the District Court solely on the basis of this subsection, the District Court will be considered a court of the Northern Mariana Islands for the purposes of determining the requirements of indictment by grand jury or trial by jury.

"(c) The District Court will have such appellate jurisdiction as the Constitution or laws of the Northern Mariana Islands may provide. When it sits as an appellate court, the District Court will consist of three judges, at least one of which will be a judge of a court of record of the Northern Mariana Islands.

"SECTION 403. (a) The relations between the courts established by the Constitution or laws of the United States and the courts of the Northern Mariana Islands with respect to appeals, certiorari, removal of causes, the issuance of writs of habeas corpus and other matters or proceedings will be governed by the laws of the United States pertaining to the relations between the courts of the United States and the courts of the several States in such matters and proceedings, except as otherwise provided in this Article; provided that for the first fifteen years following the establishment of an appellate court of the Northern Mariana Islands the United States Court of Appeals for the judicial circuit which includes the Northern Mariana Islands will have jurisdiction of appeals from all final decisions of the highest court of the Northern Mariana Islands from which a decision could be had in all cases involving the Constitution, treaties or laws of the United States, or any authority exercised thereunder, unless those cases are reviewable in the District Court for the Northern Mariana Islands pursuant to Subsection 402(c).

"(b) Those portions of Title 28 of the United States Code which apply to Guam or the District Court of Guam will be applicable to the Northern Mariana Islands or the District Court for the Northern Mariana Islands, respectively, except as otherwise provided in this Article.

"ARTICLE V

"APPLICABILITY OF LAWS

"SECTION 501. (a) To the extent that they are not applicable of their own force, the following provisions of the Constitution of the United States will be applicable within the Northern Mariana Islands as if the Northern Mariana Islands were one of the several States: Article I, Section 9, Clauses 2, 3, and 8; Article I, Section 10, Clauses 1 and 3; Article IV, Section 1 and Section 2, Clauses 1 and 2; Amendments 1 through 9, inclusive; Amendment 13; Amendment 14, Section 1; Amendment 15; Amendment 19; and Amendment 26 provided, however, that neither trial by jury nor indictment by grand jury shall be required in any civil action or criminal prosecution based on local law, except where required by local law. Other provisions of or amendments to the Constitution of the United States, which do not apply of their force within the Northern Mariana Islands, will be applicable within the Northern Mariana Islands only with approval of the Government of the Northern Mariana Islands and the Government of the United States.

"(b) The applicability of certain provisions of the Constitution of the United States to the Northern Mariana Islands will be without prejudice to the validity of and the power of the Congress of the United States to consent to Sections 203, 506 and

805 and the proviso in Subsection (a) of this Section.

"SECTION 502. (a) The following laws of the United States in existence on the effective date of this Section and subsequent amendments to such laws will apply to the Northern Mariana Islands, except as otherwise provided in this Covenant:

"(1) those laws which provide federal services and financial assistance programs and the federal banking laws as they apply to Guam; Section 228 of Title II and Title XVI of the Social Security Act as it applies to the several States; the Public Health Service Act as it applies to the Virgin Islands; and the Micronesian Claims Act as it applies to the Trust Territory of the Pacific Islands;

"(2) those laws not described in paragraph (1) which are applicable to Guam and which are of general application to the several States as they are applicable to the several States; and

"(3) those laws not described in paragraphs (1) or (2) which are applicable to the Trust Territory of the Pacific Islands, but not their subsequent amendments unless specifically made applicable to the Northern Mariana Islands, as they apply to the Trust Territory of the Pacific Islands until termination of the Trusteeship Agreement, and will thereafter be inapplicable.

"(b) The laws of the United States regarding coastal shipments and the conditions of employment, including the wages and hours of employees, will apply to the activities of the United States Government and its contractors in the Northern Mariana Islands.

"SECTION 503. The following laws of the United States, presently inapplicable to the Trust Territory of the Pacific Islands, will not apply to the Northern Mariana Islands except in the manner and to the extent made applicable to them by the Congress by law after termination of the Trusteeship Agreement:

"(a) except as otherwise provided in Section 506, the immigration and naturalization laws of the United States;

"(b) except as otherwise provided in Subsection (b) of Section 502, the coastwise laws of the United States and any prohibition in the laws of the United States against foreign vessels landing fish or unfinished fish products in the United States; and

"(c) the minimum wage provision of Section 6, Act of June 25, 1938, 52 Stat. 1062, as amended.

"SECTION 504. The President will appoint a Commission on Federal Laws to survey the laws of the United States and to make recommendations to the United States Congress as to which laws of the United States not applicable to the Northern Mariana Islands should be made applicable and to what extent and in what manner, and which applicable laws should be made inapplicable and to what extent and in what manner. The Commission will consist of seven persons (at least four of whom will be citizens of the Trust Territory of the Pacific Islands who are and have been for at least five years domiciled continuously in the Northern Islands at the time of their appointments) who will be representative of the federal, local, private and public interests in the applicability of laws of the United States to the Northern Mariana Islands. The Commission will make its final report and recommendations to the Congress within one year after the termination of the Trusteeship Agreement, and before that time will make such interim reports and recommendations to the Congress as it considers appropriate to facilitate the transition of the Northern Mariana Islands to its new political status. In formulating its recommendations the Commission will take into consideration the potential effect of each law on local conditions within the Northern Marina Islands, the policies embodied in the law and the provisions and purposes of this Covenant. The United States will bear the cost of the work of the Commission.

"SECTION 505. The laws of the Trust Territory of the Pacific Islands, of the Mariana Islands District and its local municipalities, and all other Executive and District orders of a local nature applicable to the Northern Mariana Islands on the effective date of this Section and not inconsistent with this Covenant or with those provisions of the Constitution, treaties or laws of the United States applicable to the Northern Mariana Islands will remain in force and effect until and unless altered by the Government of the Northern Mariana Islands.

"SECTION 506. (a) Notwithstanding the provisions of Subsection 503(a), upon the effective date of this Section the Northern Mariana Islands will be deemed to be a part of the United States under the Immigration and Nationality Act, as amended for the following purposes only, and the said Act will apply to the Northern Mariana Islands to the extent indicated in each of the following Subsections of this Section.

"(b) With respect to children born abroad to United States citizen or non-citizen national parents permanently residing in the Northern Mariana Islands the provisions of Sections 301 and 308 of the said Act will apply.

"(c) With respect to aliens who are 'immediate relatives' (as defined in Subsection 201(b) of the said Act) of United States citizens who are permanently residing in the Northern Mariana Islands all the provisions of the said Act will apply, commencing when a claim is made to entitlement to 'immediate relative' status. A person who is certified by the Government of the Northern Mariana Islands both to have been a lawful permanent resident of the Northern Mariana Islands and to have had the 'immediate relative' relationship denoted herein on the effective date of this Section will be presumed to have been admitted to the United States for lawful permanent residence as of that date without the requirement of any of the usual procedures set forth in the said Act. For the purpose of the requirements of judicial naturalization, the Northern Mariana Islands will be deemed to constitute a State as defined in Subsection 101(a) paragraph (36) of the said Act. The Courts of record of the Northern Mariana Islands and the District Court for the Northern Mariana Islands will be included among the courts specified in Subsection 310(a) of the said Act and will have jurisdiction to naturalize persons who become eligible under this Section and who reside within their respective jurisdictions.

"(d) With respect to persons who will become citizens or nationals of the United States under Article III of this Covenant or under this Section the loss of nationality provisions of the said Act will apply.

"ARTICLE VI

"REVENUE AND TAXATION

"SECTION 601. (a) The income tax laws in force in the United States will come into force in the Northern Mariana Islands as a local territorial income tax on the first day of January following the effective date of this Section, in the same manner as those laws are in force in Guam.

"(b) Any individual who is a citizen or a resident of the United States, of Guam, or of the Northern Mariana Islands (including a national of the United States who is not a citizen), will file only one income tax return with respect to his income, in a manner similar to the provisions of Section 935 of Title 26, United States Code.

"(c) References in the Internal Revenue Code to Guam will be deemed also to refer to the Northern Mariana Islands, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof or of this Covenant.

"SECTION 602. The Government of the Northern Mariana Islands may by local law impose such taxes, in addition to those imposed under Section 601, as it deems appropriate and provide for the rebate of any taxes received by it, except that the power of the Government of the Northern Mariana Islands to rebate collections of the local territorial income tax received by it will be limited to taxes on income derived from sources within the Northern Mariana Islands.

"SECTION 603. (a) The Northern Mariana Islands will not be included within the customs territory of the United States.

"(b) The Government of the Northern Mariana Islands may, in a manner consistent with the international obligations of the United States, levy duties on goods imported into its territory from any area outside the customs territory of the United States and impose duties on exports from its territory.

"(c) Imports from the Northern Mariana Islands into the customs territory of the United States will be subject to the same treatment as imports from Guam into the customs territory of the United States.

"(d) The Government of the United States will seek to obtain from foreign countries favorable treatment for exports from the Northern Mariana Islands will encourage other countries to consider the Northern Mariana Islands a developing territory.

"SECTION 604. (a) The Government of the United States may levy excise taxes on goods manufactured, sold or used or services rendered in the Northern Mariana Islands in the same manner and to the same extent as such taxes are applicable within Guam.

"(b) The Government of the Northern Mariana Islands will have the authority to impose excise taxes upon goods manufactured, sold or used or services rendered within its territory or upon goods imported into its territory, provided that such excise taxes imposed on goods imported into its territory will be consistent with the international obligations of the United States.

"SECTION 605. Nothing in this Article will be deemed to authorize the Government of the Northern Mariana Islands to impose any customs duties on the property of the United States or on the personal property of military or civilian personnel of the United States Government or their dependents entering or leaving the Northern Mariana Islands pursuant to their contract of employment or orders assigning them to or from the Northern Mariana Islands or to impose any taxes on the property, activities or instrumentalities of the United States which one of the several States could not impose; nor will any provision of this Article be deemed to affect the operation of the Soldiers and Sailors Civil Relief Act of 1940, as amended, which will be applicable to the Northern Mariana Islands as it is applicable to Guam.

"SECTION 606. (a) Not later than at the time this Covenant is approved, that portion of the Trust Territory Social Security Retirement Fund attributable to the Northern Mariana Islands will be transferred to the Treasury of the United States, to be held in trust as a separate fund to be known as the 'Northern Mariana Islands Social Security Retirement Fund'. This fund will be administered by the United States in accordance with the social security laws of the Trust Territory of the Pacific Islands in effect at the time of such transfer, which may be modified by the Government of the Northern Mariana Islands only in a manner which does not create any additional differences between the social security laws of the Trust Territory of the Pacific Islands and the laws described in Subsection (b). The United States will supplement such fund if necessary to assure that persons receive benefits

therefrom comparable to those they would have received from the Trust Territory Social Security Retirement Fund under the laws applicable thereto on the day preceding the establishment of the Northern Mariana Islands Social Security Retirement Fund, so long as the rate of contributions thereto also remains comparable.

"(b) Those laws of the United States which impose excise and self-employment taxes to support or which provide benefits from the United States Social Security System will upon termination of the Trusteeship Agreement or such earlier date as may be agreed to by the Government of the Northern Mariana Islands and the Government of the United States become applicable to the Northern Mariana Islands as they apply to Guam.

"(c) At such time as the laws described in Subsection (b) become applicable to the Northern Mariana Islands:

"(1) the Northern Mariana Islands Social Security Retirement Fund will be transferred into the appropriate Federal Social Security Trust Funds;

"(2) prior contributions by or on behalf of persons domiciled in the Northern Mariana Islands to the Trust Territory Social Security Retirement Fund or the Northern Mariana Islands Social Security Retirement Fund will be considered to have been made to the appropriate Federal Social Security Trust Funds for the purpose of determining eligibility of those persons in the Northern Mariana Islands for benefits under those laws; and

"(3) persons domiciled in the Northern Mariana Islands who are eligible for or entitled to social security benefits under the laws of the Trust Territory of the Pacific Islands or of the Northern Mariana Islands will not lose their entitlement and will be eligible for or entitled to benefits under the laws described in Subsection (b).

"SECTION 607. (a) All bonds or other obligations issued by the Government of the Northern Mariana Islands or by its authority will be exempt, as to principal and interest, from taxation by the United States, or by any State, territory or possession of the United States, or any political subdivision of any of them.

"(b) During the initial seven year period of financial assistance provided for in Section 702, and during such subsequent periods of financial assistance as may be agreed, the Government of the Northern Mariana Islands will authorize no public indebtedness (other than bonds or other obligations of the Government payable solely from revenues derived from any public improvement or undertaking) in excess of ten percentum of the aggregate assessed valuation of the property within the Northern Mariana Islands.

"ARTICLE VII

"UNITED STATES FINANCIAL ASSISTANCE

"SECTION 701. The Government of the United States will assist the Government of the Northern Mariana Islands in its efforts to achieve a progressively higher standard of living for its people as part of the American economic community and to develop the economic resources needed to meet the financial responsibilities of local self-government. To this end, the United States will provide direct multi-year financial support of the Government of Northern Mariana Islands for local government operations for capital improvement programs and for economic development. The initial period of such support will be seven years, as provided in Section 702.

"SECTION 702. Approval of this Covenant by the United States will constitute a commitment and pledge of the full faith and credit of the United States for the payment, as well as an authorization for the appropriation, of the following guaranteed annual levels of direct grant assistance to the Government of the Northern Mariana Islands for each of the seven fiscal years following the effective date of this Section:

"(a) $8.25 million for budgetary support for government operations, of which $250,000 each year will be reserved for a special education training fund connected with the change in the political status of the Northern Mariana Islands;

"(b) $4 million for capital improvement projects, of which $500,000 each year will be reserved for such projects on the Island of Tinian and $500,000 each year will be reserved for such projects on the Island of Rota; and

"(c) $1.75 million for an economic development loan fund, of which $500,000 each year will be reserved for small loans to farmers and fishermen and to agricultural and marine cooperatives, and of which $250,000 each year will be reserved for a special program of low interest housing loans for low income families.

"SECTION 703. (a) The United States will make available to the Northern Mariana Islands the full range of federal programs and services available to the territories of the United States. Funds provided under Section 702 will be considered to be local revenues of the Government of the Northern Mariana Islands when used as the local share required to obtain federal programs and services.

"(b) There will be paid into the Treasury of the Government of the Northern Mariana Islands, to be expended to the benefit of the people thereof as that Government may by law prescribe, the proceeds of all customs duties and federal income taxes derived from the Northern Mariana Islands, the proceeds of all taxes collected under the internal revenue laws of the United States on articles produced in the Northern Mariana Islands and transported to the United States, its territories or possessions, or consumed in the Northern Mariana Islands, the proceeds of any other taxes which may be levied by the Congress on the inhabitants of the Northern Mariana Islands, and all quarantine, passport, immigration and naturalization fees collected in the Northern Mariana Islands, except that nothing in this Section shall be construed to apply to any tax imposed by Chapters 2 or 21 of Title 26, United States Code.

"SECTION 704. (a) Funds provided under Section 702 not obligated or expended by the Government of the Northern Mariana Islands during any fiscal year will remain available for obligation or expenditure by that Government in subsequent fiscal years for the purposes for which the funds were appropriated.

"(b) Approval of this Covenant by the United States will constitute an authorization for the appropriation of a pro-rata share of the funds provided under Section 702 for the period between the effective date of this Section and the beginning of the next succeeding fiscal year.

"(c) The amounts stated in Section 702 will be adjusted for each fiscal year by a percentage which will be the same as the percentage change in the United States Department of Commerce composite price index using the beginning of Fiscal Year 1975 as the base.

"(d) Upon expiration of the seven year period of guaranteed annual direct grant assistance provided by Section 702, the annual level of payments in each category listed in Section 702 will continue until Congress appropriates a different amount or otherwise provides by law.

"ARTICLE VIII

"PROPERTY

"SECTION 801. All right, title and interest of the Government of the Trust Territory of the Pacific Islands in and to real property in the Northern Mariana Islands on the date of the signing of this Covenant or thereafter acquired in any manner whatsoever will, no later than upon the termination of the Trusteeship Agreement, be transferred to the Government of the Northern Mariana Islands. All right, title and interest of the Government of the Trust Territory of the Pacific Islands in and to all personal property on the date of the signing of this Covenant or thereafter acquired in any manner whatsoever will, no later than upon the termination of the Trusteeship Agreement, be distributed equitably in a manner to be determined by the Government of the Trust Territory of the Pacific Islands in consultation with those concerned, including the Government of the Northern Mariana Islands.

"SECTION 802. (a) The following property will be made available to the Government of the United States by lease to enable it to carry out its defense responsibilities:

"(1) on Tinian Island, approximately 17,799 acres (7,203 hectares) and the waters immediately adjacent thereto;

"(2) on Saipan Island, approximately 177 acres (72 hectares) at Tanapag Harbor; and

"(3) on Farallon de Medinilla Islands, approximately 206 acres (83 hectares) encompassing the entire island, and the waters immediately adjacent thereto.

"(b) The United States affirms that it has no present need for or present intention to acquire any greater interest in property listed above than that which is granted to it under Subsection 803(a), or to acquire any property in addition to that listed in Subsection (a), above, in order to carry out its defense responsibilities.

"SECTION 803. (a) The Government of the Northern Mariana Islands will lease the property described in Subsection 802(a) to the Government of the United States for a term of fifty years, and the Government of the United States will have the option of renewing this lease for all or part of such property for an additional term of fifty years if it so desires at the end of the first term.

"(b) The Government of the United States will pay to the Government of the Northern Mariana Islands in full settlement of this lease, including the second fifty year term of the lease if extended under the renewal option, the total sum of $19,520,600, determined as follows:

"(1) for that property on Tinian Island, $17.5 million;

"(2) for that property at Tanapag Harbor on Saipan Island, $2 million; and

"(3) for that property known as Farallon de Medinilla, $20,600.

The sum stated in this Subsection will be adjusted by a percentage which will be the same as the percentage change in the United States Department of Commerce composite price index from the date of signing the Covenant.

"(c) A separate Technical Agreement Regarding Use of Land To Be Leased by the United States in the Northern Mariana Islands will be executed simultaneously with this Covenant. The terms of the lease to the United States will be in accordance with this Section and with the terms of the Technical Agreement. The Technical Agreement will also contain terms relating to the leaseback of property, to the joint use arrangements for San Jose Harbor and West Field on Tinian Island, and to the principles which will govern the social structure relations between the United States military and the Northern Mariana Islands civil authorities.

"(d) From the property to be leased to it in accordance with this Covenant the Government of the United States will lease back to the Government of the Northern Mariana Islands, in accordance with the Technical Agreement, for the sum of one dollar per acre per year, approximately 6,458 acres (2,614 hectares) on Tinian Island and approximately 44 acres (18 hectares) at Tanapag Harbor on Saipan Island, which will be used for pur-

poses compatible with their intended military use.

"(e) From the property to be leased to it at Hanapag Harbor on Saipan Island the Government of the United States will make available to the Government of the Northern Mariana Islands 133 acres (54 hectares) at no cost. This property will be set aside for public use as an American memorial park to honor the American and Marianas dead in the World War II Marianas Campaign. The $2 million received from the Government of the United States for the lease of this property will be placed into a trust fund, and used for the development and maintenance of the park in accordance with the Technical Agreement.

"SECTION 804. (a) The Government of the United States will cause all agreements between it and the Government of the Trust Territory of the Pacific Islands which grant to the Government of the United States use or other rights in real property in the Northern Mariana Islands to be terminated upon or before the effective date of the Section. All right, title and interest of the Government of the Trust Territory of the Pacific Islands in and to any real property with respect to which the Government of the United States enjoys such use or other rights will be transferred to the Government of the Northern Mariana Islands at the time of such termination. From the time such right, title and interest is so transferred the Government of the Northern Mariana Islands will assure the Government of the United States the continued use of the real property then actively used by the Government of the United States for civilian governmental purposes on terms comparable to those enjoyed by the Government of the United States under its arrangements with the Government of the Trust Territory of the Pacific Islands on the date of the signature of this Covenant.

"(b) All facilities at Isely Field developed with federal aid and all facilities at that field usable for the landing and take-off of aircraft will be available to the United States for use by military and naval aircraft, in common with other aircraft, at all times without charge, except, if the use by military and naval aircraft shall be substantial, a reasonable share, proportional to such use, of the cost of operating and maintaining the facilities so used may be charged at a rate established by agreement between the Government of the Northern Mariana Islands and the Government of the United States.

"SECTION 805. Except as otherwise provided in this Article, and notwithstanding the other provisions of this Covenant, or those provisions of the Constitution, treaties or laws of the United States applicable to the Northern Mariana Islands, the Government of the Northern Mariana Islands, in view of the importance of the ownership of land for the culture and traditions of the people of the Northern Mariana Islands, and in order to protect them against exploitation and to promote their economic advancement and self-sufficiency:

"(a) will until twenty-five years after the termination of the Trusteeship Agreement, and may thereafter, regulate the alienation of permanent and long-term interests in real property so as to restrict the acquisition of such interests to persons of Northern Mariana Islands descent; and

"(b) may regulate the extent to which a person may own or hold land which is now public land.

"SECTION 806. (a) The United States will continue to recognize and respect the scarcity and special importance of land in the Northern Mariana Islands. If the United States must acquire any interest in real property not transferred to it under this Covenant, it will follow the policy of seeking to acquire only the minimum area necessary to accomplish the public purpose for which the real property is required, of seeking only the minimum interest in real property necessary to support such public purpose, acquiring title only if the public purpose cannot be accomplished if a lesser interest is obtained, and of seeking first to satisfy its requirement by acquiring an interest in public rather than private real property.

"(b) The United States may, upon prior written notice to the Government of the Northern Mariana Islands, acquire for public purposes in accordance with Federal laws and procedures any interest in real property in the Northern Mariana Islands by purchase, lease, exchange, gift or otherwise under such terms and conditions as may be negotiated by the parties. The United States will in all cases attempt to acquire any interest in real property for public purposes by voluntary means under this subsection before exercising the power of eminent domain. No interest in real property will be acquired unless duly authorized by the Congress of the United States and appropriations are available therefor.

"(c) In the event it is not possible for the United States to obtain an interest in real property for public purposes by voluntary means, it may exercise within the Commonwealth the power of eminent domain to the same extent and in the same manner as it has and can exercise the power of eminent domain in a State of the Union. The power of eminent domain will be exercised within the Commonwealth only to the extent necessary and in compliance with applicable United States laws, and with full recognition of the due process required by the United States Constitution.

"ARTICLE IX

"NORTHERN MARIANA ISLANDS REPRESENTATIVE AND CONSULTATION

"SECTION 901. The Constitution or laws of the Northern Mariana Islands may provide for the appointment or election of a Resident Representative to the United States, whose term of office will be two years, unless otherwise determined by local law, and who will be entitled to receive official recognition as such Representative by all of the departments and agencies of the Government of the United States upon presentation through the Department of State of a certificate of selection from the Governor. The Representative must be a citizen and resident of the Northern Mariana Islands, at least twenty-five years of age, and, after termination of the Trusteeship Agreement, a citizen of the United States.

"SECTION 902. The Government of the United States and the Government of the Northern Mariana Islands will consult regularly on all matters affecting the relationship between them. At the request of either Government, and not less frequently than every ten years, the President of the United States and the Governor of the Northern Mariana Islands will designate special representatives to meet and to consider in good faith such issues affecting the relationship between the Northern Mariana Islands and the United States as may be designated by either Government and to make a report and recommendations with respect thereto. Special representatives will be appointed in any event to consider and to make recommendations regarding future multi-year financial assistance to the Northern Mariana Islands pursuant to Section 701, to meet at least one year prior to the expiration of every period of such financial assistance.

"SECTION 903. Nothing herein shall prevent the presentation of cases or controversies arising under this Covenant to courts established by the Constitution or laws of the United States. It is intended that any such cases or controversies will be justiciable in such courts and that the undertakings by the Government of the United States and by the Government of the Northern Mariana Islands provided for in this Covenant will be enforceable in such courts.

"SECTION 904. (a) The Government of the United States will give sympathetic consideration to the views of the Government of the Northern Mariana Islands on international matters directly affecting the Northern Mariana Islands and will provide opportunities for the effective presentation of such views to no less extent than such opportunities are provided to any other territory or possession under comparable circumstances.

"(b) The United States will assist and facilitate the establishment by the Northern Mariana Islands of offices in the United States and abroad to promote local tourism and other economic or cultural interests of the Northern Mariana Islands.

"(c) On its request the Northern Mariana Islands may participate in regional and other international organizations concerned with social, economic, educational, scientific, technical and cultural matters when similar participation is authorized for any other territory or possession of the United States and under comparable circumstances.

"ARTICLE X

"APPROVAL, EFFECTIVE DATES, AND DEFINITIONS

"SECTION 1001. (a) This Covenant will be submitted to the Mariana Islands District Legislature for its approval. After its approval by the Mariana Islands District Legislature, this Covenant will be submitted to the people of the Northern Mariana Islands for approval in a plebiscite to be called by the United States. Only persons who are domiciled exclusively in the Northern Mariana Islands who meet such other qualifications, including timely registration, as are promulgated by the United States as administering authority will be eligible to vote in the plebiscite. Approval must be by a majority of at least 55% of the valid vote cast in the plebiscite. The results of the plebiscite will be certified to the President of the United States.

"(b) This Covenant will be approved by the United States in accordance with its constitutional processes and will thereupon become law.

"SECTION 1002. The President of the United States will issue a proclamation announcing the termination of the Trusteeship Agreement, or the date on which the Trusteeship Agreement will terminate, and the establishment of the Commonwealth in accordance with this Covenant. Any determination by the President that the Trusteeship Agreement has been terminated or will be terminated on a day certain will be final and will not be subject to review by any authority, judicial or otherwise, of the Trust Territory of the Pacific Islands, the Northern Mariana Islands or the United States.

"SECTION 1003. The provisions of this Covenant will become effective as follows, unless otherwise specifically provided:

"(a) Sections 105, 201–203, 503, 504, 606, 801, 903 and Article X will become effective on approval of this Covenant;

"(b) Sections 102, 103, 204, 304, Article IV, Sections 501, 502, 505, 601–605, 607, Article VII, Sections 802–805, 901 and 902 will become effective on a date to be determined and proclaimed by the President of the United States which will be not more than 180 days after this Covenant and the Constitution of the Northern Mariana Islands have both been approved; and

"(c) The remainder of this Covenant will become effective upon the termination of the Trusteeship Agreement and the establishment of the Commonwealth of the Northern Mariana Islands.

"SECTION 1004. (a) The application of any provision of the Constitution or laws of the United States which would otherwise apply to the Northern Mariana Islands may be suspended until termination of the Trustee-

ship Agreement if the President finds and declares that the application of such provision prior to termination would be inconsistent with the Trusteeship Agreement.

"(b) The Constitution of the Northern Mariana Islands will become effective in accordance with its terms on the same day that the provisions of this Covenant specified in Subsection 1003(b) become effective, provided that if the President finds and declares that the effectiveness of any provision of the Constitution of the Northern Mariana Islands prior to termination of the Trusteeship Agreement would be inconsistent with the Trusteeship Agreement such provision will be ineffective until termination of the Trusteeship Agreement. Upon the establishment of the Commonwealth of the Northern Mariana Islands the Constitution will become effective in its entirety in accordance with its terms as the Constitution of the Commonwealth of the Northern Mariana Islands.

"SECTION 1005. As used in this Covenant:

"(a) 'Trusteeship Agreement' means the Trusteeship Agreement for the former Japanese Mandated Islands concluded between the Security Council of the United Nations and the United States of America, which entered into force on July 18, 1947:

"(b) 'Northern Mariana Islands' means the area now known as the Mariana Islands District of the Trust Territory of the Pacific Islands, which lies within the area north of 14° north latitude, south of 21° north latitude, west of 150° east longitude and east of 144° east longitude;

"(c) 'Government of the Northern Mariana Islands' includes, as appropriate, the Government of the Mariana Islands District of the Trust Territory of the Pacific Islands at the time this Covenant is signed, its agencies and instrumentalities, and its successors, including the Government of the Commonwealth of the Northern Mariana Islands;

"(d) 'Territory or possession' with respect to the United States includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam and American Samoa;

"(e) 'Domicile' means that place where a person maintains a residence with the intention of continuing such residence for an unlimited or indefinite period, and to which such person has the intention of returning whenever he is absent, even for an extended period.

"Signed at Saipan, Mariana Islands on the fifteenth day of February, 1975.

"For the people of the Northern Mariana Islands:

EDWARD DLG. PANGELINAN,
Chairman, Marianas
Political Status Commission.
VICENTE N. SANTOS.
Vice Chairman, Marianas
Political Status Commission.

"For the United States of America:
Ambassador F. HAYDN WILLIAMS,
Personal Representative of the
President of the United States.

"Members of the Mariana Political Status Commission:

JUAN LG. CABRERA.
VICENTE T. CAMACHO.
JOSE R. CRUZ.
BERNARD V. HOFSCHNEIDER.
BENJAMIN T. MANGLONA.
DANIEL T. MUNA.
Dr. FRANCISCO T. PALACIOS.
JOAQUIN I. PANGELINAN.
MANUEL A. SABLAN.
JOANNES B. TAIMANAO.
PEDRO A. TENORIO."

SEC. 2. There is hereby authorized to be appropriated such amounts as may be necessary (in addition to amounts previously authorized to be appropriated) for the purpose of making full payments of awards under title II of the Micronesia Claims Act of 1971, Public Law 92-39.

SEC. 3. (a) The President is hereby authorized to extend to Puerto Rico, the Virgin Islands, Guam, American Samoa, the Mariana Islands District and the other Districts of the Trust Territory of the Pacific Islands, all Federal programs providing grant, loan, and loan guarantee or other assistance to the States unless he determines that such extension is inconsistent with the purposes of the statutory authorization under which such assistance is provided or unless such extension is disapproved by resolution of either House of Congress as provided in subsection (b).

(b) The President shall transmit to the Congress notice of any extension action taken under subsection (a) and any such action shall take effect at the end of the first period of sixty calendar days of continuous session of Congress after the date on which the notice is transmitted to it unless, between the date of transmittal and the end of the sixty-day period, either House passes a resolution stating in substance that that House does not favor such extension. For purposes of this subsection, passage of such resolution shall be subject to the same procedures as apply in the case of resolutions disapproving government reorganization plans under Chapter 9 of Title 5, United States Code.

The SPEAKER. Is a second demanded?

Mr. DON H. CLAUSEN. Mr. Speaker, I demand a second.

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

There was no objection.

The SPEAKER. The gentleman from California (Mr. PHILLIP BURTON) will be recognized for 20 minutes, and the gentleman from California (Mr. DON H. CLAUSEN) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from California (Mr. PHILLIP BURTON).

Mr. PHILLIP BURTON. Mr. Speaker, I yield myself 12 minutes.

Mr. Speaker, House Joint Resolution 549 provides for congressional action on the Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America.

On June 17, 1975, the people of the Northern Mariana Islands overwhelmingly approved the covenant in a United Nations-observed plebiscite administered by the President's representative, Mr. Erwin Canham, editor emeritus of the Christian Science Monitor. The people's high degree of interest in the question of becoming a territory of the United States is demonstrated by a participation rate in the plebiscite of 95 percent of the eligible voters, of whom 78.8 percent voted to approve the proposed covenant. It is worthy of note that, in his appearance before our subcommittee on July 14, Mr. Canham stated that after the plebiscite, the leaders of the proponents and opponents of the covenant publicly commented on the fairness and objectivity of the election process, as did the United Nations observers.

Prior to the plebiscite, the Mariana Islands District Legislature unanimously approved the covenant which had been signed previously on February 15, 1975, by the citizens who had been commissioned by the legislature and the people of the Northern Marianas to negotiate an agreement on their behalf; namely, the Marianas Political Status Commission. The President's personal representative, F. Haydn Williams, signed in behalf of the United States.

These events culminated more than 20 years of continuous effort by the people of the Northern Marianas to enter into close union with the United States. In his testimony before our subcommittee, the Honorable Vicente Santos, president of the Mariana Islands District Legislature, detailed some 15 resolutions adopted by the district legislature which dealt with this matter beginning with the creation of the district legislature in 1963. Prior to that, the councils of the municipalities enacted similar resolutions, beginning in 1948. The origins of this strong, enduring desire for freedom were well-stated to the Subcommittee on Territories by the chairman of the Marianas Political Status Commission, when he said:

For over 400 years, the people of the Marianas have been ruled by foreign powers . . . we had no opportunity to speak out on matters . . . such as the nature of our government . . . but . . . after twenty-five years of American administration, our people have come to understand and appreciate the American system of government . . . of individual liberty, of equal justice under the law, and a country that has historically been a refuge for the oppressed . . . for the first time in four centuries, the people of the Northern Mariana Islands live as free men and women. As a result, we have been very active in expressing our strong desire to become a part of the American political family. . . .

This is the background of the historical process by which this matter comes before the House today. And I am pleased to say that the spirit in which all concerned parties dealt with this matter—the administration representatives led by the outstanding Ambassador Williams who has earned the commendation of all, the negotiations for the Mariana Islands, the members of our committee, and other Members of Congress—has matched, I believe, the desire and unity of the Mariana peoples which provided the original impetus leading to today's events. This matter has been the subject of communications, almost without count, between the concerned executive, congressional, and Marianas representatives, seeking . . . effectively consulting before the fact, meeting with each other and with the full range of Marianas leaders and citizenry, to an extent far greater than any other legislative matter in which I have been involved.

The final step by which this matter comes before the House today reflects this same unity. The bipartisan—nonpartisan manner in which the Subcommittee on Territorial Affairs and the Full Committee on Interior and Insular Affairs have considered this subject during the past 3 years is reflected in the unanimous voice vote of the subcommittee and the recorded vote of 30 yeas to 0 nays by which House Joint Resolution 549 was reported to the House by the full Committee on Interior and Insular Affairs.

Mr. Speaker, at this time I would like to express by own personal thanks to the ranking minority member of the full

committee, the gentleman from Kansas (Mr. SKUBITZ). Perhaps even more important, I would like to thank my distinguished colleague from California, the ranking minority member of the subcommittee (Mr. DON H. CLAUSEN), the gentleman from California (Mr. LAGOMARSINO), the gentlewoman from California (Mrs. PETTIS), the gentleman from Arizona (Mr. STEIGER), and others on the other side of the aisle. I would be remiss as well if I did not note the long enduring interest of our distinguished colleague from Hawaii (Mrs. MINK) and the enormous effort she has made in this matter, as well as the distinguished gentleman from Washington (Mr. MEEDS).

Furthermore, I would be remiss if I failed to recognize the very important contribution made by the distinguished Resident Commissioner from Puerto Rico (Mr. BENITEZ), and our distinguished colleagues from Guam (Mr. WON PAT) and the Virgin Islands (Mr. DE LUGO).

Last, but absolutely not least, I must make reference to the absolutely vital and constructive role played by an old friend of ours, our most distinguished colleague, who has, since the initial consideration of this legislation, just within the past month or so, moved his assignment over to the Committee on Ways and Means, but without the help of our thoughtful and concerned colleague, the gentleman from California (Mr. KETCHUM) perhaps the high degree of cooperation would not have been possible.

I also want to praise the staff, Mr. Adrian Winkel and Nancy Drake, as well as Tom Dunmire for their long hours and invaluable assistance. Also Mr. Emmett Rice and Steve Sander of the Interior Department deserve commendation for their assistance.

It has been our objective to leave no record of partisan behavior in our treatment of this subject, but to deal with it in the objective manner which would best serve the legitimate interests of both parties to the negotiations. It would not have been possible to achieve this objective without the full cooperation of all members of the committee, and I am deeply grateful to them. That we succeeded in our joint effort is indicated by Chairman Pangelinan before the subcommittee—

> The bipartisan cooperation that we have been shown by the subcommittee reenforces our belief that the American political system is one with which we want permanently to be attached.

The passage by the Congress of House Joint Resolution 549 will start a series of steps, as provided for by the covenant, which will result in:

First. The administrative separation of the Northern Mariana Islands from the Trust Territory of the Pacific Islands;

Second. The drafting and adoption of a constitution for the Northern Mariana Islands by the Marianas people and the approval of that constitution by the U.S. Government;

Third. The election and establishment of the government provided for by the constitution;

Fourth. The conferring of full U.S. Commonwealth status on the Northern Mariana Islands, following the termination of the trusteeship agreement for all of the Trust Territory of the Pacific Islands.

It is hoped the latter event will take place in the near future when the future political status of the other districts of the territory will have been determined.

At this point, I want to mention some individual provisions of the covenant in which the committee has had a particular interest.

Article I, section 105, provides that specified provisions of the covenant may be modified only with the mutual consent of the Government of the United States and the government of the Northern Mariana Islands. The applicability of this provision is limited to certain basic articles and sections of the covenant: Article I, Political Relationship; article II, Constitution of the Northern Mariana Islands; article III, Citizenship and Nationality; section 501, applicability of certain provisions of the Constitution to the Northern Mariana Islands; section 805, restriction of the alienation of land to persons of Northern Mariana descent (Chamorros and Carolinians). This provision is deemed to be in the best interests of both parties. United States interests are protected in that the application of the provision is specifically limited and defined. Conversely, the provision is in accord with the true meaning of the right of self-determination, which is accorded to the Marianas people under the trusteeship agreement.

Article II, section 203(c) provides that the power of the legislature will extend to "all rightful subjects of legislation." So as to protect employment opportunities for the residents of the Marianas, the record of the subcommittee hearing establishes that all parties—U.S. and Marianas Political Status Commission representatives and the subcommittee—agreed that the understanding of and ability to use the Chamorro language would be a valid factor for the legislature to establish as a measure of employability in the Mariana Islands.

This same subsection of the covenant provides for a bicameral legislature, in one house of which each of the chartered municipalities of the Northern Mariana Islands will be equally represented. This provision is based on the very large disparity in population between the municipalities on Saipan and the municipalities on the other islands. For example, out of 5,500 votes cast in the recent plebiscite, 4,239 were cast on the island on Saipan and only 766 on the other islands. This disparity is caused by population ratios—not by voter participation ratios. More importantly, the centuries-old history of the Mariana Islands is based on the tradition of the significance of land to the people and, therefore, the relative equality and independence of each island. In this respect, the concept is even stronger than the original concept of the equality of our states and we on the committee believe that this concept is understandable and acceptable.

Article VI, section 602 specifies that the government of the Northern Mariana Islands will have the authority to impose local taxes in addition to those imposed by the Federal income tax laws as provided for in the preceding section 601. The record of the hearing on House Joint Resolution 549 before the subcommittee established the intent that section 602 authorizes, among other actions, the providing of rebates on taxes collected and the enactment of surtaxes on income by the government of the Northern Mariana Islands, and that the assistance of the U.S. Internal Revenue Service will be available for such activities to the extent feasible.

Article VII, section 702 provides that for each of 7 fiscal years following the establishment of the new government, the following amounts will be provided:

First. The amount of $8.25 million for budgetary support for government operations. Of this amount each year, $250,000 will be reserved for a special education training fund connected with the change in the political status of the Northern Mariana Islands.

Second. The amount of $4 million for capital improvement projects. Of this amount, $500,000 each year will be reserved for such projects on Tinian and $500,000 each year will be reserved for such projects on Rota.

Third. The amount of $1.75 million for an economic development loan fund, of which $500,000 each year will be reserved for small loans to farmers and fishermen and to agricultural and marine cooperatives, and of which $250,000 each year will be reserved for a special program of low-interest housing loans to low-income families; and

Fourth. In addition to the above, this legislation authorities a one-time appropriation of $19,520,600 in payment of a land lease.

Article VII, section 703(a) of the covenant provides that the United States will make available to the Northern Mariana Islands the full range of Federal programs and services available to the territories of the United States. This section provides, in part, for the Marianas what section 3 of House Joint Resolution 549 is designed to provide for all of the territories.

Article VIII, section 805 provides that for 25 years following termination of the trusteeship, the Northern Marianas Government must, and may thereafter, "regulate the alienation of permanent and long-term interests in real property so as to restrict the acquisition of such interests to persons of Northern Mariana Islands descent." The subcommittee has had a strong interest in this section. On the basis of that unfortunate past experience of other territories and newly developing areas, and because of the especial significance of land in the cultural traditions of the people, and, finally, because of the extreme scarcity of land, it was our judgment that regulation as provided by this section was essential. It is also the clear intent of all parties that, by the language, "persons of Northern Mariana Islands descent," is meant both Chamorro and Carolinian residents.

Section 2 of House Joint Resolution 549 authorizes the appropriation of such sums as may be necessary to make full

payment of title II adjudicated claims under the provisions of the Micronesian Claims Act of 1971 as passed by the Congress and approved by the President—Public Law 92–39. This statute was enacted in recognition of the fact that the United States had a moral and legal obligation to the people of Micronesia as a result of postwar activities in Micronesia by the United States. It is in the fulfillment of these responsibilities that section 2 is necessary.

Section 3 authorizes the President to extend to the territories Federal programs providing grant, loan and loan guarantee programs or other assistance to the States, unless such extension is inconsistent with the purposes of the act under which such assistance is provided, or unless such extension is disapproved by either House of Congress in the manner provided for by section 3.

It is hoped that this discretionary authority will be generously exercised to the end that the offshore areas—the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, and the other districts of the Trust Territory of the Pacific Islands—will be included in the various Federal programs, for example, SSI, from which they have been left out. The section contemplates that the executive may decide to include all—or just some—of the offshore areas in the various programs. One, some, all, or none of the areas may be included in each specific program.

Mr. Speaker, as I have previously said, this resolution comes to the House with the unanimous approval of the Interior Committee and the Territorial Subcommittee, with the approval of the administration, with the unanimous approval of the Marianas District Legislature, and with the approval of the large majority of the Marianas people. I urge similar approval by the House of Representativees.

In conclusion, Mr. Speaker, I wish to include in the CONGRESSIONAL RECORD at this point, the letter addressed to me by President Gerald Ford in which he urges early congressional approval of this joint resolution. I sincerely trust the House will take just such action.

THE WHITE HOUSE,
Washington, July 19, 1975.

Hon. PHILLIP BURTON,
House of Representatives,
Washington, D.C.

DEAR PHIL: On July 1, I sent to the President of the Senate and the Speaker of the House of Representatives a proposed Joint Resolution which, if passed by the Congress, would constitute Congressional approval of a Covenant to establish a Commonwealth of the Northern Mariana Islands under American sovereignty. The islands are now administered by the United States as one of the districts of the Trust Territory of the Pacific Islands.

The Marianas Covenant is the result of more than two years of negotiations between Ambassador F. Haydn Williams and a commission of 15 persons representing the Northern Mariana Islands. The document was signed on February 15 and has been overwhelmingly approved in the Marianas. The local legislature voted unanimously in favor of the agreement on February 20.

At that time, I appointed Erwin D. Canham, Editor Emeritus of *The Christian Science Monitor*, as Commissioner to conduct an impartial plebiscite in which the people could approve or disapprove the Covenant. The plebiscite, which was officially observed by a Visiting Mission of the United Nations Trusteeship Council, was held on June 17. Mr. Canham has certified to me that 95 percent of the registered voters cast ballots and that a 78.8 percent majority supported the Covenant.

The next step in the approval process is consideration by the United States Congress. Approval will set into motion a series of steps leading to the creation of a Commonwealth of the Northern Mariana Islands. The preliminary steps will include administrative separation of the Northern Marianas from the rest of the Trust Territory and the adoption of a locally-drafted and popularly-approved Constitution. Conferral of full Commonwealth status on the islands, and United States citizenship on the Marianas people, would occur after termination of the Trusteeship Agreement for the entire Trust Territory. It is not expected that this action will take place until 1980–81.

Since the Covenant provides for self-government in the Northern Marianas, approval by the Congress will make possible the implementation of the freely expressed will of the people of these islands.

Favorable consideration of the Covenant by the Congress will represent one more step in the fulfillment of the legal and moral obligations which the United States undertook when the Congress approved the Trusteeship Agreement on July 18, 1947. I urge early Congressional approval.

Sincerely,

JERRY FORD.

Mr. DON H. CLAUSEN. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise to join enthusiastically with my colleague, the gentleman from California (Mr. Philip Burton) in support of House Joint Resolution 549. I want to take just a brief moment to extend to him my personal expression of appreciation and commendation for the leadership and the extension of bipartisan cooperation which certainly has prevailed throughout the entire time that we were considering this legislation. Also, I wish to express my appreciation to Mr. KETCHUM, who as a former member of the Interior Committee, contributed so much in the development of the legislation before us. Further, I add my gratitude to the Interior staff for their contribution to House Joint Resolution 549.

Mr. Speaker, I extend my congratulations to the negotiators of both the Northern Mariana Islands and the United States in developing a commonwealth covenant, which the President of the United States has endorsed and now transmits to the Congress for approval. The historic plebiscite of last month, wherein the people of the Northern Marianas overwhelmingly voted to join the American political family, culminates over 2½ years of negotiations. During this time, both parties scrupulously labored to perfect the document which this body takes under consideration today. Expeditious approval of the covenant must ensue in order to enable the establishment of separate administrations for the Northern Marianas and those remaining Micronesian districts that have failed to express a desire for U.S. territorial status. It is incumbent upon the Congress to act quickly, thus upholding the faith demonstrated in the American system by the people of the Northern Marianas.

Through the process of self-determination, the people of the Northern Marianas Islands have selected a commonwealth status, wherein the future Marianas' Government will exercise maximum internal self-government, including the right to draft and adopt their own constitution and to establish local courts. The covenant further stipulates that sovereignty over the Marianas will be vested in the United States, including complete authority in the fields of defense and international relations.

To prevent land alienation, the future government of the Marianas will preserve control over land ownership. Persons born in the Marianas prior to the establishment of the Commonwealth will have the opportunity to choose either U.S. citizenship or U.S. national status. Persons born in the Marianas after the establishment of the Commonwealth will be U.S. citizens. The future commonwealth government will have power to enact local taxes in addition to those imposed by the U.S. Internal Revenue Code. And, as is currently the case in Guam, the United States will return to the Marianas' Treasury all custom duties, excise taxes and Federal income taxes derived from the Marianas. The covenant also provides that the United States may lease for 50 years with an automatic renewal option for another 50 years, 18,000 acres in the Northern Marianas for military contingency and training purposes. Economically, the United States agrees to provide for the next 7 years multiyear financial support, at the rate of $14 million per annum, to the government of the Northern Marianas Islands.

Regarding the negotiating process, I wish to commend highly, Ambassador Haydn Williams, the President's personal representative for Micronesian political status negotiations, for the diligence he displayed in keeping members of the Interior Committee informed on progress made throughout the negotiating process. Since 1971, the Office of Micronesian Status Negotiations has conducted 10 formal congressional hearings—four in the other body and six in the House. In addition, many more informal briefings, usually following each round of negotiations, were conducted with concerned Members of Congress; and, of course, the staff of the Interior Committee was in continual touch with the Ambassador's office. In my 13 years as a Member of Congress, I have never witnessed a closer or more cooperative relationship established between the Congress and the executive branch.

I now turn my attention to the people of the Marianas, whose future now rests in our hands. During World War II, as a Navy carrier pilot, I first visited the Mariana Island chain. Even in that time of strife, I was impressed with the determination and stamina exhibited by the inhabitants, whose 30 years of subjugation under the Japanese were then being rewarded with war's total destruction. My heart filled with compassion for those gallant people; however, under the circumstances, there was little I could do to

alleviate their plight. Accordingly, the part I now play in seeking approval of the Marianas' Covenant is especially meaningful. After 30 years, the opportunity is at hand to witness the triumph of justice in the Western Pacific.

Upon termination of the war, the people of the Marianas have steadily progressed under the constitutional guidelines of the United States. The Marianas have developed economically, socially, and educationally to a point where they are ready and eager to join the American political family. As a new Commonwealth of the United States, an organizational structure for future political relationship within our federal system will be established. The people of the Marianas have sought to change their political status with good will and rationality rather than with scandal and violence. Avoiding the self-destruction of charismatic polemics and nationalistic chauvinism—so often the case in other underdeveloped areas—the Marianas' people have deliberately and unemotionally chosen a course of permanent affiliation with the United States. Their future now resides with this body.

As a Californian, I am especially concerned with the future of the Pacific Basin. Approval of the Marianas Covenant will represent one more step in framing a "Partnership of the Pacific," wherein all peoples, who live in or rim this greatest of all oceans, can prosper in peaceful cooperation, mutually benefiting from the vast oceanic resources and enjoying the incomparable scenic beauty. I entreat the territories of American Samoa and Guam, as well as the other districts of Micronesia, not to consider the formulation of the Northern Marianas Commonwealth as a threat but rather an ally, whose political advancement will be a boon and not a detriment to their own future aspirations.

Mr. Speaker, although the population of the Mariana Islands is small and the amount of Federal expenditures envisaged is relatively small, the political, legal, and social precedents to be established with approval of the Marianas Covenant are salient. Foremost, a new system of local government, unique in the annals of U.S. history, will be enacted. Secondly, new patterns of economic and social advancement for the undeveloped world will be launched; and finally, America's leadership in the Pacific basin takes on a new and very constructive dimension. Therefore, I urge my colleagues to pass unanimously House Joint Resolution 549—to approve the Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union With the United States of America—and to fulfill, thereby, the aspirations, not only of the Marianas' people but of all Americans as well.

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

Mr. DON H. CLAUSEN. I yield to the gentleman from Texas.

Mr. WHITE. Mr. Speaker, I applaud the efforts of the committee to bring this segment of the world into the community of free states as a commonwealth, but could the gentleman from California explain the legal difference between a U.S. national and a U.S. citizen?

The SPEAKER. The time of the gentleman has expired.

Mr. DON H. CLAUSEN. I yield myself 1 additional minute.

Mr. WHITE. I note that the resolution speaks of persons born in the Marianas prior to the establishment of the Commonwealth of northern Marianas, having the opportunity of becoming either U.S. nationals or U.S. citizens, and those born there thereafter to be citizens of the United States.

What is the legal difference between those designations?

Mr. DON H. CLAUSEN. Mr. Speaker, in response to the inquiry of the gentleman from Texas, following the implementation of the covenant, those born in the Marianas will become American citizens. For those persons born in the Marianas prior to becoming a commonwealth, American national status requires allegiance to the United States in return for which the American national is provided free access to the United States and is afforded protection under the U.S. consular system when abroad. On the other hand, American nationals are precluded from holding Federal public office and cannot participate in national elections.

In regard to the Marianas covenant, an individual must state before a Federal or local court that he desires U.S. national status rather than citizenship. No advantage, such as tax exemption, would occur if one opted for national status; such a procedure merely follows precedents already established in Puerto Rico and Guam and insures that citizenship remains one of individual choice rather than one of legislative fiat.

Mr. PHILLIP BURTON. Mr. Speaker, I yield such time as he may consume to the Delegate from Guam (Mr. WON PAT).

Mr. WON PAT. Mr. Speaker, I take great pleasure in rising to add my support for House Joint Resolution 549, legislation to approve the covenant establishing a Commonwealth of the Northern Mariana Islands with the United States.

That the Congress should consider amalgamating 14,000 freedom-loving people on the even of our Nation's own Bicentennial is entirely fitting. This proposed new union, if ratified by the Congress, will mark an event in international relations—when peoples are united by mutual agreement instead of by force. In effect, the people of the Northern Marianas, through its recent plebescite, have exercised their rights to self-determination.

The covenant is the product of many months of arduous negotiations and is reflective of the immense thought and mutual good will which went into the negotiations. The United States can be justly proud of the covenant. It speaks more than words can tell about this Nation's continued devotion to liberty and man's inherent right to dignity. The covenant is also living testimony to the peoples of the Northern Marianas and their decision to cast their future with American-style democracy. It is also a tribute to the memories of those who gave their lives to the liberation of these islands as well as those who continue in the service of their country, including some Members of this august body.

My own congressional district of Guam is, of course, extremely interested in this historic action. We are geographically and culturally part of the Marianas and the people on Saipan who worked on the covenant did so with an eye to beneficial relations with the United States. We are also hopeful that this union will usher in a new era of good will, mutual cooperation and eventual union of all Chamorros in the Marianas.

Ever since the tides of western history first washed over the shores of our islands over 400 years ago, the people of the Marianas have seldom experienced self-determination. With the granting of American citizenship to Guam in 1950 and now with the consideration of the covenant today, new chapters are continuously being written on the lasting friendship between the peoples of the Northern Marianas and the United States. This union will be mutually beneficial.

The American citizens of Guam welcome the support of the covenant, for it will insure continued American presence in our part of the globe and deny to other countries these areas for purposes which may not be to our best interests. During these times of changing political relations, we believe it is absolutely imperative to maintain a strong American military force in the Western Pacific. If this covenant is ratified, the United States will be authorized to establish new and important bases on the island of Tinian, which will vastly benefit the local economy of the Northern Marianas and add to the strategic importance of both Guam and our sister islands to the north.

I, therefore, urge that the House approve House Joint Resolution 549. Your support of this measure will be a significant step toward protecting American interests in the Western Pacific. At this juncture in our history, a union between the Northern Marianas and the United States is in the best interests of all parties concerned. This action will also bring the peoples of the Marianas closer to a total unity of purposes which will hopefully result in a closer relationship on other topics as well.

Mr. PHILLIP BURTON. Mr. Speaker, I yield such time as he may consume to the distinguished Delegate from the Virgin Islands (Mr. DE LUGO).

Mr. DE LUGO. Mr. Speaker, I rise in full support of the legislation that is presently before the House today. Mr. Speaker, before I address myself to my very brief prepared statement, I would like to digress and say that as one who comes from an American Territory and as one who has observed the often agonizing and difficult struggle toward self-government that we have had in the American Virgin Islands, I could not help but be impressed by the manner in which the United States entered into these negotiations and by the honor that everyone affiliated with these negotiations displayed. I wish that all of us could have been present at the Interior subcommittee hearings and the full committee

hearings when the representatives of the people of the Northern Marianas appeared and spoke eloquently of their desire for American citizenship and for association with the United States.

Mr. Speaker, we are often told that we live in an age of jaded cynicism, but I would like to say how profoundly moved and inspired I was by my experience in these hearings.

Quite simply, it was heartening to learn what the possibility of American citizenship means to the people of the northern Marianas and the cooperation and dedication they displayed in working toward that goal.

The proposed covenant to establish a commonwealth of the Northern Mariana Islands in political union with the United States was negotiated over a period of the last 3 years by the personal representative of the United States, Ambassador F. Haydn Williams, and the Marianas Political Status Commission, representing the people of the Northern Mariana Islands. As a member of the Interior Subcommittee on Territorial Affairs, I would like to say how impressed I was by the dedicated efforts and the cooperative attitudes of both Ambassador Williams and the Marianas Political Status Commission. The result of these efforts was unanimous approval of the covenant document by the Mariana Islands District Legislature and nearly 80 percent approval in a district-wide plebescite in which 95 percent of the eligible voters participated.

Not only was I impressed with this exemplary exercise in democracy, but I was also impressed with the fine display of cooperation between the Congress and the executive branch on this issue as well. So many times in our recent past, there has been unnecessary acrimony between the different branches, resulting in dispirited and inefficient Government. The difference in this case has been not only the personal cooperation and qualities of Ambassador Williams and the leaders of the Marianas Political Status Commission, but, as was pointed out by our distinguished colleague, the ranking member of the Subcommittee on Territorial Affairs (Mr. DON H. CLAUSEN), the leadership displayed by our chairman, Congressman PHILLIP BURTON, has been of the highest order.

Mr. Speaker, I was proud to have played a part in this historic legislation, and I would urge the wholehearted support of my colleagues.

Mr. PHILLIP BURTON. Mr. Speaker, I yield 2 minutes to the distinguished Resident Commissioner of Puerto Rico (Mr. BENITEZ).

Mr. BENITEZ. Mr. Speaker, I have studied with the greatest care this covenant and the whole process that has gone into its formulation. I must say that I am profoundly convinced of the fact that this covenant fulfills and protects the wishes, the interests, and hopefully the future of the people of the northern Marianas as expressed by them through their representatives during a 3-year period of negotiations and later by their own unfettered decision in a plebiscite.

It is particularly noteworthy that the United States has provided all possible guarantees against injecting their own preferences into the procedures. They have selected a most experienced and trustworthy representative to preside over the electoral process and have accorded generous as well as fair provisions to safeguard the autonomy of the Government, the rights of the citizens and the viability of the new body politic. The covenant furthermore scrupulously observes the legitimate interests of the United Nations and of the time-frame required under the creation of the trust territory. It is evident to me that the people of the northern Marianas are entering into this covenant in good faith, and that the members of the subcommittee, of the committee and of the U.S. Congress are doing likewise. In this new experiment in association, members from both sides of the aisles in the subcommittee and in the committee deserve the thanks not only of the communities directly involved, but also of the millions and millions of people around the globe who hope for new patterns of cooperation and goodwill among men and women in our shrinking world.

Mr. DON H. CLAUSEN. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Speaker, this is truly a historic occasion. The result of the action which we are about to take, is that this country opens its arms to approximately 12,000 new citizens. What makes it historic is the fact that this is a territory not purchased, not coerced, and not bought. These 12,000 citizens went to the polls and by self-determination in these troubled times made their determination to become citizens of the United States.

I am somewhat parochial, I suppose, in that I participated in the liberation of Guam during World War II and I came to know the Chamorro people whom Mr. WON PAT so ably represents. In a subsequent visit after a 30-year absence, about a year ago, I had the opportunity to meet the people of Tinian and Saipan.

I would say this subcommittee and the full committee have remained scrupulously neutral in avoiding any hint of interference in those negotiations which were so delicate. I commend Ambassador Haydn Williams for his participation with us and in keeping us informed on practically a daily basis as to what was transpiring.

I commend the subcommittee chairman (Mr. PHILLIP BURTON) and the ranking minority member (Mr. DON H. CLAUSEN) for the bipartisan manner in which this resolution arrived on the floor.

I know the Chamorro people to be among the most patriotic of all Americans and I know the Members will join with me in welcoming our new brothers and sisters from the Northern Marianas.

Mr. Speaker, I certainly hope this resolution passes unanimously and with alacrity so these people may truly become Americans in every respect.

Mr. DON H. CLAUSEN. I yield to the gentlewoman from California (Mrs. PETTIS) such time as she may consume.

Mrs. PETTIS. Mr. Speaker, I join with my colleagues today in congratulating the residents of the Northern Marianas on their effort to become associated with the United States. I listened to the testimony of the Mariana Representatives in the House Territorial and Insular Affairs Subcommittee and was repeatedly impressed by the patriotism and concern shown by those individuals. They have an intense desire to achieve what for them has been a 25-year goal: They want to be able to recognize the United States as their country.

This is certainly an historic occasion, but it is important to consider why it is just that. Many nations and peoples throughout history have applauded and approved the concept of political self-determination. Few, however, have been eager to allow lesser powers to freely choose the course of their future when that choice could possibly conflict with their own interests. One finds *numerous* examples of annexation and warfare that testify to the fact that self-determination has not always been an accepted practice.

Even today, the political desires of many peoples are not allowed to be expressed; even today, self-determination is often achieved only after bitter and dividing strife, sometimes accompanied by bloodshed; even today, a small minority often contends that what it wishes is synonymous with what the people as a whole desire.

Mr. Speaker, this has not been the case with the Northern Marianas. It is not the Congress which seeks to obtain the Marianas; it is instead the residents of the islands themselves who seek to establish a more complete relationship with the United States. Nowhere has this been more clearly expressed than in the recently conducted plebiscite held in the Northern Mariana Islands. Over 95 percent of those registered to vote did so; and the decision was overwhelming. Nearly 79 percent of the people voted to pursue the course now being taken by the Mariana leadership delegation.

Even more important, this was an informed and democratic decision made by the people. Meetings were held, discussions were conducted, broadcasts were aired, time was given equally and plentifully to those who did not favor the covenant. Finally, after an extensive period of voter education, the voice of the people of the Marianas was heard. Seldom, if ever, has political self-determination been carried to this extent.

Not only has the voice of the people been heard in the ballot box, it has been heard at our committee hearings here. I was moved by the respect and affection delegation members from the Marianas had for our Nation, for our practices, beliefs, and traditions. Their loyalty is unquestionable; their dreams are unlimited; the contributions they will make to our country are immeasurable.

I can only call for the immediate consideration and approval of this proposal by the Congress. The people of the Marianas need our decision as to the merits of the covenant relationship. I would urge other Members to study it, and to add their support to this task. Only by prompt, decisive action—only if we accept the covenant—can we fulfill the desire of the people of Mariana.

To the residents of the Northern Mariana islands may I say: Thank you for your expression of confidence, and welcome to our country—soon to become your country also. During the coming congressional recess, I plan to travel to the Mariana territory. While I am there, I hope to meet with many residents to more fully determine their needs and desires, to insure that the spirit and the letter of the covenant are implemented as soon as possible. I look forward to visiting with the Mariana people I have come to know, respect, and appreciate.

Mr. DON H. CLAUSEN. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. LAGOMARSINO).

Mr. LAGOMARSINO. Mr. Speaker, I join in commending the administration and especially Ambassador Franklin Haydn Williams; the chairman of the subcommittee, the gentleman from California (Mr. PHILLIP BURTON); the gentleman from California (Mr. DON H. CLAUSEN), the ranking minority member; and, of course, the gentleman from California (Mr. KETCHUM) who played such a large part in the negotiations that brought this bill about, and also all the members of the subcommittee and of the full Committee on the Interior.

I rise in strong support of House Joint Resolution 549, on June 17, 1975, 95 percent of the registered voters in the Northern Marianas cast their ballots in a United Nations observed plebescite. Seventy-eight and eight-tenth percent voted in favor of the "covenant to establish a Commonwealth of the Northern Mariana Islands in political union with the United States of America." Having decided upon the course they wish their political future to take, the people of the Marianas now ask Congress to fulfill this desire which has been the single most important hope for them since 1947, when the United States took over the administration of the Marianas District.

In the face of mounting criticism directed at America's institutions, last week's testimony by a Marianas delegation before the Territories and Insular Affairs Subcommittee renewed faith in the efficacy of our political system. Let me repeat some of that testimony, rendered by those who value democracy and have strived for so long to bring their community into close association with the American political family:

> We shall never forget the tremendous sacrifices made by the American people for our islands and its people (in World War II) . . . the deep friendship of our people with the American Nation can truly be said to have a bond, sealed in the blood and sacrifices of these early days of liberation.—Francisco C. Ada, District Administrator.

> For over 400 years . . . the people of the Mariana Islands have been ruled by foreign powers. By conquest came the Spaniards, then the Germans, then the Japanese: Without consultation or consideration, our lives, homes, land, culture, and tradition were crushed. We had no opportunity to speak out on matters of importance to us, such as the nature of our government, the development of our economy, and our future destiny. But now we do have this opportunity, for after twenty-five years of American administration our people have come to understand and appreciate the American system of Government. The spirit of two hundred years of democracy, of individual liberty, of equal justice under the law, of a country that has historically been a refuge for the oppressed and a land of opportunity for all people, was brought to the Marianas by the United States.—Edward D. L. G. Pangelinan, Chairman, Marianas Political Status Commission.

> In the final analysis the U.S. has, with our participation and consent, helped us avoid many of the social, economic, and political evils which plague the world. Under the United States tutorship we have recaptured our human dignity and basic rights. Today, justice and freedom are realities on our islands in all sectors of our community. For these reasons, and many others, the United States of America has gained our love and respect. Therefore we freely expressed our aspirations on June 17th of this year to join the United States political family as provided in the covenant.—Dr. Francisco T. Palacios.

Mr. Speaker and Members of the House, the people of the Mariana Islands believe that only by negotiation with the United States for a commonwealth status would their desire for a truly democratic system of government be realized.

The legislation before us is historic. It cuts across partisan lines and reaffirms the principles of self-determination, envisaged by our Founding Fathers over 200 years ago. In quickly approving the Northern Marianas' Covenant, the Congress will insure the continuation of liberty's flame in the Western Pacific.

Mr. SKUBITZ. Mr. Speaker, today we take another step in an historic and unique action—the granting of commonwealth status to the Northern Marianas islands. Our prompt action is necessary for the fulfillment of the desires of the residents of the Marianas for they have chosen in a democratic and peaceful manner to become more closely allied with our country.

When one studies history more often than not the union of two peoples has been the result of political struggle or war. The strong have imposed their will upon the weak. The larger power has annexed the smaller for economic, political, military, or geographic gain.

Quite to the contrary this has not been the story of our country's relationship with the Marianas. Over recent years, the islands have, often without our encouragement, peacefully sought and worked for union with the United States. The people have spoken repeatedly—in plebiscites, in referendums, and in legislatures; the arguments have been thoroughly debated; and the residents have democratically expressed their right of political self-determination. As Ambassador Haydn Williams has testified:

> The initiative and call to negotiate with the United States came from the *people* of the Northern Marianas, from the villages, from the individual island municipal councils, and from the District-wide elected legislature."

But, Mr. Speaker, their voice and their vote is not enough. It is up to this Congress to deliver to the peoples of the Marianas their wish: The Congress must approve the covenant which establishes commonwealth status. I would urge my colleagues to act expeditiously on this matter. It is up to us to conclude a quest by the people of the Marianas that has spanned nearly a quarter of a century.

The work over that period has not been easy; there are many individuals that deserve our congratulations and thanks. Ambassador Williams has gone above and beyond the call of duty—his dedicated service has benefited not only the Marianas, but also this Congress, and, specifically, the Interior Committee.

The Office of Micronesian Status Negotiations has consistently provided us with information and help concerning the Marianas situation. The Marianas Political Status Commission has been influential in bringing about and refining the covenant and proceeding negotiations. Finally, the peoples of the Northern Marianas themselves must be congratulated for their informed, free, and democratic decision to seek commonwealth status with the United States.

Mr. Speaker, in listening to the witnesses from the Marianas in both subcommittee and committee hearings, I can only emphasize how impressed and moved I was by their sincere professions of confidence in and agreement with our Nation and the ideals it stands for. As one member of the Marianas delegation stated:

> We are only about 14,000 people on small islands in the Western Pacific—we have little to offer the United States except our love and loyalty to the Constitution and the American ideals. If we are accepted into your country we shall be but the proudest American citizens during the Bicentennial celebration of the birth of your country.

Certainly, such a loyalty is one of the best tributes this Republic has had paid to it in this century. I can only hope, that by our actions, we continue to merit such affection. I look forward to the day when we welcome the Northern Marianas islands into commonwealth fellowship with the United States.

Mrs. MINK. Mr. Speaker, I rise in support of House Joint Resolution 549, to approve the Marianas Covenant which will lead to the establishment of the Commonwealth of the Northern Marianas. I do so, however, with a statement of concern for the manner in which we have, by executive action, and now by act of Congress, committed the people of the proposed new Commonwealth to a state of political and administrative limbo.

We have heard repeated many times the long held desire of the people of the Marianas to become permanently associated with the United States, and certainly the overwhelming approval of the covenant in the June 17 prebiscite indicates that these desires are still strong. I do not have any reservations about the wishes of the people of the Marianas, and believe that now that the covenant is before us, it is incumbent upon the Congress to approve it, and allow the further steps to take place which will lead the islands into the political status for which they have voted.

What I am concerned about is the need for further action by the United States, as administering authority over this trust territory of which the Marianas will remain a part under provisions of the covenant, to approach the United Nations at the earliest possible date to separate the

Marianas once and for all from the territory. Having committed our country to accepting these new citizens in accordance with their wishes, and having agreed through the mutually negotiated covenant we have before us today, that the full rights of citizenship shall be available to the people of the Northern Marianas, we have provided that these islands will not attain their full status until the future of the remaining islands in the trust territory has been resolved and the trusteeship agreement has been terminated through action of the United Nations.

It is my understanding that the United States has remained firm on this. I believe that this is most unfortunate, and that there should be no delay in according the people of the Marianas their full rights under the covenant on which we vote today. Notwithstanding those provisions of the covenant which provide for the delay, which may be for as many as 5 or 6 years in the estimate of United States and Micronesian negotiators, I would urge the administration to reevaluate its position, and to move expeditiously toward granting this measure of self-government to these islands in accordance with our stated goals of developing the trust territory "toward self-government or independence" as may be appropriate.

I join my colleagues in welcoming the people of the Northern Marianas into political union with the United States, and urge my colleagues to record their votes in favor of the resolution.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. PHILLIP BURTON) that the House suspend the rules and pass the joint resolution (H.J. Res. 549).

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

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DON H. CLAUSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of this legislation.

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

There was no objection.

MEDICAL CARE FOR CERTAIN MEMBERS OF ALLIED WARTIME FORCES

Mr. ROBERTS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 71) to amend title 38, United States Code, to provide hospital and medical care to certain members of the armed forces of nations allied or associated with the United States in World I or World War II.

The Clerk read as follows:

H.R. 71

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 109 of title 38, United States Code, is amended by adding at the end thereof the following:

"(c)(1) Any person who served during World War I or World War II as a member of any armed force of the Government of Czechoslovakia or Poland and participated while so serving in armed conflict with an enemy of the United States and has been a citizen of the United States for at least ten years shall, by virtue of such service, and upon satisfactory evidence thereof, be entitled to hospital and domiciliary care and medical services within the United States under chapter 17 of this title to the same extent as if such service had been performed in the Armed Forces of the United States unless such person is entitled to, or would, upon application thereof, be entitled to, payment for equivalent care and services under a program established by the foreign government concerned for persons who served in its armed forces in World War I or World War II.

"(2) In order to assist the Administrator in making a determination of proper service eligibility under this subsection, each applicant for the benefits thereof shall furnish an authenticated certification from the French Ministry of Defense or the British War Office as to records in either such Office which clearly indicate military service of the applicant in the Czechoslovakian or Polish armed forces and subsequent service in or with the armed forces of France or Great Britain during the period of World War I or World War II.".

The SPEAKER. Is a second demanded?

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

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

There was no objection.

The SPEAKER. The gentleman from Texas (Mr. ROBERTS) will be recognized for 20 minutes and the gentleman from Arkansas (Mr. HAMMERSCHMIDT) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. ROBERTS).

Mr. ROBERTS. Mr. Speaker, H.R. 71 would amend title 38 to provide hospital and medical care to certain members of the Armed Forces of nations allied or associated with the United States in World War I or World War II.

The bill is identical to H.R. 13377, enacted by the House during the last session of Congress. That bill passed the House on August 5, 1974, by an overwhelming vote; however, the Senate failed to act on the bill before sine die adjournment. The bill was reintroduced this Congress with 109 cosponsors.

H.R. 71 would provide that any person who served during World War I or World War II as a member of any armed force of the governments of Czechoslovakia or Poland and participated while so serving in armed conflict with an enemy of the United States and has been a citizen of the United States for at least 10 years shall, by virtue of such service, and upon satisfactory evidence thereof, be entitled to hospital and domiciliary care and medical services from the Veterans' Administration to the same extent as if such service had been performed in the Armed Forces of the United States.

The bill specifically provides that, in order to assist the Administrator in making a determination of proper service eligibility, each applicant for the benefits thereof shall furnish an authenticated certification from the French Ministry of Defense or the British War Office as to records in either such office which clearly indicate military service of the applicant in the Czechoslovakian or Polish armed forces and subsequent service in or with the armed forces of France or Great Britain during the period of World War I or World War II.

During World War I and World War II many citizens of countries in Central Europe fought with great courage in alliance with and against the foes of the United States and its major allies. After the war there was a change of government in these countries, particularly in Poland and Czechoslovakia which deprived many of these people the freedom for which they so valiantly had struggled. Consequently, these men immigrated to the United States and became citizens in search of the kind of life they could no longer lead in their own countries and have subsequently greatly enriched our Nation, both economically and morally. Nonetheless, since they are not technically veterans of the Armed Forces of the United States and at the same time have no recourse to veterans' benefits in their Communist-controlled homelands, many of them have no way to turn to secure needed medical and hospital care and attention.

For a number of years the veterans' laws codified in title 38 have authorized certain veterans' benefits on the basis of "reciprocal services" (section 109, title 38) upon request of the proper officials of the government of any nation allied or associated with the United States in World War I or in World War II. As I indicated however, in view of the change in government control in Poland and Czechoslovakia, recourse to the reciprocal services authority is not available.

Many bills have been introduced in recent years to extend similar benefits to members of the Armed Forces of other Central European countries. But in view of the basic almost insurmountable problem of adequately authenticating the appropriate military service contemplated by the predecessor bills, the present bill has been limited to former servicemen of Poland and Czechoslovakia.

Following hearings during the last Congress and subsequent meetings with the chief congressional sponsor and representatives of the groups concerned, the committee was reasonably assured that in most, if not all, of the meritorious cases it will be possible to secure appropriate service certifications from either the British War Office or the French Ministry of Defense.

The Veterans' Administration advises the committee that it is not possible to estimate the cost of H.R. 71, since information is not available as to how many individuals may qualify for benefits. It would appear that the number of potential beneficiaries is relatively small, and in context with the expenditures for the overall broad veterans' programs, the actual cost of this legislation would be insignificant.

Your committee reported H.R. 71 by unanimous vote. I urge that it be adopted, and at this time recognize the dis-

tinguished ranking minority member of the committee, the gentleman from Arkansas (Mr. HAMMERSCHMIDT).

Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. ANNUNZIO).

Mr. ANNUNZIO. Mr. Speaker, I want to commend the distinguished gentleman from Texas, the Honorable RAY ROBERTS, who chaired the hearings on this bill in the 93d Congress, and who is now managing the bill on the floor of the House, for his cooperation. I rise in support of H.R. 71. I would also like to take this opportunity to thank the Honorable DAVID E. SATTERFIELD, the chairman of the Subcommittee on Hospitals, for holding hearings on this legislation in the 94th Congress, because this bill means much to a group of men who valiantly fought our enemies in both world wars. I also want to extend my deep appreciation to Congressman HAMMERSCHMIDT from Arkansas for his support in this effort.

I would like to call to the attention of the Members that I have received invaluable assistance, counsel, and guidance in the preparation of this legislation from the members of the staff of the Veterans' Affairs Committee as well as from officials of the Veterans' Administration, and I thank all of the members of the Veterans' Affairs Committee for their patient understanding and the courtesy they extended last year to all of the witnesses who testified before the Veterans' Affairs Committee and outlined the need and importance of this bill. Let me also thank all of the members of the Veterans' Affairs Committee for their unanimous affirmation in committee of this bill's merits.

Legislation has been introduced every Congress for the past several sessions to extend certain veterans benefits to new beneficiaries, other than those veterans presently entitled by definition in title 38, United States Code, and on August 5, 1974, this legislation passed overwhelmingly in the House of Representatives by a vote of 341 ayes to 40 noes.

Mr. Speaker, I also wish to point out that in addition to unanimous committee approval of this bill in the 94th Congress, 105 Members of the House, including many committee members, have joined me in sponsoring this crucial legislation. They include: BELLA ABZUG of New York, JOSEPH ADDABBO of New York, GLENN ANDERSON of California, HERMAN BADILLO of New York, WILLIAM BARRETT of Pennsylvania, MARIO BIAGGI of New York, JONATHAN B. BINGHAM of New York, JAMES J. BLANCHARD of Michigan, EDWARD P. BOLAND of Massachuetts, JOHN BRADEMAS of Indiana, WILLIAM M. BRODHEAD of Michigan, GEORGE E. BROWN, Jr. of California, JAMES A. BURKE of Massachusetts, YVONNE BRATHWAITE BURKE of California, JOHN L. BURTON of California, CHARLES J. CARNEY of Ohio, SHIRLEY CHISHOLM of New York, WILLIAM S. COHEN of Maine, SILVIO O. CONTE of Massachusetts, WILLIAM R. COTTER of Connecticut, DOMINICK V. DANIELS of New Jersey, MENDEL J. DAVIS of South Carolina, JOHN H. DENT of Pennsylvania, EDWARD J. DERWINSKI of Illinois, JOHN D. DINGELL of Michigan, ROBERT DUNCAN of Oregon, JOSEPH D. EARLY of Massachusetts, JOSHUA EILBERG of Pennsylvania, DANTE B. FASCELL of Florida, DANIEL J. FLOOD of Pennsylvania, JAMES J. FLORIO of New Jersey, HAROLD E. FORD of Tennessee, JOSEPH M. GAYDOS of Pennsylvania, ROBERT N. GIAIMO of Connecticut, BENJAMIN A. GILMAN of New York, TOM HARKIN of Iowa, MICHAEL HARRINGTON of Massachusetts, AUGUSTUS F. HAWKINS of California, MARGARET M. HECKLER of Massachusetts, JOHN H. HEINZ III of Pennsylvania, HENRY HELSTOSKI of New Jersey, ELIZABETH HOLTZMAN of New York, FRANK HORTON of New York, HENRY J. HYDE of Illinois, JAMES M. JEFFORDS of Vermont, HARLOD T. JOHNSON of California, JACK F. KEMP of New York, EDWARD I. KOCH of New York, JOHN J. LAFALCE of New York, ROBERT J. LAGOMARSINO of California, WILLIAM LEHMAN of Florida, RAY J. MADDEN of Indiana, EDWARD R. MADIGAN of Illinois, DAWSON MATHIS of Georgia, RALPH H. METCALFE of Illinois, DONALD J. MITCHELL of New York, PARREN J. MITCHELL of Maryland, JOE MOAKLEY of Massachusetts, THOMAS E. MORGAN of Pennsylvania, RONALD M. MOTTL of Ohio, JOHN M. MURPHY of New York, MORGAN F. MURPHY of Illinois, JOHN P. MURTHA of Pennsylvania, LUCIEN N. NEDZI of Michigan, ROBERT N. C. NIX of Pennsylvania, HENRY J. NOWAK of New York, JAMES L. OBERSTAR of Minnesota, GEORGE M. O'BRIEN of Illinois, RICHARD L. OTTINGER of New York, WRIGHT PATMAN of Texas, EDWARD J. PATTEN of New Jersey, EDWARD W. PATTISON of New York, CLAUDE PEPPER of Florida, CARL D. PERKINS of Kentucky, PETER A. PEYSER of New York, MELVIN PRICE of Illinois, FREDERICK W. RICHMOND of New York, MATTHEW J. RINALDO of New Jersey, PETER W. RODINO, JR., of New Jersey, ROBERT A. ROE of New Jersey, DAN ROSTENKOWSKI of Illinois, MARTIN A. RUSSO of Illinois, FERNAND J. ST GERMAIN of Rhode Island, RONALD A. SARASIN of Connecticut, PAUL S. SARBANES of Maryland, GEORGE E. SHIPLEY of Illinois, PAUL SIMON of Illinois, NEAL SMITH of Iowa, STEPHEN J. SOLARZ of New York, GLADYS NOON SPELLMAN of Maryland, JAMES V. STANTON of Ohio, FORTNEY H. STARK of California, SAMUEL S. STRATTON of New York, JAMES W. SYMINGTON of Missouri, CHARLES THONE of Nebraska, BOB TRAXLER of Michigan, RICHARD F. VANDER VEEN of Michigan, CHARLES A. VANIK of Ohio, JOSEPH P. VIGORITO of Pennsylvania, WILLIAM F. WALSH of New York, HENRY A. WAXMAN of California, ANTONIO BORJA WON PAT of Guam, GUS YATRON of Pennsylvania, CLEMENT J. ZABLOCKI of Wisconsin, LEO C. ZEFERETTI of New York.

This legislation is limited to providing only hospital, domiciliary care, and medical services by the Veterans' Administration to those who served in combat during World War I or World War II, as a member of any armed force of the Governments of Czechoslovakia or Poland, against enemies of the United States. They must have been American citizens for at least 10 years to qualify and they must not be entitled to equivalent care or services provided by a foreign government or ally of the United States.

In our original bill in the last Congress, we proposed to include similarly situated soldiers who fought on behalf of the allied causes of the Governments of Bulgaria, Estonia, Hungary, Latvia, Lithuania, Romania, and Yugoslavia. However, with research and historical inquiry, it developed that it would be impossible to document adequately the necessary proof of service from the Communists with respect to men who served in the armed forces of these countries.

As my colleagues are fully aware, we require strict evidentiary proof of service for veterans of our own armed services. Accordingly it appeared that only service of veterans of Poland and Czechoslovakia, who are able to secure appropriate service certifications from either the British War Office or the French Ministry of Defense, could reasonably be equated with the service requirements for our own veterans.

It is for this reason that the bill in its present form is now limited to veterans of Poland and Czechoslovakia who, we have been assured, can secure the appropriate service certification from either Britain or France.

Extensive hearings on this legislation were held during the 93d Congress, and a number of outstanding witnesses outlined the need for enactment of this bill. They include: Aloysius A. Mazewski, president of the Polish American Congress and the Polish National Alliance; Alexander Stelmaszczyk, chairman, Polish Veterans Coordinating Committee of Illinois, Polish Army Veterans Association, Chicago, Ill.; John E. Hamilton, legislative officer, Combined Veterans Association of Illinois; Janusz Krzyzanowski, president, Polish Veterans of World War II; Zbigniew A. Konikowski, adjutant general, Polish Army Veterans Association of America; Henry Wyszynski, vice president of the Polish American Congress and president of the Eastern Pennsylvania Division, Polish American Congress; Jan Karski, professor of government, School of Foreign Service, Georgetown University, Washington, D.C.; Casimir Lenard, former executive director of the Polish American Congress and presently a member of the Bicentennial Ethnic Council; and Herbert J. Naylor, Association for former Czechoslovak Officers in Exile, Bethesda, Md.

Mr. Mazewski pointed out at those hearings that the men covered by this legislation:

> Share the heroism of sacrifices, burdens, and sufferings of many historic battlefields. After serving with unreserved commitment and dedication to the common cause of freedom and dignity of man for which the United States entered two wars, they settled among us and became a vital part of the socio-civic and economic structure of our society. In the best traditions of America's pluralistic society, we accepted them warmly and recognized the value of their service to the cause of freedom and democracy.

Passage of these limited benefits is supported by the Illinois Division of the American Legion, the National Council of the Veterans of Foreign Wars, the 82d Airborne Division Association, Inc., the 101st Airborne Division Association, and also the Combined Veterans Associations of Illinois which embraces the following organizations: AMVETS, the Catholic

War Veterans, the Italian-American War Veterans, the Jewish War Veterans, the Marine Corps League, the Navy Club, the Military Order of the Purple Heart, the Paralyzed Veterans of America, the Polish Legion of American Veterans, the United Spanish-American War Veterans, the Veterans of Foreign Wars of the United States, and the Veterans of World War I. It is also supported by the Service Employees International Union, and many other groups and individuals.

There are various estimates as to how many persons would be covered by this bill—and it appears that, at the most, about 35,000 would be entitled to benefits. However, it has also been estimated by or Veterans' Administration that usually less than 11 percent of those entitled to benefits actually apply for them. Keeping these estimates in mind, and also taking into account the fact that each year more and more of these freedom fighters pass away due to the infirmities of advancing age, the cost for providing medical benefits to the 4,000 or 5,000 who may apply would be relatively small.

Mr. Speaker, I want to emphasize that these freedom fighters, unlike others who fought with great courage against the enemies of the United States, were not able to return to their homelands after the war was over, because their homelands remained under Communist control. For many years, our veterans laws—title 38, United States Code—have permitted certain veterans benefits to those who were not actually in the U.S. Armed Forces on the basis of "reciprocal services" upon request by the government allied with our country during World War I or World War II. However, because the homelands of the freedom fighters are still under Communist control, recourse of the "reciprocal services" authority is unavailable. Thus, the freedom fighters are denied benefits and recognition not only in our country, but in their native lands as well.

Several allied countries, including Canada, Britain, Australia, and New Zealand, have granted full veteran privileges to the Polish veterans who settled in their lands. However, the United States has not, despite the fact that we already provide medical and hospital benefits to World War II veterans of the Philippine armed forces, even if they are not U.S. citizens. Yet, the heroic sacrifices that were made by the Poles and Czechs were the same as Philippine nationals—why, then, should not the recognition be the same?

Two years ago, while in Italy, I visited the cemetery in Monte Cassino dedicated to the Polish war dead. Close to 12,000 members of the Polish army-in-exile were killed in the Italian campaigns of World War II and are buried at Monte Cassino and other cemeteries in Italy. These freedom fighters were committed to the cause of liberty. They fought for democracy. They fought for self-determination. They fought for freedom, and their devotion to this sacred cause never wavered. They gave willingly of their blood and their lives as they fought shoulder to shoulder with the Americans and the allied forces in Europe.

We hear so much about the millions of people who died in World War II, but how many of us are aware of the fact that more than 5 million Poles were killed in World War II. This is a figure that is rarely mentioned, but it must be mentioned today, because these men fought on the allied side against the common enemy. They sacrificed their lives and gave their all—willingly—with no hope of reward, other than to be free.

Many of the freedom fighters who survived came to America, because their native lands, Poland and Czechoslovakia, remained under Communist control. They became citizens, raised families, and became productive and exemplary members of our communities. Many of these freedom fighters who established themselves in our country have been able to provide well for themselves and their families. They are in no need of the medical benefits that would be provided by H.R. 71 and undoubtedly will never apply for these benefits.

Yet there is one overwhelming cloud in their lives, and that is the knowledge that official recognition for their great contribution in the cause of freedom during World War II has been denied, despite the fact that the same recognition has been given to others. This is an unconscionable oversight on our part, and gives a hollow ring to our words of gratitude. Those 12,000 Polish graves in Italy are mute evidence of the courage and dedication of the freedom fighters. It is, therefore, our solemn obligation to give tangible recognition to their unforgettable sacrifices.

We have more to consider here than providing medical benefits for a few remaining freedom fighters who have not yet succumbed to the infirmities of old age. We must keep in mind the moral aspect and the spirit of the law—a spirit which for Americans always has meant recognition for sacrifices made in behalf of the American cause. This is part of the American heritage—an integral part of the thinking of every American from the earliest days of the founding of our Republic. Let us for a brief moment recall the magnificent contributions made during our Revolutionary War by Pulaski and Kosciuszko, two noble sons of Poland, without whose help the birth of our great country might not have been possible. Pulaski died in battle before our own country was established, but in the case of Kosciuszko, who returned to Europe once our Revolutionary War was won, our grateful Nation bestowed on him land grants in Ohio as recognition for his indispensable assistance in our war of independence.

It is this same spirit that is reflected in the provisions of H.R. 71.

Mr. Speaker, at this point I would like to quote from the testimony given by Dr. Jan Karski, now a professor of government at Georgetown University, who was a spy during World War II for the Allies and personally reported to President Roosevelt in 1943. In committee testimony this courageous man said:

> We are war veterans. We did fight in the Allied ranks. We are American citizens. We do serve these United States which we learned to love and respect with undivided loyalty. We would defend this country, if need be, giving our lives. Could this Nation which extended its generosity to others on a scale unparalleled in all human history deny us, its citizens, a status of war veterans.

Mr. Speaker, in summary let me say that these valiant Americans are not asking for a memorial of granite and marble, they are not asking for special privileges. What they are asking for is the official recognition of the U.S. Government of their status as war veterans. They love this Nation and the principles it stands for and it is a high honor for them to be accorded the title "American War Veteran." Passage of this bill would be a living memorial to them in the name of the American people to commemorate their sacrifices for the ideals of freedom. Their native country was taken away from them and they have never received even this symbolic recognition from their adopted land. I strongly urge my colleagues to grant these fine Americans this justly deserved recognition and honor.

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

Mr. Speaker, I rise in support of H.R. 71. This legislation, in my estimation, is long overdue. It would bestow upon certain veterans of the armed forces of nations allied with the United States in both World Wars entitlement to medical care from the Veterans' Administration.

The veterans concerned are those who served in the Armed Forces of Czechoslovakia or Poland, and because of a change in the governments of their homelands, do not have recourse to medical treatment available to veterans of other Allied Nations by reciprocal service agreements permitted under existing law.

This bill stipulates that in order to be eligible, the veteran must have been a citizen of the United States for at least 10 years and produce a certification from either the French Minister of Defense or the British War Office, showing military service in the Armed Forces of Czechoslovakia or Poland with subsequent service with the Armed Forces of France or Great Britain during World War I or II.

I favor this legislation, because I believe that not only is it needed, but it also provides a means for us to show our gratitude to a group of people who aided and abetted our war efforts, but to the present time have never received any of the benefits granted to other more fortunate veterans of our allies.

Mr. Speaker, I yield 1 minute to a strong support of this bill, the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Speaker, as a cosponsor of H.R. 71, I am pleased to join other Members in emphasizing my views as to why this legislation should be approved by the House this afternoon.

I know the Members have not forgotten that during World Wars I and II many troops of countries in Central Europe fought with great courage in alliance with, and against the foes of, the United States and its allies. There was a change of government in these countries after the war, and particularly in Poland and Czechoslovakia, which deprived may of these Europeans of free-

dom for which they so valiantly had struggled.

Many emigrated to the United States where they could live with full and rightful dignity rather than accept the shackles imposed on them by Communist governments.

These Americans have given much to our Nation—they have contributed to our economic life, and they are a spirited example of individuals determined that freedom is the most precious possession of any people.

There is a gap in our laws which deprives these individuals of the right to full first-class citizenship—they are ineligible to receive any of the benefits available to veterans of the Armed Forces. It is time for us to right this injustice. H.R. 71 provides that former servicemen of Poland and Czechoslovakia, who have been citizens of the United States for 10 years, shall be entitled to hospital and domiciliary care and medical services from the Veterans' Administration to the same extent as if their service had been performed in the Armed Forces of the United States.

Mr. Speaker, H.R. 71 certainly deserves our support.

Mr. GILMAN. Mr. Speaker, as a cosponsor of H.R. 71, I am pleased to rise in support of this bill which will authorize limited VA hospital and medical benefits to Americans of Polish and Czech descent who fought with the Allies in both World War I and World War II and who have been U.S. citizens for at least 10 years.

Typical of these gallant men is one of my constituents, Rubin Perlmutter of Middletown, N.Y., who served with the rank of captain in the Polish Free Army which was attached to the U.S. Fifth Army from 1942 until 1948. For the bravery shown by Captain Perlmutter, he was awarded the Croix de Guerre, the Star of Italy, the African and Middle East British Defense Medal, and the Monte Casino Cross. Immediately after his discharge in 1948, Mr. Perlmutter came to the United States and became a naturalized American citizen. Mr. Perlmutter, besides being a distinguished and respectable member of the community, is a member of the American Order of Lafayette, the 18th Polish Rifle Battalion, and a member of the American-French Croix de Guerrre.

Mr. Speaker, we must bear in mind that many of the brave men who fought so courageously with the allies, emigrated to America after the war and have made significant contributions to our Nation. This legislation indicates to these brave men that America is grateful to them for their commitment to our Nation's ideals.

We should also take note that other countries have honored these former soldiers by providing for the medical care of former Polish Freedom Fighters, including the following allies; Canada, Britain, Australia, and New Zealand. We can do no less.

Mr. ANDERSON of California. Mr. Speaker, it is with some reservations that I rise in support of H.R. 71, which pertains to medical care for soldiers of certain allied nations during World Wars I and II.

I support the principles of this act wholeheartedly. Veterans of the Polish and Czechoslovak armies certainly fought bravely during World War II, only to find that they could not return to their native lands, because of political situations. It is only right that we extend to these people the use of our veterans' medical services. After all, these men fought bravely, along with the forces of the United States, for the same cause and against a common enemy, only to find their nations were no longer their own.

However, men from other nations also fought side by side with our troops during those wars, and do not receive U.S. medical benefits even if they are now citizens of this country.

During World War II, one of the most crucial battlefields in the Pacific theater was the Philippine Islands, which were at that time under the protection of the United States. Many fierce battles were waged over these islands, and American and Filipino fought side by side in many of those encounters.

Of course, many of these brave men enlisted in the Regular U.S. Armed Forces and are thus eligible for benefits. However, many more battled under the flag of the Commonwealth of the Philippines.

These men often faced dangers even graver than those confronting our own troops, because the lives of their families were often in jeopardy. Many Filipinos paid dearly for their patriotism and courage during their battle for freedom.

However, Filipino veterans who served in the Commonwealth forces are not eligible for full benefits due veterans of U.S. forces, even if they are citizens of the United States.

It seems incredible, but under current law a veteran who served in the Philippine Commonwealth armed services receive medical benefits—but only if he lives in the Philippines and can go to a veterans hospital there which is subsidized by the United States. But should that same veteran decide to live in the United States, he loses all medical benefits except in the case of certain war-related disabilities.

I feel that this situation is obviously unfair to many Filipino veterans.

Mr. Speaker, I applaud the spirit behind H.R. 71, and I fully intend to vote for its passage. But I hope that this same spirit of generosity will be extended to the many Filipino Americans who fought so valiantly with us during World War II.

Mr. BIAGGI. Mr. Speaker, H.R. 71 is legislation which will provide medical care for those citizens of Czechoslovakia and Poland who fought for the Allies in World War I and II and who have since become American citizens for a period of 10 years. I consider passage of this legislation to be crucial if we are to demonstrate our true gratitude and appreciation for the gallant efforts these men made to preserve democracy and the ideals of freedom for millions of people in the world.

I am pleased to be an original cosponsor of this legislation and hope it can avoid the problems which confronted it during the 93d Congress. While we passed this bill overwhelmingly last August, the Senate failed to act and the bill died. It is my hope that this year the Senate will join the House in passing this important legislation.

During World Wars I and II many citizens of countries in Central Europe fought side by side with American troops against our common enemy. Many of these men after fighting gallantly for the cause of freedom returned to their homelands to discover radical changes in government and an abrupt end to their personal freedoms.

As a result many of these individuals immigrated from Czechoslovakia and Poland to the United States to pursue those freedoms denied them by their homeland. While in this Nation, these men have contributed to the economic and moral well-being of our Nation. Yet due to serious gaps in our laws they have been denied the right to important medical benefits which are otherwise available to other veterans of the U.S. Armed forces including those persons who served in the Armed Forces of the Philippines even though they may not be American citizens.

This legislation will correct this long standing inequity and will provide these veterans with all the various forms of medical care provided by the Veterans' Administration including hospital, and domiciliary care.

This legislation also provides for facilitated administrative procedures which were lacking from earlier bills. In order to be eligible all a person has to do is obtain proof of military service to the governments of Poland and Czechoslovakia from either the French Ministry of Defense or the British War Office as well as show proof of American citizenship for a period of at least 10 years. These procedures preclude these veterans from having to obtain their records from their homelands, many of which would present numerous obstacles.

Mr. Speaker, I wish to take this opportunity to pay a special tribute to my distinguished colleague from Illinois who has donated years of untiring efforts on behalf of this legislation. The passage of H.R. 71 by the House today and the Senate in the near future will allow his efforts to achieve fruition. He deserves the commendation of the full House for his efforts and I am sure that the men who become eligible for benefits under this bill will be eternally grateful to Mr. ANNUNZIO.

Freedom has been challenged on numerous occasions in the 20th century. While we are embarking on a course of cooperation with our main adversaries the fact remains that communism continues to pose a threat to the security of the free world. We cannot forget the contributions of those who fought in earlier days so we can be free today. We are paying tribute to those veterans of Polish and Czech extraction who not only fought to make our Nation free but as citizens they have worked to keep it strong and free. They have earned these benefits. They are not handouts. I urge the swift enactment of this bill into law.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS) that the House suspend the rules and pass the bill, H.R. 71.

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

A motion to reconsider was laid on the table.

GENERAL LEAVE

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

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

There was no objection.

VETERANS' LAWS TECHNICAL AMENDMENTS ACT OF 1975

Mr. ROBERTS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3350) to amend title 38 of the United States Code in order to make certain technical corrections therein, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3350

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 "Veterans' Laws Technical Amendments Act of 1975".

SEC. 2. Chapter 1 of title 38, United States Code, is amended as follows:

(1) Section 101(29) is amended by striking out "such date as shall thereafter be determined by Presidential proclamation or concurrent resolution of the Congress" and inserting in lieu thereof "May 7, 1975"; and

(2) Section 108(c) is amended by inserting immediately before "section 784" the following: "section 775 or".

SEC. 3. Section 230(b) of title 38, United States Code, is amended by inserting immediately before "territory" the following: "the".

SEC. 4. Chapter 11 of title 38, United States Code, is amended as follows:

(1) The table of sections at the beginning of such chapter is amended by striking out "356. Minimum rating for arrested tuberculosis.".

(2) Section 301 is amended—

(A) by striking out "Leprosy" in paragraph (3) and inserting in lieu thereof "Hansen's disease";

(B) by striking out "Leprosy" in paragraph (4); and

(C) by inserting in paragraph (4) between "Filiariasis" and "Leishmaniasis, including kala-azar" the following: "Hansen's disease".

(3) Section 314 is amended—

(A) by striking out "in combination with total blindness with 5/200 visual acuity or less," in clause (o); and

(B) by striking out "3203(f)" in clause (r) and inserting in lieu thereof "3203(e)".

SEC. 5. Section 415 of title 38, United States Code, is amended—

(1) by redesignating section (b)(2) as section (b)(4);

(2) by striking out section (b)(1) and inserting in lieu thereof the following:

"(b)(1) Except as provided in paragraph (4) of this subsection, if there is only one parent, dependency and indemnity compensation shall be paid to the parent according to the following formula:

"The monthly rate of dependency and indemn.ty compensation shall be $123 reduced by—	For each $1 of annual income	
	Which is more than—	But not more than—
$0.00	0	$800
.03	$800	1,000
.04	1,000	1,300
.05	1,300	1,600
.06	1,600	1,800
.07	1,800	2,000
.08	2,000	3,000.

"(2) In no case may the amount of dependency and indemnity compensation payable to any parent under this subsection be less than $4.

"(3) In no case may dependency and indemnity compensation be paid under this subsection to any parent if the annual income of such parent exceeds $3,000.";

(3) by striking out subsections (c) and (d) and inserting in lieu thereof the following:

"(c)(1) Except as provided in subsection (d) of this section, if there are two parents, but they are not living together, dependency and indemnity compensation shall be paid to each parent according to the following formula:

"The monthly rate of dependency and indemnity compensation shall be $86 reduced by—	For each $1 of annual income	
	Which is more than—	But not more than—
$0.00	0	$800
.02	$800	1,100
.04	1,100	2,100
.05	2,100	2,500
.06	2,500	3,000.

"(2) In no case may the amount of dependency and indemnity compensation payable to any parent under this subsection be less than $4.

"(3) In no case may dependency and indemnity compensation be paid under this subsection to any parent if the annual income of such parent exceeds $3,000.

"(d)(1) If there are two parents who are living together, or if a parent has remarried and is living with his or her spouse, dependency and indemnity compensation shall be paid to each parent according to the following formula:

"The monthly rate of dependency and indemnity compensation sha. be $83 reduced by—	For each $1 of annual income	
	Which is more than—	But not more than—
$0.00	0	$1,000
.01	$1,000	1,100
.02	1,100	2,500
.03	2,500	3,500
.04	3,500	4,200.

"(2) In no case may the amount of dependency and indemnity compensation payable to any parent under this subsection be less than $4.

"(3) In no case may be dependency and indemnity compensation be paid under this subsection to either parent if the total combined annual income exceeds $4,200."; and

(4) by inserting "and" immediately after the semicolon in subsection (g)(1)(L).

SEC. 6. Chapter 15 of title 38, United States Code, is amended as follows:

(1) Section 503(a) is amended—

(A) by striking out the period at the end of clause (8) and inserting in lieu thereof a semicolon; and

(B) by inserting "and" after the semicolon at the end of clause (16);

(2) Section 541(e)(1)(D) is amended by striking out "the expiration of ten years following termination of the Vietnam era" and inserting in lieu thereof "May 8, 1985";

(3) Sections 510 and 531 are repealed; and

(4) The table of sections at the beginning of such chapter 15 is amended by striking out

"510. Confederate forces veterans."

and

"531. Widows of Mexican War veterans.".

SEC. 7. Section 521 of title 38, United States Code, is amended by striking out subsections (b) and (c) and inserting in lieu thereof the following:

"(b)(1) If the veteran is unmarried (or married but not living with and not reasonably contributing to the support of his or her spouse) and has no child, pension shall be paid to the veteran according to the following formula:

"The monthly rate of pension shall be $160 reduced by—	For each $1 of annual income	
	Which is more than—	But not more than—
$0.00	0	$300
.03	$300	500
.04	500	900
.05	900	1,500
.06	1,500	1,900
.07	1,900	2,300
.08	2,300	3,000.

"(2) In no case may the amount of pension payable to any veteran under this subsection be less than $5.

"(3) In no case may pension be paid under this subsection to any veteran if the annual income of such veteran exceeds $3,000.

"(c)(1) If the veteran is married and living with or reasonably contributing to the support of his or her spouse, or has a child or children, pension shall be paid to the veteran according to the following formula:

"The monthly rate of pension for a veteran shall be— $172 if he or she has one dependent; $177 if he or she has two dependents; and $182 if he or she has three or more dependents; reduced by—	For each $1 of annual income	
	Which is more than—	But not more than—
$0.00	0	$500
.02	$500	700
.03	700	1,800
.04	1,800	3,000
.05	3,000	3,500
.06	3,500	3,800
.07	3,800	4,000
.08	4,000	4,200.

"(2) In no case may pension be paid under this subsection to any veteran if the annual income of such veteran exceeds $4,200.".

SEC. 8. Section 541 of title 38, United States Code, is amended by striking out subsections (b) and (c) and inserting in lieu thereof the following:

"(b)(1) If there is no child, pension shall be paid to the widow or widower according to the following formula:

"The monthly rate of pension shall be $108 reduced by—	For each $1 of annual income	
	Which is more than—	But not more than—
$0.00	0	$300
.01	$300	600
.03	600	900
.04	900	1,100
.05	2,100	3,000.

"(2) In no case may the amount of pension payable to any widow or widower under this subsection be less than $5.

"(3) In no case may pension be paid under this subsection to any widow or widower if

the annual income of such widow or widower exceeds $3,000.

"(c)(1) If there is a widow or widower and one child, pension shall be paid to the widow or widower according to the following formula:

"The monthly rate of pension shall be $128 reduced by—	For each $1 of annual income	
	Which is more than—	But not more than—
$0.00	0	$700
.01	$700	1,100
.02	1,100	2,100
.03	2,100	3,000
.04	3,000	4,200.

"(2) In no case may pension be paid under this subsection to any widow or widower if the annual income of such widow or widower exceeds $4,200.

"(3) Whenever the monthly rate payable to any widow or widower under paragraph (1) of this subsection is less than the amount which would be payable to the child under section 542 of this title if the widow or widower were not entitled, the widow or widower shall be paid at the child's rate."

SEC. 9. Chapter 17 of title 38, United States Code, is amended as follows:

(1) The title of such chapter is amended by inserting immediately before "DOMICILIARY" the following: "NURSING HOME,".

(2) The title of subchapter II of such chapter is amended by inserting immediately after "Hospital" the following: ", Nursing Home".

(3) The title of section 610 is amended by inserting immediately after "hospital" the following: ", nursing home".

(4) Section 610(a)(1)(B) is amended by inserting immeidately after "hospital" the following: "or nursing home".

(5) The title of section 611 is amended by striking out "Hospitalization" and inserting in lieu thereof "Care".

(6) Section 612(e) is amended by striking out "Indian wars" and inserting in lieu thereof "Indian Wars".

(7) Section 616 is amended by striking out "Bureau of the Budget" and inserting in lieu thereof "Office of Management and Budget".

(8) The title of subchapter III of such chapter is amended by inserting immediately after "Hospital" the following: "and Nursing Home".

(9) Clauses (1), (2), and (3) of section 621 are each amended by inserting immediately after "hospital" each time it appears the following: ", nursing home".

(10) Section 622(a) is amended by striking out "610(a)(1)" and inserting in lieu thereof "610(a)(1)(B)"; and by striking out "632(b)" and inserting in lieu thereof "632(a)(2)".

(11) Section 627 is amended by striking out "1958" and inserting in lieu thereof "1957".

(12) Section 628(a)(1) is amended by striking out "they" and inserting in lieu thereof "delay".

SEC. 10. (a) The table of parts and chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part II of such title are each amended by inserting immediately after "Hospital," in the title of chapter 17 the following: "Nursing Home.".

(b) The table of sections at the beginning of chapter 17 of such title is amended—

(1) by inserting in the title of subchapter II immediately after "HOSPITAL" the following: ", NURSING HOME";

(2) by inserting in the title of section 610 immediately after "hospital" the following: ", nursing home";

(3) by inserting in the title of subchapter III immediately after "HOSPITAL" the following: "AND NURSING HOME"; and

(4) by striking out in the title of section 611 "Hospitalization" and inserting in lieu thereof "Care."

SEC. 11. Chapter 19 of title 38, United States Code is amended—

(1) by amending sections 717 and 718 to read as follows:

"§ 717. Insurance maturing on or after August 1, 1946

"(a) The insured, under a policy maturing on or after August 1, 1946, shall have the right to designate the beneficiary or beneficiaries of such insurance and, at all times, subject to regulations, to change the beneficiary or beneficiaries without the consent of such beneficiary or beneficiaries.

"(b) Insurance maturing on or after August 1, 1946, shall be payable in accordance with the following optional modes of settlement:

"(1) In one sum (only available if selected by the insured).

"(2) In equal monthly installments of from 36 to 240 in number, in multiples of 12.

"(3) In equal monthly installments for 120 months certain with such payments continuing during the remaining lifetime of the first beneficiary.

"(4) As a refund monthly life income continuing throughout the lifetime of the first beneficiary. Payment shall be in monthly installments payable for such period certain as may be required in order that the sum of the installments certain, including a last installment of such reduced amount as may be necessary, shall equal the face value of the contract, less any indebtedness. Such optional settlement shall not be available in any case in which such settlement would result in payments of installments over a shorter period than 120 months.

"(c) The insurance shall be payable to the designated beneficiary or beneficiaries under the optional mode of settlement selected by the insured, except:

"(1) If the insured has not selected a settlement option, payment shall be made in 36 equal monthly installments.

"(2) The first beneficiary may elect to receive payment under any option which provides for payment over a period of time longer than the option elected by the insured, or if the insured elected no option, in excess of 36 months.

"(3) If the option selected requires payment to any beneficiary of monthly installments of less than $10, the amount to such beneficiary shall be paid in the maximum number of installments, in multiples of 12, required to pay a monthly installment of at least $10.

"(4) If the present value of the amount payable at the time any person initially becomes entitled to payment thereof is not sufficient to pay at least 12 monthly installments of not less than $10 each, payment shall be in one sum.

"(5) The optional modes of settlement set forth in paragraphs (3) and (4) of this subsection shall not be available if any firm, corporation, legal entity (including the estate of the insured), or trustee is the beneficiary.

"(d) In no event shall there be any payment to the estate of the insured or of the beneficiary of any sums unless it is shown that any sums paid will not escheat. Payment to an estate shall be in one sum and shall be made in the following circumstances:

"(1) To the estate of the insured—

"(A) if no beneficiary is designated,

"(B) if no designated beneficiary survives the insured, or

"(C) if a designated beneficiary, not entitled to lump-sum settlement, survives the insured, but dies before receiving all benefits due and payable, and there is no surviving beneficiary entitled to those benefits; but payment pursuant to this subparagraph shall be the commuted value of the remaining insurance, whether accrued or not.

"(2) To the estate of the beneficiary if such beneficiary is entitled to a lump-sum settlement, but elects some other mode of settlement and dies before receiving all the benefits due and payable under the mode selected; but payment pursuant to this paragraph shall be the present value of the remaining unpaid amount.

"(e) Under such regulations as the Administrator may promulgate, the cash surrender value of any policy of insurance or the proceeds of an endowment contract which matures by reason of completion of the endowment period may be paid to the insured under the optional modes of settlement set forth in subsection (a)(2) or (4) of this section. All settlements under the option set forth in subsection (a)(4) of this section, however, shall be calculated on the basis of The Annuity Table for 1949. If the option selected requires payment of monthly installments of less than $10, the amount payable shall be paid in such maximum number of monthly installments as are a multiple of 12 as will provide a monthly installment of not less than $10.

"§ 718. Assignments

"(a) The nonassignability and exempt status of benefits due under any law administered by the Veterans' Administration as provided under section 3101(a) of this title shall apply to any interest of the insured or a designated beneficiary under a National Service Life Insurance contract; except that—

"(1) assignments of all or any part of the beneficiary's interest may be made by a designated beneficiary to a widow, widower, child, father, mother, grandfather, grandmother, brother, or sister of the insured, when the designated contingent beneficiary, if any, joins the beneficiary in the assignment, and if the assignment is delivered to the Veterans' Administration before any payments of the insurance shall have been made to the beneficiary, but—

"(A) an interest in an annuity, when assigned, shall be payable in equal monthly installments in such multiple of 12 as most nearly equals the number of installments certain under such annuity, or in 240 installments, whichever is the lesser, and

"(B) provisions of this paragraph (1) shall not be applicable to insurance maturing on or after July 27, 1962; and

"(2) with respect to insurance granted under the provisions of section 722(b) of this title, any person to whom insurance maturing on or after July 27, 1962, is payable may assign all or any portion of his interest in such insurance to a widow, widower, child, father, mother, grandfather, grandmother, brother, or sister of the insured when the designated contingent beneficiary, if any, joins the beneficiary in the assignment, but such joinder shall not be required in any case in which the insurance proceeds are payable in a lump sum.

"(b) The exempt status referred to in subsection (a) of this section does not include exemption from Federal estate tax."

(2) by amending section 722 and 723 to read as follows:

"§ 722. Service disabled veterans' insurance

"(a)(1) Insurance may be granted by the United States against death occurring while such insurance is in force to any person released from active military, naval or air service, under other than dishonorable conditions, on or after April 25, 1951, if—

"(A) the Administrator finds such person to be suffering from a disability or disabilities for which compensation would be payable if 10 percent or more in degree, and except for which such person would be insurable according to the standards of good health established by the Administrator;

"(B) such person applies in writing for such insurance within one year from the date on which service-connection of such disability is determined by the Veterans' Administration; and

"(C) such person pays the premiums as provided for by this subchapter.

"(2) If a person who meets the requirements of subsection (a)(1)(A) of this section is shown by evidence satisfactory to the Administrator to have been mentally incompetent during any part of the one-year period, application for insurance under this section may be filed within one year after a guardian is appointed or within one year after the removal of such disability as determined by the Administrator, whichever is the earlier date. If the guardian was appointed or the removal of the disability occurred before January 1, 1959, application for insurance under this section may be made within one year after that date.

"(3) Insurance granted under this section shall be issued upon the same terms and conditions as are contained in the standard policies of National Service Life Insurance, except that—

"(A) the premium rates for such insurance shall be based on the Commissioners 1941 Standard Ordinary Table of Mortality and interest at the rate of 2¼ percent per annum;

"(B) all cash, loan, paid-up, and extended values shall be based upon the Commissioners 1941 Standard Ordinary Table of Mortality and interest at the rate of 2¼ percent per annum;

"(C) all settlements on policies involving annuities shall be calculated on the basis of The Annuity Table for 1949, and interest at the rate of 2½ percent per annum; and

"(D) insurance granted under this section shall be on a nonparticipating basis and all premiums and other collections therefor shall be credited directly to a revolving fund in the Treasury of the United States, and any payments on such insurance shall be made directly from such fund.

"(4) Appropriations to the revolving fund referred to in paragraph (3)(D) of this subsection are hereby authorized.

"(5) As to insurance issued under this section, waiver of premiums pursuant to section 602(n) of the National Service Life Insurance Act of 1940 and section 712 of this title shall not be denied on the ground that the service-connected disability became total before the effective date of such insurance.

"(b)(1) Any person who, on or after April 25, 1951, was otherwise qualified for insurance under the provision of section 620 of the National Service Life Insurance Act of 1940 or subsection (a) of this section, but who did not apply for such insurance, shall be deemed to have applied for, and to have been granted, such insurance, as of the date of death, if it can be shown by evidence satisfactory to the Administrator that such person—

"(A) was mentally incompetent from a service-connected disability—

"(i) at time of release from active service;

"(ii) during any port of the one-year period from the date the service-connection of a disability is first determined by the Veterans' Administration; or

"(iii) after release from active service but is not rated service-connected disabled by the Veterans' Administration until after death;

"(B) remained continuously so mentally incompetent until date of death; and

"(C) died before the appointment of a guardian, or within one year after the appointment of a guardian.

"(2) Such insurance shall be issued in an amount which, together with any other United States Government or National Service Life Insurance in force, shall aggregate $10,000.

"(3) The date to be used for determining whether such person was insurable according to the standards of good health established by the Administrator, except for the service-connected disability, shall be the date of release from active service or the date the person became mentally incompetent, whichever is later.

"(4) Payments of insurance granted under subsection (b)(1) of this section shall be made only to the following beneficiaries and in the order named—

"(A) to the widow or widower of the insured, if living and while unremarried;

"(B) if no widow or widower entitled thereto, to the child or children of the insured, if living, in equal shares; or

"(C) if no widow or widower or child entitled thereto, to the parent or parents of the insured who last bore that relationship, if living, in equal shares.

"(5) No application for insurance payments under this subsection shall be valid unless filed in the Veterans' Administration within 2 years after the date of death of the insured or before January 1, 1961, whichever is the later. The relationship of the applicant shall be proved as of the date of death of the insured by evidence satisfactory to the Administrator. Persons shown by evidence satisfactory to the Administrator to have been mentally or legally incompetent at the time the right to apply for death benefits expires, may make such application at any time within 1 year after the removal of such disability.

"(6) Notwithstanding the provisions of section 717 of this title, insurance under this subsection shall be payable at the election of the first beneficiary in 240 equal monthly installments or under the optional modes of settlement set forth in section 717(b)(3) or (4) of this title. Any installments certain of insurance remaining unpaid at the death of any beneficiary shall be paid to the person or persons then in being within the classes specified in subsection (b)(4) of this section and in the order named. Such payment shall be in equal monthly installments in an amount equal to the monthly installments paid to the first beneficiary.

"(7) The right of any beneficiary to payment of any installments shall be conditioned upon his or her being alive to receive such payments. No person shall have a vested right to any installment or installments of any such insurance. Any installments not paid to a beneficiary during such beneficiary's lifetime shall be paid to the beneficiary or beneficiaries within the permitted class next entitled to priority, as provided in subsection (b)(4) of this section. No installments of such insurance shall be paid to the heirs or legal representatives as such of the insured or of any beneficiary. If no person within the permitted class survives to receive the insurance or any part thereof no payment of the unpaid installments shall be made.

"§ 723. Veterans' Special Life Insurance

"(a) Insurance heretofore granted under the provisions of section 621 of the National Service Life Insurance Act of 1940, against the death of the policyholder occurring while such insurance is in force, is subject to the same terms and conditions as are contained in standard policies of National Service Life Insurance on the 5-year level premium term plan except that—

"(1) such insurance may not be exchanged for or converted to insurance on any other plan except as provided under subsection (b) of this section;

"(2) the premium rates for such insurance shall be based on the Commissioners 1941 Standard Ordinary Table of Mortality and interest at the rate of 2¼ percent per annum;

"(3) all settlements on policies involving annuities shall be calculated on the basis of the Annuity Table for 1949, and interest at the rate of 2¼ percent per annum; and

"(4) all premiums and other collections on such insurance and any total disability provisions added thereto shall be credited to a revolving fund in the Treasury of the United States, which, together with interest earned thereon, shall be available for the payment of liabilities under such insurance and any total disability provisions added thereto, including payments of dividends and refunds of unearned premiums.

"(b) Any term insurance heretofore issued under section 621 of the National Service Life Insurance Act of 1940 may be converted to a permanent plan of insurance or exchanged for a policy of limited convertible 5-year level premium term insurance issued under this subsection. Insurance issued under this subsection shall be issued upon the same terms and conditions as are contained in the standard policies of National Service Life Insurance except that—

"(1) after September 1, 1960, limited convertible term insurance may not be issued or renewed on the term plan after the insured's 50th birthday;

"(2) the premium rates of such limited convertible term or permanent plan insurance shall be based on table X–18 (1950–54 Intercompany Table of Mortability) and interest at the rate of 2½ percent per annum;

"(3) all settlements on policies involving annuities on insurance issued under this subsection shall be calculated on the basis of The Annuity Table for 1949, and interest at the rate of 2½ percent per annum;

"(4) all cash, loan, paid-up, and extended values, and, except as otherwise provided in this subsection, all other calculations in connection with insurance issued under this subsection shall be based on table X–18 (1950–54 Intercompany Table of Mortality) and interest at the rate of 2½ percent per annum; and

"(5) all premiums and other collections on insurance issued under this subsection and any total disability income provisions added thereto shall be credited directly to the revolving fund referred to in subsection (a) of this section, which together with interest earned thereon, shall be available for the payment of liabilities under such insurance and any total disability provisions added thereto, including payments of dividends and refunds of unearned premiums.

"(c) The Administer is authorized to invest in, and the Secretary of the Treasury is authorized to sell and retire, special interest-bearing obligations of the United States for the account of the revolving fund with a maturity date as may be agreed upon by the Administrator and Secretary. The rate of interest on such obligations shall be fixed by the Secretary of the Treasury at a rate equal to the rate of interest, computed as of the end of the month preceding the date of issue of such obligations, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt that are not due or callable until after the expiration of 5 years from the date of original issue; except that where such average rate is not a multiple of one-eighth of 1 percent, the rate of interest of such obligations shall be the multiple of one-eighth of 1 percent nearest such average rate."; and

(3) by amending section 784 to read as follows:

"§ 784. Suits on insurance

"(a) Action may be brought against the United States on any claim, including claim for refund of premiums, arising as the result of disagreement between the Veterans' Administration and any person or persons claiming under a contract of National Service Life Insurance, United States Government Life Insurance, or yearly renewable term insurance. Such action shall be brought either in the United States District Court for the District of Columbia or in the district court in and for the district in which such person or any one of them resides. Jurisdiction is

conferred upon such courts to him and determine all such controversies.

"(b) All persons having or claiming to have an interest in such insurance may be made parties to such suit. Parties who are not inhabitants of or found within the district within which suit is brought may be brought in by order of the court and may be served personally or by publication or in such other reasonable manner as the court may direct.

"(c) In all cases where the Veterans' Administration acknowledges indebtedness of the United States upon any such contract of insurance and there is a question as to the person or persons entitled to payment, a suit in the nature of a bill of interpleader may be brought against all persons having or claiming to have any interest in such insurance. Such suit shall be brought in the name of the United States at the request of the Veterans' Administration and shall be in the United States District Court for the District of Columbia or in the district court in and for the district in which any such claimant resides. However, no less than 30 days before instituting such suit the Veterans' Administration shall mail a notice of such intention to each of the persons to be made parties to the suit.

"(d) The court of appeals for the several circuits, including the District of Columbia, shall respectively exercise appellant jurisdiction and except as provided in section 1254 of title 28, the decrees of such courts of appeals shall be final.

"(e) No suit on yearly renewable term insurance, United States Government life insurance, or National Service Life Insurance shall be allowed under this section unless the same shall have been brought within 6 years after the right accrued for which the claim is made. For the purposes of this section it shall be deemed that the right accrued on the happening of the contingency on which the claim is founded. The limitation of 6 years is suspended for the period elapsing between the filing in the Veterans' Administration of the claim sued upon and the denial of said claim; except that in any case in which a claim is timely filed the claimant shall have not less than 90 days from the date of mailing of notice of denial within which to file suit. After June 28, 1936, notice of denial of the claim under a contract of insurance shall be by registered mail or by certified mail directed to the claimant's last address of record. Infants, insane persons, or persons under other legal disability, or persons rated as incompetent or insane by the Veterans' Administation shall have 3 years in which to bring suit after the removal of their fails for defect in process, or for other reafails for defect in process, or for other easons not affecting the merits, a new action, if one lies, may be brought within a year though the period of limitation has elapsed. No State or other statute of limitations shall be applicable to suits filed under this section.

"(f) In any suit or proceeding brought under this section, a United States district court may issue subpoenas to witnesses residing outside the district of the issuing court; except that no writ shall issue for witnesses residing more than 100 miles from the situs of the hearing, unless permission of the court has been obtained upon proper application and cause shown. The word 'district' and the words 'district court' as used herein shall be construed to include the District of Columbia and the United States District Court for the District of Columbia.

"(g) Attorneys of the Veterans' Administration, when assigned to assist in the trial of cases, and employees of the Veterans' Administration when ordered in writing by the Administrator to appear as witnesses, shall be paid the regular travel and subsistence allowance paid to other employees when on official travel status.

"(h) When ordered in writing by the Administrator to appear as witnesses in suits under this section, part-time and fee-basis employees of the Veterans' Administration, may, within the discretion and under written orders of the Administrator be allowed a fee not exceeding $50 per day. Such fee may be paid in addition to the regular travel and subsistence allowance.

"(i) Employees of the Veterans' Administration who are subpoenaed as witnesses for a party to a suit brought under the provisions of the section, shall be granted court leave or authorized absence, as applicable for the period they are required to be away from the Veterans' Administration in answer to such subpoenas.

"(j) Whenever a judgment or decree shall be rendered in an action brought under the provisions of this section, the court as a part of its judgment or decree, shall determine and allow reasonable fees for the attorneys of the successful party or parties and apportion same, if proper. Such fees may not exceed 10 percent of the amount recovered and will be paid by the Veterans' Administration out of payments to be made under the judgment or decree. The rate of payment will not exceed one-tenth of each of such payments until paid. However, in a suit brought by or in behalf of an insured during the insured's lifetime for waiver of premiums on account of total disability, the court, as part of its judgment or decree, shall determine and allow a reasonable fee to be paid by insured to his attorney.

"(k) The term 'claim' as used in this section means any writing which uses words showing an intention to claim insurance benefits. The term 'disagreement' means the denial of a claim after consideration on its merits, by the Administrator, or any employer or organizational unit of the Veterans' Administration.

"(l) In any suit brought under provisions of this section, the Attorney General of the United States may, pursuant to compromise recommended by the defending United States Attorney, upon such terms and for sums within the amount claimed, agree to a judgment to be rendered by the Chief Judge of the United States Court having jurisdiction. The Administrator shall make payment in accordance with any such judgment. The Comptroller General of the United States shall allow credit in the accounts of disbursing officers for all payments of insurance made in accordance therewith. All such judgments shall constitute final settlement of the claim and no appeal therefrom shall be authorized.".

SEC. 12. Section 1502(d) of title 38, United States Code, is amended by striking out "1780" and inserting in lieu thereof "1772".

SEC. 13. (a) Chapter 34 of title 38, United States Code, is amended—

(1) by striking out "United States Code," in section 1652(e);

(2) by striking out "section 1780" in subsections (a) and (b) of section 1681 and inserting in lieu thereof "chapter 36";

(3) by striking out "1787" in section 1682 (a)(1) and inserting in lieu thereof "1783";

(4) by striking out "1787 or 1786" in section 1684 and inserting in lieu thereof "1780 or 1782";

(5) by striking out "1798" in section 1686 and inserting in lieu thereof "1796, 1797, 1798."; and

(6) by redesignating section 1697A as section 1698.

(b) Such chapter 34 is further amended by striking out the center heading which immediately precedes each of subsections (a) and (b) of section 1661, subsections (a), (b), and (c) of section 1662, and subsections (a), (b), and (c) of section 1681.

(c) The table of sections at the beginning of such chapter 34 is amended by striking out "1697A." and inserting in lieu there "1698.".

SEC. 14. (a) Chapter 35 of title 38, United States Code, is amended—

(1) by striking out "1786" in section 1723 (c) and inserting in lieu thereof "1781";

(2) by striking out "section 1780" in section 1731(a) and inserting in lieu thereof "chapter 36";

(3) by amending section 1734—

(A) by striking out "1787" in subsection (a) and inserting in lieu thereof "1782", and

(B) by striking out "1786" in subsection (b) and inserting in lieu thereof "1780";

(4) by striking out "1798" in section 1737 and inserting in lieu thereof "1796, 1797, 1798,";

(5) by redesignating sections 1761, 1762, and 1763 as sections 1751, 1752, and 1753, respectively; and

(6) by redesignating sections 1765 and 1766 as sections 1755 and 1756, respectively.

(b) The table of sections at the beginning of such chapter 35 is amended by striking out "1761.", "1762.", "1763.", "1765.", and "1766." and inserting in lieu thereof "1751.", "1752.", "1753.", "1755." and "1756." respectively.

SEC. 15. (a) Chapter 36 of title 38, United States Code, is amended—

(1) by striking out "1778" in section 1770(b) and inserting in lieu thereof "1769", and by redesignating such section 1770 as section 1760;

(2) by striking out "1772" in section 1171 (b)(2), and inserting in lieu thereof "1762", and by redesignating such section 1771 as section 1761;

(3) by striking out "1787" in section 1772(c) and inserting in lieu thereof "1782", and by redesignating such section 1772 as section 1762;

(4) by redesignating sections 1773, 1774, and 1775 as sections 1763, 1764, and 1765, respectively;

(5) by amending section 1776—

(A) by striking out "1775" in subsection (a) and inserting in lieu thereof "1765";

(B) by striking out

"§ 1776. Approval of nonaccredited courses"

and inserting in lieu thereof

"§ 1766. Approval of nonaccredited courses—application";

and

(C) by redesignating subsection (c) as new section 1767 with the following section heading:

"§ 1767. Approval of nonaccredited courses—criteria";

(6) by redesignating sections 1777, 1778, and 1779 as sections 1768, 1769, and 1770, respectively;

(7) by striking out section 1780 and inserting in lieu thereof the following:

"Subchapter II—Miscellaneous Provisions

"§ 1771. Payment of educational assistance or subsistence allowances; determination of enrollment

"(a) Payment of educational assistance or subsistence allowances to eligible veterans or eligible persons pursuing a program of education or training, other than a program by correspondence or a program of flight training, in an educational institution under chapter 31, 34, or 35 of this title shall be paid as provided in this chapter and, as applicable, in section 1504, 1682, 1691, or 1732 of this title. Such payments shall be paid only for the period of such veterans' or persons' enrollment, but no amount shall be paid—

"(1) to any eligible veteran or eligible person enrolled in a course which leads to a standard college degree for any period when such veteran or person is not pursuing his course in accordance with the regularly established policies and regulations of the educational institution and the requirements of this chapter or of chapter 34 or 35 of this title; or

"(2) to any eligible veteran or eligible person enrolled in a course which does not lead to a standard college degree (excluding programs of apprenticeship and programs of other on-job training authorized by section 1782 of this title) for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays (or customary vacation periods connected therewith) established by Federal or State law (or in the case of the Republic of the Philippines, Philippine law) during which the institution is not regularly in session.

Notwithstanding the foregoing, the Administrator may, subject to such regulations as he shall prescribe, continue to pay allowances to eligible veterans and eligible persons enrolled in courses set forth in clause (1) or (2) of this subsection during periods when the schools are temporarily closed under an established policy based upon an Executive order of the President or due to an emergency situation, and such periods shall not be counted as absences for the purposes of clause (2).

"(b) The Administrator may, pursuant to regulations which he shall prescribe, determine enrollment in, pursuit of, and attendance at, any program of education or training or course by an eligible veteran or eligible person for any period for which he receives an educational assistance or subsistence allowance under this chapter for pursuing such program or course.

"§ 1772. Advance payment of initial allowance

"(a) The educational assistance or subsistence allowance advance payment provided for in this section is based upon a finding by the Congress that eligible veterans and eligible persons need additional funds at the beginning of a school term to meet the expenses of books, travel, deposits, and payment for living quarters, the initial installment of tuition, and the other special expenses which are concentrated at the beginning of a school term.

"(b) Subject to the provisions of this section, and under regulations which the Administrator shall prescribe, an eligible veteran or eligible person shall be paid an educational assistance allowance or subsistence allowance, as appropriate, advance payment. Such advance payment shall be made in an amount equivalent to the allowance for the month or fraction thereof in which pursuit of the program will commence, plus the allowance for the succeeding month. In the case of a serviceman on active duty, who is pursuing a program of education (other than under subchapter VI of chapter 34), the advance payment shall be in a lump sum based upon the amount payable for the entire quarter, semester, or term, as applicable. In no event shall an advance payment be made under this section to a veteran or person intending to pursue a program of education on less than a half-time basis. The application for advance payment, to be made on a form prescribed by the Administrator, shall—

"(1) in the case of an initial enrollment of a veteran or person in an educational institution, contain information showing that the veteran or person—

"(A) is eligible for educational benefits,

"(B) has been accepted by the institution, and

"(C) has notified the institution of his intention to attend that institution; and

"(2) in the case of a re-enrollment of a veteran or person, contain information showing that the veteran or person—

"(A) is eligible to continue his program of education or training, and

"(B) intends to re-enroll in the same institution, and, in either case, shall also state the number of semester or clock-hours to be pursued by such veteran or person.

"(c) Subject to the provisions of this section, and under regulations which the Administrator shall prescribe, a person eligible for education or training under the provisions of subchapter VI of chapter 34 of this title shall be entitled to a lump-sum educational assistance allowance advance payment. Such advance payment shall in no event be made earlier than thirty days prior to the date on which pursuit of the person's program of education or training is to commence. The application for the advance payment, to be made on a form prescribed by the Administrator, shall, in addition to the information prescribed in subsection (b)(1), specify—

"(1) that the program to be pursued has been approved;

"(2) the anticipated cost and the number of Carnegie, clock, or semester hours to be pursued; and

"(3) where the program to be pursued is other than a high school credit course, the need of the person to pursue the course or courses to be taken.

"(d) For purposes of the Administrator's determination whether any veteran or person is eligible for an advance payment under this section, the information submitted by the institution, the veteran or person, shall establish his eligibility unless there is evidence in his file in the processing office establishing that he is not eligible for such advance payment.

"(e) The advance payment authorized by subsections (b) and (e) of this section shall, in the case of an eligible veteran or eligible person, be—

"(1) drawn in favor of the veteran or person;

"(2) mailed to the educational institution listed on the application form for temporary care and delivery to the veteran or person by such institution; and

"(3) delivered to the veteran or person upon his registration at such institution, but in no event shall such delivery be made earlier than thirty days before the program of education is to commence.

"(f) Upon delivery of the advance payment pursuant to subsection (e) of this section, the institution shall submit to the Administrator a certification of such delivery is not effected within thirty days after commencement of the program of education in question, such institution shall return such payment to the Administrator forthwith.

"§ 1773. Prepayment of subsequent allowances.

"Except as provided in section 1774 of this title, subsequent payments of educational assistance or subsistence allowance to an eligible veteran or eligible person shall be prepaid each month, subject to such reports and proof of enrollment in and satisfactory pursuit of such programs as the Administrator may require. The Administrator may withhold the final payment for a period of enrollment until such proof is received and the amount of the final payment appropriately adjusted.

"§ 1774. Payments for less than half-time training

"Payment of educational assistance allowance in the case of any eligible veteran or eligible person pursuing a program of education on less than a half-time basis (except as provided by section 1772(c) of this title) shall be made in an amount computed for the entire quarter, semester, or term during the month immediately following the month in which certification is received from the educational institution that such veteran or person has enrolled in and is pursuing a program at such institution. Such lump sum payment shall be computed at the rate provided in section 1682(b) or 1732(a)(2) of this title, as applicable.";

(8) by striking out the subchapter heading immediately preceding section 1781;

(9) by redesignating sections 1781, 1782, and 1783 as sections 1775, 1776, and 1777, respectively;

(10) by striking out "1780(d)(5)" in section 1784(b) and inserting in lieu thereof "1772(e)", and by redesignating such section 1784 as section 1778;

(11) by redesignating section 1785 as section 1779;

(12) by striking out section 1786 and inserting in lieu thereof the following:

"§ 1780. Correspondence courses

"(a)(1) Each eligible veteran (as defined in sections 1652(a)(1) and (2) of this title) and each eligible wife or widow (as defined in section 1701(a)(1)(B), (C), or (D) of this title) who enters into an enrollment agreement to pursue a program of education exclusively by correspondence shall be paid an educational assistance allowance computed at the rate of 90 per centum of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran or wife of widow. The term 'established charge' as used herein means the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency or the actual cost to the veteran or wife or widow, whichever is the lesser. Such allowance shall be paid quarterly on a pro rata basis for the lessons completed by the veteran or wife or widow and serviced by the institution.

"(2) The period of entitlement of any veteran or wife or widow who is pursuing any program of education exclusively by correspondence shall be charged with one month for each $270 which is paid to the veteran or wife or widow as an educational assistance allowance for such course.

"(b) No educational assistance allowance shall be paid to an eligible veteran or wife or widow enrolled in and pursuing a program of education exclusively by correspondence until the Administrator shall have received—

"(1) from the eligible veteran or wife or widow a certificate as to the number of lessons actually completed by the veteran or wife or widow and serviced by the educational institution; and

"(2) from the training establishment a certification or an endorsement on the veteran's or wife's or widow's certificate, as to the number of lessons completed by the veteran or wife or widow and serviced by the institution.

"§ 1781. Enrollment agreements

"(a) Any enrollment agreement entered into pursuant to the provisions of section 1780 of this title shall fully disclose the obligation of both the institution and the veteran or wife or widow and shall prominently display the provisions for affirmance, termination, refunds, and the conditions under which payment of the allowance is made by the Administrator to the veteran or wife or widow. A copy of the enrollment agreement shall be furnished to each such veteran or wife or widow at the time such veteran or wife or widow signs such agreement. No such agreement shall be effective unless such veteran or wife or widow shall, after the expiration of ten days after the enrollment agreement is signed, have signed and submitted to the Administrator a written statement, with a signed copy to the institution, specifically affirming the enrollment agreement. In the event the veteran or wife or widow at any time notifies the institution of his intention not to affirm the agreement in accordance with the preceding sentence, the institution, without imposing any penalty or charging any fee shall promptly make a full refund of all amounts paid.

"(b) In the event a veteran or wife or

widow elects to terminate his enrollment under an affirmed enrollment agreement, the institution (other than one subject to the provisions of section 1766 of this title) may charge the veteran or wife or widow a registration or similar fee not in excess of 10 per centum of the tuition for the course or $50, whichever is less. Where the veteran or wife or widow elects to terminate the agreement after completion of one or more but less than 25 per centum of the total number of lessons comprising the course, the institution may retain such registration or similar fee plus 25 per centum of the tuition for the course. Where the veteran or wife or widow elects to terminate the agreement after completion of 25 per centum but less than 50 per centum of the lessons comprising the course, the institution may retain the full registration or similar fee plus 50 per centum of the course tuition. If 50 per centum or more of the lessons are completed, no refund of tuition is required.";

(13) by amending section 1787—

(A) by striking out "1777" in subsection (a)(2) and inserting in lieu thereof "1768";

(B) by redesignating subsection (c) as subsection (d);

(C) by inserting immediately after subsection (b) the following new subsection:

"(c) No training assistance allowance shall be paid to an eligible veteran or eligible person enrolled in and pursuing a program of apprenticeship or other on-job training until the Administrator shall have received—

"(1) from such veteran or person a certification as to his actual attendance during such period; and

"(2) from the training establishment a certification, or an endorsement on the veteran's or person's certificate, that such veteran or person was enrolled in and pursuing a program of apprenticeship or other on-job training during such period."; and

(D) by redesignating such section 1787 as section 1782;

(14) by redesignating sections 1788 and 1789 as sections 1783 and 1784, respectively;

(15) by striking out section 1790 and inserting in lieu thereof the following:

"§ 1785. Overcharges by educational institutions

"If the Administrator finds that an educational institution has—

"(1) charged or received from any eligible veteran or eligible person pursuing a program of education under this chapter or chapter 34 or 35 of this title any amount for any course in excess of the charges for tuition and fees which such institution requires similarly circumstanced nonveterans not receiving assistance under such chapters who are enrolled in the same course to pay, or

"(2) instituted, after the effective date of sections 1772 and 1773 of this title, a policy or practice with respect to the payment of tuition, fees, or other charges in the case of eligible veterans and the Administrator finds that the effect of such policy or practice substantially denies to veterans the benefits of the advance and prepayment allowances under such sections,

he may disapprove such educational institution for the enrollment of any eligible veteran or eligible person not already enrolled therein under this chapter or chapter 31, 34, or 35, of this title.

"§ 1786. Discontinuance of allowances

"The Administrator may discontinue the educational assistance allowance of any eligible veteran or eligible person if he finds that the program of education or any course in which the veteran or person is enrolled fails to meet any of the requirements of this chapter or chapter 34 or 35 of this title, or if he finds that the educational institution offering such program or course has violated any provision of this chapter or chapter 34 or 35, or fails to meet any of the requirements of such chapters.

"§1787. Recovery of erroneous payments

"If an eligible veteran or eligible person fails to enroll in or pursue a course for which an educational assistance or subsistence allowance advance payment is made, the amount of such payment and any amount of subsequent payments which, in whole or in part, are due to erroneous information required to be furnished under section 1772 (b) and (c) of this title shall become an overpayment and shall constitute a liability of such veteran or person to the United States and may be recovered, unless waived pursuant to section 3102 of this title, from any benefit otherwise due him under any law administered by the Veterans' Administration or may be recovered in the same manner as any other debt due the United States.

"§ 1788. Examination of records

"The records and accounts of educational institutions pertaining to eligible veterans or eligible persons who received educational assistance under this chapter or chapter 31, 34, or 35 of this title shall be available for examination by duly authorized representatives of the Government.

"§ 1789. False or misleading statements

"Whenever the Administrator finds that an educational institution has willfully submitted a false or misleading claim, or that a veteran or person, with the complicity of an educational institution, has submitted such a claim, he shall make a complete report of the facts of the case to the appropriate State approving agency and, where deemed advisable, to the Attorney General of the United States for appropriate action.";

(16) by redesignating sections 1791, 1792, 1793, 1794, and 1795 as sections 1790, 1791, 1792, and 1793, and 1794, respectively;

(17) by striking out "1794" in section 1796(b) and inserting in lieu thereof "1793", and by redesignating such section 1796 as section 1795;

(18) by striking out section 1798 and inserting in lieu thereof the following:

"§ 1796. Eligibility for loans

"(a) Each eligible veteran and eligible person shall be entitled to a loan under this subchapter in an amount determined under, and subject to the conditions specified in, subsection (b)(1) of this section if the veteran or person satisfies the requirements set forth in section 1797 of this title.

"(b)(1) Subject to paragraph (3) of this subsection, the amount of the loan to which an eligible veteran or eligible person shall be entitled under this subchapter for any academic year shall be equal to the amount needed by such veteran or person to pursue a program of education at the institution at which he is enrolled, as determined under paragraph (2) of this subsection.

"(2)(A) The amount needed by a veteran or person to pursue a program of education at an institution for any academic year shall be determined by subtracting (i) the total amount of financial resources (as defined in subparagraph (B) of this paragraph) available to the veteran or person which may be reasonably expected to be expended by such veteran or person for educational purposes in any year from (ii) the actual cost of attendance (as defined in subparagraph (C) of this paragraph) at the institution in which such veteran or person is enrolled.

"(B) The term 'total amount of financial resources' of any veteran or person for any year means the total of the following:

"(i) The annual adjusted effective income of the veteran or person less Federal income tax paid or payabe by such veteran or person with respect to such income.

"(ii) The amount of cash assets of the veteran or person.

"(iii) The amount of financial assistance received by the veteran or person under the provisions of title IV of the Higher Education Act of 1965, as amended.

"(iv) Educational assistance received by the veteran or person under this title other than under this subchapter.

"(v) Financial assistance received by the veteran or person under any scholarship or grant program other than those special specified clauses (iii) and (iv).

"(C) The term 'actual cost of attendance' means, subject to such regulations as the Administrator may provide, the actual per-student charges for tuition, fees, room and board (or expenses related to reasonable commuting), books, and an allowance for such other expenses as the Administrator determines by regulation to be reasonably related to attendance at the institution at which the veteran or person is enrolled.

"(3) The aggregate of the amounts any veteran or person may borrow under this subchapter may not exceed $270 multiplied by the number of months such veteran or person is entitled to receive educational assistance under section 1662 or subchapter II of chapter 35, respectively, of this title, but not in excess of $600 in any one regular academic year.

"§ 1797. Amounts and conditions of loans

"(a) An eligible veteran or person shall be entitled to a loan under this subchapter if such veteran or person—

"(1) is in attendance at an educational institution on at least a half-time basis and (A) is enrolled in a course leading to a standard college degree, or (B) is enrolled in a course, the completion of which requires six months or longer, leading to an identified and predetermined professional or vocational objective;

"(2) has sought and is unable to obtain a loan, in the full amount needed by such veteran or person, as determined under section 1796(b) of this title under a student loan program insured pursuant to the provisions of part B of title IV of the Higher Education Act of 1965, as amended, or any successor authority; and

"(3) enters into an agreement with the Administrator meeting the requirements of subsection (b) of this section.

No loan shall be made under this subchapter to an eligible veteran or person pursuing a program of correspondence, flight, apprentice, or other on-job, or PREP training.

"(b) Any agreement between the Administration and a veteran or person under this subchapter—

"(1) shall include a note or other written obligation which provides for repayment to the Administrator of the principal amount of, and payment of interest on, the loan in installments over a period beginning nine months after the date on which the borrower ceases to be at least a half-time student and ending ten years and nine months after such date;

"(2) shall include provision for acceleration of repayment of all or any part of the loan, without penalty, at the option of the borrower;

"(3) shall provide that the loan shall bear interest, on the unpaid balance of the loan, at a rate prescribed by the Administrator, with the concurrence of the Secretary of the Treasury, but at a rate not less than a rate determined by the Secretary, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the maturity of loans made under this subchapter, except that no interest shall accrue prior to the beginning date of repayment; and

"(4) shall provide that the loan shall be made without security and without endorsement.

"§ 1798. Defaults

"(a) Except as provided in subsection (b) of this section whenever the Administrator determines that a default has occurred on any loan made under this subchapter, he shall declare an overpayment, and such over-

payment shall be recovered from the veteran or person concerned in the same manner as any other debt due the United States.

"(b) If a veteran or person who has received a loan under this section dies or becomes permanently and totally disabled, then the Administrator shall discharge the veteran's or person's liability on such loan by repaying the amount owed on such loan.

"(c) The Administrator shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives, not later than one year after the date of enactment of the Vietnam Era Veterans' Readjustment Assistance Act of 1974 and annually thereafter, a separate report specifying the default experience and default rate at each educational institution along with a comparison of the collective default experience and default rate at all such institutions."; and

(19) by striking out "1798(e)" in section 1799 and inserting in lieu thereof "1798".

(b) The table of sections at the beginning of such chapter 36 is amended to read as follows:

"SUBCHAPTER I—STATE APPROVING AGENCIES

"Sec.
"1760. Scope of approval.
"1761. Designation.
"1762. Approval of courses.
"1763. Cooperation.
"1764. Reimbursement of expenses.
"1765. Approval of accredited courses.
"1766. Approval of nonaccredited courses—application.
"1767. Approval of nonaccredited courses—criteria.
"1768. Approval of training on the job.
"1769. Notice of approval of courses.
"1770. Disapproval of courses.

"SUBCHAPTER II—MISCELLANEOUS PROVISIONS

"1771. Payment of educational assistance or subsistence allowances; determination of enrollment.
"1772. Advance payment of initial allowance.
"1773. Prepayment of subsequent allowances.
"1774. Payments for less than half-time training.
"1775. Limitations on educational assistance.
"1776. Control by agencies of the United States.
"1777. Conflicting interests.
"1778. Reports by institutions; reporting fee.
"1779. Overpayments to eligible persons or veterans.
"1780. Correspondence courses.
"1781. Enrollment agreements.
"1782. Apprenticeship or other on-job training.
"1783. Measurement of courses.
"1784. Period of operation for approval.
"1785. Overcharges by educational institutions.
"1786. Discontinuance of allowances.
"1787. Recovery of erroneous payments.
"1788. Examination of records.
"1789. False or misleading statements.
"1790. Change of program.
"1791. Advisory committee.
"1792. Institutions listed by Attorney General.
"1793. Use of other Federal agencies.
"1794. Limitation on period of assistance under two or more programs.
"1795. Limitation on certain advertising, sales, and enrollment practices.

"SUBCHAPTER III—EDUCATION LOANS TO ELIGIBLE VETERANS AND ELIGIBLE PERSONS

"1796. Eligibility for loans.
"1797. Amounts and conditions of loans.
"1798. Defaults.
"1799. Revolving fund; insurance.".

SEC. 16. Section 2014(b) of title 38, United States Code, is amended by striking out "1788" and inserting in lieu thereof "1783".

SEC. 17. Section 3102(b) of title 38, United States Code, is amended by striking out "(as defined in sections 101 and 1801),".

SEC. 18. Chapter 61 of title 38, United States Code, is amended as follows:

(1) Section 3503(d)(1) is amended by striking out "(a)", and inserting in lieu thereof "(A)", and by striking out "(b)" and inserting in lieu thereof "(B)".

(2) Section 3505(c) is amended by striking out "the Treasury" and inserting in lieu thereof "Transportation".

SEC. 19. (a) Sections 4005A, 4006, 4007, 4008, and 4009 are redesignated as sections 4006, 4007, 4008, 4009, and 4010, respectively.

(b) The table of sections of chapter 71 of such title 38 is amended by striking out "4005A.", "4006.", "4007.", "4008.", and "4009.", and inserting in lieu thereof "4006.", "4007.", "4008.", "4009.", and "4010.", respectively.

SEC. 20. Chapter 73 of title 38, United States Code, is amended as follows:

(1) Section 4103 is amended by striking out in subsection (a)(4) "recommendations" and inserting in lieu thereof "recommendation".

(2) Section 4108(b) is amended by striking out "pursuant to" and inserting in lieu thereof "referred to in".

(3) Section 4114(b)(2) is amended to read as follows:

"(2) For the purposes of this title, the term 'internship' shall include the equivalency of an internship as determined in accordance with regulations which the Administrator shall prescribe, and the term 'intern' shall mean a person serving an internship."

SEC. 21. Chapter 81 of title 38, United States Code, is amended as follows:

(1) Section 5001(a)(2) is amended by striking out "tuberculosis" and inserting in lieu thereof "tuberculous".

(2) Section 5054(b) is amended by inserting "the" immediately before "surrounding medical community" the second time it appears.

(3) Section 5055(a) is amended by striking out in the second sentence thereof "for Research and Education in Medicine" and inserting in lieu thereof "charged with administration of the Department of Medicine and Surgery medical research program."

SEC. 22. Section 5083(a) of title 38, United States Code, is amended by striking out "subchapter IV of chapter 81 of".

The SPEAKER. Is a second demanded?

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

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

There was no objection.

The SPEAKER. The gentleman from Texas (Mr. ROBERTS) is recognized for 20 minutes, and the gentleman from Arkansas (Mr. HAMMERSCHMIDT) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. ROBERTS).

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

Mr. Speaker, H.R. 3350 as amended would amend title 38 in order to make certain technical corrections therein.

Eighteen years ago, the Committee on Veterans' Affairs, after extensive committee staff work in conjunction with the Office of the House Legislative Counsel, the General Counsel Office of the Veterans' Administration, the then Bureau of the Budget and the General Accounting Office, reported legislation which incorporated into a single act the subject matter of the extensive body of existing legislation authorizing and governing veterans' programs. Subsequently, through the full and active cooperation of the Committee on the Judiciary and its Subcommittee on Revision of Laws, the bill was amended and put into a codified form which resulted in the first enactment of all the laws relating to veterans into what is now known as title 38, United States Code.

At the end of each Congress thereafter, the Committee on Veterans' Affairs has amended title 38 to reflect the changes made in the Congress insofar as substantive changes are involved. Over the years, some errors have developed of an nonsubstantive character and, as can be readily imagined, it has become necessary to renumber some sections and repeal other sections which are no longer required. It is the purpose of this bill as amended to accomplish this objective. As originally introduced, the bill included some substantive changes in the law, and the Veterans' Administration in its favorable report on the bill expressed opposition to some of these substantive changes. I can assure the Members that all such substantive changes set out in the original bill have been deleted and every change in the reported bill is a technical change. In other words, there are no increases in benefits nor liberalizations of programs. This bill will not require the expenditure of one additional dollar of public money except for printing costs.

The changes recommended in the bill have been carefully checked by the Office of the Legislative Counsel of the House and the General Counsel staff of the Veterans' Administration.

I now recognize the distinguished ranking minority member of the committee, the gentleman from Arkansas (Mr. HAMMERSCHMIDT).

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

Mr. Speaker, I rise in support of H.R. 3350, a bill to make certain technical corrections in title 38 of the United States Code.

I can assure Members that this bill contains no substantive changes in the law. It eliminates errors, correctly renumbers sections, and otherwise corrects the text of title 38. The bill neither increases nor decreases benefits.

The Veterans' Administration, in offering comment upon the bill, has said its provisions are highly desirable.

Mr. Speaker, I urge that the bill be approved.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS) that the House suspend the rules and pass the bill H.R. 3350, as amended.

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

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3350, the bill just passed.

The SPEAKER. Is there objection to

the request of the gentleman from Texas?

There was no objection.

VETERANS' ADMINISTRATION PHYSICIANS AND DENTISTS COMPARABILITY PAY ACT OF 1975

Mr. ROBERTS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8240) to amend title 38, United States Code, to provide special pay and incentive pay for certain physicians and dentists employed by the Department of Medicine and Surgery of the Veterans' Administration in order to enhance the recruitment and retention of such personnel, and for other purposes.

The Clerk read as follows:

H.R. 8240

A bill to amend title 38, United States Code, to provide special pay and incentive pay for certain physicians and dentists employed by the Department of Medicine and Surgery of the Veterans' Administration in order to enhance the recruitment and retention of such personnel, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans' Administration Physicians and Dentists Comparability Pay Act of 1975".

SEC. 2. (a) Section 4107 of title 38, United States Code, is amended—

(1) by striking out ", other than Chief Medical Director and Deputy Chief Medical Director," in the first sentence of subsection (a);

(2) by striking out in subsection (a) the following:

"Associate Deputy Chief Medical Director, at the annual rate provided in section 5316 of title 5 for positions in level V of the Executive Schedule.

"Assistant Chief Medical Director, $41,734.

"Medical Director, $36,103 minimum to $40,915 maximum."

and inserting in lieu thereof the following:

"Chief Medical Director, $56,000.

"Deputy Chief Medical Director, $54,000.

"Associate Deputy Chief Medical Director, $52,000.

"Assistant Chief Medical Director, $50,000.

"Medical Director, $40,000 minimum to $49,000 maximum.";

(3) by striking out the Physician and Dentist Schedule in subsection (b)(1) and inserting in lieu thereof the following:

"Physician and Dentist Schedule

"Director grade, $39,000 minimum to $48,000 maximum.

"Executive grade, $38,000 minimum to $47,000 maximum.

"Chief grade, $35,000 minimum to $46,000 maximum.

"Senior grade, $28,000 minimum to $37,000 maximum.

"Intermediate grade, $23,000 minimum to $31,000 maximum.

"Full grade, $20,000 minimum to $26,000 maximum.

"Associate grade, $17,000 minimum to $23,000 maximum.";

(4) by amending subsection (d) to read as follows:

"(d) Except with respect to the pay provided for the Chief Medical Director and the Deputy Chief Medical Director under subsection (a) of this section, and except as provided in subsection (f) of this section, the limitations in section 5308 of title 5 shall apply to pay under this section. Notwithstanding any other provision of law and except as provided in subsection (f) of this section, pay may not be paid to the Chief Medical Director and to the Deputy Chief Medical Director at a rate in excess of the rate of basic pay for levels III and IV, respectively, of the Executive Schedule."; and

(5) by adding at the end thereof the following new subsection:

"(f)(1) In order to attract and to retain the services of highly qualified physicians and dentists in the Department of Medicine and Surgery, the Administrator, under such regulations as he shall prescribe, may pay to any physician or dentist employed on a full-time basis by such Department special pay of $5,000 per annum in the case of a physician and $2,500 per annum in the case of a dentist. The amount of special pay paid under this paragraph during the fifty-two-week period beginning on the effective date of this subsection to any physician or dentist shall, if the annual basic salary rate of such physician or dentist under subsection (b)(1) is less than $36,000 on such effective date, be reduced by the difference between the annual basic salary rate of such physician or dentist in effect on the day before such effective date and the annual basic salary rate in effect on such effective date.

"(2) In order to attract and to retain the services of highly qualified physicians and dentists in the Department of Medicine and Surgery, the Administrator may pay, in addition to the special pay provided for under paragraph (1), incentive pay in an amount not to exceed $8,500 per annum to any physician employed on a full-time basis and not to exceed $4,250 per annum to any dentist employed on a full-time basis. Such incentive pay may be paid in such amounts, at such times, and subject to such conditions as the Administrator shall by regulation prescribe. In promulgating regulations to carry out the purposes of this paragraph, the Administrator shall take into account only the following factors and may pay no more than the indicated per annum amounts to each physician eligible therefor, or proportional amounts to each dentist eligible therefor:

"(A) appointment to full-time status, $1,000;

"(B) tenure of service within the Department of Medicine and Surgery of—

"(i) from 3 to 6 years, $500;

"(ii) from 6 to 9 years, $1,500;

"(iii) from 9 to 12 years, $2,000;

"(iv) from 12 or more years, $2,500;

"(C) scarcity of medical or dental specialty, $2,000;

"(D) Board certification, $1,000;

"(E) professional responsibility in the case of—

"(i) Service Chief and Assistant Chief of Staff, $2,000;

"(ii) Executive Grade, $3,500;

"(iii) Director Grade and Deputy Service Director, $3,750;

"(iv) Service Director, $4,250;

"(v) Deputy Assistant Chief Medical Director, $4,500;

"(vi) Chief Medical Director, Deputy Chief Medical Director, Associate Deputy Chief Medical Director, Assistant Chief Medical Director, $5,000.

"(3)(A) The limitations in section 5308 of title 5 shall not apply to special pay and incentive pay payable under this subsection.

"(B) Any special pay or incentive pay paid to any individual pursuant to this subsection—

"(i) shall be in addition to any other pay and allowance to which such individual may be entitled; and

"(ii) shall not be deemed to be compensation for purposes of subchapter VI and section 5595 of chapter 55, chapter 81, 83, or 87 of title 5 or for purposes of any other benefit based on basic pay.".

(b) Section 4114(a)(2) of title 38, United States Code, is amended by adding at the end thereof the following new sentences: "Temporary full-time physicians and dentists employed under paragraph (1) of this subsection may be paid special pay and incentive pay in the same amounts and under the same conditions as provided in section 4107(f) of this title for other full-time physicians and dentists. Part-time physicians and dentists empoyed under paragraph (1) of this subsection on a half-time or more basis may be paid such special pay and incentive pay at the same per annum rate and under the same conditions as provided in section 4107(f) of this title for full-time physicians and dendentist may be paid an aggregate amount of may be paid an aggregate amount of basic pay, special pay, or incentive pay in excess of $41,000 per annum, and (B) no part-time tists: except that (A) no part-time physician basic pay, special pay, or incentive pay in excess of $36,000 per annum.".

(c) No increase in any annual rate of basic pay which results from the conversion, on the effective date of this Act, to the physician and dentist schedule in section 4107(b)(1) of title 38, United States Code (as amended by paragraph (3) of subsection (a) of this section) may exceed $5,000 in the case of any physician or may exceed $2,500 in the case of any dentist. For purposes of this subsection, the term "conversion" shall not include any other personnel action occurring on such effective date.

(d) No special pay or incentive pay may be approved pursuant to section 4107(f) of title 38, United States Code (as added by paragraph (5) of subsection (a) of this section) or pursuant to section 4114(a)(2) of such title (as amended by subsection (b) of this section) after September 25, 1976, unless the applicability of such sections is extended by Congress.

SEC. 3. Not later than April 30, 1976, the Administrator of Veterans' Affairs shall submit to the Committees on Veterans' Affairs of the House of Representatives and the Senate a report of the effectiveness and operation of the special and incentive pay program provided for by section 4107(f) of title 38, United States Code.

SEC. 4. (a) No later than August 31, 1976, the Comptroller General of the United States shall complete the following and shall submit a report thereon to the Congress:

(1) An investigation of the short-term and long-term problems facing the departments and agencies of the Federal Government (including the uniformed services) in recruiting and retaining qualified physicians and dentists.

(2) An evaluation of the extent to which the implementation of a uniform system of pay, allowances, and benefits for all physicians and dentists employed in Federal service would alleviate or solve such recruitment and retention problems.

(3) An investigation and evaluation of such other solutions to such recruitment and retention problems as the Comptroller General deems appropriate.

(4) On the basis of the investigations and evaluations required to be made under paragraphs (1), (2), and (3) of this subsection, develop appropriate alternative suggested courses of legislative or administrative action (including proposed legislation) which in the judgment of the Comptroller General will solve such recruitment and retention problems.

(b) In preparing the report required by subsection (a) of this section, the Comptroller General should consult with the Secretary of Defense, the Secretary of Health, Education, and Welfare, the Administrator of Veterans' Affairs, the Chairman of the Civil Service Commission, and with the heads of other appropriate Federal departments and agencies. The report shall also include—

(1) a comprehensive analysis of—

(A) the existing laws and regulations relating to the employment of physicians and dentists by the various departments and agencies of the Government (including the uniformed services), with special emphasis being given to an analysis of the various pay systems established pursuant to such laws,

(B) the existing physician and dentists recruitment, selection, utilization, and promotion practices used by the various departments and agencies, and

(C) the degree to which the various pay systems referred to in subparagraph (A), the practices referred to in subparagraph (B), and other relevant departmental and agency practices are effective in meeting recruitment and retention needs; and

(2) a comparison of the remuneration received by physicians and dentists employed by the Federal departments and agencies with the remuneration received by physicians and dentists in private practice or academic medicine who have equivalent professional or administrative qualifications, based upon information available through medical and health associations and such other public sources as may be available.

SEC. 5. Title 5, United States Code, is amended by—

(1) striking out in section 5314 the following:

"(38) Chief Medical Director in the Department of Medicine and Surgery, Veterans' Administration."; and

(2) striking out in section 5315 the following:

"(31) Deputy Chief Medical Director in the Department of Medicine and Surgery, Veterans' Administration.".

SEC. 6. This Act shall take effect September 28, 1975.

The SPEAKER. Is a second demanded?

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

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

There was no objection.

The SPEAKER. The gentleman from Texas (Mr. ROBERTS) is recognized for 20 minutes, and the gentleman from Arkansas (Mr. HAMMERSCHMIDT) is recognized for 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. ROBERTS).

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

Mr. Speaker, this bill is designed to assist the Administrator in recruiting and retaining quality physicians and dentists for the Veterans' Administration's medical program. The legislation was recommended as part of the quality care study conducted by the Chief Medical Director as directed by the President on March 31, 1974. As a result of this report, the administration sent a bill to the Congress that would have provided special and incentive pay for VA physicians with practically no strings attached.

The bill before the House today is a far better bill, in my opinion, than that proposed by the administration because the bill is specific in designating how the money is to be spent. Before I defer to my distinguished colleague, the gentleman from Virginia (Mr. SATTERFIELD) for an explanation of the bill, I want to commend him and the members of our Subcommittee on Hospitals for the outstanding work they have done in bringing this particular bill to the floor. They have spent many hours working on this bill. Under the leadership of the chairman of the subcommittee, the ranking minority member, Mr. HAMMERSCHMIDT, and the other subcommittee members, we have a bill that I think will receive the support of the House. I congratulate the chairman, Mr. SATTERFIELD.

Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. SATTERFIELD) for an explanation of the bill.

Mr. SATTERFIELD. Mr. Speaker, it is the opinion of the Committee on Veterans Affairs that the Congress should swiftly enact H.R. 8240 which contains 1 year legislative authority to place the pay scales of VA physicians and dentists on parity with other physicians in the Federal service.

At the outset, Mr. Speaker, I wish to express special appreciation to the distinguished chairman of our committee, the gentleman from Texas (Mr. ROBERTS) and the ranking minority member of our committee, the gentleman from Arkansas (Mr. HAMMERSCHMIDT) for their tireless efforts in working with me and other members of the committee to draft this important legislation.

Mr. Speaker, on March 31, 1974, President Nixon directed the Veterans' Administration to investigate the quality of care in VA hospitals and clinics. As a result of the Presidential directive, a survey was conducted under the direction of the Chief Medical Director in 32 hospitals and one clinic during the period of April 17 through May 23, 1974. The report of the Chief Medical Director's findings were transmitted to the President on July 31, 1974, and after review by the President, the findings were made public on October 26, 1974.

The No. 1 priority recommendation contained in the quality care study requiring legislative action was the need for increased salaries for physicians and dentists covered under title 38, United States Code. The study concluded that:

Financial considerations are the major impediment to achieving sustained, satisfactory levels of recruitment and retention of physicians, dentists, nurses, licensed practical nurses, and nursing assistants.

A recent survey conducted by our committee indicated that of the approximately 5,500 physicians presently employed by the Department of Medicine and Surgery, 40 percent are affected by the $36,000 salary limitation and cannot expect any increase whatsoever in the near future. As a result, many highly trained physicians are leaving the Agency for more lucrative offers. For example, during the period of July 1, 1974, through March 31, 1975, 279 full-time physicians terminated VA employment. During the same period, 153 physicians converted from full time to part time. Over 400 physicians rejected offers made by the Veterans' Administration for employment giving as their reason for rejecting the VA offer—inadequate salary. This represents a rejection rate of 66 percent of the offers made and these physicians indicated that the salary offer needed to be increased by about $10,000 in order for them to accept VA employment.

Another factor that must be considered is the passage of Public Law 93–274 on April 23, 1974. This legislation upgraded the pay and allowances for other Federal physicians in the military and public health service. The act revised the pay structure of Federal physicians in the military and Public Health Service by utilizing a bonus and incentive pay feature to allow higher remuneration for those in the uniformed and Public Health Services. The act provides authority to pay a bonus of up to $13,500 per year for each year of service if the person agrees to continue on active duty for a period of 1 to 4 years. Thus, under this act, uniformed and Public Health Service physicians have total pay ranging from $28,000 to $55,594, depending on grade and length of service. Time spent in medical school also counts for pay and retirement purposes.

Our bill, H.R. 8240, seeks to put VA physicians on the same approximate pay level as provided in Public Law 93–274 which covers military and public health physicians and dentists.

Data compiled by the Congressional Research Service for the committee indicates that average net income for physicians in the United States for non-Federal positions is $49,415; the average salary for those physicians serving in the military is $37,355 as compared to an average of $31,000 for VA physicians. This same data shows that 57.4 percent of private physicians in the United States have net incomes of more than $41,000, and that 69 percent of the military physicians have incomes over $37,000 compared to 40 percent of VA physicians with salaries of $36,000. The highest paid uniformed services physicians earn $55,594 while over 15 percent of the non-Federal physicians earn over $71,000 net.

Hearings conducted by the subcommittee disclosed that medical care for our veterans is rapidly deteriorating due to a lack of qualified physicians largely attributable to the current $36,000 pay limitation and the lack of parity of VA physicians with their counterparts in the Federal service.

Mr. Speaker, the bill now before us, H.R. 8240, would permit additional special and incentive pay of up to $13,500 per year for VA physicians and dentists in order to achieve parity with other Federal physicians and dentists for a period of 1 year.

To accomplish that purpose, the Administrator would be authorized to pay to any full-time physician employed by the agency up to $5,000 per annum special pay, in addition to his regular basic pay. Any sum paid under this authority would be in accordance with regulations prescribed by the Administrator, and would be paid in such installments as prescribed in those regulations. Part-time physicians, employed by the agency half time or more, would be eligible for the special pay at the same per annum rate and under the same conditions as that provided full-time physicians. For example, a physician employed by the Department of Medicine and Surgery on a half-time basis would be eligible for an amount of special pay not to exceed $2,500. If the physician is employed less than half time, he would not be eligible for any amount of special pay.

The Administrator would be authorized to pay to any full-time dentist up to $2,500 special pay, in addition to his regular basic pay. Part-time dentists, employed half time or more, would be eligi-

ble for the special pay. A dentist employed on a half-time basis would be eligible for an amount of special pay not to exceed $1,250. As in the case of the part-time physicians, if the dentist is employed less than half time, he would not be eligible for any amount of special pay.

In addition to the special pay, the Administrator would be authorized to pay to an eligible full-time physican employed by the agency incentive pay not to exceed $8,500 per annum, in addition to his regular basic pay. Any sum paid under this authority would be based on several factors including: First, full-time status; second, tenure of service within the Department of Medicine and Surgery; third, scarcity of medical or dental specialty; fourth, board certification, and fifth, professional responsibility. Part-time physicians, employed by the agency half time or more, would be eligible for the incentive pay at the same per annum rate and under the same conditions as that provided full-time physicians. For example, a physician employed by the Department on a half-time basis may be eligible for an amount of incentive pay not to exceed $4,250. If the physician is employed less than half time, he would not be eligible for any amount of incentive pay.

The Administrator would be authorized to pay to any full-time dentist up to $4,250 incentive pay, in addition to his regular basic pay. Part-time dentists, employed half time or more, would be eligible for the incentive pay. A dentist employed on a half-time basis may be eligible for an amount of incentive pay not to exceed $2,125. As in the case of the part-time physician, if the dentist is employed less than half time, he would not be eligible for any amount of incentive pay.

The bill would transfer the positions of chief medical director and deputy chief medical director from the executive salary schedule provision of title 5, United States Code, and add them to the provisions of title 38. Regular basic pay for these positions would remain at the present rates for levels III and IV of the executive schedule in which these positions are now placed.

The bill provides that no later than April 30, 1976, the Administrator of Veterans' Affairs shall submit to the House and Senate Committees on Veterans Affairs a report on the effectiveness and operation of the special and incentive pay program.

The bill also provides that the Comptroller General of the United States shall conduct an investigation related to the problems facing the departments and agencies of the Federal Government in attracting and retaining the services of qualified physicians and dentists; an evaluation of the extent to which the implementation of a uniform pay system of pay, allowances, and benefits for all physicians and dentists employed in Federal service would alleviate or solve such recruitment and retention problems, and based on such investigation and evaluation, develop appropriate alternative suggested courses of legislative or administrative action which, in the judgment of the Comptroller General, will solve recruitment and retention problems.

Mr. Speaker, the administration submitted a legislative proposal which would have provided special and incentive pay for physicians only up to $13,500 per annum. The proposal, as submitted, was reviewed, and the general consensus was that its provisions were not precise enough and left too much discretion to the Veterans' Administration in authorizing incentive pay. H.R. 8240 clearly spells out this authority rather than leaving it on a discretionary basis which could conceivably permit various forms of abuse.

The full year cost for the administration proposal, which did not provide special or incentive pay for dentists, is estimated to be $62.6 million. H.R. 8240, which includes provisions covering dentists is estimated to cost $61.7 million or over three-quarters of a million dollars less than the administration proposal. The fiscal year 1976 cost impact of H.R. 8240 will be about $46.3 million with an additional $15 million required for the transition period.

Mr. Speaker, I ask unanimous consent for permission to revise and extend my remarks at this point in the RECORD in order to include more detailed information about the provisions of H.R. 8240.

No attempt is being made to make the VA competitive with civilian physicians in this bill. It is the committee's hope that increases under the reported bill will close the gap between the VA and military physicians' earnings. Increases in pay provided by H.R. 8240 will not make the VA competitive with the uniformed services due to various fringe benefits available to those who practice medicine in service.

For example, there are other factors to be considered in comparing fringe benefits received by physicians in the military services which are not available to VA physicians. Some examples are as follows:

First. In the uniformed services, a medical officer's years of service for longevity purposes and computation are paid from his date of entry into medical school, not his actual date of entry into active duty. Thus the uniformed service physician receives credit for 4 years of training which he received in medical school for pay and retirement purposes.

The Veterans' Administration physician receives no credit for retirement or other purposes for his medical training.

Second. Uniformed services physicians are eligible for post exchange and commissary privileges. VA physicians are not.

Third. Uniformed services physicians are eligible for free health care for their dependents. VA physicians are not.

Fourth. Uniformed services physicians make no contribution toward retirement while VA physicians are required to make a 7 percent contribution toward their retirement.

Fifth. Physicians in the uniformed services pay no taxes on certain other allowances and fringe benefits. They also receive a tax advantage on special pay provided under Public Law 93-274. VA physicians will receive no such tax advantage on their special pay or on any of their fringe benefits.

Sixth. Uniformed services physicians and their families are entitled to free medical and dental care for themselves and their families. VA physicians must either forgo these fringe benefits or contribute toward their cost.

The committee is recommending passage of H.R. 8240 as a stopgap measure to prevent the mass exodus of physicians and dentists from the VA system and to aid the Chief Medical Director in recruiting physicians to replace those who have already resigned or retired from the Agency.

It is the opinion of the committee that the President should take immediate action to appoint a President's Salary Study Commission to include the chief medical officers of all Federal departments involved in the delivery of health care in Federal hospitals and other medical facilities. It is further recommended that the Chairman of this Commission be independent of any Federal department or agency in employment relationship. In addition, the Civil Service Commission should be included among the members of the Special Study Commission.

The committee hopes that the Commission which has been suggested would make formal recommendations 12 months after it is established for a uniform pay system relating to all Federal physicians in order to avoid continuation of a chaotic condition which necessarily results from the passage of stopgap measures relating to the payment of salaries for Federal physicians.

To augment the Commission study, H.R. 8240 directs the Comptroller General to also conduct a study on the problems of attracting and retaining the services of qualified physicians and dentists and to report his findings to the Congress no later than August 31, 1976, with legislative and administrative recommendations leading to a permanent solution. In proceeding with this dual approach, the committee feels that a sound basis can be formulated to arrive at a permanent formula for payment of salaries and fringe benefits to federally employed physicians and dentists.

Mr. Speaker, the committee is convinced that the Veterans' Administration is facing a serious crisis in the retention and recruitment of qualified physicians and dentists to discharge its obligation to America's sick and disabled ex-servicemen.

This crisis was best expressed in a statement by the Chief Medical Director, Dr. John D. Chase, in testimony before the Subcommittee on Hospitals. Dr. Chase stated:

I am not talking about short-category specialists alone but about physicians across the board. Of course, our traditional problem of attracting certain specialties has become even more acute. For example: 44 of our chief-of-psychiatry positions are either vacant or filled on a part-time basis; 67 of our chief-of-laboratory positions are either vacant or filled by part-time pathologists or pathologists on a consultant or contract basis; 71 of our chief-of-radiology positions are either vacant or filled on a part-time or contract basis; and we are in need of a full-time chief of anesthesiology at approximately one-half of our hospitals.

As important as these figures are, I think our primary message is told better as follows: Last year, of all bona fide offers of

employment to physicians, we had a 66 percent rejection rate on the basis of salary; in the past 2 years, the percentage of foreign medical graduates in our physician work force has moved from 26 percent to almost 32 percent; in the past 5 years, the number of individual physicians has increased by 34 percent, but our complement of part-time physicians has jumped by 174 percent, while the number of full-time physicians went up only 7 percent. One measure of quality of physician performance is his or her ability to gain academic rank in a medical school. In the past year, the number of VA physicians gaining this distinction has dropped from 51 percent to 40 percent.

We must reverse this trend of high-caliber physicians in all categories either leaving, or refusing employment in our health care facilities. It is a matter of extreme urgency that a solution be found that will make VA's salary structure for physicians competitive at least with the salaries payable to comparably qualified physicians in the other Federal health care systems, namely those in the Department of Defense and the U.S. Public Health Service.

Mr. Speaker, I believe this legislation will greatly enhance the Veterans' Administration's ability to retain and recruit outstanding physicians and dentists to care for America's sick and disabled veterans throughout the vast medical system of 171 hospitals and over 200 clinics, and I urge immediate passage.

Mr. Speaker, I include at this point in the RECORD a section-by-section explanation of H.R. 8240 as well as a detailed comparative chart prepared by the Veterans' Administration which sets forth the current law governing physicians and dentists pay scales; the proposal made by the Administration; and the provisions contained in H.R. 8240 now under consideration by this body:

H.R. 8240—SECTION-BY-SECTION EXPLANATION

References to provisions of existing law contained in this explanation refer to provisions of title 38, United States Code.

SECTION 1. This section provides that the Act may be cited as the "Veterans' Administration Physicians and Dentists Comparability Pay Act of 1975".

SEC. 2. Subsections (a)(1) and (2) would amend section 4107(a) of existing law to include the positions of Chief Medical Director and the Deputy Chief Medical Director under title 38, and would revise the per annum full-pay scale or ranges for various positions provided in section 4103, Subsection (a)(3) would amend section 4107(b)(1) by revising the grades and per annum full-pay ranges for physician and dentist positions provided in paragraph (1) of section 4104.

Subsection 4107(d) of existing law limits the basic rate of pay for physicians and dentists to level V of the Executive Schedule. Subsection (a)(4) would provide that the per annum basic rate of pay for the Chief Medical Director and the Deputy Chief Medical Director shall be at the rate of basic pay for levels III and IV, respectively, of the Executive Schedule. All other physicians and dentists would be limited to the rate of basic pay for level V. Subsection (a)(5) would provide that the Administrator, under such regulations as he shall prescribe, may pay to any physician or dentist employed on a full-time basis by the Department of Medicine and Surgery special pay not to exceed $5,000 (in the case of a physician) and not more than $2,500 (in the case of a dentist.) If the annual basic rate of pay of such physician or dentist is less than $36,000, the amount of special pay will be reduced by the amount of increase the physician or dentist may receive by revising the grades and per annual full-pay ranges in the Physician and Dentist Schedule.

In addition to the special pay, the Administrator may pay to any full-time physician or dentist incentive pay in an amount not to exceed $8,500 per annum and $4,250 per annum, respectively. In determining eligibility for the incentive pay, the Administrator shall take into account only the following factors and may pay no more than the indicated per annum amounts to each physician eligible therefor, or proportional amounts to each dentist eligible therefor:

(A) appointment to full-time status, $1,000;

(B) tenure of service within the Department of Medicine and Surgery of from 3 to 6 years, $500; from 6 to 9 years, $1,500; from 9 to 12 years, $2,000; and from 12 to 15 years, $2,500.

(C) scarcity of medical or dental specialty, $2,000;

(D) Board certification, $1,000; and

(E) professional responsibility in the case of Service Chief and Assistant Chief of Staff, $2,000; Executive Grade, $3,500; Director Grade and Deputy Service Director, $3,750; Service Director, $4,250; Deputy Assistant Chief Medical Director, $4,500; Chief Medical Director, Deputy Chief Medical Director, Associate Deputy Chief Medical Director, and Assistant Chief Medical Director, $5,000.

The limitations in section 5308 of title 5 would not apply to special pay and incentive pay payable under this subsection.

Any special pay or incentive pay paid to any individual pursuant to this subsection shall be in addition to any other pay and allowance to which such individual may be entitled; and shall not be considered basic pay for purposes of Civil Service Retirement or other benefits related to basic pay.

Subsection (b) would provide that special and incentive pay shall be paid to "Temporary full-time physicians and dentists employed by the Department of Medicine and Surgery. It would also provide that special pay and incentive pay may be paid in the same amounts and under the same conditions as provided for full-time physicians and dentists. For example, a physician employed by the Department on a half-time basis may be eligible for special pay in an amount not to exceed $2,500. In addition, if he has been employed by the Department for seven years, employed in a scarce medical specialty, and is Board certified he may be eligible for $2,250 incentive pay. The aggregate amount of basic pay, special pay, or incentive pay for any part-time physician or dentist shall not exceed $41,000 and $36,000, respectively. No physician or dentist employed less than half-time under this subsection would be eligible for either special or incentive pay.

Subsection (c) would provide that no increase in the annual rate of basic pay which results from revising the grades and per annum full-pay ranges of the Physician and Dentist Schedule under Section 2(a)(3) of the bill may exceed $5,000 in the case of any physician or may exceed $2,500 in the case of any dentist.

Subsection (d) would provide that no special pay or incentive pay may be paid to any physician or dentist after September 25, 1976, unless approved by Congress.

SEC. 3. This section would provide that no later than April 30, 1976, the Administrator shall submit to the House and Senate Veterans' Affairs Committees a report on the effectiveness and operation of the special and incentive pay program.

SEC. 4. This section would direct the Comptroller General of the United States to conduct an investigation related to the problems facing the departments and agencies of the Federal Government in attracting and retaining the services of qualified physicians and dentists, develop appropriate alternative suggested courses of legislative or administrative action which in his judgment would bring about a permanent solution to such recruitment and retention problems, and submit his report to the Congress no later than August 31, 1976.

SEC. 5. This section would remove the positions of Chief Medical Director and Deputy Chief Medical Director from title 5, United States Code.

SEC. 6. This section would provide that the provisions of the legislation become effective September 28, 1975.

H.R. 8240—COMPARISON OF CURRENT LAW, ADMINISTRATION PROPOSAL, AND PROVISIONS OF H.R. 8240 RELATING TO PHYSICIANS AND DENTISTS PAY SCHEDULES IN THE VETERANS' ADMINISTRATION

Current law	Section of bill	Administration proposal	Cost (millions) 1 yr	9 mo	H.R. 8240	Cost (millions) 1 yr	9 mo
	Sec. 1 (House)	No short title included			The act may be cited as the "Veterans' Administration Physicians and Dentists Comparability Pay Act of 1975".		
(a) Chief Medical Director and Deputy Chief Medical Director are paid under level III ($40,000) and level IV ($38,000) respectively of title 5.	Sec. 1 (administration) Sec. 2 (House).	(a) Makes no change in current law with respect to the positions of Chief Medical Director and Deputy Chief Medical Director and does not change their basic salary rate.			(a) Would transfer the positions of Chief Medical Director and Deputy Chief Medical Director to title 38 from title 5, and upgrade their basic pay scale.		
		(b) Makes no change in current pay rate for Associate Deputy Chief Medical Director, Assistant Chief Medical Directors, or Medical Directors. Makes no change in current pay scale in the "Physicians and Dentists Schedule".			(b) Upgrade the title 38 basic pay scale for Associate Deputy Chief Medical Director, Assistant Chief Medical Director, and Medical Directors. Upgrade the basic pay schedule "Physicians and Dental Directors" (38 U.S.C. 4107).	$12.672	$9.504
		(c) No comparable provision			(c) Basic rate of pay for level V of the Executive Schedule. Deputy Chief Medical Director would be no more than for level III of the Executive Schedule. Basic rate of pay for all other authorized level V incentive pay would be in addition to basic pay.		
		(d) Variable allowance would be in addition to basic pay.			(d) Specifies which would:		

H.R. 8240—COMPARISON OF CURRENT LAW, ADMINISTRATION PROPOSAL, AND PROVISIONS OF H.R. 8240 RELATING TO PHYSICIANS AND DENTISTS PAY SCHEDULES IN THE VETERANS' ADMINISTRATION—Continued

Current law	Section of bill	Administration proposal	Cost (millions) 1 yr	Cost (millions) 9 mo	H.R. 8240	Cost (millions) 1 yr	Cost (millions) 9 mo
(1) Uniformed services physicians currently receive "bonus" of up to $13,500 per annum. Military dentists receive special pay.		(1) Authorizes payment upon acceptance of a written agreement executed by eligible physician, under regulations prescribed by the Administrator and approved by the President, of a variable allowance not exceeding $13,500 per annum. Dentists are not included.	$51.992 33.600	$38.994 20.250	(1) Authorize payment of $5,000 special pay to full-time physicians; $2,500 special pay to full-time dentists. If such individual's pay is less than $36,000 the special pay is reduced by the amount individual will receive by upgrading Physician and Dentist Schedule.	42.967 20.554	32.2 15.416
		(2) No specific statutory breakdown between basic allowance and additional variable allowance.	18.392	13.794	(2) In addition to special pay, the Administrator could pay incentive pay to: (A) Any full-time physician up to $8,500 per year. (B) Any full-time dentist up to $4,250 per year.	22.413	16.810
		(C) VA intends to implement by granting eligible physician a basic allowance of $6,000 and an additional allowance of up to $7,500 which would recognize individual factors such as length of service; appointment to full-time status; position of greater responsibility; practice in selected scarce specialties.			(C) Administrator's regulations to take into account and he may pay eligible physicians and dentists, based on: full-time status $1,000; tenure of 3 to 6 yr $500, 6 to 9 yr $1,500, 9 to 12 yr $2,000, and from 12 or more years $2,500; scarce medical or dental specialty $2,000, Board certification $1,000 professional responsibility in the case of Service Chief and Associate Chief of Staff $2,000, Executive Grade $3,500, Director Grade and Deputy Service Director $3,750, Service Director $4,250, Deputy Assistant Chief Medical Director $4,500, Chief Medical Director, Deputy Chief Medical Director, Associate Deputy Chief Medical Director, Assistant Chief Medical Director $5,000.		
(3)(A) Current rates (not exceeding $36,000) precludes VA from being competitive. 40 percent of VA physicians receive limit. Better pay is readily available in private practice, academic medicine and military medicine.	Sec. 2 (administration.)	(3)(A) The $36,000 ceiling under sec. 5308 of title 5 shall not apply to the variable allowance.			(3)(A) $36,000 ceiling under sec. 5308 of title 5 shall not apply to special pay and incentive pay.		
		(B) Variable allowance pay shall not apply toward civil service retirement or other benefits related to basic pay.			(B) Incentive pay and special pay shall not apply toward civil service retirement or other benefits related to basic pay. (Note additional amounts payable up to $36,000 because of new pay schedule would be creditable.)		
		(a) VA intent to provide variable allowance to "Temporary" full-time physicians, but not to dentists.			(a) Provide special and incentive pay for "Temporary" full-time physicians and dentists.		
(B) VA gaining more part-time and foreign trained because of pay limitation. Many accept part-time employment only in order to continue outside practice.		(b) Physicians employed on a part-time or intermittent basis would be eligible to receive most elements of the variable allowance at the same per annum rate as for full-time physicians prorated by hours employed, but not dentists.	10.625 9.048 1.577	7.969 6.786 1.183	(b) Part-time physicians and dentists employed on a half-time or more basis may receive special pay and pay for most elements of incentive pay at the same rate and under the same conditions as full-time physicians and dentists, prorated by hours employed, except no such part-time physician could total more than $41,000 per annum, and no part-time dentist could total more than $36,000 per annum.	6.130 2.721 3.409	4.598 2.041 2.557
		Authority to provide the variable allowance would become effective July 1, 1975, and expire June 30, 1976.			(c) The authority for providing special and incentive pay will remain in effect until Sept. 25, 1976, unless extended by Commerce.		
	Sec. 2 (administration) Sec. 3 (House).	Report will be submitted to Congress no later than April 30, 1976.			Report will be submitted to Congress no later than April 30, 1976.		
	Sec. 4 (administration) sec. 6 (House).	Act becomes effective on July 1, 1975			Act becomes effective Sept. 28, 1975		
	Sec. 4 (House)	VA letter transmitting the Administration draft bill stated that the Office of Management would conduct a study in consultation with VA, DOD, and HEW, in an effort to reach a long-term solution to the physician pay problem in the Federal service and make legislative recommendations in 1976.			Directs Comptroller General to conduct a study of the problem of recruiting and retaining the services of highly qualified physicians and dentists in the Federal service, and report to appropriate Congressional Committees by Aug. 31, 1976, on a long-term solution to the problem.		
		Estimated total cost	62.617	46.963		61.759	46.319

Note: VA intends to [illegible] requiring the qualifica[illegible] variable allowance on a selective basis to those with responsibilities [illegible] physician. This would mean that hospital, center, domiciliary and clinic directors, among others, would be excluded. Estimated cost of special and incentive pay for "Temporary" full-time physicians and dentists is included with other full-time personnel.

Mr. HAMMER[illegible]er, I concur fully [illegible]made by the gentlem[illegible]commend the gentlem[illegible](Mr. SATTERFIELD) for his well and I [illegible]ership in our subcommittee. Virginia [illegible]mend the chairman of our full lead[illegible]tee, the gentleman from Tex[illegible]com-ROBERTS) for his patience and [illegible]t-standing as we listened to witnesse[illegible]

SPEAKER pro tempore. The gentleman from Texas (Mr. ROBERTS) is recognized for 30 minutes.

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

Mr. Speaker, I support, and will vote for, H.R. 8240.

It is known officially as the Veterans' Administration Physicians and Dentists Comparability Pay Act of 1975.

And that is precisely its objective:

To make VA physicians' and dentists' pay more nearly comparable to that of the Public Health Service and the military services.

Even as we have a commitment to assure our military personnel of medical care second to none, we have an identical commitment to the veterans of our wars.

This commitment is not new; nor has it been assumed lightly. Quite the contrary. This commitment is deep and se-

prepared this legislation and brought it through the subcommittee and full committee to the floor.

vere. It is founded in a history whose first chapter was written in the actions of the Original Colonies.

Yet, today, as the Committee on Veterans' Affairs and its Hospitals Subcommittee has learned, that commitment is being compromised. If relief is not forthcoming, it could be abrogated.

The heart of the problem is, simply, the pay scale for VA physicians and dentists. This pay scale has been permitted to fall seriously behind that of the other Government services; to say nothing of that of private practice.

Even to the most dedicated of professional persons, of which the Veterans' Administration has an abundance, a shortage of actual dollars, combined with the continued upward cost of supporting a family, must frequently prove the ultimate determinant as to what one must do in life.

Consequently, the record of testimony taken in lengthy hearings by the Hospitals Subcommittee leaves no doubt of a most startling fact:

Unless the Congress enacts an immediate remedy, VA seems destined to lose its hard-fought battle to recruit and to retain medical personnel of the caliber necessary to meet the quality medical care commitment to which VA has been assigned by the Congress.

That this statement is, by no means, overdrawn is supported, graphically, by the report of the subcommittee's findings.

For example:

While retention of physicians in the Veterans' Administration hospital system has already reached a crisis stage, recruitment to fill vacancies has continued to deteriorate at an alarming rate.

As the record also demonstrates, this alarming condition of rapid deterioration is "largely attributable to the $36,000 pay limitation" currently imposed upon the earnings of full-time VA physicians and dentists.

This $36,000 figure compares to the more than $71,000 earned by more than 15 percent of America's non-Federal physicians, and to the $55,594 figure realized by the highest paid physicians in our uniformed services.

I would emphasize that, in H.R. 8240, no effort is made to make VA competitive with non-Federal physicians' pay. Nor, in fact, is an effort made to make VA truly competitive with the total pay and fringe benefits package available to physicians and dentists in our uniformed services.

Rather, as the bill's official title indicates, the effort, here, is simply to close the currently yawning gulf between VA and military incomes and, thereby, approach an element of pay comparability; an element which, hopefully, will stimulate recruitment of qualified new VA medical personnel while encouraging retention of those already in the VA fold. It is an important short-term consideration of our Nation's commitment to our 29 million war veterans, many of them now achieving advanced age with its related medical problems.

Specifically, the measure will authorize for 1 year special pay for full-time physicians in the amount of $5,000 per annum and to the full-time dentists in the amount of $2,500 per annum.

It also authorizes the Administrator to pay, in addition to the special pay, an amount not to exceed $8,500 per annum to any physician employed on a full-time basis and not to exceed $4,250 per annum to any dentist employed on a full-time basis. Such incentive pay may be paid in such amounts, at such times, and subject to such conditions as the Administrator shall, by regulations, prescribe.

Factors meriting incentive pay are full-time status; tenure or length of service; scarcity of medical or dental specialty; board certification and professional responsibility.

I urge my distinguished colleagues to join me in voting for its passage.

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

Mr. HAMMERSCHMIDT. I yield to the gentleman from Texas (Mr. KAZEN).

Mr. KAZEN. Mr. Speaker, how does the pay schedule proposed by this bill compare with the schedule of the armed services medical officers, the comparable medical officers in the service hospitals?

Mr. HAMMERSCHMIDT. Actually the comparability for full-time personnel is basically the same except for the fringe benefits received by the military medical physicians and dentists.

Mr. KAZEN. In other words, we will be raising the VA medical personnel to eliminate the difference between them and the service medical people. The difference will be done away with by the passage of this bill. Is that your understanding?

Mr. HAMMERSCHMIDT. That is correct. The reason for this legislation is there has been a great disparity within the Federal medical community, between those in the Veterans' Administration and those in the military services and Public Health hospitals. This bill corrects that inequity.

Mr. KAZEN. I thank the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. WYLIE), a member of the committee.

Mr. WYLIE. Mr. Speaker, as a member of the Veterans' Affairs Committee I am happy to lend my support to H.R. 8240, a bill to provide special and incentive pay for physicians and dentists employed by the Department of Medicine and Surgery of the Veterans' Administration.

The importance of incentive pay for physicians and dentists employed by the Veterans' Administration is critical There was ample evidence presented to the committee to indicate that without immediate improvement in remuneration, the VA's ability to recruit and retain well-qualified physicians will be seriously impaired. Many highly trained physicians are leaving the Veterans' Administration for more lucrative offers from the private sector, and a failure to provide incentive pay for these professionals would certainly lead to an acceleration of resignations. If the quality of care in our veterans' hospitals is to be second to none then the remuneration which we offer to their professional personnel must compare more favorably than it does at present with that offered by the private sector. Moreover, we must not countenance the gross disparity between VA physicians' pay and the salaries of other Federal physicians.

The Chief Medical Director of the Veterans' Administration has referred to the inability of the Agency to offer competitive salaries to its physicians as the gravest threat to the VA's ability to deliver the quality of care expected of the Agency. The retention of U.S.-trained, full-time physicians in the VA hospital system has reached a crisis stage. The trend of this Nation's growing reliance on foreign medical graduates has been seriously aggravated by the nationwide health manpower shortage. The VA's inability to offer its physicians pay comparable to that in other health care delivery systems has forced the VA to turn to foreign-trained physicians to fill 31.3 percent of the professional positions in the system.

This bill does not contemplate pay comparability with physicians in the private sector. However, not only does a disparity exist between VA physicians' pay and the opportunities for remuneration in the private sector, but also between VA physicians' pay and the benefits enjoyed by physicians employed by other Federal agencies. The physicians employed by the Department of Medicine and Surgery of the VA no longer have pay comparability with the doctors in the uniformed services of the Department of Defense and the Public Health Service. This gap must be closed if the VA is going to deliver proper medical care to our veterans.

Forty percent of the 5,500 full-time physicians presently employed by the Veterans' Administration are affected by the $36,000 salary limitation under title 5. The high rate of attrition among full-time physicians in the VA health system is directly attributable to this ceiling. In 1974, of a total 1,209 bona fide offers of full-time employment, a deplorable 66 percent were declined owing to inadequate salary. This bill will enable the VA Administrator to offer special and incentive pay over and above the $36,000 ceiling in order to recruit and retain the highly qualified physicians so desperately needed by the VA hospital system. The increased expenditure called for by this bill is minimal. The total cost is well within the $63 million cost approved for this purpose by the administration, which shares our concern for the maintenance of high quality health care for veterans.

H.R. 8240 is admittedly a stopgap measure which cannot solve the long-term problem of recruiting and retaining professional medical personnel. Nonetheless, H.R. 8240 is an urgently needed palliative to abate the alarming rate of deterioration in recruitment of VA physicians. The evidence shows that the signal failure of the VA physician recruitment and retention efforts is asso-

ciated in the overwhelming number of cases with the inadequacy of the salary accompanying offers of full-time employment. The long-term problem of retention and pay comparability for Federal physicians requires long-term solutions which in this case ought to be soon forthcoming. In the interim, it is hoped this legislation will fill the gap.

Mr. Speaker, I thank the gentleman for yielding.

Mr. WALSH. Mr. Speaker, I rise in support of H.R. 8240, in order to insure to our veterans the high quality of medical care from the Veterans' Administration to which they are entitled.

Because the VA cannot offer competitive salaries to physicians and dentists, they are resigning in alarming numbers, and recruitment efforts have failed to even approach keeping pace with them. This bill does not attempt to make the VA competitive with civilian physicians, but it does aim at closing the gap between the earnings of VA physicians and military physicians. The latter can earn up to $55,594 a year, whereas the VA physician is limited to a maximum salary of $36,000.

The legislation under consideration would provide up to $5,000 a year in special pay and $8,500 a year in incentive pay to physicians with one-half these amounts for dentists. The $36,000 ceiling would not apply to either payment.

This pay program would continue for only 1 year, unless extended by the Congress. During this year, the Veterans' Administration would be required to report on its effectiveness to the House and Senate Committees on Veterans' Affairs.

The bill also directs the Comptroller General to provide the appropriate congressional committees with a solution to the problem of recruitment and retention of physicians and dentists in the Federal service after conducting a study of it. The report is to be submitted by August 31, 1976.

In effect, therefore, this bill might well be viewed as a stopgap measure, designed to stem the deterioration of the Veterans' Administration medical program, pending the outcome of the requested studies.

I strongly favor this legislation, and intend to vote for it.

Mrs. HECKLER of Massachusetts. Mr. Speaker, as a member of the Veterans' Health and Hospitals Subcommittee, I rise in support of H.R. 8240, which provides a graduated scale of incentive and bonus pay for physicians and dentists in the Veterans' Administration health system.

This legislation has become necessary because the VA is experiencing serious difficulty in recruiting and retaining physicians and dentists.

The plain fact we must recognize is that a physician or dentist can earn significantly more in either private practice or in other Government health agencies. The result is a situation which prompted the VA Chief Medical Director, Dr. John Chase, to recommend congressional action. In his report to the President and Congress on VA health care, Dr. Chase specified that financial considerations are the "major impediment to achieving sustained, satisfactory levels of recruitment and retention."

In working on drafting this legislation, I contacted VA physicians and dentists from my own area in Massachusetts. Their comments confirmed that a serious problem is developing, especially in recruiting young medical school graduates from the fine medical schools in the Boston area.

Mr. Speaker, the VA hospital system is a leader in rehabilitative medicine, as well as the lead agency in providing a wide range of medical services for the men and women who have served their country. I am committed to providing veterans with the best medical care possible, and I will support legislation to maintain the high standards of the VA hospital system.

This bill is essential to insure that the VA can make use of the finest medical professionals in the United States. I urge my colleagues to vote with me on this bill.

Mr. HAMMERSCHMIDT. Mr. Speaker, I have no further request for time and reserve the balance of my time.

Mr. ROBERTS. Mr. Speaker, I have no further request for time.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS) that the House suspend the rules and pass the bill H.R. 8240.

Mr. HAMMERSCHMIDT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore (Mr. O'NEILL). Pursuant to clause 3 of rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the bill H.R. 8240.

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

There was no objection.

AMENDING DEFENSE PRODUCTION ACT OF 1950, AS AMENDED, TO EXTEND NATIONAL COMMISSION ON SUPPLIES AND SHORTAGES

Mr. REES. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 560) to amend the Defense Production Act of 1950, as amended, to extend the National Commission on Supplies and Shortages.

The Clerk read the joint resolution as follows:

H.J. RES. 560

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That subsections (d) (2), (h), (i) (2), and (l) of section 720 of the Defense Production Act of 1950, as amended, are amended to read as follows:

"(2) Strike semicolon following 'compensation' and add: ', and may appoint additional nonvoting ex officio members from agencies having jurisdiction over areas being considered by the Commission;'

"(h) In the first sentence strike out 'June 30, 1975' and insert 'March 31, 1976'. In the second sentence strike out 'December 31, 1975' and insert 'October 1, 1976.'

"(2) In the second sentence strike out 'to remain available until December 31, 1975' and insert 'to remain available until October 1, 1976'.

"(l) Strike out 'to remain available until December 31, 1975' and insert 'to remain available until October 1, 1976'."

The SPEAKER pro tempore. Is a second demanded?

Mr. J. WILLIAM STANTON. Mr. Speaker, I demand a second.

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

There was no objection.

The SPEAKER. The gentleman from California (Mr. REES) is recognized for 20 minutes, and the gentleman from Ohio (Mr. J. WILLIAM STANTON) is recognized for 20 minutes.

The Chair recognizes the gentleman from California.

Mr. REES. Mr. Speaker, last September this House passed unanimously legislation to create the National Commission on Supplies and Shortages. This is a Commission composed of members of the private sector, of the administration, and also of the legislative branch. The gentleman from Ohio (Mr. J. WILLIAM STANTON) and I are the two Members from the House of Representatives who are on this Commission.

Unfortunately because of many unforeseeable circumstances the Commission was very late in going to work. As a result of missing certain dates for reports, we find that the Commission is in technical violation of the law. Under the law the Commission was to come up with its first report on June 30, 1975.

That time has come and gone and the Commission has just barely been appointed and has not had its first meeting; so, obviously, it did not come up with a report.

What this legislation does is to extend the report time from June 30, 1975, to March 31, 1976.

We also extend the life of the Commission from December 31, 1975, to October 1, 1976.

We also continue the appropriation until October 1, 1976.

The Commission is just starting to do their staffing. No funds have been spent by the Commission.

This resolution extends the appropriation that the Commission now has. I feel personally, and I believe the gentleman from Ohio (Mr. J. WILLIAM STANTON) does, that the Commission on Supplies and Shortages is a very important Commission. They will be looking into the dependency of the United States on raw materials and projecting what our dependency will be now and in the future. With this Commission we can, I think, estimate what problems we might have that in the future regards our dependency on raw materials and make policies to allocate these future problems.

Mr. J. WILLIAM STANTON. Mr. Speaker, the distinguished gentleman

from California, the chairman of the Subcommittee on International Trade, has just fully and adequately explained the legislation that is before us at this moment.

As he said, it is rather an embarrassing situation to be back to ask the committee and the House to extend this legislation once again; but as the chairman of the subcommittee has said, it is an embarrassment completely out of the control of the House, who are members of the Commission.

It is regrettable there has been this delay, but I, for one, am convinced we are on the track now. The public members have been appointed and all things are go. Meetings will be held shortly.

So, Mr. Speaker, I concur fully with the gentleman from California.

The SPEAKER pro tempore (Mr. O'NEILL). The question is on the motion offered by the gentleman from California (Mr. REES) that the House suspend the rules and pass the resolution (H.J. Res. 560).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was agreed to.

A motion to reconsider was laid on the table.

JOHN F. KENNEDY CENTER

Mr. RONCALIO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6151) to authorize appropriations for services necessary to nonperforming arts functions of the John F. Kennedy Center, as amended.

The Clerk read as follows:

H.R. 6151

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (e) of section 6 of the John F. Kennedy Center Act is amended by adding at the end thereof the following: "There is authorized to be appropriated to carry out this subsection not to exceed $2,575,000 for the fiscal year ending June 30, 1976, $741,000 for the transition period ending September 30, 1976, and $3,100,000 for the fiscal year ending September 30, 1977.".

The SPEAKER pro tempore. Is a second demanded?

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

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

There was no objection.

The SPEAKER pro tempore. The gentleman from Wyoming (Mr. RONCALIO) will be recognized for 20 minutes and the gentleman from New York (Mr. WALSH) will be recognized for 20 minutes.

The chair now recognizes the gentleman from Wyoming (Mr. RONCALIO).

Mr. RONCALIO. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, H.R. 6151, is a bill authorizing appropriations for the National Park Service to carry out the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts which include maintenance, security, information, interpretation, janitorial, and all other nonperforming arts functions at the Center. This bill, limited to 2 fiscal years and the transition period, would authorize $2,575,000 in fiscal year 1976, $741,000 for the transition period from July 1, 1976 to September 30, 1976, and $3,100,000 for fiscal year 1977. The administration has requested this action. Our committee has felt it inadvisable to grant an open-ended authorization; therefore, we have limited this authorization to 2 fiscal years so that we may be able to take a good, long look at the operation on a continuing basis.

Mr. Speaker, this legislation is a very pressing issue and I urge quick, positive consideration, as the National Park Service Authority to continue to operate the nonperforming arts functions has expired as of June 30, 1975. The funds contained in the bill are minimal in order to keep this memorial to a former President operating at the same quality level as other monuments and memorials in this Nation's capital. I would like to point out for the record at this time that the Kennedy Center is the only unit of the park system that must seek a separate authorization in order to operate.

Mr. Speaker, the John F. Kennedy Center is the second highest visitation point in Washington, second only to the United States Capitol. An estimated 3 million tourists visit the center every year, a figure that should increase substantially in this bicentennial year. This figure is exclusive of those attending the performing arts functions in the evening.

In addition, I would like to point out that there are many special public service activities at the Center. These include a special price ticket program whereby up to 15 percent of the tickets to all performances are set aside for sale at half price to students, senior citizens, the handicapped, certain members of the military, and the underprivileged. Numerous festivals have been sponsored by the Kennedy Center with the assistance of several corporations and foundations, including the Christmas festival attended free of charge by 46,000 people, a free Easter festival attended by 26,000 visitors, numerous free concerts involving in excess of 1 million schoolchildren; weekly, free organ recitals; the American College Theater festival involving 350 entries from throughout the country; and several music festivals which have received national and international critical acclaim. Further, the Park Service conducts a regular tour of the Center for vistors, and they have facilities for special group tours available to Members of Congress and to organizations. I personally have found more and more requests from my constituents for visits to the Center, and particularly groups.

I believe that the efforts made by the Park Service to keep expenses at a minimum while maintaining the quality for which they are known should be praised. Perhaps the most dramatic example of their efforts is reflected in their energy conservation program and the resulting electrical costs of the Center. In July of 1973 when the fiscal 1974 authorization was passed at $2.4 million and $2.5 million for fiscal 1975, the electric bill for the Kennedy Center was running approximately $60,000 per month, or $720,000 per year. Now the bill is averaging about $82,400 per month—in spite of a 30-percent reduction in use. This annual cost, therefore, is up to about $1 million, which does not leave much to make some of the necessary repairs due to ordinary wear and tear. And the monthly electrical costs will not go down since Pepco is seeking an additional rate increase of about 20 percent.

We must act quickly and decisively now in order that the Center can continue to operate. I urge my colleagues to join me in passing this measure today.

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York (Mr. WALSH).

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

Mr. Speaker, I rise in support of H.R. 6151, a bill to provide authorization through fiscal year 1977 for the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts. Since fiscal year 1972 Congress has provided funds through the National Park Service to provide maintenance, security, information, interpretation, janitorial, and all other services necessary to nonperforming arts functions of the Center. In the past there have been several questions regarding the appropriateness of this expenditure. I support this expenditure since the Center acts as a memorial to the late President Kennedy just as the Washington Monument and the Lincoln and Jefferson Memorials act as monuments to those Presidents as well. Although the cost for the Kennedy Center is higher, it is a complex building of 1.5 million square feet with elaborate heating and cooling systems, 100 restrooms, several elevators, all of which need services this bill provides.

The allocation of costs between the National Park Service and the Center itself was also the subject of discussion. A GAO report issued in April of this year concluded that the allocation of costs was computed correctly and in accordance with the agreement. At the current time the allocation is 76.2 percent for the National Park Service and 23.8 percent for the performing arts functions for the maintenance and services of the building. GAO believes this method of allocation is acceptable. Center officials stated they reviewed this method with officials of OMB and Interior who gave it their approval.

The allocation is based on the hours of building use by each function. The percentage breakdown is based on the Center's being open 15 hours a day and the theater use of 25 hours a week. Thus, 80 hours—76.2 percent—are allocated to the nonperforming and the remaining hours—23.8 percent—are allocated to the performing arts functions. These are forecasts, and based on actual operating experience, there is a difference of approximately 4 percent.

The method of allocation is used for three reasons: First, it is a simple method which requires no additional recordkeeping, second, it was the one method which could fairly accurately be deter-

mined at the time of the signing of the agreement in 1972, and, three, it eliminated the need to conduct studies to determine the square feet used by each function. Although the percentage of time allocated to each function is slightly different now than it was estimated at the time of the agreement, it is generally in line with actual use.

The administration has requested this legislation and supports the continuation of funding of the nonperforming arts functions of the Center. I emphasize this authorization is strictly for maintenance and other services connected with the Center and not for any payment for contracts or claims pending in the U.S. Court of Claims or any construction at the Center. I urge enactment of this legislation so that the appropriations committee may include funds for the Center for the current fiscal year. At the present time there is authority to do so, and without that authority, visitor services during the nonperformance hours at the Kennedy Center would be curtailed. The Center is a very attractive building and offers much to the visitor to Washington. We should make every attempt to keep this Center open for these visitors, which are in excess of 15,000 a day during peak periods. I urge enactment of this bill.

Mr. RONCALIO. Mr. Speaker, I have no further requests for time.

Mr. WALSH. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. HARSHA).

Mr. HARSHA. Mr. Speaker, I would like to call the attention of the House to the fact that the Kennedy Center is the only unit of the National Park System which has a legislative ceiling imposed upon its maintenance activities. This in some respects restricts good management of the institution.

Because of previous experience, the committee felt that it was best to retain a 1-year or a 2-year authorization over these activities until such time as we could get the maintenance and services properly straightened out and functioning in proper order. This bill is for 2 years and the reason for that is because the Kennedy Center enters into contracts for various services and most of them are by competitive bidding. In order to get the best possible competitive bids and in order to have the best possible management available, the National Park Service would like to have a 2-year authorization.

It really serves no further purpose to elaborate on that. As I said, this is the only institution under the administration of the National Park Service that has a legislative ceiling imposed upon its maintenance.

In addition, there has been some comparison between the cost of operating the Kennedy Center and the cost of operating other Presidential memorials in the District of Columbia. We really cannot make a comparison between the two because the Kennedy Center is much larger and has many more facilities. It has three theaters, the Eisenhower Theater, the Opera House, and the Concert Hall, in addition to all the maintenance and mechanical rooms housing the enormous air conditioning, electrical, heating and plumbing systems, all of which have many valuable fixtures.

So this sum is authorized to the National Park Service in order to maintain security, protect the Federal investment in the Kennedy Center, and make the place inviting for the approximately 2.5 million visitors who come to this institution every year. This sum as provided in this bill is the same sum that the administration has requested.

Mr. Speaker, the authorization is within the budget, and, thererore, I urge the adoption of this legislation.

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

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

Mr. McCLORY. Mr. Speaker, do these funds or does any part of these funds go to the stagehands, those whose duties have to do with the scenery or behind-the-scenes operations at any of these theaters in the Kennedy Center?

Mr. HARSHA. None of these funds goes to the stagehands. These are funds for only the maintenance of the nonperforming arts function of the memorial.

Mr. McCLORY. Mr. Speaker, will the gentleman yield again for a minute?

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

Mr. McCLORY. Mr. Speaker, it has been reported to me that some of those persons who move the scenery and who work at the Kennedy Center earn as much as $40,000 per year. I understand that the salaries of the stagehands at the Kennedy Center are the highest of any theater in the country.

It just seems to me that if this is involved, we should take a good look at that and see that at least the cost of operating these theaters is brought down to a size comparable to the operating costs of other theaters around the country. I do not think the costs at the Kennedy Center should be extravagant.

Mr. HARSHA. Mr. Speaker, I can well understand the gentleman's concern, but the responsibility for putting on the performances, the reponsibility for the scenery and for the change in schedules, and the responsibility for the moving of material and scenery in the Concert Hall, in the Eisenhower Theater, and the Opera House are the responsibilities of a completely different facility and do not involve the National Park Service. That is done under contract with the performing arts section and the Board of Trustees of the Kennedy Center. It does not affect this legislation.

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

Mr. HARSHA. I yield to the gentleman from Wyoming for a further elaboration of the bill.

Mr. RONCALIO. I thank my friend, the gentleman from Ohio (Mr. HARSHA), for yielding to me. I think the gentleman from Illinois (Mr. McCLORY), perhaps deserves additional response to his query, and I would attempt to do so.

First, referring to the matter of excess payments to the stagehands this was one of the myriad of problems that arose in getting this massive project underway, and contracts were made with the stagehands which were too liberal, but they had no alternative but to make the contracts at the time. I might add the one that bothered me far more than the stagehands' contract at that time was the fact that I.T. & T., through a parking subsidary called Hopgood, managed to get the franchise for parking at this institution, and now 66⅔ percent of all profits from parking cars goes to I.T. & T., and not to the Kennedy Center. I might add that that contract is in the process of renewal.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. WALSH. I yield 1 additional minute to the gentleman from Ohio (Mr. HARSHA).

Mr. RONCALIO. If the gentleman will permit me to continue, the other contract, as pointed out, was with the stagehands, and there were some abuses by the stagehands in the first 6 months of operations. That contract was very strongly renegotiated so that now, although there may be a number of top people who have a proprietary interest in the property being moved, for instance, when the Stuttgart Ballet comes, who receiv‹ larger salaries, but the actual stagehands arc not paid anything higher than, say, those paid at the Lincoln Center in New York, and other comparable places.

But the gentleman from Illinois has a good point.

Mr. HARSHA. Mr. Speaker, I would further like to point out that this, in effect, was a Republican amendment to the previous legislation authorizing the expenditure of funds for the maintenance of the Kennedy Center. But, because some of the matters the distinguished chairman of the subcommittee, the gentleman from Wyoming (Mr. RONCALIO) has pointed out, and the gentleman from Illinois (Mr. McCLORY) has pointed out at the Kennedy Center, these matters were brought to a head. We on the minority side thought the Center would be better managed and more effectively handled if the National Park Service handled the security and maintenance of the nonperforming arts functions of the Kennedy Center. That is what this legislation is all about. It does not in any way affect contracts with the Kennedy Center and those connected with the performing arts, the subject matter brought up by the gentleman from Illinois. I urge adoption of this legislation.

Mr. WALSH. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. ESCH).

Mr. ESCH. Mr. Speaker, I would just in support of this legislation. This legislation reflects success. As the previous speaker has indicated, it was the intention of the Congress to give the responsibilities for the maintenance of the Center to the National Park Service. The increase costs for the maintenance of the center reflect success of the programs of the Kennedy Center itself, the increased visitors, and to the festivals and other activities which are brought about through donations of corporations.

Additionally, recognition should also be given to the Friends of the Kennedy Center who have provided an estimated 50,000 hours of volunteer service in providing tours. So I would suggest to the Members, Mr. Speaker, that the success of the center is a unique blend of the contribution of private sector, of a large number of volunteer efforts, and the staff of Kennedy Center itself, all working together so as to provide a living memorial in the best sense of the word.

I would strongly recommend that this authorization be approved.

Mr. WALSH. Mr. Speaker, I would like to take this opportunity to commend the chairman of the subcommittee, the gentleman from Wyoming (Mr. RONCALIO) for his diligence. We have worked very, very closely together in preparing this budget. I might say that I have looked at a lot of other budgets in my time, and I can very flatly and firmly state that I do not think there is any fat in this budget, and I can heartily recommend it to my colleagues.

Mr. Speaker, I have no further requests for time.

Mr. RONCALIO. Mr. Speaker, I am delighted to yield to the chairman of the full committee, the gentleman from Alabama (Mr. JONES) such time as he may consume.

Mr. JONES of Alabama. Mr. Speaker, may I commend the chairman of the Subcommittee on Public Buildings and Grounds, the gentleman from Wyoming (Mr. RONCALIO), the ranking minority member, the gentleman from New York (Mr. WALSH), and all the members of the subcommittee for their fine work on the bill before us today.

This bill furthers the original objectives of the Kennedy Center as a national monument. The use of the Kennedy Center as an attraction for visitors from all over the world has been even greater than our original expectations. This bill will simply mean that it will be properly maintained and properly utilized for the benefit of all who visit the center.

I support H.R. 6151. This legislation authorizes the Secretary of the Interior to continue for another 2 years the maintenance and other essential services that are involved in the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts.

This is the third time that the issue of authorizing appropriations for the National Park Service to carry out the nonperforming arts functions of the center has come before us. We have watched this body consider first a 1-year authorization and then a 2-year authorization. Now we are considering an authorization for fiscal year 1976 of $2,575 million, $741,000 for the transition period, and $3,100,000 for fiscal year 1977. The committee in its wisdom has felt it best not to give an open-ended authorization in an effort to allow the Congress to have continuous oversight.

We found this to be a very workable arrangement; it enabled us to take a good, long look at the operation and to familiarize ourselves with the necessary services—such things, in addition to maintenance, as security and information for visitors. These are basically the same services provided for all other monuments here in the Nation's Capital, and I believe they are justified for the nonperforming arts activities of the Kennedy Center. The center has become one of the most popular attractions in Washington, second only to the U.S. Capitol. It is estimated 2,500,000 tourists visit the Center each year. This should increase during the Bicentennial year. This is legislation that is for all Americans and clearly in the national interest. May I close on a personal note.

One of the genuine satisfactions of my 30 years of service in the Congress has been the opportunity to work closely with the men and women who have given unsparingly of themselves to build and perpetuate the John F. Kennedy Center for the Performing Arts. I would single out for exceptional merit Mr. Ralph E. Becker, Trustee and General Counsel for the Center since its inception in 1958, when President Eisenhower appointed him to that post.

He is one of the founders of the then-named National Cultural Center for the Performing Arts, which was renamed in 1964 as a living memorial to the late President Kennedy. Without his untiring work, his dedication and devotion, there would be no Kennedy Center today and all of us would be the poorer.

I know of no one who has given more of himself, at great sacrifice to an outstanding legal practice, than this distinguished and internationally known lawyer, and I would like the RECORD to show clearly his contributions to the success of the Kennedy Center over a span of 18 years.

Today, the Center is justly famed throughout the world for its cultural achievements; during the Bicentennial, productions created in many foreign lands will be presented there, and each of them owes something to Ralph Becker. On behalf of all the Members of the Committee on Public Works and Transportation, past and present, and of our committee staff, I wish to acknowledge our great debt to this dedicated public man.

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

Mr. RONCALIO. I yield to the gentleman from North Carolina.

Mr. FOUNTAIN. I thank the gentleman for yielding. I note with interest on page 3 of the report:

> Electrical energy consumption at the John F. Kennedy Center has been reduced substantially as a result of coordinated action by the National Park Service and Kennedy Center.

I think that they are to be commended for this. I am prompted, however, to ask a question to which the explanation may be self-explanatory. It says:

> During fiscal year 1973, 46,144,800 kilowatt hours were consumed at a cost of $671,097.12. Consumption during fiscal year 1975 has been reduced to 29,083,400 kilowatt hours costing $874,227.10 (estimated).

I notice we have almost cut the consumption in half, but the cost has gone up by about $200,000. Is that because of the increase in the cost of energy?

Mr. RONCALIO. The gentleman states precisely the reason, and we have not seen the end of that problem.

Mr. FOUNTAIN. I thank the gentleman.

Mr. RONCALIO. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wyoming (Mr. RONCALIO) that the House suspend the rules and pass the bill (H.R. 6151), as amended.

Mr. SYMMS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

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

The SPEAKER pro tempore. Pursuant to clause 3 of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

Mr. SYMMS. Mr. Speaker, I withdraw my point of order.

GENERAL LEAVE

Mr. RONCALIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 6151 under consideration.

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

There was no objection.

RURAL ELECTRIFICATION LOAN PROGRAM AMENDMENTS

Mr. BERGLAND. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4799) to amend sections 306 and 308 of the Rural Electrification Act of 1936, as amended.

The clerk read as follows:

H.R. 4799

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 306 of the Rural Electrification Act of 1936, as amended, is amended—

(a) by adding at the end of said section 306 the following: "A guaranteed loan, including the related guarantee, may be assigned to the extent provided in the contract of guarantee executed by the Administrator under this title; the assignability of such loan and guarantee shall be governed exclusively by said contract of guarantee."; and

(b) by inserting the world "initially" before the words "made, held, and serviced" in the sixth sentence of said section 306.

SEC. 2. Section 308 of the Rural Electrification Act of 1936, as amended, is amended by striking therefrom the words "of which the holder has actual knowledge" and substituting in lieu thereof the words "of which the holder had actual knowledge at the time it became a holder".

SEC. 3. Section 6 of the Rural Electrification Act of 1936, as amended, is amended by striking the period at the end of said section and adding the following: ": *Provided,* That the amounts authorized to be appropriated for the purposes specified in this section for each fiscal year ending after September 30, 1976, shall be the sums provided annually by law.".

Amend the title so as to read: "A bill to

amend sections 6, 306, and 308 of the Rural Electrification Act of 1936, as amended.".

The SPEAKER pro tempore. Is a second demanded?

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

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

The gentleman from Minnesota (Mr. BERGLAND) will be recognized for 20 minutes, and the gentleman from Illinois (Mr. MADIGAN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota (Mr. BERGLAND).

Mr. BERGLAND. Mr. Speaker, I rise in support of H.R. 4799, as amended, a bill which amends the Rural Electrification Act. The bill is largely clarifying and technical in nature. It has bipartisan support and was approved in committee by a unanimous vote.

H.R. 4799 contains three amendments to the Rural Electrification Act. The first is an amendment to section 306 which adds statutory language to expressly authorize the assignment of REA guarantees so as to eliminate questions which have arisen concerning the assignability and incontestability of REA loan guarantees.

The 1973 amendments to the Rural Electrification Act (P.L. 93-32) vested in the Administrator of REA the authority to guarantee loans made to rural electric and telephone systems by lenders other than REA. The assignment or pledge of guarantees is essential if REA-approved lenders are to be able to utilize guarantees to obtain funds at the lowest possible interest rates for the benefit of the rural systems.

To achieve this end, lenders must be able effectively to assign or pledge their REA guarantees, along with the guaranteed loans, to a trustee as security for their bonds, or assign these guarantees to holders of securities representing beneficial ownership in the guaranteed loans.

The absence from section 306 of express provision for assigning or pledging guarantees has caused doubts whether any such assignment or pledge is authorized. Should such doubts ultimately prevail in the financial community, it may prove impossible for REA-approved lenders to borrow in the capital market at the favorable rates contemplated by the guarantee provision of the Rural Electrification Act. The bill furnishes the assignability language required to erase these doubts. It would also leave in the complete control of the REA Administrator the extent of permissible assignments. Such commitment of assignability authority to Government agency discretion would be consistent with the handling of guarantee assignments in other Federal statutes.

The second technical amendment of the bill would clarify in an important respect section 308, which provides for REA contracts of insurance and guarantee to be supported by the full faith and credit of the United States. Section 308 now stipulates that the Government's full faith and credit obligation shall be "incontestable except for fraud or misrepresentation of which the holder has actual knowledge."

Questions have been raised whether this language might be construed to bar enforcement of an REA guarantee held by an assignee, pledgee, or other holder who first learned of fraud or misrepresentation on the part of the original lender after the holder had acquired the guarantee in good faith. The proposed amendment merely makes clear the applicability of the equitable rule that an assignee's vulnerability to defenses of fraud or misrepresentation arises only if the assignee had actual knowledge of the fraud or misrepresentation at the time it became a holder of the guarantee.

Finally, the bill contains an amendment to the Rural Electrification Act which would enable the committee to exercise more effective oversight concerning the operations of the program. The amendment would require an annual authorization from the Congress for each fiscal year beginning after September 30, 1976, of appropriations needed for administration of the act. The requirement would apply to salaries and expenses, investigations, publications, and reports, but not to the loan funds used in the operation of the program such as funds used for insured and guaranteed loans.

During the hearings on the bill, testimony was heard from the Department of Agriculture and the National Rural Electric Cooperative Association; both were in strong support of H.R. 4799.

The committee notes that afer commenting on the merits of H.R. 4799, the Department of Agriculture addresses itself in its report to the use of REA loan guarantees in leveraged lease transactions. The Department specifically states that its "position on this bill is predicated on the assumption that the intent of the legislation is not to permit the assignment of guaranteed loans or loan guarantees to lessors in leveraged leases." The committee in recommending approval of this legislation does not in any way seek to prohibit or approve the use of REA guarantees in leveraged lease financing. This matter was not considered in the hearing on the bill and is not in any way involved as the subject of the bill.

The committee estimates that no measurable cost would be incurred by the Federal Government during the current and the 5 subsequent fiscal years as a result of the enactment of this legislation. The committee estimates that only minimal administrative expenses would be incurred in carrying out the provisions of this bill. The same cost estimate was submitted to the committee by the Department of Agriculture.

H.R. 4799 is a good bill; it is a needed bill; it deserves your support. I urge that my colleagues in the House join me in voting in support of H.R. 4799, as amended.

Mr. MADIGAN. Mr. Speaker, I rise in support of H.R. 4799, a bill to amend sections 6, 306, and 308 of the Rural Electrification Act, REA of 1936.

This is a short, noncontroversial bill—

First, amends section 6 of the Rural Electrification Act such that it would require an annual authorization each fiscal year, beginning in fiscal year 1977, for REA funding;

Second, amends section 306 of the Rural Electrification Act by expressly authorizing assignment of REA-guaranteed loans, including the related guarantee, to the extent permitted by the REA Administrator; and

Third, amends section 308 of the Rural Electrification Act, which provides for REA contracts of insurance and guarantee to be supported by the full faith and credit of the United States, to assure that such contracts shall be incontestable except for fraud or misrepresentation of which the holder had actual knowledge at the time it became a holder.

The Department of Agriculture does not believe enactment of H.R. 4799 would have any measurable direct effect on the costs of carrying out the provisions of the Rural Electrification Act of 1936, as amended.

The Department believes that enactment of this bill would clarify the guarantee provision in the act and facilitate the obtaining of funds in the money market for bulk power facility financing under the REA "guarantee program."

The Department did not testify regarding the amendment to section 6 of the REA Act, inasmuch as it was added in full committee and relates the congressional function of authorizing appropriated funds.

The testimony in committee was unanimously in favor of this legislation. Representatives of the National Rural Electric Cooperative Association summed up their testimony as follows:

We firmly believe that the two technical, clarifying changes in the Act proposed by H.R. 4799 are essential to avoid frustration of the Congressional intent in enacting the loan guarantee provisions of the Act, and are highly desirable by any test in the public interest.

The testimony of the Deputy Administrator, REA, Mr. David Askegaard, was also favorable:

We appreciate the opportunity to appear before the committee to present the views of the Department of Agriculture on H.R. 4799. We understand that a major objective of this bill is to facilitate the lending of funds by the National Rural Utilities Cooperative Financing Corporation (C.F.C.) where such loans are supported by REA guaranteees. It should be noted that the CFC is a lending institution owned by REA borrowers, which is specifically mentioned in the amended REA Act as an institution whose loans might be supported by an REA guarantee.

First, the proposed legislation is designed to expressly authorize the assignment of REA guarantees to the extent provided in the contract of guarantee executed by the Administrator. This provision could facilitate raising of funds by the lender, and with the restrictions as proposed, we do not feel it objectionable.

Secondly, the proposed legislation seeks to clarify the provision that provides for the incontestability of the government guarantee "except for fraud or misrepresentation of which the holder has actual knowledge." The amendment to this language proposed by H.R. 4799 would merely make clear that the fraud or misrepresentation which would bar a holder from enforcing the guarantee must have been known to the holder at the time he acquired the loan. It would do this by substituting for the words "of which the

holder has actual knowledge," the words "of which the holder had actual knowledge at the time it became a holder." It is interesting to note that the equitable rule incorporated in this amendment, in the opinion of the Department of Agriculture, is the proper interpretation of incontestability language of the Rural Development Act which is identical to the present provision of Section 308 of the Rural Electrification Act. The need, nevertheless, for clarifying Section 308 *to expressly* incorporate this equitable rule arises from the fact that attorneys for investment bankers and other organizations in the financial community, which are expected to purchase securities issued by REA-guaranteed lenders in reliance on the incontestability provision, have raised doubts concerning the proper interpretation of Section 308. These doubts would be laid to rest by the express incorporation of the equitable rule into the incontestability provision.

The emergence of the Federal Financing Bank as the principal supplier of funds for the REA-guaranteed loan program appears to make less necessary the amendments proposed in H.R. 4799. However, we believe it to be important to maintain the viability of the CFC and other financial institutions as possible sources of funding for guaranteed loans. This Department believes that enactment of this bill would clarify the guarantee provisions in the Act and facilitate the obtaining of funds in the money market for bulk power facility financing under the REA guarantee program.

The amendment of section 6 of the REA Act was sponsored by Congressman DE LA GARZA, and its aim is to give greater oversight over REA activities to the committee.

Somewhat similar legislation was passed by the House (H.R. 12525) in the 93d Congress. However, a provision having to do with an exemption from the Securities and Exchange Commission laws, which led to some controversy, has been dropped from this bill.

I plan to vote for passage of this bill, and I urge all of my colleagues to do the same.

Mr. BERGLAND. Mr. Speaker, I have no further requests for time.

Mr. MADIGAN. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota (Mr. BERGLAND) that the House suspend the rules and pass the bill H.R. 4799, as amended.

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

The title was amended so as to read: "A bill to amend sections 6, 306, and 308 of the Rural Electrification Act of 1936, as amended.".

A motion to reconsider was laid on the table.

GENERAL LEAVE

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

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

There was no objection.

CHILD SUPPORT PROGRAM IMPROVEMENTS

Mr. CORMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8598) to amend title IV of the Social Security Act to make needed improvements in the recently enacted child support program, as amended.

The Clerk read as follows:

H.R. 8598

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

TEMPORARY SUSPENSIONS OF CERTAIN REQUIREMENTS FOR STATES MAKING GOOD-FAITH EFFORTS TO COMPLY

SECTION 1. (a) Section 404(c) of the Social Security Act (as added by the Social Services Amendments of 1974) is amended to read as follows:

"(c) No State shall be found, prior to January 1, 1977, to have failed to comply with the requirements of section 402(a)(26) or 402(a)(27) if, in the judgment of the Secretary, such State is making a good-faith effort (1) to comply with such requirements to the maximum extent possible and to implement so much of the child support program under part D as may be implemented under the law of such State, and (2) to secure the enactment of such legislation or additional legislation as may be necessary to comply fully with such requirements and implement fully such program.".

(b) Section 455 of such Act (as so added) is amended by striking out "for the operation of the plan approved under section 454" and inserting in lieu thereof the following: "for the operation of its plan approved under section 454 or (if it has no plan so approved but is treated under section 404(c) as not having failed to comply with the requirements of section 402(a)(27)) for the conduct of activities with respect to which payment under this section would be made in the case of a State having a plan so approved,".

(c) If a State does not meet the requirements of section 402(a)(26) of the Social Security Act but is treated under section 404(c) of that Act as not having failed to comply with those requirements, incentive payments shall be made under section 458 of that Act for all collections of support rights that would have been assigned to the State if the State met the requirements of such section 402(a)(26).

PROTECTION AGAINST DECREASE IN GRANTS BECAUSE OF PAYMENT OF SUPPORT DIRECTLY TO THE STATE

SEC. 2. Section 402(a) of the Social Security Act is amended—

(1) by striking out "and" at the end of paragraph (26);

(2) by striking out the period at the end of paragraph (27) and inserting in lieu thereof "; and "; and

(3) by adding after paragraph (27) the following new paragraph:

"(28) provide that, in determining the amount of aid to which an eligible family is entitled, any portion of the amounts collected in any month as child support pursuant to a plan approved under part D, and retained by the State under section 457, which (under the State plan approved under this part) would not have caused a reduction in the amount of aid paid to the family if such amounts had been paid directly to the family, shall be added to the amount of aid otherwise payable to such family under the State plan approved under this part.".

SAFEGUARDING OF INFORMATION

SEC. 3. Section 402(a)(9) of the Social Security Act (as amended by the Social Services Amendments of 1974) is amended to read as follows:

"(9) provide safeguards which restrict the use or disclosure of information concerning applicants or recipients to purposes directly connected with (A) the administration of the plan of the State approved under this part, the plan or program of the State under part B, C, or D of this title or under title I, X, XIV, XVI, XIX, or XX, or the supplemental security income program established by title XVI; and (B) the administration of any other Federal or federally assisted program which provides assistance, in cash or in kind, or services, directly to individuals on the basis of need;".

FEDERAL COURT JURISDICTION

SEC. 4. (a) Section 460 of the Social Security Act (as added by the Social Services Amendments of 1974) is repealed.

(b) Section 452(a) of such Act (as so added) is amended by striking out paragraph (8), and by redesignating paragraphs (9) and (10) as paragraphs (8) and (9), respectively.

(c) Section 454(4)(B) of such Act (as so added) is amended by striking out ", except that" and all that follows and inserting in lieu thereof a semicolon.

MODIFICATION OF PROVISIONS GOVERNING ACCESS TO FEDERAL RECORDS

SEC. 5. (a)(1) Part D of title IV of the Social Security Act (as added by the Social Services Amendments of 1974) is amended by striking out section 453 and inserting in lieu thereof the following new section:

"ASSISTANCE IN LOCATING PARENTS

"SEC. 453. (a) Upon receiving from the organizational unit established or designated under the plan of a State approved under this part a request, containing such information as the Secretary may by regulation prescribe, for assistance in locating a parent (of a dependent child with respect to whom aid is being provided under the plan of the State approved under part A)—

"(1) against whom an order for the support and maintenance of such child has been issued by a court of competent jurisdiction but who is not making payments in compliance or partial compliance with such order, or against whom a petition for such an order has been filed in a court having jurisdiction to receive such petition, and

"(2) whom the organizational unit has been unable to locate after requesting and utilizing, pursuant to section 1106, information included in the files of the Department of Health, Education, and Welfare maintained pursuant to section 205,

the Secretary shall furnish to the Secretary of the Treasury or his delegate the name and social security account number of the parent and the name of the organizational unit which submitted the request. The Secretary of the Treasury or his delegate shall endeavor to ascertain the address of the parent from the master files of the Internal Revenue Service, and shall furnish any address so ascertained to the organizational unit which submitted the request.

"(b) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of subsection (a). The Secretary shall transfer to the Secretary of the Treasury from time to time sufficient amounts out of the sums appropriated pursuant to this subsection to enable him to perform his duties under subsection (a).".

(2) Section 452(a) of such Act (as added by the Social Services Amendments of 1974 and amended by section 4(b) of this Act) is amended—

(A) by adding "and" after the semicolon at the end of paragraph (7),

(B) by striking out paragraph (8), and

(C) by redesignating paragraph (9) as paragraph (8).

(3) Section 454(8)(B) of such Act (as added by the Social Services Amendments of 1974) is amended to read as follows:

"(B) where applicable, assistance available under sections 453 and 1106;".

(b) Subsection (d) of section 101 of the Social Services Amendments of 1974, and the amendments to section 1106 of the Social Security Act made by that subsection, are repealed; and section 1106(c)(1)(A) of the Social Security Act is amended—

(1) by striking out "Upon request" and all that follows down through "public assistance program," and inserting in lieu thereof "Upon request of any agency participating in the administration of a State plan approved under part D of title IV"; and

(2) by striking out "or program" in clause (ii).

ELIMINATION OF AUTHORITY FOR INTERNAL REVENUE SERVICE COLLECTION OF CHILD SUPPORT OBLIGATIONS

SEC. 6. (a) Subsection (b) of section 101 of the Social Services Amendments of 1974, and section 6305 of the Internal Revenue Code of 1954 as added by that subsection, are repealed.

(b)(1) Section 452(a) of the Social Security Act (as added by the Social Services Amendments of 1974 and amended by sections 4(b) and 5(a)(2) of this Act) is amended by striking out paragraph (6), and by redesignating paragraph (7) and (8) as paragraphs (6) and (7), respectively.

(2) Section 452 of such Act (as so added and amended) is amended by striking out "(a)" immediately after "SEC. 452.", and by striking out subsections (b) and (c).

PROTECTION OF CHILD'S BEST INTEREST

SEC. 7. (a) Section 402(a)(26)(B) of the Social Security Act (as added by the Social Services Amendments of 1974) is amended by inserting immediately after "such applicant or such child" the following: ", unless (in either case) such applicant or recipient is found to have good cause for refusing to cooperate as determined by the State agency in accordance with standards prescribed by the Secretary, which standards shall take into consideration the best interests of the child on whose behalf aid is claimed;".

(b) Section 454(4)(A) of such Act (as so added) is amended by inserting after "such child," by following: "unless the agency administering the plan of the State under part A of this title determines in accordance with the standards prescribed by the Secretary pursuant to section 402(a)(26)(B) that it is against the best interests of the child to do so,".

(c) Section 454(4)(B) of such Act (as so added and as amended by section 4(c) of this Act) is amended by inserting immediately after "other States" the following: ", unless the agency administering the plan of the State under part A of this title determines in accordance with the standards prescribed by the Secretary pursuant to section 402(a)(26)(B) that it is against the best interests of the child to do so".

EXCLUSION OF CERTAIN MANDATORY PROTECTIVE PAYMENTS FROM LIMITATION ON PERCENTAGE OF INDIVIDUALS WITH RESPECT TO WHOM SUCH PAYMENTS ARE MADE

SEC. 8. The last sentence of section 403(a) of the Social Security Act is amended by inserting "or section 402(a)(26)" immediately before the period at the end thereof.

AUTHORITY FOR QUARTERLY ADVANCES TO STATES FOR CHILD SUPPORT PROGRAMS

SEC. 9. (a) Section 455 of the Social Security Act (as added by the Social Services Amendments of 1974 and amended by section 1(b) of this Act) is amended by inserting "(a)" immediately after "SEC. 455." and by adding at the end thereof the following new subsection:

"(b)(1) Prior to the beginning of each quarter, the Secretary shall estimate the amount to which a State will be entitled under subsection (a) for such quarter, such estimates to be based on (A) a report filed by the State containing its estimate of the total sum to be expended in such quarter in accordance with the provisions of such subsection, and stating the amount appropriated or made available by the State and its political subdivisions for such expenditures in such quarter, and if such amount is less than the State's proportionate share of the total sum of such estimated expenditures, the source or sources, from which the difference is expected to be derived, and (B) such other investigation as the Secretary may find necessary.

"(2) The Secretary shall then pay, in such installments as he may determine, to the State the amount so estimated, reduced or increased to the extent of any overpayment or underpayment which the Secretary determines was made under this section to such State for any prior quarter and with respect to which adjustment has not already been made under this subsection.

"(3) Upon the making of any estimate by the Secretary under this subsection, any appropriations available for payments under this section shall be deemed obligated.".

MODIFICATION OF AUDIT REQUIREMENTS

SEC. 10. (a) Section 452(4) of the Social Security Act (as added by the Social Services Amendments of 1974 and amended by the preceding provisions of this Act) is amended by striking out "not less often than annually" and inserting in lieu thereof "from time to time".

(b) Section 403(h) of such Act (as so added) is amended by striking out "as the result of the annual audit".

PAYMENTS TO STATES FOR CERTAIN EXPENSES INCURRED DURING JULY 1975

SEC. 11. Notwithstanding any other provision of law, amounts expended in good faith by any State (or by any of its political subdivisions) during July 1975 in employing and compensating staff personnel, leasing office space, purchasing equipment, or carrying out other organizational or administrative activities, in preparation for or implementation of the child support program under part D of title IV of the Social Security Act, shall be considered for purposes of section 455 of such Act (as amended by this Act), to the extent that payment for the activities involved would be made under such section (as so amended) if section 101 of the Social Services Amendments of 1974 had become effective on July 1, 1975, to have been expended by the State for the operation of the State plan or for the conduct of activities specified in such section (as so amended).

EFFECTIVE DATE

SEC. 12. The amendments made by this Act shall be effective on August 1, 1975.

The SPEAKER pro tempore. Is a second demanded?

Mr. VANDER JAGT. Mr. Speaker, I demand a second.

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

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. CORMAN) will be recognized for 20 minutes, and the gentleman from Michigan (Mr. VANDER JAGT) will be recognized for 20 minutes.

The Chair recognizes the gentleman from California (Mr. CORMAN).

Mr. CORMAN. Mr. Speaker, H.R. 8598, contains amendments to title IV of the Social Security Act to improve the child support program now scheduled to go into effect August 1. This legislation is needed prior to August 1 because of serious problems regarding implemetation of the program which would result if the law goes into effect on that date without amendment. The estimated cost of the bill is approximately $20 million. It should be noted that this cost is to prevent a loss of income for needy families and is not an increase in cost over the cost of the AFDC if the provisions in title IV prior to the implementation of the new child support program were to continue after August 1.

Last fall the House approved Services Amendments of 1974 as H.R. 17045 to authorize a new social services program in title XX of the Social Security Act. The child support provisions in title IV, which H.R. 8598 amends, was added by the Senate to this bill. While the House had not had the opportunity to hold hearings on the child support legislation added by the Senate, it was felt that resolving the social services program controversy was essential and therefore the conferees last December accepted many of the child support amendments added by the Senate.

On signing into law the Social Services Amendments of 1974 (Public Law 93-647), the President expressed a number of serious concerns about the child support provisions. The Committee on Ways and Means has also found serious problems with the program now scheduled to go into effect on August 1.

A major problem which prompted the Congress to delay the effective date of the program from July 1 to August 1 was the inability of many States to make necessary changes in State welfare laws prior to that date to avoid being out of compliance with Federal law and, therefore, were threatened with losing all their Federal matching under the welfare cash assistance program of aid to families with dependent children.

H.R. 8598 would provide that if a State is making a good faith effort to comply with the child support law that they continue to be eligible for Federal matching both in the child support program in part D of title IV and the cash assistance program under part A of title IV of the Social Security Act.

Another problem found by the committee was that after August 1, many families in 12 States plus Puerto Rico will suffer reduction in their total income. Those 12 States are: Arizona, Arkansas, Georgia, Indiana, Maine, Mississippi, Missouri, Nebraska, South Carolina, Tennessee, Virginia, and Wyoming. Some States have been unable to provide AFDC payments as large as the amounts that are recognized to be needed by families.

This frequently results in a gap which the State permits to be filled by private income, in this instance, child support from the absent father. Since under the new child support program the support payments are made directly to the State or local welfare agency instead of to the family, there is a resulting reduction in the family's total income. Therefore, the committee's bill would require that the State shall increase its assistance pay-

ments to the family to compensate for this loss.

The bill also addresses the question of safeguarding information by reenacting essentially the provisions of law now in effect. The Ways and Means Committee believes that prior law has represented a reasonable compromise between the individual's right to privacy and the need for information which exists in the administration of welfare and other programs where assistance is provided on the basis of an individual's financial need.

In signing into law Public Law 93–647 which establishes the child support program in title IV of the Social Security Act the President expressed grave concern about the provisions to inject the Federal Government through the Federal courts, the Internal Revenue Service, and HEW into areas that heretofore have been the responsibilities of State and local governments. The committee shares the concern of the President and, therefore, has included in H.R. 8598 amendments to repeal the provisions to use Federal courts to enforce delinquent court orders for child support and the provision to establish a Federal parent locator service.

Also repealed is the use of the Internal Revenue Service for collecting child support payments. Your committee agrees that the function of IRS is to collect taxes and not carry out these types of functions. H.R. 8598 also corrects a serious flaw found in the new child support program which, unless corrected, could cause an irreparable damage to children and mothers as it relates to the mother's cooperation in attempting to locate an absent father or to secure child support payment.

The child support law and regulations allow little leeway for Federal and State welfare administrators in determining whether tracking down the absent parent might subject the child or mother to substantial danger or physical harm or undue harassment. The committee added language in H.R. 8598 that provides that an applicant or recipient for AFDC found to have good cause for refusing to identify the father or assist in securing child support would not be subject to loss of AFDC because she was not cooperating.

At the same time, it does not intend that cooperation be broadly waived because of a philosophy by administrators that the collection of child support does not generally serve the best interest of the child. Cooperation or noncooperation in these circumstances would be determined by the State agency in accordance with the best interests of the child under the standards prescribed by the Secretary of HEW.

The committee also added to H.R. 8598 a number of technical amendments requested by HEW which they found would facilitate the implementation of the child support program.

H.R. 8598 is a very important piece of legislation as it affects the children and mothers of this country. While doing what is necessary to see to it that absent parents provide support for the rearing of their children, we must not forget that Federal law should not cause harm in such a process to the same children we are attempting to help through a strengthened program of enforcement of child support.

Mr. VANDER JAGT. Mr. Speaker, I support H.R. 8598 as reported by the Committee on Ways and Means. The bill became necessary when a number of problems arose with respect to the anticipated implementation of Public Law 93–647, which was enacted late last year.

Public Law 93–647 included a new part D of title IV of the Social Security Act. Title IV concerns the program of aid to families with dependent children, AFDC, and part D established machinery designed to help locate absent parents and enforce their child support obligations. Part D was added by the other body to the Social Services Amendments of 1974, and most of its provisions would have become effective July 1 of this year. But because of administrative and other problems, the effective date was postponed to August 1.

H.R. 8598 comprises a series of amendments aimed at alleviating these problems, and because the effective date is less than 2 weeks away, congressional action on the measure should be completed as soon as possible.

Under Public Law 93–647, each State which participates in the AFDC program must meet two requirements. First, it must have an approved plan to implement the child support program. Second, it must require AFDC recipients to assign all of their support payment rights to the State, which is to enforce support obligations and collect the payments. In order to comply, a number of States would have to amend their laws, and would need time to do so. Therefore, Public Law 93–647 included a provision allowing the State to be considered in compliance with the first of the two requirements, through calendar 1976, if it were making a good faith effort to comply. Section 1 of H.R. 8598 would apply this good faith provision to the second requirement as well. It also would provide a Federal fund matching rate of 75 percent in States making a good faith effort to comply as well as in those already in compliance.

Section 2 is designed to correct a situation in which some AFDC recipients would receive less income because of the child support provisions. In some States, AFDC payments are less than the State's standard needs levels. Many AFDC recipients in these States have been allowed to receive and retain child support payments to the extent that they make up the difference between the welfare payment and the State needs level. But under the new law, recipients must assign their child support rights to the State, which would return only part of the money to the AFDC family. The bill before us would allow these families to continue to retain child support payments up to the State needs level.

Section 3 of the bill provides further safeguards on the use or disclosure of information relating to AFDC applicants. Under Public Law 93–647, such information could be dispensed to public officials in pursuit of their official duties, and numerous complaints have been raised to the effect that the language is too broad and would permit an invasion of privacy which the Congress has sought to protect. The bill would limit the use or disclosure of this information to purposes directly connected with the administration of need-related programs or Federal or federally assisted programs providing cash or in-kind assistance.

Section 4 of H.R. 8598 would strike provisions permitting the use of Federal courts in enforcing delinquent court orders for child support. In considering this amendment, the Committee on Ways and Means took into account the fact that Federal court dockets are full, and that family law traditionally has been the responsibility of State courts.

H.R. 8598 would make a number of other changes in the child support program, Mr. Speaker, but most of these are technical in nature. Two, however, were discussed extensively in committee and I would like to comment briefly on them.

Under the law establishing the child support program, a parent locator service would be created within the Department of Health, Education, and Welfare. This service would make virtually all Federal records available to both State officials and private citizens for the purpose of establishing or enforcing child support obligations. Both the administration and committee members agreed that the Federal Government should not play this kind of role. Therefore, the bill would repeal the provision for a parent locator service and would reinstate provisions of prior law, under which Social Security and Internal Revenue records are available to State officials for the purpose of locating absent parents of AFDC children.

Also under Public Law 93–647, AFDC recipients are required to cooperate in efforts to locate absent parents. Many members of the committee were concerned about potential problems, such as those arising from situations in which a child or mother might be subjected to physical harm or harassment in carrying out this requirement. Therefore, the bill would permit noncooperation for good cause. State agencies administering the program would take into consideration the best interests of the child or children involved in determining what constituted cooperation or the lack of it.

Mr. Speaker, on some provisions of H.R. 8598 I have reservations, which I believe are shared by a number of my colleagues. However, my reservations for the most part are minor, and I feel the bill on balance would serve a good purpose. I believe it would correct obvious difficulties associated with the child support program, and that it should be enacted before that program becomes fully effective on August 1.

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

Mr. VANDER JAGT. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Speaker, we have got a letter from our welfare people in Texas

saying that they had relied upon the July 1 date, and in reliance upon the effective date of the act, they went ahead and hired staff and made all the preparations to go into this program. Then, the Congress—without, apparently, any warning at all, as the gentleman stated—changed the effective date to August 1.

Now, they are saying, "We are caught in a bind because we cannot extend any funds that were promised in advance under the original deadline. What are we going to do?"

Does this bill address itself to that situation?

Mr. VANDER JAGT. The problem the gentleman outlines was addressed by the committee in an amendment presented by the gentleman from Texas (Mr. PICKLE). I believe that the problem which the gentleman describes was taken care of through a committee amendment to the bill.

Mr. KAZEN. I thank the gentleman.

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

Mr. VANDER JAGT. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, will the gentleman state the administration's position on this bill?

Mr. VANDER JAGT. The administration, like the gentleman from Michigan, has some minor reservations with respect to some of the ways in which problems were addressed to the bill. I believe that the administration, like the gentleman from Michigan, feels that the reservations are minor compared with the overall objectives of the bill, and they are especially minor when compared with the enormous difficulties which will be faced if we do not act prior to August 1, when most provisions of the new child support program will go into effect.

Mr. WYLIE. Mr. Speaker, will the gentleman yield for another question?

Mr. VANDER JAGT. I yield further.

Mr. WYLIE. Mr. Speaker, the reason I ask that is because back in January, when President Ford signed similar legislation, he said that he did so despite several reservations.

Specifically, he requires the use of the Federal courts and the Internal Revenue Service on the enforcement procedure, and the precise implication of the parent locator service. As I understand it, those three objections have now been met.

Mr. VANDER JAGT. The thrust of the objections which the gentleman mentioned have been met. I would say the good that would be accomplished exceeds what minor reservations might remain, and I would urge the adoption of this legislation.

Mr. WYLIE. Does the gentleman think the President will sign this bill without reservation?

Mr. VANDER JAGT. As the gentleman so well knows, all of us should be very careful about ever speaking for the President, but I certainly would urge the President to sign the bill and I would have every expectation that he would sign the bill since the corrections which the gentleman cited really came about at his urging and at his request.

Mr. WYLIE. I thank the gentleman.

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

Mr. VANDER JAGT. I yield to the gentleman from Maryland.

Mr. BAUMAN. I thank the gentleman for yielding.

I recall that the amendments which were originally adopted in 1974 were generally for the purpose of tightening up the collections from parents, "run-away papas," as they are sometimes referred to, so that the taxpayers might be saved the burden of supporting children on welfare rather than have the natural parents pay for this kind of expenditure.

However, my opinion is that this bill would allow some applicants, and in some cases the States themselves, to avoid seeking establishment of the paternity of the child or seeking parental support for the child when such action would be as the bill says, "in the best interest of the child."

Would the gentleman tell me when it would be in the best interest of a child not to seek out the parent or when it would be in the best interest of the child not to seek the parent's financial support?

That seems to be a contradiction of terms.

Mr. VANDER JAGT. The underlying assumption of the gentleman from Maryland is that part D of title 4 of the Social Security Act would reduce the taxpayer's burden in bearihg the cost of maintaining children whose parent had departed the premises.

With regard to the specific question that the gentleman asked, I have difficulty thinking of an instance when locating an absent father would not be in the best interest of the child.

Conversely, though, I believe that if there were an instance when it would not be in the best interest of the child, since that interest is so paramount, we should permit an option.

There might be an instance, for example when a child might be in danger of physical harm or when it might be advisable to shield information from the child. There might be such cases, and when those cases arise, we would provide for them.

Mr. BAUMAN. If the gentleman will yield further, I readily agree that there are perhaps individual instances when a great many people would just as soon not know their parents, or at least their ancestry; but we are talking about U.S. taxpayers in this instance, and when I read section 7 of the bill it appears there is a wide-open loophole for professional welfarists to claim blanket amnesty when people refuse to cooperate in finding the father. The welfare mother is asked, "Who is the father of this child?" and this bill allows her to refuse to respond. The alternative would be for the taxpayer to pay the bill, and the welfare mother can say, "I refuse to cooperate because in the best interest of the child I do not want to tell who the father is."

That seems to me to be a wide-open loophole. There are a great many AFDC and other welfare recipients. In fact, AFDC is one of the largest and fastest growing areas of welfare payments. It seems to me this bill is only increasing the possiblity that the already overburdened taxpayers will be getting socked with a great deal of additional money right out of their own pockets in order to support the children of parents, some of whom refuse to accept their rightful responsibilities.

That, I think, is unreasonable when the average taxpayer has his own children to support.

Mr. VANDER JAGT. Mr. Speaker, I think the gentleman from Maryland has a very valid point that needs to be made and needs to be remade. I would disagree with the gentleman from Maryland only on his statement of the size of that loophole.

The gentleman calls this a wide-open loophole. I call it a loophole which is only about the size of the eye of a needle. The section does require that the mother cooperate with the authorities in locating the whereabouts of the father. The exception to that is when such cooperation would not be in the best interests of the child, and the State agency would make that determination. I think those cases would be very minimal.

Mr. Speaker, I would, therefore, call this an eye-of-the-needle loophole rather than a wide-open loophole, as my friend, the gentleman from Maryland, describes it.

Mr. BAUMAN. Mr. Speaker, if my biblical friend will yield once more, I am sure he will recall that it was a camel that was alleged to pass through the eye of a needle. If this bill is passed, I can just see whole herds of camels galloping through this one.

Mr. FRASER. Mr. Speaker, I want to indicate my support for the child support amendments. This bill corrects oversights in the 1974 act which would seriously disrupt the AFDC program and restores to the States their proper role in undertaking child support activities.

I am particularly pleased that the bill includes an amendment offered in committee by the gentleman from Illinois, Representative MIKVA, which is intended to protect the best interests of the child. The act requires, as a condition of eligibility, the cooperation of the AFDC applicant or recipient in establishing the paternity of her child and in locating the absent father for purposes of child support collection. The regulations developed by HEW to implement this program allow for an exception to the mandatory cooperation requirement only in cases where incest or forcible rape have been involved. The committee wisely saw that these exceptions were limited and that there may be additional cases where cooperation may not serve the best interests of the child. Though we can reasonably assume that welfare recipients will be eager to collect child support, we cannot ignore the potential for mandatory cooperation to provoke retaliatory action. The absent father may pose a threat to the physical well-being of the child, subject the family to undue harassment, or render the child deeply disturbed when learning the identity of the father. I am impressed with committee action on these very sensitive issues and support this amendment wholeheartedly.

I also find important the clarification in the committee report of the applicant/recipient right to a fair hearing before her grant is refused or cut because of

failure to cooperate. The report clarifies that this hearing right also extends to situations when the applicant or recipient is dissatisfied with the individual selected as a protective payee for her child after having lost her own grant by failing to cooperate.

The committee has given us a thoughtful and necessary bill. I am hopeful that Congress will move quickly to approve this legislation.

Mr. KOCH. Mr. Speaker, H.R. 8598 raises a very important issue which relates to the safeguarding of personal information. There will always be a balance to be achieved when information concerning an individual is either used or made available by the Government. Congressman CORMAN has addressed himself to this issue insofar as it relates to information pertaining to needy persons receiving Government aid.

Frankly, I do not know whether the safeguards are adequate. Obviously the purpose of the bill to reach deserting fathers is one that I am sure all of us are in accord with. I believe that the Privacy Protection Study Commission on which I serve should consider appropriate safeguards and examine the results of this legislation and its impact during the course of its 2-year study.

Appropriate alternative safeguards that should be considered by HEW in administering this legislation are:

First, that when this information is disclosed, the recipient agency, if it is not within the Social Security Administration, will not make any further disclosures of the information;

Second, that the Secretary of HEW shall by very specific regulation specify the programs which can disclose information and the agencies which can receive this information;

Third, that the Secretary of HEW shall condition the eligibility of agencies and programs to receive this information on their standards of disclosure and confidentiality;

Fourth, that the Secretary of HEW should promulgate regulations permitting individual access to records with the right to correct erroneous information. If this information is to be transferred, it is essential that it be accurate.

Fifth, that the Secretary of HEW shall be directed to supply the Privacy Protection Study Commission with a report dealing with the standards and criteria governing the transfer of this information and to the maximum extent possible, detail those agencies, be they Federal, State, or local agencies, that have access to this information, and what controls they have regarding its further dissemination.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. CORMAN) that the House suspend the rules and pass the bill (H.R. 8598) as amended.

The question was taken.

Mr. BAUMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3 of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 8598, Child Support Program Improvements.

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

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER pro tempore. The debate has been concluded on all motions to suspend the rules.

Pursuant to clause 3, rule XXVII, the Chair will now put the question on each motion, on which further proceedings were postponed, in the order in which that motion was entertained.

Votes will be taken in the following order: H.R. 6971, H.R. 8240, H.R. 6151, and H.R. 8598.

Pursuant to the provisions of clause 3(b)(3), rule XXVII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all the additional motions to suspend the rule on which the Chair has postponed further proceedings.

CONSUMER GOODS PRICING ACT OF 1975

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill, H.R. 6971.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Texas (Miss JORDAN) that the House suspend the rules and pass the bill, H.R. 6971, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 380, nays 11, not voting 43, as follows:

[Roll No. 411]

YEAS—380

Abdnor	Bonker	Cohen
Abzug	Brademas	Collins, Ill.
Adams	Breaux	Conable
Addabbo	Brinkley	Conte
Alexander	Brodhead	Corman
Ambro	Broomfield	Cornell
Anderson, Calif.	Brown, Calif.	Cotter
	Brown, Ohio	Coughlin
Anderson, Ill.	Broyhill	Crane
Andrews, N. Dak.	Buchanan	D'Amours
	Burgener	Daniel, Dan
Annunzio	Burke, Calif.	Daniel, R. W.
Archer	Burke, Fla.	Daniels, N.J.
Armstrong	Burke, Mass.	Danielson
Aspin	Burleson, Tex.	Davis
AuCoin	Burlison, Mo.	de la Garza
Bafalis	Burton, John	Delaney
Baldus	Burton, Phillip	Dellums
Barrett	Butler	Derrick
Baucus	Byron	Derwinski
Bauman	Carney	Devine
Beard, R.I.	Carr	Dickinson
Beard, Tenn.	Carter	Diggs
Bedell	Casey	Dingell
Bennett	Cederberg	Dodd
Bergland	Chappell	Downey, N.Y.
Bevill	Chisholm	Downing, Va.
Biaggi	Clancy	Drinan
Biester	Clausen, Don H.	Duncan, Oreg.
Blanchard		Duncan, Tenn.
Blouin	Clawson, Del	du Pont
Boggs	Clay	Early
Boland	Cleveland	Eckhardt
Bolling	Cochran	Edgar
Edwards, Ala.	Krueger	Rodino
Edwards, Calif.	Landrum	Roe
Ellberg	Latta	Rogers
Emery	Leggett	Roncalio
English	Lehman	Rooney
Erlenborn	Lent	Rosenthal
Esch	Levitas	Rostenkowski
Evans, Colo.	Lloyd, Calif.	Roush
Evans, Ind.	Lloyd, Tenn.	Rousselot
Evins, Tenn.	Long, La.	Roybal
Fary	Long, Md.	Runnels
Fascell	Lott	Russo
Fenwick	Lujan	Ryan
Findley	McClory	St Germain
Fish	McCloskey	Santini
Fisher	McCollister	Sarasin
Fithian	McCormack	Sarbanes
Flood	McDade	Satterfield
Florio	McEwen	Scheuer
Flynt	McFall	Schneebeli
Foley	McHugh	Schroeder
Forsythe	McKay	Sebelius
Fountain	McKinney	Seiberling
Fraser	Madden	Sharp
Frenzel	Madigan	Shipley
Frey	Maguire	Shriver
Fuqua	Mahon	Shuster
Gaydos	Martin	Sikes
Giaimo	Mathis	Simon
Gilman	Meeds	Sisk
Ginn	Metcalfe	Skubitz
Goodling	Mezvinsky	Slack
Gradison	Michel	Smith, Iowa
Grassley	Mikva	Smith, Nebr.
Green	Milford	Snyder
Gude	Miller, Calif.	Solarz
Guyer	Mills	Spellman
Hagedorn	Mineta	Staggers
Haley	Minish	Stanton, J. William
Hall	Mitchell, Md.	
Hamilton	Mitchell, N.Y.	Stanton, James V.
Hammer-schmidt	Moakley	Stark
	Moffett	Steed
Hanley	Mollohan	Steelman
Hannaford	Montgomery	Steiger, Ariz.
Hansen	Moore	Stephens
Harkin	Moorhead, Pa.	Stokes
Harrington	Morgan	Stratton
Harris	Mosher	Stuckey
Hastings	Moss	Studds
Hawkins	Mottl	Symington
Hayes, Ind.	Murphy, Ill.	Symms
Hébert	Murphy, N.Y.	Talcott
Hechler, W. Va.	Murtha	Taylor, Mo.
Heckler, Mass.	Myers, Ind.	Taylor, N.C.
Hefner	Myers, Pa.	Teague
Heinz	Natcher	Thompson
Helstoski	Neal	Thone
Henderson	Nedzi	Thornton
Hicks	Nichols	Traxler
Hightower	Nix	Treen
Hillis	Nolan	Tsongas
Holland	Nowak	Udall
Holt	Oberstar	Ullman
Holtzman	Obey	Van Deerlin
Horton	O'Brien	Vander Jagt
Howard	O'Hara	Vander Veen
Howe	O'Neill	Vanik
Hubbard	Ottinger	Vigorito
Hughes	Passman	Waggonner
Hungate	Patterson, Calif.	Walsh
Hutchinson		Wampler
Ichord	Pattison, N.Y.	Waxman
Jacobs	Perkins	Weaver
Jarman	Pettis	Whalen
Jeffords	Pickle	White
Jenrette	Pike	Whitehurst
Johnson, Calif.	Poage	Whitten
Johnson, Pa.	Pressler	Wiggins
Jones, Ala.	Preyer	Wilson, Bob
Jones, N.C.	Price	Wilson, C. H.
Jones, Okla.	Pritchard	Wilson, Tex.
Jones, Tenn.	Quie	Winn
Jordan	Quillen	Wirth
Karth	Randall	Wolff
Kasten	Rangel	Wright
Kastenmeier	Rees	Wydler
Kazen	Regula	Wylie
Kelly	Reuss	Yates
Kemp	Richmond	Yatron
Ketchum	Riegle	Young, Alaska
Keys	Rinaldo	Young, Tex.
Kindness	Risenhoover	Zablocki
Koch	Roberts	Zeferetti
Krebs	Robinson	

NAYS—11

Ashbrook	Harsha	Moorhead, Calif.
Collins, Tex.	McDonald	Rhodes
Conlan	Melcher	Schulze
Dent	Miller, Ohio	

NOT VOTING—43

Andrews, N.C.	Badillo	Bingham
Ashley	Bell	Bowen

Breckinridge	Hinshaw	Patten, N.J.
Brooks	Hyde	Pepper
Brown, Mich.	Johnson, Colo.	Peyser
Conyers	LaFalce	Railsback
Eshleman	Lagomarsino	Rose
Flowers	Litton	Ruppe
Ford, Mich.	Macdonald	Spence
Ford, Tenn.	Mann	Steiger, Wis.
Fulton	Matsunaga	Sullivan
Gibbons	Mazzoli	Young, Fla.
Goldwater	Meyner	Young, Ga.
Gonzalez	Mink	
Hays, Ohio	Patman, Tex.	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Hays of Ohio with Mr. Ashley.
Mr. Breckinridge with Mr. Ford of Tennessee.
Mr. Bingham with Mr. Fulton.
Mr. Matsunaga with Mr. Conyers.
Mr. Mazzoli with Mr. Gibbons.
Mr. Pepper with Mr. Ford of Michigan.
Mr. Patman with Mr. Litton.
Mrs. Meyner with Mr. Eshleman.
Mrs. Mink with Mr. Gonzalez.
Mr. Badillo with Mr. Hinshaw.
Mrs. Sullivan with Mr. Patten.
Mr. Bowen with Mr. Goldwater.
Mr. Brooks with Mr. Peyser.
Mr. Flowers with Mr. Bell.
Mr. Macdonald of Massachusetts with Mr. Hyde.
Mr. Rose with Mr. Lagomarsino.
Mr. Young of Georgia with Mr. Andrews of North Carolina.
Mr. Mann with Mr. Brown of Michigan.
Mr. LaFalce with Mr. Railsback.
Mr. Young of Florida with Mr. Ruppe.
Mr. Steiger of Wisconsin with Mr. Spence.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b)(3), rule XXVII, the Chair announces he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all the additional motions to suspend the rule on which the Chair has postponed further proceedings.

VETERANS' ADMINISTRATION PHYSICIANS AND DENTISTS COMPARABILITY PAY ACT OF 1975

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 8240.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. ROBERTS) that the House suspend the rules and pass the bill, H.R. 8240, on which the yeas and nays are ordered.

The question was taken; and there were—yeas 382, nays 3, not voting 49, as follows:

[Roll No. 412]

YEAS—382

Abdnor	Anderson, Calif.	Archer
Abzug	Anderson, Ill.	Armstrong
Adams	Andrews, N. Dak.	Ashbrook
Addabbo	Annunzio	Aspin
Alexander	Archer	AuCoin
Ambro	Armstrong	Badillo
Anderson, Calif.	Ashbrook	Bafalis
Anderson, Ill.	Aspin	Baldus
Andrews, N. Dak.	AuCoin	Barrett
Annunzio	Badillo	Baucus
Archer	Bafalis	Bauman
Armstrong	Baldus	Beard, R.I.
Ashbrook	Barrett	Beard, Tenn.
Aspin	Baucus	Bedell
AuCoin	Bauman	Bennett
Badillo	Beard, R.I.	Bergland
Bafalis	Beard, Tenn.	Bevill
Baldus	Bedell	Biaggi
Barrett	Bennett	Biester
Baucus	Bergland	Blanchard
Bauman	Bevill	Blouin
Beard, R.I.	Biaggi	Boggs
Beard, Tenn.	Biester	Boland
Bedell	Blanchard	Bolling
Bennett	Blouin	Bonker
Bergland	Boggs	Brademas
Bevill	Boland	Breaux
Biaggi	Bolling	Brinkley
Biester	Bonker	Brodhead
Blanchard	Brademas	Broomfield
Blouin	Breaux	Brown, Calif.
Boggs	Brinkley	Brown, Ohio
Boland	Brodhead	Broyhill
Bolling	Broomfield	Buchanan
Bonker	Brown, Calif.	Burgener
Brademas	Brown, Ohio	Burke, Calif.
Breaux	Broyhill	Burke, Mass.
Brinkley	Buchanan	Burleson, Tex.
Brodhead	Burgener	Burlison, Mo.
Broomfield	Burke, Calif.	Burton, John
Brown, Calif.	Burke, Mass.	Burton, Phillip
Brown, Ohio	Burleson, Tex.	Butler
Broyhill	Burlison, Mo.	Byron
Buchanan	Burton, John	Carr
Burgener	Burton, Phillip	Carter
Burke, Calif.	Butler	Casey
Burke, Mass.	Byron	Cederberg
Burleson, Tex.	Carr	Chappell
Burlison, Mo.	Carter	Chisholm
Burton, John	Casey	Clancy
Burton, Phillip	Cederberg	Clausen, Don H.
Butler	Chappell	Clawson, Del
Byron	Chisholm	Clay
Carr	Clancy	Cleveland
Carter	Clausen, Don H.	Cochran
Casey	Clawson, Del	Cohen
Cederberg	Clay	Collins, Ill.
Chappell	Cleveland	Collins, Tex.
Chisholm	Cochran	Conable
Clancy	Cohen	Conte
Clausen, Don H.	Collins, Ill.	Corman
Clawson, Del	Collins, Tex.	Cornell
Clay	Conable	Cotter
Cleveland	Conte	Coughlin
Cochran	Corman	Crane
Cohen	Cornell	D'Amours
Collins, Ill.	Cotter	Daniel, Dan
Collins, Tex.	Coughlin	Daniel, R. W.
Conable	Crane	Daniels, N.J.
Conte	D'Amours	Danielson
Corman	Daniel, Dan	Davis
Cornell	Daniel, R. W.	de la Garza
Cotter	Daniels, N.J.	Delaney
Coughlin	Danielson	Dellums
Crane	Davis	Dent
D'Amours	de la Garza	Derrick
Daniel, Dan	Delaney	Derwinski
Daniel, R. W.	Dellums	Devine
Daniels, N.J.	Dent	Dickinson
Danielson	Derrick	Diggs
Davis	Derwinski	Dodd
de la Garza	Devine	Downey, N.Y.
Delaney	Dickinson	Downing, Va.
Dellums	Diggs	Drinan
Dent	Dodd	Duncan, Oreg.
Derrick	Downey, N.Y.	Duncan, Tenn.
Derwinski	Downing, Va.	du Pont
Devine	Drinan	Early
Dickinson	Duncan, Oreg.	Edgar
Diggs	Duncan, Tenn.	Edwards, Ala.
Dodd	du Pont	Edwards, Calif.
Downey, N.Y.	Early	Eilberg
Downing, Va.	Edgar	Emery
Drinan	Edwards, Ala.	English
Duncan, Oreg.	Edwards, Calif.	Erlenborn
Duncan, Tenn.	Eilberg	Esch
du Pont	Emery	Evans, Colo.
Early	English	Evans, Ind.
Edgar	Erlenborn	Evins, Tenn.
Edwards, Ala.	Esch	Fary
Edwards, Calif.	Evans, Colo.	Fascell
Eilberg	Evans, Ind.	Fenwick
Emery	Evins, Tenn.	Findley
English	Fary	Fish
Erlenborn	Fascell	Fisher
Esch	Fenwick	Fithian
Evans, Colo.	Findley	Flood
Evans, Ind.	Fish	Florio
Evins, Tenn.	Fisher	Flynt
Fary	Fithian	Foley
Fascell	Flood	Ford, Mich.
Fenwick	Florio	Forsythe
Findley	Flynt	Fraser
Fish	Foley	Frenzel
Fisher	Ford, Mich.	Frey
Fithian	Forsythe	Fuqua
Flood	Fraser	Gaydos
Florio	Frenzel	Giaimo
Flynt	Frey	Gilman
Foley	Fuqua	Ginn
Ford, Mich.	Gaydos	Goodling
Forsythe	Giaimo	Gradison
Fraser	Gilman	Grassley
Frenzel	Ginn	Green
Frey	Goodling	Gude
Fuqua	Gradison	Guyer
Gaydos	Grassley	Hagedorn
Giaimo	Green	Haley
Gilman	Gude	Hall
Ginn	Guyer	Hamilton
Goodling	Hagedorn	Hammer-schmidt
Gradison	Haley	Hanley
Grassley	Hall	Hannaford
Green	Hamilton	Hansen
Gude	Hammer-schmidt	Harkin
Guyer	Hanley	Harrington
Hagedorn	Hannaford	Harris
Haley	Hansen	Harsha
Hall	Harkin	Hastings
Hamilton	Harrington	Hawkins
Hammer-schmidt	Harris	Hayes, Ind.
Hanley	Harsha	Hébert
Hannaford	Hastings	Hechler, W. Va.
Hansen	Hawkins	Heckler, Mass.
Harkin	Hayes, Ind.	Hefner
Harrington	Hébert	Heinz
Harris	Hechler, W. Va.	Helstoski
Harsha	Heckler, Mass.	Henderson
Hastings	Hefner	Hicks
Hawkins	Heinz	Hightower
Hayes, Ind.	Helstoski	Hillis
Hébert	Henderson	Holland
Hechler, W. Va.	Hicks	Holt
Heckler, Mass.	Hightower	Holtzman
Hefner	Hillis	Horton
Heinz	Holland	Howard
Helstoski	Holt	Howe
Henderson	Holtzman	Hubbard
Hicks	Horton	Hughes
Hightower	Howard	Hungate
Hillis	Howe	Hutchinson
Holland	Hubbard	Ichord
Holt	Hughes	Jarman
Holtzman	Hungate	Jeffords
Horton	Hutchinson	Jenrette
Howard	Ichord	Johnson, Calif.
Howe	Jarman	Johnson, Pa.
Hubbard	Jeffords	Jones, Ala.
Hughes	Jenrette	Jones, N.C.
Hungate	Johnson, Calif.	Jones, Okla.
Hutchinson	Johnson, Pa.	Jones, Tenn.
Ichord	Jones, Ala.	Jordan
Jarman	Jones, N.C.	Kasten
Jeffords	Jones, Okla.	Kastenmeier
Jenrette	Jones, Tenn.	Kazen
Johnson, Calif.	Jordan	Kelly
Johnson, Pa.	Kasten	Kemp
Jones, Ala.	Kastenmeier	Ketchum
Jones, N.C.	Kazen	Keys
Jones, Okla.	Kelly	Kindness
Jones, Tenn.	Kemp	Koch
Jordan	Ketchum	Krebs
Kasten	Keys	Krueger
Kastenmeier	Kindness	Lagomarsino
Kazen	Koch	Landrum
Kelly	Krebs	Latta
Kemp	Krueger	Leggett
Ketchum	Lagomarsino	Lehman
Keys	Landrum	Lent
Kindness	Latta	Levitas
Koch	Leggett	Lloyd, Calif.
Krebs	Lehman	Lloyd, Tenn.
Krueger	Lent	Long, La.
Lagomarsino	Levitas	Long, Md.
Landrum	Lloyd, Calif.	Lott
Latta	Lloyd, Tenn.	Lujan
Leggett	Long, La.	McClory
Lehman	Long, Md.	McCloskey
Lent	Lott	McCollister
Levitas	Lujan	McCormack
Lloyd, Calif.	McClory	McDade
Lloyd, Tenn.	McCloskey	McDonald
Long, La.	McCollister	McEwen
Long, Md.	McCormack	McHugh
Lott	McDade	McKay
Lujan	McDonald	McKinney
McClory	McEwen	Madigan
McCloskey	McHugh	Maguire
McCollister	McKay	Mahon
McCormack	McKinney	Martin
McDade	Madigan	Mathis
McDonald	Maguire	Meeds
McEwen	Mahon	Melcher
McHugh	Martin	Metcalfe
McKay	Mathis	Mezvinsky
McKinney	Meeds	Michel
Madigan	Melcher	Mikva
Maguire	Metcalfe	Milford
Mahon	Mezvinsky	Miller, Calif.
Martin	Michel	Miller, Ohio
Mathis	Mikva	Mills
Meeds	Milford	Mineta
Melcher	Miller, Calif.	Minish
Metcalfe	Miller, Ohio	Mitchell, Md.
Mezvinsky	Mills	Mitchell, N.Y.
Michel	Mineta	Moakley
Mikva	Minish	Moffett
Milford	Mitchell, Md.	Mollohan
Miller, Calif.	Mitchell, N.Y.	Montgomery
Miller, Ohio	Moakley	Moore
Mills	Moffett	Moorhead, Calif.
Mineta	Mollohan	Moorhead, Pa.
Minish	Montgomery	Morgan
Mitchell, Md.	Moore	Mosher
Mitchell, N.Y.	Moorhead, Calif.	Moss
Moakley	Moorhead, Pa.	Mottl
Moffett	Morgan	Murphy, Ill.
Mollohan	Mosher	Murphy, N.Y.
Montgomery	Moss	Murtha
Moore	Mottl	Myers, Ind.
Moorhead, Calif.	Murphy, Ill.	Myers, Pa.
Moorhead, Pa.	Murphy, N.Y.	Natcher
Morgan	Murtha	Neal
Mosher	Myers, Ind.	Nedzi
Moss	Myers, Pa.	Nichols
Mottl	Natcher	Nix
Murphy, Ill.	Neal	Nolan
Murphy, N.Y.	Nedzi	Nowak
Murtha	Nichols	Oberstar
Myers, Ind.	Nix	Obey
Myers, Pa.	Nolan	O'Brien
Natcher	Nowak	O'Hara
Neal	Oberstar	O'Neill
Nedzi	Obey	Ottinger
Nichols	O'Brien	Passman
Nix	O'Hara	Patten, N.J.
Nolan	O'Neill	Patterson, Calif.
Nowak	Ottinger	Pattison, N.Y.
Oberstar	Passman	Perkins
Obey	Patten, N.J.	Pettis
O'Brien	Patterson, Calif.	Pickle
O'Hara	Pattison, N.Y.	Pike
O'Neill	Perkins	Poage
Ottinger	Pettis	Pressler
Passman	Pickle	Preyer
Patten, N.J.	Pike	Price
Patterson, Calif.	Poage	Pritchard
Pattison, N.Y.	Pressler	Quie
Perkins	Preyer	Quillen
Pettis	Price	Randall
Pickle	Pritchard	Rangel
Pike	Quie	Rees
Poage	Quillen	Regula
Pressler	Randall	Reuss
Preyer	Rangel	Rhodes
Price	Rees	Richmond
Pritchard	Regula	Riegle
Quie	Reuss	Rinaldo
Quillen	Rhodes	Risenhoover
Randall	Richmond	Roberts
Rangel	Riegle	Robinson
Rees	Rinaldo	Rodino
Regula	Risenhoover	Roe
Reuss	Roberts	Rogers
Rhodes	Robinson	Roncalio
Richmond	Rodino	Rooney
Riegle	Roe	Rosenthal
Rinaldo	Rogers	Rostenkowski
Risenhoover	Roncalio	Roush
Roberts	Rooney	Rousselot
Robinson	Rosenthal	Roybal
Rodino	Rostenkowski	Runnels
Roe	Roush	Russo
Rogers	Rousselot	Ryan
Roncalio	Roybal	St Germain
Rooney	Runnels	Santini
Rosenthal	Russo	Sarasin
Rostenkowski	Ryan	Sarbanes
Roush	St Germain	Satterfield
Rousselot	Santini	Scheuer
Roybal	Sarasin	Schneebeli
Runnels	Sarbanes	Schroeder
Russo	Satterfield	Schulze
Ryan	Scheuer	Sebelius
St Germain	Schneebeli	Seiberling
Santini	Schroeder	Sharp
Sarasin	Schulze	Shriver
Sarbanes	Sebelius	Shuster
Satterfield	Seiberling	Sikes
Scheuer	Sharp	Simon
Schneebeli	Shriver	Sisk
Schroeder	Shuster	Skubitz
Schulze	Sikes	Slack
Sebelius	Simon	Smith, Iowa
Seiberling	Sisk	Smith, Nebr.
Sharp	Skubitz	Snyder
Shriver	Slack	Solarz
Shuster	Smith, Iowa	Spellman
Sikes	Smith, Nebr.	Staggers
Simon	Snyder	Stanton, J. William
Sisk	Solarz	Stanton, James V.
Skubitz	Spellman	Stark
Slack	Staggers	Steed
Smith, Iowa	Stanton, J. William	Steelman
Smith, Nebr.	Stanton, James V.	Steiger, Ariz.
Snyder	Stark	Stephens
Solarz	Steed	Stokes
Spellman	Steelman	Stratton
Staggers	Steiger, Ariz.	Stuckey
Stanton, J. William	Stephens	Studds
Stanton, James V.	Stokes	Symington
Stark	Stratton	Symms
Steed	Stuckey	Talcott
Steelman	Studds	Taylor, Mo.
Steiger, Ariz.	Symington	Taylor, N.C.
Stephens	Symms	Teague
Stokes	Talcott	Thompson
Stratton	Taylor, Mo.	Thone
Stuckey	Taylor, N.C.	Thornton
Studds	Teague	Traxler
Symington	Thompson	Treen
Symms	Thone	Tsongas
Talcott	Thornton	Udall
Taylor, Mo.	Traxler	Ullman
Taylor, N.C.	Treen	Van Deerlin
Teague	Tsongas	Vander Jagt
Thompson	Udall	Vander Veen
Thone	Ullman	Vanik
Thornton	Van Deerlin	Vigorito
Traxler	Vander Jagt	Walsh
Treen	Vander Veen	Wampler
Tsongas	Vanik	Waxman
Udall	Vigorito	Weaver
Ullman	Walsh	Whalen
Van Deerlin	Wampler	Whitehurst
Vander Jagt	Waxman	Whitten
Vander Veen	Weaver	Wiggins
Vanik	Whalen	Wilson, Bob
Vigorito	Whitehurst	Wilson, C. H.
Walsh	Whitten	Wilson, Tex.
Wampler	Wiggins	Winn
Waxman	Wilson, Bob	Wirth
Weaver	Wilson, C. H.	Wolff
Whalen	Wilson, Tex.	Wright
Whitehurst	Winn	Wydler
Whitten	Wirth	Wylie
Wiggins	Wolff	Yates
Wilson, Bob	Wright	Yatron
Wilson, C. H.	Wydler	Young, Alaska
Wilson, Tex.	Wylie	Young, Tex.
Winn	Yates	Zablocki
Wirth	Yatron	Zeferetti
Wolff	Young, Alaska	
Wright	Young, Tex.	
Wydler	Zablocki	
Wylie	Zeferetti	
Yates		
Yatron		
Young, Alaska		
Young, Tex.		
Zablocki		
Zeferetti		

NAYS—3

Burke, Fla.	Dingell	Shipley

NOT VOTING—49

Andrews, N.C.	Gibbons	Meyner
Ashley	Goldwater	Mink
Bell	Gonzalez	Patman, Tex.
Bingham	Hays, Ohio	Pepper
Bowen	Hinshaw	Peyser
Breckinridge	Hyde	Railsback
Brooks	Jacobs	Rose
Brown, Mich.	Johnson, Colo.	Ruppe
Carney	Karth	Spence
Conlan	LaFalce	Steiger, Wis.
Conyers	Litton	Sullivan
Eckhardt	McFall	Waggonner
Eshleman	Macdonald	White
Flowers	Madden	Young, Fla.
Ford, Tenn.	Mann	Young, Ga.
Fountain	Matsunaga	
Fulton	Mazzoli	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Hays of Ohio with Mr. Andrews of North Carolina.
Mr. Waggonner with Mr. Ashley.
Mr. Breckinridge with Mr Gonzalez.
Mr. Brooks with Mr. Jacobs.
Mr. Carney with Mr. Conyers.
Mr. Eckhardt with Mr. White.
Mr. Macdonald of Massachusetts with Mr. Hinshaw.
Mr. Matsunaga with Mr. Bell.
Mr. Pepper with Mr. Steiger of Wisconsin.
Mr. Mazzoli with Mr. Eshleman.
Mr. Patman of Texas with Mr. Young of Georgia.
Mrs. Mink with Mr. Brown of Michigan.
Mrs. Sullivan with Mr. Hyde.
Mr. Young of Florida with Mr. Ruppe.
Mr. LaFalce with Mr. Conlan.
Mr. Karth with Mr. Gibbons.
Mr. Bingham with Mr. Railsback.
Mr. Bowen with Mr. Goldwater.
Mr. Flowers with Mr. Peyser.
Mr. Ford of Tennessee with Mr. Spence.
Mr. Fountain with Mr. Fulton.
Mr. McFall with Mr. Madden.
Mr. Mann with Mrs. Meyner.
Mr. Litton with Mr. Rose.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

JOHN F. KENNEDY CENTER

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill H.R. 6151, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wyoming (Mr. RONCALIO) that the House suspend the rules and pass the bill H.R. 6151, as amended.

The question was taken; and (two-

thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

CHILD SUPPORT PROGRAM IMPROVEMENTS

The SPEAKER pro tempore. The unfinished business is on the question of suspending the rules and passing the bill H.R. 8598, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. CORMAN) that the House suspend the rules and pass the bill H.R. 8598, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 357, nays 37, not voting 40, as follows:

[Roll No. 413]

YEAS—357

Abdnor	D'Amours	Hayes, Ind.
Abzug	Daniel, R. W.	Hays, Ohio
Adams	Daniels, N.J.	Hébert
Addabbo	Danielson	Hechler, W. Va.
Alexander	Davis	Heckler, Mass.
Ambro	de la Garza	Hefner
Anderson, Calif.	Delaney	Heinz
	Dellums	Helstoski
Anderson, Ill.	Dent	Hicks
Andrews, N. Dak.	Derrick	Hightower
	Derwinski	Hillis
Annunzio	Dickinson	Holland
Armstrong	Diggs	Holtzman
Aspin	Dingell	Horton
AuCoin	Dodd	Howard
Badillo	Downey, N.Y.	Howe
Bafalis	Downing, Va.	Hubbard
Baldus	Drinan	Hughes
Barrett	Duncan, Oreg.	Hungate
Baucus	Duncan, Tenn.	Hutchinson
Beard, R.I.	du Pont	Jacobs
Beard, Tenn.	Early	Jarman
Bedell	Eckhardt	Jeffords
Bennett	Edgar	Jenrette
Bergland	Edwards, Ala.	Johnson, Calif.
Bevill	Edwards, Calif.	Johnson, Pa.
Biaggi	Eilberg	Jones, Ala.
Biester	Emery	Jones, N.C.
Blanchard	Erlenborn	Jones, Okla.
Blouin	Esch	Jones, Tenn.
Boggs	Evans, Colo.	Jordan
Boland	Evans, Ind.	Kasten
Bolling	Evins, Tenn.	Kastenmeier
Bonker	Fary	Kazen
Brademas	Fascell	Kelly
Breaux	Fenwick	Ketchum
Brinkley	Findley	Keys
Brodhead	Fish	Kindness
Broomfield	Fisher	Koch
Brown, Calif.	Fithian	Krebs
Broyhill	Flood	Krueger
Buchanan	Florio	Latta
Burgener	Foley	Leggett
Burke, Calif.	Ford, Mich.	Lehman
Burke, Fla.	Forsythe	Lent
Burke, Mass.	Fountain	Lloyd, Calif.
Burlison, Mo.	Fraser	Lloyd, Tenn.
Burton, John	Frenzel	Long, La.
Burton, Phillip	Frey	Long, Md.
Butler	Fuqua	Lujan
Byron	Gaydos	McClory
Carney	Gilman	McCloskey
Carr	Ginn	McCollister
Carter	Gradison	McCormack
Casey	Green	McDade
Cederberg	Gude	McEwen
Chappell	Guyer	McFall
Chisholm	Hagedorn	McHugh
Clausen, Don H.	Haley	McKay
	Hall	McKinney
Clay	Hamilton	Macdonald
Cleveland	Hammer-schmidt	Madden
Cochran		Madigan
Cohen	Hanley	Maguire
Collins, Ill.	Hannaford	Mahon
Conable	Harkin	Martin
Conte	Harrington	Meeds
Corman	Harris	Melcher
Cornell	Harsha	Metcalfe
Cotter	Hastings	Mezvinsky
Coughlin	Hawkins	Mikva
Milford	Rees	Steed
Miller, Calif.	Regula	Steelman
Mills	Reuss	Stephens
Mineta	Rhodes	Stokes
Minish	Richmond	Stratton
Mitchell, Md.	Riegle	Stuckey
Moakley	Rinaldo	Studds
Moffett	Risenhoover	Symington
Mollohan	Roberts	Talcott
Moore	Robinson	Taylor, Mo.
Moorhead, Pa.	Rodino	Taylor, N.C.
Morgan	Roe	Teague
Mosher	Rogers	Thompson
Moss	Roncalio	Thone
Mottl	Rooney	Thornton
Murphy, Ill.	Rosenthal	Traxler
Murphy, N.Y.	Rostenkowski	Treen
Murtha	Roush	Tsongas
Myers, Ind.	Roybal	Udall
Myers, Pa.	Runnels	Van Deerlin
Natcher	Russo	Vander Jagt
Neal	Ryan	Vander Veen
Nedzi	St Germain	Vanik
Nichols	Santini	Vigorito
Nix	Sarasin	Waggonner
Nolan	Sarbanes	Walsh
Nowak	Scheuer	Wampler
Oberstar	Schneebeli	Waxman
Obey	Schroeder	Weaver
O'Brien	Schulze	Whalen
O'Hara	Sebelius	White
O'Neill	Seiberling	Whitehurst
Ottinger	Sharp	Whitten
Passman	Shipley	Wiggins
Patman, Tex.	Shriver	Wilson, Bob
Patten, N.J.	Sikes	Wilson, C. H.
Patterson, Calif.	Simon	Wilson, Tex.
	Sisk	Winn
Pattison, N.Y.	Skubitz	Wirth
Perkins	Slack	Wolff
Pickle	Smith, Iowa	Wright
Pike	Smith, Nebr.	Wydler
Poage	Snyder	Wylie
Pressler	Solarz	Yates
Preyer	Spellman	Yatron
Price	Staggers	Young, Alaska
Pritchard	Stanton, J. William	Young, Tex.
Quie		Zablocki
Quillen	Stanton, James V.	Zeferetti
Randall		
Rangel	Stark	

NAYS—37

Archer	Flynt	Michel
Ashbrook	Goodling	Miller, Ohio
Bauman	Grassley	Mitchell, N.Y.
Brown, Ohio	Hansen	Montgomery
Burleson, Tex.	Holt	Moorhead, Calif.
Clancy	Ichord	
Clawson, Del	Kemp	Pettis
Collins, Tex.	Lagomarsino	Rousselot
Conlan	Landrum	Satterfield
Crane	Levitas	Shuster
Daniel, Dan	Lott	Steiger, Ariz.
Devine	McDonald	Symms
English	Mathis	

NOT VOTING—40

Andrews, N.C.	Gibbons	Mink
Ashley	Goldwater	Pepper
Bell	Gonzalez	Peyser
Bingham	Henderson	Railsback
Bowen	Hinshaw	Rose
Breckinridge	Hyde	Ruppe
Brooks	Johnson, Colo.	Spence
Brown, Mich.	Karth	Steiger, Wis.
Conyers	LaFalce	Sullivan
Eshleman	Litton	Ullman
Flowers	Mann	Young, Fla.
Ford, Tenn.	Matsunaga	Young, Ga.
Fulton	Mazzoli	
Giaimo	Meyner	

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

The Clerk announced the following pairs:

Mr. Mazzoli with Mr. Fulton.
Mrs. Meyner with Mr. Andrews of North Carolina.
Mr. Pepper with Mr. Mann.
Mrs. Sullivan with Mr. Rose.
Mr. Karth with Mr. Gonzalez.
Mr. LaFalce with Mr. Conyers.
Mr. Matsunaga with Mr. Ullman.
Mr. Breckinridge with Mr. Hyde.
Mr. Bingham with Mr. Ford of Tennessee.
Mr. Bowen with Mr. Goldwater.
Mr. Ashley with Mr. Peyser.
Mr. Brooks with Mr. Brown of Michigan.
Mr. Giaimo with Mr. Railsback.
Mr. Henderson with Mr. Spence.
Mrs. Mink with Mr. Ruppe.
Mr. Young of Georgia with Mr. Bell.
Mr. Gibbons with Mr. Steiger of Wisconsin.
Mr. Flowers with Mr. Young of Florida.
Mr. Litton with Mr. Eshleman.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 7217, EDUCATION FOR ALL HANDICAPPED CHILDREN ACT OF 1975

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 614 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 614

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7217) to amend the Education of the Handicapped Act to provide educational assistance to all handicapped children, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of H.R. 7217, the Committee on Education and Labor shall be discharged from the further consideration of the bill S. 6, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 7217 as passed by the House.

The SPEAKER. The gentleman from Indiana is recognized for 1 hour.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes for the minority to the gentleman from Mississippi (Mr. LOTT), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 614 provides for an open rule with 1 hour of general debate on H.R. 7217, a bill to amend the Education of the Handicapped Act.

House Resolution 614 provides that it shall be in order to consider the amendment in the nature of a substitute now printed in the bill as an original bill for the purpose of amendment under the 5-minute rule.

House Resolution 614 also provides that after the passage of H.R. 7217, the Committee on Education and Labor, shall be discharged from the further consideration of the bill S. 6 and it then shall be in order in the House to move to strike out all after the enacting clause of S. 6 and insert in lieu thereof the provisions contained in H.R. 7217 as passed by the House.

H.R. 7217 extends for an additional 2 fiscal years, the current entitlement formula for payments to States under the act. In fiscal year 1978, the bill establishes a new formula for payments to States and local communities based on the number of handicapped children served, times 50 percent of the average per-pupil expenditure.

Mr. Speaker, there are more than 8 million handicapped children in the United States. At the present time only 3.9 million of these children are receiving an adequate education and more than half of all handicapped children are not having their special needs met. State and local educational agencies have a responsibility to provide education for all handicapped children but present financial resources are inadequate and thus we must pass this legislation to assure that all handicapped children have available to them special educational and related services designed to meet their needs and to assist States and local educational systems in providing the education to meet those needs.

Mr. Speaker, passage of this legislation will aid the visually handicapped, the deaf, and the hard of hearing children. It will provide the authorization for funds to educate speech handicapped, emotionally disturbed, mentally retarded, learning disabled, and multiple handicapped children. I urge the adoption of House Resolution 614 in order that we may discuss, debate, and pass H.R. 7217.

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

Mr. Speaker, as has been noted by the gentleman, this rule provides for the consideration of H.R. 7217, the Education for All Handicapped Children Act of 1975. Under the terms of the rule, the bill is subject to 1 hour of general debate and is open to all germane amendments. The committee substitute is made in order as an original bill for purposes of amendment.

The rule further provides that after the passage of H.R. 7217, it shall be in order to take the Senate bill, S. 6, from the Speaker's table and to move to strike all after the enacting clause and insert in lieu thereof the text of H.R. 7217 as passed by the House.

The purpose of the Education for All Handicapped Children Act of 1975 is to make educational opportunities available to all handicapped children. In accomplishing this objective, H.R. 7217, as amended, would—

First. Extend for 2 additional years for the entitlement formula for payments to States which was adopted under the Education Amendments of 1974.

Second. Establish a new formula which would begin in fiscal year 1978 for payments to States and communities based on the number of handicapped children served, times 50 percent of the average per pupil expenditure.

Third. Establish eligibility and application procedures for local education agencies.

Fourth. Establish provisions relating to evaluation.

Fifth. Provide for grievance procedures at the State and local levels.

Sixth. Provide that all handicapped children must be served as of October 1, 1978.

Seventh. Provide that an individualized program be developed for each handicapped child.

Eighth. Provide that State advisory councils be established.

Ninth. Provide broader authority for the Secretary of HEW to enter into agreements with institutions of higher education and State and local agencies for the establishment and operation of centers of educational media and materials for the handicapped.

Tenth. Provide for making grants to pay part or all of the cost of existing buildings for the removal of architectural barriers.

The authorization levels in this legislation are quite large; $1,332,000,000 is authorized for fiscal years 1976 and 1977 for formula payments; and $5,000,000 is authorized annually for the removal of architectural barriers in existing buildings. While the Committee on Education and Labor reported this bill favorably on June 17 by a 37 to 0 vote, several of its members have expressed a serious concern for the authorization figures. Since in 1975 Congress appropriated only $100 million to carry out the provisions of this act, it is almost unrealistic to assume that the authorizations called for under H.R. 7217 will be met with an equal amount of appropriations.

Differing opinions also have been expressed in relation to the specific learning disabled cap in the bill and the method of funding distribution. Therefore, Mr. Speaker, in light of these views, I would favor the adoption of this rule so that the House may have the opportunity to debate and offer amendments to this important legislation.

Mr. Speaker, I have no requests for time.

Mr. MADDEN. Mr. Speaker, I have no requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. BRADEMAS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7217) to amend the Education of the Handicapped Act to provide educational assistance to all handicapped children, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Indiana (Mr. BRADEMAS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7217, with Mr. ROBERTS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Indiana (Mr. BRADEMAS) will be recognized for 30 minutes, and the gentleman from Vermont (Mr. JEFFORDS) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Indiana (Mr. BRADEMAS).

Mr. BRADEMAS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise to urge my colleagues to give their strong support to H.R. 7217, the Education of All Handicapped Children Act, a bill to amend and extend the Education of the Handicapped Act.

This is a strong measure, Mr. Chairman, because strong measures are required if we are to insure that all children in the United States receive the free education to which they are entitled. The need for this bill arises from a set of grim and depressing facts:

There are over 8 million handicapped children in the United States and only 3.9 million are currently receiving an appropriate education; 1.75 million handicapped youngsters are receiving no education at all; and 2.5 million children are receiving an inappropriate education.

In short, Mr. Chairman, over 50 percent of the handicapped children in this Nation are being denied a fundamental educational opportunity which can help some of them become self-sufficient adults.

Last year, many significant advances were made in the education of handicapped children. In the Education Amendments of 1974, Congress significantly expanded a basic aid-to-States program for the education of handicapped children in authority and appropriations, with a clear mandate that the 1-year emergency authorization under that measure would not be sufficient for the long-term purposes of providing adequate support to States and local communities to meet the educational needs of handicapped children. We have met that mandate with H.R. 7217.

Let me take a moment, Mr. Speaker, to cite the major provisions of H.R. 7217. The bill would:

Extend for 2 additional years the present entitlement formula, referred to as the Mathias formula.

Establish a new formula to begin in fiscal 1978 for payments to States and local communities based on the number of handicapped children served, times 50 percent of the average per pupil expenditure;

Establish eligibility and application procedures for local education agencies;

Establish procedures relating to evaluation;

Provide for grievance procedures at State and local levels;

Provide that all handicapped children must be served as of October 1, 1978;

Provide that an individualized program be developed for each handicapped child;

Provide that State advisory councils be established;

Provide broader authority for the Secretary of Health, Education, and Welfare to enter into agreements with institutions of higher education and State and local agencies for the establishment and operation of centers of educational media and materials for the handicapped, and,

Provide for making grants to pay part or all of the cost of altering existing buildings for the removal of architectural barriers.

Mr. Chairman, before I discuss these provisions in greater detail, let me observe that this bill was ordered reported from the Subcommittee on Select Education with a unanimous bipartisan vote, and that it was reported from the Committee on Education and Labor by a vote of 37 ayes, no nays, and 2 not voting.

Before addressing the merits of this bill, Mr. Chairman, I would like to thank the chairman of our committee, Mr. PERKINS, for his support of the subcommittee's efforts. I would also like to thank the ranking minority member of the Education and Labor Committee, Mr. QUIE, for his auspicious contributions to the pending bill.

Mr. Chairman, the members of the select subcommittee and the full Committee on Education and Labor have worked hard and long on this legislation and I would like to publicly thank and congratulate them for this effort.

BACKGROUND

Mr. Chairman, we are here today, not as representatives of positions on either side of the aisle, but as legislative decisionmakers who, through the power of body, can make a commitment to the over 8 million handicapped children of this Nation. It is a shameful exercise of the principles on which this country was conceived and developed that our educational system completely excludes 1.75 million of these handicapped children and provides inadequate educational services to over half the total population of handicapped children. This is a waste of one of our most valuable resources, our young people and the potential they possess to become contributing and self-sufficient members of this society.

Mr. Chairman, in 1966 Congress added a new title to the Elementary and Secondary Education Act, title VI, entitled the Education of the Handicapped Children. This new title authorized grants to States in assisting them to initiate, expand and improve programs and projects for the education of the handicapped.

In 1970 the Congress again recognized the needs of this Nation's handicapped children and created a separate act, the Education of the Handicapped Act, which consolidated a number of previously separate legislative enactments related to the education of the handicapped. Among these enactments was title VI.

Part B of the act, the State grant program, authorized some $630 million over a 3-year period for educational programs for handicapped children at the preschool, elementary, and secondary school levels.

Since the passage of the original act in 1976, Federal assistance to the States under part B has grown from $2.5 million to $100 million in fiscal year 1975.

Mr. Chairman, on the surface this may appear to be a substantial fiscal effort on the part of the Federal Government. However, the fiscal year 1975 appropriation represents a Federal dollar contribution which equals about $12.50 per handicapped child if each such child were to receive the same portion of that appropriation amount.

It is estimated that it would cost approximately twice the national average per pupil expenditure, or $2,500, to educate a handicapped child. Thus, the $12.50 presently spent by the Federal Government on each handicapped child represents only 0.5 of 1 percent of the estimated total cost to educate one handicapped child.

DEVELOPMENT

Mr. Chairman, for the past 3 years the Subcommittee on Select Education, which I have the honor to chair, has been involved in various oversight and evaluation activities which directly relate to the education of the handicapped. Over these 3 years a need for comprehensive legislation has been generated by at least four major developments.

First, there have been landmark judicial decisions in which the courts have recognized the rights of each handicapped child to have a free appropriate public education. Thus far there have been some 46 court cases regarding the right to an education for each handicapped child.

Second, State legislatures have passed new laws to guarantee each handicapped child within their States the right to a free public appropriate education.

Third, the lack of fiscal resources on the part of the States has either postponed or prevented implementation of court decisions and State statutes.

And fourth, increased awareness of the educational needs of handicapped children and the continuous development of identification and programing techniques represent positive prospects for handicapped children in this country.

All of these developments pose the challenge to the Federal Government to expand its role in the education of the handicapped if indeed expeditious and substantial progress is to be made in providing full educational opportunities for each handicapped child.

NINETY-THIRD CONGRESS

Mr. Chairman, last year in Public Law 93-380, the Education Amendments of 1974, Congress authorized a temporary 1-year entitlement program under part B which would provide some $680 million in fiscal year 1975 for the education of the handicapped children. This money was to be distributed to the States on a basis proportional to the number of all children aged 3-21 in each State. This entitlement formula expired this June 1975 and returns the authorization ceilings for appropriations under part B to $100 million for fiscal year 1976 and $110 million for fiscal year 1977. These amendments also represented a major Federal development in the area of the education of handicapped children in these ways: By adding important new provisions to the act which would require the States to establish a goal of providing full educational opportunities to all handicapped children; to provide procedures for insuring that handicapped children and their parents are guaranteed procedural safeguards in identification and placement of the handicapped child; and that where possible, the handicapped child be integrated into a normal classroom environment.

Despite the tremendous strides realized through the refinement of both national and State policy toward the elimination of one of this Nation's areas of extreme neglect, there are over 4 million handicapped children today who are not receiving the public education programs which they so desperately require.

H.R. 7217, AS AMENDED

Mr. Chairman, the legislation pending before us today, H.R. 7217, would authorize a further, even more substantial, Federal contribution toward the guarantee of an appropriate public education for America's 8 million handicapped children. This legislation represents not only a strong congressional statement with regard to the education of all handicapped children but it is the vehicle by which this Congress can make a commitment to this Nation's handicapped children.

Mr. Chairman, I would like at this time to detail some of the important features of H.R. 7217.

FORMULA

H.R. 7217 would extend the entitlement formula for payments to States for fiscal year 1975 under the Education of the Handicapped Act for 2 additional fiscal years, fiscal year 1976 and fiscal year 1977, and would add that no State could receive less than its fiscal year 1974 appropriations or $300,000 whichever is greater. It is estimated that the bill would authorize appropriations for each of these fiscal years of approximately $660 million.

The extension of these amendments would provide a temporary ceiling which would be high enough to help the States and localities prepare for the new entitlement formula for fiscal year 1978.

Beginning in fiscal year 1978 and continuing for every fiscal year thereafter H.R. 7217 would incorporate a new entitlement formula which would be based on the number of handicapped children served aged 5 through 17 times 50% of the National average per pupil expenditure, which is approximately $1250 at this time and 50% of which would therefore be $625.

The term "served" is defined in H.R. 7217 to include only those handicapped children who are enrolled in programs of free public appropriate education.

In determining the allotment for local educational agencies, the number of handicapped children served cannot exceed 12 percent of the school age population, 5-17 years of age, inclusive, and children with specific learning disabilities can compose not more than 2 percent of this handicapped population. No State can receive less than its fiscal year 1977 allotment or $300,000, whichever is greater. This 12 percent limitation was included in the bill to act as a safeguard preventing States and localities from mislabeling and overreporting handicapped children.

Payments would be made by the Federal Government to pay the excess cost

of educating a handicapped child and in no way would the Federal funds be used to supplant State and local funds unless every handicapped child within that State is receiving a free public education.

Mr. Chairman, if each State actually served 12 percent of its school age population, it is estimated that the fiscal year 1978 authorization would amount to $3.8 billion.

Mr. Chairman, I realize that these figures are large. However, the committee felt that it had a duty to define the universe of need and after studying the educational needs of handicapped children, determined that this level of appropriations would be necessary to help State and local educational agencies meet the educational needs of handicapped children.

ALLOCATION

Mr. Chairman, H.R. 7217 provides for the allocation of funds to local educational agencies, beginning in fiscal 1978. This differs from the present allocation process, which distributes funds to the State educational agencies which then distribute funds to local educational agencies on a discretionary grant basis.

However, while funds under H.R. 7217 are allocated to the local educational agencies, they are not allocated directly.

In order to be eligible for funding under the entitlement formula which would go into effect in fiscal 1978, local educational agencies must submit a plan to the State educational agency which must be in compliance with the overall State plan.

The State may deny funds to a local educational agency if the State feels that the program is of insufficient size and scope; if the local educational agency is already providing adequate services to handicapped children with State and local funds; and, if the local educational agency has failed to comply with the requirements of the State plan or other provisions of this legislation.

Mr. Chairman, we hope by this method of allocation to give local educational agencies a degree of certainty with regard to the funding of special education programs and still maintain accountability.

ADDITIONAL PROVISIONS

Mr. Chairman, there are several other provisions in this measure which I would like to discuss briefly.

H.R. 7217 enlarges the definition of "handicapped" to include those youngsters with specific learning disabilities such as dyslexia or aphasia. While these children are usually of normal intelligence, they have disabilities which prevent their learning as other children do: some children for example, cannot read because their brain reverses the letters they see on a page. These children can be helped with special education and can be trained to lead normal lives.

Mr. Chairman, we also provide that an individualized plan of instruction must be provided for each handicapped child and evaluated at least annually. Individualized plans are of great importance in the education of handicapped children in order to help them develop their full potential.

In addition, Mr. Chairman, H.R. 7217 sets priorities in the expenditure of Federal funds, mandating that these moneys be spent first on those children who are receiving no education at all, and second, on those children with the most severe handicaps.

This bill also provides that by September 30, 1978, all handicapped children who are within the age group mandated by State law to receive a full free public education be provided this educational opportunity.

Mr. Chairman, another important feature of H.R. 7217 is the grievance and compliance mechanism established by this bill.

Court action and State laws throughout the Nation have made clear that the right to education of handicapped children is a present right, one which is to be implemented immediately. H.R. 7217 provides for mechanisms which would assure equal protection of the laws and which would support action to assure that handicapped children throughout the United States have available to them appropriate educational services.

H.R. 7217 would authorize a grievance-compliance mechanism which is three-tiered; that is, first a grievance mechanism must exist within each school district to allow complaints relative to the maintenance of the handicapped child's educational rights; then the State educational agency must review the facts of each case and review the findings of the local educational agency; if the State finds the local district in noncompliance, the State must take measures for the expeditious correction of any such noncompliance.

This process can be effected informally at first and then, if necessary, the State must take formal action. Finally, the U.S. Commissioner of Education could cut off funds for Federal education programs specifically designed for the education of the handicapped going to the local district or the State if noncompliance is found and not corrected.

Mr. Chairman, H.R. 7217 also directs itself to the importance of evaluation activities in the area of the education of the handicapped. It provides for the Commissioner of Education to authorize grants or to enter into contracts to assure effective implementation of the provisions of this bill and to develop effective methods and procedures for evaluation.

The bill also provides that the Commissioner of Education annually collect and report information regarding numbers of handicapped children in and out of a public educational system, the number of handicapped children by type of handicapping condition, and the amount of Federal, State, and local expenditures specifically used for the handicapped. This objective can be achieved by a sampling of the State and local educational agencies. The Commissioner must also report annually to the Congress regarding the progress being made toward reaching the goal of providing a full free public education for each handicapped child.

Mr. Chairman, I would like to conclude by briefly describing some other aspects of H.R. 7217.

H.R. 7217 provides for inservice training of special and supportive educational personnel for the handicapped.

H.R. 7217 provides broader authority for the Secretary of Health, Education, and Welfare to enter into agreements with institutions of higher education and State and local agencies for the establishment and operation of centers of educational media and materials for the handicapped. Present law authorizes a single National center for these purposes.

H.R. 7217 also contains provisions for a State planning and advisory council to be established to advise the State educational agency on the unmet needs of the handicapped children and prescribe general policies to determine priorities for educating handicapped children.

This bill also contains a provision authorizing the Commissioner of Education to make grants to State and local educational agencies for the purpose of removing architectual barriers consistent with the standards of Public Law 90–480. In the past, these architectural barriers have used a reason for denying a free appropriate public education to handicapped children.

Mr. Chairman, in conclusion, let me once more remind my colleagues that the measure before us enjoyed overwhelming bipartisan support in the Committee on Education and Labor. I hope that there will be equally strong support on both sides of the aisle for H.R. 7217 when the final vote is taken.

Mr. Chairman, as a cosponsor of H.R. 7217 and as a member of the Education and Labor Committee, I rise in support of the passage of the Education For All Handicapped Children Act of 1975.

The right to a free appropriate public education has long been the right of most children in this country. But that right has not been available to a substantial segment of our young people—the handicapped. Of the more than 8 million youngsters with handicaps, the Bureau of the Education of the Handicapped estimates that 2.5 million are receiving an inappropriate education while close to 2 million are receiving no educational services at all.

That children with physical or emotional handicaps should be so excluded from an equal educational opportunity is a shame. H.R. 7217 represents historic legislation in this Nation's growing commitment to its handicapped children which began in 1966 when Congress passed title VI of the elementary and secondary education amendments and took its first step in assisting the handicapped.

In 1970, passage of the Education of the Handicapped Act continued this country's effort. Then in 1971 the first court decision—the first in what would turn out to be a large number—held that all handicapped children have a constitutional right to a free public education. Last year Congress passed a 3-year extension of the 1970 act. Since that time, the Select Subcommittee on Education under the leadership of its chairman, JOHN BRADEMAS, has had an opportunity to assess the unmet needs in this area and to suggest means of meeting those needs. H.R. 7217 is the result of that year-long analysis. The fact the measure was unanimously reported by the sub-

committee and the full committee manifests the strong bipartisan support of the legislation.

The legislation and court decisions I have mentioned have made a significant contribution in treating handicapped youngsters as first class citizens. But a moral commitment or a judicial ruling is not enough—it costs money to educate handicapped children. According to the National Education Finance Project, it costs about twice as much to educate a handicapped child as a nonhandicapped one.

Mr. Chairman, briefly the legislation provides a 2-year extension of the present formula whereby the State educational agency receives its entitlement based upon the population aged 3–21 times $8.75 and then distributes the funds to local educational agencies on a discretionary project basis.

Beginning in fiscal years 1978, the formula will be changed to operate in this manner—each local educational agency will receive its entitlement from counting the number of handicapped children served times 50 percent of the average per-pupil expenditure in the United States—now approximately $650.

The legislation also provides for grievance procedures at the local and State levels. An individualized program for each handicapped student is also called for.

In order to prevent over-labeling by the local educational agencies, the bill provides no State may report more than 12 percent of its total population aged 5–17 as handicapped chiildren.

The members of the committee are mindful that the bill calls for potentially high authorizations. The realities of economic life indicate the appropriations will not equal the authorizations.

However, if we are to recognize that all handicapped children are entitled to a free appropriate public education, this financial effort follows.

Progress has been made since 1967 in meeting our responsibilities to handicapped children and their parents but achieving the goal of full educational opportunities for handicapped children calls for a cooperative effort by State, local, and Federal Governments. H.R. 7217 is a good effort in that direction and I urge its passage.

Mr. JEFFORDS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am in full agreement, although somewhat awkwardly, with the comments made by the gentleman from Indiana. I say awkwardly as there will be strong disagreement expressed and an amendment proposed by other members of the minority with respect to the funding formula. I fully agree with the bill and will a little later on explain one of the basic differences which I am sure will be the subject of amendment at the appropriate time.

I believe it is most important that we face up to our responsibilities with respect to the handicapped. This is an issue which is essential because the court has deemed it essential. Unless we do move in and give the appropriate education necessary for our handicapped children we are going to be depriving children who have a legal right to such education. This bill moves a long way forward in that respect.

The basic argument will be a dispute with respect to the level at which the bill should be funded, that is the funding goal set forth in the formula. I personally feel it is essential to focus attention upon the cost of this kind of education which will be essential under the requirements of the courts. We are going to be faced with the cost which is in the billions, up to $4 billion in order to do the job properly. The dispute on the bill will be as to whether the responsibility for this cost should be borne by the Federal Government or whether the responsibility for the cost should be placed with the local communities and State governments to fulfill that obligation. There are of course strong arguments in each direction.

Some people feel very strongly, and I am sure there will be a move to amend the bill, that the burden ought to be where the educational burdens have been in the past, that is with the local and State governments. Others, and I fall in this category, believe that, because of the extreme burden placed upon the real estate taxes of this country which have been used fundamentally to provide education and because of the financial straits in which our States find themselves, it is essential that we change our Federal priorities. New areas of education which must be funded, such as we have here, should be absorbed and taken up within the Federal priorities. Thus I feel the opposite perhaps of what some of my colleagues do. But this is an issue we should all listen closely to, because if we go the way this is headed in order to live up to our obligations there will be an expensive program which will be borne by the Federal Government within the Federal priorities. Otherwise the States will have to fend for themselves in seeking funds for this program.

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

Mr. JEFFORDS. I yield to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Chairman, the gentleman seems to be the only member of the committee minority on the floor at the moment and he is a very able Member as I have learned from my own observations. I have been informed that the administration is strongly opposed to this legislation because eventually it entails an expenditure of nearly $4 billion a year, contrary to the inflation impact statement in this report which leads one to believe this will have little effect on our spending priorities.

Does the gentleman have any information as to whether the President will veto this bill at its present spending level? Aside from the intrinsic merits of what is sought to be done in the bill, has any administration witness testified on this bill as far as their position?

Mr. JEFFORDS. As far as I know there has not been an expressed statement by the White House as to whether the President will veto this bill. I would expect they will await the action of the appropriations process.

As the gentleman has indicated, there is no doubt the administration has indicated its strong opposition to this approach to funding aid to the handicapped children.

It gets back to the basic philosophic dispute, who ought to bear the costs of this? An appropriate education has been mandated by the courts. This is not some new program springing out of the imagination or the desires of Congress, starting something completely new. This is something that is going to be required in educational systems; so regardless who funds it, if we talk about inflation, of course, there is going to be an increase in expenditures. I would agree it might be more likely that on the State or local level that the budget would be balanced than the Federal level, but there is no question somebody has to provide for this education.

Mr. BAUMAN. Mr. Chairman, if the gentleman will yield further, while the gentleman has made a strong point as to which level of government is going to be required to pay for this, I would observe no level of government will be required to pay. All Americans including the parents of the handicapped children will be required to pay for this legislation through the burden of taxes. That is a tax burden, perhaps, spread unevenly, but it is spread all over the country, just so we can clear up the point as to who will pay for this program. Where the check is written is incidental. We all pay. But are we not all also going to price of inflation this kind of spending causes? Does the gentleman feel, if he would respond to this question, that the formulas and the definition as to who is or who is not handicapped, under this legislation are adequate. Or will they allow the usual unlimited expansion that one sees in programs such as food stamps? In other words does this bill go beyond serious cases, those in wheel chairs, those totally deaf or blind and needing special education, but to borderline cases. For example, there is some discussion in the bill of aphasia, dyslexia, and minimal brain disfunction, all of which are sometimes difficult to diagnose, I can say from my own experience in my own family. It seems to me this is a wide-open program that could be abused despite a very good original purpose.

Mr. JEFFORDS. Mr. Chairman, the committee was aware of that possibility and many of us recognize that we have definitions that are broad or narrow, depending on who is defining them, in other words, which are very difficult to peg as to individuals as to whether or not they are handicapped and thus can be expanded broadly.

The committee, therefore, in its formulas did place a 12-percent cap which is related to the educational population of a State. The national average of handicapped to nonhandicapped is 12 percent. This cap would not allow States to define everyone in the State as sort of handicapped so they could get more aid and share in the educational funds. It is tied into the existing educational population and, thus, would not lend itself to the kind of expansion to which the gentleman is referring.

Mr. BRADEMAS. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Kentucky, the chairman of the committee (Mr. PERKINS).

Mr. PERKINS. Mr. Chairman, I rise in support of H.R. 7217, the Education for All Handicapped Children Act for 1975. Before discussing the merits of this legislation, I would like to congratulate the author of the bill, our colleague, JOHN BRADEMAS, who is chairman of our Subcommittee on Select Education. He is to be complimented for his great leadership and untiring efforts in designing a bill which will in the future make it possible for all handicapped children to receive a free appropriate public education.

I should like also to congratulate the ranking minority member of the committee, Mr. QUIE, and members of the committee from both sides of the aisle for their important and helpful contribution to the pending bill.

When enacted, H.R. 7217 will mark another step forward in the consistent pattern of growth of our national programs for handicapped children and adults—a pattern which has marked the last three decades.

Mr. Chairman, it has been my privilege to have played a part in the growth of rehabilitation and education programs for disabled citizens. When I first came to Congress, I had a deep concern and interest in expanding rehabilitation services. I was aware of the great need in my own congressional district, particularly with respect to disabled coal miners. And I had the privilege in the early 1950's of personally being involved in the legislation to expand and strengthen the Federal-State program of rehabilitation services.

I recall working with the Special Subcommittee on the Physically Handicapped, chaired by our former colleague, Carl Elliott, as we conducted hearings not only in Washington but in various locations across the country. Those hearings and studies were later described as the hearings which served to convince many Members of Congress that any expansion of rehabilitation activity was in the national interest as well as in the interest of the individual. The record of accomplishment in the rehabilitation field is clearly impressive.

And we have made progress also in special education programs for handicapped children. Late in 1965 we were successful in amending title I of the Elementary and Secondary Education Act to provide additional assistance for handicapped children in State institutions. In 1967, in legislation which I sponsored, we created title VI of the Elementary and Secondary Education Act with a variety of programs focusing on education for handicapped children. Just last year in the elementary and secondary school amendments, we took another constructive step toward expanding Federal support with the adoption of an entitlement formula to fund the basic program of grants for special education.

The State-grant program for the education of handicapped children has grown from a $2 million appropriation in 1967 to over $100 million today. This is something we can be proud of. But, when this is measured against the well-documented needs, we recognize that we must do a great deal more. This legislation is the vehicle for doing just that. With passage of H.R. 7217 we will be making a commitment to shoulder at the Federal level a much greater responsibility in the years ahead for supporting needed special education programs for handicapped children throughout this Nation.

H.R. 7217 continues the existing entitlement formula through fiscal year 1976 and 1977. With adequate financing in this 2-year period we will be ready to move to the new formula proposed for fiscal year 1978 and years thereafter. At that time we will start to count the number of children enrolled in special education programs and we will make payments on that basis.

Much, if not all the debate, Mr. Chairman, on this bill will focus on what some allege to be holding out false hopes because of the authorization being proposed. In my judgment, the committee and the Congress would be remiss in its responsibilities if it did not, as we did, assign some share of the cost of providing educational services to handicapped children to the Federal Government.

We suggest that share equal one-half of the national average per pupil expenditure for education. This will mean, since the cost of educating a handicapped child is twice the average cost, that the Federal responsibility works out to be 25 percent of the total. If we did not set a specific amount, we would have provided no guidance whatsoever to the Budget and Appropriations Committees.

In making out determinations we have considered the urgent needs of handicapped children and the large burdens borne by State and local educational agencies in meeting those needs. Moreover, if we did not have a specific amount in the bill there would not only be no guidance for the Appropriations and Budget Committees but there would be no limitation at all on the amount that could be appropriated.

Mr. Chairman, there are other features of this legislation which merit attention.

This bill establishes new State plan requirements which would provide for a planning and advisory panel which will advise the SEA of unmet needs of the handicapped within the State in the education of handicapped children; comments publicly on any rules or regulations proposed for issuances by the State and procedures for distribution of funds, and assist the State in developing and reporting such data and evaluations as may assist the Commissioner under the provisions for evaluations. In addition, there are provisions for assurances of fiscal control and provisions to assure that those handicapped children who are placed in private schools and facilities by the local educational agency are given the same rights and privileges as those students served in public educational agencies.

H.R. 7217 also establishes provisions for applications for funding which are to be submitted to the State's educational agency for their approval before funds are distributed. The criteria for these applications are so provided in section 10 of this bill. There are also provisions for administration, evaluation, grievance procedures, and the removal of architectural barriers so that children with handicapping conditions may attend the same schools which children without such handicaps may attend.

In conclusion, Mr. Chairman, I reiterate my support for H.R. 7217 and urge the speedy passage of this bill which will help to increase of Nation's commitment to the education of our handicapped children.

Mr. BRADEMAS. Mr. Chairman, I have no further requests for time.

Mr. JEFFORDS. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Chairman, I rise in strong support of this legislation.

Mr. Chairman, I rise in very strong support of this legislation which we are considering today because I believe it is one of the most meaningful and beneficial steps ever taken by the Congress on behalf of our Nation's handicapped children and goes a long way toward bringing equal educational rights for them.

This bill recognizes that there are millions of handicapped children throughout the United States who are in need of special educational and related services but are not receiving them. This bill amends the existing Education of the Handicapped Act by making it a permanent authority and continues the commitment that we, in the Federal Government, have made to helping the handicapped.

According to the Bureau of Education for the Handicapped, there are at least 7.8 million handicapped children in the country, and of these BEH reported to the Congress this year that only 55 percent were receiving a public education. In addition, BEH claims that only 22 percent of preschool aged handicapped children are receiving public education. Handicapped children have been excluded from public schools or from programs designed to specifically meet their unique needs because as a general rule it is more expensive to educate them.

THE PROBLEM

The major problem facing the handicapped today is that a great number of children are simply not receiving an education or an education designed to meet their unique problems or needs. It is generally more expensive to educate these children, and because of the high cost, numerous school systems until recently have tended to systematically exclude many of these children from not only special educational programs but quite often from school itself. In recent years this situation has begun to reverse itself because there have been numerous lawsuits filed in behalf of handicapped children to force schools to provide educational services. The suits have been based on State compulsory attendance laws. All of us when we were young were required to attend school because of compulsory attendance laws. In spite of these laws, over one million handicapped children are still denied access to an education today. The lawsuits which had been filed

in their behalf are based on the right of handicapped children to be educated, and the suits have contended that State laws requiring education simply have not been carried out. Twelve suits have already been concluded, and at the present time, there are over 40 right to education suits pending against States. The suits are designed to force States and local school systems to provide educational services for the 4 million handicapped children who are in school but not receiving special educational services as well as those who are excluded from school altogether.

WHAT ARE EXCESS COSTS?

To simplify the explanation, assume that all of the members of the Education and Labor Committee attended the Rayburn School and their classroom was room 2175. Assume also that the District of Columbia School System pays $1,500 per student. $1,500 covers all school expenses, that is, teacher salaries, principal salaries, transportation, books, cafeteria, equipment, building costs, and so forth. Now assume that one day, through a testing program, one of the students was identified as handicapped. The student was then placed in a classroom for the "handicapped" in room 2261 of the Rayburn School, and the cost for providing a "special education" was $2,500 for each student in that room. The excess costs would be the difference between the $1,500 and $2,500 figures—or $1,000.

This, of course, was a very simple explanation, because all handicapped children are not the same. Children often have unique problems. Not all blind children need the same special program; many can be educated in regular classrooms with some assistance from readers and special braille textbooks; others are trained in special segregated classrooms or institutions. Not all retarded children require special segregated classes; many can be educated in regular classrooms and given supplementary services through a resource program. As you can see, it is difficult to make a generalized statement that applies to all handicapped children. Also it is difficult to make a judgment simply on the basis of the word "handicapped" because a deaf child may require far more services, specialized personnel, training, and equipment than a retarded child. A child with cerebral palsy may in addition to the CP problems have hearing and visual problems; however, not all CP children have all of these problems; many are gifted. Costs vary from child to child. To complicate this problem even further, states reimburse local school districts for providing services to handicapped children in a variety of ways since it is virtually impossible to get one common set of statistics or data base which may be applied nationally and be easily translated when comparing one state to another or one school district to another.

WHAT ARE STATES DOING?

It must be clearly understood that this legislation is not intended nor will it be a substitute or a replacement for local and State expenditures for the handicapped. Quite the contrary, States and local governments have increased their expenditures significantly over the last decade to meet the educational needs of handicapped children. In fact, the amounts of money that the Federal Government has put into the education of the handicapped programs have been insignificant in comparison to what is actually put forward. During our committee's hearings Mrs. Francis McIntyre of the State Department of Education provided the following chart showing the State of Maryland's expenditure for education of the handicapped for the last 10 years.

Maryland State aid for the handicapped

	Total cost
1966–67	$4,749,484
1967–68	9,999,264
1968–69	14,793,506
1969–70	15,794,967
1970–71	20,686,572
1971–72	26,220,334
1972–73	27,493,899
1973–74	30,663,600
1974–75	34,500,000
1975–76	43,900,000

Of this amount he claimed less than $2 million comes to the State of Maryland from the Federal Government under title VI B—the legislation we are amending today. Mr. McIntyre contended that Federal funds are needed, but to date the amount contributed by the Federal Government was insignificant when compared to the States contribution and the degree of need.

FEATURES OF THE BILL

There are many features in the bill which I feel are significant and I believe will guarantee that money appropriated under this legislation will go directly to serve handicapped children and will not be comingled in general education budgets, is the requirement that moneys derived from this act must be spent after a school district computes and determines the average expenditure for each student in that school district and spends that amount of money on each handicapped child before these Federal dollars are spent. Through this requirement it is our intent that because it is so much more expensive to serve handicapped children than those who are normal, this money should be used to provide those services which are over and above those which any student in a particular school system would receive.

The bill also includes a requirement for the development of individualized education programs for each handicapped child. This would be an educational plan which is developed jointly by the local education agencies, a teacher involved with the specific education of the handicapped child, and his parents or guardian. The plan would include a statement of the child's present level of educational performance, a statement of the goals to be achieved, a statement of the specific services which will have to be provided, a projected date for initiation and duration of the services, and criteria and evaluation procedures for determining whether the objectives are being met. Because handicapped children are unique, setting up plans for each one makes good sense and by involving the parents in the development of such plans, the benefits begun in school hopefully would be continued at home. It is important to point out that it is an educational plan developed jointly, but it is not intended as a binding contract by the schools, children, and parents.

The bill also includes a provision which specifies that the first priority for services under this act will go to handicapped children who are not now receiving an education or necessary special services. The second priority will be to handicapped children who have the most severe handicaps and who are not receiving adequate special education or related services. The second priority to the most severely handicapped means the most severely handicapped within each particular disability category and not a judgment as to whether one type of handicap is more severe than another.

Finally, the bill includes a provision which covers all education legislation and not just legislation for the handicapped. As you know, the Education Amendments of 1974 grant Congress the authority to review regulations promulgated by HEW for a period of 45 days after their publication in the Federal Register. Congress during this time may choose to issue a resolution of disapproval pointing out those portions of the regulations which are inconsistent with the act or take no action. It is easily arguable that in the event Congress takes no action, it is implicitly consenting to and approving of the subject regulations. This provision will prevent HEW from arguing that Congress inaction constitutes implied approval or consent to such regulations. Thus, Congress will not be stopped from claiming at a later date that the regulations are, in fact, inconsistent.

AUTHORIZATION LEVELS

Having pointed out all of the good features of the bill, I feel that it is important to express my concerns about one major flaw which I feel must be corrected. I refer to the formula for distributing funds.

I want this bill to become law but I am concerned that through the projected expenditures, we may be inviting a veto. In the committee report I, along with several other colleagues—Messrs. BELL, ERLENBORN, BUCHANAN, PRESSLER, GOODLING—expressed real concern about the projected costs of the legislation and referred to them as unrealistic. I urge each Member to read those views found on pages 59 and 60 of report 94–332.

On Wednesday when this bill is considered, I intend to offer an amendment which will delete the projected entitlement and authorizations from the bill and allow the Appropriation and Budget Committee process to determine the actual level of funding provided. This is the way it will work anyway. Because so many of the provisions included are significant, I feel that we should not jeopardize the entire bill by passing leglislation that contains "unreachable levels."

The amendment follows:

AMENDMENT TO H.R. 7217 TO BE OFFERED BY Mr. QUIE

Page 30, strike out line 4 and insert in lieu thereof the following:

GRANT ENTITLEMENTS: EXTENSION OF CERTAIN PROVISIONS

SEC. 2. (a)(1) Section 611(b)(1) of the Education of the Handicapped Act (20 U.S.C. 1411(b)(1)) (hereinafter in this Act referred

to as the "Act") is amended to read as follows:

"(b)(1) Except as provided in section (c)(1), from the total amount appropriated for any fiscal year, the Commissioner shall allot to each local educational agency an amount equal to the product of—

"(A) the number of handicapped children in the school district of the local educational agency who are enrolled in programs of free appropriate public education which meet the criteria established in section 614(a)(1), divided by the total number of such handicapped children in the school districts of all local educational agencies of all the States; and

"(B) the total amount appropriated for such fiscal year."

Page 30, line 5, strike out "Sec. 2. (a)(1)" and insert in lieu thereof "(2)".

Page 30, beginning on line 6, strike out "(hereinafter in this Act referred to as the 'Act')".

Page 30, line 11, strike out "(2)" and insert in lieu thereof "(3)"; on line 16, strike out "(3)" and insert in lieu thereof "(4)"; and on line 21, strike out "(4)" and insert in lieu thereof "(5)".

Page 39, strike out line 19 and everything that follows down through page 40, line 5, and insert in lieu thereof the following:

"(b)(1) Except as provided in section (c)(1), from the total amount appropriated for any fiscal year, the Commissioner shall allot to each local educational agency an amount equal to the product of—

"(A) the number of handicapped children in the school district of the local educational agency who are enrolled in programs of free appropriate public education which meet criteria established in section 614(a)(1), divided by the total number of such handicapped children in the school districts of all local educational agencies of all the States; and

"(B) the total amount appropriated for such fiscal year."

Page 41, strike out line 9 and everything that follows through page 42, line 17, and insert in lieu thereof the following:

"(d) The State educational agency shall fix dates before which each local educational agency shall report to it on the amount of funds available to the local educational agency, under the provisions of subsection (b)(1) which it estimates that it will expend in accordance with the provisions of this part. The amounts so available to any local educational agency, or any amount which would be available to any other local educational agency if it were to submit an approvable program, which the State educational agency determines will not be used for the period if its availability, shall be available for allocation to those local educational agencies, in proportion to the number of handicapped children counted by each such local educational agency, which the State educational agency determines will need additional funds to carry out approved programs."

SPECIFIC LEARNING DISABILITY

At this time I would like to commend the gentleman from Florida, Mr. Lehman, with whom I have been working to develop a compromise which will eliminate the restriction in the bill that places a cap of 1/6 of the state's total number of handicapped children who may be counted as specific learning disabled. When amendments are considered, I also plan to offer (with Mr. Lehman's approval and support) the following:

Page 42, immediately after line 17, insert the following new subsections:

(b)(1) The Commissioner of Education shall, no later than one year after the effective date of this subsection, prescribe—

(A) regulations which establish specific criteria for determining whether a particular disorder or condition may be considered a specific learning disability for purposes of designating children with specific learning disabilities; and

(B) regulations which establish and describe diagnostic procedures which shall be used in determining whether a particular child has a disorder or condition which places such child in the category of children with specific learning disabilities.

(2) The Commissioner shall transmit any proposed regulation written under paragraph (1) to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate, for review and comment by each such committee, at least 15 days before such regulation is published in the Federal Register in accordance with section 431 of the General Education Provisions Act (20 U.S.C. 1232).

(3) For purposes of this subsection:

(A) The term "children with specific learning disabilities" means those children who have a disorder in one or more of the basic psychological processes involved in understanding or in using language, spoken or written, which disorder may manifest itself in imperfect ability to listen, think, speak, read, write, spell, or do mathematical calculations. Such disorders include such conditions as perceptual handicaps, brain injury, minimal brain dysfunction, dyslexia, and developmental aphasia. Such term does not include children who have learning problems which are primarily the result of visual, hearing, or motor handicaps, of mental retardation, of emotional disturbance, or of environmental, cultural, or economic disadvantage.

(B) The term "Commissioner" means the Commissioner of Education.

(4) The provisions of this subsection shall take effect on the date of the enactment of this Act.

(c) Effective on the date upon which final regulations prescribed by the Commissioner of Education under subsection (b) take effect, the amendment made by subsection (a) is amended, in paragraph (1) of section 612(c) of the Act (as such paragraph would take effect on the effective date of subsection (a)), by striking out ", and may not count, as part" and all that follows through "one-sixth of such percentage".

Page 42, line 18, strike out "(b)" and insert in lieu thereof "(d)".

Page 65, line 22, strike out "8," and insert in lieu thereof "8(a), 8(d),".

The amendment will require the Commissioner of Education to spell out in detail exactly what may and may not be considered a Specific Learning Disability. Although there is a definition for SLD is in the law, it is felt by both Mr. LEHMAN and myself that further clarification is necessary and must be forthcoming. This amendment will accomplish just that. In addition to defining SLD more specifically the Commissioner will be required through regulation to establish diagnostic procedures which will have to be followed in identifying and classifying SLD children. Much of Mr. LEHMAN's concern, with which I concur, is that many children are improperly labeled and stigmatized because they have personal problems which are difficult for a classroom teacher to handle. Often, to eliminate such a child from a classroom, he or she is placed in a special class for the learning disabled and as a result, stigmatized for life. This is not the intent of the bill nor was it ever in the existing law and it is my hope that through this amendment the entire Specific Learning Disability matter will be put into its proper context.

Mrs. MINK. Mr. Chairman, I am pleased to give my support to H.R. 7217, the Education for All Handicapped Children Act of 1975.

In recent years, our schools have been confronted with historic court decisions on the public responsibility to provide a free appropriate public education for our Nation's handicapped children. H.R. 7217 recognizes the States' urgent requirement to comply with this judicial mandate by alleviating the fiscal burden placed upon States to meet the special educational needs of handicapped children.

The predecessor of H.R. 7217 was enacted by the 93d Congress as the Education Amendments of 1974—Public Law 93-380—which represented a major step forward in meeting the goal of full educational opportunities for all handicapped children. In that legislation, a 1-year emergency authorization was adopted which greatly increased aid to States for fiscal year 1975; a goal of providing full educational opportunities to all handicapped children and a time table for implementation of this goal was established; and required a plan from the States demonstrating how they will identify, evaluate and serve all of their handicapped children.

As set forth in the pending bill, more than half of the 8 million handicapped children today receive no appropriate educational services and 1 million handicapped children receive no educational services at all. Statistically, these numbers point out the void in our Nation's ability to care for its greatest resource—our young children. In human terms, I share the anguish of the parents of handicapped children who can find no recourse when their children are denied access to public schools because of a lack of trained personnel, because their children are viewed as an extra burden, or for a variety of other reasons.

H.R. 7217 then commits all of us to reverse these appalling statistics. It extends for 2 additional years the formula in current law, commonly known as the "Mathias Formula." This entitlement formula provides, when fully funded, for each State to receive an amount equal to $8.75 times the number of children in the State between the ages of 3 and 21. Beginning in fiscal year 1978, a new formula takes effect based on the number of handicapped children served in a State times 50 percent of the average per pupil expenditure of the United States.

Other major provisions of H.R. 7217 would require that an individualized education program be developed with a child's teacher in consultation with the parents. It also establishes grievance procedures to give parents and guardians of handicapped children an opportunity to present complaints regarding the manner in which special education and related services are provided.

As H.R. 7217 establishes September 30, 1978, as the target date for States to provide all handicapped children with an appropriate special education and related services, it demonstrates the willingness of the Federal Government in providing assistance to meet these excess costs. The full service goal makes it

incumbent upon Congress to pledge significant financial assistance in order for States to provide the required educational services.

We have witnessed the indifference of the executive branch to the educational needs of handicapped children when it sends down to the Congress a rescission request and a greatly reduced budget request for education of the handicapped. The Congress, however, has voted down all education rescissions and voted for increased funding for handicapped education.

I firmly believe that our handicapped children must take priority among the competing needs placed upon our Nation's resources. I believe the Congress must continue to assert its leadership for educational assistance for all handicapped children and vote for passage of H.R. 7217.

Mr. BIAGGI. Mr. Chairman, I rise in support of H.R. 7217, the Education for All Handicapped Children Act of 1975, of which I am a cosponsor.

This bill, long overdue in my estimation, seeks to provide some viable solutions to the gross lack of educational opportunities and services for millions of children across this land who just happen to be handicapped in one way or another. H.R. 7217 changes the formula of distribution of funds by making moneys available directly to the local education agencies, provides for grievance procedures at the State and local levels; provides for a State advisory council; provides that an individualized program for each handicapped child be established; and, finally, provides that every handicapped child be served as of October 1, 1978.

As far as funding is concerned, H.R. 7217 would continue to utilize the present formula until fiscal year 1978. There are several reasons for this. First, it would allow the States to continue their education of the handicapped programs in the same manner they are currently being implemented. Second, it would allow the States to get ready for the new local education entitlement program which will go into effect in fiscal year 1978.

That formula will provide each local education agency with funds directly from the Federal Government. The amound of funding will be determined by counting the number of handicapped children served, times 50 percent of the average per pupil expenditure in the United States.

This seems to be the most equitable and efficient method of funding since the program is so comprehensive. The amount that each local education agency will receive will be proportionate to the cost of educating the children involved. And who is in a better position to determine those costs than the local agency? I believe it is a good system and I fully support the concept.

While the right of every unimpaired child to receive an education has been recognized for many years in this country, this has not always been the case with handicapped children. For decades, they were put aside and ignored. Many have been prevented from becoming useful citizens and self-reliant adults only because they were deprived of training which would make them so.

It is a disgraceful waste of their talents. Over 3 million children in this country are receiving either below par education or none at all. That is unacceptable to me. H.R. 7217 would go a long way toward correcting that unfortunate situation.

The bill calls for educating these youngsters in the classroom whenever possible, since this is the most ideal approach. However, it also provides for instruction in their homes, in hospitals, and in institutions. In this way, many children who were heretofore deprived of educational opportunities will be served.

Reflective of our expanding understanding of the best way to educate children with impairments, other types of instruction are provided by H.R. 7217. For example, the bill seeks to provide some physical education, including participation in team sports. It is a common fact that physical training of children is an essential element to their overall education. It is about time that this knowledge be applied to the complete education of handicapped children. It is especially significant that such a provision be included as we find ourselves working to provide other groups, including women, with equal physical training and participatory activities.

Other ways of teaching the handicapped child will be adopted. It has been determined that art is a viable teaching tool for instructing the unteachable. The bill encourages local education agencies to provide some exposure to the arts by providing classes and visits to museums and art galleries.

My home State of New York was among the very first to enact mandatory laws establishing programs for the handicapped children in the State. That was 1917. Since then numerous other States have followed suit. We have traveled far in those years, however, a look at the statistics will show there continues to exist a problem of ineffective enforcement of the mandatory laws. That is why H.R. 7217 is so essential.

Every child has a right regardless of handicap to realize his fullest potential, no matter how great or how small. I would urge this body to let these millions of children know that we have faith in their abilities and that we are concerned about them. The best way to do that is to pass this legislation.

Mr. MINISH. Mr. Chairman, I rise to indicate my support of H.R. 7217, a bill to provide assistance to all handicapped children. Mr. BRADEMAS' Subcommittee on Select Education deserves commendation for their diligent and thorough work on this comprehensive special education measure over the past 2 years. I hope this measure will reach final passage next week.

I am also proud to be a cosponsor of legislation similar in nature and scope to H.R. 7217; both bills seek to assure the right of all the handicapped to receive full educational opportunities.

The legislation, H.R. 7217, extends for 2 years the fiscal year 1975 entitlement formula for payments to States, an amount of approximately $666 million. In fiscal year 1978 the new formula would be established based upon the number of handicapped children served, times 50 percent of the average per-pupil expenditure.

To qualify for funds under this act, States would be required to show that by fiscal year 1979 they will achieve the objective of providing special education and related services to all handicapped children—in private as well as public schools—who are within any age group for which free public education is provided in the State. It also requires the State to establish a planning and advisory panel to advise the State education agency on general policies and rules under which the States will determine priorities for educating handicapped children.

It is long past time that the Government recognize its responsibility to see to it that each individual has the opportunity to reach his or her highest potential. Recent statistics indicate that there are approximately 8 million handicapped children in the United States. Only 3.9 million of these children are receiving an appropriate education. Thus leaving 2.5 million children with an inappropriate education level and some 1.75 million handicapped receiving no education at all. This, my colleagues, is a tragic waste of human resources.

H.R. 7217 addresses itself to the needs of this neglected minority of our school-aged population. It establishes the necessary strong Federal supportive role to assist States with grants designed to insure that those provisions enacted in the 1967 Education of the Handicapped Act are extended, resulting in the maximum benefits to handicapped children and their families.

In my own State of New Jersey, the Department of Education revealed that out of an estimated 231,000 handicapped children in 1972–73, there were still 80,000 handicapped children for whom special educational programs were not available. This untenable situation persists even though a law mandating that all eligible handicapped children be provided with an appropriate public education is in force.

Through the provision of appropriate educational services many of these individuals will be able to become contributing members of our society, and will not have to rely upon subsistence payments from public funds. The time has come to reject the false notion that persons with disabilities are sole cases for charitable action. This legislation will assure that all handicapped persons are granted the opportunity to make the valuable and significant contributions, of which they are capable, to our society.

Mr. BRADEMAS. Mr. Chairman, I have no further requests for time.

Mr. JEFFORDS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. If there are no further requests for time, pursuant to the rule the Clerk will now read the committee amendment in the nature of a substitution printed in the reported bill, for the purpose of amendment.

The Clerk read as follows:

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

SHORT TITLE

SECTION 1. This Act may be cited as the "Education for All Handicapped Children Act of 1975".

Mr. BRADEMAS. Mr. Chairman, I move that the Committee do now rise.

The motion was agree to.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. ROBERTS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7217) to amend the Education for All Handicapped Act to provide educational assistance to all handicapped children, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 7217.

The SPEAKER pro tempore (Mr. O'NEILL). Is there objection to the request of the gentleman from Indiana?

There was no objection.

NEED TO REGULATE STRIP MINING

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

Mr. RONCALIO. Mr. Speaker, on June 10, the House failed to override the Presidential veto of H.R. 25, the Surface Mining Control and Reclamation Act of 1975 by a mere three votes. Only a few weeks before that regrettable action, Washington was beseiged with hundreds of coal trucks thundering through the streets in opposition to H.R. 25. Our offices were inundated with strip mine operators and their employees pleading that passage of this legislation would bring ruin upon them and their operations. Many of those trucks and mine operators were from Wise County, Va.

H.R. 25 was a much needed bill to regulate strip mining througout the Nation and especially in the West and Wyoming where massive strip mine operations are just getting underway.

I cannot help but ask how many Members voted against H.R. 25 because of the demonstration against that bill by strip miners from Wise County? How many were concerned that enactment of this bill would bring poverty to that region and further handicap miners and operators already living on a string? The following article from this Sunday's Washington Post is extremely enlightening about life in Wise County, Va., about how the destruction of the land without a Federal strip mine bill has produced massive wealth for a vocal pressure group which was heard all too well.

The article follows:

MINING TOWNS PROSPERING WITH INFUSION OF COAL CASH

(By Bill McAllister)

WISE, VA.—Lloyd Sturgill, a Wise County tax official, last week made his annual pilgrimage to ascertain the number of planes at the small one-runway airstrip serving this remote mountain town and saw a sight that he still finds difficult to believe.

Sturgill thought there were only 10 airplanes in the county and he was amazed to discover 32 aircraft, including six twin-engine planes and one helicopter, at the airport.

"I didn't think it would be anything like that," he said softly.

After all, Wise County, nestled against the Kentucky border in the southwest corner of Virginia, is in the midst of Appalachia, a region long regarded as a bedrock of American poverty. It was a section of Virginia so poor and neglected that residents used to joke that "most Virginians think the state ends at Roanoke," 165 miles east of here.

But, as taxman Sturgill's discovery illustrates, there is a new-found affluence suddenly surfacing in coal mining towns dotting the spine of the Appalachian mountains. Not only has the wealth appeared at airports, but it's also visible in scores of $12,000, white-vinyl topped Cadillac Eldorados and in the Mercedes-Benz autos crowding the narrow mountain roads.

It is seen also in $300,000 mansions rising on ridges sometimes overlooking shanties and house trailers, and in the mushrooming of independent banks that have plied up millions of dollars in assets within days of opening.

What's behind the region's prosperity is the same thing that has been behind its past famines—coal. The energy crisis and the nation's rediscovery of coal as a basic energy source has brought an unprecedented boom to the mining towns of Appalachia.

The money coal is bringing into this community has made millionaires of a handful of onetime small coal operators and has trickled down to bankers, miners, truck drivers, salesmen, repairmen and innkeepers.

"The recession really hasn't come here," said William Hartley, a professor of economics at the 800-student Clinch Valley College in Wise. Indeed, while unemployment and welfare rolls have been climbing elsewhere, they have fallen here.

"We were the poorest people in the state up until six or seven years ago," when the price of coal began rising, agreed Louise Cambios, Wise County treasurer.

Even though the region's coal prices have dipped sharply from their 1974 highs, they remain well above the 1973 levels. "The industry," said Leonard Westerstrom, a coal economist with the U.S. Bureau of Mines in Washington, "is making money like it never did before."

Much of the affluence now appearing in the mining towns was reaped in 1974 when coal prices in Virginia leaped to as high as $60 a ton from a 1973 average of $11.12 a ton. The current price is estimated by Westerstrom at about $20 a ton, almost four times the price miners were getting here in 1969.

The peak prices were short-lived but they produced a handful of millionaires from once relatively small coal operators and spawned what Hartley calls "the Appalachian version of the nouveau riche."

Although some of the coal operators plowed their profits back into their mining operations, others splurged their wealth on Rolls Royce automobiles, shopping centers, diamond rings, cattle farms, a race car track, and even the construction of a small, tourist-carrying railroad line.

The men who residents say made fortunes in the coal fields last year are quick to issue disclaimers that their prosperity is continuing. "It's all over," said tobacco-chewing A. M. (Smiley) Ratliff Jr., throwing his hands up in the air.

Ratliff, a former high school football coach who borrowed $1,500 to enter the coal mining business in 1956, was willing to admit that his coal mining profits have allowed him to buy a silver Rolls Royce, "the largest cattle outfit in Virginia" (7,000 cattle on a Tazewell County farm), a motel and a shopping center.

"The coal business is like a yo-yo," agreed Russell Large, who has plowed his coal profits into a shopping center, and a ¾-mile NASCAR-approved race track, which he dismisses as "something the people can be proud of" rather than profit-making ventures.

Millionaires aside, the coal boom has brought other changes. For the first time since the 1940s families are moving into the coal mining towns. Wise County's population, for instance, rose to an estimated 37,600 in 1972, the latest period for which figures are available, from 35,947 in 1970.

The attitude of what mine operator Large admits were once "backwoods people" also has changed. "Now people are more proud. They're holding up their heads and aren't ashamed to say, 'I am a miner.' "

Politicians are paying more attention to the region. Thursday night U.S. Sen. Lloyd Bentsen (D-Tex.) became the first presidential hopeful in the memory of local politicians to visit the county. A Bentsen press aide discounted speculation that the senator was seeking funds for his campaign, but added: "Obviously, if we are offered any, we aren't going to turn it down."

The manager of a small jewelry store in nearby Norton said, "You just can't believe it, the way they wheel out the money" for diamonds. He did a land-office business in diamond rings for both men and women last year.

Cadillac sales at Witt Motor Co., the Norton General Motors dealership, also have jumped upward, and Walley Witt, general manager, said cash sales are "not very uncommon. They do that without flinching, just like buying a $150,000 loader." (A loader is a piece of heavy earth-moving equipment used in strip mining.)

Bankers in Norton and Clintwood, another nearby mining town, delight in telling outsiders how some mining clients carry huge balances in their checking accounts and write million-dollar checks, often at tax time.

William T. Clements, president of Wise County National Bank, said two of his best mining customers each used to make about $37,000 a year. Last year the men had to—and could—write checks to the Internal Revenue Service for $2.7 million.

Paying taxes is something that most mining operators dislike because the upsurge in coal prices can sweep some of them into an 80 per cent tax bracket before they can find a tax shelter, according to townsfolk. At the new Virginia Citizens Bank in nearby Clintwood, bank president Jimmie Vanover has a client who keeps $500,000 in his checking account because he refuses to pay taxes on the interest the money would earn in a savings account. "And I can understand how he feels," Vanover added.

Vanover's bank opened its doors on Dec. 6 in a $275,000 white-columned office that has yet to have a sign, and by the end of its first month the bank had $5 million in deposits. In April it had $13 million. After the mining operators wrote their IRS checks the bank's deposits slumped to their present level of $9 million, Vanover said.

At Grundy, a new bank formed by Ratliff, the mining operator, picked up $8.6 million in deposits on its first day. The bank has

about $25 million in assets today, Ratliff said.

"I think the average coal miner is sharing in the wealth," said John Kennedy, a United Mine Workers of America field representative in Virginia. "Everybody who wants to work in the coal fields can," he said. "There is no shortage of jobs."

Under the union's latest contract, trainees start work in the region's mines at $42.75 a day and miners at $55 a day. Most miners work two Saturdays a month at overtime rates that mean "about everybody can take home $300 for a two-week period," Kennedy said.

Coming at a time when the rest of the nation is in a recession, miners' wages have helped boost incomes for almost everyone in the coal mining country. An apprentice mechanic who earned $3.50 an hour three years ago now can demand $6 to $7.50 an hour and "you have to pay him that if you want to keep him," according to George E. Hunnicutt, a Norton soft drink bottler and city councilman.

The boom has also given the region's usually hard-pressed governments more money than they've ever had. In Wise County one of the issues facing county government leaders is where to put and what to name the five new elementary schools the county is planning. In Clintwood banker Vanover noted that Dickenson County soon will replace its tiny, store-front library with a $500,000 building built with surplus county funds.

If wealth has changed the style of life in the mining towns, most folks say they can't notice it. The new mining millionaires are "just old boys who used to wear overalls with patches on them: only now they can have a $250,000 home and drive a Lincoln Continental," said Vanover.

Some mountain attitudes, such as distrust of outsiders, remain. Last year a traveling broker selling stock found himself talking to Shelcy Mullins, who dabbles in mining but is more properly known as the sheriff of Wise County. Mullins checked the man out and let him continue, but townsfolk say It's unlikely that the man sold much stock.

Mountaineers' distrust of outsiders has a good basis, according to professor Hartley. "If outsiders came in, it was always to do something to them."

Even so, the Inn at Wise Courthouse, a 19th-century hotel filled with antique furniture, keeps its 80 rooms filled, and guests are warned to make reservations at least a week in advance.

As for entertainment, there isn't much. The county has two drive-in movies, and one shows X-rated movies. Hard liquor is illegal, but wine and beer are sold at several small cafes. The ban on sales of stronger drink is supported by the area's numerous fundamentalist churches and the county's weekly newspaper. The Coalfield Progress, which recently attacked the use of alcohol on prime-time television.

Poverty remains in the county, but it is apparently on the decrease or falling in relation to the county's total population. Countl social services director B. G. Jennings said the number of families receiving food stamps in June was down to 841 from 1,051 in June 1972. The number of people in other welfare programs has remained stable in the face of easier eligibility requirements and a greater number of people in the county.

"Everybody's living better out here," said James A. Brown, Jr., a 31-year-old graduate of Virginia Polytechnic Institute in mining engineering and one of the few miners in the area with an academic brackground in mining. Brown, who left a position with a Cincinnati mining firm to return to the coalfields in 1972 said the secret to being a success in the industry is simple.

"A good rule in the coal business is "just don't lose any money," he said in his paneled office in a new building built over what was once a collection of mining shanties. A successful miner must be able to keep making a modest profit "and accept the fact that once in every four years, I'll make enough to make it all worthwhile.

"The woods," he said, "are full of miners who made millions and then went broke."

GUAM ORGANIC DAY

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from Guam (Mr. WON PAT) is recognized for 60 minutes.

Mr. WON PAT. Mr. Speaker, July 21 is the occasion for a dual celebration on Guam by virtue of Guam's law, for it marks the anniversary of Guam's liberation from Japanese forces in 1944 and the enactment of the Guam Organic Act by Congress which conferred American citizenship upon the people of Guam and established civil government.

This year, the date takes on special significance as we celebrate the 25th anniversary of the signing of the Organic Act on August 1, 1950 by President Harry S. Truman.

When the President affixed his signature to that historic document, he made permanent the union between the peoples of Guam and the United States. For the people of Guam, the Organic Act is, somewhat, similar to the Constitution in that both documents conferred upon the people political integrity. The United States will celebrate its Bicentennial next year. Guam, as part of America will cheerfully and patriotically share in the festivities. But, none of us who labored so long and hard 25 years ago can forget that the Organic Act marked Guam's ascension to closer and inextricable ties to this Nation's affairs and brought to our people political rights and economic progress.

Now, 2½ decades later, I, as Guam's first elected Delegate to the Congress, take considerable pride in my island's advances under the Organic Act. Guam has progressed from being an isolated military outpost in the Pacific to our present position as one of the most developed and prosperous societies in the Western Pacific. Much of the credit for these developments rest with the Congress for having the wisdom and foresight to provide the territory with the legal means to carry out our political, social, and economic developments.

The realization of those dreams had their origins many years since 1898 when Spain ceded Guam to the United States in the Treaty of Paris. From that point on, Guamanians began harboring hopes of closer American ties and the aspiration of citizenship. In 1925, a visiting team of 11 Congressmen who visited the island were implored by local residents to support legislation granting citizenship to the Guamanians. Their quest met with partial success in 1936 when the U.S. Senate actually considered such legislation.

However, World War II interrupted those dreams with a horrifying suddenness. For Guam, that period carried severe hardships for we were occupied by the enemy for 3 years during which time our people never lost their loyalty to America nor the hope that the Americans would one day return in triumphant victory.

With the return of the Americans in 1944, Guam once again began the pursuit of more permanent relations with Washington. The passage by Congress in 1950 of Public Law 81-630, the Guam Organic Act, brought a partial fulfillment of our hopes and aspirations. I had the pleasure and privilege of participating in the formulation of that historic document.

Since that time, Congress has seen fit to modify the Organic Act on a number of occasions, chief of which authorized an elected Governor and elected Delegate to the Congress. And, today, I on behalf of the people of Guam, continue our quest to improve our political status within the American framework. Recently, I introduced House Joint Resolution 489 asking for the creation of a special status commission for Guam comprised of Members of Congress, White House officials, and representatives of the Government of Guam. The measure addresses the need for a review and study of the Guam Organic Act and the relation of Guam with the Federal Government.

Whatever the future brings, one thought must remain evident: The Organic Act will go down in Guam's history as one of the high water marks of our political development and a lasting memorial to the bonds of friendship between this country and Guam.

As we pause to reflect on the developments in Guam since 1950, I urge each of my colleagues who have chosen to add their comments to mine here today to join with me as I also salute the entire United States for making this day possible. Together, all Americans have created a climate of liberty which has nourished the democratic institutions of Guam into the proud successes they are today. For this I am eternally grateful and look forward to another 25 years of continued progress in Guam's relationship with this country.

Mr. JOHNSON of California. Mr. Speaker, it is with great pleasure that I join our colleague from Guam, the Honorable ANTONIO BORJA WON PAT, on the occasion of the 25th anniversary of the Organic Act of Guam. The territory of Guam has great reason to celebrate and I take this opportunity to extend my congratulations not only to TONY but to all the citizens of the territory.

The Organic Act of Guam conferred American citizenship on the people of Guam, and also established a civil government for the island. In a very real sense, this provided the birth of democracy for the Guamanians, whose civil rights and political status were uncertain for nearly half a century in the 1900's.

Some 25 years ago, President Harry S. Truman signed into law the organic act which formally made the citizens of Guam American citizens. We salute this historic document and the people who

have implemented the statute so effectively.

American citizens living on the island of Guam today have the cherished authority to elect their own Governor and most recently a Delegate to the U.S. House of Representatives. It has been my pleasure to serve with our good friend TONY WON PAT as a member of the House Interior Committee. Without reservation, I can testify to his effectiveness as a legislator and as a representative of his people. TONY has done an exemplary job and I join with his fellow colleagues here in the House in commemorating not only this anniversary, but also the fine work of the Delegate from Guam.

In recent months the political situation in the Pacific has taken new turns. American forces have withdrawn from countries of Southeast Asia and have drawn a new line of defense in the Pacific. Certainly one of our most important strategic positions is on the Island of Guam. This important territory has contributed much to the defense and protection of the U.S. mainland, and it is reassuring to note that the Guamanians will forever remain our friends, our allies, and our fellow countrymen as we endeavor to protect our country from dangers in that part of the world.

It is also important to note that many citizens from Guam have individually contributed to our armed services, to our Government service, and to other aspects of our national life. As American citizens, they help to select our nominees for the two highest offices in our country, President and Vice President. Guam has much to offer us, and in turn I believe we can provide benefits to the island.

Through the Organic Act of Guam the citizens of that island have learned the benefits of a democratic system of government. They have used this to good advantage and are contributors to the overall improvement of American life.

I take this opportunity to wish continued Godspeed to the people of Guam, and we in the Congress look forward to a continued mutually beneficial relationship.

Mr. KETCHUM. Mr. Speaker, it is with great pride and pleasure that I congratulate the people of Guam as they celebrate 25 years of American citizenship. Only last week, I referred to the fine Americans our brothers and sisters in Guam have proven to be. With loyalty, and patriotism, they have served the United States in times of war and peace.

I made my first acquaintance with Guam during one of those times of war. On D-day, I landed there with the 77th Infantry. Last year, I was privileged to revisit Guam, only to find that my first impression of the Guamanians had proven correct. With pride, determination, diligence, and fortitude, they rebuilt, developed, and strove toward the finest possible standard of living. Thirty years after my D-day landing, I found Guam to be smoothly run, modern, and up to date. Most importantly, she still boasts a continually proud people, dedicated to the democratic process.

I have often kidded my good friend, Mr. WON PAT, about that 1974 visit. Upon learning that several hotels, recreational facilities, and businesses were run by Japanese, I told him that, for one horrible moment, I thought I had misread the outcome of that D-day invasion. Obviously, this is not the case—Guam is simply living up to democracy in every sense of the word, giving each and every inhabitant the chance to perform to the fullest of his abilities.

I find it most fitting that, on the 25th anniversary of Guam's Organic Act, this House should approve the pact reached with the Northern Marianas, taking us one step closer to welcoming 12,000 more new Americans. I know they will be great Americans, as have our Guamanian brothers.

The passage of Guam's Organic Act in 1950 was but the beginning of a viable, energetic, and enthusiastic relationship between Agana and Washington, D.C. With each year, we have seen Guam achieve greater goals, and have watched the communication and cooperation between this Federal city and Guam grow stronger.

To Mr. WON PAT, and to all those he is privileged to represent here in the Congress, I extend my heartiest best wishes on this occasion.

Mr. ALBERT. Mr. Speaker, August 1, 1975 marks an important day in the history of the United States. Twenty-five years ago, President Truman signed into law the Organic Act of Guam, which conferred American citizenship on the people of Guam, established a civil government, a bill of rights, and paved the way for the development of a modern Guam.

The Organic Act was passed in the 81st Congress, and I had the privilege of supporting that legislation. It is, therefore, a distinct personal honor to join my colleagues, and my good friend, the Honorable ANTONIO B. WON PAT, on this historic occasion in recognition of this landmark act which extended the principles of democracy to our fellow citizens on America's westernmost frontier.

Often called the gateway to the Orient, Guam houses major Naval and Air Force bases and provides a strategic American defense structure and an important communications center in the Pacific. This was especially important during the recent Southeast Asia conflict when citizens from the United States and Guam fought shoulder to shoulder for the cause of freedom. As that conflict drew to a close, both the United States and Guam responded with compassion to help those forced to flee their homeland. In times of strife and in times of peace, the people of Guam and the people of the United States have found their ties strengthened and the partnership mutually beneficial.

I believe that it is in the best interest of this country and Guam to expand our friendship and our alliance, and I am happy to offer congratulations to my fellow countrymen on the anniversary of their citizenship. I am pleased that I have had the opportunity to visit Guam so many times, and I believe that every American can be rightfully proud of the contributions made by our fellow citizens who live on this beautiful island. I extend my very best wishes for continued growth and prosperity.

Mr. MCFALL. Mr. Speaker, I am pleased today to join with my colleagues in commemorating the 25th anniversary of President Truman's signing of the Guam Organic Act on August 1, 1950. That historic act replaced the military control which the island had been under for more than 50 years, since the Treaty of Paris of 1898, with civil government, and conferred American citizenship on the Chamarros of Guam.

Further democratic progress has continued since that time. The U.S. Congress has faithfully responded to the loyalty of the people of Guam and today, Guamanians are served by their own elected governor, Ricardo Bordallo, and their elected Delegate to the U.S. House of Representatives, our friend and colleague, TONY WON PAT. Through the 93d Congress and now in the 94th, TONY has shown outstanding dedication in representing Guam, and currently serves on both the Interior and Armed Services Committees.

In order to continue the democratic progress of the people of Guam, TONY has recently proposed legislation, which I understand is to be considered next by the House Interior Committee, to create a Commission on the Political Status of Guam to revew the relationship between the Federal Government and the people of Guam, with the view toward recommending to the Congress the most appropriate status for the territory.

The pride and devotion the people of Guam have continually demonstrated toward the United States is of high value to our country and I trust the United States will continue to respond to such devotion in the future. I, along with those of California's 14th Congressional District, wish the people of Guam continued success in years to come.

Mr. MEEDS. Mr. Speaker, it is indeed a pleasure and a privilege today for me to join with my distinguished colleague, ANTONIO WON PAT, in commemorating the 25th anniversary of the liberation of Guam from the Imperial Japanese Army.

The enactment of the Organic Act on August 1, 1950 established civil government on an island which had suffered the general malaise of political and economic stagnation which characterized the Spanish Empire in its declining years and had subsequently been ruled by military law since American acquisition following the Treaty of Paris of 1898. This shift of the administration of Guam from the Navy Department to the Interior Department also bestowed American citizenship and a bill of rights on the Chamorros whose right to self-determination had been denied for over five decades.

As a member of the Territories Subcommittee, I had closely followed the political development of Guam. The amending legislation empowering the residents of Guam to elect their own Governor and a delegate to the U.S. House of Representatives are expressions of our continuing effort to meet our responsibility of assuring Guam's political advancement.

Unlike the islands of the Trust Territory, Guam does not come under the jurisdiction of any well-intented trusteeship system. Guam's present status is that of an unincorporated U.S. territory.

The enactment of Public Law 12–17 in April of 1973, by the 12th Guam Legislature, established the Guam Political Status Commission. This law imposes on the commission the responsibility of reviewing alternative political status for Guam, including statehood, incorporated territory, commonwealth, independence, continued unincorporated status, or even affiliation with another nation. It does appear presently that there is a general consensus among the people of Guam to remain part of the American system.

It is indeed fitting and proper that on this 25th anniversary of the enactment of the Organic Act and on the verge of our Nation's 200th anniversary of its independence that we extend to the people of Guam our support of their efforts toward even more control of their own affairs.

I would also ask that my colleagues join me in congratulating Congressman WON PAT for his dedication in faithfully representing the people of Guam. It has been both an honor and a privilege for me to serve with him on the Interior and Insular Affairs Committee and on the Territorial Subcommittee. His devotion to not only his constituents but also to the traditions of American democracy are a matter of record.

Mr. DON CLAUSEN. Mr. Speaker, I wish to extend my congratulations to the people of Guam on the attainment of U.S. citizenship 25 years ago. Since Guam's annexation in 1898, the people of Guam have demonstrated time after time their loyalty and patriotism, serving in this century with valor and distinction in all of America's wars. During one of those wars—World War II in the Pacific—I first glimpsed Guam, serving aboard a U.S. aircraft carrier as a Navy pilot. From that instant, I have empathized with the Guamanian-Americans in their quest toward greater economic and political self-sufficiency.

With the passage of Guam's Organic Act on August 1, 1950, a dynamic relationship between Agana and Washington, D.C. was established. A decentralization of political power was the result, initially leading to American citizenship for the Guamanians and thence popular election of their Governor and their Delegate to the U.S. Congress. But the impetus toward greater autonomy has not ceased. Today, Federal and island officials represent both branches of government in Guam. As ranking minority member of the Subcommittee on Territorial and Insular Affairs, I am proud to be a part of this concerted effort.

Mr. WON PAT, please extend my best wishes to the inhabitants of Guam on this significant anniversary. Assure them that I shall continue to maintain these bridges of democracy and communication which have been so carefully constructed and have proved so meaningful.

As one who believes strongly in the "partnership of the Pacific" concept, I see Guam as one of the key members of that partnership. In addition to your own dreams and aspirations as a people, we, of the United States, envision a strengthening of our relationship and further look forward to the Guamanians very constructive and creative contribution to, and expansion of, the American dream—dedicated to freedom, liberty, individualism, independence, and an improved quality of life for all.

We are proud of our association with Guam and deeply appreciative of their willingness to sustain and advance the cause of functioning democracy in this key area of the Pacific.

Again, my heartiest congratulations to our fellow Americans on their 25th anniversary.

Mr. REUSS. Mr. Speaker, I join our distinguished colleague, the gentleman from Guam, in celebrating the 25th anniversary of the Organic Act.

It is a very pleasant experience to look back at an act of Congress after 25 years of operation and to see that it has worked. There is satisfaction on the mainland and on the island. The people have flourished and have enjoyed the civil and political rights of American citizenship. Our relationship is a happy one, and our efforts have created a warm friendship.

So this is an occasion that truly merits celebration.

Our ventures across the Pacific have not always been so wise or so fortunate. But in Guam we have been true to our traditions of humanitarianism and liberty. The Constitution did follow the flag. And we are all better off for it.

Often, and quite properly, we investigate things that have gone wrong. Here's something we did right. Perhaps we should investigate and learn how to do it again.

Mr. LONG of Louisiana. Mr. Speaker, I feel highly honored in joining my colleagues here today as we pay tribute to the 25th anniversary of the signing of the document which made the people of Guam citizens of the United States.

During the past 2½ decades, the people of Guam have demonstrated that they are truly topnotch citizens of our Nation, serving their country in time of peace and war. This willingness to play a major role in America's destiny has earned the citizens of Guam the full respect of their fellow Americans.

Perhaps it is best if I speak of firsthand knowledge in my dealings with the citizens of Guam. Upon my arrival in Congress I had the pleasure of meeting and coming to know our friend and colleague, TONY WON PAT, who is something of a pioneer to the people of Guam. His untiring efforts brought forth congressional permission for Guam to elect a Governor and a Delegate to the U.S. House of Representatives. The people of Guam fittingly elected TONY to be their very first Delegate to Congress.

Tony has served untiringly in this capacity. His office is directly across the hall from mine, and I can say in all honesty that the "midnight oil" burns very often as both Mr. WON PAT and his excellent staff work late into the night to serve their constituents.

I am proud to add my voice to that of the many friends both of Guam and TONY WON PAT on this proud day in Guam's young, but growing history.

Mr. STEPHENS. Mr. Speaker, it is with great pleasure that I join my colleagues here today in a salute to that historic document which brought the people of Guam into the fold as American citizens: the Guam Organic Act.

As you know, August 1 marks the 25th anniversary of the signing of the Organic Act which also provided Guam with civil government. In the 2½ decades which have transpired since President Truman affixed his signature to the Organic Act, Guam has earned the respect of their fellow Americans for their willingness to serve our country in time of peace and war.

The Congress has rightly responded by granting the American citizens of Guam the cherished authority to elect their own Governor and a Delegate in the U.S. House of Representatives. Serving in the latter capacity, is, of course, our friend and colleague TONY WON PAT, with whom I serve on the House Interior Committee. TONY has done an outstanding job for his people and I am happy to have this opportunity to add my voice to that of his many other friends in recognition of this proud day in Guam's history.

This occasion takes on a special note during these times when America faces severe tests in our relations with many countries in the Pacific. Despite our many setbacks there in recent months, it is reassuring to note that Guamanians will forever remain our friends, allies, and fellow countrymen as we strive to protect American interests in that part of the globe. I wish the people of Guam every success in the years to come as I know do the people of Georgia's 10th Congressional District.

Mr. YATES. Mr. Speaker, I am deeply grateful to the honorable gentleman from Guam (Mr. WON PAT) for inviting me to speak on the 25th anniversary of Guam's return to civil rule.

It is hard to believe there have been 25 years since the signing of the Organic Act of Guam. This act made the Guamanians full citizens of the United States, and they have discharged this responsibility in the best tradition of the American spirit.

The Guamanian love for freedom with government of, by, and for the people is personified in my distinguished colleague and good friend Mr. WON PAT, who was instrumental in the passage of this illustrious Act a quarter century ago. My heartfelt congratulations go to the Guamanian people and their esteemed representative on this commemorative day.

Mr. DE LA GARZA. Mr. Speaker, a quarter of a century ago, by act of Congress, civil government was established in Guam and American citizenship was bestowed on its people. The Organic Act of Guam passed by Congress was approved by the President on August 1, 1950, marking the beginning of a new era in the history of the island.

Guam was discovered by the Spanish explorer, Ferdinand Magellan, in 1621, and remained in the possession of Spain until 1898. After the Spanish-American War it was ceded to the United States.

Guam was occupied by the Japanese after Pearl Harbor, but U.S. forces regained possession on August 9, 1944.

An important air and naval base was immediately established and Guam became the site of the major airfields for the squadrons of U.S. superfortresses that bombarded Japan during the last days of the war. Later the island was the headquarters of the Trust Territory of the Pacific Islands and the U.S. Strategic Air Command in the Pacific.

Guam was again very much in the news a few weeks ago when it became a staging area for thousands of Vietnamese fleeing to the sanctuary of the United States. This event reemphasized the strategic importance of the island to our country.

As a Texan, I remember proudly that a fellow Texan and my friend, Bill Daniel, served as Governor of Guam for a period in the early 1960's. Bill Daniel is a member of a distinguished Texas family. His brother, the Hon. Price Daniel, was a Member of the U.S. Senate and was Governor of Texas.

We should not forget, Mr. Speaker, the original inhabitants of this beautiful island, the great and noble people known as Chamorros who had their own language and culture in that area of the vast Pacific.

In honoring the Guamians, I wish also to pay tribute to the Hon. ANTONIO BORJA WON PAT, their delegate to the U.S. Congress. He is a man who has spent most of his adult life in the service of his homeland. Our colleague was elected to the Advisory Guam Congress in 1936 and as speaker of the Guam Assembly in 1948. He served as speaker from the first through the seventh Guam Legislatures, was elected in 1965 as Guam's first representative in Washington and reelected in 1968. In 1972, he was elected as Delegate from Guam to Congress and reelected in 1974. I am proud to serve with this distinguished patriot.

Mr. BADILLO. Mr. Speaker, it is a privilege to join with my colleagues, especially the Honorable ANTONIO WON PAT, Delegate from Guam, to commemorate the approaching anniversary of the Guam Organic Act. The act, Public Law 81-630, was signed into law by the late President of Guam have been American citizens and have established a territorial civil government.

Additionally, since the original act was past, 25 years ago, it has been amended so that the people of Guam could elect their own governor and a Delegate to the U.S. House of Representatives. This gradual growth of independence has created a political renaissance in Guam.

The citizens of Guam deserve our respect, continued confidence, and recognition for their deeds and service to the United States in time of peace and war. Today, July 21, marks the anniversary of the liberation of Guam from the Imperial Japanese Army. This is a fitting occasion to restate the country's confidence and appreciation for the bond that exists between Guam and the United States. I am sure that the future holds prosperity and growing political independence for the people of Guam.

Mr. WHALEN. Mr. Speaker, I am pleased to join with so many of my colleagues in this observance of the 25th anniversary of the Organic Act of Guam.

The Organic Act of Guam was passed by the 81st Congress in 1950. The legislation conferred U.S. citizenship on the Chamorros of Guam and provided for the establishment of civil government. In noting this anniversary we must also recognize a people who have contributed so greatly to our Nation.

Although Guam was ceded by Spain to the United States in 1898 under the Treaty of Paris, the island had gained little prominence in the Pacific until the enactment of the Organic Act, for it was without a defined political status. Guam is the only American territory in the Western Pacific, and it has become an invaluable economic and military center there. In addition to being the Navy's largest home port, it is also the Pentagon's chief coordinating station for all military communications in the area.

The economic growth of the island in recent years has been phenomenal. Guam's annual growth is more than 25 percent and its construction rate is more than 50 percent a year. Indeed, the economic potential of the island is virtually incalculable. Guam has come a great distance since 1950, and it is destined to go even farther in the future.

I commend our fellow citizens of Guam for their accomplishments in the development of the island, and I congratulate them in this celebration of the Organic Act. The success of Guam has indeed been a success for the entire Nation.

Mr. SANTINI. Mr. Speaker, August 1 will mark the 25th anniversary of the Organic Act of Guam, the act which conferred American citizenship on the Chamorros of the island and which established a civil government there.

This act is of significant historical importance to both the native Guamians and to those in the 50 States. It marked the emergence of this indigenous people from a relative state of political limbo—more than 50 years of military control lasting from the signing of the Treaty of Paris in 1898 until the passage of the Organic Act on August 1, 1950—to a state of relative independence.

The Organic Act was followed by the passage of a bill which provided for a Guam-elected Governor and also for an elected delegate from Guam to the U.S. House of Representatives.

At present, Guam is an unincorporated American territory united to our Nation by virtue of treaty, friendship, common interest and citizenship. The people of Guam have repeatedly demonstrated their pride and devotion as well as loyalty to this country through sacrifices and steadfast support in World War II, Korea, and the Vietnam war. This is not to mention the unswerving resolve they have shown in protecting our interests in the Pacific through years of political trials and hardships.

At a time when we as a Nation are celebrating our 200th anniversary, I feel that it is only proper that we take this time to reconsider our policies and views toward this American territory. To be provided the opportunity to share equally in the principles which guide our great country is a right which the people of Guam have earned and deserve.

Mrs. MINK. Mr. Speaker, as one born and raised in a U.S. territory prior to the time when Hawaii became our 50th State, I have a particular empathy with our island neighbors to the west who live in the territory of Guam. Consequently, I am pleased to join my colleague, the Honorable ANTHONY B. WON PAT, in commemorating the 25th anniversary of the signing of the Organic Act of Guam, which occurred on August 1, 1950, and commend him for seeking these special orders today to do so.

I rejoice with the people of Guam in celebration of this historic day, and am at the same time mindful of the mood of restlessness which prevails among many who express concern about the territory's future. This restlessness manifests itself in serious discussion of the alternate future political courses for this distant island territory, and has come especially to the fore in the last several months as the related Chamorro peoples of the northern Mariana Islands chain, only a few dozens of miles away, have moved swiftly toward the establishment of a Commonwealth government in permanent association with the United States.

As the negotiations have progressed for the peoples of the northern Marianas, legitimate questions have been raised about the rights and privileges offered them by the United States in relation to those same rights and privileges for which the people of Guam waited so long. I believe there is a clear case for a substantive review of Guam's status as a territory, some determination as to whether this territorial status ought to be changed, and some mechanism established by which the people of the territory can have some input into this process.

Our colleague, Mr. WON PAT, has noted that the Organic Act has been changed on a number of occasions, and I have been actively involved in some of the debates on these changes. I continue to maintain a high interest in this country's insular possessions and the continuing political maturing process through which many of them are progressing. I take this occasion to wish the people of Guam "Hafa Adai!", and to reassure them of the continuing interest of my colleagues in this most distant piece of U.S. soil, where America's day begins.

Mr. PHILLIP BURTON. Mr. Speaker, I take great pleasure and pride on rising together with so many of our colleagues to salute the 25th anniversary of the Guam Organic Act.

In 1950, Congress passed, and President Truman signed, the Guam Organic Act which provided the residents of that island with American citizenship and a civil government. Congress has further responded to the aspirations of the people of Guam by legislating amendments to the Organic Act which have given the island an elected governor and a delegate in the U.S. Congress, that delegate position now so ably filled by Congressman TONY WON PAT.

As chairman of the Subcommittee on Territorial and Insular Affairs, I predict

that Congress soon will make further changes in the Organic Act to insure a sound continuation of Guam's economic and political progress.

For the past 25 years, the Guam Organic Act has served the people of Guam. Now under study is TONY WON PAT's House Joint Resolution 489 calling for a review of the Organic Act for Guam. I look forward to joining with our colleague from Guam and other members of the House Interior Committee in this study.

It is important that we do so. In these times of changing governments and revised standards, the United States is indeed fortunate to have in the Guamanians a people who are proud to be called Americans. During their entire 75-year history under the stars and stripes, they have repeatedly supported their dedication to the principles of freedom and democracy with affirmative action in both war and peace.

The welfare of our fellow Americans on Guam is a concern to me, to my fellow members of the House Interior Committee, and to the total Congress.

We are indeed fortunate to have as a member of our committee our good friend, TONY WON PAT, who has so ably represented his people for many years. The expertise and experience he brings with him has contributed greatly to our ability to understand the needs of Guam and other areas of the Pacific. We shall continue to work with him and to seek his advice as we consider the constitutional development of these areas. Thank you.

Mr. BINGHAM. Mr. Speaker, I am pleased to join with my colleagues in extending congratulations and best wishes to the people of Guam on the 25th anniversary of the Guam Organic Act. Twenty-five years ago next week, on August 1, 1950, President Truman signed that act into law, and the people of Guam became American citizens.

It is enitrely fitting that now, as political relationships in the Pacific are in flux, we reaffirm the ties between the United States and Guam. Guam is not only an integral part of our Nation, a key to America's Pacific defense network, but also a thriving, self-governing society. The people of Guam have every right to be proud of what they have done, and their fellow citizens on the mainland are proud of them.

When I had the pleasure of visiting Guam in 1961, I was especially impressed by the fierce loyalty the people there hold for the United States. I suggested to leaders of the Guam legislature that, in response to critics at the United Nations, they consider holding a plebiscite to determine whether Guamanians favored independence or continuing ties with the United States. My suggestion was hotly rejected. They asked me, "Would you ask the residents of Texas, or perhaps New York, whether they would want such a plebiscite?"

Let me also pay tribute, Mr. Speaker, to the Delegate from Guam, Mr. ANTONIO WON PAT. I have come to know him as a friend, I have worked with him on the Interior Committee, and I know him as a fine legislator and representative of his constituents at home. They could not have made a better choice when they elected him, and I am proud to call him "colleague."

GENERAL LEAVE

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of the special order today by the gentleman from Guam (Mr. WON PAT).

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

There was no objection.

AN AMENDMENT TO CREATE THE CONSTITUTIONAL OFFICE OF CHIEF OF STATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 60 minutes.

Mr. REUSS. Mr. Speaker, I introduce today a constitutional amendment which would create an office of Chief of State. In such an office would be placed the symbolic and ceremonial functions which impose such a heavy burden on the time and energy of the President under our present constitutional system.

The act of proposing basic institutional changes in a document as sacred and successful as our Constitution is bound to be controversial. We all hesitate, very naturally, to tinker with a system that has lasted almost 200 years, and that has nourished a continual growth of political, economic, and religious freedom and opportunity unique in the history of the world.

Nevertheless, in the aftermath of Vietnam and Watergate, many Americans are wondering whether some fundamental changes in the structure and institutions of the Federal Government may now be necessary. Political scientists are again taking up the debate over the relative advantages of a parliamentary system over our system of Government. And at the heart of this debate is the question of the power and accountability of the President, who serves as both Chief of State and Chief Executive under our Constitution.

No one seriously believes that we are going to abandon our Constitution in favor of a system modeled on the government of some other parliamentary democracy such as Great Britain, Canada, or West Germany. Some idealists see a golden panacea for our problems in parliamentary government. But parliamentary systems have their own drawbacks. Moreover, the difficulties of grafting a parliamentary system onto unique American political traditions are probably insurmountable.

Nevertheless, parliamentary systems have some features which could be adopted and adapted within the framework of our Constitution, and which would establish a better balance between the legislative and executive branches of the Federal Government. One such is the constitutional amendment I introduced in 1974—and again this year as House Joint Resolution 569—requiring a special election for the President and Congress when Congress by a three-fifths vote declares "no confidence" in the President.

Another is the amendment I am offering today to separate the roles of Chief of State and Chief Executive.

Taken together, the two amendments offer a way of improving our system without departing from its fundamentals. The case is well stated in the August 1975 Progressive by Arthur S. Miller, professor of constitutional law at George Washington University:

ON ALTERANTIVES TO IMPEACHMENT

(By Arthur S. Miller)

A year ago, in the final throes of the Nixon Administration, scholars, journalists, and Americans in all walks of life pondered the problems posed by our constitutional process for removing a President who is unfit to remain in office. Richard M. Nixon is gone, but the problems remain, and we would do well to address them now, rather than wait until we are brought to the brink of our next constitutional crisis.

All too often in this century the people's choice for President has become the people's curse. At least four, perhaps six or even seven or eight, Twentieth Century Chief Executives should have left office before they did. Four completely lost the confidence of Americans in their ability to govern and govern well: Herbert Hoover, Harry Truman, Lyndon Johnson, and Richard Nixon. Woodrow Wilson was physically incompetent for many months during his second term, as was Franklin Roosevelt during the last year of his life. The possible eighth was Dwight Eisenhower after his two illnesses.

That is a bad track record for any office, let alone the most powerful office in the world. We need some way other than impeachment by which Presidents may be removed.

The Constitution provides only for impeachment or voluntary resignation, plus the halfway-house of stepping aside because of temporary disability—either voluntarily or at the request of leading Government officials. None of these provisions meet the needs of a nation that spans a continent and that has interests transcending even the planet.

Impeachment, as the effort against Nixon demonstrated, is too slow, too cumbersome, too divisive, and traumatic. Rather than a catharsis, it is a hammer blow at the body politic. No one can say with certainty what an impeachable offense is—although if the Nixon effort proves anything, it proves that something close to a "smoking gun" must be shown. The world spins on while Americans indulge themselves in their ancient constitutional ceremonies. Impeachment is a stately Eighteenth Century minuet, completely out of place in the mad pace of the last quarter of the Twentieth Century.

Resignation is possible, of course, as Nixon demonstrated. But his unprecedented action pointed up the basic defect of resignation—that it *cannot be compelled*. The same defect applies to stepping aside temporarily under the Twenty-fifth Amendment, for it is not likely that the designated officials would muster the courage to compel a President to relinquish his powers.

A search for a feasible alternative must recognize at the outset that the United States, like all major modern governments, is dominated by the Executive. We have Presidential government in fact, whatever the Constitution says, and that system,

whatever its merits, is not likely to change. The practical problem is not how to eliminate Presidential leadership but how to make it *accountable*.

We need, in other words, a means by which political power can be made as tolerable and decent as possible. As Watergate demonstrated, the ancient principle of separation of powers, called by Madison "the sacred maxim of free government," is no longer working. A flow of power to the Presidency, constitutionalized by Congressional statutes and Supreme Court decisions, has created an office that puts far too much authority *in one person*. No other major nation so concentrates political power. Even in the Soviet Union, formal political power is lodged in a collective leadership.

Barbara Tuchman has suggested "pluralizing" the Presidency into six different executives, but that seems neither feasible nor desirable. If it were to be adopted, the necessary leadership of a Chief Executive would be lost. A better proposal has been proffered by Michael Novak, who details in *Choosing Our King* the difficulties that arise when, as in the United States, one person is both head of state and chief of government.

Were the Presidency divided into those two functions, then the ceremonial duties and much of what Senator Eugene McCarthy called the "personality cult" and the "sacralizing" of the Presidency could devolve to some person elected or named "head of state." Novak suggests a person elected for 10 years. The symbolism and the trappings of the office that contributed so severely to the difficulty of removing Nixon would rest with the 'head of state," who would have no real power. The President as Chief Executive could continue to be elected as he is now.

If the Presidency were split into the ceremonial functions of head of state and the actual governing power of Chief Executive, a better alternative to impeachment would become possible. Something akin to a parliamentary system could be adopted. Last year, Representative Henry Reuss, Wisconsin Democrat, introduced a joint resolution in the House of Representatives calling for an amendment establishing a "no confidence" vote on the President alone. If three-fifths of each house of Congress were to vote no confidence, the President would be required to step aside and a special election would be held. Reuss subsequently amended his proposal to expand the vote of confidence to include a special election for Congress.

There are difficulties in this scheme, mainly revolving around the absence of precise standards that would call for no-confidence votes. Such standards would have to be worked out in Congressional hearings accompanied by public debate. Few would want Presidents to be toppled for blindly partisan or trivial reasons, so standards are necessary, however difficult they may be to frame.

Some fear that a no-confidence procedure would make the Presidency too weak and Congress too strong, but that is not likely. In Great Britain, the last prime minister removed from office in this century after a vote of no confidence was Ramsey MacDonald in 1924. Some prime ministers, such as Edward Heath, have voluntarily dissolved Parliament and called elections, only to be defeated. Neville Chamberlain was persuaded to resign in 1940 even though he had won a vote of confidence. Anthony Eden resigned after the Suez disaster in 1956, apparently because he had temporarily lost his health and his policies were in disarray.

The great merit in the Reuss proposal, if it were accompanied by the Novak suggestion, would be that a President could be removed without the trauma of impeachment and without the stigma of being charged with an impeachment offense within the constitutional provisions of "high crimes and misdemeanors." Furthermore, the United States would be spared the need—if the time came—to remove both head of state and chief of government *at the same time*. That was one great difficulty about Nixon: his attempted impeachment was the equivalent of a British effort simultaneously to topple the Queen *and* the Prime Minister. A no-confidence vote on the President as Chief Executive would not constitute an assault on the symbolism of the office. It would not be "regicide."

While the process would be far speedier than impeachment, there is no reason to assume that Congress would be quick to vote no confidence. A legislature that, at the very nadir of Nixon's tenure, managed to override only one of twelve or thirteen Presidential vetoes is not likely to act with unseemly haste when it comes to turning a Chief Executive out of office. The three-fifths vote is additional insurance.

Adoption of the Reuss proposal would probably force Presidents into greater cooperation with Congress, thereby furthering the goal of increased accountability. Some aspects of pluralized decision making would be introduced, for the President would indeed have to answer in another place (Congress) for his actions. Our present system allows him to thumb his nose at Congess, as in invocation of executive privilege and other secrecy devices.

Congress, too, would probably be forced to reorganize itself, were the Reuss proposal to be adopted. A President could not consult with all 535 members of Congress. Some means of legislative leadership and party responsibility would have to be developed.

Whatever the specific merits of the Reuss resolution, certainly there is a pressing and continuing need to reexamine the impeachment procedures of "civil officers" of government—not only the President but Federal judges and members of Congress as well. We should not be bemused by words written in 1787. Impeachment, which for the British in the Middle Ages was "the chief institution for the preservation of the government," has degenerated in the United States into a rarely used blunderbuss. It distinctly is *not* an instrument to impose badly needed accountability upon those who govern us.

To devise alternatives to impeachment is not to tinker with the Constitution, but to improve it. If the Founding Fathers intended anything by writing the Constitution of 1787, it was that each generation would solve its own problems of governance. They deliberately left the fundamental law vague, so that succeeding generations could use it flexibly and revise it to fit contemporary exigencies. A vote of no confidence is no panacea; it would merely be an improvement.

The United States is the only modern democracy in which the ceremonial and symbolic functions of Chief of State, and the political and administrative functions of Chief Executive, are combined in the same Office, the Presidency. In constitutional monarchies such as Great Britain, Japan, the Netherlands, and the Scandinavian countries, the royal family exercises the symbolic and ceremonial functions of Chief of State, but is expected to maintain political neutrality, while party leadership and administrative responsibility are vested in the head of government, the prime minister or premier. In the absence of a monarchy, as in Israel, West Germany, Italy and France, an elected President, who cannot be a member of Parliament, performs the symbolic and ceremonial functions.

The Congressional Research Service informs me that in 45 of the world's 152 countries, the head of state is largely ceremonial. In most Latin American countries the President as Chief of State is the chief executive officer. In some African countries the chief executive holds both the offices of President and Prime Minister.

All European constitutional monarchies follow the British model, and throughout the British Commonwealth a Governor General as the representative of the Queen performs many ceremonial functions and stands at the top of the list of officials. In many Communist countries the Chief of State is largely ceremonial, with power resting with the Party Chairman, though in the case of Yugoslavia, Romania, Mongolia, and the People's Republic of China the Head of state is also head of the party and the center of power.

Of the States with largely ceremonial Chiefs of State, 21 are members or former members of the British Commonwealth, 9 are constitutional monarchies—outside of the Commonwealth—8 are parliamentary democracies, and 7 are Communist countries.

The names of these countries arranged in alphabetical order under these categories are as follows:

COUNTRIES WITH CEREMONIAL CHIEFS OF STATE

MEMBERS AND FORMER MEMBERS OF THE COMMONWEALTH

Australia, Bahamas, Barbados, Belize, Canada, Comoro Islands, Fiji, Grenada, Guyana, India.

Jamaica, Malaysia, Malta, New Zealand, Pakistan, Rodesia, Singapore, South Africa, Sri Lanka, United Kingdom, Trinidad and Tobago.

EUROPEAN CONSTITUTIONAL MONARCHIES

Belgium, Denmark, Luxembourg, Norway, Netherlands, Sweden, Japan.

In the oriental monarchies of Thailand and Nepal, the king is chiefly a ceremonial figure.

PARLIAMENTARY DEMOCRACIES

Austria, Federal Republic of Germany, Greece, Ireland, Israel, Iceland, Italy, Turkey.

COMMUNIST COUNTRIES

Albania, Cuba, Czechoslovakia, German Democratic Republic, Hungary, Poland, USSR.

Amending the Constitution to create an office of Chief of State of the United States would be beneficial in two ways: First, it would significantly lighten the tremendous strain on the time and energy of the President by relieving him of onerous ceremonial duties, such as attending funerals of other Chiefs of State abroad, hosting visits of foreign Chiefs of State, accepting credentials of foreign envoys, and so on.

Second, it would reduce the tendency to deify Presidents, to render them immune to criticism, to make them our elected Kings. The rise of the "imperial presidency" during this century has posed a serious threat to the proper functioning of the checks and balances provided in the United States Constitution. Separation of the roles of Chief of State and Chief Executive would help to demystify

the Presidency and to dispel the undemocratic attitude that "the King can do no wrong."

Let us now look at both the physical burden and the unnecessary deification of the Presidency.

1. THE BURDEN OF THE PRESIDENCY

Woodrow Wilson once said that the Presidency "requires the constitution of an athlete, the patience of a mother, the endurance of an early Christian." Harry Truman called the job "like riding a tiger. A man has to keep riding or be swallowed."

From the very beginning, Presidents have groaned at the severity of the burden imposed on them by the oath of Office. Washington called the duties of the office "arduous"; Adams called them "oppressive"; and Jefferson called them "drudgery".

As James Monroe was about to leave the White House, he sent Congress "a few remarks . . . founded on my own experience, in this Office." Beyond a certain limit, he wrote, no one can go. If unimportant details are forced upon the attention of the President, he loses the time he ought to devote to matters of greater importance. The higher duties of his Office, said Monroe, "are sufficient to employ the whole mind, and unceasing labors, of any individual." Among these duties he cited the message to Congress, the replies to calls for information, personal contact with Members of Congress, and "the supervision and control of the several departments so as to preserve efficiency in each, and order and consistency in the general movement of the Government." Monroe was one of the first to suggest the desirability of aid to the President.

In December, 1848, President Polk made this entry in his diary:

The public have no idea of the constant accumulation of business requiring the President's attention. No President who performs his duty faithfully and conscientiously can have any leisure. If he entrusts the details and smaller matters to subordinates, constant errors will occur. I prefer to supervise the whole operations of the Government myself rather than entrust the public business to subordinates, and this makes my duties very great.

The task undermined Polk's health, and he died shortly after leaving the White House.

President Cleveland wrote:

I do not want the office. It involves a responsibility beyond human strength to a man who brings conscience to the discharge of his duties.

Benjamin Harrison said:

And it is a rare piece of good fortune during the early months of an administration if the President gets one wholly uninterrupted hour at his desk each day. His time is so broken into bits that he is often driven to late night work, or to set up a desk in his bedroom when preparing a message or other paper requiring unbroken attention.

President Taft said:

I have come to the conclusion that the major part of the work of a President is to increase the gate receipts of expositions and fairs and bring tourists into the town.

Coolidge wrote:

The duties of the Presidency are exceedingly heavy. The responsibilities are overwhelming. But it is my opinion that a man of ordinary strength can carry them if he will confine himself very strictly to a performance of the duties that are imposed upon him by the Constitution and the law. If he permits himself to be engaged in all kinds of outside enterprises, in furnishing entertainment and amusement to great numbers of public gatherings, undertaking to be the source of inspiration for every worthy public movement, for all of which he will be earnestly besought with the inference that unless he responds civilization will break down and the sole responsibility will be on him, he will last in office about 90 days.

President Hoover complained:

Another of these useless exhaustions, which had always plagued Presidents, was signing routine papers. No man could read them even on a twenty-four-hour shift. They comprised all military officers' commissions, many appointments of civil servants, Treasury orders, documents relating to the guardianship of individual Indians, pension authorities, etc., all of which the President could only sign on the dotted line and trust to Heaven and his Cabinet officers that they are all right.

President Truman reflected on "the weight of its unbelievable burdens," referred to the Presidency as a "man-killer," and concluded that "the pressures and complexities of the Presidency have grown to a state where they are almost too much for one man to endure."

And in his memoirs Truman wrote:

I have learned that one of the hardest things for the President to do is to find time to take stock. I have always believed that the President's office ought to be open to as many citizens as he can find time to talk to; that is part of the job, to be available to the people, to listen to their troubles, to let them share the rich tradition of the White House. But it raises havoc with one's day, and even though I always got up early, usually was at work ahead of the staff, and would take papers home with me at night to read, there always seemed to be more than I could do.

President Eisenhower said:

Of course, the duties of the President are essentially endless. No daily schedule of appointments can give a full timetable—or even a faint indication—of the President's responsibilities. Entirely aside from the making of important decisions, the formulation of policy through the National Security Council, and the Cabinet, cooperation with the Congress and with the States, there is for the President a continuous burden of study, contemplation and reflection.

It is thus evident that the burden of the President's symbolic and ceremonial role as Chief of State impinges very severely on the time available for "study, contemplation and reflection."

According to Clinton Rossiter, an authority on the Presidency:

First, the President is Chief of State. He remains today, as he has always been, the ceremonial head of government of the United States, and he must take part with real or apparent enthusiasm in a range of activities that would keep him running and posing from sunrise to bedtime if he were not protected by a cold-blooded staff. Some of these activities are solemn or even priestly in nature; others through no fault of his own, are flirtations with vulgarity. The long catalogue of public duties that the Queen discharges in England, the President of the Republic in France, and the Governor-General in Canada is the President's responsibility in this country, and the catalogue is even longer because he is not a king, or even the agent of one, and is therefore expected to go through some rather undignified paces by a people who think of him as a combination of scoutmaster, Delphic oracle, hero of the silver screen, and father of the multitudes.

As figurehead rather than working head of our government, he greets distinguished visitors from all parts of the world, lays wreaths on the tomb of the Unknown Soldier and before the statue of Lincoln, makes proclamations of thanksgiving and commemoration, bestows medals on flustered pilots, holds state dinners for the diplomatic corps and the Supreme Court, lights the nation's Christmas tree, buys the first poppy from the Veterans of Foreign Wars, gives the first crisp banknote to the Red Cross, throws out the first ball for the Senators (the harmless ones out at Griffith Stadium), rolls the first eggs for the Easter Bunny, and in the course of any month greets a fantastic procession of firemen, athletes, veterans, Boy Scouts, Campfire Girls, boosters, hog callers, exchange students, and heroic school children. The annual United Fund Drive could not possibly get underway without a five-minute telecast from the White House; Sunday is not Sunday if the President and his lady skip church; a public-works project is not public until the President presses a silver key in Washington and explodes a charge of dynamite in Fort Peck or Hanford or the Tennessee Valley.

The President is not permitted to confine this sort of activity to the White House and the city around it. The people expect him to come to them from time to time, and the presidential grand tour, a precedent set conspicuously by George Washington, is an important aspect of the ceremonial function. Nor is this function, for obvious political and cultural reasons, untained with commercialism. If it isn't one "Week" for him to proclaim or salute, it's another, and what President, especially in an election year, would turn away the Maid of Cotton or the Railroad Man of the Year or, to keep everybody happy, the Truck Driver of the Year from the White House door?

The President, in short, is the one-man distillation of the American people just as surely as the Queen is of the British people; he is, in President Taft's words, "the personal embodiment and representative of their dignity and majesty." (Mr. Taft, it will be remembered, was uniquely shaped by nature's lavish hand to be a personal embodiment of dignity and majesty.) Or as Attorney General Stanberry argued before the Supreme Court in 1867 in the case of Mississippi v. Johnson:

Undoubtedly so far as the mere individual man is concerned there is a great difference between the President and a king; but so far as the office is concerned—so far as the great executive office of this government is concerned—I deny that there is a particle less dignity belonging to the office of President than to the office of King of Great Britain or of any other potentate on the face of the earth. He represents the majesty of the law and of the people as fully and as essentially, and with the same dignity, as does any absolute monarch or the head of any independent government in the world.

2. THE SYMBOLIC DEIFICATION OF THE PRESIDENCY

The national symbolism attached to the Presidency has been developing since the early days of the Republic. The late Henry Jones Ford, in his book, "The Rise and Growth of American Politics," wrote that—

In the Presidential office as it has been constituted since Jackson's time, American democracy has revived the oldest political institution of the race, the elective kingship. It is all there: The prerecognition of the notables, and the tumultuous choice of the free-

men, only conformed to the modern conditions.

If he had wished to cite examples, Ford might have mentioned the elaborate ritual of the inauguration suggestive of the coronation, the 21-gun salute on arrival and departure of the President, and the throngs that gather to see and hear him.

Long before Ford's observation, Lincoln's Secretary of State, William H. Seward, answered an inquisitive English newspaper correspondent:

> We elect a king for four years and give him absolute power within certain limits, which after all he can interpret for himself.

The symbolism and reverence attached to the Presidency is an outlet for the same human emotion that Britons feel toward their monarch. As one British author put it:

> Certain it is that democratic government is not merely a matter of cold reason and prosaic policies. There must be some display of colour, and there is nothing more vivid than royal purple and imperial scarlet. During the present century, therefore, we have placed almost intolerable burdens on the royal family. They must not only head subscription lists and appear on State occasions; they must, also, inspect this and that, open this and that, lay this stone and that, and undertake a thousand other dull tasks in a blaze of publicity. We can hardly blame Edward VIII if he preferred to make toffee in the kitchen.

The English monarch is kept busy full-time with ceremonial duties, but the President of the United States must somehow find time to perform his duties as Chief Executive, party leader, and Commander in Chief as well.

The fact that custom has imposed upon the President extraofficial burdens similar to those of royalty is indicative of the symbolism of the President. By and large, he symbolizes the American Government to the American people. There can be no doubt that this symbolism also serves to strengthen the practical powers of the Presidential office.

The founding fathers were ambivalent and deeply divided over the appropriate symbolism for an American head of Government. They had rejected monarchy, but the habit of reverence for the king as a national symbol was deeply ingrained. The inauguration of President Washington, as well as later procedures and etiquette introduced by the Federalists, precipitated a great deal of controversy.

Vice President John Adams declared:

> Take away thrones and crowns from among men and there will be an end of all dominion and justice.

Accordingly, while presiding over the Senate, Adams was urging an elaborate and high-sounding title for President Washington and was horrified when the simple title prescribed by the Constitution was retained precisely as set down. "What," he demanded, "will the common people of foreign countries, what will the sailors and soldiers say, 'George Washington, President of the United States?' They will despise him to all eternity."

In the Constitutional Convention Hamilton had avowed a preference for monarchy. Soon President Washington was being maneuvered into something of the separateness of a monarch under the management of public affairs by his energetic Secretary of the Treasury. Hamilton assumed the role—secretly even the title—of prime minister, recommended measures to Congress, and pressured Congressmen to enact them, with the consequence that the legislative program of the first administration still stands as Hamilton's, not Washington's.

Adams' and Hamilton's "aping of monarchy" brought about a strong emotional reaction on the part of the inland agrarians. The symbol-smashing French Revolution, which produced an epidemic of Jacobin Clubs in the United States, reenforced the reaction. Jefferson coined a word "monocrats," and, to the glee of his partisans, applied it to the Federalists. Even Washington's inauguration, thought Jefferson, had been "not at all in character with the simplicity of republican government and looking, as if wistfully, to those of European courts." So when the time came for Jefferson's inauguration in 1801, he walked unostentatiously from his boarding house over to the Capitol to deliver his inaugural address to the two Houses assembled in the Senate Chamber. The Puritans had not been one whit more determined to eradicate popish symbols from their churches than were the Jeffersonians to divest the President of the trappings of royalty. Deprived of its symbolism, the Office of President was to be nothing more than a purely utilitarian agency of government, merely a means to an end.

It was the upsurge of the recently enfranchised masses and their election of Andrew Jackson to the Presidency as their champion in 1828 that terminated the purely utilitarian conception of the Presidency and made the President peculiarly the symbol of the national Government. State legislatures had in the main been selecting Presidential electors, but this ceased in 1828, and Jackson was really the first popularly elected President. His unequivocal denunciation of nullification in 1833 and readiness to use armed force in order to "take care that the laws be faithfully executed" enhanced the prestige and symbolism of the Presidency. As a "tribune of the people" Jackson used the veto against special privilege such as the bill to renew the Bank charter in 1832. To this day, a Presidential veto tends to strengthen the prestige of a President.

The acclaim with which President Andrew Jackson was greeted by the populace heralded a revival of the symbolism of the Presidency. His journey to New England in 1833 illustrates the point. Entering Philadelphia on a white charger, provided for the occasion, the aging warrior accepted the obeisances of the crowds for 5 hours as they filled streets, windows, roofs, and the reception continued for 4 days and nights. From New York City Jackson wrote, "I have bowed to upward of 200,000 people today." His passage through Connecticut was a continuous ovation "Across Rhode Island cannon boomed from town to town as if New England were a battle line," and receptions overlapped each other. In Boston he was "received with all the show of honor which we paid to Lafayette," wrote an astonished citizen. And Harvard outdid itself in conferring upon Jackson the degree of Doctor of Laws.

A generation after Jackson's election, so exalted had the President become as the symbol of the Federal Government that the symbolism became a major factor in the secession movement. Secession could scarcely have been based on a cool calculation of the results of the election of 1860. The fact is generally overlooked that, although the Republicans had elected Lincoln—with a popular plurality of about 40 percent—they had nevertheless lost both Houses of Congress. They had only 31 of the 66 Senators and 105 of the 237 Representatives. Had the southern Senators and Representatives retained their seats, Lincoln could not have made one important appointment—not even of his Cabinet members—with the consent of only Republican Senators. When the southern Senators and Representatives walked out, they turned the Government over to Lincoln and thus paid an unconscious tribute to the symbolism and authority that had become attached to the office of the President.

Day after day English newspapers and periodicals must feed the insatiable public appetite for pictures of the Queen and her family. This has its counterpart in the President and his family. Since the first Roosevelt, the White House family has belonged to the Nation as an essential element in the symbol of the Presidency. Theodore Roosevelt's children running bareheaded out of the White House on their way to school, Quentin riding his pony into the White House and getting it on the elevator, the vivacious young Alice keeping Washington agog with her quips and her unconventional ways, were all part of the first Roosevelt regime. The death of Coolidge's son touched the heart of every American parent. Truman's, Eisenhower's, and Kennedy's families all added to their popularity. The President's family is part of the national symbol that constitutes the Presidency.

Never was the symbolism of the Presidency more dramatically demonstrated than in the sudden translation of diffident Vice President Harry S Truman, into President, Chief Executive, and Commander in Chief in the command of our farflung battle line in a global war. As Jonathan Daniels wrote in his book "Frontier on the Potomac" (1946):

> Harry, as the clock under the portrait of Woodrow Wilson in the Cabinet room passed 7:09, suddenly ceased to be 'Harry' and became Mr. President. Then within the time it takes for the clicking of cameras, he was the almost superstitiously honored man symbol of America who can still after our pattern of reverence, be described in the native argument in the American language as one angry truck driver might describe another . . . He was not Harry Truman any longer; he never would be again. The prison of the presidency dropped around him. The Secret Service scurried beside him as he moved. The personages shook his hands and fell away.

Perhaps the most conclusive evidence of all for the symbolism of the Presidency is the overwhelming demonstration of personal grief that accompanies the death of a President during his term of office. For Lincoln, Garfield, McKinley,

Harding, Franklin Roosevelt, and John Kennedy, the response was the same, regardless of their relative stature in office. Henry Reiff, in "We Live by Symbols," ("The Social Studies," XXXI, No. 3, (1940) p. 103), records that the son who protested to his foreign-born mother Harding's lack of merit when he found her weeping over news of the President's death got this significant response: "Ach, aber er ist doch der President," which translates, "Ah, but he is still the President."

George E. Reedy, in his book, "The Twilight of the Presidency," provides an excellent summary of the development and effect of the symbolism attached to the Imperial Presidency:

The framers of the Constitution had no way of foreseeing the effects of their most important decision—to give the presidency the functions of both chief of state and chief of government. It is doubtful whether they were aware at the time that the functions could exist separately. They knew that there had to be someone who spoke for all the government. They also knew that there had to be someone to manage the affairs of the country. The concept that these two functions could be separated was alien to their experience, even though the origins of separation were already apparent in the relationship between the king of England and the English prime minister.

They lived in a universe dominated by the concept of ownership and in which management independent of ownership was unknown. The parallel to government seemed obvious in their minds. Furthermore, they were confronted with an immediate and apparent problem which far overshadowed what could then only be abstract ideas of the distinction between reigning and ruling. They had a nation which was being pulled apart by the centrifugal forces of state pride. Their task was to devise some method by which thirteen quite independent political units could be merged into a collective whole. Their problem was to find some counterweight that would balance forces of disunity and induce Americans to think of themselves as citizens of the United States rather than as citizens of Connecticut, New York, Virginia, or Georgia.

The most practical method of unifying people is to give them a symbol with which all can identify. If the symbol is human, its efficacy is enhanced enormously. The obvious symbol was the president—the man who held the role of commander-in-chief of the armed forces; the man to whom all could pay respect as the first citizen. In short the founding fathers established the presidency as a position of reverence and, as they were truly wise and sophisticated men, their efforts were as effective as human wisdom could make them.

The consequences of this decision were ultimately inescapable although not immediately discernible. In the simple society of the eighteenth-century United States, it was not easy to conceive of the Federal government in terms of grandeur. An Abigail Adams could hang her washing in the East Room; a Dolly Madison could act as a porter, running to safety with important works of art in advance of British occupation; and Andrew Jackson could invite all his frontier friends into the White House for a rollicking party where they could trample the official furniture with muddy boots and pass out dead drunk on the plush carpets of the Oval Room. But even in a nation as close to the realities of the frontier as the United States, a position established to inspire awe and reverence would inevitably pick up the trappings of reverence. And the trappings could not fail to have an effect upon the man whom they served as a buffer against the rest of the world.

Among the fundamental characteristics of monarchy is untouchability. Contact with the king is forbidden except to an extremely few people or as a rare privilege to be exercised on great occasions. The king's body is sanctified and not subject to violation by lesser mortals unless he himself so wishes. He is not to be jostled in crowds; he is not to be clapped on the back; he is not to be placed in danger of life or limb or even put to the annoyance of petty physical discomfort. Nor can he be compelled to account for his actions upon demand.

By the twentieth century, the presidency had taken on all the regalia of monarchy except ermine robes, a scepter, and a crown. The president was not to be jostled by a crowd—unless he elected to subject himself to do so during those moments when he shed his role as chief of state and mounted the hustings as a candidate for re-election. The ritual of shaking hands with the president took on more and more the coloration of the medieval "king's touch" as a specific for scrofula. The president was not to be called to account by any other body (after the doctrine of executive privilege was established). In time, another kingly habit began to appear and presidents referred to themselves more and more as "we"—the ultimate hallmark of imperial majesty.

And, he concludes:

The real question every president must ask himself is what he can do to resist the temptations of a process compounded of idolatry and lofty patriotic respect for a national symbol. By all the standards of past performance, he should be well equipped to face it. As a general rule, he has fought his way up through the political ranks. He has flattered and been flattered—and the mere fact that he has survived to the threshold of the White House should indicate a psychological capacity to keep flattery in perspetive. He has dealt with rich people, poor people, wise men, fools, patriots, knaves, scoundrels, and wardheelers. Had he not maintained his perspective on human beings generally, it is doubtful that he would ever have received his party's nomination.

But the atmosphere of the White House is a heady one. It is designed to bring to its occupant privileges that are commensurate in scope with the responsibilities that he must bear. A privilege is, by definition, a boon not accorded to other people. And to the extent that a man exercises his privileges, he removes himself from the company of lesser breeds who must stand in line and wait their turn on a share-and-share-alike basis for the comforts of life. To a president, all other humans are "lesser breeds."

Furthermore, a president would have to be a dull clod indeed to regard himself without a feeling of awe. The atmosphere of the White House is calculated to instill in any man a sense of destiny. He literally walks in the footsteps of hallowed figures—of Jefferson, of Jackson, of Lincoln. The almost sanctified relics of a distant, semimythical past surround him as ordinary household objects to be used by his family. From the moment he enters the halls he is made aware that he has become enshrined in a pantheon of semidivine mortals who have shaken the world, and that he has taken from their hands the heritage of American dreams and aspirations.

Unfortunately for him, divinity is a better basis for inspiration than it is for government. The world can be shaken from Mount Olympus but the gods were notoriously inefficient when it came to directing the affairs of mankind. The Greeks were wise about such matters. In their remarkable body of lore, human tragedy usually originated with divine intervention and their invocations to the deities were usually prayers of propitiation—by all that is holy, leave us alone.

A semidivinity is also a personification of a people, and presidents cannot escape the process. The trouble with personification is that it depends upon abstraction and, in the course of the exercise, individual living people somehow get lost. The president becomes the nation and when he is insulted, the nation is insulted; when he has a dream, the nation has a dream; when he has an antagonist, the nation has an antagonist.

THE CHIEF OF STATE AMENDMENT

This states the case for an office of Chief of State—to relieve the President of the onerous burden of ceremonial duties, and to demystify the office of the Presidency. The proposed amendment follows:

H.J. RES. —

Joint Resolution proposing an amendment to the Constitution of the United States to create the office of Chief of State to be the ceremonial head of the United States

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, to be valid only if ratified by the legislatures of three-fourths of the several States within seven years after the date of final passage of this joint resolution:

"ARTICLE —

"SECTION 1. The ceremonial head of the United States shall be a Chief of State who shall be the sole officer of the United States to receive ambassadors and other public ministers, and shall do so as recommended by the President.

"SEC. 2. The Chief of State shall be nominated by the President and take office for a term of four years to start at the President's mid-term, upon confirmation by a majority vote of both Houses of Congress. No person shall be Chief of State who shall not have attained to the age of thirty years, and been nine years a citizen of the United States. In the event of a vacancy in the Office of Chief of State, a Chief of State shall be nominated by the President, and, upon confirmation by a majority vote of both Houses of Congress, take office for the remainder of the term of the person holding the office immediately prior to the vacancy.

"SEC. 3. The Chief of State shall reside at the seat of government and receive a compensation at the rate provided by law for the President. The Chief of State shall not receive for the period for which he shall have been appointed any other emolument from the United States, or any of them.

"SEC. 4. Before he enters on the execution of his office, he shall take the following oath or affirmation:—'I do solemnly swear (or affirm) that I will faithfully execute the office of Chief of State, and will to the best of my ability, preserve, protect, and defend the Constitution of the United States'.

"SEC. 5. The Chief of State shall be removed from office on impeachment for and conviction of treason, bribery, or other high crimes and misdemeanors."

EXPLANATORY NOTE

Section 1 describes the office. The Chief of State shall be the ceremonial head of the United States. He shall receive ambassadors and other public ministers, as recommended by the President. This would supplant the present article II, section 3, providing that the President "shall receive Ambassadors and other public ministers."

During the Johnson and Nixon years, ambassadors no longer presented their credentials in individual ceremonies. Instead, they were herded past the Presi-

dent in groups. Congressman JAMES SYMINGTON, President Johnson's Chief of Protocol, writes that this was done "to save the President's time, but is a highly unsatisfactory procedure, as most ambassadors would privately attest." And Wiley Buchanan, the Eisenhower Chief of Protocol, notes:

> There were times, especially in my early days as Chief of Protocol, when I felt that we really ought to make our accreditation ceremony a little more impressive. . . . The truth was that since our Chief Executive was both Head of Government and Head of State, he simply didn't have the time for elaborate ceremony, whereas in other countries where the two functions are separate, more attention can be paid to such formalities.

In addition, the Chief of State could relieve the President of some of the ceremonial burdens inherent in visits by foreign head executives and chiefs of state, now averaging more than 20 a year.

The Chief of State would also have the status necessary to represent the United States at ceremonial occasions abroad, when the President is unable to attend. This would help solve the current diplomatic problem arising when the President must send a lesser official such as a Cabinet member, the Chief Justice of the Supreme Court, or the Vice President, thus risking offense or insult to the host country. A recent example of such a delicate diplomatic situation was the funeral of Chiang Kai-shek. The Chinese were said to be disappointed at the proposed sending of our Secretary of Agriculture: The Vice President was sent instead.

Dean Rusk, the former Secretary of State, has expressed the problems connected with Presidential travel abroad vividly and realistically:

> The President is as mobile as a jet aircraft, but it is not clear that the Presidency is equally so. One can accept the pleasant and necessary fiction that the White House is wherever the President happens to be and still recognize that prolonged absences from Washington impair the effective performance of the office. Unless the President is accessible decisions on important matters are postponed by sympathetic subordinates or settled at the level of the common denominator among the departments and agencies concerned. On his own side, the President will be partially cut off from his cabinet offices, his personal staff, his usual flow of information, the leaders of Congress and of his own party. In addition he cannot act with regard to many of formal and informal aspects of his office. . . . A President must be free to leave Washington, on business or on vacation, but the effect of his absence is greater than his personal staff would have him believe.

Section 2 sets the terms and conditions of the office of Chief of State. Under the amendment, the Chief of State would be nominated by the President and confirmed by a majority vote of both Houses of Congress for a term of 4 years, with no limitation on the number of terms to be served. This 4-year term compares with the 5-year term of the Chiefs of State of Germany, Canada, and Israel.

The term of office would extend from the middle of a Presidential term to the middle of the next Presidential term. Eligibility requirements set a minimum age of 30, the same as for Senators.

The Chief of State must have been a citizen for 9 years. This provision avoids the thorny and perpetually controversial problem of defining a "natural born citizen," a requirement imposed on our President by the Constitution.

Section 3 states that the Chief of State shall reside at the seat of government, and shall receive the same compensation as the President. The President, even though relieved of his responsibilities as head of state, should remain in the White House. That is his traditional residence. Surely a suitable residence with necessary facilities could be found in Washington for the Chief of State.

Section 4 provides the oath of office for the Chief of State, which is essentially the same as the oaths for Presidents and Vice Presidents.

Section 5 states that the Chief of State shall be subject to the same impeachment provisions as the President.

FAIR TRADE LAWS MUST BE ELIMINATED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. RAILSBACK) is recognized for 5 minutes.

Mr. RAILSBACK. Mr. Speaker, early in U.S. antitrust law, vertical price-fixing agreements were condemned in a series of cases ending in *United States* v. *Arnold, Schwinn & Co. et al.*, 388 U.S. 365 (1967). However, resale price maintenance—the specification by manufacturers of prices below which their products would not be sold by retailers—was authorized by most States under the euphemism fair trade and finally granted special exemption from section 1 of the Sherman Act through the Miller-Tydings Resale Price Maintenance Act of 1937. The Miller-Tydings Act exempted from antitrust attack contracts between manufacturers and retailers prescribing minimum prices for the resale of trade-marked or branded commodities where such contracts were authorized by State laws. Dissatisfied with the failure of some retailers to abide by the manufacturers' specified prices, most States added nonsigner clauses making adherence to the prescribed prices binding upon all retailers in the State if any single retailer signed a price maintenance contract with the manufacturer. When the Supreme Court held that Miller-Tydings exempted only the one express contract and not adherence by nonsigners—*Schwegmann Bros. et. al.*, v. *Calvert Distillers Corp.*, 341 U.S. 384 (1951)—Congress passed the McGuire Act permitting the enforcement of price maintenance contracts upon nonsigners where State law so allowed.

The enforcement of resale price maintenance contracts by a manufacturer against both signers and nonsigners is immune from Federal antitrust attack in those States with nonsigner clauses even though the arrangement clearly constitutes vertical price fixing. However, anomalously, any attempt by retailers collectively to enforce a price agreement among themselves is absolutely illegal as horizontal price fixing.

Vertical price fixing results in higher prices to consumers, primarily by eliminating price competion among retailers in sales of a particular manufacturer's product, but also by allowing manufacturers to control the retail prices of their products and thereby discourage competitive price trimming by rival manufacturers. Resale price maintenance protects the margin between retail and wholesale prices from competition. It prevents the sale of products as loss leaders—items sold at low prices in order to attract customers who are expected to purchase other goods from a retailer—which is said to injure manufacturers' reputations for quality products and to injure small retailers who might specialize in products chosen as loss leaders. Neither of these arguments is widely accepted, or strongly supported by evidence. Contemporary customers are not likely to be deceived about the quality of a product by its low price. Further, resale price maintenance deprives consumers of a choice between low-margin prices and high-margin prices accompanied by service. If consumers patronize large-discount retailers and avoid smaller, high-margin retailers, they are demonstrating a preference for the former style of distribution, and to retain fair trade laws would frustrate the market response to that consumer preference and perpetuate a costlier, less efficient system of distribution.

The fair trade laws do not reflect an even balance of economic costs and benefits but have instead been promulgated for the protection of clearly defined interests in accordance with a social policy that has lost much if not all of its original appeal. It is doubtful whether resale price maintenance protects the products' goodwill or preserves the existence of small retailers. It is clear that it increases prices to consumers. This form of legalized price fixing must be stopped. I, therefore, urge my colleagues to support H.R. 6971.

GEN. DANIEL "CHAPPIE" JAMES, JR.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, one of the most distinguished members of the U.S. Armed Forces, and one of my oldest friends, Gen. Daniel "Chappie" James, has recently earned the honor of being nominated the first black four-star general in our Nation's history.

While this honor—the fourth star—is a remarkable achievement for any man or woman, it is especially meaningful to a black man who had to overcome bigotry, prejudice, and jealousy to gain the respect and recognition he commands today.

It has been my pleasure and privilege to have been associated with General James since our days together as fellow officers in Tuskeegee, Ala., where the Tuskeegee Airmen, as we were called, fought for equal rights for blacks in the Army Air Corps.

Mr. Speaker, Mr. William Greider of the Washington Post has written an in-depth portrait of Gen. "Chappie" James which appeared this morning. For the benefit of my colleagues in Congress, it

is with considerable pride that I insert the text of Mr. Greider's article into the RECORD at this time:

[From the Washington Post, July 21, 1975]

AN AMERICAN SUCCESS STORY

(By William Greider)

SCOTT AIR FORCE BASE, ILL.—The general is a man of heavy presence, tall and broad shouldered, with a deep and serious voice, a natural "command voice" that subtly extracts deference from those around him.

So it was a rare moment, listening to this man after hours, over drinks, in the standard red-brick general's house assigned to the base's vice commander. His voice turned soft and rheumy as he stretched out in the lounge chair and sketched word pictures from his past.

"When I was going to school with my mother, we always did shows," he said. "We'd have an Easter operetta, a Fourth of July patriotic blast and I'd have the largest speaking parts."

Lt. Gen. Daniel James Jr., 55, talked about a small boy nicknamed "Chappie" standing on a stage, dressed in a pink tuxedo with white lapels, while his cousin Mabel sang to him a song written by his older sister.

The general's voice shifted to a falsetto imitation of his cousin Mabel and he began to sing:

"Handsome is as handsome does, So the wise man say. Feathers fine may make fine birds. But folks are not that way.

"It's what is in your heart that counts, Deny it if you can; I'm not impressed with how you dress, 'Cause clothes don't make the man."

The general laughed at his own singing. Why, he wondered, do those words stick in his memory after all these years? He was growing up poor in Pensacola, Fla., only he didn't know it. His mother never told him.

The television set in the corner was turned to the evening news, with the sound turned down, when the general's own face appeared abruptly on the screen. The general jumped up to turn up the volume.

A news announcer introduced him: Gen. Chappie James, the first black man in the history of the U.S. military to be nominated for four-star general. The first black man to win four stars in the Air Force, the first in any branch of the armed forces. When the Senate confirms his promotion, he will take charge of the North American Defense Command in Colorado Springs.

On the TV screen, the interviewer was asking Chappie James the same question that has followed him everywhere in his career, the question about racial equality. James gave the same confident answer he always gives.

"We still got another mile to run in that race for equality," the general said in his general's voice. "But we got a lot better track to run on and the trophies at the end are a lot better than they used to be."

James nodded unconsciously, endorsing the words of his filmed image. Some black people, he volunteered, resent that answer. Behind his back, they whisper the familiar put-down word—"token" and "Oreo"—and they talk about Gen. James, the fighter pilot who made it to the top, as though he were a 6-foot-4 puppet of the white man's establishment. Chappie James' "command voice" turned suddenly to an old soldier's growl.

"These young people today," the black general said scornfully, "suffering all these obstacles to equality. B-u-l-l--! Most of their obstacles are illusionary. You can vote. You can go to any school you want to. Most of them are making a career out of being black. They don't know what suffering is."

His tone shifted again, impatient but more sympathetic, almost pleading. "I hate to see kids going back, trying to pretend they have to do this all over again," said. "These black kids aren't fighting any battles today—they're going back over plowed ground. All they need to do is solidify the gains that have been made."

James was there when the racial barricades were still up and, in his own way, he helped to push them down. He attended segregated schools and sat in the back of the bus. He entered the Army Air Corps when black cadets were carefully kept apart, when black officers couldn't get a drink in the white officers' club. James was there when the now celebrated "Tuskegee Airmen" and other black servicemen staged their frontal protests against Jim Crow in the midst of World War II, the agitation and demonstrations that some scholars believe were the seedbed of the civil rights movement.

On one level, his career is a striking measure of how much America has changed in a generation, how very far it has come from rigid caste system into which he was born. In another way, however, the success of Chappie James is an ordinary story in an old tradition—a strong-hearted mother, stern father, a home in which he learned upward American values: hard work, ambition, honesty, the precious rewards of education.

James is a complicated man. He comes on belligerently orthodox in his values, yet boyishly sweet in his gratitude to family. Faintly bitter in his memories of Jim Crow, but reluctant to dim the glow of success by recalling those shadows. Proud of that time when black officers stood up to defy the established order, yet mildly embarrassed, now that he is one of those in authority, to remember the time when he struggled against its abuses.

Chappie James would rather talk about his mother and father, both dead now. His parents had 17 children, 10 of whom died before their last son, Daniel Jr. was born in 1920.

They lived in a small frame house on North Alcaniz Street in Pensacola, which, unlike the streets in the white neighborhood four blocks away, was unpaved and without street lights. "They just called it the sandbed," James remembered, "because that's where the pavement stopped. I remember pop trucks would get stuck down there and kids loved that. We'd run up and grab pop. If my mother caught me, I'd get it. That's one thing, we didn't steal and we didn't lie."

His father worked first as a lamplighter, then in the gas plant, pushing a coal dolly. As a boy, the general ran down to the gas plant to deliver his father's hot lunch. If the food was cool, dad knew that Chappie has stopped to daydream on the way.

"They used to say I was the baby," James said, "but I remember getting my whacks. It was pretty tough standards all the way through. Lots of love from Mom, lots of love. Dad, he was a tough taskmaster."

The general's mother, the daughter of New Orleans servants, fixed her life on education. She had a high school education, but she concluded that the segregated "colored school" in Pensacola was not good enough for her children. So she started her own school.

The Lillie A. James School at 1606 North Alcaniz St. started with her children, then grew to as many as 70 children as neighbors asked her to take theirs, too. Tuition was a nickel a day for those who could pay. Others attended on credit, which had more dignity than charity.

"I don't ever remember being hungry or raggedy," James remembered. "We were middle class in that time. As Bill Cosby says, we were poor but we didn't know it. We worked hard. We were never on welfare, I'll tell you that."

Lillie James taught her children a great deal more than reading and writing. Today, when Gen. James makes speeches before young black people, as he often does, his preaching echoes his mother's sermons.

"My mother used to say, "Don't stand there banging on the door of opportunity, then when someone opens it, you say, wait a minute, I got to get my bags. You be prepared with your bags of knowledge, your patriotism, your honor, and when somebody opens that door, you charge in.' "

And: "For you, my son, there is an 11th commandment: thou shall not quit."

And: " 'Prove to the world that you can compete on an equal basis.' "

And: "See to it that your children get a better education than you got.' "

And: " 'Don't go somewhere else looking for your piece of the pie. Your piece is right here. You're an American, you're not an African and don't you listen to any of this stuff about niggers going back to Africa. You answer: "I didn't come from Africa. I came from 1606 North Alcaniz Street, Pensacola, Fla.' "

If those articles of faith strike some of his present-day audiences as naive or simplistic, James reminds them that faith in the future was about all that American blacks had going for them when he grew up.

When James went off to study at Tuskegee Institute in Alabama, he thought he would become an undertaker, one business in which segregation by race was not a barrier to success. But he also wanted to fly.

"Pensacola was the Navy's main training base for fliers, the sky was full of airplanes everyday and naturally as a young man. I wanted to fly," James said. "I didn't want to go into the Navy, although that was my first love, because I wanted to fly. I didn't want to cook," the task of many blacks in the Navy then, he said.

Even after the Army Air Corps began gingerly to accept young black men for flight training (an elite of the best educated, most ambitious recruits), they were kept apart, training at Tuskegee in everything from Piper Cubs to P40s. "It was a helluva traffic pattern," said James, who was commissioned in the summer of 1943. "With all the different speeds, surviving was a big thing."

After training at Tuskegee, the "Tuskegee Airmen" were transferred to different bases. Some went to Europe and flew combat with the 99th Squadron. Others went on to train in bombers and cargo planes. But they were always kept together, segregated, a black air force fighting for democracy both at home and abroad.

At Selfridge Air Force Base in Michigan, where James was assigned, the airmen encountered separate facilities for white officers and black, despite military regulations prohibiting segregation on bases.

The black officers, after a while, decided to change things. They started going to the white club. The club would close. When it reopened, they went back, again and again.

What started small was building to a crisis when the black airmen were abruptly transferred to other air bases—all in the South where they might be less eager to confront Jim Crow.

But, notwithstanding official threats that they could be accused of mutiny in wartime, the protests continued. At Godman Field, next to Ft. Knox, Ky., James and the others tried again to enter the white clubs. One of the aggressive leaders among them was a young labor organizer from Detroit named Coleman Young, who today is mayor of Detroit.

"They shipped the bomber group to Freeman Field at Seymour, Ind.," Young remembered, "and took the noncommissioned officers club and gave it to the black officers. We had determined to do the same thing. They read an order warning us that we would be arrested and court-martialed if we tried to enter the [white] club.

"I was in the first wave arrested, then we

persuaded others. The damn thing started to escalate and pretty soon every black officer on the place was marching on the officers club, demanding to be arrested."

That was April 5, 1945, and 101 black airmen were arrested, charged with mutiny, treason, disobeying an order, and conduct unbecoming an officer. One of the "barracks lawyers" among them was a bright young law student from Philadelphia, William T. Coleman, who is now Secretary of Transportation. James remembers "Bumps" Coleman as a curbstone strategist:

"Coleman was smooth. He said, 'If you guys don't go too far, you listen to me, you won't get locked up.' So we listened to him and we got locked up. Next day, he came in and says, 'You guys went too far. But, don't worry, I'm going to get you out.'"

The "101" were flown back to Ft. Knox under guard and confined in their old barracks—with a new barbed-wire fence and armed MPs outside. But the nation hardly noticed. One week after the mass arrests President Franklin D. Roosevelt died and the Air Corps' embarrassment was obscured by the nation's grief.

It is a small point, perhaps, but some others in the "101" do not remember that Chappie James was one of those arrested. They do not remember that his name is on the list, which has become something of a latter-day honor roll.

But Coleman Young remembers that Lt. James aided the group in another way. James was piloting daily courier flights from Ft. Knox in a C-47 and he helped spread the word to the black press and official Washington that 101 black officers had stood their ground against segregation, almost unnoticed. Coleman Young would dictate press releases to a black orderly with a typewriter and would slip them through the fence to James, who would deliver them to newspapers in the East.

"Coleman would get the stuff out to me," said James, laughing at the memory, "and I'd drop it off in the big cities. Boy, they'd have killed me if they'd known I was doing that—using military aircraft."

The Army put three men on trial in July, 1945, and all were acquitted. One defense lawyer, sent in by the NAACP, was Thurgood Marshall, now Justice Marshall of the Supreme Court. Another was Theodore Berry, now mayor of Cincinnati. After the acquittals, the other charges were dropped and the men continued on their careers, in and out of the service.

Chappie James stayed in, though he remained at the rank of first lieutenant for more than six years, perhaps because of the shadow of that earlier episode, perhaps because promotions were scarce in those postwar years. President Truman, meanwhile, issued the historic 1948 order integrating all of the armed forces.

In Korea, where he became Air Force Capt. James, he flew 101 combat missions. He bailed out once, was picked up by helicopter and was back up in the air flying the same day. He also was living what his mother taught him about competing on an equal basis.

"Over a few beers, I've even had white guys say they like me, but you can keep all those others," James said. "They respect me. They've seen me roll in on that target when the flak was heavy, just like they did, and come scooting out the other side. They respect me."

As a colonel, James flew combat again in Vietnam, 78 missions, and led the 8th Tactical Fighter Wing. On one sweep over Hanoi, it destroyed seven MIGs, the highest total kill of any mission during the Vietnam war. On another day, he flew back to Thailand with 52 holes in his plane. He also was noticed by Washington—a black combat pilot willing to stand up for the war, for the government, for the flag. James won his first star in July, 1970, and, under the sponsorship of former Defense Secretary Melvin R. Laird, he has gotten an additional star every summer since. The steady promotions rankle some white officers who didn't get them, but others figure that James is just catching up for the lost time of the Jim Crow years.

His appointment is 1970 as assistant secretary of defense for public affairs made him a "name" in Washington and he still travels widely for speaking engagements, trying to convince young blacks that "equal opportunity" is a reality in the armed services, that the door is open.

His four stars, he said, are "important to me in the largest sense, the effect it will have on some young kid on a hot sidewalk in the ghetto, where I was as a youngster, needing an inspiration to show that better things are possible."

And, though he did talk about them, James would just as soon forget those earlier days when black officers were treated as different and conflict with authority ensued. "I hate to think of that time," he said. "It makes me bitter at a time of life when I ought to feel good."

REPORTING REQUIREMENTS IMPOSED BY EMPLOYEE RETIREMENT INCOME SECURITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 15 minutes.

Mr. VANIK. Mr. Speaker, last year, the Congress finally enacted long-needed legislation to provide better supervision of the Nation's private pension plans and to protect workers from loss of retirement income because of failures in these plans.

In an effort to provide supervision and obtain necessary data to administer the new law, a number of reporting requirements were included. In recent months, there has been a growing concern by pension managers about the volume of reporting paperwork required by the new law.

It would be my hope that the volume of paperwork could be held to a minimum consistent with the Government's need for information to determine the true health of various pension plans and to guarantee the pension income of America's workers.

At the suggestion of Representative SAM GIBBONS, the Oversight Subcommittee of the House Ways and Means Committee has obtained the assistance of other agencies in determining the status of the act's reporting requirements and what steps are underway—and not underway—to consolidate and coordinate reporting requirements wherever possible.

Following is an up-to-date description of the reporting requirements required by the Department of Labor, the IRS, and the Pension Benefit Guaranty Corporation and the status of the report forms:

	IB brief description of reporting requirements	General act. first filing date	Form	Regulation
DEPARTMENT OF LABOR				
Plan description	Description of plan including names and addresses of administrators, provisions of collective bargaining agreements and procedures for eligibility, nonforfeitable benefits, disqualification, financing, and claims.	Apr. 30, 1975	EBS-1, mailed (subject to change).	Public comment until July 9, 1975; filing postponed until May 30, 1976 (interim Aug. 30, 1975).
Summary plan description	Same as plan description, written to be understood by plan participants	do		As above.
Plan modification or change	Any material modification in terms of plan or change regarding contents of plan description.	60 days after amendment.	EBS-1, mailed	Do.
Annual report	Certified financial and actuarial statements, statement of assets plus liabilities, change in assets and liabilities regarding benefits, fiduciary identification and reasons for change, number of employees, names of persons receiving compensation, amount and relationship to plan.	July 30, 1976	Under development	Under development.
Terminal report	Not specified	Not specified	do	Do.
IRS				
Appl. for determination of qualification.	Evidence that each employee has been notified, other information as prescribed by regulation.	do	Defined contribution and employer or employee sponsored IRA's issued, others under development.	Undergoing amendment or development.
Annual registration	Information on separated participants deferred vested benefit	do	Under development	Under development (filing will be in calendar 77).
Annual return	Information on tax qualifications, financial conditions and plan operations as prescribed by regulation.	May 15, 1976	do	Under development.
Notice of change of status	Change in plan name, address of administrator, plan termination, merger, consolidation or division or liabilities.	Not specified	do	Do.
Periodic report of actuary	Description of funding method and assumptions, actuarial certifications, re: full funding, reasonable and accurate, other information as required.	do	do	See DOL annual report.
Trustee report of IRA	Information including contributions, distributions as required by regulation	do	do	Under development.

IB brief description of reporting requirements		General act. first filing date	Form	Regulation
PBGC				
Notice of intent to terminate	Notice of the occurrence	10 days prior to occurrence.	do	Initial issued, interim under development.
Terminal report	Not specified, DOL requirement	Not specified	do	Under development.
Notice of reportable events	Amendments causing benefit reduction, 20 percent to 25 percent drop in participants, plan inability to pay benefits, plan merges, consolidates, or transfers assets, distribution to substantial owner; and others to be specified.	W/in 30 days of occurrence.	do	Do.
Notice of withdrawal substantial employer.	Notice of withdrawal, request for PBGC to determine liability of employer	W/in 60 days of occurrence.	do	Do.
Notice of withdrawal 20 percent employees.	Employer treated as withdrawing substantial employer	do	do	Do.
Annual report	Identity of plan and administrator, statement disclosing reportable events, notification of any withdrawal.	Mar. 2, 1976	do	Do.
Premium payment	Insurance premium to PBGC	Oct. 2, 1974	PBGC-1	Issued, will be revised.

It is obvious from the size of the above list that consolidation and coordination is essential. Following is a listing—which is subject to change at any time—of how each of the agencies involved plans to coordinate reporting requirements internally:

IIA SUMMARY OF PROPOSED ERISA REPORTING REQUIREMENTS WITHIN DOL, IRS AND PBGC

(Indented Items Will Be Included Within Numbered Items)

DOL/OEBS

1. Plan description.
   Plan mod. or change.
2. Summary plan description.
3. Annual report.
   Terminal report.

IRS/EP/EO

1. Appl. for determ. of qual.
   Initial and amendment.
   Termination.
   Actuarial stm't of merger.
2. Annual return of plan.
   Periodic report of actuary.
   Annual registration.
   Notice of change of status.
   Employer's report.
   Trustee report of IRA's.

PBGC

1. Preminum payment.
2. Reportable events.
3. Annual report.
4. Notice of intent to terminate.
   Term data needs.
   Terminal report.

Thankfully, attempts are also being made to coordinate reporting requirements between the three agencies. The House Education and Labor Committee has already done a great deal to improve the administration of this program. For example, there appears to be good cooperation between the Department of Labor, the IRS, and PBGC to consolidate termination reports. However, the PBGC feels that it needs additional termination data and the consolidation in this area is by no means complete. In another area, the annual reports required by Labor and IRS will probably be consolidated. On the other hand, there has been a failure to date to coordinate the original application or plan description between Labor and IRS. This is a major area of potential savings which should be considered. In addition, there are indications that PBGC is having difficulties consolidating its requirements concerning annual reports, reportable events, and premium payments.

Because of the significant administrative costs which can be created for these private pension plans and which is thereby lost to the enrollees and because of unconsolidated reporting requirements, the Oversight Subcommittee will be attempting to determine whether the level of coordination by the IRS can be improved and expanded.

While the subcommittee's staff will be primarily dealing with the agencies involved, we welcome any reporting simplification proposals from interested parties. Proposals for improvements in the reporting requirements of Public Law 93-406 should be forwarded to the Oversight Subcommittee, House Ways and Means Committee, 1539 Longworth House Office Building, Washington, D.C., 20515; AC 202—225-2743.

REPORT ON CYPRUS REFUGEES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, the Senate Subcommittee on Refugees, chaired by the distinguished senior Senator from Massachusetts, Mr. KENNEDY, last week issued a report on the condition of refugees on Cyprus.

The report states that—

Since Turkey's invasion and occupation of Cyprus one year ago . . . over 200,000 people—a third of the population—mostly Greek Cypriots, remain in need of humanitarian assistance.

Mr. Speaker, the so-called Cyprus question involves not only a dispute over the use of American arms by Turkey in violation of conditions mandated by U.S. law. It also involves the continuing suppression of over 80 percent of the island's population by the Turkish occupation force.

Later this week, Mr. Speaker, Members of the House will have an opportunity to cast a vote on these issues. In the meantime, I would urge every Member to read the Senate report to which I have referred, and I include at this point in the RECORD the preface to the report by Senator KENNEDY.

PREFACE TO REPORT ON CYPRUS PREPARED FOR THE SENATE SUBCOMMITTEE ON REFUGEES

(By Senator EDWARD M. KENNEDY, Chairman)

Since Turkey's invasion and occupation of Cyprus one year ago, tragically little has changed for the beleaguered people of the island—politically, diplomatically, and most importantly, in human terms. One year after the invasion of Cyprus, over 200,000 people—a third of the population—mostly Greek Cypriots, remain in need of humanitarian assistance as refugees, as people in distress or as families torn apart by the effects of war and partition.

PURPOSE OF REPORT

The purpose of this report is to up-date the findings and recommendations of a Subcommittee Study Mission dispatched to the region last autumn to assess, first hand, the human and political tragedy created by the Turkish invasion and occupation of the island. It is sad proof of the total lack of progress over the Cyprus issue, as well as a tragic comment on the failure of American diplomacy, to note—one year later—that the essential findings of the Study Mission's report stand as true and as real today as they did when they were written many months ago. It is hoped that this up-dated report will serve as another reminder to the Congress and the American people as to how little things have really changed for the unfortunate people of Cyprus.

REPORT OF OCTOBER, 1974

As I wrote in the preface to the Study Mission's report last October:

"The Turkish invasion turned the island into shambles. In political terms, it violated the integrity of an independent state. In economic terms, it shattered the island's flourishing economy. And in human terms, it brought personal tragedy to thousands of families—and turned half the population into refugees, detainees, or beleagured people caught behind ceasefire lines.

"In too many quarters—including our own Government—the human dimensions of the Cyprus crisis, and the plight of Cypriot civilians, has taken second place to the political and military issues at stake—and to the special interests of those who have much to lose or to gain by the outcome of the conflict. But the civilians of Cyprus—both Greeks and Turks—also have interests. And for hundreds of thousands, recent weeks have been a nightmare of death and tragedy and grief."

NO PROGRESS SINCE OCTOBER

Regrettably, during the many months since these words were written, the plight of the Cypriot people continues to take second

place to political and military issues. Once again, the President is asking Congress to provide more military aid to Turkey, rather than asking for the return of refugees to their homes. Once again we are being asked to "compromise" with Turkey, despite the recognized lack of progress in negotiations, and despite any sign of goodwill or flexibility from Turkey in responding to basic humanitarian issues—such as allowing the free movement of people—let alone the resettlement of refugees to their homes. Indeed, senior officials at the Department of State continue to admit that nothing has really changed on Cyprus one year later.

Despite the continuing and almost total absence of progress toward reaching a settlement, we have repeatedly, over the past many months, been assured by Department of State spokesmen of optimistic signs for "moving the parties involved on Cyprus to early negotiations." Those were, for example, the words written in a letter to me by the Department on November 22, 1974. Several weeks later, on January 6th, Secretary Kissinger echoed similar optimism in a letter responding to an inquiry by four members of the Refugee Subcommittee. The Secretary stated: "Fortunately, some progress has been made in recent weeks toward getting substantive negotiations underway."

FIRST ANNIVERSARY OF TURKISH INVASION

Yet, today, on the first anniversary of the Turkish invasion, we have yet to see any meaningful negotiating posture on the part of Turkey nor any new developments in the field to match the continuing optimism of Administration spokesmen. *If* "progress" means the shuttling of our diplomats around the globe, the occasional meeting of Turkish and Greek and Cypriot diplomats, or even the regular contacts of the two Cypriot communities in Nicosia and Vienna—then such "progress" is hollow, since it has not brought positive developments in the field, such as the return of some refugees to their homes or the beginning of a return to economic normalcy. These are the true indicators of progress—not more talk that leads nowhere. And these indicators of progress on Cyprus, must also be our benchmarks in assessing whether military assistance to Turkey should be resumed.

PLIGHT OF REFUGEES IGNORED

Instead, we no longer hear but incidental reference made by the highest leaders of our nation to the problems on Cyprus. In fact, we rarely hear Cyprus mentioned at all in the context of the renewed debate over our nation's policy toward Turkey—as if the crisis on Cyprus had no relationship to the original action of Congress, or to the original concern of the American people.

We no longer hear reference made to over two hundred thousand refugees and others displaced from their lands, their homes, or their sources of livelihood, many of whom lack employment and subsist on government hand-outs.

We no longer hear much concern over the restoration of the full independence and sovereignty and territorial integrity of Cyprus.

We no longer find Administration spokesmen speaking of the need for "gestures of goodwill" on the part of Turkey.

We no longer see much effort to secure the implementation of United Nations resolutions on Cyprus—resolutions supported and voted for by our government.

In fact, we rarely hear the President, the Secretary of State, or other high Administration officials speak of the problems on Cyprus—muchless about the urgent plight of tens of thousands of Cypriot refugees. Rather, we hear only about Turkey—of U.S. bases, of strategic concerns in the Eastern Mediterranean, and about Turkish sensitivities.

These strategic concerns are clearly important, as are our relations with Turkey. But what of our relations with our other NATO ally in the Eastern Mediterranean—Greece? And what of the plight of homeless people? And what about respect for law and our nation's long-standing opposition to military intervention and blatant aggression?

DE FACTO PARTITION OF CYPRUS

Are we to condone the invasion and occupation of Cyprus by simply forgetting about it? Are we to condone the nibbling away of an independent state simply by no longer speaking of it? Are we to condone the human tragedy brought about by the illegal use of American supplied weapons by sending more? And are we to stand silent in the face of our continued failure to condemn the Turkish invasion, unrelenting occupation, and de facto partition of an independent nation?

I believe the American people expect better of their government, and this is clearly reflected in the renewed debate in Congress. The time is long overdue for the President and members of the Administration to show greater evidence of concern and action over the human and political tragedy of Cyprus.

The people and nation of Cyprus—and, indeed, of Greece and Turkey—still remain on the brink of new conflict and even greater tragedy. Our government's policy bears a special responsibility. This is so not only because of past omissions in our diplomacy, and our consistent support of the Turkish position, but also because of the President's insistence on maintaining a business-as-usual attitude toward military shipments to Turkey. It is so because we have let our diplomacy ignore the urgent and legitimate right of refugees to return to their homes in safety, and in peace.

There is still time for us to rescue our foreign policy from a course that is disastrous to our best traditions and interests in the Eastern Mediterranean—if only we are to act.

BINGHAM INTRODUCES LEGISLATION TO END GOVERNMENT CENSORSHIP BY INJUNCTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 10 minutes.

Mr. BINGHAM. Mr. Speaker, the most historic case before any court of the United States this year has almost certainly been *Knopf* v. *Colby*, 509 F2d 1362, the second chapter of the constitutional crisis first addressed in *U.S.* v. *Marchetti*, 466 F2d 1309 (4th Cir., 1972). The case is a painful first in the history of the first amendment—the first and only time that a court has used the power of the injunction to assist the Government in restraining the exercise of basic first amendment freedoms. In the language of the lawbooks, the two Marchetti cases effected a "prior restraint" on both freedom of the press and freedom of speech. To use blunter language, the case involves the unprecedented censorship of a book by the Government.

It is ironic that both U.S. against Marchetti and Knopf against Colby have been refused the attention of the U.S. Supreme Court. By turning down the petitions for writs of certiorari in these cases, the Court has left standing as the law opinions by the Fourth Circuit's Judge Haynsworth which are patently repugnant to the first amendment. I believe that a review of the facts of the entire case, and of the historic principles involved, will make it clear that Judge Haynsworth's opinions in U.S. against Marchetti and Knopf against Colby are a major blot upon the first amendment, one that can and must be reversed by appropriate legislation.

THE CASE

Victor L. Marchetti was employed by the CIA in October 1955. He resigned from the Agency in September 1969, after having held posts that included that of Special Assistant to the Deputy Director.

Following his resignation from the CIA, Mr. Marchetti signed a contract with Alfred A. Knopf to write a nonfiction book about the CIA. This book was finally published by Knopf, in 1974, under the title "The CIA and the Cult of Intelligence." The 168 deletions that so prominently mar that book are testimony to the success of 3 years of litigation by the U.S. Government and the CIA, which diligently pursued the aim of censoring Marchetti's book. The Haynsworth decisions in the Marchetti cases are the legacy of this massive effort to gain judicial approval of governmental censorship.

Litigation in the case was begun on April 18, 1972, when the United States went into court to request temporary injunctive relief—which later became permanent—against the real or imagined threats posed by Marchetti's writings. The permanent injunction that was eventually issued against Marchetti is as extraordinarily broad as it is unprecedented. It required then—and still requires now—that Marchetti submit to the CIA "any manuscript, article or essay, or other writing, factual, fictional, or otherwise, which relates to or purports to relate to the Central Intelligence Agency, intelligence, intelligence activities, or intelligence sources of methods"; and it authorizes the Director of Central Intelligence, within 30 days, to order deleted "any classified information relating to intelligence activities, (and) any classified information concerning intelligence sources and methods." The injunction exempts from its scope classified information which has been placed in the public domain by the United States.

This first round of litigation in the Marchetti case was conducted in the shadow of the Pentagon Papers case, *New York Times Co.* v. *U.S.*, 403 U.S. 713 (1971). There, of course, the Supreme Court had explicitly refused—on first amendment grounds—to enjoin the publication of highly classified documents by the New York Times and the Washington Post. Stressed the Court in its per curiam opinion—quoting *Bantam Books, Inc.* v. *Sullivan*, 372 U.S. 58, 70 (1963)—

> Any system of prior restraints of expression comes to this Court bearing a heavy presumption against its constitutional validity.

Both the district court and the court of appeals, however, in U.S. against Marchetti, gave barely a nod in the direction of N.Y. Times against U.S. What distinguished the Marchetti case, said the Court, was the fact that Marchetti had signed a contract with the CIA in which he had agreed never to make public classified information which he had

come across while employed by the CIA. The district court had stated the matter directly:

In the opinion of the Court the contract takes the case *out of the scope of the First Amendment;* and, to the extent the First Amendment is involved, the contract constitutes a waiver of the defendants' rights thereunder. It is these documents that the Court feels distinguish this case from *New York Times Co. v. U.S.*, 403 U.S. 713 (1971), and render it *no more than a usual dispute between an employer regarding the revelation of information obtained by that employee during his employment.* Consequently, there is no prior restraint and no such heavy burden on the United States to show irreparable damage to the country as was imposed by *New York Times.*

Round One ended with the Supreme Court refusing certiorari, 409 U.S. 1063—three Justices dissenting. The fourth circuit's opinion stood: the Government could henceforth make use of court injunctions to censor books prior to publication. Twenty years after signing a secrecy agreement, a former government employee could and would find himself unprotected by the first amendment.

The absurdity of attempting to fashion a watered-down version of first amendment rights based on waivers, creating a legal territory on which free speech cases suddenly find themselves transformed into "no more than a usual dispute" over the provisions of a contract, has been amply illustrated by round 2 of the Marchetti controversy. Together with Jonathan Marks, Marchetto completed his CIA manuscript for Knopf. Pursuant to the injunction, he then submitted the manuscript for censorship to the CIA. The CIA originally made 339 deletions; these were later negotiated down to 225, and then again to 168.

Objections to these 168 cuts were the basis for the proceedings that have now produced the Byzantine logic of Knopf versus Colby.

The district court upheld only 28 of the CIA's 168 deletions. It found that in the other 140 cases, there was no persuasive evidence that the material had actually been classified. Said the Court:

The decision as to each item here in question by an individual Deputy Director seems to have been made on an ad hoc basis as he viewed the manscript, founded on his belief at that time that a particular item contained classifiable information which ought to be classified.

It should be noted that the district court was asserting no constitutional right on behalf of Knopf and Marchetti in its decision. Rather, it was merely finding that as a matter of fact 140 of the CIA's deletions dealt with material that the CIA could not show was classified, and which thus—under the decision of the court of appeals—could not be deleted.

The court of appeals reversed these findings of fact. In order to justify this reversal, Judge Haynsworth enunciated in his opinion a hitherto undiscovered lynchpin of constitutional law, known as the "presumption of regularity" in the decisions of governmental officials. Given this presumption, said the court, the Government did not need to show any actual proof that a piece of information had actually been classified; rather, it had merely to argue that the information was "classifiable," and that it was contained somewhere in a document with a classification stamp on it. Actual evidence, though "nice," is unnecessary, said the court. It was from this basis that Judge Haynsworth proceeded to detail the nature of the Government's "burden" in such a case as Marchetti's. Not surprisingly, he found that the Government had met that "burden" in each of the 168 instances where it was attempting to do so.

Other peculiar exercises indulged in by Judge Haynsworth in Knopf are now also on the verge of being incorporated into our venerated first amendment. The original injunction against Marchetti did not include a prohibition against publishing material that had entered the public domain. Marchetti, Marks, and Knopf claimed that 74 items among the 168 deletions had been discussed publicly, and showed this at trial with congressional hearings, newspaper and magazine articles, and a transcript of a television program. Public domain? No, said the district court, in a ruling that the court of appeals affirmed; no, despite the fact that "It does, of course, put Marks and Marchetti in a position of being unable to write about matters that everyone else can write about." The court of appeals elaborated:

Rumors and speculations circulate and sometimes get into print. It is one thing for a reporter or author to speculate or guess that a thing may be so or even, quoting undisclosed sources, to say that it is so; it is quite another thing for one in a position to know of it officially to say that it is so.

In other words, "highly sensitive" information can be bandied about by the press only so long as the American public entertains some doubt as to its authenticity. Cross the barrier between "rumors and speculations" and facts, however, and you leave the first amendment behind.

Such surprises abound in the jurisprudential territory opened up by Knopf; behind every news-stand there lurks a censor, equipped with a "presumption of regularity." As a final instance of this, let us take the court of appeals' reversal of the district court on the issue of whether Marchetti could publish information "which was either learned by them outside of their employment or was learned both during their employment and afterwards and would have been learned afterwards 'in any event.'" The district court held that as a matter of fact, seven deleted items fell within this category; as a matter of law, it held that these items could be published, since the secrecy agreement in Marchetti's employment contract—which was the basis for the original injunction—quite clearly did not cover matters learned of after the termination of Marchetti's employment. The court of appeals agreed with the latter point of law, but rendered it meaningless with another presumption. Said Judge Haynsworth:

Regardless of the District Court's finding of fact, neither (petitioner) should be heard to say that he did not learn of information during the course of his employment if the information was in the Agency and he had access to it. At least, a substantial presumption should be raised against him.

Rather than continuing to plunge down through this Kafkesque abyss of lamb-like burdens and maniacal presumptions, I shall cut off discussion of Judge Haynsworth's opinion: given the presumption of an after-life, it is clear that the eloquence of Justice Black's outraged ghost must be drowning out my own words anyway. So that I here retreat from the perils of Knopf against Colby, to return to the more familiar principles of the first amendment; based upon a discussion of these principles, I believe, a reasonable approach to the problem of security secrets versus the first amendment can be suggested.

PRIOR RESTRAINT AND THE FIRST AMENDMENT

The first amendment's strictures upon prior restraints directed against freedom of the press and of speech are so elementary to our constitutional Government that they hardly require any detailed review. Justice Black wrote:

Both the history and the language of the First Amendment support the view that the press must be left free to publish news, whatever the source, without censorship, injunctions, and prior restraints. *New York Times Co. v. U.S.*, 403 U.S. 713, 715.

Wrote Justice Douglas, citing the definitive modern treaties on the first amendment (Zachariah Chafee's "Free Speech in the United States" (1941), and Thomas Emerson's "The System of Freedom of Expression" (1970)):

It is common knowledge that the First Amendment was adopted against the widespread use of seditious libel to punish the dissemination of material that is embarassing to the powers that be.

The landmark case in the development of the law of prior restraint is, of course, *Near* v. *Minnesota*, 283 U.S. 697 (1931). Chief Justice Hughes' opinion there definitively stated what a reading of history already revealed: that the "chief purpose of (the First Amendment's) guarantee (is) to prevent previous restraints upon publication." *Near* v. *Minnesota*, supra, at 713. In speaking of the Near case, Chief Justice Hughes justified "the immunity of the press from previous restraint" in terms that are as applicable to the Marchetti case as they were to the Pentagon Papers case, or *Near* v. *Minnesota* itself:

While reckless assaults upon public men, and efforts to bring obloquy upon those who are endeavoring faithfully to discharge official duties, exert a baleful influence and deserve the severest condemnation in public opinion, it cannot be said that this abuse is greater, and it is believed to be less, than that which characterized the period in which our institutions took shape. Meanwhile, the administration of government has become more complex, the opportunities for malfeasance and corruption have multiplied, crime has grown to most serious proportions, and the danger of its protection by unfaithful officials and of the impairment of the fundamental security of life and property by criminal alliances and official neglect emphasizes the primary need of a vigilant and courageous press . . . The fact that the liberty of the press may be abused by miscreant purveyors of scandal does not make any the less necessary the immunity of the press from previous restraint in dealing with official misconduct.

Whether any circumstances can justify the imposition of prior restraints on the press has been a topic of hot debate. The range of language in the Times against United States case indicates the significan differences of opinion on the question. The per curiam opinion of the Court hedged, stating merely that any system of prior restraints "comes to this court bearing a heavy presumption against its constitutional validity," (citing "Bantam Books," *Inc.* v. *Sullivan*, 372 U.S. 58, 70 (1963)), and that with regard to any restraint, the Government "carries a heavy burden of showing justification." Justices Black and Douglas went further. Justice Douglas asserted:

> The First Amendment "leaves . . . no room for governmental restraint on the press.

Justice Brennan, on the other hand, identified "a single, narrow class of cases in which the first amendment's ban on prior judicial restraint may be overridden—such cases may arise only when the Nation "is at war," *Schenck* v. *United States*, 249 U.S. 47, 52 (1919), during which times "no one would question but that a government might prevent actual obstruction to its recruiting service or the publication of the sailing dates of transports or the number and location of troops." *Near* v. *Minnesota*, 283 U.S. 697, 716 (1931)." Justice Stewart stated the matter negatively. He wrote:

> I am convinced, that the Executive is correct with respect to some of the documents (the Pentagon Papers) involved. But I cannot say that disclosure of any of them will surely result in direct, immediate, and irreparable damage to our Nation or its people. That being so, there can under the First Amendment be but one judicial resolution of the issues before us.

It is important to note that all of those opinions in the Times case which indicated that some prior restraint might be justified, stated that the government's case against publication of the Pentagon papers was substantially weakened by the absence of any relevant legislation by Congress. Justice White wrote:

> At least in the absence of legislation by Congress, based on its own investigations and findings, I am quite unable to agree that the inherent powers of the Executive and the courts reach so far as to authorize remedies having such sweeping potential for inhibiting publications by the press.

Interestingly, those in accord with this position include—or at least did once include—Mr. William Colby. The CIA's Director has sought in the past, and continues to seek, legislation which would criminalize the disclosure of classified information, and which would provide the CIA with the authority to seek injunctive relief against such disclosures. In a letter introduced at trial during the Marchetti case, Colby conceded that no authority to seek suitable injunctive relief currently exists:

> Prevention of disclosure in order to avoid serious damage to the intelligence collection effort better serves the national interest than punishment after disclosure; however, *there is no existing statutory authority for injunctive relief*. (Emphasis added.)

It would certainly be interesting to know at what point the Government decided that old-fashioned contract law could be fashioned into an adequate substitute for the explicit "statutory authority for injunctive relief" whose absence Mr. Colby once viewed with such concern.

What I propose today is that the Congress make available suitable injunctive relief in a specifically defined range of cases. By carefully and narrowly defining that range, we will eliminate such unwarranted and lawless use of prior restraint as was approved by the fourth circuit in the Marchetti case. At the same time, we may expedite the lawful handling of cases where a matter seriously affecting the national security is legitimately involved.

PROPOSED LEGISLATION

The first purpose of legislation on prior restraint must be to eliminate from our law the false distinctions and destructive judicial doctrine that have been thrust upon us by U.S. versus Marchetti and Knopf versus Colby. Foremost among these is the Fourth Circuit's bizarre notion that the existence of a "secrecy agreement" is both a constitutional and a sensible way to determine whether or not an injunction may issue to suppress a particular piece of news. That idea, I submit, makes as little sense from a policy point of view as it does from a historical viewpoint; its practical consequences are as unsound as its tortured construction of the first amendment.

Perhaps the best way to dramatize this is to compare the important facts in the Marchetti case with those involved in the Pentagon Papers case. Aside from the secrecy—and there are indications that such a contract, signed by some party in the chain of communication of the Pentagon Papers, might have been unearthed if only the contract enforcement argument had been cooked up in time by the Government—there are only two primary distinctions between the two cases. The first is that the Times had in hand the "stolen" documents that it sought to publish, whereas Marchetti retained only his memory of events; and the second is that the Times published top secret documents in their original form, as opposed to publishing a manuscript created without actual reference to such documents. The factual distinctions would seem to make out a stronger case for suppressing the Pentagon Papers than Marchetti's book. Yet the opposite result was reached, and the doctrine propounded that classified documents stolen by a nonemployee can be suppressed only with a showing of certain "direct, immediate and irreparable damage to our Nation," whereas the recall of an ex-employee can be censored without any such showing.

This result violates the historic purpose of the first amendment: preventing the Government from using older legal doctrines—whether the common law of seditious libel or equitable enforcement of a contract—to suppress publication of news. It violates the principle that Government employees "are not relegated to a watered-down version of constitutional rights," *Garrity* v. *New Jersey*, 385 U.S. 493, 500 (1967). It ignores the settled principle that the Government may not enforce contractual provisions which are "barred by some controlling constitutional prohibition," *King* v. *Smith*, 392 U.S. 309, 333 n. 34 (1968) and that waivers of fundamental rights cannot be enforced against any party by the Government, *Pickering* v. *Board of Education*, 391 U.S.C. 563 (1968). And it does all these things without any reference to the legitimate security interests of the United States; the abrogation of fundamental constitutional principles has been rested not upon national security needs, but on the circumstance of whether or not a piece of news is associated with a man who once signed a particular kind of Government employment contract.

We cannot tolerate such meaningless distinctions cluttering up the first amendment. Section 4 of the bill I am introducing today thus directly reverses U.S. against Marchetti:

> No provision in any agreement or contract between the United States and any individual shall be the basis for the issuing of any restraining order, or temporary or permanent injunction, against any party seeking to speak, print or publish any matter relating to his employment by the United States. No such contractual provision shall be deemed relevant in any way to any proceeding in which the United States seeks the injunctive relief provided for in Section 2 of this Act.

My bill proposes that instead of looking toward irrelevant contract law, we look toward respected constitutional precedents to guide us in the decision of when to authorize restraints upon the publication of news. Section 2 of my bill adapts the language of Justice Stewart, quoted above, and sets out the following general guideline for when an injunction may issue against publishing the news:

> The District Courts of the United States are hereby empowered to grant the petition of the United States to enjoin speech, or the printing or publication of any matter, if and only if the Government has both alleged and proved that communication of such matter will surely result in direct, immediate and irreparable damage to the security of the United States or its people.

The key phrase here is, of course, "such matter will surely result in direct, immediate and irreparable damage to the security of the United States or its people." This formula, while adaptable to a variety of situations, is meant to be interpreted as narrowly as possible. Clearly, it would permit prior restraint in such a situation as was described by Chief Justice Hughes in Near against Minnesota—that is, where there is a threat to publish the sailing dates of transports during wartime. *Near* v. *Minnesota*, supra at 716. It would also include the nonwartime situation hinted at by Justice Brennan in Times against U.S., where the publication of information might somehow—in a manner that the Government would be obliged to set out specifically—"set in motion a nuclear holocaust." I suggest that even during peacetime, certain crucial military information could be suppressed. I would hope that congressional hearings will consider in de-

tail the question of when information about intelligence gathering would be considered so vital to the national security as to justify prior restraint. Censoring accounts of the identities and activities of agents currently in dangerous positions abroad comes quickly to mind as a fruitful topic for discussion; I am certain, too, that the Congress will want to give attention to a number of other situations where the "irreparable damage" threatened is to something less than the "security of the United States or its people."

What would clearly not be included among permissible prior restraints under section 2 are injunctions against the kind of information that the Government attempted to suppress in the Pentagon papers, and which it has successfully suppressed in the Marchetti case; information whose release threatens no lives, but which would prove embarassing to the Government. The Pentagon papers are a clear case of such embarassing information; the tragic, stubborn, unforgiveable blindness of the Nation's leaders was revealed, but no lives were lost as a result of publication, nor was the Nation rendered suddenly vulnerable to enemy attack. Similarly with Marchetti: the suppressed information in his book would help reform our estimate of the virtues inherent in the recent conduct of U.S. foreign policy, but obviously would not have suddenly crippled the Nation in any way—we note that nothing in court opinions ever indicated that release of the information would have posed any genuine danger "to the United States or its people."

Finally, I think it important to make certain that the determination of the seriousness and irreparableness of a threat posed by a publication is not left to the Executive—whose keen interest it will always be to prevent the release of the embarassing along with the potentally fatal. My bill therefore provides that:

> No classification of documents by the executive, pursuant to 5 U.S.C. 552, shall be deemed decisive in determining the outcome of any petition by the United States, pursuant to section 2 of this act, for a restraining order or a temporary or permanent injunction against any party.

This leaves room for a court to consider the Executive's classification and the reasons given for it as a factor in its own decision. It does not, however, permit a court to defer to this judgment. In the Pentagon papers case, the top secret classification on the documents did not keep the court from finding that the material did pose the threat of "direct, immediate and irreparable damage"—though the Government claimed that publication threatened "grave and irreparable danger" to the Nation. My bill would require a court to make an independent evaluation of the information involved before issuing any injunction.

It should be noted, too, that this proposed independent evaluation by the Court is significantly different from the necessity for a review of "classifiability" that has been thrust upon the courts by the Freedom of Information Act, 5 U.S.C. 552. The Pentagon Papers may or may not have been properly classified; regardless of that question, the danger posed by their imminent disclosure did not meet the "heavy burden" of justification that the Supreme Court there imposed upon the Government. Nor would a simple determination that the documents which Marchetti recalled in his book were properly classified be adequate grounds for suppressing them: the burden of justification that section 2 of my bill imposes upon the Government in all attempted prior restraints—including proposed injunctions against ex-employees—goes far beyond the question of classifiability; it demands, instead, that the Government clearly explain just how a particular piece of information would irreparably damage the security of the Nation. If the Government should fall short in its effort to do so, the courts, under my bill, would be obliged to refuse the requested injunctive relief.

During the several months that have passed Knopf was decided, events have repeatedly showed that the guarantees of the first amendment are not simply the ideals that keep our Nation vital, but are themselves vital to our national security. As embarrassing as certain revelations regarding the CIA have been, to have persisted in our ignorance would certainly have been genuinely dangerous. As Justice Stewart wrote in the Pentagon Papers case:

> In the absence of the governmental checks and balances present in other areas of our national life, the only effective restraint upon executive policy and power in the areas of national defense and international affairs may lie in an enlightened citizenry—in an informed and critical public opinion which alone can here protect the values of democratic government. For this reason, it is perhaps here that a press that is alert, aware, and free most vitally serves the basic purpose of the First Amendment. For without an informed and free press there cannot be an enlightened people.

My bill would do away with the peculiar doctrine that a free press may publish "rumor and speculation"—in Judge Haynsworth's words—about an issue, but not the facts; it would eliminate from our law the notion that certain men—in particular, those in possession of the embarassing facts—live outside the protection of the first amendment, in a jurisprudential netherworld where the Government may use injunctions to cut off their ability to communicate with the public. I believe that the Congress should act quickly to remove the Marchetti and Knopf decisions from our law before the year is out; we must refuse to let our 200th year be one in which we acquiesce to a major weakening of our Bill of Rights.

Text of the bill:

SECTION 1. No court of the United States shall grant to the United States any restraining order or temporary or permanent injunction against any party seeking to freely speak, print or publish any matter, except as specifically set out in this Act.

SEC. 2. The District Courts of the United States are hereby empowered to grant the petition of the United States to enjoin speech, or the printing or publication of any matter, if and only if the government has both alleged and proved that communication of such matter will surely result in direct, immediate and irreparable damage to the security of the United States or its people.

SEC. 3. No classification of documents by the Executive, pursuant to 5 U.S.C. 552, shall be deemed conclusive in determining the outcome of any petition by the United States, pursuant to Section 2 of this Act, for a restraining order or a temporary or permanent injunction against any party.

SEC. 4. No provision in any agreement or contract between the United States and any individual shall be the basis for the issuing of any restraining order, or temporary or permanent injunction, against any party seeking to speak, print or publish any matter relating to his employment by the United States. No such contractual provision shall be deemed delevant in any way to any proceeding in which the United States seeks the injunctive relief provided for in Section 2 of this Act.

REMOVING BARRIERS FOR THE HANDICAPPED

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I was recently made acutely aware of the problems encountered by handicapped visitors in wheelchairs as they try to get around cn Capitol Hill. It seems extremely important to me that, at the Capitol perhaps more than any other location, such barriers be removed wherever possible.

The details of my experience with a handicapped member of my constituency are set forth below in my correspondence on the matter. I am delighted to say that the funds requested by the Architect of the Capitol, George M. White to remove barriers for the handicapped, were included by the conference in both the Senate and House versions of the legislative branch appropriations bill. Thus whatever legislation is ultimately sent to the President will definitely have these moneys in it.

There should be local legislation in every State that barriers restraining the handicapped be removed both in government facilities and in the private sector. It is only just.

I also want to take special note of and commend the positive attitude expressed by Chief of Police James M. Powell in dealing with the problems of the handicapped here in the Capitol.

The correspondence follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 22, 1975.

SUPERINTENDENT OF BUILDINGS,
246 Cannon HOB,
Washington, D.C.

DEAR SIR: I am distressed that the Longworth House Office Building at the Independence Avenue entrance does not have a ramp which would permit the handicapped in wheelchairs to enter and leave the building with greater ease. This became particularly painful for me and members of my staff when my office was visited by a constituent in a wheelchair recently and she was subject to great discomfort and embarrassment when leaving the building. She needed assistance which she otherwise would not have had to have or want; and in this case, the young woman had to leave her wheelchair and be assisted down the steps. May I ask that this situation be remedied not only with Longworth House Office Build-

ing but with other Congressional buildings. I believe that ramps should be provided at every entrance to every Capitol building, wherever feasible; and not simply at special entrances. I would appreciate your providing me with your comments on this matter.

Sincerely,

EDWARD I. KOCH.

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 22, 1975.

JAMES M. POWELL,
Chief of Police, U.S. Capitol, Washington, D.C.

DEAR CHIEF POWELL: I have been advised by handicapped persons in wheelchairs who have visited my office that they have great difficulty in obtaining taxis to stop and drive them, generally to the airport. These are generally visitors who come to Congress to petition as do other citizens for assistance to their plight as well as in support or opposition to other legislation. Recently one such handicapped person was assisted by a member of my staff to the Independence Avenue exit and they sought to flag a taxi for the young woman. None would stop. When a member of my staff asked the Capitol policeman to assist in flagging down a cab his response was that he could not compel a taxi driver, with a cab otherwise empty of passengers, to take a wheelchair passenger. You understand, Chief Powell, these people are able to leave the wheelchair and enter a cab and have the wheelchair folded for placement in the cab.

My understanding is that taxi operators are required to take all passengers capable of entering their cab including the handicapped and if they do not, they are subject to disciplinary action including the loss of their license. I would appreciate your advising me whether my understanding is correct. And if I am, then I would ask you to direct all Capitol police to provide special assistance to the handicapped; particularly those in wheelchairs in getting cabs and if necessary to order the cab driver to accept the passenger. If the taxi regulations do not cover this, please advise me and I will pursue the matter with Mayor Washington.

Sincerely,

EDWARD I. KOCH.

MAY 27, 1975.

HON. EDWARD I. KOCH,
U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN KOCH: This will acknowledge your letter of May 22nd, concerning the difficulty being experienced by handicapped persons in wheelchairs who try to obtain taxicab service while on the U.S. Capitol Grounds.

First, let me say that I am sorry the situation you related occured—I hope the Officer you referred to did not refuse to try and assist the handicapped person by at least attempting to flag down a taxi. If he did, I certainly would hope he is the exception on our Force and I would be interested in knowing his identity.

A licensed taxi operator, if not "on call" or "off duty," is obligated to stop for a passenger seeking service. Should a citizen be ignored by a taxi operator, that citizen can complain to the Public Vehicles Division, Department of Motor Vehicles, 300 Indiana Avenue, N.W. 20001. Taxi Operators cannot display their "off duty" signs on weekdays between 7 and 9:30 a.m. and 4 and 6:30 p.m. Further, their manifest should indicate when they are "off duty" or "on call."

The officer has a right to stop a taxi, which is not "on call" or "off duty" and request that a handicapped person in a wheelchair be transported. If the passenger is refused transport by the taxi operator, the operator can be charged with "Refusal to transport a passenger," "Failing to display on call or off duty sign," "Failing to maintain manifest," (either one or all of the foregoing, whichever is appropriate). The Metropolitan Police Department has a form, P.D. 31, which can be used to report to the Public Vehicles Division any flagrant violation by a licensed taxi operator.

While I would say the officer does not have a right to *compel* the driver to take a passenger, if the taxi operator is in violation, he/she would be subject to charge and subsequent action by the Public Vehicles Division. Both the citizen and the officer have a responsibility to report such flagrant violations to the PVD.

In conclusion, let me say that I have directed the enclosed memorandum to the Force in order to preclude the recurrence of similar complaints.

Thank you for taking the time to bring this incident to my attention and with kind regards, I am

Sincerely yours,

JAMES M. POWELL,
Chief, U.S. Capitol Police.

U.S. CAPITOL POLICE,
OFFICE OF THE CHIEF,
Washington, D.C., May 28, 1975.

MEMORANDUM

To: All Members of the Force.

Subject: Obtaining taxicabs for handicapped persons in wheelchairs.

It was recently brought to my attention by a Member of Congress that an officer refused to flag down a taxicab for a handicapped constituent of his who was confined to a wheelchair and had been ignored by a number of taxicab operators.

Officers have a right to flag an empty taxicab which does not display the "on call" or "off duty" sign, to assist such a handicapped person. However, you cannot compel the taxi operator to take the passenger but the operator who refuses can be charged with any one or all of the following offenses, whichever is applicable: "Failing to transport a passenger," "Failing to display an 'on call' or 'off duty' sign," "Failing to Maintain Manifest."

I have personally observed that taxi operators are unusually cooperative with officers in such requests but should this not be the case, either the citizen or the officer, or both, can report the incident to the Public Vehicles Division, Department of Motor Vehicles, 300 Indiana Avenue, NW., Washington, D.C. 20001, and the taxi operator may subsequently suffer further disciplinary action by that Division.

In conclusion, let me say that I have seen many officers assist individuals in obtaining taxicabs, including the handicapped, and the incident referred to by the Congressman was probably the exception than the rule. Whenever possible, however, the handicapped should be given special assistance in such situations.

JAMES M. POWELL,
Chief, U.S. Capitol Police.

THE ARCHITECT OF THE CAPITOL,
Washington, D.C., July 1, 1975.

HON. EDWARD I. KOCH,
House of Representatives, Washington, D.C.

DEAR CONGRESSMAN KOCH: I believe the best response to your letter of June 16, 1975, requesting my comments regarding ramps for the handicapped in the House Office Buildings, is the enclosed copy of pertinent parts of my testimony before the Subcommittee on Legislative Branch Appropriations in March, 1975.

I testified in support of my budget request for Fiscal Year 1976 for $2,700,000 for removal of barriers to the handicapped throughout the Capitol Buildings and Grounds. As you will note, the work would include 30 additional building ramps and 200 additional curb cuts. As you know, the Legislative Branch Appropriation Bill, 1976 has already been passed by the House including funds for this project.

I shall, of course, be pleased to provide any other information you may deem desirable.

Cordially,

GEORGE M. WHITE, FAIA,
Architect of the Capitol.

ALTERATIONS AND IMPROVEMENTS TO PROVIDE FACILITIES FOR THE HANDICAPPED

Mr. WHITE. We come next to the item entitled Alterations and Improvements, Buildings and Grounds, to provide facilities for the physically handicapped.

Mr. CASEY. This is a new item for 1976 and your request is for $2,700,000.

Alterations and improvements, buildings and grounds, to provide facilities for the physically handicapped $2,700,000

This is a nonrecurring item, requested for the fiscal year 1976, to eliminate architectural barriers in the Legislative group of buildings.

The objective of this budget request is consistent with the provisions of Public Law 90–480, as amended by Public Law 91–205, enacted to insure that Federal Buildings are designed, constructed, or altered in such manner as to be readily accessible to the physically handicapped.

Action was initiated in this matter as a result of consultation with the Chairman of the Subcommitte on the Handicapped, Senate Committee on Labor and Public Welfare; the Chairman of the Special Senate Committee on Aging; and the Chairman of the Subcommittee of the House Committee on Education and Labor.

As was discussed during the Hearings on the 1974 Appropriation Bill and shown as obligated during the Hearings on the 1975 Appropriation Bill, with the approval of the Speaker of the House of Representatives and the Chairman of the Senate Committee on Appropriations, a personal service contract was entered into by the Architect of the Capitol with Mr. Edward H. Noakes, Architectural Consultant, May 15, 1973, in the amount of $5,000, payable from the appropriation account "Contingent Expenses, Architect of the Capitol", for making a detailed investigation of existing architectural barriers which obstruct the accessibility and usability to handicapped and elderly people of the Capitol Building and Grounds, the Senate and House Office Buildings, the Capitol Power Plant, the Library of Congress Buildings, the Supreme Court Building, and the Botanic Garden Conservatory.

Under the terms of the contract, the Consultant was required, after completion of his investigation, to submit to the Architect of the Capitol a report of his findings, together with recommendations for the elimination of architectural barriers in, and in the approaches to, said buildings and grounds—such report to list all problems by location, type, and dimension, and to contain recommendations for solutions to existing problems to the extent such solutions are reasonably apparent to an expert consultant in this field.

The Consultant was further required to submit in his report solutions complete enough to enable working drawings to be prepared from the sketches to be furnished with the solutions, where appropriate.

The Consultant completed his investigations and studies and submitted a voluminous report to the Architect of the Capitol, March 14, 1974, containing his recommendations and proposed solutions of work required to be done to eliminate existing architectural barriers.

The Consultant's report was carefully reviewed by the Architect of the Capitol, and the Consultant was advised by the Architect of all recommendations contained in the report which were deemed feasible to adopt in buildings in the Legislative Group.

The budget estimate of $2,700,000 is the result of the Consultant's studies and recommendations, as reviewed and recommended by the Architect of the Capitol, and such amount is requested for the fiscal year 1976 on the basis of the following estimated cost per building to eliminate, as far as feasible, architectural, structural, and other barriers in the buildings under the Architect of the Capitol, in the interest of making those buildings more accessible and useful for persons with physical handicaps.

Capitol Buildings	$631,000
Senate Office buildings	475,000
House Office buildings	1,030,000
Capitol Grounds	137,000
Botanic Garden	62,000
Library of Congress	365,000
Total estimate	2,700,000

The estimate of $2,700,000 is requested for 1976 for performance of the afore-stated work. Example of major items of work involved include:

Sign and map systems for all buildings.

Elevator modifications where modernization has not already been accomplished.

Toilet room alterations to provide convenient access for the physically handicapped.

Construction of building entrance ramps.

Alterations to provide access to visitors' galleries in House and Senate Chambers for persons in wheel chairs.

Modifications to doors at building entrances.

The estimate also includes the cost of consultant's fee for preparation of working drawings and the cost of administrative expenses.

Because of the need to perform the construction at such times as will not interfere with the ongoing activities of the Congress, it is requested that this appropriation be provided on a "remain available until expended" basis, which will enable scheduling and rescheduling of the work to such extent as found necessary to conform to the work schedule of the Congress.

BASIS FOR PROGRAM

Mr. WHITE. This is an item, Mr. Chairman, which has resulted from a desire on the part of the Congress, as brought to us through committees on both the House and Senate sides, to bring the buildings on Capitol Hill, insofar as we can, in conformity with the provisions of Public Law 90-480, as amended by Public Law 91-205, which was enacted to insure that Federal buildings are designed, constructed, or altered in such manner as to be readily accessible to the physically handicapped.

We were authorized to use funds in the amount of $5,000 from our contingent expenses appropriation in May 1973 to employ, by contract, the services of Mr. Edward H. Noakes, who is an architectural consultant knowledgeable in the field of removal of architectural barriers obstructing accessibility to the handicapped, for the purpose of performing a study of the buildings on Capitol Hill and recommending methods of removing those barriers.

PRELIMINARY WORK ACCOMPLISHED

We have, with our own forces, effected a number of these changes already, in order to at least make a remedial step in that direction. We have provided such things as curb cuts, one for each building, so that one has a ramp to go up to the sidewalk from the street.

We have provided for lowered public telephone facilities, one in each building, so that persons can have access to those.

We have provided ramps where possible at entrances to buildings within our capacity to do so with our ordinary maintenance funds.

This request is to enable us to do a more complete remedial job, as it should be done, but it is substantially beyond our capacity to do so with our regular maintenance funds.

EXAMPLES OF WORK PROPOSED TO BE DONE

We have, for example, shown on page 147 the dollar amounts as they would apply to the various buildings, so as to maintain, accountingwise, cost records of work performed in each building. The kind of items we are talking about doing are improved toilet room facilities such as I mentioned, alterations to elevators to lower the buttons, for example, so that persons at a lower height can reach the buttons.

These items are incidentally being accomplished in elevators as they are being altered in any event. This item we are proposing now is to accomplish that change in elevators which haven't been done in prior alterations.

We have an item for removing revolving doors in vestibules and replacing them with ordinary swinging doors.

Power-activated doors are requested, although not all doors, to provide ready access to a building through at least one area; a ramp in various places; the lowering of some drinking fountains so that people can reach them from wheelchairs; also, telephone booths; mail slots which need to be lowered here and there in order to enable people to reach them where they are now very high on the wall.

GALLERY MODIFICATIONS

We have an item for altering the galleries on both the House and Senate side to enable wheelchairs to be placed in the galleries. As you may recall, Mr. Chairman, at present, one enters the galleries at a door from the corridor and there is a step immediately upon entering the gallery, so wheelchairs can only be placed in the doorway. We would propose to alter one corner in each gallery, one in the House side, one in the Senate side—I think we may have a drawing here of that—to enable wheelchairs to be placed in such corners. However, movable chairs could be placed there in the event there were no wheelchairs. So we wouldn't lose any seating.

OTHER ALTERATIONS

Some items, such as ramps on the subway platforms, are proposed, although not simply for wheelchair people. We can't get wheelchairs into the subway cars anyway. But some people have difficulty, aged and infirm people, in taking a step up to the car from the platform. This would enable them to walk up a ramp to enter on a level with the subway car, at least at one portion of the platform.

I have already mentioned curb cuts.

Signs in buildings would be installed to indicate a pathway through the building that disabled people can take who can't climb steps or otherwise negotiate the ordinary path through the building.

That is a list of the kinds of items that are incorporated in this report and funds for which are being requested in this item.

HOUSE OF REPRESENTATIVES,
Washington, D.C., July 21, 1976.

GEORGE M. WHITE, FAIA,
Architect, The Capitol, Washington, D.C.

DEAR MR. WHITE: I am very appreciative of your response of July 1 providing me with your comments concerning the removal of barriers to the handicapped throughout the Capitol buildings and grounds. I am delighted that you will have a budget for Fiscal Year 1976 of $2,700,000 to accomplish this.

May I suggest that pending the construction of the permanent facilities provided for in that appropriation, that you install temporary ramps which would permit access to Independence Avenue in the three House office buildings. Surely that would involve a very miniscule amount and give immediate entry and exit from the Capitol side of the buildings.

Sincerely,

EDWARD I. KOCH.

ON THE PLIGHT OF VALENTYN MOROZ

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I would like again to bring to the attention of my colleagues the plight of Ukrainian historian Valentyn Moroz whose situation serves as a constant reminder of the closed and antilegal character of the Soviet Union. Mr. Moroz is presently serving the first part of a 14-year sentence for "anti-Soviet agitation and propaganda." Moroz's unjust sentence has prompted a worldwide outcry on his behalf. We cannot condone the repressive and fearful atmosphere prevailing in the Soviet Union. Denial of human rights in any country is an international matter. There is nothing more important than personal liberty and we must stand by those who have the courage to fight these oppressive Soviet forces.

Yet despite support from people all over the world, the Soviet Union is continuing its flagrant harassment, intimidation, and outright denial of freedom to historian Valentyn Moroz. Having recently ended a 145-day hunger strike, after which the Soviet authorities agreed to certain concessions on Moroz' behalf, the Ukrainian author has suddenly been transferred to a special psychiatric prison hospital where he is being subjected to treatment consisting of injections of drugs and chemicals.

The KGB's official reason for transfer to a psychiatric hospital is that "a normal person would not have been able to last through a 5-month-long hunger strike." Yet it is more likely that the Soviet Union has decided on this move, in spite of the adverse publicity Moroz' case has generated, in order to intensify efforts to break the historian before he has to be transferred to a hard labor camp next year where he would be in contact with other political prisoners, and where it would be more difficult to isolate and break him.

The cause of intellectual freedom in Russia must not be abandoned. While the Soviet Union cannot be moved by internal legal safeguards for the protection of the individual, it has been established that it will move in response to world public opinion albeit all to slowly. All those who believe in personal liberty and the exercise of basic human rights should write to Ambassador Dobrynin of the Soviet Embassy registering their deep concern over Russia's treatment of Valentyn Moroz.

FLUORIDATION AND CANCER

(Mr. DELANEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DELANEY. Mr. Speaker, are the American people guinea pigs? Over 23 years ago, my Select Committee to Investigate the Use of Chemicals in Food and Cosmetics initiated a widespread examination of chemical additives. I introduced and was successful in obtaining passage of legislation prohibiting the use of such unsafe chemicals in food and establishing a zero tolerance for carcinogens. Many supposedly "safe" products in use for years were subsequently shown to be harmful. No one, Mr. Speaker, had taken the trouble to thoroughly explore their negative impact before marketing them.

My committee in 1952 devoted 7 days of public hearings to the issue of imposed fluoridation of public water supplies. At that time, *a number of scientists expressed their fear that the safety of fluoridated water was not sufficiently demonstrated.*

In November 1963, in a statement before the Joint Hearings on Fluoridation of the city of New York, I strongly opposed the addition of fluorides to our New York drinking water as "an unnecessary health risk and unwarranted intrusion on the rights of our citizens." In a letter to *The New York Times* on December 12 of the same year, I noted that there was *"nothing holy or infallible in the opinions of American public health officials,"* nor was "there reason to label competent physicians and respectable citizens as 'anti-dental health' because they disagreed with the current position of the medical hierarchy." Then, in 1966, the House Appropriations Subcommittee on Labor, Health, Education, and Welfare received a lengthy statement from me on the need to investigate all the effects fluorine might have on vital organs.

Now, Mr. Speaker, I have before me a communication dated July 8, 1975, from Dr. Dean Burk, Ph. D., recently retired head of the cytochemistry section of the U.S. National Cancer Institute after a distinguished career of 50 years of research on the cancer problem, and Dr. John Yiamouyiannis, Ph. D., Science Director of the National Health Federation.

On the basis of their analysis of reports issued by the U.S. Department of Health, Education, and Welfare and the U.S. Bureau of Census, these two eminent scientists have drawn to my attention some new and very disturbing information which *warrants immediate action.*

Their study of newly available official mortality and fluoridation statistics covering a 20-year period indicates that 25,000 or more excess cancer deaths occur annually in U.S. cities subjected to imposed water fluoridation—a death every 20 minutes.

Mr. Speaker, these findings are *based on experience with real people*—with our fellow Americans—not on experimentation with test animals. How many of us have felt the pain of personal loss of loved ones among family and friends from this dread disease—a disease which now conceivably could be linked to Government-imposed fluoridation processes?

These two scientists may have discovered one of the crucial factors in explaining the rise in U.S. deaths from gastrointestinal, urinary, and female-related cancers.

Mr. Speaker, I am deeply concerned—the American public must be protected. The questions raised by this epidemiological study are of vital importance to our 90 million citizens who drink artificially fluoridated water.

I now recommend immediate suspension of all artificial fluoridation pending further investigation.

In view of the seriousness of this action, I request the consent of the House to extend my remarks at this point in the RECORD and include the Burk-Yiamouyiannis communication of July 8 in its entirety.

JULY 8, 1975

Hon. JAMES J. DELANEY,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN: In continuation of recent conversation with you in your office, we are enclosing herewith a brief statement of our recent studies on "Fluoridation-Linked Human Cancer and the Delaney Amendment," abstracted from a more detailed paper under this title that is scheduled for publication shortly, with inclusion of much data in tabular form.

SUMMARY

(1) A study of new and extensive official mortality and fluoridation data indicates that some 25,000 or more excess cancer deaths per year occur in the United States in cities subjected to imposed public water fluoridation.

(2) Invocation of the Federal Delaney Amendment to eliminate public water fluoridation throughout the country may well be in order.

(3) The newly discovered apparent fluoridation-linked human cancer mortality rate increase offers one quantitatively important explanation for the continued rise in the overall U.S. cancer mortality and morbidity rates, following upon increasing public water fluoridation over past decades.

FEDERAL STATUTES

According to the Federal (Congressional) Food, Drug, and Cosmetic Act (Sec. 409 (348) (c) (3) (a)), no food additive "shall be deemed to be safe if it is found to induce cancer when ingested by man or animal" (Delaney Amendment). From the same Act (Sec. 201 (321) (f)), "the term 'food' means (1) articles used for food or drink for man or other animals." Drinking water and its derived products constitute the most prominent example of drink for man.

Thus, if a quantitatively significant demonstration or finding of fluoridation-linked cancer is obtained, the Delaney Amendment would statutorily call for regulatory cessation of public water fluoridation throughout the United States, regardless of state, county, or city laws implementing such fluoridation, and regardless of any claimed benefits of fluoridation in other connections, such as tooth improvement.

DATA SOURCES

The recent, extensive, and monumental publication, "U.S. Cancer Mortality by County: 1950–1969" issued late in 1974 by the U.S. Department of Health, Education, and Welfare (Publication No. (NIH) 74–615, 729 pp.), the "Fluoridation Census 1969" issued in 1970 by U.S. DHEW (U.S. Government Printing Office: O–380–791), and the U.S. Bureau of Census Report, "U.S. Census of Population for 1960, vol. I," issued in 1963 indicate such a finding.

EARLY ANALYSIS

This data was first correlated early in 1975 by Dr. John Yiamouyiannis of the National Health Federation (cf. NHF Bulletin, *21*, 9–11, April 1975, and later *21*, 1–13, July–August, 1975, and in the publication, "Let's Live," *43*, 58–60, June 1975). He reported large increases in standard cancer mortality rates in large fluoridated American cities compared to large non-fluoridated American cities, with respect to gastrointestinal tract (mouth; esophagus, stomach, large intestine and rectum), kidney, and bladder and urinary organs, in white males, and breast and ovary and Fallopian tube, in white females. He found relatively little or no excess of cancer mortality with respect to *lung*, trachea, bronchus, biliary passages, liver, larynx, uterus, prostate, skin, brain, muscle, or in leukemia, aleukemia, lymphosarcoma, reticulosarcoma, or Hodgkins disease. Mortality rates due to cancer of the lip, salivary gland, testis, thyroid, other endocrine glands, bone, eye, nose, ear, connective tissues, and sinuses were too small for statistically significant correlations to be made with respect to fluoridation.

PRESENT ANALYSIS

In our joint studies involving the possible role of the Delaney Amendment, we have not been interested at present in making an exhaustive analysis of all possible aspects of fluoridation-linked cancer mortality, but rather in examining *"any* quantitatively and statistically significant fluoridation-linked human cancer." This limited objective would appear to have been definitively achieved.

We have limited our studies of fluoridated cities to those fluoridated since before 1958, and have eliminated those four large cities whose fluoridation did not commence until 1965–7 (New York, Detroit, Dallas, and Fort Worth), since the mortality data covered the years 1950–1969 inclusive, and these four cities involved only a relatively short period of fluoridation and therefore of potential cancer induction and mortality excess.

There are obviously many possible types of comparisons with respect to fluoridated versus non-fluoridated cities, and we present you here several interesting and meaningful type instances, reserving still more such for our forthcoming more extensive paper already referred to. To go into exhaustive considerations will undoubtedly take years of effort on the part of many investigators, but for Delaney Amendment considerations this is quite unnecessary here, once *any* positive indication is obtained, a caveat one should never lose sight of.

TYPE I COMPARISON

As a first comparison, we will follow up the original Yiamouyiannis finding with respect to the nine organ cancer types where he reported evident positive correlations of excess cancer mortality with fluoridation, as already listed. We compare the sum of the mortality rates (average annual age-adjusted mortality rates per 100,000 population) for each of the nine organ sites, totalled city by city, with respect to the 10 largest cities fluoridated since between 1952–6, as compared to the 10 largest non-fluoridated cities, as follows: Fluoridated: 121.0, 124.6, 119.2, 113.1, 121.9, 119.9, 125.9, 119.3, 112.1, 121.6, (respectively, Chicago, Philadelphia, Baltimore, Washington, Cleveland, San Francisco, Milwaukee, St. Louis, Pittsburgh, Buffalo); non-fluoridated: 94.3, 82.7, 123.1, 104.1, 84.2, 85.6, 96.7, 115.2, 83.4, 85.8 (respectively, Los Angeles, Houston, Boston, New Orleans, San Antonio, San Diego, Seattle, Cincinnati, Memphis, Atlanta). It is quite evident, by visual inspection, that the average for the fluoridated group is much greater than that for the non-fluoridated group, the actual calculated average values being 119.9 and 95.4 respectively, with a difference between the means of 24.5 excess mortality per 100,000 fluoridated population (=26% excess), at a statistical confidence level of greater than 99.9% ($t=5.1$, $P=<0.001$). Were the values in each group further weighted according to city population size, the difference between the groups would be negligibly changed. These results reported on a basis of

mean difference have been further confirmed by analyses based on the rank *median* test (cf. Mack, *Essentials of Statistics*, Plenum Press, New York, 1967), which is little affected by the greater range spread (distribution) in one group than in the other.

The total populations for the two groups of fluoridated and nonfluoridated cities are (1960 census) approximately 11,000,000 and 8,000,000. If the excess rate of mortality of 24.5 per 100,000 population in the fluoridated group were extrapolated linearly, by the long-established principle of William of Occam, up to a total fluoridated population of some 90,000,000 in the United States, this would amount to some 22,500 excess deaths in the United States per year linked with fluoridation. Occam's Razor calls for the simplest assumption until *shown* inadequate.

Since it would appear that the nine-organ sites involved account for some 90% of all of the excess cancer mortality, a value of some 25,000 *total excess mortality* (one death every twenty minutes) is then linked with fluoridation. This same value is attained by a quite different type of comparison reported below, with somewhat different underlying assumptions being involved. For instance, the individual city summed rates first cited above were based on white males for seven of the nine organ-sites and on white females for the two other sites, with the assumption that excess values for white males, white females, non-white males and non-white females were not too far different for the purposes of the Delaney Amendment calculations, an assumption we have found to be sufficiently true though cannot detail here, but will in our later extended publication. We are well aware, of course, that we have somewhat unconventionally added together results for white males with those of white females, and neglected non-white males and females, but again analysis not detailed here shows us that, for purposes of the Delaney Amendment examination here, no unredeemable error is involved, because whether the 25,000 number is actually 15,000 or 35,000 makes very little difference all being so very large in any event. For instance, if the female white data were totally excluded, the 25,000 number would be about 19,000 for white males only. We are interested here in the woods, not the trees, which is, again, a caveat one should never lose sight of: it is the *order of magnitude* that is of primary concern here. Even without the foregoing extrapolation to some 90,000,000 fluoridated population, one would still have a cancer mortality excess of $24.5 \times 110 = 2700$ in the 11,000,000 fluoridated population, a quantity more than adequate to call for evocation of the Delaney Amendment. Over 20 years, this would be 54,000 deaths.

TYPE II COMPARISON

In a second type of comparison between fluoridated and nonfluoridated groupings of cities, we have taken the only six large fluoridated cities available for which we have the cancer death rates for the cities *per se* i.e., either the city population equals the county population, or the cancer death rate was actually given for the city. In this instance, the type of comparison now included *all* cancer deaths from *all* four of the following categories: white male, white female, non-white male, and non-white female. We then weighted the mortality rates for each of these categories in accordance with the actual number of deaths involved per category, to yield the total number of cancer deaths per given city. Then the total number of deaths per city were weighted according to the total city population, to yield, finally, the total number of cancer deaths in the entire group of six cities, which, divided by the total population of the six cities yielded the fully weighted average mortality rate. The same procedure was then carried out for the six largest non-fluoridated cities. The fluoridated cities were Philadelphia, Baltimore, Washington, St. Louis, San Francisco, and Denver, Colorado (respective total populations, in 100,000's: 20.0, 9.4, 7.6, 7.5, 7.4, and 4.9), with a total population of 57 100,000's, and a fully weighted mortality rate (as described) of *188* cancer deaths per year per 100,000 population. The non-fluoridated cities were Los Angeles, Houston, Boston, New Orleans, San Antonio, and San Diego (respective total populations, in 100,000's: 24.8, 9.4, 7.0, 6.3, 5.9, and 5.7) with a total population for the group of 59 100,000's, and a fully weighted mortality rate of *163* cancer deaths per year per 100,000 population. The excess mortality in the fluoridated group was thus $188 - 163 = 25$, or 15%! If this excess rate of 25 deaths per year per 100,000 population for a total group population of 5,700,000 were extrapolated linearly up to a total fluoridated population of some 90,000,000 in the United States, as in the second foregoing paragraph, this would amount to some 22,500 excess deaths in the United States per year linked with imposed fluoridation, the same value in order of magnitude as before, though with a different grouping comparison, and with somewhat different underlying assumptions, which as already indicated, do not appear, from our more detailed studies, to be far removed from actuality. The value of 15% excess has a confidence level of $\geqq 99.9\%$, the numbers of deaths in each group being of the order of 10,000 and 11,500, each with a relative error of the order of only 1% (e.g., *ca.* $(10{,}000)^{1/2}/10{,}000$).

TYPE III COMPARISONS

As another type of comparison, related to "geographical distribution," we took the cancer death rates (per 100,000 per year) for each of the above six fluoridated cities (Denver, San Francisco, St. Louis, and Philadelphia, Baltimore and Washington) and compared them, so far as possible, with major non-fluoridated cities in their respective geographical areas, with respect to *white males:*

Denver is fluoridated, but with a mortality rate much below that of the other five fluoridated cities (163.9 versus 221.0, 233.3, 203.7, 220.1, 212.0). However, the value of 163.9 for Denver is still notably higher compared to non-fluoridated Boulder (134.7), Pueblo County (134.8), Cheyenne (142.6), Santa Fe (138.2), and Salt Lake City (142.6). These non-fluoridated "neighboring" cities average 138.5 ± 5 (99.9% confidence level) compared to Denver's rate of 163.9.

San Francisco is fluoridated with a cancer mortality rate of 212.0, as compared to non-fluoridated Oakland (179.1), Sacramento (186.2), Los Angeles (174.8), San Diego (164.3), Portland (178.4), Tacoma (165.0) and Seattle (180.5). These non-fluoridated cities average 175.5 ± 11 (99.9% confidence level), compared to San Francisco's 212.0. Between 1955–1972, the total cancer death *rate* per 100,000 in San Francisco increased 22%, compared to California's 9% (San Francisco Department of Public Health Statistical Report, 1955–1972), California being a relatively unfluoridated state.

St. Louis is fluoridated, and has a cancer mortality rate of 220.1 as compared to the non-fluoridated cities Kansas City (182.0), Cincinnati (203.8), and Memphis (187.8). These non-fluoridated cities average 191.2 ± 12.2 (99.9% confidence level), compared to St. Louis's 220.1.

The following cities are fluoridated, and are all in the same general geographic area: Philadelphia (221.1), Baltimore (233.3), and Washington (203.7). Unfortunately for this analysis, virtually every highly populated area in the vicinity has been fluoridated. Two non-fluoridated cities nearby are Dover, Delaware (152.3) and Harrisburg, Pa. (177.8). These data do not allow for a valid statistical comparison beyond visual inspection.

OTHER TYPE COMPARISONS

We have examined still other forms of comparison of fluoridated and non-fluoridated groupings (e.g., considering cities down to populations of one-quarter million, providing groups of about 20 cities each), but with little difference in qualitative conclusion. Obviously, the smaller the city size, the smaller will its weight be in relation to respective county size upon which nearly all the mortality data are reported, and so, in general, the city data are "diluted out" and one reaches a lower limit of usable city size. Similar "dilution" of true and pertinent excess mortality values may occur from a variety of reasons, e.g., (a) population migrations, or (b) the initial part of the 1950–69 period did not involve fluoridation until at least 1952, and even up until 1956, all of which could make the value of 25,000 excess deaths due to fluoridation too low, perhaps much too low.

OVERALL SIGNIFICANCE

It need scarcely be pointed out that effects of public water fluoridation upon annual excess cancer mortality (ca. 25,000) that we have reported are a highly significant fraction of the annual cancer death rate in the United States of the order of 350,000 deaths per year. From our studies, it is not likely that these excess mortality values will be reduced to anywhere near insignificance by any attempt to rule them out on bases of "social status", ethnic composition, sex, climate, other carcinogens conceivably introduced into the water supplies, and many other possibilities that have occurred to us, or that have been suggested to us. Thus, for example, it has been suggested that "Much of the excess (mortality) in the cities with high rates that are cited is due to an excess of *lung cancer.*" But, when we have subtracted, for instance, lung cancer death rates from total cancer rates from all sources, for, say, the cities Baltimore, Philadelphia, New York, Cleveland, Detroit, and Chicago, the % increases in cancer death rates in these fluoridated cities remain almost unchanged, the reduction in % increase averaging only a few per cent, about the same as in non-fluoridated cities similarly tested. Lung cancer death rates provide virtually no explanation for the fluoridation-linked excess mortality rates, and the same may be said of factors such as occupational exposure, air pollutants, organic pollutants in the water supply, etc., until *so demonstrated* as distinguished from hypothesized without solid basis. Even then, such demonstration would have to be total, not partial, according to both the Delaney Amendment and Occam's Razor.

We would emphasize that our results refer, in a strict sense, to data based on the *process of fluoridation*, without commitment as to whether it is the fluoride component that is wholly responsible for the effects observed and reported. This is perhaps an academic distinction, but the actual data used do refer to "fluoridation" and so we say "fluoridation-linked" rather than "fluoride-linked". Thus, for example, it is remotely conceivable that the fluorides used contain traces of some other contaminant that is the effective agent. But this is a problem for future investigation, and, at the moment, it is the total process of imposed fluoridation that is involved.

And so, in view of the extensive fluoridation industry and commitment involved, a dilemma of no small magnitude is clearly raised: a choice is opened between otherwise claimed benefits of fluoridation on the one hand as ranged against the increased cancer mortality on the other; or elimination or alteration of the Delaney Amendment on the one hand as against relinquishment of endorsement of fluoridation of public drinking waters (cf. Appendix A). Will the dilemma be resolved by sophistry, or by Federal law

based on demonstrated fact? Will the National Cancer Institute and Division of Dentistry continue to dismiss now-demonstrated fact as a "fluoride scare report?" (cf. Appendix B, April 25, 1975). The material in Appendix B is unresponsive to the major numerical data reported by Yiamouyiannis, presumably because no substantive and interdicting response was possible and had to be replaced by sophistry, nitpicking, and wishful generalities.

To consider "natural fluoridation" (fluoridation provided by nature) is beyond the scope of this report, but any such consideration will have to go into the full nature of natural fluoridation, including certification of analytical methods currently used to measure it. For instance, natural fluoridation may involve more than simple fluoride ions, if positively charged groups (such as proteins, and even inorganic complexes) may bind fluoride in ways not assayed by standard methods of analysis or not eliminated in defluoridation processes. If natural fluoridation is involved in cancer mortality rates, it may offer some explanation for the refractoriness of many cancers to successful treatment, and why so relatively little progress has been made in recent decades in the treatment of many human cancers. On May 14, 1975, the HEW News reported that deaths from cancer "continued upward in 1974. The rate of death increased 1.3 percent from 1973." Defluoridation may become important just as decreased imposed fluoridation would also appear to be indicated. Since it is rather generally conceded that a very large fraction of human cancer is induced by environmental and industrial conditions (cf. Newsweek, p. 42, July 7, 1975), elimination of imposed fluoridation, together with more extensive defluoridation, would appear to offer a relatively easy means of reducing that very large fraction, not only with respect to cancer mortality but also morbidity, which is ordinarily much larger than mortality. A comparable example, but here on a national scale, is the eventual elimination of Minamata disease, in Japan, caused by decade-long pollution by methyl mercury from industry.

We are not now here dealing with such instances as where the Delaney Amendment has indeed been invoked regulatorily on a nation-wide basis as a result of a few hundred rats, at most, developing cancer following dosage with enormous "unhuman or inhuman" quantities of a compound such as a cyclamate. Here we are dealing with *millions* of Americans (currently some 90,000,000 of them) being fluoridated with dosages otherwise regarded as "optimal" so far as teeth are concerned, but without any regard heretofore to cancer mortality potentials. Perhaps it is as well that the people of Los Angeles very recently chose by a good majority not to fluoridate; and certainly it would be well for states now contemplating compulsory statewide water fluoridation to take due pause before committing themselves to a course of action leading to conflict with the force and logic of the Delaney Amendment, and the numerical values reported in this letter. Any show of error in the latter must be *total*, to avoid evocation of the Delaney Amendment; partial error will not suffice.

As of 1970, public water fluoridation was banned in Austria, Denmark, France, Greece, Italy, Luxembourg, Norway, Spain, Yugoslavia, and, except for a very few experimental cities, in Finland, Germany, Holland, Portugal, Sweden, and Switzerland! What now will the United States do?

All people drink water, so far as we know, and nearly half of them in the United States drink imposed fluoridated water. At such time as these people become acquainted with the potential cancer mortality involved thereby (and even greater cancer morbidity and, conceivably, still greater incidence), one may wonder what they will be thinking about as every glass of water or water-derived fluoridated product goes down their throats? We venture, something more important than teeth of mainly pre-adolescents, which could be fluoridated by various means other than via the public drinking water. Some other means of disposing of the large amounts of industrially produced fluorides will have to be found, we venture, than fluoridation of public drinking waters.

Sincerely yours,

Dr. DEAN BURK, Ph.D.,
Retired, U.S. National Cancer Institute (1939–1947); Dean Burk Foundation, Inc., Washington, D.C.

Dr. JOHN YIAMOUYIANNIS, Ph.D.,
Scientific Director, National Health Federation, Monrovia, Calif.

APPENDIX A—U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, PUBLIC HEALTH SERVICE, DIVISION OF DENTISTRY

NATIONAL ORGANIZATIONS ENDORSING FLUORIDATION

American Academy of Pediatrics.
American Association for the Advancement of Science.
American Association of Dental Schools.
American Association of Industrial Dentists.
American Association of Public Health Dentists.
American College of Dentists.
American Dental Association.
American Dental Hygienists' Association.
American Federation of Labor & Congress of Industrial Organizations.
American Heart Association.
American Hospital Association.
American Institute of Nutrition.
American Legion.
American Medical Association.
American Nurses Association.
American Osteopathic Association.
American Pharmaceutical Association.
American Public Health Association.
American Public Welfare Association.
American School Health Association.
American Society of Dentistry for Children.
American Veterinary Medical Association.
American Water Works Association.
Association of Public Health Veterinarians.
Association of State & Territorial Health Officers.
Canadian Dental Association.
Canadian Medical Association.
College of American Pathologists.
Consumer Federation of America.
Federation of American Societies for Experimental Biology.
Federation Dentaire Internationale.
Great Britain Ministry of Health.
Health Insurance Association of America.
Health League of Canada.
Inter-Association Committee on Health.
National Commission on Community Health Services.
National Congress of Parents and Teachers.
National Education Association.
National Health Council.
National Institute of Municipal Law Officers.
National Research Council.
Office of Civil Defense.
Pan American Health Organization.
Society of Toxicology.
U.S. Department of Agriculture.
U.S. Department of Defense.
U.S. Department of Health, Education, and Welfare.
U.S. Environmental Protection Agency.
U.S. Junior Chamber of Commerce.
World Health Organization.

APPENDIX B—U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, PUBLIC HEALTH SERVICE, HEALTH RESOURCES ADMINISTRATION

Refer: FL–76
April 1975

NATIONAL CANCER INSTITUTE REJECTS FLUORIDE SCARE REPORT

The National Cancer Institute today reaffirmed that its epidemiological studies show no relationship between the fluoridation of water and cancer.

The statement was prompted by a number of letters received by the Institute and generated by a one-page flyer issued in January by the National Health Federation, a California-based group. The flyer advertises a report prepared by the Federation and purporting to show that the cancer death rate is higher in cities with fluoridated water supplies.

The National Cancer Institute, whose figures are cited in the Federal report, in March noted errors, omissions, and statistical distortions in the Federation report and stated that "Results of this analysis fail to support any suspicion of hazard associated with fluoridation."

Another Federation report, citing the same Cancer Institute figures used in the earlier report, on March 25 purported again to show "a definite link between fluoridation and cancer death rate."

However, the Cancer Institute statement issued today says the Institute's epidemiological study cited in the Federation's statement "fails to show any relationship between the fluoridation of water and cancer. In fact, the results of the study rather suggest a protective influence from fluoridation."

DIVISION OF DENTISTRY,
Bethesda, Md.

Enclosure, National Cancer Institute Statement.

STATEMENT BY THE NATIONAL CANCER INSTITUTE ON FLUORIDATION STUDIES BY THE NATIONAL HEALTH FEDERATION

Two recent statements, dated January 6 and March 25, 1975, have been distributed by the National Health Federation naming certain major cities in the United States and implying that there is some relationship between the presence or absence of artificial fluoridation of water in these cities and their cancer death rates. According to these statements, the data are based on two Government publications: "Fluoridation Census, 1969" published by the National Institute of Dental Research; and "U.S. Cancer Mortality by County: 1950–1969," published by the National Cancer Institute.

The statements distributed by the National Health Federation contain factual errors and oversimplified data, and ignore other factors in the complex matter of cancer causation. Furthermore, by directly relating fluoridation with higher death rates from cancer, the authors are ignoring other factors that are known to have a relationship to cancer. For example, the fluoridated cities on the list are cities that have been industrialized for a much longer time than the nonfluoridated cities named. Environmental pollutants associated with industrialization are known to have carcinogenic (cancer-causing) effects that undoubtedly contribute to the high cancer mortality rates in those cities. Factors such as social class and ethnic origin are also known to affect the development of cancer, inasmuch as they influence such areas as diet, access to medical care, lifestyle, and genetic background.

To account for such factors, a more accurate picture might be obtained by including cities with a population of 500,000 or

more (according to the 1960 census). For example, Boston, Cincinnati, and New Orleans, all non-fluoridated cities, are closer to the six fluoridated cities on the list in terms of socioeconomic factors and level of industrialization. An analysis of data in the NCI publication shows that these three cities had cancer mortality rates equal to or greater than the six cities quoted in the statement.

A better comparison might also be achieved by comparing each industrial city before and after its water was fluoridated. There are eight cities in which such a comparison can be made for the 20-year period covered by the NCI survey. In seven of these, the average death rate from cancer during the nonfluoridated period was equal to or greater than that for the entire 20-year span.

In summary, *the NCI epidemiological study cited in the National Health Federation's statement fails to show any relationship between the fluoridation of water and cancer. In fact, the results of the study rather suggest a protective influence from fluoridation.*

For further information, contact the Office of Cancer Communications, National Cancer Institute, Bethesda, Maryland, 20014.

UPDATED MARCH 14, 1975.

THE AMERICAN CANCER SOCIETY POLICY STATEMENT ON FLUORIDATION

The American Cancer Society from time to time receives requests for information on the relation of the fluoridation of water supplies to the incidence of cancer. The American Cancer Society has examined available evidence and does not consider that there is any relationship between the fluoridation of water and the incidence of cancer.

The Society believes present knowledge about human cancer does not provide any basis on which populations desiring fluoridation for reduction of dental caries should forego its use.

GENERAL LEAVE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 7014 considered in the House last week and to include therein certain extraneous matter.

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

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. MEYNER (at her own request), for today, because of natural disaster preventing arrival in Washington.

Mr. PEPPER (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. YOUNG of Florida (at the request of Mr. MICHEL), for today, on account of delay in return flight from Florida.

Mr. MANN (at the request of Mr. O'NEILL), for today on account of official business.

Mr. HEFNER (at the request of Mr. O'NEILL), until 11:30 a.m. today, on account of official business.

Mr. MATSUNAGA (at the request of Mr. O'NEILL), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. MITCHELL of New York), to revise and extend his remarks, and to include extraneous matter:)

Mr. RAILSBACK, for 5 minutes, today.

(The following Members (at the request of Mr. MILLER of California), to revise and extend their remarks, and to include extraneous matter:)

Mr. GONZALEZ, for 5 minutes, today.
Mr. RODINO, for 15 minutes, today.
Mr. DIGGS, for 5 minutes, today.
Mr. VANIK, for 15 minutes, today.
Mr. BRADEMAS, for 5 minutes, today.
Mr. BINGHAM, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. WAMPLER, immediately preceding passage of S. 435 today.

Mr. ANNUNZIO, following the remarks of Mr. ROBERTS on H.R. 71.

(The following Members (at the request of Mr. MITCHELL of New York) and to include extraneous matter:)

Mr. HORTON.
Mr. FISH.
Mr. ABDNOR in two instances.
Mr. DERWINSKI in three instances.
Mr. ARCHER.
Mr. LAGOMARSINO.
Mr. RHODES in three instances.
Mr. WHALEN.
Mr. GRADISON.
Mrs. PETTIS.
Mr. GILMAN.

(The following Members (at the request of Mr. MILLER of California) and to include extraneous material:)

Mr. HAWKINS.
Mr. MANN.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ in three instances.
Mr. ANNUNZIO in six instances.
Mr. RANGEL in 10 instances.
Mr. SOLARZ in three instances.
Mr. VANIK in five instances.
Mr. JOHN L. BURTON in two instances.
Mr. DINGELL.
Mr. RISENHOOVER.
Mr. PATTEN of New Jersey.
Mr. BONKER.
Mr. HAMILTON.
Mr. EVINS of Tennessee in 10 instances.
Mr. DOMINICK V. DANIELS.
Mr. ROSENTHAL.
Mr. JONES of Oklahoma.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on July 18, 1975, present to the President, for his approval, bills of the House of the following title:

H.R. 4035. To provide for more effective congressional review of proposals to exempt petroleum products from the Emergency Petroleum Allocation Act of 1973 and certain proposed administrative actions which permit increases in the price of domestic crude oil; and to provide for an interim extension of certain expiring energy authorities; and

H.R. 5901. Making appropriations for the Education Division and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

ADJOURNMENT

Mr. MILLER of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 1 minute p.m.), under its previous order, the House adjourned until Tuesday, July 22, 1975, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1429. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report covering the third quarter of fiscal year 1975 on receipts and disbursements pertaining to the disposal of surplus military supplies, equipment, material, and for expenses involving the production of lumber and timber products, pursuant to section 812 of Public Law 93-437; to the Committee on Appropriations.

1430. A letter from the Secretary of Defense, transmitting the 1974 annual report of the Defense Civil Preparedness Agency, pursuant to section 406 of the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

1431. A letter from the First Vice President and Vice Chairman, Export-Import Bank of the United States, transmitting a statement describing a proposed transaction with Hidroelectrica Espanola, S.A. and Compania Sevillana de Electricidad, S.A. which exceeds $60 million, pursuant to section 2(b)(3) of the Export-Import Bank Act of 1945, as amended [12 U.S.C. 635]; to the Committee on Banking, Currency and Housing.

1432. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to empower the Secretary of Commerce to permit certain personnel to carry firearms and to make arrests; to the Committee on Interstate and Foreign Commerce.

1433. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a determination by the Acting Secretary of State that it is in the national interest not to transfer to the account established in the Treasury pursuant to sections 7(c) and 9 of the Fishermen's Protective Act of 1967, as amended, funds from the Foreign Assistance Act of 1961 programed for Ecuador and Peru, equal to the amounts paid to the owners of fishing vessels seized by those governments, pursuant to section 5(b) of the Fishermen's Protective Act [22 U.S.C. 1975 (b)]; to the Committee on Merchant Marine and Fisheries.

1434. A letter from the Chairman, U.S. Civil Service Commission, transmitting a draft of proposed legislation to amend chapter 89 of title 5, United States Code, to provide for a new medicare supplement option under the Federal employees health

benefits program, and to provide a Government contribution to the subscription charge for an employee or annuitant enrolled in such new option equal to 100 percent of the subscription charge up to the maximum dollar contribution the Government makes toward the health insurance of any employee or annuitant enrolled for high option coverage under the Government-wide plans; jointly, to the Committees on Post Office and Civil Service, and Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of California:

H.R. 8774. A bill to amend the act of August 27, 1958, and the Federal Meat Inspection Act for purposes of imposing penalties with regard to the inhumane slaughter of livestock; to the Committee on Agriculture.

H.R. 8775. A bill authorizing the Secretary of the Army to provide certain construction on the Santa Ana River, Calif.; to the Committee on Public Works and Transportation.

By Mr. DELLUMS (for himself, Mr. MEZVINSKY, Mr. PATTISON of New York, and Mr. YOUNG of Georgia):

H.R. 8776. A bill to amend chapter 5 of title 5, United States Code, relating to agency rulemaking, to provide that such chapter applies to matters relating to public property, loans, grants, benefits, or contracts, and for other purposes; to the Committee on the Judiciary.

By Mr. FOLEY:

H.R. 8777. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Oroville-Tonasket unit extension, Okanogan-Similkameen division, Chief Joseph Dam project, Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FOLEY (for himself, Mr. ALEXANDER, Mr. ASHLEY, Mr. BADILLO, Mr. BEARD of Tennessee, Mr. BENITEZ, Mr. BOLAND, Mr. BONKER, Mr. BURKE of Massachusetts, Mr. BURKE of Florida, Mr. CLAY, Mr. COHEN, Mr. CORNELL, Mr. COTTER, Mr. DAN DANIEL, Mr. DELLUMS, Mr. DOWNEY of New York, Mr. EILBERG, Mr. FISHER, Mr. FUQUA, Mr. GIBBONS, Mr. GUDE, Mr. HARRINGTON, Mr. HECHLER of West Virginia, and Mr. KOCH):

H.R. 8778. A bill to amend the act of August 24, 1966, as amended, to assure humane treatment of certain animals, and for other purposes; to the Committee on Agriculture.

By Mr. FOLEY (for himself, Mr. LEGGETT, Mr. LONG of Maryland, Mr. MCCORMACK, Mr. MCFALL, Mr. MADDEN, Mr. MAZZOLI, Mr. MEEDS, Mr. MICHEL, Mr. MIKVA, Mr. MOAKLEY, Mr. MOLLOHAN, Mr. MOSS, Mr. NIX, Mr. NOWAK, Mr. OTTINGER, Mr. PERKINS, Mr. PICKLE, Mr. RANGEL, Mr. REUSS, Mr. RODINO, Mr. SEIBERLING, Mr. SMITH of Iowa, Mr. J. WILLIAM STANTON, and Mr. STEIGER of Wisconsin):

H.R. 8779. A bill to amend the act of August 24, 1966, as amended, to assure humane treatment of certain animals, and for other purposes; to the Committee on Agriculture.

By Mr. FOLEY (for himself, Mr. THOMPSON, Mr. UDALL, Mr. ULLMAN, Mr. YOUNG of Florida, and Mr. WINN):

H.R. 8780. A bill to amend the act of August 24, 1966, as amended, to assure humane treatment of certain animals, and for other purposes; to the Committee on Agriculture.

By Mr. FREY (for himself, Mr. BYRON, Mr. BALDUS, Mr. BAUMAN, Mr. BEVILL, Mr. EDWARDS of Alabama, Mr. HALEY, Mr. HAYES of Indiana, Mr. JONES of Alabama, Mr. LONG of Maryland, Mr. MOORHEAD of California,, Mr. PATTISON of New York, Mr. RANDALL, Mr. ROSE, Mr. SIKES, Mrs. SMITH of Nebraska, and Mr. STEPHENS):

H.R. 8781. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. FUQUA:

H.R. 8782. A bill to amend title XVIII of the Social Security Act to provide for the furnishing of outpatient rehabilitation services; to the Committee on Ways and Means.

By Mr. JACOBS:

H.R. 8783. A bill to incorporate the United States Submarine Veterans of World War II; to the Committee on the Judiciary.

By Mr. KARTH:

H.R. 8784. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with, and for other purposes; to the Committee on Armed Services.

By Mr. MYERS of Pennsylvania:

H.R. 8785. A bill to amend title 39, United States Code, to increase to 60 days the period before an election during which a Member of, or Member-elect to, the Congress may not make a mass mailing as franked mail if such Member or Member-elect is a candidate in such election; to the Committee on Post Office and Civil Service.

By Mr. PERKINS:

H.R. 8786. A bill to provide incentives and otherwise to encourage the utilization of home-dialysis and to encourage early kidney transplantation under the renal disease program authorized under section 226 of the Social Security Act; to the Committee on Ways and Means.

By Mr. STUDDS (for himself, Mr. EILBERG, and Mr. PIKE):

H.R. 8787. A bill to extend on an interim basis the jurisdiction of the United States over certain ocean areas and fish in order to protect the domestic fishing industry, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. CHARLES H. WILSON of California:

H.R. 8788. A bill to make any alien who becomes a public charge within 24 months of his arrival in the United States subject to deportation, and for other purposes; to the Committee on the Judiciary.

By Mr. ANDERSON of California:

H.J. Res. 577. Joint resolution to stop the sale of one landing ship (LST) to Ecuador, and for other purposes; to the Committee on Armed Services.

By Mr. REUSS:

H.J. Res. 578. Joint resolution proposing an amendment to the Constitution of the United States to create the Office of Chief of State to be the ceremonial head of the United States; to the Committee on the Judiciary.

By Mr. BIAGGI:

H. Res. 615. Resolution to express concern over the attempts to expel Israel from the United Nations; to the Committee on International Relations.

By Mr. KARTH:

H. Res. 616. Resolution establishing a select committee to study the problem of U.S. servicemen missing in action in Southeast Asia; to the Committee on Rules.

By Mr. OBERSTAR:

H. Res. 617. Resolution establishing a select committee to study the problem of U.S. servicemen missing in action in Southeast Asia; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

233. By the SPEAKER: Memorial of the Legislature of the Trust Territory of the Pacific Islands, relative to appropriations for the trust territory; to the Committee on Appropriations.

234. Also, memorial of the Legislature of the Trust Territory of the Pacific Islands, relative to charges at military medical facilities in Guam and Hawaii; to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII,

172. The SPEAKER presented a petition of the Ponape District Legislature, Kolonia, Ponape, Eastern Caroline Islands, Trust Territory of the Pacific Islands, relative to the future political status of Micronesia, which was referred to the Committee on Interior and Insular Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 7014

By Mr. MYERS of Pennsylvania:

At the end of the amendment offered by Mr. BROYHILL of North Carolina, strike the requisite number of words.

SENATE—*Monday, July 21, 1975*

The Senate met at 12 noon and was called to order by Hon. JOHN C. CULVER, a Senator from the State of Iowa.

PRAYER

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

O God in whom our fathers trusted, we put our trust in Thee. May Thy spirit be in all who serve this Nation in public office. May the abiding values and virtues of the past become a living reality in us today. Rule in our personal lives and in our corporate actions, that we may witness to pure religion and high patriotism.

May Thy spirit lay hold upon all the nations of the Earth, that faith may displace fear, that truth may arise above falsehood, that justice may triumph over greed, and that love may prevail over hate. Send out Thy light and Thy truth until mankind is gathered in Thy perfect kingdom over which Thou dost rule in everlasting righteousness.

We pray in the Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 21, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JOHN C. CULVER, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

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

Mr. MANSFIELD addressed the Chair.

QUORUM CALL

The ACTING PRESIDENT pro tempore. The Senate having adjourned in the absence of a quorum on Saturday last, the Chair directs the clerk to call the roll to ascertain the presence of a quorum.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 60 Leg.]

Allen	Ford	Nunn
Bartlett	Griffin	Scott, Hugh
Beall	Hart, Gary W.	Stevens
Bentsen	Helms	Stone
Byrd, Robert C.	Hruska	Talmadge
Cranston	Mansfield	Young
Culver	McClellan	

The ACTING PRESIDENT pro tempore. A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the presence of absent Senators.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk	Goldwater	Montoya
Baker	Gravel	Morgan
Bellmon	Hansen	Nelson
Biden	Hart, Philip A.	Packwood
Brock	Hartke	Pearson
Brooke	Haskell	Proxmire
Buckley	Hathaway	Randolph
Burdick	Hollings	Ribicoff
Byrd, Harry F., Jr.	Huddleston	Roth
	Humphrey	Schweiker
Cannon	Javits	Scott, William L.
Case	Johnston	
Chiles	Kennedy	Sparkman
Church	Laxalt	Stafford
Clark	Leahy	Stennis
Curtis	Long	Stevenson
Dole	Magnuson	Symington
Domenici	McClure	Taft
Eagleton	McGee	Thurmond
Fannin	McGovern	Tower
Fong	McIntyre	Tunney
Garn	Metcalf	Weicker
Glenn	Mondale	

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Arkansas (Mr. BUMPERS), the Senator from Mississippi (Mr. EASTLAND), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. JACKSON), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PASTORE), the Senator from Rhode Island (Mr. PELL), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD), the Senator from Illinois (Mr. PERCY), and the Senator from Maryland (Mr. MATHIAS) are necessarily absent.

The ACTING PRESIDENT pro tempore. A quorum is present.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Saturday, July 19, 1975, 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 permitted to meet during the session of the Senate today, except during debate on the Durkin-Wyman issue.

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

SENATE CONCURRENT RESOLUTION 54—PROVIDING FOR A CONDITIONAL ADJOURNMENT OF CONGRESS FROM AUGUST 1, 1975, UNTIL SEPTEMBER 3, 1975

Mr. MANSFIELD. Mr. President, on Saturday, I submitted a concurrent resolution having to do with adjournment. I ask unanimous consent that it be called up for immediate consideration.

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

The legislative clerk read as follows:

S. CON. RES. 54

Resolved by the Senate (the House of Representatives concurring), That when the two Houses adjourn on Friday, August 1, 1975, they stand adjourned until 12 o'clock noon on Wednesday, September 3, 1975, or until 12 o'clock noon on the second day after their respective Members are notified to reassemble in accordance with section 2 of this resolution, whichever event first occurs.

SEC. 2. The Speaker of the House of Representatives and the President pro tempore of the Senate shall notify the Members of the House and the Senate, respectively, to reassemble whenever in their opinion the public interest shall warrant it or whenever the majority leader of the House and the majority leader of the Senate, acting jointly, or the minority leader of the House and the minority leader of the Senate, acting jointly, file a written request with the Clerk of the House and the Secretary of the Senate that the Congress reassemble for the consideration of legislation.

SEC. 3. During the adjournment of both Houses of Congress as provided in section 1, the Secretary of the Senate and the Clerk of the House, respectively, be, and they hereby are, authorized to receive messages, including veto messages, from the President of the United States.

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

There being no objection, the concurrent resolution was considered and agreed to.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. Does the acting minority leader seek recognition at this time?

Mr. HELMS. No, Mr. President.

PETITIONS AND MEMORIALS

The ACTING PRESIDENT pro tempore. Under rule VII, the Chair now calls for the presentation of petitions and memorials.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. STONE) laid before the Senate the following letters, which were referred as indicated:

AMENDMENTS TO APPROPRIATIONS REQUEST FOR THE NATIONAL TRANSPORTATION SAFETY BOARD—(S. DOC. 94-80)

A communication from the President of the United States transmitting proposed amendments to the request for apropriations transmitted in the 1976 budget for the fiscal year 1976 in the amount of $620,000 and for the transition period July 1, to September 30, 1976, in the amount of $284,000 for the National Transportation Safety Board (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

AMENDMENTS TO APPROPRIATIONS REQUEST FOR THE DEPARTMENT OF AGRICULTURE—(S. DOC. 94-81)

A communication from the President of the United States transmitting proposed amendments to the request for appropriations for the fiscal year 1976 in the amount of $163,895,000 and for the transition quarter July 1, 1976 through September 30, 1976, in the amount of $1,230,000 for the Department of Agriculture (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

AMENDMENTS TO APPROPRIATIONS REQUEST FOR THE DEPARTMENT OF LABOR—(S. DOC. 94-82)

A communication from the President of the United States transmitting proposed amendments to the request for appropriations for the fiscal year 1976 in the amount of $7,812,000, including the transition period July 1 through September 30, 1976, for the Department of Labor (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

AMENDMENTS TO APPROPRIATIONS REQUEST FOR THE VETERANS' ADMINISTRATION—(S. DOC. 94-83)

A communication from the President of the United States transmitting proposed amendments to the request for appropria-

tions for the fiscal year 1976 in the amount of $1,413,500,000 and for the transition quarter July 1 through September 30, 1976, in the amount of $266 million for the Veterans Administration (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

AMENDMENTS TO APPROPRIATIONS REQUEST FOR THE ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION—(S. Doc. 94–84)

A communication from the President of the United States transmitting proposed amendments to the request for appropriations for the fiscal year 1976 in the amount of $279,100,000, and for the transition period July 1 through September 30, 1976, in the amount of $44,400,000, for the Energy Research and Development Administration (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES

The ACTING PRESIDENT pro tempore. The Chair now calls for reports of standing and select committees.

The following reports of committees were submitted:

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

S. Res. 145. A resolution to express the disapproval of the Senate of the President's proposed amendment to the regulations promulgated under section 4(a) of the Emergency Petroleum Allocation Act of 1973 to oil, residual oil, propane, and refined petroleum products (together with minority and additional views) (Rept. No. 94–286).

By Mr. MONTOYA, from the Committee on Public Works, with an amendment:

S. 1587. A bill to amend the Public Works and Economic Development Act of 1965 to increase the antirecessionary effectiveness of the program and for other purposes (together with additional views) (Rept. No. 94–285).

By Mr. CANNON, from the Committee on Rules and Administration, without amendment:

S. Res. 41. A resolution continuing the authorization for two additional temporary professional staff members and two additional temporary assistants for the Committee on Finance (Rept. No. 94–287).

By Mr. CANNON, from the Committee on Rules and Administration, with amendments:

S. Res. 42. A resolution authorizing additional expenditures by the Committee on Finance for routine purposes (Rept. No. 94–288).

By Mr. PELL, from the Committee on Labor and Public Welfare, with amendments:

S. 1800. A bill to amend and extend the National Foundation on the Arts and Humanities Act of 1965, to provide for the improvement of museum services, and to provide indemnities for exhibitions of artistic and humanistic endeavors, and for other purposes (Rept. No. 94–289).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. LONG, from the Committee on Finance:

Forrest David Mathews, of Alabama, to be Secretary of Health, Education, and Welfare; and

John Meier, of Colorado, to be Chief of the Children's Bureau, Department of Health, Education, and Welfare.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

EMERGENCY LOAN PROGRAM—SUBMISSION OF A CONFERENCE REPORT (REPT. No. 94–290)

Mr. TALMADGE submitted a report from the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 555) to amend the Consolidated Farm and Rural Development Act, which was ordered to be printed.

WAIVER OF CALL OF CALENDAR UNDER RULE VII

Mr. MANSFIELD. Mr. President, I ask unanimous consent to waive the call of the calendar for unobjected-to measures under Senate Rule VII.

Mr. ALLEN. I object.

The ACTING PRESIDENT pro tempore. The objection is heard.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The ACTING PRESIDENT pro tempore. The Chair now calls for the 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. SPARKMAN (by request):

S. 2137. A bill to provide for the entry of nonregional members, the Bahamas and Guyana, in the Inter-American Development Bank, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. STEVENS:

S. 2138. A bill to amend the Shipping Act, 1916, in order to provide that a State, the District of Columbia, the Commonwealth of Puerto Rico, and a territory or possession of the United States shall be considered a citizen of the United States for the purposes of such act. Referred to the Committee on Commerce.

S. 2139. A bill to authorize the Secretary of the Interior to convey certain property to Morris L. Porter, Seldovia, Alaska. Referred to the Committee on Interior and Insular Affairs.

By Mr. HARTKE:

S. 2140. A bill to provide for the orderly and timely implementation of certain requirements of law concerning development of high-speed rail transportation in the Northeast Corridor. Referred to the Committee on Commerce.

By Mr. JAVITS:

S. 2141. A bill for the relief of Carolyn Joan Bodden. Referred to the Committee on the Judiciary.

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

S. 2142. A bill to authorize the Secretary of Commerce to transfer the N.S. *Savannah* to Patriot's Point Development Authority, an agency of the State of South Carolina. Referred to the Committee on Commerce.

By Mr. INOUYE:

S. 2143. A bill for the relief of Peter Francis Berdzar. Referred to the Committee on Armed Services.

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

S. 2144. A bill to establish within the Department of the Interior the position of an additional Assistant Secretary of the Interior, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. CRANSTON (for himself, Mr. TUNNEY, Mr. BEALL, Mr. BUCKLEY, Mr. CHILES, Mr. FANNIN, Mr. FONG, Mr. PHILIP A. HART, Mr. HUMPHREY, Mr. INOUYE, Mr. JACKSON, Mr. MANSFIELD, Mr. MCCLELLAN, Mr. HUGH SCOTT, Mr. TAFT, Mr. WILLIAMS, Mr. STONE, Mr. MONDALE, and Mr. YOUNG):

S. 2145. A bill to provide Federal financial assistance to States in order to assist local educational agencies to provide public education to Vietnamese and Cambodian refugee children, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. HELMS:

S. 2146. A bill to amend title IX of the Education Amendments of 1972, and to preserve academic freedom. Referred to the Committee on Labor and Public Welfare.

By Mr. HOLLINGS:

S. 2147. A bill to amend the Communication Act of 1934 to provide that licenses for the operation of broadcasting stations may be issued and renewed for terms of 5 years, and for other purposes. Referred to the Committee on Commerce.

By Mr. HARTKE:

S. 2148. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the New River, Va., as a component of the national wild and scenic rivers system. Referred to the Committee on Interior and Insular Affairs.

By Mr. NELSON (for himself, Mr. BENTSEN, Mr. BROCK, Mr. DOLE, Mr. HUMPHREY, Mr. KENNEDY, Mr. MONDALE, Mr. NUNN, Mr. PELL, and Mr. WEICKER):

S. 2149. A bill to amend the Internal Revenue Code of 1954, and the Tax Reduction Act of 1974, to make permanent certain changes made by such act in the Internal Revenue Code which affect small businesses. Referred to the Committee on Finance.

By Mr. RANDOLPH (for himself and Mr. GARY W. HART):

S. 2150. A bill to amend the Solid Waste Disposal Act to authorize State program and implementation grants, to provide incentives for the recovery of resources from solid wastes, to control the disposal of hazardous wastes, and for other purposes. Referred to the Committee on Public Works.

By Mr. BENTSEN:

S. 2151. A bill to amend chapter 44, title 18, United States Code, to prohibit possession of a handgun by certain persons, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. JAVITS (for himself and Mr. PERCY):

S. 2152. A bill to promote more effective management of certain law enforcement functions of the executive branch by transferring functions of the Secretary of the Treasury under the Gun Control Act of 1968 to the Attorney General, by consolidating certain law enforcement functions under that act in a Firearms Safety and Abuse Control Administration, in the Department of Justice, and for other purposes. Referred to the Committee on Government Operations.

By Mr. JAVITS (for himself and Mr. PERCY):

S. 2153. A bill to amend the Intergovernmental Cooperation Act to prevent lawless and irresponsible use of handguns in selected areas with high crime rates, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. WILLIAMS (for himself, Mr. JAVITS, and Mr. SCHWEIKER):

S. 2154. A bill to amend the Railroad Unemployment Insurance Act to increase unemployment and sickness benefits and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. BEALL:

S.J. Res. 110. A bill authorizing the President to proclaim April 14 of each year as "John Hanson Day." Referred to the Committee on the Judiciary.

CONCURRENT AND OTHER RESOLUTIONS

The ACTING PRESIDENT pro tempore. The Chair now calls for concurrent and other resolutions.

RESOLUTION TO DECLARE A VACANCY

The ACTING PRESIDENT pro tempore. The Chair now lays before the Senate a resolution coming over under the rule.

The legislative clerk read as follows:

S. RES. 204

Resolved, That the office of United States Senator for the State of New Hampshire for the term commencing January 3, 1975, is hereby declared vacant.

Mr. ROBERT C. BYRD addressed the chair.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I move to postpone consideration of that resolution until September 15.

The ACTING PRESIDENT pro tempore. Is there objection? The question is on agreeing to the motion.

Mr. ALLEN. Mr. President, I call for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

There is a sufficient second. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Arkansas (Mr. BUMPERS), the Senator from Mississippi (Mr. EASTLAND), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. JACKSON), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from Rhode Island (Mr. PASTORE), the Senator from Rhode Island (Mr. PELL), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE), the Senator from Washington (Mr. JACKSON), the Senator from Rhode Island (Mr. PELL), and the Senator from New Jersey (Mr. WILLIAMS) would each vote "yea".

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD), the Senator from Maryland (Mr. MATHIAS), and the Senator from Illinois (Mr. PERCY) are necessarily absent.

The result was announced—yeas 45, nays 41, as follows:

[Rollcall Vote No. 302 Leg.]

YEAS—45

Abourezk	Hart, Gary W.	McGee
Bentsen	Hart, Philip A.	McGovern
Biden	Hartke	McIntyre
Burdick	Haskell	Metcalf
Byrd, Robert C.	Hathaway	Mondale
Cannon	Hollings	Montoya
Chiles	Huddleston	Nelson
Church	Humphrey	Proxmire
Clark	Johnston	Randolph
Cranston	Kennedy	Ribicoff
Culver	Leahy	Sparkman
Eagleton	Long	Stevenson
Ford	Magnuson	Stone
Glenn	Mansfield	Symington
Gravel	McClellan	Tunney

NAYS—41

Allen	Fong	Schweiker
Baker	Garn	Scott, Hugh
Bartlett	Goldwater	Scott, William L.
Beall	Griffin	Stafford
Bellmon	Hansen	Stennis
Brock	Helms	Stevens
Brooke	Hruska	Taft
Buckley	Javits	Talmadge
Byrd, Harry F., Jr.	Laxalt	Thurmond
Case	McClure	Tower
Curtis	Morgan	Weicker
Dole	Nunn	Young
Domenici	Packwood	
Fannin	Pearson	
	Roth	

NOT VOTING—13

Bayh	Jackson	Pell
Bumpers	Mathias	Percy
Eastland	Moss	Williams
Hatfield	Muskie	
Inouye	Pastore	

So the motion was agreed to.

QUORUM CALL

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

Mr. JAVITS addressed the Chair.

The ACTING PRESIDENT pro tempore. The clerk will call the roll to ascertain the presence of a quorum.

The second assistant legislative clerk called the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 61 Leg.]

Abourezk	Goldwater	Muskie
Allen	Gravel	Nelson
Baker	Griffin	Nunn
Bartlett	Hansen	Packwood
Bayh	Hart, Gary W.	Pastore
Beall	Hart, Philip A.	Pearson
Bellmon	Hartke	Pell
Bentsen	Haskell	Proxmire
Biden	Hathaway	Randolph
Brock	Helms	Ribicoff
Brooke	Hollings	Roth
Buckley	Hruska	Schweiker
Burdick	Huddleston	Scott, Hugh
Byrd, Harry F., Jr.	Humphrey	Scott, William L.
Byrd, Robert C.	Javits	Sparkman
Cannon	Johnston	Stafford
Case	Kennedy	Stennis
Chiles	Laxalt	Stevens
Church	Leahy	Stevenson
Clark	Long	Stone
Cranston	Magnuson	Symington
Culver	Mansfield	Taft
Curtis	Mathias	Talmadge
Dole	McClellan	Thurmond
Domenici	McClure	Tower
Eagleton	McGee	Tunney
Fannin	McGovern	Weicker
Fong	McIntyre	Williams
Ford	Metcalf	Young
Garn	Mondale	
Glenn	Montoya	
	Morgan	

The ACTING PRESIDENT pro tempore. A quorum is present.

CLOTURE MOTION

The ACTING PRESIDENT pro tempore. The time for debate under the unanimous-consent agreement having expired, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon the motion to proceed to the consideration of H.R. 6219, an Act to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years, to make permanent the ban against certain prerequisites to voting, and for other purposes.

Mike Mansfield, Floyd K. Haskell, Wendell H. Ford, William D. Hathaway, Patrick J. Leahy, Gary W. Hart, Dick Clark, John Glenn, Walter D. Huddleston, Lee Metcalf, Jacob K. Javits, Charles McC. Mathias, Mark O. Hatfield, Clifford P. Case, William Proxmire, Hubert H. Humphrey, Jennings Randolph, George McGovern, Philip A. Hart, Edward M. Kennedy, John V. Tunney, Joseph R. Biden, Jr., John C. Culver, James Abourezk, Gaylord Nelson, Richard S. Schweiker.

CALL OF THE ROLL

The ACTING PRESIDENT pro tempore. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The second assistant legislative clerk called the roll and the following Senators answered to their names:

[Quorum No. 62 Leg.]

Abourezk	Goldwater	Muskie
Allen	Gravel	Nelson
Baker	Griffin	Nunn
Bartlett	Hansen	Packwood
Bayh	Hart, Gary W.	Pastore
Beall	Hart, Philip A.	Pearson
Bellmon	Hartke	Pell
Bentsen	Haskell	Proxmire
Biden	Hathaway	Randolph
Brock	Helms	Ribicoff
Brooke	Hollings	Roth
Buckley	Hruska	Schweiker
Burdick	Huddleston	Scott, Hugh
Byrd, Harry F., Jr.	Humphrey	Scott, William L.
Byrd, Robert C.	Javits	Sparkman
Cannon	Johnston	Stafford
Case	Kennedy	Stennis
Chiles	Laxalt	Stevens
Church	Leahy	Stevenson
Clark	Long	Stone
Cranston	Magnuson	Symington
Culver	Mansfield	Taft
Curtis	Mathias	Talmadge
Dole	McClellan	Thurmond
Domenici	McClure	Tower
Eagleton	McGee	Tunney
Fannin	McGovern	Weicker
Fong	McIntyre	Williams
Ford	Metcalf	Young
Garn	Mondale	
Glenn	Montoya	
	Morgan	

The PRESIDING OFFICER (Mr. GARY W. HART). A quorum is present.

VOTE

The PRESIDING OFFICER. The question is, is it the sense of the Senate that debate on the motion to proceed to the consideration of H.R. 6219, an act to amend the Voting Rights Act of 1965, to extend certain provisions for an additional 10 years, to make permanent the ban against certain prerequisites of voting, and for other purposes, shall be brought to a close?

The yeas and nays are mandatory under the rule. The clerk will call the roll.

Mr. ROBERT C. BYRD. Mr. President, because this will be a close vote, I ask that the Chair maintain order at all times until the result is announced.

The PRESIDING OFFICER. The Chair will maintain order.

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The Senate will be in order. Senators will please take their seats during the voting. The clerk will suspend until Senators have taken their seats.

The clerk may proceed.

The rollcall was resumed.

Mr. MORGAN (when his name was called). Mr. President, I ask to be recorded as "present."

Mr. ROBERT C. BYRD. Mr. President, may we have order so that Senators may hear their names as the votes are announced?

The PRESIDING OFFICER. The Senate will be in order. Senators will please take their seats.

The rollcall was resumed and concluded.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. BUMPERS), the Senator from Mississippi (Mr. EASTLAND), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. JACKSON), and the Senator from Utah (Mr. Moss) are necessarily absent.

I further announce that, if present and voting, the Senator from Arkansas (Mr. BUMPERS), and the Senator from Washington (Mr. JACKSON) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD) and the Senator from Illinois (Mr. PERCY) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The yeas and nays resulted—yeas 72, nays 19, as follows:

[Rollcall Vote No. 303 Leg.]

YEAS—72

Abourezk	Garn	Mondale
Baker	Glenn	Montoya
Bartlett	Gravel	Muskie
Bayh	Griffin	Nelson
Beall	Hart, Gary W.	Packwood
Bellmon	Hart, Philip A.	Pastore
Bentsen	Hartke	Pearson
Biden	Haskell	Pell
Brock	Hathaway	Proxmire
Brooke	Hollings	Randolph
Burdick	Huddleston	Ribicoff
Byrd, Robert C.	Humphrey	Roth
Cannon	Javits	Schweiker
Case	Johnston	Scott, Hugh
Chiles	Kennedy	Stafford
Church	Leahy	Stevens
Clark	Long	Stevenson
Cranston	Magnuson	Stone
Culver	Mansfield	Symington
Dole	Mathias	Taft
Domenici	McGee	Tower
Eagleton	McGovern	Tunney
Fong	McIntyre	Weicker
Ford	Metcalf	Williams

NAYS—19

Allen	Hansen	Scott, William L.
Buckley	Helms	Sparkman
Byrd, Harry F., Jr.	Hruska	Stennis
Curtis	Laxalt	Talmadge
Fannin	McClellan	Thurmond
Goldwater	McClure	Young
	Nunn	

ANSWERED "PRESENT"—1

Morgan

NOT VOTING—7

Bumpers	Inouye	Percy
Eastland	Jackson	
Hatfield	Moss	

The PRESIDING OFFICER. On this vote the yeas are 72 and the nays are 19, with one Senator answering "present." Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

The motion to invoke cloture having carried, the motion to proceed to the consideration of H.R. 6219 is to be the business of the Senate until disposed of. Under the rules, each Senator has 1 hour. Who yields time?

MOTION TO PROCEED TO CONSIDER AMENDMENT OF THE VOTING RIGHTS ACT

The Senate continued with the consideration of the motion to proceed to consider the bill (H.R. 6219) to amend the Voting Rights Act of 1965.

Mr. JAVITS. Mr. President, I yield myself 1 minute, and I ask unanimous consent that Charles Warren and Patricia Shakow of my office staff be accorded the privilege of the floor during this debate.

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

Mr. THURMOND. Mr. President, I ask unanimous consent that two members of my staff, Gary Clary and Bill Coates, be accorded the privilege of the floor during discussion on this subject.

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

Mr. TUNNEY. Mr. President, I ask unanimous consent that, during consideration of the Voting Rights Act, Jane Frank, Marshall Goldberg, and Ben Dixon of the Constitutional Rights Subcommittee be accorded the privilege of the floor, and that Mr. Robert Bates and Thomas Susman of Senator KENNEDY's office be accorded the privilege of the floor.

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

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that George Shanks of my staff be granted privilege of the floor during consideration of the pending measure.

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

Mr. WILLIAM L. SCOTT. Mr. President, I ask unanimous consent that James Carty of the Veterans' Affairs Committee be granted the privilege of the floor during the consideration of this bill.

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

Mr. DOMENICI. Mr. President, I ask unanimous consent that Charles Gentry and Bret Ringle of my staff be granted floor privilege during the remainder of the debate on this matter.

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

Mr. NUNN. Mr. President, I ask unanimous consent that Gordon Giffin of my staff be accorded the privilege of the floor during the remainder of debate on the Voting Rights Act.

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

Mr. CRANSTON. Mr. President, I ask unanimous consent that Janet Mueller, Roy Greenaway, and Jonathan Fleming have the privilege of the floor during the consideration of this matter.

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

Mr. PHILIP A. HART. Mr. President, I make a similar request for Michael Mullin, of my office, and for William Heckman of Senator BAYH's office.

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

Mr. TALMADGE. Mr. President, I ask unanimous consent that Dan Tate of my office may have the privilege of the floor during the consideration of the pending measure

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

Mr. BROOKE. Mr. President, I ask unanimous consent that Ralph Neas, of my staff, have the privilege of the floor during the duration of the debate on the Voting Rights Act.

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

Mr. DOLE. Mr. President, I ask unanimous consent that Claude Alexander, of my staff, have the privilege of the floor during the debate on this matter.

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

Mr. JOHNSTON. Mr. President, I ask unanimous consent that William Jefferson, of my staff, have the privilege of the floor during the debate on this matter.

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

Mr. CHILES. Mr. President, I ask unanimous consent that Bob Harris have the privilege of the floor during the consideration of this matter.

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

Mr. JAVITS. I yield myself 3 minutes.

Mr. President, today we begin debate on the extension of what has been called the most successful civil rights law ever enacted. I was a member of the Judiciary Committee in 1965 when the original Voting Rights Act passed, and as one of the floor managers of that bill, I take great pride in what its passage has accomplished. I think it has accomplished an enormous amount during the time it has been in effect.

Since 1965, more than a million new black voters have been registered in the seven covered Southern States. The gap between black and white voter registration in these jurisdictions has narrowed during that time period from 44 to 11 percent. More than a thousand black officials have been elected in these States and the full power of the ballot has been felt, not only by black people themselves, but also by the whole body of law in those States.

Also, Mr. President, I take considerable satisfaction from the fact that the act has been implemented in the North; and in my own State, we have practiced

what we preach. I have been asked that many times on the floor of the Senate in the course of the last 15 or 18 years, and here is proof of it. There has been no demurrer from New York, where three of our largest counties—Bronx, New York, and Brooklyn; Kings, as we call it technically—are covered by the act. Not only are we subject to the preclearance requirements of section 5 of the act, but also, since elections in English were found to be a "test or device" within the meaning of the act, we now provide election materials in Spanish as well as English in New York. The original act also had an impact on the Puerto Rican community in New York since section 4(e), which Senator Robert Kennedy and I authored, allowed citizens educated in American-flag schools in Puerto Rico to prove their literacy by showing they were educated in Spanish. This special provision, upheld by the Supreme Court in the case of Katzenback against Morgan, has been mooted by the suspension of all literacy tests mandated by the 1970 act, but between 1965 and 1970 it was of great assistance to those members of our community who were educated in Puerto Rico.

The bill before us today is more than another simple extension of the 1965 act. First, it would extend the law for 10 years instead of the customary 5. The purpose of this change is to get us by the crucial post-census period during which most of the section 5 preclearance applications have been filed. After every census, most States and localities reapportion. Each reapportionment plan in a covered jurisdiction must be approved by the Attorney General, and after the last census we found that applications for preclearance increased dramatically because of this factor. Because we would not like the law to expire during such a crucial period we now propose to extend until 1985.

The PRESIDING OFFICER. The 3 minutes of the Senator have expired.

Mr. JAVITS. I yield myself 2 additional minutes.

Second, this bill would extend coverare in two different ways, to certain "language minorities." Title II of the bill extends all the provisions of the act to those areas where at least 5 percent of the population belongs to a "language minority" and less than 50 percent of eligible voters actually voted. The phrase "test or device" is defined—as it was by the courts in New York case of Torres against Sachs—as the use of English-only election materials in such a district. Title III of the bill requires that those jurisdictions which have a 5 percent language minority must provide election materials in the relevant language as well as in English. This is a departure from the original concept of the 1965 act, since we are endeavoring to eliminate voter discrimination which is not based on race, but I believe it is a necessary and workable solution to this problem.

Finally, Mr. President—and if necessary, I yield myself an additional minute—I am really amazed at the dug-in opposition to this bill, which the majority leader spoke of so feelingly the other day. It was generally acknowledged in the course of all the civil rights debates—and I have participated in them here since 1957—that if there was one route to go, it was the route of equal opportunity to vote. Everybody, it was said, would agree on that as the inalienable privilege of every American. It is amazing to me that even to this very day, late as it is in this whole civil rights struggle, that there still is a residual, dug-in opposition even to a voting rights bill as clear as this one and pursuant to what seemed to be a general consensus, even in the Senate, that of all the inalienable rights of Americans, the voting right was the most prized and should be protected.

Everyone paid tribute to that. Let us hope that within the next few days, the tribute will be a valid one, instead of just for purposes of rhetoric.

Finally, Mr. President, I agree thoroughly with the leadership upon pressing this matter now. We must stay here until it is passed. There will be irremediable damage if the law lapses, as it will on August 6, with many cases falling by the boards and much retrogression in the advance which the law has made. It is our bounden duty, vacation or no vacation, to stay here with the determination necessary to pass this measure and see it signed by the President. I believe that the last vote indicates a heavy consensus that that is exactly what we shall do. I say this as one proponent of this measure, so that no one may have any illusions as to the progress of the debate, no matter what may be the perfectly proper parliamentary devices which will tend to delay it, probably inordinately. But for the sake of American freedom, we will live with it and work through until we pass this measure and make it law.

Mr. WILLIAM L. SCOTT. Mr. President, I yield myself such time as I may consume.

Whenever we have a bill before us, I believe that the title often plays a part in whether or not we support or reject a measure. The bill before us today is called "The Extension of the Voting Rights Act of 1965." Of course, "voting rights" has a good sound to it. We are all in favor of the 15th amendment to the Constitution. We do not want anyone to be discriminated against because of his race or color. We are in favor of the 19th amendment, which was adopted some 50 years after the 15th, to prevent discrimination in the voting process because of sex. We do not want to be thought of as someone who discriminates against any of our fellow citizens.

While "voting rights" has a good connotation, I believe we should review this act. We should see what is permanent legislation applying to all the States and compare it with what is temporary legislation. Obviously, when a part is permanent legislation, if the portion that is permanent covers the right of everyone to vote and removes discriminations or grants recourse when there is discrimination to a proper extent, then there is no reason to have the portion that is temporary extended.

Under the temporary portions of the bill, there has been harassment of individual States, particularly in the South. My own State of Virginia has had to submit more than 2,200 requests to the Attorney General of the United States for approval of some action taken by the State of Virginia. He has approved all of those more than 2,200, except in eight instances. But having to submit more than 2,200 acts of our State and political subdivisions to Washington for approval has been a hardship and an undue stigma upon the Commonwealth of Virginia.

So, because of the harassment of a number of the States, we might call this extension "The Harassment Expansion Act." We could, in the vernacular of the day, call it "The Stick It to the South Act." We could call it "The Discrimination Against the South Act." Or, we might say, "The Extension of Discrimination Against the South."

My purpose today is addressed to the permanent act, what it provides, and then, of course, to compare it with the temporary legislation, and to suggest that the permanent act sufficiently protects all our citizens. My plea will be to vote on the merits of the bill rather than on the title of the act.

It is a high-sounding title, that is not sufficient, in my opinion, to justify anyone voting in favor of the act merely because it is called a "Voting Rights Act." I am saying that merely because the author of the bill has seen fit to call this the Extension of the Voting Rights Act of 1965, we should look behind the title and see what we actually have under consideration and vote our conviction based upon the facts. Let me, therefore, devote at least a portion of my comments to this basic law regarding voting rights.

As we know, the 15th amendment says that the rights of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race or color or previous condition of servitude and that Congress shall have power to enforce this article by appropriate legislation. This is the basic law of the land, a law that we are all sworn to uphold.

The 15th amendment was ratified by the requisite number of States in 1870. I do not believe that any Member of this body would change this basic law if he had the opportunity to do so.

Pursuant to the 15th amendment, Congress did enact legislation——

AMENDMENTS CONSIDERED AS READ UNDER RULE XXII—H.R. 6219

Mr. ALLEN. Will the Senator yield for 1 minute for a unanimous-consent agreement?

Mr. WILLIAM L. SCOTT. I am glad to yield.

Mr. ALLEN. Mr. President, I ask unanimous consent that when H.R. 6219 becomes the business of the Senate, all amendments at the desk prior to the cloture vote shall be treated as having been read in compliance with rule XXII.

The PRESIDING OFFICER. Is there objection?

Mr. PELL. Reserving the right to ob-

ject, I do not understand the full import of the very skilled parliamentary intelligence of the Senator from Alabama.

Mr. ALLEN. If the Senator wishes to object, it is perfectly all right. All this would allow is that amendments be left at the desk rather than for the Senators to get recognition and offer the amendments and have them read. It is the customary procedure.

Mr. PELL. I withdraw my objection.

Mr. ALLEN. The amendments lie at the desk and are treated as having been read, any that are offered prior to the cloture motion.

Mr. JAVITS. Mr. President, reserving the right to object, I notice that Senator MANSFIELD and Senator BYRD are not in the Chamber. Does not the Senator feel that, as a matter of courtesy to them, we should at least give them notice that this request is being made?

Mr. ALLEN. That is perfectly all right. The Senator from West Virginia is present.

Mr. ROBERT C. BYRD. Mr. President, the Senator is making a request that all amendments at the desk to the motion to take up——

Mr. ALLEN. No, H.R. 6219, when it becomes the business of the Senate.

Mr. ROBERT C. BYRD. When that becomes the business?

Mr. ALLEN. Yes, that all matters at the desk, rather than go through the formality of having them read and consume time.

Mr. ROBERT C. BYRD. I understand. Will the Senator repeat his request?

Mr. ALLEN. I ask unanimous consent that when H.R. 6219 becomes the business of the Senate, all amendments presented at the desk prior to the announcement of the cloture vote will be considered as having been read in compliance with rule XXII of the Senate.

Mr. WILLIAM L. SCOTT. Mr. President, reserving the right to object, and of course, I shall not object, I wonder if the Senator will amend that request so that it will include the Senate version of the bill in the event, if and when that becomes the business before the Senate. Then we would have it as to both bills.

Mr. ROBERT C. BYRD. Mr. President, I venture to say that the Senator from Alabama has made the right approach and I will not object to his request.

Mr. ALLEN. Very well; I shall not amend my request.

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

The Senator from Virginia.

Mr. WILLIAM L. SCOTT. Pursuant to the 15th amendment, Congress did enact legislation known as the Enforcement Act of 1870, our first comprehensive law on voting rights. If we look at the United States Code annotated, we shall find that only one short paragraph of this basic act remains and that there was a general overhaul and supplement to the act by the Voting Rights Act of 1965. Again, the present Voting Rights Act is permanent legislation, applying generally to all of the States of the Union. Let me review this act section by section.

Title 1 of the act bears the simple heading, "Voting Rights." Section 2 of the title states that no voting qualification or prerequisite to voting or standard, practice or procedure shall be imposed or applied by a State or political subdivision to deny or abridge the right of any citizen of the United States to vote on account of race or color. Mr. President, that applies to every State of the Union. It is a matter that was finally decided by the States in 1870, when they ratified the 15th amendment. I do not believe that any Member of this body will question the desirability of this section of the permanent legislation.

The following section provides that whenever the Attorney General institutes a proceeding under any statute to enforce the guarantees of the 15th amendment in any State or political subdivision, the court shall authorize the appointment of Federal examiners by the U.S. Civil Service Commission, in accordance with section 6 of the act, to serve for such period of time and for such political subdivisions as the court shall determine is appropriate to enforce the guarantees of the 15th amendment. Mr. President, you will note that this section relates to any statute to enforce the guarantees of the 15th amendment, which, of course, would include such statutes as the various civil rights acts and other permanent legislative acts relating to votes. This is merely one example of the broad power that is given the courts under permanent legislation. It applies equally to all of the States of the Union.

The same section authorizes the court, as part of any interlocutory decree, if the court determines that the appointment of examiners is necessary to enforce guarantees under the 15th amendment, or as part of any final judgment if the court finds that violations of the 15th amendment justifying equitable relief have occurred in any State or political subdivision, but does lessen the harshness of the act by providing that the court need not authorize the appointment of examiners when abridgements of the right to vote have been few in number, have been promptly and effectively corrected by State or local action, the continuing effect of such incidents has been eliminated, and there is no reasonable probability of their recurrence in the future.

In other words, Mr. President, in the main portion of the Voting Rights Act, applying to all of the 50 States, the Attorney General is authorized to take positive action to eliminate any wrong in the voting process. This positive action by the Attorney General, under which he brings a lawsuit in the Federal Court to remedy a wrong, is in direct contrast to the presumption of wrongdoing under the temporary portions of the act adopted in 1965 and now sought to be extended. The extension presupposes a wrongdoing on behalf of those States covered by the temporary provisions, and requires that any action taken by them relating to the voting processes, including changes in precinct boundary lines, changes in the location of a voting place, annexation by cities and towns, must be submitted to the Attorney General of the United States for his approval before they become effective and must be approved by the U.S. District Court for the District of Columbia.

Portions of the States of Hawaii and Alaska are either included or will be included under the proposed extension and their attorney general would have to come all the way to Washington if a lawsuit developed under the temporary legislation, rather than to have a trial in the Federal court of his own State.

I mention these two States merely because they are the most distant from the Nation's Capital.

Under the proposed extension they would be included in whole or in part. They are two of the 25 States that would be covered. To me it is unconscionable under our Federal system to say that representatives of a State must have Federal approval, in the absence of any showing of wrongdoing, before they can realign a precinct boundary line, can change a place of voting in a precinct or, as it developed in the city of Fredericksburg, Va., relocate a partition in the office of the registrar of the city.

I believe Senators should know the absurdity of some of this legislation we are called to vote upon.

But returning to the permanent legislation, Mr. President, section 3(b) of Title I indicates that if, in a proceeding instituted by the Attorney General under any statute to enforce the guarantees of the 15th amendment, the court finds that a test or device—of course, we are generally talking about the general so-called literacy test—has been used for the purpose of or with the effect of denying or abridging the right of any citizen of the United States to vote on account of race or color, it shall suspend use of tests or devices in such State or political subdivision if the court shall determine it appropriate, and for such period as it deems necessary.

Let me say, Mr. President, in my own State of Virginia the State Constitution was amended by a vote of the people of our State in 1971 to eliminate any requirement for a literacy test, and the statute under which such a minimal test was required has been repealed. There is no question in my mind that in my own State, if the temporary provisions of the law are not extended, we shall not have any further literacy tests.

Continuing with the permanent legislation applying equally to all of the States of the Union, Mr. President, section 3(c) provides that if the court finds violations of the 15th amendment justifying equitable relief have occurred within a State or a political subdivision, the court, in addition to such relief as may be granted, may retain jurisdiction for such period as it deems appropriate. During such period no voting qualification or prerequisite to voting or standard practice or procedure with respect to voting different from that in force or effect at the time the proceeding was commenced shall be used unless the court finds that such qualification, prerequi-

site, standard practice or procedure does not have the purpose and will not have the effect of denying or abridging the right to vote on account of race or color.

Once again, Mr. President, we are talking of the present law, the law that does not expire, the law that applies throughout the Nation, including the States covered by the temporary legislation now sought to be extended. It contains authority on behalf of the Attorney General to bring an action against any State of the Union or any political subdivision whenever he is of the opinion that citizens within a State or political subdivision may be denied the right to vote because of their race or color.

This section further provides that the voting procedure or practice within a State or political subdivision, when such action is brought, may continue such practice if the Attorney General has not interposed any objection within 60 days after submission of any changes in the qualifications, prerequisites, standard, practice or procedure of voting.

We then come to sections 4 and 5, Mr. President, which contain somewhat similar language as the permanent legislation. The sections, however, presume wrongdoing on behalf of the covered States and, in my opinion, are punitive in nature. They are effective in a given State when the Attorney General determines that on November 1, 1964, a literacy test of any type was in effect, and the Director of the Census determines that less than 50 percent of the persons of voting age were registered on November 1, 1964, or less than 50 percent voted in the Presidential election of November 1964.

You will recall, Mr. President, that the act was passed in 1965. It used the 1964 Presidential year and was temporary legislation for a period of 5 years. Later it was extended to apply for an additional 5-year period. Now it is contemplated to extend it for an additional 10-year period.

The triggering mechanism that places a State under the temporary legislation is based upon what the facts were on November 1, 1974. Even the Supreme Court has said that legislation of a temporary nature may be valid where more permanent legislation would not be. But this date, which placed the State under the punitive temporary provisions, was 11 years ago, in 1964, and if the act is extended for 5 years, as was provided in the bill introduced in the Senate when the legislation was filed, or for 10 years, as provided in the House bill as well as the bill reported by the Senate Judiciary Committee, it could mean that the facts existing as long as 21 years ago would determine whether a given State is guilty of wrongdoing in the vote process. I believe that sober reflection by any Member of this body will establish the unfairness of such a provision of law.

In the event there is any need for an extension of the Voting Rights Act, the dates that would cover any State under this temporary punitive legislation should be current dates, 1972, the date of the last presidential election, is preferable to 1964.

In my opinion, the right of a State to work itself out from the punitive provisions by showing progress by the time of the 1976 or the 1980 elections should exist. It is ridiculous, in my opinion, to place a few of our States under the provisions of this act and, for practical purposes, to have a presumption of wrongdoing applied to them ad infinitum.

All of us are familiar, Mr. President, with the fact that we had a Civil War somewhat over a 100 years ago, and the country was split during that time. There was an effort made to have two separate nations, but the Northern States won, and the Union was preserved.

Mr. President, I am sure we are all glad that we are a part of one country today, that we live together under a form of Federal Government which permits some diversity of views within the Union. I hate to see old wounds opened and punitive measures adopted against any State of the Union based upon facts as they existed in the past and not at the present time.

If we start pointing the finger in one direction it can make a full circle. Within our history there has been discrimination against black people, against Orientals, against Spanish-speaking people; there has been discrimination against the Irish, against the Roman Catholics, against the Jews, against the Mormons, against the American Indians; in fact, I have heard discriminatory remarks made against white Anglo-Saxon Protestants. They are sometimes called WASPS.

I have asked the Library of Congress to give me a report on the various discriminations that have existed during our history against various segments of our population, and I hope to have it for at least some period during our debate and have it inserted in the RECORD.

But, Mr. President, I do not believe that any useful purpose is served or that it is in the national interest to go back into history for the purpose of legislating. I believe we should legislate on the facts as they exist today. We have permanent legislation on the books under which the rights of every citizen of this country can be adequately protected. Therefore I will skip further reference to sections 4 and 5 of this act for the time being and go on to section 6.

Section 6 of the 1965 Act is not affected by the 1970 amendments and provides for the appointment of examiners by the Civil Service Commission either pursuant to the portions of the Act that are permanent in nature or the temporary provisions. The commission may appoint as many examiners as may be necessary to enforce the guarantees of the 15th amendment; to prepare and maintain lists of persons eligible to vote in Federal, State, and local elections; and to carry out other provisions and purposes of the general act.

Section 7 authorizes the examiners to examine applicants concerning their qualifications for voting and authorizes the Civil Service Commission to prepare the necessary forms upon which a person may apply for registration and to prepare a list of eligible voters within a State or political subdivision when the court finds by either an interlocutory or final decree that there has been a violation of the voting rights under the 15th amendment. Any person whose name appears on the examiner's list shall be entitled and allowed to vote in the election district of his residence and no one shall be permitted to vote whose name does not appear on the examiner's list of eligible voters.

Again, Mr. President, I believe we should understand that this law is permanent legislation, applying to every State of the Union but only when suit has been brought in Federal court and the court finds that a person's rights under the 15th amendment have been violated.

With permanent legislation such as this on the books I cannot understand why anyone familiar with all of the provisions of the permanent legislation can feel that the extension of the temporary provisions of the act are essential to preserve the rights of our citizens under the 15th amendment. It is unfair, in my opinion, to retain a presumption of wrongdoing based upon the percentage of people who voted in 1964. It is unfair to provide that the Government must prove wrongdoing insofar as some of the States of the Union are concerned and to have a presumption of wrongdoing without proof as to other States.

But continuing on, section 8 of the act, which also is permanent legislation, authorizes the Civil Service Commission, at the request of the Attorney General, to send observers to any election held in any political subdivision to which an examiner has been appointed. They are required to observe the casting and counting of ballots and to report their observations to the Attorney General and to the court. A portion of the section reads as follows:

(1) To enter and attend at any place for holding an election in such subdivision for the purpose of observing whether citizens who are entitled to vote are being permitted to vote and to (2) enter and attend at any place for tabulating the votes cast at any election held in such subdivision for the purpose of observing whether votes cast by persons entitled to vote are being properly tabulated.

Now, Mr. President, my own State of Virginia has never had any Federal examiners brought into our State either under permanent or temporary legislation. They have had no allegations that any individual has been deprived of his rights under the 15th amendment by the State of Virginia or by any political subdivision within the State. If charges were made at any time against Virginia or any other State of the Union, sufficient permanent legislation exists for relief and to compel compliance with the 15th amendment.

Virginians realize that our republican form of government cannot reach its full potential without full participation in its rights and privileges by all of our

citizens. But we are wholeheartedly opposed to punitive legislation directed at a few States because of past wrongs dating back to the Civil War.

Section 9 of the act is also permanent legislation. It provides that a hearing officer appointed by and responsible to the Civil Service Commission shall hear challenges to listings on the eligibility list. Challenges are to be filed in an office within the State designated by the Civil Service Commission. It must be supported by affidavits by at least two persons having personal knowledge of the facts constituting grounds for the challenge and must be determined within a 15-day period.

The decision of the hearing officer may be appealed to the circuit court but may not be overturned unless clearly erroneous. The same section provides that the Civil Service Commission shall prescribe regulations setting forth the times, places, procedures, and form of application, listing and removals from the eligibility list. The Commission, after consultation with the Attorney General, shall instruct examiners concerning the qualifications required for listing and concerning the laws of eligibility to vote. Power is given to the Civil Service Commission to issue subpenas.

Section 10 of the act contains a finding by the Congress that the payment of a poll tax cannot be used as a prerequisite for voting, which I believe coincides with a decision of the Supreme Court, and of course is binding upon each State of the Union.

Sections 11 and 12 contain criminal prohibitions and penal sanctions for interfering with rights guaranteed by the 15th amendment and violations of the Voting Rights Act. They include fines up to $10,000 and 5 years imprisonment for violating specified provisions.

This, once again, Mr. President, is permanent legislation, indicating the strength of the Voting Rights Act and the protection afforded all citizens of the country under permanent law without any extension of any kind of the temporary or the punitive provisions directed at individual States or political subdivisions.

None of us, in my opinion, can stand here on the Senate floor or would want to stand here and argue against the provisions of the 15th amendment or against its strict enforcement, but we do have a very valid case against the Congress enacting legislation which discriminates against any section of the country or any State of the Union. In our zealous efforts, and they should be zealous to protect the rights of the individual citizens, the Government should not harass individual States or political subdivisions where there are no indications existing of violations of the rights of citizens.

In other words, we should consider the facts as they exist today and not go back into history to find a cause to penalize a portion of the States of the Union. If we search deep enough, we can find that every State in the Union at one time or another has been guilty of discrimination.

Section 13 provides for the removal of examiners and the termination of listing procedures when the need for them no longer exists.

Section 14 relates to criminal contempt procedure; to jurisdiction, to trial of various suits under the act; defines a number of terms and sets forth jurisdictional requirements for the issuing of subpenas.

Section 15 amends the Civil Rights Act of 1964. Section 16 provides for joint study by the Attorney General and the Secretary of Defense of voting discrimination within the Armed Forces and section 17 provides that nothing in the act shall be construed to impair the right to vote of any person registered under State or local law.

Now, Mr. President, this summation relates only to title I of the act. The remainder of the act, titles II and III, are permanent legislation, except for the provision banning literacy tests throughout the country.

Section 202 relates to residential requirements for voting; section 203 for judicial relief; and title III for voting by citizens 18 years of age or older.

The whole thrust of my comments today, Mr. President, is that we have a voting rights bill on the books which is permanent legislation—which protects the rights of all of our citizens everywhere in the Union. And I would urge that each Member of the Senate study this bill—give careful consideration to it and not be swayed by emotional appeal or by any spirit of vindictiveness against a given State or a given section of the country.

If we are not entirely familiar with specific legislation we may well be swayed by the title—a clean air or a clean water bill has an appeal, a reform bill. I remember a Congressman, during consideration of a measure in the House, indicating that people would vote for a trashcan if it was referred to as a reform can.

Voting rights, of course, has an emotional appeal and I hope that Members will not vote blindly on a matter as important as this, merely because of the title of the legislation.

On Friday, when the leadership made its motion to take up the House version of the voting rights bill, even though the Senate Judiciary Committee had reported a version on the same day, I referred to the need for us to utilize our committees, to study proposals in depth by persons with a degree of expertise, and to obtain their recommendations rather than to bypass the committee system.

I believe, however, Mr. President, on matters as important as the present proposal, any of us would be derelict in our responsibilities if we did not become individually and personally acquainted with this proposal—know the difference between what is proposed by permanent legislation and what is provided in temporary legislation.

Mr. ALLEN. Mr. President, will the Senator yield me 15 seconds?

Mr. WILLIAM L. SCOTT. If the Senator will permit, I only have 15 seconds remaining.

Mr. ALLEN. I thank the Senator.

Mr. WILLIAM L. SCOTT. I would submit, Mr. President, that all of the guarantees under the 15th amendment are even now in permanent legislation and that those portions sought to be extended are punitive in nature and present presumptions of wrongdoing against individual States—a presumption difficult if not impossible to overcome.

Mr. President, I reserve the remainder of my time.

MESSAGE FROM THE HOUSE

A message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 6799) to approve certain of the proposed amendments to the Federal Rules of Criminal Procedure, to amend certain of them, and to make certain additional amendments to those Rules; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. HUNGATE, Mr. MANN, Mr. THORNTON, Miss HOLTZMAN, Mr. RUSSO, Mr. WIGGINS, and Mr. HYDE were appointed managers of the conference on the part of the House.

The message also announced that the House has passed, without amendment, the following Senate bill and joint resolutions.

S.435. An act to amend section 301 (b) (7) of the Agricultural Adjustment Act of 1938, as amended, to change the marketing year for wheat from July 1–June 30, to June 1–May 31;

S.J. Res. 41. A joint resolution to provide for the reappointment of Thomas J. Watson, Jr., as citizen regent of the Board of Regents of the Smithsonian Institution; and

S.J. Res. 42. A joint resolution to provide for the reappointment of Dr. John Nicholas Brown as citizen regent of the Board of Regents of the Smithsonian Institution.

MOTION TO PROCEED TO CONSIDER AMENDMENT TO THE VOTING RIGHTS ACT

The Senate continued with the consideration of the motion to proceed to the consideration of the bill (H.R. 6219) to amend the Voting Rights Act of 1965.

Mr. STENNIS. Mr. President, what is the pending order of business?

The PRESIDING OFFICER (Mr. DOLE). The motion to proceed to the consideration of H.R. 6219.

Mr. STENNIS. Mr. President, I thank the Chair. I propose to use a part of my allotted 1 hour, but as a matter of convenience I ask unanimous consent that on my time I may yield to the Senator from Alabama for 15 seconds.

Mr. ROBERT C. BYRD. Mr. President, I will not object.

Mr. STENNIS. I thank the Senator. I asked him to let me get the floor so I could go to a conference at 3 o'clock.

CLOTURE MOTION

Mr. ALLEN. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon S. Res. 166, relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire.

James B. Allen, Herman E. Talmadge, Sam Nunn, John Sparkman, William L. Scott, Paul J. Fannin, Jesse Helms, John Tower, Strom Thurmond, Roman L. Hruska, Russell B. Long, James L. Buckley, Howard H. Baker, Jr., Robert Dole, Jake Garn, Paul Laxalt, Bill Brock, Clifford P. Hansen.

Mr. ROBERT C. BYRD. Mr. President, I make a point of order that the cloture motion is not in order because Senate Resolution 166 is not before the Senate at this time.

Mr. ALLEN. Mr. President, rule XXII says that a cloture motion can be filed to the unfinished business. It does not have to be the pending business.

Mr. ROBERT C. BYRD. The unfinished business must be before the Senate.

The PRESIDING OFFICER. Rule XXII provides:

2. Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, or other matter pending before the Senate, or the unfinished business, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. STENNIS. I yield to the request of the Senator from West Virginia, for a short time, on my time.

Mr. ROBERT C. BYRD. Mr. President, I will be glad if the Senator will yield on my time, by unanimous consent.

Mr. STENNIS. Mr. President, I so request. I ask unanimous consent that I may yield to the Senator for 5 minutes on his time.

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

Mr. HELMS. Will the Senator yield on my time for a parliamentary inquiry?

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Time is running against me.

The PRESIDING OFFICER. Yes.

Mr. ROBERT C. BYRD. Mr. President, I make a point of order that the cloture motion is not in order, and I ask the Chair to rule.

The PRESIDING OFFICER. The Chair ruled that the point of order is not well-taken.

Mr. ROBERT C. BYRD. Then I appeal the ruling of the Chair.

Mr. STENNIS. Mr. President——

The PRESIDING OFFICER. It is not debatable.

Mr. STENNIS. Mr. President, my I make a special request? We have been trying to get a military procurement bill—I am on my time, Mr. President—for nearly 60 days, and we are having a meeting with the conferees at 3 o'clock in the Senate preliminary to a meeting tomorrow of the full conference.

I would like to present some remarks and then yield the floor.

Mr. ROBERT C. BYRD. Mr. President, under the cloture rule, all discussion should be germane to the matter before the Senate.

The PRESIDING OFFICER. The appeal is not debatable.

Mr. ALLEN. I call for the yeas and nays.

Mr. STENNIS. Mr. President, I make a point of order. I did not yield for any such purpose as this. I just yielded for the purpose of 15 seconds to the Senator from Alabama to make a motion and then I tried to be courteous to the Senator from West Virginia and agreed to yield 5 minutes to him on his time. I think the overall considerations are, Mr. President, and I hope the Chair would rule, that I have the floor and have the right to proceed for 30 minutes.

Mr. ROBERT C. BYRD. Mr. President, I realize there is no debate on this appeal. May I say to my friend from Mississippi I had no knowledge of what the Senator from Alabama was going to do.

Mr. STENNIS. I did not either.

Mr. ROBERT C. BYRD. That is in the first place. In the second place, no debate under the cloture rule can be had unless it is germane to the matter before the Senate.

Mr. STENNIS. Mr. President, if I may, I ask unanimous consent that this controversy about the cloture motion and the appeal from the ruling of the Chair be temporarily laid aside until the Senator from Mississippi has spoken on a matter highly germane to the pending order of business.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, and I certainly want to cooperate with the Senator, how much time does the Senator from Mississippi wish to use?

Mr. STENNIS. Well, 30 minutes. Not over 30 minutes.

Mr. ROBERT C. BYRD. Will the Senator permit me to make a request that will take care of the Senator's situation?

Mr. STENNIS. Very well.

Mr. HANSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HANSEN. I was on the floor on Saturday, and at that time we were operating under the Byrd rule, which rather surprised me. Are we still operating under the Byrd rule?

Mr. ROBERT C. BYRD. Mr. President, I ask for the regular order at this time, which is the vote on the appeal from the Chair's ruling.

Mr. ALLEN. I call 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, Shall the decision of the Chair stand as the judgment of the Senate? Those supporting the ruling of the Chair will vote "yea"; those desiring to sustain the appeal will vote "nay."

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 Mississippi (Mr. EASTLAND), the Senator from Maine (Mr. HATHAWAY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from Utah (Mr. Moss) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD) and the Senator from Illinois (Mr. PERCY) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "nay."

The result was announced—yeas 31, nays 61, as follows:

[Rollcall Vote No. 304 Leg.]

YEAS—31

Allen	Fannin	Metcalf
Baker	Garn	Morgan
Bartlett	Goldwater	Nunn
Bellmon	Hansen	Pearson
Brock	Helms	Scott, William L.
Buckley	Hruska	Sparkman
Byrd, Harry F., Jr.	Laxalt	Talmadge
Cannon	Long	Thurmond
Curtis	McClellan	Tower
Dole	McClure	Young
	McIntyre	

NAYS—61

Abourezk	Griffin	Packwood
Bayh	Hart, Gary W.	Pastore
Beall	Hart, Philip A.	Pell
Bentsen	Hartke	Proxmire
Biden	Haskell	Randolph
Brooke	Hollings	Ribicoff
Bumpers	Huddleston	Roth
Burdick	Humphrey	Schweiker
Byrd, Robert C.	Jackson	Scott, Hugh
Case	Javits	Stafford
Chiles	Kennedy	Stennis
Church	Leahy	Stevens
Clark	Magnuson	Stevenson
Cranston	Mansfield	Stone
Culver	Mathias	Symington
Domenici	McGee	Taft
Eagleton	McGovern	Tunney
Fong	Mondale	Weicker
Ford	Montoya	Williams
Glenn	Muskie	
Gravel	Nelson	

NOT VOTING—7

Eastland	Inouye	Percy
Hatfield	Johnston	
Hathaway	Moss	

So the ruling of the Chair was overruled.

The PRESIDING OFFICER. The decision of the Chair not having been sustained, the motion to invoke cloture cannot be filed.

MOTION TO PROCEED TO CONSIDER AMENDMENT OF THE VOTING RIGHTS ACT

The Senate continued with the consideration of the motion to proceed to the consideration of the bill (H.R. 6219) to amend the Voting Rights Act of 1965.

Mr. STENNIS. Mr. President, I intend to use part of my time—and I ask to be notified at 3 o'clock—regarding the motion to take up the so-called voting rights bill.

Mr. ROBERT C. BYRD. Mr. President, the Senator is entitled to be heard. I ask that the Chair maintain order in the Senate.

The PRESIDING OFFICER. The Senate will be in order.

Mr. STENNIS. Mr. President, the Senator from Virginia has just made a good speech on this bill. I am satisfied that if the Membership of this body will just read, carefully examine, and realize the facts that are involved in this bill, a majority of them will vote against its reenactment.

This measure was passed originally in 1965, for a 5-year period, to correct so-called abuses in certain States with reference to discrimination against the blacks regarding their voting rights.

The provision was that any changes in the voting laws—in the precincts or anything in connection with elections—would have to be approved by the Attorney General of the United States, in the areas where they applied. No one was permitted to file a suit to show that they either were not under the provision or had reformed, so to speak, and had come out from under the provisions, except if they filed in the U.S. District Court of the District of Columbia.

Any changes, so far as election officials were concerned, which were made in precincts, county districts, school districts, municipalities, or State legislatures, or any other kind of officers, had to be submitted here to the Attorney General for his approval. Well, we say that was all right. It worked 5 years, and a lot of changes were brought about. It was reenacted 5 years ago—erroneously, I think—but now 10 years have passed, and a part of this act will expire on August 6. A part of it will continue as permanent law if we do not enact this measure now.

The facts have changed. The modifications have been made. The facts that caused the law to be enacted are almost totally different. There is no basis whatsoever to reenact this law now, except—and I say this respectfully—as a political proposition. The reenactment of this law is a political matter, I respectfully submit, and it cannot rest with reason on any other basis.

It is still written so that it will apply only to a very small part of the Nation. Five years ago, the Senate soundly voted down an amendment to make it apply to all States alike, and I am going to propose that amendment again, when we reach the point at which amendments are in order. Also, I intend to offer other amendments, as will other Members.

In my State, I have talked to very fine officials in many of the counties. Just within the last few days, in making preparations, I have found, for example, that in Hinds County, Miss., which is the most populous county, if the district has acquired so many voters that they want to have more than one place for the voters to mark their ballots, they have to get the change made and approved by the Attorney General of the United States.

In that county, they wanted to rent and install voting machines for the election—the old, lever-type, easily understood machines. Their attorney advised them not to use the machines unless they could get approval by the Attorney General of the United States. They are not permitted to make any changes in any way in the preparation of the ballots.

One suggestion they had was that they have a central counting center for the votes, where they would have the benefit of using accepted mechanical devices and have the returns tabulated much sooner, but that could not be done without prior approval of the Attorney General of the United States.

These are the very highest officials, and they have told me that when they make calls to inquire about such matters, they are told by the representative of the Attorney General here that a change is a change, and that is the only answer they are able to obtain.

Mr. President, this matter has been played with and kicked around and has become a regular football, a matter of punishment, a matter of supervision directly from Washington, in many, many cases, without giving their requests any kind of attention.

I have an illustration of an event that actually happened in Virginia. The city hall in the city of Fredericksburg was scheduled to have a hallway enlarged to make an alcove for a sitting room for the mayor. Such a change would have required partitioning off approximately 3 feet of the registrar's office. The city was advised by the Department of Justice that this was a change subject to the preclearance provisions of the Voting Rights Act, and the hallway could not be widened for 60 days. That is a capricious absurdity, Mr. President.

The people down there are working in cooperation with the races. Some of the officials are black and some are white. The two parties are involved. The election commissioners are trying to carry out the letter and the spirit of the voting laws that have been approved, and they receive capricious answers such as this, which are what amounts to cruel, insulting, and absurd supervision.

To put the entire picture before this body will require some time. But no one should have to make any explanation, much less an apology, for trying to get these facts before the membership of this body. As I say, it is taken up in the attitude of a political rally.

The motion was made to take up the bill; and a few minutes later, a cloture motion was filed. I am not referring to any Member of this body in any personal way, but I say that the way this matter was brought up proves that there was no willingness to let the matter go through the normal debates. We have before us the House bill which was held at the desk, not the Senate bill that our committee was considering last week. There has been no effort to delay this matter. I am not trying to delay it now. I want a chance that it be explained and these amendments debated on their merits.

I have an amendment that I ask unanimous consent that I may introduce now and that my colleague (Mr. EASTLAND) be a joint author of it, Mr. President.

It would add the word "significant" in one place in the bill just before the word "change," so as, at least, to cut out the servile nature of the services that these election officials are trying to render and give these responsible people, elected officials, as in my State, where the clerk of the circuit court is the registrar of voters—give those people just a little respectful discretion, rather than having them conscious of their servile position and conscious of the contempt in which they are often held by representatives of the Attorney General's office.

I refer again to the answer that they got, that a change was a change, and however small and inconsequential it might be, even about counting the votes at some central place, it would have to be submitted to the Attorney General here.

I do not know how many people are employed in this matter. I do not know how many examiners and watchers they have employed. They are well paid, with big expense accounts. As long as that is tolerated and the money appropriated, there will be pressure, if from nowhere else, from them for the continuation of this law.

Further than that, by and large, this, I think, has become a political stick that is held over the head of those areas of the country that come under the original triggering effects of the law. If they could get into court now and just prove the bare facts of the case, there is no doubt about it, they would be able to prove that the facts do not now apply to them and they would be entitled to their liberation. Before this debate is over, I shall show a memorandum from one of the officials of one of the committees here that will not only show that, but will affirmatively state that if we do not keep this law going so as to keep the courthouse door closed on these areas, then they will prove that they are entitled to come out from under the law.

Why, we can have people who are guilty of committing premeditated murder, with malice aforethought, convicted by a jury, by a unanimous vote of 12 men in the jury box, and sentenced to life imprisonment or whatever the punishment is, and we give that person a chance to come up, once in awhile anyway, and offer evidence of his retribution, his reform, and give him a chance, at least, to explain why the punishment should be mitigated. Or bring in after-discovered evidence. But here this law says in State after State that, by the

terms of the Act, the law willfully, premeditatedly, precludes them from coming to their courts to get any kind of relief. They must come here to the courts in Washington.

If a little village wants to change its voting places or wants to change the boundaries of those voting places, what chance do they have to hire a lawyer to come to Washington and represent them with the Department of Justice appearing for the other side? This law is used as a prosecution, as an intimidation, and, more, it is an insult. It is an insult to the officials there who carry out these duties that are largely thankless, anyway, in counting and holding these elections. Many are not paid at all. It is considered a patriotic or community duty to perform these services, and we have them operating under, I believe, the most oppressive law that we can find anywhere in the books.

I know it is the most rigid, severe, unjust and most ridiculous measure I have ever seen come before this body in the time that I have been here. If it were on any other subject except the so-called civil rights, and if there were any other area of the United States except some parts of the Southern States that were being subjected to this penalty, it would not have a chance of being seriously considered, much less have a chance to pass.

My plea today is to the membership of this body to inform themselves as to the provisions and then as to the facts and then make a judgment as to whether or not they should vote for the passage of this law.

The provisions of it are going to continue to apply. It is already permanent law in a large way, but there are just a few fragements where we would have a chance to prove our case if the added provisions here are not renewed. I believe—I have no doubt—if we could get the ear of the membership here what would be the outcome of this case. The indications are now that it has already been prejudged and that it is not going to be given the mature, sound, and deliberate consideration that it is entitled to under the subject matter.

As I indicated earlier, Mr. President, I have another responsibility. I should not want to use up all my time, anyway. I am going to this other duty now, but with the hope that the Members will find out what the facts are and then make a judgment as to whether or not enough time has passed and whether or not we should let these areas come into court and prove their case.

We are complying with the law, but we have a situation here whereby we are going to tear the races apart. We have an impediment here that prevents cooperation between the races in many, many places where this law unjustly applies. The progress that has been made is totally obliterated, no credit given, and the punishment is continued as if no effort had been made.

It is not right. It is not just. It is not in keeping with the principles of our Constitution and our law.

On every other front that I know about a citizen who performs patriotic services, like these election managers, and in other fields, too, is rewarded. He is acclaimed. Whereas, under this procedure here, there is this severity and there is punishment and no confidence, a vote of no confidence is voted on and on and on and on. This time it is going to be extended under the provisions not for 5 years—there is no reason given—but for 10 years, which shows that this is a willful political act by those who have not thought through it, I think, and those who have neglected to go into it, and I urge them to do so, and I believe they will change their minds.

Mr. President, how much time have I used?

The PRESIDING OFFICER. The Senator has consumed a total of 21 minutes.

Mr. STENNIS. I beg your pardon?

The PRESIDING OFFICER. Twenty-one minutes.

Mr. STENNIS. Mr. President, I reserve the remainder of my time.

I ask that I may introduce out of order an amendment.

Mr. MANSFIELD. Mr. President, I would like to call the attention of the Senate and the Senator that under rule XXII it states:

> Except by unanimous consent——

Mr. HANSEN. Would the majority leader use his microphone?

Mr. MANSFIELD. It states:

> Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time.

Would that amendment fit in that category?

Mr. STENNIS. Mr. President, I have some amendments that do, but I have one that will not fit in. As I understood the vote on cloture, it was just on the motion to take up.

Mr. MANSFIELD. That is correct.

Mr. STENNIS. Take up the bill. If it becomes the pending measure, I would judge certainly an amendment would be in order then.

Mr. MANSFIELD. Yes.

Mr. STENNIS. Until cloture, if it is voted at all, it is voted on the—that will be all right.

Mr. MANSFIELD. May I say, Mr. President, I just wanted to call this to the attention of the Senate, and I will not object.

Mr. STENNIS. I thank the Senator.

Mr. ALLEN. Mr. President, will the Senator yield? Will the distinguished majority leader yield?

Mr. MANSFIELD. I am saving my time.

Mr. ALLEN. On my time.

Mr. MANSFIELD. Yes, indeed.

Mr. ALLEN. I would like to point out to the distinguished majority leader that this morning unanimous consent was given that any amendment to H.R. 6219 that is filed with the Secretary, with the clerk, at any time prior to the announcement of the cloture vote will be treated as having been read under rule XXII.

Mr. MANSFIELD. Well, Mr. President, I must apologize then if I was in error.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. HANSEN. Mr. President, on my time, if the distinguished Senator from Virginia will yield me the courtesy, I ask unanimous consent that Tom Cantrell be allowed full privileges of the floor during Senate consideration of the Voting Rights bill.

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

Mr. HANSEN. I thank the Senator.

Mr. MANSFIELD. Mr. President, will the Senator allow me?

ORDER VITIATING SECOND CLOTURE MOTION

Mr. President, I ask unanimous consent that the second cloture motion filed on the motion to proceed to the consideration of H.R. 6219 be vitiated.

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

Mr. HARRY F. BYRD, JR. Mr. President, I yield myself 5 minutes.

Mr. President, would the Chair state the pending business?

The PRESIDING OFFICER. The pending business is the motion of the Senator from Montana to proceed with the consideration of H.R. 6219.

Mr. HARRY F. BYRD, JR. I have a second parliamentary inquiry: Would the Chair state the unfinished business.

The PRESIDING OFFICER. The unfinished business is Senate Resolution 166.

Mr. HARRY F. BYRD, JR. The unfinished business is Senate Resolution 166.

The PRESIDING OFFICER. Popularly known as the New Hampshire contest.

Mr. HARRY F. BYRD, JR. Mr. President, the Senator form Alabama a short time ago presented a cloture motion on the unfinished business, Senate Resolution 166.

The Senator from Virginia—I guess I should say the senior Senator from Virginia—was not a signer of that cloture motion. But in reading the rules such a cloture motion seemed clearly in order, and the Chair so ruled.

I read into the RECORD rule XXII, section 2 of that rule:

> Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate, at any time a motion signed by sixteen Senators, to bring to a close the debate upon any measure, motion, or other matter pending before the Senate, or the unfinished business, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate,

And so forth.

Mr. President, that is so clear, that rule is so clear, it seems very unfortunate, I think, that the Senate, because of its determination to—how should I say it—bring about the enactment of a particular piece of legislation, acts so that the rules, in effect, are discarded.

It seems to me in the long run the Senate is going to be much better off to follow the rules, whether those rules sometimes might adversely affect the position of certain Senators at a particular time.

The Chair ruled that the cloture motion submitted by the Senator from Alabama was in order. The Senate, upon motion to overrule the Chair, voted contrariwise.

Of course, the Senate had the right to do that; but, in doing that, as I see it, the Senate has ridden roughshod over a minority of the Members of the Senate but, more importantly, has run roughshod over the rules of the Senate. Thus, might makes right.

I would like to address another parliamentary inquiry to the Chair.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. HARRY F. BYRD, JR. I yield myself 1 minute.

The PRESIDING OFFICER. One additional minute.

Mr. HARRY F. BYRD, JR. My additional parliamentary inquiry to the Chair is when the Chair ruled that the cloture motion was in order, is the Senator from Virginia correct in his belief that the Chair had ruled not only on his own, as the Presiding Officer of the Senate, but also based on the professional judgment of the Parliamentarian of the Senate?

The PRESIDING OFFICER. The Senator is correct. The Chair made the ruling with the advice of the Parliamentarian.

Mr. HARRY F. BYRD, JR. I thank the Chair, and I reserve the remainder of my time.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. Yes.

Mr. MANSFIELD. If the Senator will turn to Senate Procedure on page 212, down toward the middle "Applicability of a Cloture Motion—Pending Business"—page 212.

Mr. HARRY F. BYRD, JR. Is that of the Senate Manual?

Mr. MANSFIELD. Senate Procedure, page 212, about line 10, and the heading is "Applicability of a Cloture Motion—Pending Business." I believe that the appeal of the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD), the assistant majority leader, lies with respect to the first paragraph which reads as follows:

> A cloture motion is applicable only to the "measure, motion, or other matter pending before the Senate, or the unfinished business,——

Mr. HARRY F. BYRD JR. Correct.

Mr. MANSFIELD:

> "pending at the time it was filed without regard to whether or not it had been laid aside."

And that, I think, is the genesis of the appeal from the ruling of the Chair made by the presiding officer of the Senate, and concurred in by the parliamentarian at that time.

So I would respectfully call this to the distinguished Senator's attention to achieve a better understanding of why the appeal motion was made.

Mr. HARRY F. BYRD, JR. I do not see, I might say to the distinguished Senator from Montana, that that is different from the rule that I just read, it is the same.

Mr. MANSFIELD. Well, I would say it is quite different from rule XXII and I would think, as I interpret it, as I know the distinguished Senator from West Virginia does, that does furnish material for an appeal.

Mr. HELMS. Will the Senator yield?

Mr. HARRY F. BYRD, JR. I might say, in each case it is stated clearly that the unfinished business is subject to cloture—and the unfinished business is Senate Resolution 166.

Mr. HELMS. Will the Senator yield on my time?

Mr. HARRY F. BYRD, JR. I yield to the Senator from North Carolina.

Mr. HELMS. Mr. President, the Senator from Virginia is absolutely correct if the English language is to be accepted in this Chamber.

I would call the attention of the distinguished majority leader to page 217 of the Senate Procedure where it says:

> Sixteen Senators may at any time—

And I emphasize at any time—

> sign and present a motion to the Presiding Officer "to close debate" on any "measure, motion, or other matter pending before the Senate, or the unfinished business."

Now, I do not see, Mr. President, how the majority leader would cite either reference in the Senate Procedure as a validation of the motion by the distinguished majority whip.

I thank the Senator for yielding. Incidentally, I spoke on my own time.

Mr. ROBERT C. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. I yield on my own time.

Now, I take it that the Senate is presently discussing the appeal which I lodged against the ruling of the Chair, in which the Chair ruled against my point of order that a motion to invoke cloture, presented by Mr. ALLEN earlier on Senate Resolution 166, was not in order.

Mr. President, I have read the rules and I have read the precedents. As a matter of fact, I read all of the chapter on cloture procedures yesterday at least 3 times. I have read this entire book on Senate Procedure at least 3 times, and I have still much to learn about the rules and the precedents.

I know what the rule says. However, I also know that there is no clear precedent on the point raised, and I also know that the paragraph from the book on Senate Procedure, which I think the distinguished majority leader has just read into the RECORD, would indicate that the Point of Order made by me was correct.

The paragraph appears on page 212 and it appears under the subheading, Applicability of a Cloture Motion—Pending Business.

> A cloture motion is applicable only to the "measure, motion, or other matter pending before the Senate, or the unfinished business," pending at the time it was filed without regard to whether or not it had been laid aside.

Now, Mr. President, I have been in the Senate almost 18 years and I have always been taught that a cloture motion can only be offered to a matter then pending before the Senate.

It is true that the New Hampshire election resolution, Senate Resolution 166, has been the unfinished business, but Senate Resolution 166 was not pending before the Senate at the time the distinguished Senator from Alabama (Mr. ALLEN) offered his cloture motion. The matter then pending before the Senate was the motion by Mr. MANSFIELD to proceed to the consideration of the voting rights bill.

Now, that was the motion pending befor the Senate, but we go one step further. The Senate, when Mr. ALLEN offered a cloture motion on Senate Resolution 166, had invoked cloture on the debate on the motion by Mr. MANSFIELD to take up the voting rights bill.

So, the Senate, by voting cloture on debate on the Mansfield motion, said—and I now quote from the cloture rule:

> Then said . . . motion, . . . shall be the unfinished business to the exclusion of all other business until disposed of.

In other words, the Senate, by a vote of more than 60 Senators decided in the affirmative earlier today that the motion offered by Mr. MANSFIELD to take up the Voting Rights Act would be the unfinished business to the exclusion of all other business until disposed of.

That motion has to be disposed of before any other business can be called up.

Ordinarily, a call for the regular order might bring up the unfinished business, but if it takes a call for the regular order to bring up the unfinished business, it must be logical to assume that the unfinished business is not before the Senate—else a call for the regular order would not be needed to call it up.

As I have stated, the Senate today invoked cloture on Mr. MANSFIELD'S motion, and the matter before the Senate, under rule XXII, is the motion by Mr. MANSFIELD, and quoting from that rule, the motion by Mr. MANSFIELD "shall be the unfinished business to the exclusion of all other business until disposed of." So, the Mansfield motion was the unfinished business before the Senate when Mr. ALLEN offered a cloture motion on Senate Resolution 166 today. Senate Resolution 166 was not then, and is not now, the unfinished business before the Senate.

Mr. President, I think the Senate set the right precedent today. There was no clear precedent on this question, but the Senate has now spoken and has nailed down for all time—until and unless the Senate reverses that precedent—the rule that a cloture motion can only be offered to a matter that is then, in that precise instant, pending before the Senate.

Who would argue that the motion by Mr. MANSFIELD was not the matter then pending before the Senate? The Senate, by its vote on cloture, so stated.

Mr. President, that states the case.

I yield the floor.

Mr. ALLEN. Mr. President, I yield myself such time as I may require.

Mr. President, those who seek to steamroller this bill have the votes. They

set in motion a procedure whereby cloture can be applied, and has already been applied on the motion to bring up. That, on a final vote on this motion, will bring up the bill itself, H.R. 6219.

But the distinguished Senator from West Virginia stating that he had always understood that the matter had to be the pending question before a cloture motion could be filed as to the matter does not make it a rule, just because he had that notion.

A reading of the rule itself shows that the distinguished Senator from West Virginia was wrong in his understanding.

I read again from rule XXII, section 2:

Notwithstanding the provisions of rule III or rule VI or any other rule of the Senate—

That would mean including rule XXII itself—

At any time a motion signed by 16 Senators—

And that was submitted—

to bring to a close the debate upon any measure, motion, or other matter pending before the Senate,—

In the alternative—

or the unfinished business, is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and 1 hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate

So, Mr. President, this sentence that they read from page 212 answers their own question. It answers the argument by deciding against their contention. Let us read that:

This is from Senate Procedure, page 212.

A cloture motion is applicable only to the "measure, motion, or other matter pending before the Senate, or the unfinished business,"

That is a direct quote from the Rules starting at "measure,"

"or the unfinished business,"

And then they add, "pending at the time it was filed without regard to whether or not it had been laid aside."

So the unfinished business under the very sentence that they cited, even if it has been laid aside, is subject to having a cloture motion filed against it.

Either Senate Resolution 166 is the unfinished business or it is not. On every Senator's desk is a calendar of business for Monday, July 21, 1975.

I ask unanimous consent that the front page of the calendar of business for Monday, July 21, 1975, be printed at this point in the RECORD.

There being no objection, the front page of Calendar of Business, Monday, July 21, 1975, was ordered to be printed in the RECORD, as follows:

[Senate of the United States, Ninety-Fourth Congress, First Session, convened January 14, 1975, No. 106]

CALENDAR OF BUSINESS

MONDAY, JULY 21, 1975—SENATE CONVENES AT 12 NOON

Pending Business

Motion to proceed to the consideration of Calendar No. 170, H.R. 6219, Voting Rights Act of 1965 extension. (*July 18, 1975.*)

Unfinished Business

S. Res. 166 (Order No. 150), relating to the determination of the contested election for a seat in the United States Senate from the State of New Hampshire. (*June 12, 1975.*)

(SPECIAL ORDERS CONTINUED ON P. 2).

Prepared under the direction of Francis R. Valeo, Secretary of the Senate. By HAROLD G. AST, LEGISLATIVE CLERK.

Mr. ALLEN. Senators will notice that there are two items of business—"the pending business," and that is Mr. MANSFIELD'S motion, the motion to proceed to the consideration of calendar No. 170, H.R. 6219, and "the unfinished business." All we have to do is to read the rule itself, rule XXII. This motion "signed by 16 Senators, to bring to a close the debate upon any measure, motion, or other matter pending before the Senate, or the unfinished business,". That may be done.

Reading again from section 2, "Notwithstanding the provisions of rule III, or rule VI or any other Rule of the Senate,".

Mr. President, no one had any doubt about the final outcome of this matter. Nobody has any doubt now about the outcome of this motion to proceed to the consideration of H.R. 6219. But the Senator from Alabama would feel just a little bit better if the leadership had not gone against the ruling of the Chair based on advice from the Parliamentarian.

If a Senator had been in the chair based on his own decision and his own thinking, I would say that an appeal from such a ruling would look just a little bit better. But when the Parliamentarian, the nonpartisan expert in the matter of parliamentary procedure, says that such a motion is in order, I believe it comes with little grace on the part of those who are seeking to steamroller this measure through the Senate.

History will decide the question, but I am somewhat surprised that the leadership would resort to this tactic in order to carry its will here in the Senate.

It takes just a little bit of the shine, a little bit of the glow, a little bit of the gloss out of this great victory that they are soon to win. Was it necessary to do that? Well, they apparently thought it was.

Do the Senators know why? This motion to proceed to the consideration of H.R. 6219, do the Senators know what that does? It sweeps under the rug the New Hampshire election contest.

A week or 10 days ago we saw and heard a whole lot of breast beating here in the Senate that the Senate has the constitutional responsibility and duty of deciding and judging the election in New Hampshire. Everything had to be put aside. We had to take that up. But now they swept that under the rug. Mr. Wyman and Mr. Durkin, who sat either before the Senate committee or here in the Chamber week after week, month after month, are going to be sacrificed on the altar of political expediency.

What my motion did was to call for a cloture vote on whether or not we went back to the unfinished business, went back to this great constitutional question.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a question?

Mr. ALLEN. Yes, I will.

Mr. ROBERT C. BYRD. The Senator says his motion would have made the Senate decide whether or not it went back to the unfinished business.

Mr. ALLEN. Exactly.

Mr. ROBERT C. BYRD. The unfinished business at the time the Senator offered his cloture motion was the motion of the Senator from Montana (Mr. MANSFIELD), not Senate Resolution 166.

Mr. ALLEN. The Senator is wrong and I will call for a ruling. The Mansfield motion is the pending question. The unfinished business continues to be Senate Resolution 166.

I have yielded for a question now. If the Senator has a question to ask, I will be glad to answer it, but I would rather he not make a voluntary statement, other than a question.

Mr. ROBERT C. BYRD. Does the Senator not agree that the following phraseology from rule XXII would indicate that the motion by Mr. MANSFIELD to take up the voting rights bill is now the unfinished business?

Mr. ALLEN. No, that is not correct.

Mr. ROBERT C. BYRD. I quote from the rule:

And if that question—

The vote on cloture this morning—

shall be decided in the affirmative by two-thirds of the Senators present and voting, then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

"Said motion" was and is the Mansfield motion.

Mr. ALLEN. Very well. I will pose the question to the Chair. Is the Mansfield motion the pending business, and Senate Resolution 166 the unfinished business, under the facts and circumstances at the present time? I call on the Chair for an answer.

The PRESIDING OFFICER (Mr. DOLE). The Chair has so ruled and stated previously.

said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

Mr. ALLEN. Very well. But does Senate Resolution 166 cease to be the unfinished business?

The PRESIDING OFFICER. It is the understanding of the Chair that it is put in limbo as the unfinished business until the pending motion is acted on. It is not displaced and put back on the calendar at this point. If the pending motion is agreed to, it would be displaced.

Mr. ROBERT C. BYRD. Mr. President, will the Senator allow me to pose a question to the Chair on my own time?

Mr. ALLEN. Yes, I will do that.

Mr. ROBERT C. BYRD. I pose the following questions to the Chair: What was the question that was to be decided in the affirmative by the vote of 60 Senators earlier today?

The PRESIDING OFFICER. The ques-

tion to be decided was, Is it the sense of the Senate that the debate be brought to a close on the motion by the Senator from Montana to proceed to the consideration of H.R. 6219?

Mr. ROBERT C. BYRD. And was that question not decided in the affirmative by 60 or more Senators?

The PRESIDING OFFICER. It was. That question was decided in the affirmative by 60 or more Senators.

Mr. ROBERT C. BYRD. Very well. I read the following paragraph from rule XXII:

And if that question—

In other words, the question as to whether or not the debate should be brought to a close on the motion by Mr. MANSFIELD—

shall be decided in the affirmative—

As the Chair says it was, then the rule says—

then said measure, motion, or other matter pending before the Senate, or the unfinished business, shall be the unfinished business to the exclusion of all other business until disposed of.

The Senate having invoked cloture on the motion to take up, then the motion to take up becomes the unfinished business to the exclusion of all other business; am I not correct?

The PRESIDING OFFICER. That is what the rule states. The Chair might——

Mr. ALLEN. Did not the Chair rule that the cloture motion was admissible on the theory that——

Mr. ROBERT C. BYRD. I would like to get a response to my question first.

Mr. ALLEN. Very well.

Mr. ROBERT C. BYRD. Is not the motion by Mr. MANSFIELD—cloture having been invoked thereon today—now "the unfinished business, under rule XXII, to the exclusion of all other business until disposed of"?

The PRESIDING OFFICER. The rule says "the unfinished business." The Chair might state that in response to an earlier query from the distinguished Senator from Virginia, on the advice of the Parliamentarian, the Chair stated that the motion to proceed to the consideration of H.R. 6219 was the pending business, and that Senate Resolution 166 was the unfinished business.

Mr. ROBERT C. BYRD. The Chair is not answering my question. The Senate having invoked cloture on the motion by Mr. MANSFIELD to proceed to take up the voting rights matter, is not the motion by Mr. MANSFIELD now, under rule XXII, the unfinished business to the exclusion of all other business until disposed of?

The PRESIDING OFFICER. That is the exact language of the rule.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. TALMADGE. Mr. President, will the Senator yield at that point so that I may propound a parliamentary inquiry?

Mr. ALLEN. I yield.

Mr. TALMADGE. If that is the unfinished business, I would like to ask the Chair, what is the pending business?

The PRESIDING OFFICER. The pending business is the motion to proceed to the consideration of Calendar No. 170, H.R. 6219.

Mr. TALMADGE. Can we have a situation where the unfinished business and the pending business are the same, simultaneously?

The PRESIDING OFFICER. The Chair is advised that at present we do and that it is frequently the case.

Mr. ALLEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. I understood that the Chair ruled that the cloture motion was in order on the theory that it was directed to the unfinished business. Is that not correct?

The PRESIDING OFFICER. That was the basis of the Chair's ruling.

Mr. ALLEN. The Chair is not making any change in that ruling, is he?

The PRESIDING OFFICER. That was the basis of the Chair's statement.

Mr. ALLEN. But the Chair did rule that the unfinished business is Senate Resolution 166? That was the Chair's ruling?

The PRESIDING OFFICER. That was the statement by the Chair, the Senator is correct.

Mr. ALLEN. Well, the Chair ruled that, did he not?

The PRESIDING OFFICER. That is correct.

Mr. ALLEN. I thank the Chair.

Mr. ROBERT C. BYRD. Mr. President, the Chair did not so rule. There has been no such ruling of the Chair.

Mr. ALLEN. I do not yield any further to the Senator from West Virginia. He has an hour; I invite him to use it when the time comes.

Mr. President, the only ruling that the Chair has made is that the cloture motion was in order because Senate Resolution 166 is the unfinished business. That being true, it should have been admitted under the provisions of rule XXII.

Reading further from Senate Procedure, on page 217:

A cloture motion, when properly signed, may be presented at any time, and a Senator who has the floor may be interrupted for such purpose.

So high is the priority of a cloture motion that a Senator occupying the floor and having the right to the floor as long as he wishes to speak can be taken off the floor or interrupted for the purpose of filing a cloture motion. That shows the high priority that it has.

However, time was yielded to the Senator from Alabama to offer the cloture motion.

What would that have done? It would have given the Senate an opportunity to decide whether it is going to discharge its constitutional duty, that we used to hear so much about here in this Chamber.

I have not heard that mentioned in the last week or 10 days, the constitutional duty that rests upon the Senate to judge the New Hampshire election. It shows the priorities. Are we going to discharge a constitutional duty? The Senate thought so for quite some time, 2 or 3 weeks, and they tried six cloture motions, I believe. But then they decided they wanted to put something else ahead of this constitutional duty that they have, and then came the motion to proceed to H.R. 6219.

So, Mr. President, apparently the leadership does not want to face up to its constitutional duty. It has turned its back on New Hampshire.

When the Senator from Alabama tried to get them to consider that again, the distinguished Senator from West Virginia appeals from the ruling by the Chair backed up by the Parliamentarian.

Had the Senator from Alabama appealed the ruling of the Chair here in a cloture proceeding, we would have heard protests loud and long.

When we came into the Chamber, it is true two of them were directed by the rules, we had three live quorums, one motion to postpone the matter of New Hampshire, sending that election back to New Hampshire, and then the cloture motion.

For all I know we have not had any motions to adjourn or any cloture motions since that time.

Mr. President, arguing the merits of the matter, and we will leave, as I say, to history the question of whether it was right and proper for this appeal to have been decided in the manner that it was by sheer weight of numbers, on the matter of the Voting Rights Act itself. In the first place the distinguished Senator from Virginia (Mr. SCOTT) has pointed out the Voting Rights Act is not about to expire, despite all we read in the paper and hear on television and radio.

It is true that the two trigger sections, aimed directly at the seven Southern States, would expire but, if they did, we would still have a strong voting rights law. The only problem is it would be applicable nationwide, and that is what the supporters of this bill do not want. They want it to apply to the South with some language-type extensions at this time, but primarily to the South, and that is one of the chief objections that I have to the bill.

In my home State of Alabama, and throughout the South so far as I know, no one is denied the right to register. No one who registers is denied the right to vote. No one who votes is denied having his vote counted.

So really there is no need for singling the South out for this punitive legislation, and it is punitive.

I might say right at this time that Mr. Pottinger, with the Justice Department Civil Rights Division, testified before the House of Representatives committee that it is impossible for a Southern State, under the existing law, to get out from under the provisions of this law, even though there is a provision saying that if a State for 10 years is not guilty anywhere in the State of voter discrimination it is entitled to come out from under the provisions of the law. But they say that the existence of a dual school system in that 10-year period makes it impossible.

So as we are extending the voting rights law for another 10 years in all, I would like to see, as to the 10-year period that is necessary, supposedly during which there are no violations of the law, no acts of discrimination, us allow that 10-year period to remain the same.

I might say that I offered to the proponents of this bill to withdraw my active opposition to the bill if they would agree to that 10-year period, go ahead and extend it for another 10 years, making 20 in all, but to allow the 10-year period to apply on coming out from under the law, provided there had been no acts of discrimination during that time.

Then the law requires that every time the State legislature, city government, or county government in the affected States passes any law or ordinance or resolution, having to do by any stretch of the imagination with election or voting rights or weight of votes or annexation, these measures have to be approved here in Washington by the Justice Department or by a district court here. Our people have to come hat in hand up to Washington to get advanced approval or approval after they have passed before they can go into effect.

We object to that. If an amendment were accepted that would allow, in the alternative, that this preclearance could also be done by a district court in the jurisdiction involved, that would remove one of our major objections to the bill. The Supreme Court charged the Federal district courts with enforcing their desegregation of public schools ruling, and they did a tremendous job of desegregating the public schools in the South.

I might say as long as it was confined to the South, that has suited everybody outside the South. But now it is being applied in areas outside the South, and they are saying, "Well, we did not know that applied to us; we just thought that applied down South."

So, if we could get permission for the local Federal district courts to handle this matter of preclearance of statutes, ordinances, and resolutions, that would remove one of our objections to the bill.

Then on the matter of coming out from under the provisions of the act, now we have to apply to a three-judge Federal court in the District of Columbia for permission to come out from under the provisions of the act. But the Supreme Court has already ruled that the Southern States could not come out from under it, because they were guilty of discrimination back in the early days of this 10-year period, so it is absolutely ineffective. But if it leaves the period of 10 years and allows the Federal courts in the South, or the other sections that might be involved, to rule on this matter, subject to appeal, I believe, from a three-judge court, direct to the Supreme Court, that would remove one of our objections to the bill.

I submitted these proposals not only to proponents of the bill but to both members of the Democratic leadership, but I am sorry to state that I received word back that they were not interested in any compromise along those lines.

Mr. President, let us consider the matter—how much more time does the Senator from Alabama have?

The PRESIDING OFFICER. The Senator from Alabama has 47 minutes remaining.

Mr. ALLEN. Forty-seven minutes.

I thank the Chair.

Mr. President, on the matter of how this bill comes to be before us today, and I might state right at this time, that last Friday remarks were made by the leadership concerning prospective opposition to the bill, opposition that it was suggested might come from the Senator from Alabama. On Friday afternoon, had the Senator from Alabama been able to get the floor, he would have replied to those remarks, but he was unable to get the floor, due to resort to a procedure whereby the floor was retained by the leadership. He would have answered these comments on Friday, had he been able to get the floor. He would have answered the comments on Saturday, had not the distinguished assistant majority leader obtained the floor and refused to yield to the Senator from Alabama on his own time. But the Senator from Alabama does not care to dignify these comments with an answer, and he is going to refrain from comment on any such comments.

I should like to discuss, however, the manner in which this bill is before the Senate. Of course, the bill could have been brought up years ago. It could have been pushed starting some 4 years and 11 months ago, rather than wait until right to the last to bring it up.

The House bill has been on the Senate calendar for about 6 weeks. The leadership could have brought it up during that time. It is on the calendar without benefit of committee consideration. It never has been referred to a committee. Not to this good date has H.R. 1629 been referred to a Senate committee. Yet, that is what we are discussing here today.

Mr. President, the Senate bill was in the Committee on the Judiciary. There were some on the committee who were opposed to the bill and are opposed to the bill, and they made an effort to get amendments to the bill. The proponents of the bill, having some difficulty in holding meetings, finally received permission to hold them. Then they went through a routine about, "Well, will we report it Monday or Tuesday of this week, or what? What will we do? How much time will we give you?"

They gave an indication that they were going to proceed on the Senate bill, while they were negotiating about what day they were going to report it. I told the members of the Committee on the Judiciary who opposed the bill that they were being lulled to sleep; that the proponents had no intention of proceeding on the Senate bill; that while negotiations were being held in the Senate Judiciary Committee, plans were being made on the Senate floor to attack by moving to bring up the House bill. Those to whom I mentioned it expressed disbelief that that tactic would be used.

I was very interested by the reaction of the distinguished Republican leader, Mr. HUGH SCOTT, who generally joins with the Democratic leadership on civil rights matters—I might say pro-busing matters joined in by the joint leadership. Usually, bills of this sort are pushed by the joint leadership. However, when the motion was made to bring up the House bill, the distinguished Senator from Pennsylvania (Mr. HUGH SCOTT) quickly got to his feet and disavowed any connection with this tactic of moving to proceed to the House bill rather than waiting on the Senate bill. He said he knew nothing about it. Why was it necessary for him to wash his hands of this procedure? My only comment is: Draw your own conclusions.

Mr. President, in 1965, they passed a 5-year voting rights bill. They said that any time a State is free from discrimination for a period of 5 years, it can petition to come out from under the bill. Well, about the time those 5 years were up, they had another 5 years, back in 1970. So then they had to prove 10 years of nondiscrimination. Now, just about the time that 10-year period is up, they come forward with another 10 years to add to it.

It is pretty much like a man serving a 5-year sentence in the Federal penitentiary; and along about the last few days of his 5-year term, they come around and tell him, "We're sorry, but the judge has added another 5 years to your sentence."

The fellow says, "Well, that's all right. I have served 5 years; I guess I can take another 5 years."

Then, when he just about serves that 5 years, they come around today with a bill, H.R. 1629, and say, "Sorry, fella, we got to add another 10 years to your sentence."

That becomes a little frustrating, somewhere down the line.

I notice another interesting thing. Some say that I might be somewhat incorrect when I speak of this bill being inspired by a feeling that to let the South be the whipping boy makes political hay in areas outside the South. They say that cannot be.

Let us read from the dissenting views of Mr. M. Caldwell Butler on page 80 of the House report. Note that we have to go by the House report, because there is no Senate report. The bill never has been to a Senate committee. Let us see what he says on page 80:

> The Voting Rights Act was described as Reconstruction by Rev. Theodore M. Hesburgh, C.S.C., President, University of Notre Dame; he urged the Subcommittee not to make the mistake of ending the "unfinished Second Reconstruction."

So the Senator from Alabama did not just make up this charge. Here is Reverend Hesburgh saying that this is reconstruction. I believe that was 105 or 110 years ago. We should have been reconstructed by now. We should be let back in the Union.

In 1965, Mr. Justice Hugo Black, in the case of Katzenbach against South Carolina, held that section V was unconstitutional, by which States are made to come in and submit their laws to Washington before they can go into effect.

He said that just makes provinces out

of these States. They are Southern States; they should not be required to come to Washington to get approval of their law.

So the Reverend Hesburgh urged the subcommittee not to make the mistake of ending the unfinished second reconstruction.

Mr. President, I believe it is time to end this period of so-called reconstruction. I believe the South has been reconstructed enough and that this added 10-year sentence to further reconstruction is not necessary.

Mr. President, we object further to the fact that under the trigger provision——

The PRESIDING OFFICER (Mr. GARN). Will the Senator suspend to receive a message from the President?

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

Mr. ALLEN. I wish to hear the messages read, Mr. President, on the time of the Senate.

The PRESIDING OFFICER. The clerk will read the message.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. The Senator from Alabama asked to have the messages read?

The PRESIDING OFFICER. He did.

Mr. MANSFIELD. On his time?

The PRESIDING OFFICER. No, sir, on the time of the Senate.

Mr. MANSFIELD. What is the justification for such a ruling, may I ask the Chair?

The PRESIDING OFFICER. The Chair has not ruled.

Mr. MANSFIELD. The Chair has agreed to the suggestion made by the Senator from Alabama, who was making a very interesting speech, which I wanted to hear all the way through.

Mr. ALLEN. I thank the distinguished majority leader. He is going to hear the rest of it.

There was no objection made when the Chair asked the Senator to suspend for the reception of the message. So it was received and the Senator from Alabama is merely asking that it be read. He wishes to find out what the President has to say.

Mr. ROBERT C. BYRD. Mr. President, no objection could be made if the Chair wishes to recognize a messenger from the President of the United States. The Senator from Alabama does not have to yield, nor would he be taken off the floor.

Mr. ALLEN. I merely wish to have it read.

Mr. MANSFIELD. The Chair, on his own, asked the Senator from Alabama to desist so he could receive a message from the President of the United States.

The PRESIDING OFFICER. There is nothing in the rules that requires the messages to be read.

Mr. ALLEN. I appeal the ruling and call for the yeas and nays.

The PRESIDING OFFICER. The question is, Shall the decision of the Chair stand as the judgment of the Senate?

Is there a sufficient second?

Mr. MANSFIELD. Mr. President, what is the ruling of the Chair which we are asked to appeal from?

The PRESIDING OFFICER. The ruling of the Chair was that the message did not have to be read.

Mr. MANSFIELD. I thank the Chair.

The PRESIDING OFFICER. There is a sufficient second. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Kentucky (Mr. FORD), the Senator from Michigan (Mr. HART), the Senator from Hawaii (Mr. INOUYE), the Senator from Utah (Mr. Moss), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from New Mexico (Mr. DOMENICI), the Senator from Oregon (Mr. HATFIELD), the Senator from Illinois (Mr. PERCY), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 88, nays 0, as follows:

[Rollcall Vote No. 305 Leg.]

YEAS—88

Abourezk	Goldwater	Montoya
Allen	Gravel	Morgan
Baker	Griffin	Muskie
Bartlett	Hansen	Nelson
Bayh	Hart, Gary W.	Nunn
Beall	Hartke	Packwood
Bellmon	Haskell	Pastore
Bentsen	Hathaway	Pearson
Brock	Helms	Pell
Brooke	Hollings	Proxmire
Buckley	Hruska	Randolph
Bumpers	Huddleston	Ribicoff
Burdick	Humphrey	Roth
Byrd, Harry F., Jr.	Jackson	Schweiker
Byrd, Robert C.	Javits	Scott, Hugh
Cannon	Johnston	Scott, William L.
Case	Kennedy	Sparkman
Chiles	Laxalt	Stafford
Church	Leahy	Stennis
Clark	Long	Stevens
Cranston	Magnuson	Stevenson
Culver	Mansfield	Stone
Curtis	Mathias	Taft
Dole	McClellan	Talmadge
Eagleton	McClure	Thurmond
Fannin	McGee	Tower
Fong	McGovern	Tunney
Garn	McIntyre	Williams
Glenn	Metcalf	Young
	Mondale	

NAYS—0

NOT VOTING—11

Biden	Hart, Philip A.	Percy
Domenici	Hatfield	Symington
Eastland	Inouye	Weicker
Ford	Moss	

So the ruling of the Chair was sustained as the judgment of the Senate.

MOTION TO PROCEED TO CONSIDER AMENDMENT OF THE VOTING RIGHTS ACT

The Senate continued with the consideration of the motion to proceed to the consideration of the bill (H.R. 6219) to amend the Voting Rights Act of 1965.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. ALLEN. I believe I have the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. ALLEN. Mr. President, how much time remains to the Senator from Alabama?

The PRESIDING OFFICER. The Senator from Alabama has 27 minutes remaining.

Mr. ALLEN. I thank the Chair.

Mr. President, earlier when there were not nearly so many Senators in the Chamber, I pointed out the areas that I thought might well be subject to amendment in the hopes that some agreement might be reached with respect to these amendments, and I mentioned first the matter of a——

Mr. WILLIAM L. SCOTT. Mr. President, could we have order?

The PRESIDING OFFICER. May we have order in the Senate? The Senator from Alabama is speaking and deserves the courtesy, as does any other Senator, to be heard. Please continue conversations in the cloakroom so it may be very nice and quiet.

Mr. ALLEN. I thank the Chair.

I mentioned that if the bill is passed to add an additional 10 years to the life of the bill—or actually that would be the life of sections 4 and 5, because the great book of law is permanent legislation—I suggested that if the extension is now to 20 years, an additional 10 years, that we leave at 10 years the period that a State has to be free from any alleged discrimination before it is eligible to apply for coming out from under the provisions of the bill.

As it is now, Mr. Pottinger with the Justice Department, Civil Rights Division, testified before the House Judiciary Committee that it is not possible for the Southern States to come out from under the provisions of the bill because the 10-year period gets it back in a period when they had the so-called dual school system, which in itself was held to be a device, but if we left at 10 years the period during which they have to be free from violations, then that would be fair and equitable, as the Senator from Alabama sees it.

The Senator from Alabama feels that in Alabama and throughout the South, any person who is 18 years of age and a resident of the State is able to register; that any such person who desires to register to vote can register; any such person who is registered can vote; any person who votes will have his vote counted; and while I do not particularly approve of Federal registrars and observers com-

ing to Alabama and the South when I believe that this can be done and is being done by the duly constituted State authorities, I would not make any particular objection to a continuation of that.

But on the matter of preclearance of our State laws, city ordinances, and county resolutions, I feel that we ought to add as an alternative to getting those laws precleared here in Washington before the Justice Department or the district court, that we add in the alternative that clearance could be made by a district court in the jurisdiction involved.

On the matter of the forum and if it is to come out from under the provisions of the law, I think that could be handled by a three-judge court in the jurisdiction involved rather than to require the State to come to Washington for the purpose of seeking to get a judgment on coming out from under the provisions of the law.

Those three modest requests would certainly expedite the passage of this bill, and I submitted those proposals to the Democratic leadership and to one of the leading proponents of the legislation, but to no effect.

I was stating when the Chair accepted the message from the President, that we object, of course, to singling out the South for punitive and discriminatory legislation and I feel that we all would feel much better about this law if it were made applicable nationwide. I feel that we could accept it with a whole lot more enthusiasm if the provisions were made nationwide.

I might also take exception to the fact that it said that the Voting Rights Act will expire on August 5 or 6. Well, that is not correct, of course, because the great book of voting rights law is permanent legislation and it would be only the trigger provisions making it applicable just in the South and the preclearance of laws, those two sections, section 4 and 5, that would expire. The voting rights law applicable nationwide would continue. Mr. President, we object to any formula based on 1964 facts and on registration and voting in that year and under the trigger provisions when the State is caught by the trigger or caught back in 1964. What it amounts to under the 1965 act, they are conclusively presumed to have been in violation of the law in the matter if every man, woman, and child in Alabama or in the South was registered, everyone voting, every person elected in the State was of a minority race, still we would not come out from under the provisions of the law.

We were conclusively presumed to be in violation, whereas elsewhere in the country it takes actual proof of discrimination before they can be brought under the provisions of those sections that are applicable nationwide.

Mr. President, on the matter of preclearance of our laws, I would like to point out, based on the House of Representatives Voting Rights Act Extension Committee Report, Report No. 94-196, and I might point out we do not have any Senate committee report because while they were negotiating in the Senate committee, the Judiciary Committee, with respect to when this Senate bill was going to be reported, they were laying plans to strike here in the Senate Chamber, and strike they did.

Let us consider some of the number of changes submitted under section 5 and reviewed by the Justice Department by State and year for the decade from 1965 through 1974. There were a total of 4,476 submissions for preclearance of State and local laws.

That is on page 9.

On page 10 is a table pointing out that in that entire——

Mr. HELMS. Mr. President, may we have order?

Mr. ALLEN. During the entire 10-year period——

The PRESIDING OFFICER. Will the Senator yield until the Senate is in order?

Mr. ALLEN. In that entire 10-year period out of the 4,476 submissions there were only 163 that were not approved—163 to which objections were interposed by the Department of Justice.

That is less than 4 percent, and that takes in some of the earlier years as well.

Of those that were submitted to them, fewer than 4 percent of the laws were objected to by the Justice Department.

That does not show a whole lot of violations.

I might say in the 2 months of 1975 there were only two laws to which exception was taken by the Justice Department. Of all the laws of all the States involved, only two were turned back by the Justice Department. One of those came from the State of Arizona and the other one came from a Southern State. So that does not show a great deal of violation on the part of the States involved.

Mr. President, a great deal has been said about the tremendous job and the tremendous accomplishments of this act. I am certainly pleased that large numbers of our citizens all over the South have been enfranchised. I certainly am glad that that is the case. But I want to pay tribute, in addition to the work that has been done by Federal registrars, to the local boards of registrars. Let us see what they have done.

I read again from the only committee report available, the House report, on page 11:

> In general, it is estimated that 18.9 percent of black registration has been accomplished through Federal examiners.

That is, less than 19 percent of the registration in the last 10 years has been done by Federal examiners.

Where did the rest of it come from? It came from local boards of registrars.

Mr. President, I say that all laws are being observed in the South. I believe it would be punitive legislation to continue this 10-year extension of this sentence on the South when there is every indication that there is no more discrimination in the matter of voting in any area of the South. It is the public policy of our State to encourage registration; to encourage registration of all citizens; to encourage all of our citizens to vote. But we do not like the idea of using a situation that existed back in 1964 to say that because in 1964 fewer than half of the people voted in the general election we have to be subjected to this punitive legislation for 20 years from its inception.

Why do they not use 1968 figures? Why do they not use 1972 figures?

One might say, "Well, they are using them, but they also use 1964." If they caught a State back then, there is no way to get out from under it. There ought to be a time when a State, by showing compliance with all laws for 10 years, should be exempt from the provisions of the law.

So, Mr. President, this law is not needed any more. I am still hopeful that some type of compromise can be worked out. But until such time as a compromise can be agreed upon, I am going to have to oppose legislation which I feel is aimed at my section of the country, legislation that discriminates against my section of the country. This same provision ought to be applicable nationwide. We need uniform rules just like we need a uniform Federal desegregation policy.

I wish I had the clipping to have printed in the RECORD—I did at the time—the NAACP, I believe, was observing the 20th anniversary of the Brown decision. One of the persons connected with the NAACP was talking about the great progress that had been made in the South with regard to desegregating the public schools there. I believe it was a lady who made this statement. She said, "Yes, the South has desegregated their schools. There has not been this same observance of the law, this same willingness to comply with the law, in other sections of the country. The South beats them all." It was that or that in effect.

She said, "Many people in the North felt that the Supreme Court ruling in the Brown case and the desegregation orders that later followed in other cases did not apply to the North." She said, "Their attitude is, 'We thought this just applied down South. We did not know it was going to become applicable up North'."

Now you see the struggle that is taking place in areas outside of the South. So we need uniform rules. We need uniform rules with respect to registration, not just rules applicable in the South. Let us make this nationwide.

But I do not see any indication that that is in the offing.

I might say that on many occasions the distinguished Senator from Massachusetts (Mr. BROOKE) has taken the floor to praise the South for its attitude with regard to desegregation, and to praise the South for its spirit and the manner in which it has complied with the law of the land. He has gone further to say that he is not too well pleased with the record in areas outside of the South.

So, Mr. President, if you will treat the Southern States not as conquered provinces, as Mr. Justice Black said they are being treated in his dissent in the Katzenbach versus South Carolina case, if you will treat our States as sovereign States, if you will not make us come up here to Washington to have our laws monitored and approved and, in the absence of that, to strike them down, you will find that we are going to comply with the law

We are law-abiding people, and we do not need this type of legislation to make us comply with the law.

Mr. President, I feel that there is a matter of great principle involved here, and I feel that I must take a stand for principle. I feel that not making possible a statement of our dissatisfaction with certain elements of this law was the part that makes of our States less than sovereign States. I feel that in time we will have accomplished something to get this message out through the country, to show that we are not being dealt with fairly, and that there is still an attitude in this Chamber, Mr. President, that the way to make political hay in areas outside of the South is to harass the South and make of the South a whipping boy for the Nation.

I believe that is the wrong attitude. We had a point of order and appeal from the ruling of the Chair—how much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator from Alabama has 5½ minutes remaining.

Mr. ALLEN. I thank the Chair.

We had a very important appeal from a ruling of the Chair. Did we see Senators, when they came in, grab the rule book to decide whether the point of order was well taken, or did we see a decision made on an entirely different basis?

Mr. President, I am confident that had every Member of the Senate read the rules, made just a little bit of a study of the rules, we would have sustained the Chair in the ruling that he made that the cloture motion was in order at the time the Senator from Alabama offered it with respect to Senate Resolution 166.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

The question is on agreeing to the motion.

Mr. THURMOND. Mr. President, in 1965 I testified before the Committee on the Judiciary of the U.S. Senate on the Voting Rights Act, and I wish to repeat some of the things that I said at that time. I will review my statement to the committee on that occasion:

The primary issue involved is the constitutional protection of the privilege of the ballot—a privilege which, I am sure, we all consider dear. More particularly involved is the protection accorded that privilege by the 15th amendment to the Constitution. Since the pending measure is predicated solely upon the 15th amendment, it becomes incumbent upon us to carefully examine the provisions of the amendment. It provides on section I that:

"The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude."

The second section of the amendment authorizes Congress "to enforce this article by appropriate legislation."

In my judgment, the pending bill is not appropriate legislation, such as is contemplated by the 2d section of the 15th amendment.

In my judgment, the pending bill is unconstitutional, because it is in direct conflict with other portions of the Constitution.

The pending bill would invalidate, among other things, the literacy tests of 7 States, 34 counties in another State and 1 county each in 3 States, according to the Attorney General's testimony. Literacy tests are one valid method by which a State can judge the qualifications of citizens who offer to vote. At the present time, more than 20 States, obviously including many States outside the South, have some form of a test which could, in more or less degree, be described as a literacy test.

The provisions of the Constitution which authorize a State to require the proof of literacy for voters are clear and unequivocal. Article I, section 2 of the Constitution states:

"Electors (for Members of the House of Representatives) in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature."

The 17th amendment, adopted more than 40 years after the 15th amendment, contains language identical to that found in article I section 2, of the Constitution. In providing for the direct election of U.S. Senators, the Congress and the people of this country specifically reaffirmed the basic principle that it is the function of the States to establish qualifications for voters.

The pending bill would override both of these provisions of the Constitution and substitute qualifications for voters established by the Federal Government.

I assume that there is no question but that the pending bill would have that effect. However, if there had previously been any doubts, the statement by the Attorney General to this committee has certainly resolved them. On page 10 of his prepared statement, the Attorney General said:

"The Commission (speaking of the Civil Service Commission), after consultation with the Attorney General, will instruct examiners as to the qualifications applicants must possess. The principal qualifications will be age, citizenship, and residence, and obviously will not include those suspended by the operation of section 3."

The intervening adoption of the 15th amendment in no way invalidates the specific provisions of article I, section 2 of the Constitution and the 17th amendment. At a very early date, but subsequent to the adoption of the 15th amendment, the Supreme Court held that literacy tests which are drafted so as to apply alike to all applicants for the voting franchise would be deemed to be fair on their face, and in the absence of proof of discriminatory enforcement could not be viewed as denying the equal protection of the laws guaranteed by the 14th amendment. Therefore, it is implicit that neither would they violate terms of the 15th amendment.

During that hearing, former Senator Sam Ervin was chairman of the subcommittee that conducted the hearing, and he propounded questions to me at that time. I would like to read the questions and answers.

Senator ERVIN. I interrupt you to ask a question which is relevant to what you are discussing.

Senator THURMOND. Yes, sir.

Senator ERVIN. Do you not agree with me in this, that the 15th amendment made no change whatever in any of the provisions of the original Constitution, but on the contrary, all it did was prohibit action by a State which would have been valid in the absence of the amendment?

Senator THURMOND. I thoroughly agree with the able chairman on that point. There has been no decision of the Supreme Court of the United States to the contrary.

Senator ERVIN. Now, the 15th amendment merely prohibits the United States and any State from denying or abridging the right of any qualified citizen to vote on account of his race or color.

Senator THURMOND. That is correct.

Senator ERVIN. And the only authority it gives Congress to legislate is the authority which prevents the United States or the States from violating that provision?

Senator THURMOND. I am in concurrence with the chairman on that point.

Senator ERVIN. And the courts have held in a number of cases, have they not, that the 2d section of the 15th amendment and the concluding section of the 14th amendment do not confer upon the Congress the power to adopt an affirmative code of laws to take care of those things which the amendments assume that the States will do?

Senator THURMOND. In my opinion, the chairman's statement is correct. The 15th amendment did not alter, amend, or change article I, section 2, of the Constitution, which leaves to the States . . .

And I want to emphasize that. This is article I, section 2, of the Constitution, which leaves to the States—

of fixing voter qualifications.

Furthermore, the 15th amendment is self executing, anyway.

Senator ERVIN. And the Supreme Court has held that it does not change the power of the States to fix voter qualifications, including the prescribing of a literacy test in a number of cases, the last of which is the *Lassiter* v. *Northampton County Board of Elections*, which was handed down in 1959; is that not true?

Senator THURMOND. That is correct. The 15th amendment did not alter any other provision of the Constitution, as the chairman stated. But if it had done so, the 17th amendment, which was adopted 40 years later, came along and repeated verbatim, word for word, article I, section 2 of the Constitution, which would have put it back. Although in my opinion, and I believe in the opinion of the chairman, the 15th amendment did not affect that provision.

Senator ERVIN. In other words, the second section of article I in the 17th amendment makes it as clear as the noonday sun that Congress intended that the States should not only have the power to prescribe the qualifications for voters in State and local elections, but should also have the power to prescribe the qualifications for electors, for Senators, and for Representatives in the House of Representatives.

Senator THURMOND. That is right, because article I, section 2, and the 17th amendment provide that if an elector is qualified to vote for the most numerous branch of the State legislature, which is the house of representatives in a State, he is qualified to vote in a Federal election.

Senator ERVIN. I thank you.

Senator THURMOND. In 1959, Justice Douglas, speaking for the Court in the case of *Lassiter* v. *Northampton Election Board*, the case the distinguished chairman just referred to—said:

"No time need be spent on the question of the validity of the literacy test considered alone since we have seen its establishment was but the exercise by the State of a lawful power vested in it not subject to our supervision, and indeed, its validity is admitted."

This decision upheld the literacy test of the State of North Carolina against a charge of unconstitutionality on its face.

Even as recently as March 1 of this year, 1965, the Court, speaking through Justice Stewart, made the following observation concerning the constitutional rights of the States to prescribe voter qualifications:

"There can be no doubt either of the historic function of the States to establish, on a nondiscriminatory basis, and in accordance with the Constitution, other qualifications for the exercise of the franchise. Indeed, the States have long been held to have broad powers to determine the conditions under

which the right of suffrage may be exercised. *Lassiter* v. *Northampton Election Board*, 360 U.S. 45."

In that case, the Court quoted with approval the following language taken from *Pope* v. *Williams*, 193 U.S. 621:

"In other words, the privilege to vote in a State is within the jurisdiction of the State itself to be exercised as the State may direct, and upon such terms as it may deem proper."

Mr. Chairman, it would be possible to continue giving citations and examples which prove beyond the shadow of doubt that a State has both the constitutional right and responsibility to specify the qualifications for voters, both in State and Federal elections, including requiring voters to pass literacy tests if such literacy tests are not used as a cloak to discriminate against anyone on the basis of race, color, or previous condition of servitude. However, this should be sufficient authority to convince anyone of the basic constitutional right of the States to require literacy standards for voters. For this reason, I would like to turn now to the bill itself and attempt to point out some of the more obvious defects of the proposal.

The primary object of the bill is to outlaw the use of any "test or device" to determine the qualifications of voters in any State or political subdivision of a State if (1) less than 50 percent of the person of voting age residing in the State were registered on November 1, 1964, or, (2) less than 50 percent of such persons voted in the presidential election of November 1964.

The Attorney General is empowered to determine what standard required by a State will be considered a "test or device" for the purposes of the bill. Section 3(b) of the bill contains broad guidelines for the Attorney General, but it is clear that he is delegated unlimited power to brand any qualification a "test or device" and outlaw its further use. To illustrate, if an applicant is required to sign his name to the application blank, then obviously he is being required to demonstrate his ability to write. The Attorney General, under the terms of this bill, could determine that this is a prohibited test or device. Similarly, the prohibition against requiring an applicant to "demonstrate any educational achievement" forces me to the conclusion that title I, the voting rights section, of the Civil Rights Act of 1964 falls within the prohibition of this bill. As you are aware, that act states that proof of a sixth grade education raises a rebuttable presumption of literacy. This is unquestionably a requirement of educational achievement which would fall within the proscriptions of the pending measure. In this unhappy circumstance, a State registration official would be placed in the inevitable position of violating one Federal law by enforcing another Federal law.

Senator ERVIN. Before you leave that point, this section 3(b) defines the phrase, "test or device," to mean any requirement that a person, as a prerequisite for voting or registration for voting, demonstrate his knowledge of any particular subject. In other words, under that, you cannot even require the person to demonstrate he knows what precinct he is voting in?

Senator THURMOND. That is the way the law can be interpreted.

Senator ERVIN. That is literally what it says, is it not? I quoted it word for word.

Senator THURMOND. That is right.

Mr. Chairman, this bill is predicated upon the assumption that the terms of the 15th amendment have been violated merely by the existence of the fact that less than 50 percent of the voting age residents of a State or political subdivision of a State were registered or voted at the time of the presidential election of 1964. This is a presumption which has no logical or legal connection with the facts. It must be remembered that the 15th amendment prevents the United States or any State from denying or abridging the right of a citizen to vote solely on account of his race, color, or previous condition of servitude. Any appropriate legislation designed to further effectuate the protection provided by this amendment must be predicated upon the denial of the right to vote for the specific reasons enumerated in the amendment.

The pending bill goes far beyond that. It would allow the registration of individuals who are not qualified to vote under any objective standard, regardless of race or color, in the guise of preventing discrimination solely because of race or color. If the presumption were valid, then the bill would apply and would have to be enforced in all political subdivisions which meet the statistical test. It is evident, however, that the Department of Justice has no intention of applying the terms of this bill to any section of the country outside of the South.

There is no question in my mind but that the premise of the pending bill fails to meet any objective standards which would be necessary to assure its constitutionality. In reality, the bill would not effect and override racial discrimination which exists in areas outside the South. The bill would allow an illiterate to register and vote in the 6 Southern States and 34 counties of the other Southern State covered, but it would not allow the same illiterate to register and vote in any of the other States of the Union which require a literacy standard but do not fall statistically within the purview of this proposal.

Senator ERVIN. I would like to ask one or two questions on what you have just discussed. Is it not held that it is the denial of due process of law to establish by legislative act any presumption or assumption unless there is a rational relationship between the fact established and the ultimate fact?

Senator THURMOND. The Senator is eminently correct.

Senator ERVIN. Does the mere fact that 50 percent of the adult population failed to vote in a particular State or in a particular political subdivision of a State bear any rational relationship to the ultimate fact that people have been denied, that qualified citizens have been denied the right to vote on account of race or color?

Senator THURMOND. None whatsoever that I can see.

Senator ERVIN. Under this bill, a State or political subdivision could register all the citizens residing within its borders without discrimination and still it would be branded as in violation of the 15th amendment if less than 50 percent of the registered voters went out and voted, would it not?

Senator THURMOND. That is what this bill provides.

Senator ERVIN. Now, the Senator has been active in politics for many years and the Senator knows that people fail to go out and to vote for multitudes of reasons, does he not?

Senator THURMOND. That is true.

Senator ERVIN. And the chief reason is apathy or lack of interest in the election, is it not?

Senator THURMOND. Indifference.

Senator ERVIN. Is it not also true that courts have held that a legislative body cannot establish a presumption based upon a fact which the party against whom the presumption is directed could not prevent?

Senator THURMOND. That is true.

Senator ERVIN. Now, does not the provision of this bill which bases a presumption of violation of the 15th amendment on the fact that less than 50 percent of the adult population of a State or political subdivision failed to vote base the presumption on something for which the State or political subdivision cannot be held responsible?

Senator THURMOND. That is correct, and I think that the proposal in the bill, as some other proposals in the bill, is clearly unconstitutional.

Senator ERVIN. There is no way, is there, by which a State or political subdivision can compel people to go out and vote under the American system of freedom?

Senator THURMOND. That is correct, and I cover that point a little bit later.

Senator ERVIN. I am sorry I interrupted you.

Senator THURMOND. That is all right.

Senator ERVIN. Are there not something in the neighborhood of 20 States which have literacy tests?

Senator THURMOND. That is correct.

Senator ERVIN. And this bill would outlaw the literacy test in six Southern States and in 34 counties of another State, North Carolina, would it not, and leave the literacy test in force in the other States which have it?

Senator THURMOND. That is correct.

Senator ERVIN. Does not the Senator think that provision of the bill is a violation of the ruling of the Supreme Court in *Coyle* v. *Smith* (221 U.S. 559), where it said, "This Union was and is a Union of States equal in power, dignity, and authority, each competent to assert that residuum of authority not delegated to the United States by the Constitution itself"?

Does this bill, in making that difference between the continuance of literacy tests in some States and the abrogation of literacy tests in other States, violate that rule for delegation of the powers of the States?

Senator THURMOND. I think this bill clearly violates the interpretation the Senator just expressed in that decision.

Senator ERVIN. Thank you, Senator.

Senator THURMOND. To this extent, the bill establishes a double standard—one for the federalized States and another for the States which were fortunate enough to have over 50 percent of their voting age population registered and voting in November, 1964. It is grossly unfair to the people of these six Southern States to have rank discrimination imposed upon them.

The figures upon which all of these conclusions have been based are subject to serious question. This is a point I am not sure has been raised. The Attorney General and other proponents of this bill primarily rely upon a tabulation of registration and statistics compiled and distributed by the Commission on Civil Rights. Needless to say, the figures contained in this compilation pertain to only 11 Southern States.

To illustrate my contention concerning the questionable nature of these figures, a large portion of the statistics for the State of South Carolina contained in this study by the Civil Rights Commission are attributed to an article from the November 1, 1964, edition of the Charleston News and Courier. By no means do I question the dedication and ability of the author of this article; but the fact remains that these are, at best, unvalidated and unofficial figures. This article estimates the total registration for the State of South Carolina as of November 1, 1964, to be 816,457. The figure given by the Civil Rights Commission is 816,458 registered voters, a deviation of only 1 voter. However, a newspaper article which appeared in the Greenville (S.C.) News on March 16, 1965, states that the official total registration for the 1964 election in South Carolina was 772,748. This figure was attributed to the Secretary of State of South Carolina, Hon. O. Frank Thornton, whose office has jurisdiction over the official voting records in South Carolina. For that reason, I believe that the latter figures of 772,748 would be more reliable. This one example merely serves to point out the difficulty in obtaining accurate and meaningful statistics upon which to base any proposal, if this is indeed the proper way to proceed in this matter.

The total voting age population of the State of South Carolina, according to the 1960 census, was 1,266,251. The total voting age population of the State of South Carolina as of November 1, 1964, according to the estimates of the Bureau of the Census, was 1,380,000.

I would like to remind the members of this committee that this figure is an approximation and is not an official tabulation. By using every possible combination of the four figures available, over 50 percent of the voting age population of the State of South Carolina was registered at the time of the presidential election of 1964.

If registration were the sole erosion contained in this bill, the State of South Carolina as a whole would not be covered. However, South Carolina is covered, simply because an unfortunately large percentage of those registered to vote chose not to vote in the presidential election of 1964. There were 524,748 registered voters cast their ballot in the presidential election last fall. This is less than 50 percent of either the official voting age populaion based on the 1960 census or the unofficial estimate by the Bureau of the Census of the voting age population as of November 1, 1964.

Senator ERVIN. And with respect to either one of these figures, this bill provides that the certification of the Bureau of the Census is final, does it not, and cannot be contradicted even if it is untrue?

Senator THURMOND. There does not seem to be any way provided in the bill.

Senator ERVIN. As you pointed out, the estimated figures put out by the Bureau of the Census for population in November 1964 are merely estimates and they are contradicted by another set of figures, are they not, which are just as reliable, if not more so?

Senator THURMOND. That is correct, and the figures given by the Civil Rights Commission, which seems to be the primary source here, conflict with the official figures as were given by the Secretary of State in the article which appeared in the paper.

Senator ERVIN. Do you not think it is a poor way to search for facts and truth in the courts, to have a provision that a certificate cannot be contradicted, even in a case where it is in error.

Senator THURMOND. I certainly do.

Senator ERVIN. Thank you.

Senator THURMOND. Mr. Chairman, there is no Federal law, and no State law that I know of, which requires qualified citizens to vote. Neither have I heard it suggested by any of the proponents of this legislation that such a law is desirable or is a necessary prerequisite to the full and free enjoyment of the freedom which is sought to be achieved through the enactment of the pending bill.

We all agree that it is one of the responsibilities of citizenship to vote in all elections and thereby contribute to representative government. Mr. Chairman, I take a back seat to no one in attempting to get out the vote. Last fall, I traveled all over the State of South Carolina in an effort to get out the vote, and my efforts were not limited to the State of South Carolina.

I spoke to everyone who would come to hear me. I urged that they vote in the presidential election. I might add that I even suggested very strongly which candidate they should support. Even with all these efforts by me and many others, less than 50 percent of the voting age population of South Carolina voted last November. Even so, the total vote far exceeded any previous vote ever cast in the State. Previous voting records were surpassed by at least 100,000 votes.

South Carolina has made and is continuing to make great strides in voter registration and participation, and yet no mention is made of this fact. One must be forced to the conclusion that freedom necessarily includes the right not to vote as well as the right to vote as each individual decides.

Section 3(c) of the bill is another unjustified contrivance calculated to frustrate the legitimate attempts of any State or political subdivision to eliminate itself from coverage by this bill.

This section would require any State or political subdivision which falls prey to the provisions of subsection (a) of section 3, to carry the affirmative burden of cleansing itself of sins which it may not even have been accused of committing. Nevertheless, the State must override this "guilt by statistic" in order to be allowed to have the election process of the State returned to the local level.

An action for a declaratory judgment must be brought in the U.S. District Court of the District of Columbia, and the petitioner in any such case would be required to prove that no discriminatory actions had taken place within a 10-year period preceding the bringing of the action.

Senator ERVIN. If the Good Lord were to put down a requirement to show that we had not committed a single sin for 10 years as a prerequisite of salvation, many of us would never see salvation, would we? Is that not what this bill provides?

Senator THURMOND. It is an unreasonable provision of the bill, and it is hard to feel that any fair-minded man would have written such a bill.

Senator ERVIN. How many voting precincts do you have in South Carolina?

Senator THURMOND. About 1,600.

Senator ERVIN. And you would have to prove that not a single person who had applied for registration in any of those 1,600 precincts during the 10 years prior to the time of the bringing of the action for declaratory judgment had been denied the right to register to vote by a single election official on the account of race or color, would you not?

Senator THURMOND. That is correct, and I shall bring that out in just a minute.

Senator ERVIN. If one election official had violated the 15th amendment with respect to one application of the right to vote within those 10 years, the State of South Carolina would be denied the privilege of exercising its constitutional powers, would it not?

Senator THURMOND. For a period of 10 more years after such a claimed violation.

This is an almost impossible burden of proof which would require bringing voluminous voting records from their places of depository to the District of Columbia. This section places an onerous burden upon the back of States which have not been convicted or even charged with voting discrimination on account of race, color, or previous condition of servitude; if the State is found to be in conformity, then, regardless of any previous court order, any State or subdivision should be entitled to a declaratory judgment, removing it from the coverage of this measure.

Mr. Chairman, one of the worst affronts to the dignity of any sovereign State which could be imagined is contained in section 8 of this bill. This section would require a sovereign State to seek prior approval of the Federal judiciary before enforcing any law modifying in any respect the voter qualifications in force and effect on November 1, 1964.

This procedure is an insult to the integrity of the elected officials and the people of the States covered. I know of no precedent in the law for such a provision. The legislatures of the States covered are made subservient to the Federal courts insofar as all voting laws are concerned without regard to whether the proposal in question bears any relation to the prohibitions of the 15th amendment. This is patently absurd, as well as unconstitutional.

There are no charges of voting discrimination in South Carolina based on race, color, or previous condition of servitude. Even the Attorney General, in his statement to this committee, states that:

"Of the six Southern States in which tests and devices would be banned statewide by section 3(a), voting discrimination has unquestionably been widespread in all but South Carolina and Virginia * * *"

His attempt to justify the application of this bill to South Carolina on the basis that, "other forms of racial discrimination are suggestive of voting discrimination," does a great injustice to the State of South Carolina and is unworthy of any high ranking Federal official. This is guilt by association in its worst form.

Senator ERVIN. The Attorney General stated before this committee that he had no evidence that North Carolina was presently engaged, any of the counties of North Carolina that would come under this bill are presently engaged in violations of the 15th amendment. I asked him on what kind of basis he justified including them, and he said, "Well, they were part of the old Confederacy."

I also pointed out that Arkansas and Texas were part of the old Confederacy, but they were exempted from the bill, and also Florida. So the clear guilt by association, even in the old Confederacy, is not carried out to any logical degree by the Attorney General in the draft of this bill.

Senator THURMOND. That is certainly correct.

Senator ERVIN. I do not advocate the extension of the bill to any other States in the old Confederacy or to any other State, because I think the bill is so iniquitous constitutionally that it ought not to be extended to anything.

Senator THURMOND. Well, I agree with the chairman. However, the effect of the Attorney General's statement is that discrimination in voting does not exist in South Carolina, and yet South Carolina was included here on the ground that other forms of racial discrimination are suggestive—suggestive. He does not even say they have been proved—suggestive of voting discrimination.

I challenge him to prove it. It is a false statement.

I urge this committee to carefully consider this measure in the light of provable facts, and not solely on unfounded accusations. If, after doing so, you determine that it is necessary for the Federal Government to assume the responsibility for establishing voter qualifications and registering voters, then I urge you to proceed by the only constitutional method available. That method is, of course, by constitutional amendment. This is the method which was followed in doing away with the poll tax as a prerequisite for voting in Federal elections. It is the only method available by which the Federal Government can constitutionally establish voter qualifications in any State.

Mr. Chairman, I want to say just again in closing that there is no voting discrimination against anyone in South Carolina. There has been no complaint from anyone about being denied the right to vote. I have always favored every qualified person voting in South Carolina.

We have a very low requirement for voting. The only requirement is for a person to be able to read and write the Constitution, which simply means to be able to read and write. And if he cannot do that, he can still vote if he owns $300 worth of property. That is a very low qualification. But that is the qualification fixed by the State constitution of South Carolina. That is the law of South Carolina.

Under article I, section 2, the States have a right to fix their voting qualification, and we feel it is unjust and unconstitutional to provide in this legislation for the States to

be denied the right to fix voter qualifications, which this bill would do if it passes.

Senator ERVIN. For your consolation. I would like to state that I went this summer to the 34 counties in North Carolina which would be deprived of their sovereignty under this bill, and I urged them to come out to vote for the candidates for President and Vice President, and I regret to say that in some cases they did not heed my summons, because less than 50 percent of them came out to vote.

I found in some of these counties that there was great disinclination to favor the candidates of either of the tickets. That is what kept them home rather than discrimination or violation of the 15th amendment. I did all I could to get them to come out in total quantities to vote and was unable to do so.

There is a very interesting editorial in the Sunday Star for April 4, 1965, and I would like to find out how much you agree with it or disagree with it. It says:

"Our basic objections to the administration's voting rights bill have already been stated. We think there is need for a reasonable literacy test, provided there is no discrimination in its application to would-be voters.

Do you agree with that?"

Senator THURMOND. I agree with that, that a reasonable literacy test should be required. The State of New York, I believe, has an eighth-grade education, which is a much higher test than South Carolina has.

Senator ERVIN. Now, North Carolina's literacy test merely requires that a person applying for registration to demonstrate his capacity to read and write the English language by reading or copying a provision of the State constitution.

Is that not true?

Senator THURMOND. That is practically the same requirement we have in our State, except in our State, they can even vote if they cannot do that if they own $300 worth of appraised property.

Senator ERVIN. Now, this editorial proceeds further and says:

"The administration's bill, in one aspect outlaws any and all literacy tests, and is designed to permit total illiterates to vote."

Do you agree with that interpretation?

Senator THURMOND. It does. It simply means that in South Carolina an illiterate would be allowed to vote, whereas in New York, an illiterate could not vote.

Senator ERVIN. The editorial proceeds.

The educational voting level is low enough now without enacting a Federal law to push it down even further.

Do you agree with that?

Senator THURMOND. I certainly do.

Senator ERVIN. To continue:

"The second important aspect of this bill imposes its harsh and punitive provisions on any State which has a literacy test in which fewer than 50 percent of the residents over 21 are registered or actually voted in the 1964 election."

The bill does that, does it not?

Senator THURMOND. You are right.

Senator ERVIN. And it does it notwithstanding the fact that there is no way in the world a State can compel any percentage of its voters to come out and vote, does it not?

Senator THURMOND. The Senator is correct.

Senator ERVIN. The editorial goes on,

"This bill contains other provisions which are reminiscent of the Reconstruction era following the Civil War."

Do you agree with that?

Senator THURMOND. It certainly sounds so to me from statements made by the distinguished chairman and from the other information that has been brought out during this hearing.

Senator ERVIN. Now, during Reconstruction, they did allow a man to get a trial, get his case tried in the locality in which he lived, either in a military court or civil court, did they not?

Senator THURMOND. That is correct.

Senator ERVIN. Yet this bill would allow him to be deprived of the right to be tried before a court in the locality in which he lives, would it not?

Senator THURMOND. That is true.

Senator ERVIN. The Magna Carta, which was written, as I recall, in A.D., 1215, more than 700 years ago, says to no one will we deny justice; to no one will we delay it. Do you not consider that it is a denial of justice to say to the States of Alabama, Mississippi, Louisiana, and Georgia, where they have had some lawsuits in this field, that they cannot be given justice for 10 years and cannot be allowed for 10 years to show that they are not engaged in violation of the 15th amendment?

Senator THURMOND. I think the provision of the law along that line is completely unconstitutional, as well as unreasonable and unfair.

Senator ERVIN. Do you not agree with me that it is a delay of justice to South Carolina and the 34 North Carolina counties and the State of Virginia to say that they cannot have access to the courts, the Federal courts located within their borders, but are required to bypass courthouses in their localities, whose doors are nailed shut, and come to the District Court of the District of Columbia to even petition for a few crumbs of justice?

Senator THURMOND. I agree with the chairman, as I brought out in my statement on that point.

Senator ERVIN. Now, Benjamin Disraeli said the justice is truth in action. Now, under this bill, 34 North Carolina counties would be denied the right to use literacy tests on the theory that the literacy test is being used to prevent Negroes from registering and voting. The figures supplied by the Civil Rights Commission for the 1960 election show that in these, in the entire State of North Carolina, more than 99.99 percent of all persons who applied for registration passed the literacy test and were registered. Do you not think that Disraeli's definition of justice as truth in action fails to fit the 34 North Carolina counties or the State of North Carolina in view of that fact?

Senator THURMOND. It would seem that the chairman is making a statement that is well borne out by the record.

Senator ERVIN. I would like to put in the record this entire editorial from the Washington Star of April 4, 1965, at this point.

(The article referred to follows:)

[From the Washington Star, Apr. 4, 1965]

VOTING DISCRIMINATION

Our basic objections to the administration's voting rights bill have already been stated. We think there is need for a reasonable literacy test, provided there is no discrimination in its application to would-be voters. The administration's bill, in one aspect, outlaws any and all literacy tests, and is designed to permit total illiterates to vote. The educational voting level is low enough now without enacting a Federal law to push it down even farther.

The second important aspect of this bill imposes its harsh and punitive provisions on any State which has a literacy test, and in which fewer than 50 percent of the residents over 21 are registered or actually voted in the 1964 election.

This bill contains other provisions which are reminiscent of the Reconstruction era following the Civil War. But the two which we have mentioned, taken together, offend one's sense of fairness. If enacted, in its present form, this bill would result in a legislative discrimination as bad or worse than the evil the bill is supposed to remedy.

Let's take the case of Virginia, which is brought under this bill because it requires a literacy test and, though more than 50 percent of its eligibles are registered, fewer than 50 percent voted in 1964.

What is Virginia's literacy test? As spelled out by Senator Harry Byrd in his recent statement, any person desiring to register must be able, without assistance, to give in writing the following information: His name, the date and place of his birth, his current residence, his occupation, and, if he has voted before, the county and precinct in which he voted. That is all.

Is this a test which opens the door to such obviously discriminatory requirements as being able to interpret to the satisfaction of some ignorant registrar sections of a State constitution? Is it a test which asks too much of a person who wants to vote on the important and complicated issues which face us today? We do not think so. Furthermore, the administration concedes that this is not an unreasonable literacy test, and that there is no evidence that it has been used in Virginia to discriminate against Negroes.

If this is so, why does the bill link a reasonable and nondiscriminatory literacy test to an arbitrary formula with respect to voting or registration percentages?

One explanation is that the statistics on registration are unreliable. But this is said to be true in West Virginia, which is not affected by the bill because it has no literacy test. What nonsense.

In addition to Virginia, the States covered by the bill are Louisiana, Mississippi, Alabama, Georgia, and Alaska. We are puzzled by the inclusion of Alaska, in which Negroes certainly are not discriminated against. There are few if any there. As to the others, we haven't enough information to pass judgment.

But it is our firm belief that this is a discriminatory bill. If its purpose is to protect Negro voting rights, it discriminates in favor of New York, which requires a rather strict literacy test but which has met the voting percentage standards. It also discriminates in the case of Texas, which did not meet the percentage-of-voting standard in 1964, but which does require a literacy test, although it is verbal in character and is called by some other name.

There have been reports that the administration's bill will be changed or modified in some unrevealed aspects. We hope this is true. We also hope that the bill, if modified, will be made applicable to Virginia (in which we have a special interest) on the basis of facts rather than fiction. And certainly not on the basis of some arbitrary formula dreamed up by someone who hasn't the faintest idea what the facts are. Or, if he knows, doesn't care.

Senator ERVINS. I would like to ask you this. It says that—speaking particularly of the State of Virginia—it says that their so-called literacy tests merely require that a person give in writing his name, the date, and place of his birth, his current residence, his occupation, and if he has voted before, the county and precinct in which he voted. Then it proceeds to say that this bill applied to Virginia simply because less that 50 percent of the adults in Virginia voted in the presidential election of 1964.

Senator THURMOND. That is the same reason that would apply to South Carolina, because we have more than 50 percent of our eligible voters registered.

Senator ERVIN. And then it proceeds to say that if they are going to get some bill, it should get some kind of formula that is more just than this. It says that the formula will operate on the basis of facts rather than fiction, and adds, "Not on the basis of some arbitrary formula dreamed up by someone who hasn't the faintest idea what the facts are. Or, if he knows, doesn't care."

Do you think that has a relevancy to this bill?

Senator THURMOND. I thoroughly agree

with the chairman in that statement. I believe that editorial inadvertently left out South Carolina as being one of the States covered by the bill.

Senator ERVIN. No, it mentions that. It mentions the six States.

I am going to put some figures in the record. These figures, I might state, were supplied to me in response to requests from the boards of election of these counties. Unfortunately, some of them did not reply. But one of the counties that is to be denied the right to use of the literacy test is Bertie. Bertie County records show that 560 Negroes passed the literacy test in 1964 and only 30 failed.

Camden County is another one of these counties. It shows that only 43 Negroes passed the test in 1964, and only 4 failed it.

Craven County shows that 2,810 Negroes passed the test in 1964 and only 32 failed it.

Greene County showed that in 1964, 87 Negroes passed the test and 5 failed it.

Hoke County shows that 116 Negroes passed the test and 3 failed it.

Hyde County shows that in 1964, 96 Negroes passed the test and 5 failed it.

Lenoir County shows that 942 Negroes passed the test and 10 failed it.

Martin County shows that 454 Negroes passed the test and only 25 failed it in 1964.

Pasquotank shows that 551 Negroes passed the test in 1964 and only 26 failed it.

Person County shows that 150 Negroes passed the test and only 1 failed it.

And Robeson County shows that 3,935 Negroes passed the test and only 13 failed it.

The records for Scotland County show that 1,319 Negroes passed the test and only 12 failed it.

The Union County records show that 1,131 Negroes passed the test in 1962 and only 5 failed it.

Wilson County shows that in 1964, 919 Negroes passed the test and only 6 failed it.

Then we continue, Mr. President.

Senator ERVIN. I would like to say that I think we need further hearings, but the committee received the bill under an order from the Senate that it must report it back by Friday of this week. If the committee should complete its work and mark up the bill by that time, we shall have to stop the hearings at this time.

I think it is very unfortunate when the Senate placed a time limit upon a committee which ought to be devoting itself to a search for wise and constitutional legislation. But the Senate is our master, and we its mere servants: we are bound by this order of the Senate.

And so forth.

Mr. President, I repeated the testimony given when the original bill was passed because I wanted the Senate to hear the background of the bill as it was originally passed, and when it was renewed later because it is the same basic bill and has the same basic defects.

I just want the Members of the Senate and the people of this Nation to know the unfair legislation that was passed in 1965. It is still unfair, it is very unfair.

Mr. President, how much longer do I have?

The PRESIDING OFFICER (Mr. STONE). The Senator has 6 minutes remaining.

Mr. THURMOND. Mr. President, I have an editorial here, but I will not use that now.

I just want to state before giving up the floor—and I want to reserve a few minutes—that when I became Governor of South Carolina we had a poll tax as a prerequisite to voting. As Governor, I recommended the removal of that poll tax because I did not want to see any obstacle to voting. I wanted to see all the people vote and I did not want any impediment to keep people from voting.

The legislature submitted that amendment to the people, the people of South Carolina voted favorably and the poll tax was removed. This was, I guess, 8 or 10 years before Congress removed it by a constitutional amendment.

I know of no one in South Carolina that takes any step to prohibit anyone from voting. The Junior Chamber of Commerce, the Women's League of Voters, the Lions Club, the Kiwanis Club, the Rotary Club, all the civic organizations have put on drives to encourage people to vote. I have made speeches in every corner of the State, urging people to vote, urging everyone to vote.

I want to see everybody vote, but to have this bill reenacted here, to me, is completely unreasonable because there is no question in my mind, but that it is clearly unconstitutional.

Aside from that, I think it is very unfair.

Under this bill, South Carolina has to come to Washington and request preclearance from the Attorney General for every little piece of legislation that is passed, even the date of an election in a city or community, or the time of voting, or place of a polling precinct, any little thing pertaining to an election, must have the attorney general's approval. That is very unfair.

Then, too, as I stated, when this bill was passed, we had more than 50 percent of the people registered, but fewer than 50 percent voted. Well, no one can make the people vote. Every step possible was taken to encourage people to vote.

But why should the State of South Carolina be insulted and embarrassed and intimidated when it is one of the sovereign States of the Nation, one of the Original 13 Colonies, one of the original 13 States, the eighth State to enter the Union, and why should our people, when there is no impediment to voting, no one claiming there is any impediment, when no one has deprived anybody of the right to vote, when no one is claiming they are deprived of the right to vote, why should we have to remain under the bill simply because of an unreasonable formula that was adopted here on the theory that South Carolina was one of the Confederate States, evidently, and therefore it has discriminatory voting laws. Why should we be forced to come to Washington to get a preclearance for election law changes simply because fewer than 50 percent of the people voted.

Mr. President, again I say this is a very unfair piece of legislation. It was a mistake to ever pass it in the first place, but certainly it should not be renewed at this time in view of all of the facts, the statistics, and the lack of evidence here to show that there is any need for it.

Mr. President, I reserve the remainder of my time.

Mr. HARRY F. BYRD, JR. Mr. President, I yield myself such time as I may require.

Mr. President, I believe the Senator from South Carolina performed a worthwhile service to the Senate to bring to the attention of the Senate today the background of this legislation. It is the same legislation that is being proposed to be extended for another 10 years. The colloquy by the Senator from South Carolina and the former Senator from North Carolina, Mr. Ervin, brings out in some detail the inequities of the legislation.

The caption of the legislation, Voting Rights Act, is one the objective of which I certainly agree with. Never would I be a party to attempting to keep people from voting. As as matter of fact, my whole political career has been based on urging people to vote. I believe we have a better Government if we have a large voter turnout. So I encourage people to vote.

In any case, I would never be a party to attempting to keep persons from voting.

This so-called Voting Rights Act is so very unfair. It singles out seven States: Alabama, Georgia, Louisiana, Mississippi, South Carolina, Virginia, and about one-half of North Carolina.

It forces those States to take courses of action that no other States are required to take. For the sake of accuracy, I might say that there are a few other States affected insofar as a few counties in those States are concerned, but as a practical matter this legislation applies only to seven States. The other 43 States, as a practical matter, are not involved. Yet the crown of thorns is pressed down upon the brow of these seven States and these seven States are forced to come to Washington to have approved by Federal officials here any changes in their election laws. I believe it is very unfair and very unjust. I do not note that many Senators from States outside of these seven are advocating that their States be put under the Voting Rights Act, but they think it is very fine, of course, to press down upon these seven States this very iniquitous and unjust piece of legislation.

As I say, the objective is all right; the objective is good. I favor the objective of it. It is the method and the tactics that I disapprove of.

People of Virginia are just people. There are 99 Members of the Senate now—98 besides myself—and I have not heard any proponent of this legislation cite any evidence or make any charge that the State of Virginia has discriminated against its citizens and attempted to prevent any citizens from voting. No charge has been made. No evidence has been presented. Yet the legislation is introduced and is being pressed upon the Senate affecting only Virginia and six other States.

I do not know from experience, but I daresay there have been violations of voting procedures in many other States, probably in all the other States. We have heard a lot in the past and we still hear a lot about Cook County, Ill. I am sure that everything is not Simon pure in New York City, or in almost any other city of the country one could mention.

I do not see why just seven States should be singled out for this unequal treatment.

Mr. President, I recognize that before the week is over, and probably by Thursday, the so-called voting rights extension will be approved by the Senate. As I stated, there are only seven States which are adversely affected by it. That means that the other 43 can press down upon the seven any time they wish. The endeavor will be to do it very soon. I suspect by Thursday night the Voting Rights Act Extension will be passed.

I want to raise my voice in opposition to it because I believe it to be unfair; I believe it to be unjust. I believe it singles out a few States without being willing to address itself to the shortcomings of other States of the Union.

If we are going to determine for each State how its election laws shall be handled, then I think it should be done for each of the States and not just for a very few.

It is regrettable, I feel, there is apparently a bitterness on the part of individuals throughout our country in opposition to the southern part of our great Nation. I must say I had not been aware until today of the comment which is printed on page 80 of the House committee report, in which it quotes the Reverend Theodore M. Hesburgh, president of the University of Notre Dame, whom I do not know personally but whom I always felt was a very fine individual. This committee report said:

> He urged the subcommittee not to make the mistake of ending the "unfinished second reconstruction."

Well, if I have ever read an extreme statement, certainly that is one.

I find myself in agreement with the committee statement of eight committee members of the Judiciary Committee of the House of Representatives who commented on that statement by Hesburgh. I quote now these eight committee members who say:

> We believe that nothing is more inappropriate in the Twentieth Century than Reconstruction legislation. The time has come to vote against the hypocrisy of such legislation.

I subscribe to those views. As I say, everything I had known about Mr. Hesburgh has been very fine. I do not know him personally. But I do think it is a very extreme view when he urges Congress—let me try to get his exact words—not to make the mistake of ending the "unfinished second Reconstruction."

But I think that is the spirit in which this bill was written. It is the spirit in which the extension of it is being passed, which is, I feel, very unfortunate, not only for those seven States involved, but for the Nation as a whole.

I reserve the remainder of my time.

Mr. ALLEN. Mr. President, I yield myself 15 seconds.

I have noted that the distinguished Senator from California (Mr. TUNNEY), who is floor manager of the bill, has been on the floor here from time to time. I wish he would come out and start managing the bill, because I would like to find out a little something about it.

The PRESIDING OFFICER. The Senator's 15 seconds has expired.

Mr. ALLEN. I suggest the absence of a quorum.

Mr. MANSFIELD. Mr. President, I yield myself 30 seconds.

In the absence of the floor manager, it is the responsibility, I think, of the leadership on this side of the aisle to undertake that charge.

Mr. CRANSTON. Mr. President, may I also state that the Senator from California has been on the floor a great part of the afternoon. He and I have been in touch with each other, and presently this Senator from California is on the floor.

The PRESIDING OFFICER. The Senator from Alabama has suggested the absence of a quorum. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TUNNEY. 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. TUNNEY. I yield myself 3 minutes.

Mr. President, I think that it is very important that it be understood that the bill that we are considering now, the House-passed bill on the voting rights extension, is before us because of the very close timetable that we are operating under to get this extension passed before August 6. As the Senate knows, we go out on a statutory recess on August 1, which does not give us very much time.

The history of the legislation is that committee hearings were held in the Senate in April and the early part of May. The Subcommittee on Constitutional Rights passed the bill on to the full Judiciary Committee on the 11th of June, and since the 11th of June, until last week, we were not able to get an executive session in the full Judiciary Committee to report the bill out. Because it appeared that we were going to have delays on the floor as a result of opposition from some Senators who feel conscientiously and sincerely that the bill should not pass, it became clear last week that time was of the essence.

I compliment the leadership and the role that they have taken on this matter. They have shown great strength of purpose and wisdom. I think that history will show that in calling the House bill off the desk and making it the pending business, they have made it possible to have an extension of the Voting Rights Act in the Senate before the August recess, whereas I think it would have been impossible to have had that extension before the August recess if we had waited on the Senate bill to come to the floor under applicable procedures.

The facts are that the Committee on the Judiciary, when on Friday of last week it reported the voting rights bill to the Senate, did so with the understanding that the report would be filed this Tuesday at midnight. This would have meant that we would not have been able to consider the legislation until Wednesday, July 23. Assuming that there had been a cloture petition laid down on Wednesday, we would not have gotten to the vote until Friday. On the other hand, by following the strategy of the leadership we were able to obtain the vote on cloture today, which has given us 4 additional days to consider the bill and amendments on their merits.

When you consider that we are only about 10 days from the recess, that could be critical in the consideration of this legislation. I feel that it is most important that the Senate understand that there was nothing high-handed about the leadership's position in calling the House bill off the desk. We have had plenty of time to evaluate this legislation.

The House sent it over on June 5—1 week, as a matter of fact, before the Constitutional Rights Subcommittee passed the Senate bill on to the full Judiciary Committee. So we have had adequate time to consider the legislation, and I feel very strongly that the leadership provided just that, excellent leadership, in taking the action that they did. I want to thank both the Senator from Montana and the Senator from West Virginia for the role that they have played in making it possible for us to have the monumental and historic vote that we had today, in which 72 Senators voted to invoke cloture and make the extension of the Voting Rights Act the pending business.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. ALLEN. Mr. President, will the Senator yield for a question?

Mr. TUNNEY. I do not yield. I would be happy to listen to the Senator on his own time.

Mr. ALLEN. I thank the Senator for his courtesy, or lack of it.

The PRESIDING OFFICER. The question is on agreeing to the motion to proceed to consider.

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

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

The Senator from North Carolina is recognized.

Mr. HELMS. I thank the Chair.

Mr. President, I regret that the distinguished Senator from California is not willing, for whatever reason, to respond to questions. I, like the distinguished Senator from Alabama, wanted to ask a few questions which may have resolved this matter to the satisfaction of the Senator from North Carolina, at least.

The primary question is why this legislation is limited to just a few States and not made applicable to all States. While I confess that I am apprehensive about this type of legislation in general, because it clearly is another Federal intrusion upon State sovereignty, I would be willing to vote in favor of a Voting Rights Act that was made applicable to all 50 States and all political subdivisions thereof.

But as has been pointed out, this is purely punitive legislation. Incidentally, I observe, Mr. President, that there are six Senators in the Chamber now at 6:30 in the evening. That includes the distinguished Senator now presiding. So any attempt to achieve a sense of reason concerning this legislation falls on deaf ears—or, more aptly, absent ears.

In observing the proceedings on this matter and on many others, since I came to the Senate, I am about to reach the regrettable conclusion that it really does not matter what the facts are, or what the equity is or is not, that Senators just come into the Chamber on a yea and nay vote and vote in a steamroller fashion.

Earlier today there was a vote on a ruling by the Chair, with the advice of the Parliamentarian, and it seemed to the Senator from North Carolina that the simple English language of the rules of the Senate showed that the Senator from Alabama was perfectly within the rules in sending forward a cloture motion for consideration.

I do not want to be too heavyhanded, Mr. President, in assessing the activities of other Senators or any Senator in particular, but I felt that I was observing a little bit of a shell game when I heard what seemed to me a rather specious explanation of the basis for the motion made by a distinguished Senator for whom I have the highest regard in defense of his using the power structure of the Senate to block consideration of the petition sent forward by the Senator from Alabama.

What I am saying, Mr. President—and I say it very sadly, because I love this Senate and I respect its traditions—and it is very meaningful to be a part of this body—is that I fear we are rapidly discarding something very vital in terms of what the Senate was intended to be. We no longer listen to each other. Sometimes it appears that we do not care what the facts are; sometimes it appears that we deliberately disregard equity and fairness. It is just a matter of who has the votes, who can push aside the minority.

I wish I did not feel this way, and I hope that my feelings will change, but it is a rather depressing set of circumstances to see what I consider to be power plays that repeatedly abrogate the rights of the minority.

I also wonder, Mr. President, about the people of New Hampshire. Here we are, approaching the 1st of August, and the people of New Hampshire yet have only one Senator and are likely to have only one for many weeks to come, because the New Hampshire issue has obviously been laid aside.

When one considers, from this Senator's point of view at least, that the matter of the New Hampshire dispute could have been so easily settled with fairness and equity weeks and months ago, simply by sending the decision back to the people of New Hampshire who want it, I am constrained to wonder why the Senate has not done exactly that and proceeded to other business, including the Voting Rights Act, for which there would have been plenty of time. But no, we have a scenario of repeated power plays, and I use the word advisedly and sadly. This Senator hopes that maybe comity can return to the Senate and not be permanently replaced by comedy and that we can get down to business on a fair and equitable basis.

I reiterate, Mr. President, that I speak in sadness and as a citizen who, for all of my adult life, has had a tremendous love and respect for the Senate, its traditions, and its rules; but I would be less than honest, Mr. President, if I did not say on this occasion that I am serving in the Senate these days in great disappointment at what I am observing.

I reserve the remainder of my time, and I sincerely thank the Chair.

The PRESIDING OFFICER. The question is on agreeing to the motion to proceed to the consideration of Calendar Order No. 170, H.R. 6219.

Mr. MANSFIELD. Mr. President, 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.

Mr. HARRY F. BYRD, JR. 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. ALLEN. 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. ALLEN. Mr. President, how much time remains to the Senator from Alabama?

The PRESIDING OFFICER. Four minutes and 45 seconds.

Mr. ALLEN. I yield myself 1 minute.

Mr. President, in a moment, I am going to put in a quorum call, to run until 6:30, to give any Senator who wishes to address himself pro or con on this matter the opportunity to do so. If there are no further speeches to be made, the Senator from Alabama would not care to use his remaining 3 minutes.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield, on my time?

Mr. ALLEN. I yield.

Mr. HARRY F. BYRD, JR. I do not have a speech to make, but I have several questions I would like to address to the——

Mr. ALLEN. It is difficult to find anybody who will respond to questions. I tried to get the distinguished Senator from California (Mr. TUNNEY) to submit to a question, but he chose not to do so. So I do not think there is any way the Senator can get an answer to his questions. That seems to be the situation.

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. TUNNEY. 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. TUNNEY. Mr. President, it is my understanding that when I left the Chamber for a few moments to take a telephone call, the Senator from Alabama made some remarks with respect to my absence. I wonder whether the Senator from Alabama would care to repeat those statements, now that I am back in the Chamber.

Mr. ALLEN. The Distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) said that he had some questions he wished to ask of someone who was sponsoring the bill. I told him of the inability of the Senator from Alabama to get the distinguished Senator from California (Mr. TUNNEY) to respond to a question; and I suggested to the distinguished Senator from Virginia that I did not know how he could obtain an answer to a question, in the absence of anyone willing to answer the question.

Mr. TUNNEY. As the Senator from Alabama knows, I have been in the Chamber all afternoon. I have left only momentarily, from time to time, to take telephone calls. I will be happy to answer questions on the Senator's time. When we get to the bill itself, I will be happy to respond to questions on my time, as long as I have time. But now we are in that condition preceding consideration of the bill where it does not seem to me to be worthwhile to be spending a great deal of time in discussing the merits of the bill when that fact is not before us. But I will be happy to answer questions on the time of the Senator from Virginia or the Senator from Alabama.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from California yield, on my time?

Mr. TUNNEY. I yield.

Mr. HARRY F. BYRD, JR. As I understand it, the Senator from California is chairman of the Subcommittee on Constitutional Rights of the Committee on the Judiciary.

Mr. TUNNEY. That is correct.

Mr. HARRY F. BYRD, JR. And, as such, held hearings on the extension of the Voting Rights Act.

Mr. TUNNEY. That is correct.

Mr. HARRY F. BYRD, JR. Did any witness come before the committee and testify that Virginia has been discriminating against any individual in the State or any group of individuals insofar as their right to vote in any election is concerned?

Mr. TUNNEY. The only testimony we have had that related to that was the testimony we had from the Civil Rights Commission, which was general in tone. I do not recall that in their testimony they specifically referred to Virginia, but the Commission report on the Voting Rights Act, 10 years after, which was filed with the committee, does discuss Virginia.

Mr. HARRY F. BYRD, JR. If the Senator will yield for another question, is the Senator from California aware that in 1961, 4 years before the original enactment of this law, the U.S. Commission on Civil Rights specifically stated in its conclusion that the Commonwealth of Virginia did not practice discrimination in its voting practices?

Mr. TUNNEY. I was not aware that in 1961, the Civil Rights Commission had made that statement, no.

Mr. HARRY F. BYRD, JR. The fact is that the Civil Rights Commission did make that statement in 1961. It was prior to the enactment of the Voting Rights Act. I am seeking to find out now whether there is anything which has occurred since 1961 to justify putting Virginia under the Voting Rights Act and whether there have been charges or evidence of discrimination?

Mr. TUNNEY. The standards, it is my understanding, that were applied in 1961 were different than the standards that were applied in 1965 by the Civil Rights Commission.

For instance, in 1965, one of the standards that was applied was whether or not there was a literacy test. Of course, Virginia had such a test.

Mr. HARRY F. BYRD, JR. Will the Senator yield?

Mr. TUNNEY. Yes.

Mr. HARRY F. BYRD, JR. Virginia does not have such a test now.

Mr. TUNNEY. It is my understanding that the State legislature has repealed such a literacy test since 1965.

Mr. HARRY F. BYRD, JR. Virginia has not had a literacy test for quite some time.

Mr. TUNNEY. It is my understanding that they have repealed that literacy test. But as I say, the standard that was applied in 1961 was different from the standard which was applied in 1965 when they made such a finding.

Mr. HARRY F. BYRD, JR. Have they found any evidence—what I am trying to understand is, did anybody come before the Senator's committee and say that Virginia should be under this Voting Rights Act, because here is the evidence that she has been discriminating against her citizens?

Mr. TUNNEY. One of the things, of course, that the Senator from Virginia knows is that, since the 1970 extension of the Voting Rights Act, it has been unlawful, nationwide, to have a literacy test. In that sense, Virginia is not any different from any other State, because no State has a literacy test.

Mr. HARRY F. BYRD, JR. Well, if Virginia, which we both recognize, does not have a literacy test and has not had a literacy test—it was removed from Virginia's Constitution some years ago—what justification is there for including Virginia under the Voting Rights Extension Act?

Mr. TUNNEY. If Virginia meets the triggering standard of the legislation, then she is included. As the Senator knows, Virginia attempted to bail out and the court found that she did not meet the necessary conditions for the bailout. So she remained included.

Mr. HARRY F. BYRD, JR. She did not meet the congressional edict. I think the Senator from California will agree that the court at no point stated that Virginia was discriminating in her voting processes.

Mr. TUNNEY. What the court found was that she did not meet the standard which had been established by Congress for the bailout. That, unfortunately, under the act itself, meant that Virginia had to remain covered.

Mr. HARRY F. BYRD, JR. May I ask the Senator from California this? The Senator from California is a fair and just man. Is there any means by which any of these States can cause themselves to be eliminated from the Voting Rights Act?

Mr. TUNNEY. Yes, there is.

Mr. HARRY F. BYRD, JR. What is the standard?

Mr. TUNNEY. Within the act, in section 4(d), which is the part of the bailout provision, it states that for purposes of this section:

> No State or political subdivision shall be determined to have engaged in the use of tests or devices for the purpose or with the effect of denying or abridging the right to vote on account of race and color if:
>
> 1. Instances of such use have been few in number and have been promptly and effectively defeated by State or local action; or
>
> 2. The continuing effect of such instances has been eliminated; and
>
> 3. There is no reasonable probability of their continuance in the future.

Mr. HARRY F. BYRD, JR. I might say to the Senator there have been no instances; by his own testimony, by his own statement in the Senate, there have been no instances in Virginia.

Mr. TUNNEY. I thought the question to me was, in our hearings, did we have any specific testimony of such incidents.

Mr. HARRY F. BYRD, JR. Yes.

Mr. TUNNEY. I indicated that we did not have any specific testimony, to my recollection, of specific instances, other than the general statement that was made by the Civil Rights Commission and, of course, they filed with the committee their report in "The Voting Rights Act Ten Years After," in which Virginia is mentioned in a couple of instances.

The only thing I can say to the Senator from Virginia—and I can understand full well how deeply concerned he is about the fact that his State is covered by the triggering device in the legislation—is the fact that there was a State of Virginia suit to bail out and the court found that Virginia did not meet the necessary prerequisites of the Voting Rights Act.

Mr. HARRY F. BYRD, JR. Will the Senator from California tell the Senate how any of these States—what is the mechanism for any State, other than coming here to the city of Washington and getting sufferance of a Federal official, what other means is there for any State to get out from under the Voting Rights Act?

Mr. TUNNEY. Well, they have to follow the procedures as outlined in the Voting Rights Act. That means coming to a court in the District of Columbia. The State of Alaska bailed out. They were able to meet the standard as it is described in section 4(d). Virginia was not able to.

Mr. HARRY F. BYRD, JR. But there has been no evidence of discrimination; yet there is no way that Virginia can get out from under the law.

Mr. TUNNEY. I read from the Commission report, "The Voting Rights Act Ten Years After," as it relates to Virginia. The Commission said:

> According to the Rev. Curtis Harris, independent candidate for Congress in the Fourth Congressional District, overt intimidation to keep people from registering and voting is now no longer a common practice in Virginia. Instead, pressure is more subtle. "They let people know they just might lose their jobs if they register and vote. If they work at a factory or on a farm, they are never given time off to go and register."
>
> There is considerable fear about registering and voting among blacks in Petersburg, according to the Rev. Clyde Johnson, a city council member. He said that blacks have been threatened with economic reprisal if they registered or voted. Such tactics, Johnson believes, are particularly effective against people in domestic service and in low-paying factory jobs. For example, two manufacturers in the area hire many blacks in low-paying jobs. Supervisory help, he alleges, often tell such workers who the "right" candidate is.

And so on.

Mr. HARRY F. BYRD, JR. Of course, only official State actions are covered by the Voting Rights Act. If that were the case here, would not the Voting Rights Act, under the legislation passed 10 years ago, could not Mr. CURTIS and Mr. HARRIS, if they desired to, utilize the Voting Rights Act, if this is occurring under the Voting Rights Act?

Mr. TUNNEY. They certainly could petition the Attorney General and ask the Attorney General to take action under section 3, section 4, section 5.

Mr. HARRY F. BYRD, JR. Anyone can present charges. But under the Voting Rights Act, charges must be substantiated. These, obviously, could not be.

The fact that there have been no challenges made is certainly pretty conclusive evidence, it seems to me, that there is no discrimination. As a matter of fact, I say again, the U.S. Commission on Civil Rights specifically stated, as long ago as 1961, that Virginia does not practice discrimination.

I thank the Senator.

Mr. TUNNEY. I thank the Senator.

Mr. MORGAN. Mr. President, before we vote on this motion, I want to make a few remarks for the RECORD and state my position on it. First, when the vote is taken I shall vote "no."

I want to make it clear, however, if and when we come to voting on the extension of the Voting Rights Act I shall vote for the bill unless there are amendments that I do not know about now.

But my vote today is a vote of protest against the procedure we are following. It may be that I am a little old-fashioned, but I just think if the committee system is going to exist, and if it is a good system, then we should not bypass the system.

A few days ago I had some conflicts and could not meet all of my schedules. I finally sort of made the statement:

> Well, I am going ahead to the other meeting because the Senate has gotten along 200 years without me, and I think they can do without me a little while longer.

Then, sort of facetiously, Mr. President, I said:

You know, we have not done too well in the last 200 years. We are in the middle of a recession, we are in the middle of an inflation, we just lost a war.

I could name several other things. The more I see, Mr. President, of the operation of the Senate and of this Congress the more convinced I am that Congress has to share its rightful—to take its rightful share of the responsibility for it.

I came here the other day prepared to discuss a bill on Federal Rules of Criminal Procedure. I had done my homework. I had called the Federal judges in my State and discussed it with them. I had talked with a good many members of the bar in my State, had a couple of amendments to be offered. Lo and behold, I suddenly found that because of limitations of time and parliamentary maneuvers a substitute bill had been offered that was not considered by the committee or discussed by the committee, to my knowledge, and then I was prevented from even speaking on the substitute bill.

After the bill had passed, I went to my office and I spent a great deal of time over the weekend looking to see what we had passed. We passed a bill that, in my opinion, was almost completely different from what the bill was that came out of committee.

Mr. President, we cannot as individual Members of the Senate study and understand every bill that comes before us. Of necessity, we are going to have to at some time or another learn to rely on the work of our colleagues as they function as committee members. But if we are going to come in and, by parliamentary rules and procedures, bypass the committees, then I think we have struck a blow against the committee system, and I think we will continue to perpetuate many of the problems that confront us today.

As I read the memorandum on my desk today that was placed here by the Subcommittee on Constitutional Rights, I guess it is, of the Judiciary Committee, I understand they have heard over 30 witnesses in the Senate subcommittee. Now they are asking us to come here and vote on this bill without the benefit of knowing what those witnesses had to say. What is wrong with waiting until the committee report comes to the floor of the Senate, and then consider the bill in an orderly fashion? If we waited too late, then why have we waited so long? We have known all of this session that the Voting Rights Act expired August 7. Why did we wait until the last 10 days before the August recess and then come in and try to bypass the committee? If it means staying here until August 7 to consider the committee bill and the report then let us do that. But let us not come in by mere strength, because you have the votes and try to pass something without adequate consideration.

I resent high-handedness whether it is on the side on which I intend to vote or whether it is carried out by the opposition. I just do not think we ought to engage in this sort of thing. I do not think we ought to take the House bill from the table and vote on it, and it certainly dampens my respect for the committee system in the operations of the Senate.

Mr. President, I am sure the votes are already counted, but I think that this day, if we follow this procedure, there will come another day where this precedent will come back to haunt us.

So when I cast my vote it is going to be a vote against this kind of parliamentary procedure and it is going to be a vote, I think, in favor of an orderly committee process.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. MORGAN. I will be happy to.

Mr. ALLEN. I want to commend the distinguished Senator from North Carolina for his remarks and for his high-minded approach to this problem.

I have observed the distinguished Senator from North Carolina as he has served his first year here in the U.S. Senate and I am greatly impressed by his work, his ideals, his call for responsibility on the part of the Senate.

As I understand the distinguished Senator from North Carolina, he is disturbed by the fact that the bill that is sought to be brought up, H.R. 6219, has never been before the Senate Judiciary Committee or any other committee of the Senate; is that correct?

Mr. MORGAN. That is correct.

Mr. ALLEN. I wonder if it disturbs the distinguished Senator from North Carolina that at the time the Senate bill was under consideration in the Judiciary Committee and negotiations were being made with the opponents of the voting rights bill, and they were trying to determine whether the opponents would have through Monday or through Tuesday in which to file their report, and while they were negotiating with the opponents of the bill that, at the same time, plans were being laid here on the Senate floor to strike by seeking to bring up the House bill. Does that disturb the distinguished Senator from North Carolina?

Mr. MORGAN. I would say to the distinguished Senator from Alabama I am not familiar with the actions of the Judiciary Committee. I was aware of the fact that the Judiciary Committee was acting on this bill and was about ready to report it. But it does disturb me that the effort was made to bring the bill up last week without some notice to the Members of the Senate.

I just do not think we are playing a cat-and-mouse game in the U.S. Senate. I believe that every measure that is considered here ought to be considered on its merits and ought to be adopted in an orderly fashion. I say this without criticism of anyone, but we simply need to know in advance what is coming up because we just cannot stay prepared on the spur of the moment for everything that might be brought up without some advance notice of it.

Mr. ALLEN. Well, does the Senator think that the proponents of the bill, with more than 70 votes for the bill, with the leadership calling the shots at all times, with an appeal being taken from a ruling of the Chair or the Parliamentarian through the Chair, does the Senator think that the manner in which this bill has been handled, in the face of this tremendous majority for the bill, has taken just a little bit of the bloom, a little bit of the glow, a little bit of the gloss out of the victory they are going to have here in just a few days?

Mr. MORGAN. Well, I would say this to the distinguished Senator from Alabama, I always felt when I was serving in the senate of my home State, or even when I was trying a case in the courts, if I had the strength to win the issue at hand that was the time to lean over backwards to make sure I not only was fair to my opponents, but that I left the impression with everyone that I had been fair.

Mr. ALLEN. Has that proposition been shown with respect to this bill, in the judgment of the Senator from North Carolina?

Mr. MORGAN. Well, I will say to the Senator, I do not want to pass judgment. I think I made my statement clear as to why I am voting "no."

Mr. ALLEN. I believe the Senator has made it abundantly clear.

I thank the Senator.

Mr. MORGAN. I would say to the Senator with regard to the appeal from the ruling of the Chair today, when the debate on that was carried out I was in a committee meeting, and when I came to the Senate I made inquiry, as I normally do as to what is pending, and after doing that I came down to the front and discussed the pending matter with the Parliamentarian and asked him to show me the rules on which he made his ruling.

In other words, I tried to vote for what I thought was a correct interpretation of that ruling and I did not try to vote a party line.

I am not talking about Republican or Democrat, but I did not try to vote the side I might eventually vote on, and I think that is the way we ought to make our decisions, especially on cases or decisions that might be cited in years to come as a precedent for other Senates to follow.

For that reason, I tried to make the decision on the New Hampshire matter.

Mr. ALLEN. Well, how did the Senator vote? I really do not know.

Mr. MORGAN. I voted in favor of sustaining the Chair.

Mr. ALLEN. Well, I am not surprised, the Senator having read the rules, coming to that decision.

Mr. MORGAN. I say to the Senator from Alabama, I think there is room for difference there, but after reading the rule on which he based his opinion and going back and reading the precedent that had been cited in support of the appeal from the Chair, I concluded that the precedent was not relevant to this particular question and, therefore, I voted to sustain the ruling of the Chair as he had been advised by the Parliamentarian.

Mr. ALLEN. I think the Senator made an eminently fair and correct decision.

Mr. SPARKMAN. Mr. President, will the Senator yield to me briefly?

Mr. MORGAN. I am delighted to.

Mr. SPARKMAN. I commend the Senator on his expressing his thoughts as he has here.

I have been in the Senate a long time and somehow I feel a little sadness these days, because I do not feel that we are moving actively in the way we ought to at all times.

I am not aiming criticism at anyone, but I just feel we are not having the Senate as a body operate the way I would like to think that it would operate.

I want to say with reference to this legislation that will be pending sooner or later, as a matter of fact I would like to see the voting rights law extended provided they can treat us all alike. I have felt there has been a high degree of unfairness, lack of uniformity as among the several States of the Union.

I hope to goodness that amendments may be offered and accepted that will remove that lack of fairness as among all of the States of the Union.

I may say this, and I join with the Senator, I wish I could see a copy not only of the report of the committee, but of the hearings, see what these witnesses said.

I listened to the questions by the distinguished Senator from Virginia this afternoon as to what was in the hearings with reference to the State of Virginia. I would like to see what is in there with reference to the State of Alabama.

I may say this, I have been voting a long time and I have never seen any discrimination as among people, whether it is racial, or between rich and poor, or whatever the classes may have been, I have never seen any at any polling place in my State, and I have been in a good many races over the 39 years that I have been running for Congress.

Mr. ALLEN. And successfully.

Mr. SPARKMAN. I believe if it had been there, I would have seen it, certainly in my home town and in my home county.

So I will say this, I think the Voting Rights Act did some good. I think it proved to be a good measure and, undoubtedly, did help out, in many instances. But because Virginia may have had a blot on it in 1961 does not mean it ought to be held there until 1975.

Mr. HARRY F. BYRD, JR. Will the Senator yield on my time?

Virginia did not have a blot in 1961. As a matter of fact, the U.S. Civil Rights Commission stated in 1961 that there is no evidence that Virginia discriminated in voting rights to its citizens.

Mr. SPARKMAN. I am glad the Senator corrected me. I remember the date being used, 1961, and I thought there was something charged against Virginia in 1961.

I am certain there have been things done in my State over the years, but I would like to see it in the record. I wish we had those hearings on our desks so we could see what has been said by witnesses, and I would like to see that there are things, if there are conditions in Alabama, that set us apart from other States in the Union, I would like to know what they are.

I just do not believe that we ought to be required to accept an act as long as there is unfairness in it, as I believe there is in the act as it stands today.

It can be cleared up by amendments, if we ever get to the point where amendments will be allowed and if adequate time is given to the presentation of those amendments. It can be cleared up, and I hope it will be, because I believe that good can be accomplished with a good Voting Rights Act.

Mr. MORGAN. I thank the distinguished Senator from Alabama.

Mr. President, I conclude my remarks by saying that I realize that as a new Member of the Senate, the better part of judgment would tell me to refrain from expressing my views, but I am afraid if I do not express my thoughts while I am new in the Senate, that I, too, may soon get so involved and so tied up that I might fall into the same rut without ever having expressed them. So I am going to continue to do so.

I conclude by saying—it may be an old cliche, but it is true—that it is not hard to do what is right if one knows what is right and the only way I can try to determine what is right is to have the benefit and wisdom of my colleagues who have made studies and indepth studies of a question.

I thank the Chair.

Mr. ALLEN. Mr. President, I yield myself 2 minutes.

Mr. President, I would like to call to the attention of my distinguished senior colleague (Mr. SPARKMAN) an interesting statement on page 11 of the House report. We do not have a Senate report.

> In general, it is estimated that 18.9 percent of black registration has been accomplished through Federal examiners.

Where did the other 81.1 percent of the registration come from? It came from the local boards of registrars in the States. So while we praise the work, Mr. President, of the Voting Rights Act, let us bear in mind also that our own State authorities have been responsible for registering 81.1 percent of the blacks who have been registered throughout the South since the original Voting Rights Act.

I would also like to suggest to the distinguished Senator from Alabama who has expressed the hope that amendments will be received and accepted, that I would not count too much on that, I will say to my distinguished senior colleague. I fear that the old steamroller is going to be at work and no amendment, no basic and fundamental amendment, will be permitted to this bill.

I would not count too much on the bill being straightened out here in the Chamber. I would predict that not one single basic and fundamental amendment giving any relief to Southern States will be accepted in the Senate.

I reserve the balance of my time and 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. ALLEN. 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. ALLEN. How much time remains to the Senator from Alabama?

The PRESIDING OFFICER. One minute 45 seconds remains.

Mr. ALLEN. Mr. President, I call for the yeas and nays and yield back the remainder of my time.

The PRESIDING OFFICER. The yeas and nays already have been ordered.

Is all time yielded back?

Mr. ALLEN. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the motion to proceed to the consideration of H.R. 6219. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. ABOUREZK), the Senator from Indiana (Mr. BAYH), the Senator from Arkansas (Mr. BUMPERS), the Senator from Mississippi (Mr. EASTLAND), the Senator from Kentucky (Mr. FORD), the Senator from Michigan (Mr. HART), the Senator from Colorado (Mr. HASKELL), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from Montana (Mr. METCALF), the Senator from Utah (Mr. MOSS), the Senator from Wisconsin (Mr. NELSON), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Delaware (Mr. BIDEN) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY), the Senator from Michigan (Mr. HART), and the Senator from South Dakota (Mr. ABOUREZK) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from New Mexico (Mr. DOMENICI), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), the Senator from Illinois (Mr. PERCY), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The result was announced—yeas 63, nays 13, as follows:

[Rollcall Vote No. 306 Leg.]

YEAS—63

Baker	Glenn	Mondale
Beall	Gravel	Montoya
Bellmon	Griffin	Muskie
Bentsen	Hart, Gary W.	Packwood
Brock	Hartke	Pastore
Brooke	Hathaway	Pearson
Buckley	Hollings	Pell
Burdick	Hruska	Proxmire
Byrd, Robert C.	Jackson	Randolph
Cannon	Javits	Ribicoff
Case	Johnston	Roth
Chiles	Kennedy	Schweiker
Church	Laxalt	Scott, Hugh
Clark	Leahy	Stafford
Cranston	Magnuson	Stevens
Culver	Mansfield	Stevenson
Curtis	Mathias	Stone
Dole	McClure	Taft
Eagleton	McGee	Tower
Fong	McGovern	Tunney
Garn	McIntyre	Williams

NAYS—13

Allen	Helms	Sparkman
Byrd, Harry F., Jr.	Morgan	Stennis
Fannin	Nunn	Talmadge
Hansen	Scott, William L.	Thurmond
		Young

NOT VOTING—23

Abourezk	Bumpers	Goldwater
Bartlett	Domenici	Hart, Philip A.
Bayh	Eastland	Haskell
Biden	Ford	Hatfield

Huddleston	McClellan	Percy
Humphrey	Metcalf	Symington
Inouye	Moss	Weicker
Long	Nelson	

So the motion was agreed to.

AMENDMENT OF THE VOTING RIGHTS ACT

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 6219) to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years, to make permanent the ban against certain prerequisites to voting, and for other purposes.

CLOTURE MOTION

Mr. MANSFIELD. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion, having been presented under the rule XXII, the Chair, without objection, directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon H.R. 6219, An Act to amend the Voting Rights Act of 1965 to extend certain provisions for an additional 10 years, to make permanent the ban against certain prerequisites to voting, and for other purposes.

Mike Mansfield, Alan Cranston, Stuart Symington, Gale W. McGee, John Glenn, Gary W. Hart, William Proxmire, Gaylord Nelson, John Culver, Lee Metcalf, John V. Tunney, Richard (Dick) Stone, Jennings Randolph, Charles McC. Mathias, Jr., Richard S. Schweiker, and Bob Packwood.

Mr. MANSFIELD. Mr. President, may I have the attention of the Senate?

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats.

The Senator from Montana.

ORDER FOR RECESS UNTIL 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, when the Senate completes its business this evening, it stand in recess until the hour of 11 a.m. tomorrow.

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

TIME LIMITATION AGREEMENT CONFERENCE REPORT S. 555

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of not to exceed 5 minutes on the conference report on S. 555. If granted, I ask unanimous consent that the conference committee, under the chairmanship of the distinguished Senator from Georgia (Mr. TALMADGE), turn to that immediately.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Georgia.

EMERGENCY LOAN PROGRAM— CONFERENCE REPORT

Mr. TALMADGE. Mr. President, I submit a report of the committee of conference on S. 555, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The legislative clerk read as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 555) to amend the Consolidated Farm and Rural Development Act, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

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

CONFERENCE REPORT [TO ACCOMPANY S. 555]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 555) to amend the Consolidated Farm and Rural Development Act, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

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

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

SEC. 2. Subsection (a) of section 321 of the Act is amended to read: "The Secretary shall designate any area in the United States, Puerto Rico, and the Virgin Islands as an emergency area if he finds that a natural disaster has occurred in said area which substantially affected farming, ranching, or aquaculture operations. For purposes of this subtitle 'aquaculture' means husbandry of aquatic organisms under a controlled or selected environment.".

SEC. 3. Subsection (b) of section 321 of the Act is amended as follows:

(a) in the first sentence after the words "major disaster" insert "or emergency", strike the words "oyster planters" and "oyster planting" and insert in lieu thereof the words "persons engaged in aquaculture" and "acquaculture", respectively; and

(b) delete everything after the first sentence, strike the period, and insert: "and are unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time. The provisions of this subsection shall not be applicable to loan applications filed prior to July 9, 1975.".

SEC. 4. Section 322 of the Act is amended to read: "Loans may be made under this subtitle for any of the purposes authorized for loans under subtitle A or B of this title, as well as for crop or livestock changes deemed desirable by the applicant: *Provided*, That such loans may include, but are not limited to, the amount of the actual loss sustained as a result of the disaster.".

SEC. 5. Section 324 of the Act is amended to read: "Loans made or insured under this Act shall be (1) at a rate of interest not in excess of 5 per centum per annum on loans up to the amount of the actual loss caused by the disaster, and (2) for any loans or portions of loans in excess of that amount, the interest rate will be that prevailing in the private market for similar loans, as determined by the Secretary. All such loans shall be repayable at such times as the Secretary may determine, taking into account the purposes of the loan and the nature and effect of the disaster, but not later than provided for loans for similar purposes under subtitles A and B of this title, and upon the full personal liability of the borrower and upon the best security available, as the Secretary may prescribe: *Provided*, That the security is adequate to assure repayment of the loans; except that if such security is not available because of the disaster, the Secretary shall (i) accept as security such collateral as is available, a portion or all of which may have depreciated in value due to the disaster and which in the opinion of the Secretary, together with his confidence in the repayment ability of the applicant, is adequate security for the loan, and (ii) make such loan repayable at such times as he may determine, not later than that provided under subtitles A and B of this title, as justified by the needs of the applicant: *Provided further*, That for any disaster occurring after January 1, 1975, the Secretary, if the loan is for a purpose described in subtitle B of this title, may make the loan repayable at the end of a period of more than seven years, but not more than twenty years, if the Secretary determines that the need of the loan applicant justifies such a longer repayment period: *Provided further*, That notwithstanding the provisions of any other law, any loan made by the Small Business Administration in connection with a disaster occurring on or after the date of enactment of this amendment under section 7(b) (1), (2), or (4) of the Small Business Act shall bear interest at the rate determined in the first paragraph following section 7(b) (8) of such Act for loans under paragraphs (3), (5), (6), (7), or (8) of section 7(b).".

SEC. 6. Section 325 of the Act is amended to read as follows: "The Secretary may delegate authority to any State director of the Farmers Home Administration to make emergency loans in any area within a State of the United States, Puerto Rico, or the Virgin Islands on the same terms and conditions set out in section 321(a) without any formal area designation being made: *Provided*, That the State director finds that a natural disaster has substantially affected twenty-five or less farming, ranching, or aquaculture operations in the area.".

SEC. 7. At the end of subtitle C of the Act, add a new section 329 stating: "An applicant seeking financial assistance based on production losses must show that a single enterprise which constitutes a basic part of his farming, ranching, or aquaculture operation has sustained at least a 20 per centum loss of normal per acre or per animal production as a result of the disaster.".

SEC. 8. At the end of subtitle C of the Act, add a new section 330 stating: "Subsequent loans, to continue the farming, ranching, or aquaculture operation may be made under this subtitle on an annual basis, for not to exceed five additional years, to eligible borrowers, at the prevailing rate of interest in the private market for similar loans as determined by the Secretary, when the financial situation of the farming, ranching, or aquaculture operation has not improved sufficiently to permit the borrower to obtain such financing from other sources.".

SEC. 9. At the end of subtitle D of the Act, add a new section 345 to read as follows:

"SEC. 345. On or before February 15 of each calendar year beginning with calendar year 1976, or such other date as may be

specified by the appropriate Committee, the Secretary of Agriculture shall testify before the Senate Committee on Agriculture and Forestry and the House Committee on Agriculture and provide justification in detail of the amount requested in the budget to be appropriated for the next fiscal year for the purposes authorized in the Consolidated Farm and Rural Development Act, as amended, and of the amounts estimated to be utilized during such fiscal year from the Agricultural Credit Insurance Fund and the Rural Development Insurance Fund.".

And the House agree to the same.

HERMAN E. TALMADGE,
JAMES O. EASTLAND,
GEORGE MCGOVERN,
JAMES B. ALLEN,
HUBERT H. HUMPHREY,
ROBERT DOLE,
CARL T. CURTIS,
HENRY BELLMON,
Managers on the Part of the Senate.

BOB BERGLAND,
E DE LA GARZA,
ALVIN BALDUS,
GLENN ENGLISH,
JACK HIGHTOWER,
BERKLEY BEDELL,
RICHARD NOLAN,
WILLIAM C. WAMPLER,
EDWARD R. MADIGAN,
RICHARD KELLY,
Managers on the Part of the House.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 555) to amend the Consolidated Farm and Rural Development Act submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report. The differences between the Senate bill and the House amendment and the substitute agreed to in conference are noted in the following outline, except for conforming, clarifying, and technical changes:

(1) *Designation of emergency areas.*

The *Senate* bill "authorizes" the Secretary to designate any area as an emergency area for purposes of the emergency loan program if he finds that a natural disaster has occurred in the area which substantially affected farming, ranching, or "oyster-producing" operations.

The *House* amendment "requires" the Secretary to make loans in such situations; and strikes "oyster-producing" each place it appears in the *Senate* bill and inserts in lieu thereof "aquaculture". The *House* amendment defines "aquaculture" as meaning "husbandry of aquatic organisms under a controlled or selected environment". The *House* amendment also includes under the definition of "natural disaster" the natural occurrence of certain biological organisms, including organisms known as "the Red Tide".

The *Conference* substitute adopts the *House* amendment with an amendment deleting the sentence which provides that "natural disaster" shall include the natural occurrence of certain biological organisms, including the Red Tide.

The *Conferees* intend, however, that the Secretary of Agriculture coordinate his activities with those of the Secretary of Commerce and the Administrator, Small Business Administration, so as to insure that all possible assistance will be made available to those engaged in agriculture who are victims of natural occurrences such as the Red Tide. It is of particular concern to the *Conferees* that those engaged in agriculture, as defined in section 2 of this bill, not find themselves in a "no man's land" of disaster assistance where, through technical interpretations of the law, they are unable to obtain disaster loan assistance from either the Farmers Home Administration or the Small Business Administration.

Therefore, the Secretary of Agriculture, working in conjunction with the Secretary of Commerce, and the Administrator, Small Business Administration, is directed to conduct a study and make a report to the Congress on or before January 1, 1976, concerning the extent of economic injury incurred by those involved in agriculture, as defined in this bill, who are unable to produce and market a product for human consumption because of disease or toxicity in such product caused by the natural occurrence of certain biological organisms such as, but not limited to, the Red Tide. The report shall include: (1) descriptions of programs under which loan assistance is made available to such disaster victims; (2) statistics setting forth the amount of loan assistance provided; (3) geographical areas, or boundaries, within which such assistance has been provided; and (4) types of natural occurrences of certain biological organisms which have been covered by loan assistance.

The Secretary is further directed to include in his report action which has been, or is being, undertaken by the Executive Branch to resolve any problems which may involve disaster victims engaged in aquaculture who apply for disaster loan assistance and to submit legislative recommendations where existing legal authority is unclear or in need of amendment.

(2) *"Credit elsewhere" requirement.*

Both the *Senate* bill and the *House* amendment provide that loans would be made only to victims of a disaster who are unable to obtain sufficient credit elsewhere at reasonable rates and terms.

The *House* amendment provides that this "credit elsewhere" requirement shall not apply to loan applications filed prior to July 9, 1975.

The *Conference* substitute adopts the *House* amendment. It is, however, the intent of the *Conferees* that the "credit elsewhere" requirement be implemented by the Farmers Home Administration in such a manner as not to delay affording needed assistance to victims of diasters.

(3) *Emergency loans for crop or livestock changes.*

The *Senate* bill authorizes loans for crop or livestock changes deemed desirable "as a result of changes in market demand since the occurrence of the disaster".

The *House* amendment authorizes loans for crop or livestock changes deemed desirable "by the applicant".

The *Conference* substitute adopts the *House* amendment.

(4) *Interest rate on loans in excess of $100,000.*

The *Senate* bill provides (as under existing law) that the maximum rate of interest for emergency loans made for actual losses would be 5 percent per year.

The *House* amendment retains the *Senate* provision but revises it to provide that the amount eligible for the 5 percent rate of interest could not "exceed $100,000 per loan". The balance would be at the interest rate prevailing in the private market for similar loans.

The *Conference* substitute deletes the limitation contained in the *House* amendment. In taking this action, the *Conferees* note that there is no such limitation in the Small Business Act under which the Small Business Administration makes disaster loans.

(5) *Security and collateral for emergency loans.*

The *House* amendment requires the Secretary to accept as security for repayment of emergency loans collateral which has depreciated in value because of the disaster if the collateral, together with the lender's confidence in the repayment ability of the applicant, is adequate security.

The *House* amendment also requires the Secretary to make emergency loans if no collateral is available because of the disaster and the lender has sufficient confidence in the repayment ability of the applicant to assure repayment of the loan. In both cases, the Secretary is required to make the loans repayable at such times as he may determine, as justified by the needs of the applicant (but not later than the repayment periods for real estate loans and operating loans under existing law).

The *Senate* bill contains no comparable provision.

The *Conference* substitute adopts the *House* amendment with two modifications. The *Conference* substitute deletes the requirement that loans be made in cases where no collateral is available. In cases where the collateral has depreciated in value because of the disaster, the loan is required to be made if the collateral, together with the *Secretary's* confidence in the applicant's repayment ability, is adequate security.

(6) *Special loans.*

The *Senate* bill authorizes the Secretary—with respect to any disaster occurring between January 1, 1975, and July 1, 1976—to make an emergency loan for an operating-type purpose for not more than 20 years if it is determined that the applicant's financial need as a result of the disaster justifies a longer repayment term than that normally extended for operating loans, and there is adequate security to assure repayment over the longer period.

The *House* amendment retains the *Senate* provision but makes it applicable with respect to any disaster occurring after January 1, 1975.

The *Conference* substitute adopts the *House* amendment.

(7) *Interest rate of disaster loans made by the Small Business Administration.*

The *House* amendment provides that, notwithstanding the provisions of any other law, any loan made by the Small Business Administration in connection with a disaster occurring on or after the date of enactment of the bill shall bear interest *at* the rate determined under section 7(a)(4)(b) of the Small Business Act; namely, at the average annual interest rate on all interest bearing obligations of the United States, then forming a part of the public debt as computed at the end of the fiscal year next preceding the date of the loan and adjusted to the nearest one-eighth of one per centum plus one-fourth of one per centum per annum.

The *Senate* bill contains no comparable provision. (Under existing law, the maximum rate of interest for disaster loans made by the Small Business Administration is 5 percent per year and is governed by the interest rate for FHA emergency loans under section 324 of the Consolidated Farm and Rural Development Act. The *Senate* bill and the *House* amendment amend section 324 of the Act to provide that the prevailing private market rate of interest for similar loans, as determined by the Secretary, shall apply to the amount of any loan in excess of the actual loss caused by the disaster.)

The *Conference* substitute adopts the *House* amendment with an amendment that provides that loans made by the Small Business Administration in connection with a disaster occurring on or after the date of enactment of the bill shall bear interest at a rate that shall be *not more than* the rate specified in the *House* amendment.

(8) Eligibility for assistance based on production loss.

The *Senate* bill provides that, in order to be eligible for emergency loan assistance based on a production loss, an applicant must show that he incurred at least a 20 percent loss of normal per acre or per animal production as a result of the disaster.

The *House* amendment retains the *Senate* provision but modifies it to provide that the applicant must show that "a single enterprise which constitutes a basic part" of his operation sustained at least a 20 percent loss.

The *Conference* substitute adopts the *House* amendment. The *Conferees* intend that the term "single enterprise" shall be construed to mean enterprises which constitute parts of the applicant's farming, ranching, or aquaculture operation. The following are examples of "single enterprises"; (a) all cash crops; (b) all feed crops; (c) beef operations; (d) dairy operations; (e) poultry operations; (f) hog operations; and (g) aquaculture operations.

A "single enterprise" which constituted not less than 25 percent of the gross income from the farming operation is to be considered a "basic" enterprise. Therefore, in order to be eligible for a disaster loan, an applicant must have sustained at least a 20 percent loss of normal per acre or per animal production as a result of the disaster in one or more basic single enterprises.

(9) Use of the ACIF to pay administrative expenses.

The *Senate* bill provides that in the administration of the emergency loan program, the Secretary may utilize funds from the Agricultural Credit Insurance Fund to pay for administrative expenses of the program.

The *House* amendment strikes the *Senate* provision.

The *Conference* substitute deletes the *Senate* provision. The *Conferees* note that, under existing law, the Secretary may draw whatever amounts are needed from the Agricultural Credit Insurance Fund for administration of the emergency loan program.

(10) Congressional authorization prior to any appropriations under the Consolidated Farm and Rural Development Act; use of revolving funds.

The *House* amendment provides that amounts authorized to be appropriated for the purposes of the Consolidated Farm and Rural Development Act for each fiscal year ending after September 30, 1976, shall be the sums hereafter authorized by law. The *House* amendment also provides that the Secretary could utilize sums from the Agricultural Credit Insurance Fund and the Rural Development Insurance Fund during each fiscal year after September 30, 1976, only in such amounts as may be authorized annually by law.

The *Senate* bill contains no comparable provision.

In lieu of the *House* amendment, the *Conference* substitute provides that on or before February 15 of each calendar year beginning with calendar year 1976, or such other date as may be specified by the appropriate Committee, the Secretary of Agriculture shall testify before the Senate Committee on Agriculture and Forestry and the House Committee on Agriculture and Forestry and the House Committee on Agriculture and provide justification in detail of the amount requested in the budget to be appropriated for the next fiscal year for the purposes authorized in the Consolidated Farm and Rural Development Act, and of the amounts estimated to be utilized during such fiscal year from the Agricultural Credit Insurance Fund and the Rural Development Insurance Fund.

Under the *Conference* substitute, the Secretary would be required to testify and provide a detailed justification (1) of appropriations requested for such items as the restoration of losses previously incurred in the Agricultural Credit Insurance Fund and the Rural Development Insurance Fund, direct loans and grants under the Consolidated Farm and Rural Development Act, and salaries and expenses of the Farmers Home Administration in administering programs authorized under the Act, and (2) of amounts provided in the budget as estimated to be expended for the next fiscal year from the Agricultural Credit Insurance Fund and the Rural Development Insurance Fund for such matters as financing real estate loans, operating loans, emergency loans, water and facility loans, industrial development loans, and community facility loans.

HERMAN E. TALMADGE,
JAMES O. EASTLAND,
GEORGE MCGOVERN,
JAMES B. ALLEN,
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RICHARD NOLAN,
WILLIAM C. WAMPLER,
EDWARD R. MADIGAN,
RICHARD KELLY,
Managers on the Part of the House.

Mr. TALMADGE. Mr. President, I announce that I do not see any need for a yea-and-nay vote on the conference report inasmuch as the conferees all signed it.

Mr. President, S. 555 changes the emergency disaster loan program for agriculture administered by the Farmers Home Administration. It simplifies the procedures under which loans are made to victims of natural disasters and makes additional credit assistance available.

Every year American agriculture is buffeted by a sometimes fickle mother nature. The blizzards of last winter annihilated thousands of cattle and left many producers reeling at the brink of bankruptcy.

The recent torrential floods in the Red River Valley have not only destroyed this year's crops, but they demolished entire farms.

Much the same sort of crisis has occurred in Maryland and Virginia in the past 2 weeks on a somewhat smaller scale.

While some disasters are more dramatic than others, the hardships for the individual producer who has lost his crops, livestock, and the results of a life's work is the same in a $5 million disaster as in one of the $100 million magnitude.

It is impossible for anyone or any program to totally alleviate this suffering or replace the losses—but they can be minimized.

It is, therefore, of paramount importance that our disaster programs be rapid in application and adequate in scope so as to reduce to a minimum human suffering and economic losses.

Mr. President, S. 555 is legislation which permits timely reaction to emergencies at levels adequate to do the job. I ask unanimous consent to have printed in the RECORD a summary of the bill, as amended by the conference committee.

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

SUMMARY OF S. 555, AS AMENDED BY THE CONFERENCE COMMITTEE

S. 555, as amended by the Conference Committee, makes the following changes in the Farmers Homes Administration emergency loan program:

(1) The requirement in existing law that there be a general need for agricultural credit would be eliminated. Therefore, it would not be necessary to determine whether adequate credit is available before designating the area for emergency loans.

(2) The bill makes it clear that the Secretary may delegate authority to State directors of the Farmers Home Administration to make emergency loans in an area (without it being formally designated by the Secretary) if the State director finds that a natural disaster has substantially affected twenty-five or less farming, ranching, or aquaculture operations in the area.

(3) Loans would be made only to victims of a disaster who are unable to obtain credit from other sources, thereby directing emergency assistance to those who most need it. This provision would not apply to loan applications filed prior to July 9, 1975.

(4) In addition to loans for production losses and physical losses, emergency loans could be made for crop or livestock changes deemed desirable by the applicant borrower.

Many producers need financing to enable them to change their operations because of economic conditions and to overcome the financial difficulties caused by the disaster.

(5) Loans could be made for an amount in excess of the actual loss caused by the disaster. However, loans in excess of the actual loss would be at the commercial rate of interest for similar loans. As under existing law, the interest rate on loans up to the amount of the actual loss could not exceed five percent per year.

(6) The bill requires the Secretary to accept as security for repayment of emergency loans collateral which has depricated in value because of the disaster if the collateral, together with the Secretary's confidence in the repayment ability of the applicant, is adequate security. In such case, the Secretary is required to make the loan repayable at such times as he may determine, as justified by the needs of the applicant (but not later than the repayment periods for real estate loans and operating loans under existing law).

(7) The bill provides that, in order to be eligible for emergency loan assistance based on a production loss, an applicant must show that "a single enterprise which constitutes a basic part" of his operation sustained at least a 20 percent loss.

The term "single enterprise" is to be construed to mean enterprises which constitute parts of the applicant's farming, ranching, or aquaculture operation. The following are examples of "single enterprises": (a) all cash crops; (b) all feed crops; (c) beef operations; (d) dairy operations; (e) poultry operations; (f) hog operations; and (g) aquaculture operations.

A "single enterprise" which constituted not less than 25 percent of the gross income from the farming operation is to be considered a "basic" enterprise. Therefore, in order to be eligible for a disaster loan, an applicant must have sustained at least a 20 percent loss of normal per acre or per animal production as a result of the disaster in one or more basic single enterprises.

(8) Annual subsequent emergency loans for a period up to five years could be made when the borrowers need the credit to continue their operations and cannot obtain financing from other sources. However, the interest rate of such subsequent loans would be at the commercial rate for similar loans.

This provision takes account of the need for emergency loans during the recovery period following a disaster. Such annual financing should enable producers to recover

from the disaster and return to their normal sources of credit within a reasonable period of time.

(9) With respect to any disaster occurring after January 1, 1975, the Secretary would be authorized to make an emergency loan for an operating-type purpose for not more than twenty years if it is determined that the applicant's financial need as a result of the disaster justifies a longer payment term than that normally extended for operating loans and there is adequate security to assure repayment over the longer period.

This provision should enable the Secretary to afford needed relief to victims of such severe disasters as the January 1975 blizzard in the Midwest.

(10) The bill provides that loans made by the Small Business Administration in connection with a disaster occurring on or after the date of enactment of the bill shall bear interest at a rate that shall not be more than the average annual interest rate on all interest-bearing obligations of the United States. (Under existing law, the maximum rate of interest for disaster loans made by the Small Business Administration is five percent per year and is governed by the interest rate for FHA emergency loans under section 324 of the Consolidated Farm and Rural Development Act. The bill amends section 324 of the Act to provide that the prevailing private market rate of interest for similar loans, as determined by the Secretary, shall apply to the amount of any FHA loan in excess of the actual loss caused by the disaster.)

(11) The bill provides that on or before February 15 of each calendar year beginning with calendar year 1976, or such other date as may be specified by the appropriate Committee, the Secretary of Agriculture shall testify before the Senate Committee on Agriculture and Forestry and the House Committee on Agriculture and provide justification in detail of the amount requested in the budget to be appropriated for the next fiscal year for the purposes authorized in the Consolidated Farm and Rural Development Act, and of the amounts estimated to be utilized during such fiscal year from the Agricultural Credit Insurance Fund and the Rural Development Insurance Fund.

Mr. MAGNUSON. Mr. President, will the Senator yield me 10 seconds?

Mr. TALMADGE. I yield to the distinguished Senator from Washington.

Mr. MAGNUSON. When the Senator says "Red River," he means the Red River of the North, not the Red River down in Arkansas.

Mr. TALMADGE. The Red River in Minnesota and North Dakota.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield to the distinguished ranking minority member of our committee.

Mr. DOLE. Mr. President, I confirm what the distinguished Senator from Georgia has said with reference to unanimous agreement, and I support the statement made by the distinguished Senator from Georgia.

Mr. TALMADGE. I thank my distinguished colleague.

Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to.

ADDITIONAL STATEMENTS SUBMITTED JULY 18, 1976

ABORTION AND CIVIL RIGHTS: THE MYTHS AND THE FACTS

Mr. BUCKLEY. Mr. President, during the debate over the Bartlett amendment to the Nurse Training and Health Revenue Sharing and Health Services Act of 1975 which, had it passed, would have prohibited Federal funding of abortions, a proabortion report from the U.S. Civil Rights Commission was put into the RECORD. There are those who feel that this report played a part in defeating the Bartlett amendment, as it was highly critical of any effort to prohibit Federal funding of abortions.

I have criticized the Civil Rights Commission report on many grounds, not the least of which was an almost total lack of understanding of the complexities of the issue and an insensitivity to the religious feelings of millions of Americans. It is an intellectually sloppy, historically inaccurate and, in parts, deeply prejudiced document—hardly what we expect from a Civil Rights Commission.

I am happy to report that we now have a detailed, scholarly—and devastating—full-length criticism of that unfortunate document, written by Eugene Krasicky, general counsel for the National Conference of Catholic Bishops, Washington, D.C. The inaccuracies, the unstated but implicit religious bias, the misreading of history and the general polemic nature of the Civil Rights Commission report are dealt with in a scholarly yet forceful manner. I hope it will receive the attention it most certainly deserves.

Mr. President, I ask unanimous consent that the report entitled "A Critical Analysis of the Report of the U.S. Commission on Civil Rights on Abortion" be printed in the RECORD.

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

A CRITICAL ANALYSIS OF THE REPORT OF THE U.S. COMMISSION ON CIVIL RIGHTS ON ABORTION

(By Eugene Krasicky)

INTRODUCTION

The U.S. Commission on Civil Rights has now become an instrument for repression of civil rights it was once designed to safeguard. Through its April 1975 tract, euphemistically entitled, "Constitutional Aspects of the Right to Limit Child-bearing", and through the circumstances surrounding the issuance of that document, the Commission has evidenced its readiness to put down the shield of protector and to take up the sword of the partisan.

The Report profferred by the Commission is remarkable. It celebrates abortion with a commitment so manifestly complete that it even calls for the repeal of legislation designed to protect First Amendment guarantees. An arm of government specifically concerned with the maintenance of civil rights has allowed its preoccupation with abortion to override any sensitivity to the rights of the unborn or for the freedom of conscience of those individuals and institutions opposed to participation in abortion procedures because of conscience.

The Commission was established as a public body to appraise the policies of the federal government with respect to civil rights, and to serve as a reliable source for legislative proposals.

Originally, jurisdiction of the Commission was limited to those deprivations grounded in discrimination by reason of color, religion, race, or national origin.[1] In 1972, Congress extended the grounds to include sex based discrimination. However, the Congress did so with the caveat that the "grant of additional jurisdiction should not be allowed to cloud the other, important concerns of the Commission."[2] The Report submitted by the Commission not only clouds other concerns, it literally obscures them. It exhibits a callous attitude for the rights of the unborn child and no consideration whatsoever is given to the rights of those who oppose abortion procedures because of conscience.

This disregard for constitutional guarantees is magnified by the manner in which the Report was using during the Senate debate on the Bartlett Amendment. The Bartlett proposal would have barred the use of Federal funds in payment of elective abortions. The debate on this proposal took place on April 10, 1975. A member of the Senate secured a letter from Arthur Flemming, Chairman of the U.S. Commission on Civil Rights, dated April 9, 1975, which specifically urged the Senate to reject the proposed amendment and offered the then unreleased Report as the basis for this recommendation. This Senator placed copies of this letter on each senator's desk and read portions of it during the floor debate.[3]

The Commission issued its Report four days later. In a very real sense, then, this Report was a part of the maneuverings to defeat the Bartlett Amendment and its significance cannot be assessed apart from that action.

REPORT RECOMMENDS REPEAL OF CONSCIENCE CLAUSE AMENDMENT

One of the primary requisites of a democratic society is the right to freedom of conscience. It is this right of individuals within the body politic which is protective of all other rights.

The right to abortion or its more genteel formulation referred to in the preface to the Report, the "right to limit childbearing", has purportedly been discovered, in indirect fashion, in the penumbra of the Constitution. The freedom of conscience on the other hand, is guaranteed in the Constitution.[4] Protection from the violation of conscience, moreover, has been clearly established by case law to be an inviolate right not originating in the right to worship or religious sentiment.[5] Madison referred to this as the most important of guarantees and his Memorial and Remonstrance was issued to secure this right.[6]

Immediately after the decisions in *Roe* and *Doe*, strong congressional opinion recognized a need for the government to take affirmative measures to protect the freedom of conscience of those morally opposed to participation in abortion procedures.[7] Congressional awareness of this problem was, and is, widespread and strong felt.[8]

Further, the concern for the protection of freedom of conscience is manifested in the *Roe, Doe* decisions. The Georgia statute examined in *Doe* v. *Bolton* contained a conscience clause which was approved by the Court.[9] In the face of forceful congressional policy, buttressed by compatible court decisions, it is indeed alarming to find that the U.S. Commission on Civil Rights' Report makes a direct attack on the conscience clause amendments.

The "conscience clause" amendment prohibits the withholding of federal funds authorized by the act from hospitals, both public and private, which refuse to perform abortions or sterilizations on the basis of religious or moral beliefs. This statute flies in the face of the decisions in *Doe* and *Roe* governing access to abortions as well as the

Footnotes at end of article.

rulings of several federal and state courts which, following *Roe* and *Doe*, have declared unconstitutional the refusal of public hospitals to permit the performance of abortions. Such refusal, the Supreme Court has decided, is a deprivation of the right to privacy and liberty in matters relating to marriage, sex, procreation, and the family; all in violation of the First, Fourth, Fifth, Ninth, and 14th Amendments to the Constitution.[10]

This is an incorrect reading of *Roe* and *Doe*.[11] Moreover, there is evident in the tone of the Report more than a failure to protect but rather an active threat. Through its Report, the Commission becomes a partisan seeking to set the weight of its authority against those whose rights are now being protected.[12]

This, of course, brings us face to face with the most disturbing aspect of the Report. The Commission was formed to check the evil of discrimination harmful to the body politic (discrimination because of color, religion, race or national origin).

The open contempt of these civil rights, recognized by both the Supreme Court and the Congress, has placed the Commission at odds with the mandate of its very existence. Ironically, the Commission's position as guardian of these liberties permits that body an immunity from the very accountability which its existence is supposed to insure in others.

Clearly, the U.S. Commission on Civil Rights has breached the trust which Congress placed in that body. A democratic government is premised, ultimately, on the principle of accountability. The U.S. Commission on Civil Rights should not be, and indeed may not be, irresponsible. The forthright contempt of the protected First Amendment rights of individuals and institutions and the partisanship evidenced by this Report are matters far too serious to be allowed to escape congressional scrutiny. Congress must not by its silence ratify the metamorphosis of the Commission into an active partisan in derogation of that body's statutory responsibilities imposed by Congress.

PRO-LIFE AMENDMENTS AS VIOLATIVE OF THE ESTABLISHMENT CLAUSE OF THE FIRST AMENDMENT

The presence of this argument in the Report is witness to the efficacy of Catholic-baiting as a polemic device. The "theory" is not well drawn and the clumsy presentation does little to enhance it. The springboard to this exposition is the well-worn ruse that the whole abortion debate turns on the question of when life begins and that the only resolution of this question is one that is religious.

Armed with this insight, the Commission proceeds to the conclusion that an amendment to the Constitution which coincides with the views of a certain religious group would constitute an establishment of religion and thereby impinge upon the Establishment Clause.

". . . (S)o long as the question of when life begins is a matter of religious controversy and no choice can be rationalized on a purely secular premise, the people, by outlawing abortion through the amending process, would be establishing one religious view and thus inhibiting the free exercise of religion of others."[13]

The Commission makes a game but hapless attempt to fashion its argument in the context of the tests used by the U.S. Supreme Court in the school aid cases. The thin logic of these decisions proves too elusive for the Commission. The Commission does not understand the multifaceted tests adhered to by the High Court in the resolution of the school cases. In their place we find such confused statements as:

"There is no clearly secular legislative purpose, there is a primary effect that advances certain religious institutions; and there would be excessive government entanglement with religion in the enactment and ever present in the enforcement of the provisions.

"Furthermore, whenever the involvement of religious groups in the political process surrounding a subject of governmental control is convincingly traceable to an intrinsic aspect of the subject itself in the intellectual and social history of the period, government and religion have become so excessively entangled as to violate the First Amendment."[14]

Another landmark was reached with the statement that:

"There can be no constitutionally valid state objective in outlawing abortion in the first trimester if the basis for the prohibition is excessively entangled with a certain religious persuasion and no completely non-religious basis for it can be ascertained."[15]

Reflection upon this Establishment Clause argument is difficult, especially if one happens to be familiar with Constitutional law. The Report is such a jumble of misconception as to sorely tempt the constitutional lawyer to dismiss it out of hand. Nevertheless, the argument may well be appealing to those who have no legal training.

The first difficulty with this argument is that it presumes that religious doctrine is the sole basis for the controversy over the abortion issue. The Commission totally ignores the Supreme Court's acknowledgement in *Roe* that the disciplines of medicine and philosophy as well as theology are involved in the abortion question. The Report focuses only on the religious aspect and does not even attempt to discuss the medical and biological questions involved. This is consistent with the Commission's tunnel vision approach in its consideration of First Amendment issues. The Commission emphasizes religion while ignoring other relevant considerations.

Although the question of when life begins remains an important one, it is unfortunate that so much of the controversy surrounding this matter has railed over a non-issue. The debate concerns the end of life, not simply the beginning of it. If the process of life has not begun, then what is it that the physician does? The "abortion decision" is naught else than the agreement between the woman and the physician that unless something is done to stop it, a child is going to be born. In each abortion there is a consensus between the woman and her doctor that a life has begun within her.

The Commission seeks to buttress this misconception with a reference to Callahan's *Abortion: Law, Choice and Morality*. The chapter cited is entitled "The Sanctity of Life" and does *not* maintain that opposition to abortion springs solely from religious views. Rather, the chapter seeks to use the consensus regarding the sanctity of life as a basis for addressing the abortion issue. Callahan deals with the existence of a consensus on the sanctity of life, not with the sources of opposition to abortion.[16] This misrepresentation is unworthy as scholarship and patently misleading.

The Commission states that the religious issue comes into play because "no wholly secular reason can be advanced".[17] Presumably, this statement is meant to satisfy the secular purpose element of the Supreme Court's "Establishment" tests. Unfortunately, the Commission has misread the cases. The test it proposes is more severe than that required by the Court. In fact, the extract of the cases cited by the Commission belies its interpretation. The Supreme Court does not require a "wholly secular" purpose. The purpose must be sufficiently secular to warrant the legislation. That purpose must be "clearly secular" but certainly not "wholly secular". The Commission allows no admixture whereas the education cases clearly do.[18]

The meaning of the term "wholly secular" is not defined by the Commission and is far from apparent. At one point the Report states: "Government should neither require nor prohibit abortions at any stage where such legislation would be based on a question of morality related to religious values."[19] Laws relating to burglary, murder, rape, and street crimes are also "related to religious values". Surely, the polemic has run away with the Commission here and it cannot be taken at its word.

The Report also undertakes to apply the entanglement element of the establishment test and the result is ludicrous. What is getting entangled? Where is it getting entangled? The Report fails to come to grips with some basic distinctions. The Report claims to deal with constitutional amendments and the impact of those amendments upon other portions of the Constitution. If the amendment succeeds and becomes part of the Constitution, is the government then in danger of becoming "entangled" in the Constitution? How does one become "entangled" with the Constitution? The Commission obviously does not understand the distinction between the Government and the Constitution.

The Report states that the majority of the Supreme Court adopted the view that whether a fetus has life or not is up to each individual to decide.[20] At no point in its opinion did the Supreme Court make such a statement. In fact, the majority in *Roe* refused to resolve the question of when life begins and it certainly did not leave this important decision up to each individual as the Commission has alleged. The Supreme Court directly avoided the life question and instead focused on what it termed the potential for life. While the Supreme Court should not be complimented for avoiding an important question surrounding the abortion issue, it also should not be charged with saying what it clearly did not say.

Ultimately, it seems the major failing of the Commission's "Establishment" argument lies in the fact that it was made at all. The fact that the value of the sanctity of life is coincidental with certain religious tenets is certainly not sufficient to "establish" a religion. Ironically enough, the passage in Callahan which the Commission misappropriates are useful to demonstrate that the value of respect for human life is so widespread throughout the world, so pervasive, that it can hardly be said to be doctrinal in nature.[21]

THE PRO-LIFE AMENDMENT AS AN INFRINGEMENT UPON THE FREE EXERCISE CLAUSE

The Commission contends that there would also be a deprivation of Free Exercise rights.

"Those who advocate such an amendment should clearly understand that they would be compelling every woman to accept the view that a constitutionally protected person exists from the 'moment of conception' even when such a view conflicts with an individual woman's religious views, and that they would be, in effect, amending the First Amendment."[22]

Obviously, an amendment would not, in itself, affect belief. A statute or amendment which prohibits an act which an individual may feel is religiously permissible does not necessarily infringe upon the First Amendment just because it is contrary to the individual's religious views. The Free Exercise Clause embraces two concepts—freedom to believe and freedom to act. The first is absolute, but in the nature of things, the second cannot be.[23] The gravamen of the anti-abortion proposals is the performance of the abortion itself and not the prohibition of a belief in abortion. It is well settled that acts which are detrimental to the public welfare can be regulated even though the acts regulated may involve an exercise of a religious belief.[24] A prohibition against abortion would not infringe upon the Free Exercise Clause in any manner.

Footnotes at end of article.

Beyond this, however, is the novel implication that abortion can have religious significance. At page 37 of the Report, the Commission speaks of abortion as "a protected exercise of religion." [25] Apparently, the Commission has recognized some rather bizarre forms of worship and it has accomplished this without any citation of authority.

COMMON LAW ARGUMENT

Segments of the Commission Report dealing with the First Amendment impact of the proposals and the entire portion of the Report dealing with the Ninth Amendment depend on the recognition of a common law right to an abortion. Support for this proposition is drawn principally from the work of Cyril Means and buttressed by the Supreme Court's approving reference to those works in its *Roe* decision. [26]

Despite the Supreme Court's approbation, it is unclear that Means' arguments are probative of "abortional freedom". There is a substantial distinction between uneven enforcement of a law and an affirmative right. Means, the Supreme Court, and now the U.S. Commission on Civil Rights, have maintained that women "enjoyed rights" to abortion. How is it possible to extrapolate a handful of 300 year old cases into such a contention?

Professor Robert Byrn has criticized the Means scholarship, but this fact did not make its way into the Commission Report. Even a slight veneer of objectivity would have been sufficient to cause the Commission to note the existence of this criticism of Means and his arguments. Scholarship would, of course, dictate that the two positions be fully laid out. Here the Commission does not even feign objectivity.[27]

Leaving aside the question of Mean's interpretation of the language of the ancients, there is still the question of his entire approach. The Commission and the Supreme Court are witness to the contention that Means purports to give us more than simply the interpretation of legal language. These "authorities" witness the fact that Means purports to relate the practice of abortion in the past. The motive of this resort to history is unclear. According to Albert Camus in *The Rebel*:

". . . The movement of rebellion is founded . . . on the confused conviction of absolute right which, in the rebel's mind is more precisely the impression that he has 'the right to' . . . Rebellion cannot exist without the feeling that somewhere, somehow, one is right." [28]

Perhaps it is this curious need that sends the Commission, Means, et al., searching out the past for comfort. When Means returns to us from those halcyon days he does not, however, bring us the fully integrated past. He brings us what he can use and leaves the rest for others to retrieve.

The classic exposition of this type of historiography was written by Herbert Butterfield. His essay focused on what he dubbed the "Whig Fallacy".

In essence, the theme of his work is that:

". . . When we organize our general history by reference to the present we are producing what is really a gigantic optical illusion: and that a great number of the matters in which history is often made to speak with most certain voice, are not inferences made from the past but are inferences made from a particular series of abstractions from the past-abstractions which by the very principle of their origin beg the very questions that the historian is pretending to answer." [29]

The Commission through Means does not wish to show us the past. It wants to use it. Those who go to the past to use it inevitably succumb to the "pathetic fallacy":

"It is the result of the practice of abstracting things from their historical context and judging them apart from their context—estimating them and organizing the historical story by a system of direct reference to the present." [30]

Neither the Commission nor Means gives us the picture of abortion practices during the period to which they refer. Such a history would have to include attendant medical, social and, yes, even religious practices. This history is not provided. For Means as well as for the U.S. Commission on Civil Rights, the past is slave to the present. This may be effective polemics but it is not history. The historian, in Butterfield's words:

". . . comes to his labours conscious of th fact that he is trying to understand the past for the sake of the past, and though it is true that he can never enirely abstract himself from his own age, it is nonetheless certain that his consciousness of his purpose is a very different one from that of the Whig historian, who tells himself that he is studying the past for the sake of the present. Real historical understanding is not achieved by the subordination of the past to the present, but rather by our making the past our present and attempting to see life with the eyes of another century than our own.[31]

The argument that abortion rights were freer in the past is indeed curious. One is led to wonder why it was made. It seems clear that the Court, Means, and the U.S. Commission on Civil Rights see it as being relevant. What is the nature of this relevancy? Implicit in the argument is the notion that the action of a thirteenth century individual participating in an abortion is somehow relevant to our own time. Is this so? In the first place, the Means argument does not demonstrate that thirteenth century society ever embraced "abortional freedom". Secondly, it is fallacious to suggest that those of the twentieth century are free to ignore available information and to make judgments on the basis of the actions of a small number of those of the thirteenth century. In short, the relevancy of the Means argument to the abortion debate must turn on the willingness to ignore the distinctions between our age and the thirteenth century. This, then, is a fundamental error in the common law argument adopted by the Commission.

The works of Coke and Bracton did not contemplate twentieth century science. How is it that the term "quickening" has so much meaning for the Commission and Means if they do not advocate an approach to this problem with thirteenth century science. What is quickening but a measurement, albeit crude, of the development of the unborn child? Surely, the ability to measure has advanced significantly since the thirteenth century. In fact, the ability to measure is an important aspect of the advance of all science.

"Empirical inquiry has been conceived as a process from description to explanation. . . the principal technique in effecting the transition from description to explanation is measurement." [32]

The increased ability to measure has given the twentieth century man a greater appreciation of life as a continuum. One can study the zygote and know the significance of the genetic package.

Clearly, a full unraveling of a "significant strand of the tangled skein" would have required consideration of twentieth century science.[33] This would have shown that no longer can you separate what an organism is from what, in its later development, it does.[34] Admittedly, any position concerning the unborn child necessarily involves important religious and philosophic considerations. However, this is not to say that science may be ignored, especially by a government agency. An unborn child has many characteristics; it becomes, it grows, and continues its function until that event known as death. Reliance upon scientific standards of the thirteenth century is unacceptable.

Mean's articles are simply not relevant to the abortion debate. Viability and quickening have little to do with a twentieth century scientific conception of the nature of the unborn child. It is clear, then, that the Commission's adoption of the claim of a common law right to abortion is not definitely established. Far more evidence would be needed to support such a contention.

PRO-LIFE AMENDMENTS AND THE FOURTEENTH AMENDMENT

The Commission's analysis of the impact of the proposed constitutional amendment on the Fourteenth Amendment begins with the argument that a redefinition of the word "person" as used in the Fourteenth Amendment will produce numerous uncertain difficulties.[35] The entire argument of the Commission ignores the fact that corporations have been deemed a legal person for over 100 years. The census takers have not been troubled by this. The application of the other clauses or amendments has not been adversely affected by this corporate fiction. Indeed, Mr. Justice Douglas in his dissenting opinion in *Sierra Club* v. *Morton*, commented on the corporation being considered a "person," and sought to extend "personhood" to valleys, Alpine meadows, rivers, lakes, estuaries, beaches, ridges, trees, swampland, and even air, so that each could speak for the unit of life that it is a part of and which is threatened with destruction.[36] Surely, the unborn child is entitled to personhood before objects such as these. In any event, it is clear that the argument that redefinition of the word person to include an unborn child would confuse the application of various laws is an alarmist tactic with no real basis in law.

The Commission suggests that the states' rights amendment which would allow the abortion matter to be dealt with by the individual states would be substantially ineffective if passed. The Commission cites the requirement that the word "person" have uniform, nationwide application.

"Any statute passed under the authority of such an amendment, which would make a fetus a person, would be of no Federal constitutional significance because the word 'person' in the Federal Constitution must have a nationwide uniform interpretation for Federal purposes. These purposes include such matters as defining who is a citizen, determining qualification for Representatives and Senators, and determining who shall be counted in the census for determining the appointment of seats in the House of Representatives. Thus, no matter what a State elected to do in declaring a fetus a 'person' for some State law purposes, it could not bind either Federal or State courts in interpreting the word 'person' in the Federal Constitution." [37]

This assessment of the impact of such an amendment ignores the fact that under the *Erie* v. *Tompkins* docrine, the federal court applies the substantive law of the appropriate forum.[38] In all likelihood, abortion matters would be dealt with on a strictly state level.

The portion of the Fourteenth Amendment analysis which deals with the "liberty guarantees" contains two principal arguments. First, the U.S. Commission on Civil Rights suggests that the states' rights amendment would force a woman to "submit her body to carry a child to term without her consent," thereby submitting her will and personal liberty to another. In essence, the Commission argues that the passage of the states' rights amendment would result in the slavery of those women who want abortions.[39] Underlying this analogy is the theory that a woman has an unlimited right to do with her body as she pleases and an amendment prohibiting abortion would interfere with her personal liberty. This type of claim was specifically rejected by the Supreme Court in *Roe*, a fact which the Report fails to mention.[40]

The argument is interesting in that it sug-

Footnotes at end of article.

gests that the woman would be submitting her will to another. Implicit in this claim is the recognition that "another" is a person.

The second argument contained under the heading of "Liberty" is that the states rights amendment would allow the states to order the priorities of women. The Commission acknowledges that there have been cases where an individual's liberty has been constrained by the needs of the state. In spite of these authorities, the argument here is that the state is unable to show a sufficient interest to warrant the intrusion upon the woman's privacy and that a constitutional amendment making it possible for the state to regulate abortion would be:

". . . to coerce someone into having a child before it can be shown that a greater risk to maternal health exists or that a fetus is present and viable does not seem to threaten the whole society. The choice is in the realm of morality, not law. Shall an entity for which the question of life is not settled take precedence in protection under the law before a born alive person? [41]

After a thorough discussion of the need to protect women from impositions of this type, the Commission concludes that:

"No purpose, except an extra-constitutional religious one or the intent to breed litigation, could be served by deliberately making a factor that is largely undeterminable a part of fundamental law." [42]

The Commission then deals with the Equal Protection Clause. The initial argument here is that the states rights amendment would have the effect of penalizing poor women.

"Unlike the poor woman, the private patient of financial means and education was often able to persuade her physician that she qualified for a legal abortion under the then available limited circumstances, usually on psychiatric grounds. When the woman of means could not obtain on abortion in her own State, she purchased a plane ticket to a foreign country or a State with liberalized abortion laws, or placed her life in the nonprofessional hands of persons willing to evade the law for financial gain. Restrictive abortion laws can be and have always been evaded.[43]

The rationale of this argument has seen much public exposure. The difficulty with it is the fact that the same can be said of any criminal statute. An individual who has the advantage of resources is definitely better equipped to plan and execute a criminal project than an indigent who must rely solely on his cunning and brute force. Of course, we do not repeal the laws against burglary and murder, etc., because of this inequity. Nor do we repeal the laws because the police are unable to catch all of those who have committed crimes.

The Commission cites *Boddie* v. *Connecticut*, as standing for the proposition that there can be no economic discrimination.[44] This case hold only that the states must pay the filing fees of an indigent person in divorce proceedings. At best, it is a narrow precedent and the court makes it clear that the only reason for the decision was that the state was the source of the need to seek judicial process in obtaining a divorce.[45] In a sense, the state was a party to the action by virtue of the fact is required judicial process for divorce. This is hardly true with abortion regulation.

In considering the First, Ninth, and Fourteenth Amendment arguments, the Commission reveals a woeful lack of knowledge of the fact that under Article V of the U.S. Constitution, the people of the United States have the fundamental right to amend their Constitution. To imply, as the Commission does, that the exercise of this constitutional right somehow undermines the Constitution is patently absurd.

The purpose of Article V is to give the people the means to amend their Constitution when they deem it necessary. Article V supplies the essential tools to make the necessary changes in the Constitution. The Commission implies that a constitutional amendment aimed at nullifying the Supreme Court abortion decisions in *Roe* and *Doe* is somehow invidious when it states that such an amendment would undermine the civil rights fabric of the Constitution.[46] The American people have the right, if not the duty, to rectify an erroneous decision of the Supreme Court. When the Supreme Court engages in social engineering through the use of raw judicial power,[47] and creates new rights not heretofore found in the Constitution, as it did in *Roe* and *Doe*, the only recourse left to the American people is the amendment process. We note that this process was used to overturn the effects of the infamous *Dred Scott* decision,[48] which has been likened to the abortion decisions.[49] This is the process which must be utilized to offset the equally infamous *Roe* and *Doe* decisions.

CONCLUSION

The citation of legal authority does not go to the wisdom of that authority. Our legal tradition places significance in the fact that an authority has taken a position. It is, then, not the wisdom of the past that is evoked by citation; rather it is the weight of the past.

The significance of the U.S. Commission on Civil Rights Report examined herein does not lie in its wisdom nor in the persuasiveness of its argument. It is totally lacking in both. The importance of this document flows from the fact that a prestigious governmental body can be cited as an authority for the conclusions contained in the Report, conclusions which were not preceded by the customary procedures of the Commission to hold public hearings.

Public hearings would have served the Commission well. They would have educated the Commission so that its Report would have safeguarded the basic civil rights of all persons.

FOOTNOTES

[1] 42 USCA 1975 c. See also, 1957 U.S. Code, Cong. & Admin. News, Vol. 1 at 705.

[2] 1972 U.S. Code, Cong. & Admin. News, Vol. 2 at 3623.

[3] 121 Cong. Rec. 9808 (April 10, 1975).

[4] Sherbert v. Verner, 374 U.S. 398 (1963).

[5] Welsh v. United States, 398 U.S. 333 (1970); United States v. Seeger, 380 U.S. 163 (1965).

[6] Annals of Congress I at 433–434; Everson v. Board of Education of Ewing Township, 330 U.S. 1, Appendix at 63–72 (1974).

[7] Roe v. Wade, 410 U.S. 113 (1973); Doe v. Bolton, 410 U.S. 172 (1973), (hereinafter referred to as Roe and Doe).

[8] The Senate Journal at 5726, March 27, 1973 records vote of 92–1 in enacting this legislation. House Journal at 44161, May 31, 1973 records the vote of 372–1.

[9] "And the hospital itself is otherwise fully protected. Under par. 26–1202(e), the hospital is free not to admit a patient for an abortion. It is even free not to have an abortion committee. Further a physician or any other employee has the right to refrain, for moral or religious reasons, from participating in the abortion procedure. These provisions obviously are in the statute in order to afford appropriate protection to the individual and to the denominational hospital." *Doe* v. *Bolton*, 410 U.S. 179 at 197 (1973).

[10] U.S. Commission on Civil Rights, "Constitutional Aspects of the Right to Limit Childbearing" at 12 (April, 1975) (hereinafter referred to as Report).

[11] Doe at 197.

[12] 121 Cong. Rec. 9813 (April 10, 1975).

[13] Report at 31.

[14] *Id.* at 29.

[15] *Id.* at 32

[16] "Fortunately, in the principle of 'the sanctity of life', Western culture (and much of Eastern culture as well) possesses one fundamental basis for an approach to moral consensus; we are not forced to begin from within a vacuum. On the basis of this principle, moral rules have been framed; human rights claimed and defended; and cultural, political and social priorities established". D. Callahan, *Abortion: Law, Choice & Morality* at 307–348 (1970).

[17] Report at 27.

[18] Committee for Public Education v. Nyquist, 413 U.S. 756 (1973); Lemon v. Kurtzman, 403 U.S. 602 (1971); Meek v. Pittenger, 43 U.S. L.W. 4596 (May 19, 1975).

[19] Report at 32.

[20] *Id.* at 31.

[21] Callahan, *supra*, p. 308.

[22] Report at 27.

[23] Cantwell v. Connecticut, 310 U.S. 296, 304 (1940).

[24] Reynolds v. U.S., 98 U.S. 149 (1879); Cleveland v. U.S., 329 U.S. 14 (1946).

[25] "If Congress could establish that having an abortion at any stage of pregnancy was, even though *a protected exercise of religion*, a violation of social duties or subversive of good order. Congress could outlaw abortion from the moment of conception without regard to the First Amendment." Report at 37 (emphasis supplied).

[26] Report at 46.

[27] Byrn, "An American Tragedy: The Supreme Court on Abortion," 41 *Ford. L. Rev.*, 807 (1973).

[28] A. Camus, *The Rebel: An Essay on Man in Revolt* at 1 (1956).

[29] H. Butterfield, *The Whig Interpretation of History*, at 29 (1965).

[30] *Id.* at 30.

[31] *Id.* at 16.

[32] B.J.F. Lonergan, *Insight* at 164–5 (1957).

[33] C. Means, "The Phoenix of Abortional Freedom: Is a Penumbral or Ninth Amendment Right About to Arise from the Nineteenth Century Legislative Ashes of a Fourteenth Century Common Law Liberty?" 17 *N.Y.L.F.* 335 (1971).

[34] R. G. Collingwood, *The Idea of Nature* at 17–23 (1970).

[35] Report at 58.

[36] Sierra Club v. Morton, 405 U.S. 727, 742, 743 (1972), (Douglas, J., dissenting).

[37] Report at 58.

[38] Erie R. Co. v. Tompkins, 304 U.S. 64 (1938).

[39] Report at 62.

[40] Roe v. Wade, 410 U.S. 113, 154 (1973).

[41] Report at 64.

[42] *Id.* at 67.

[43] *Id.* at 69–70.

[44] Boddie v. Connecticut, 410 U.S. 371 (1971).

[45] The decision in *United States* v. *Kras*, 409 U.S. 436 (1973) underscores the narrowness of the *Boddie* ruling.

[46] Report at 77.

[47] Doe v. Bolton, 410 U.S. 172, 222 (1973), (White, J., dissenting).

[48] Scott v. Sandforth, 60 U.S. (19 How.) 393 (1857).

[49] Byrn, *supra*, p. 862.

DÉTENTE IN SPACE AND WHEAT

Mr. MOSS. Mr. President, we are certainly elated at the continuing success of the Apollo-Soyuz project. I note that for all our efforts at détente, it took NASA and the Russian equivalent to get our two nations working together—in spaceships, no less—to achieve a common goal.

Yet even now there is another form of Soviet-American interaction in the making. The third largest American grain dealer just announced that the Soviet Union has negotiated a purchase of 2 million tons of wheat from us. Generally, such trade with foreign countries is regarded as highly desirable. However, no sooner had the news broken, than the price of wheat surged on the Chicago Board of Trade.

The Department of Agriculture and Secretary Butz have assured the public that this year's sale to the Russians will be too small to have more than a minimal impact on the price of grain in the United States. Nevertheless, the speculators and the public are not so confident.

The problem is that the memory of the unfortunate 1972 Soviet grain purchase is still fresh in our minds. The Soviets bought up huge quantities of American wheat. Then this, coupled with unexpected crop failures in major grain-producing nations, led to a higher price of bread on the American dinner table.

I believe that the sale of grain to the Soviets is desirable only if we can be assured that the American consumer is not going to be gouged as a result of high prices.

Uncertainty is the culprit here. If we could know what the world grain production will be and how much the Russians are producing, then we would be much more confident about selling them our grain. We could trade with the Russians without the fear of overextending ourselves because we would know better the consequences of our actions.

Ironically, NASA again, as with Apollo-Soyuz, may be the matchmaker whose technology will ultimately bring the United States and the Soviet Union together again—this time in a grain bin, not in a spaceship. The economic courtship may eventually depend again on a spacecraft of sorts—the Landsat satellite. By using Landsat imagery to monitor world food production we may be able to remove enough uncertainty so that we can trade food grain with the Russians without fear of serious adverse effects on the American food prices. In other words, Landsat could help protect the American consumer by furnishing us with the knowledge to avoid excessive export of U.S. grain which leads to domestic food price hikes.

With that in mind, NASA, the Department of Agriculture, and the National Oceanic and Atmospheric Administration have embarked on a joint venture called LACIE—large area crop inventory experiment. The core of the project is NASA's Landsat satellite. There are two of these satellites in orbit now, and together they can cover the Earth every 9 days. From the Landsat imagery, experts will someday determine the acreage of selected crops planted around the world. Combining this information with weather data, scientists believe that they will be able to predict the annual yield of various crops all around the world.

Admittedly, such use of Landsat on the LACIE experiment is limited to an inventory of one crop—wheat—grown in one part of the United States—the Midwest.

Nevertheless, the results of tests conducted so far suggest that accurate global food monitoring of other crops and many things may be within our grasp.

For instance, a researcher at the University of Kansas identified wheat acreage over a 10-county area in southwest Kansas to an accuracy of 99 percent. This same researcher was able to estimate production in March within one-half percent of the official Statistical Reporting Service August report for his 10-county area.

But, of course, of equal interest is how useful Landsat is in measuring the crop output of other nations. I think that it is most significant that a member of the University of Athens faculty in Greece achieved identification accuracies on the order of 90 percent over Grecian wheat fields that ranged in size from 50 to 100 acres.

The larger the fields, the better the forecasting, I am told. So remote sensing of the vast Russian wheat fields should yield excellent results. Apparently, the Soviets recognize that they and everyone else will benefit from a greater certainty about world food production.

In fact, as one of the agreed areas of space cooperation with the Soviet Union, NASA is working with the Soviet Academy of Sciences in remote sensing of the natural environment. This includes an effort to define an experimental agricultural research program based on exchanging data from similar test sites in the two countries.

As long as we continue to make all the Landsat imagery available to any nation or individual who requests it, I believe that we will be able to overcome any objections that any nations may have about their agriculture being monitored. I think they will see that if everyone has all their cards laid out on the table, no one need fear what is up someone's sleeve.

And I think that foresighted world leaders recognize that one day Landsat may be protecting not only the American consumer from higher food prices but millions of other people around the world from starvation. I recall what Secretary of State Kissinger said of Landsat in an address to the United Nations World Food Conference held in Rome last fall:

> This is a promising and potentially vital contribution to rational planning of global production.

As my colleagues know, I have been an avid supporter of this system for some time now, even before the name was changed from ERTS to Landsat. I believe that Landsat will eventually take its place alongside two other families of operational satellites that have clearly established themselves as being a boon to mankind, namely the communications satellites and our weather satellites.

We have known that Landsat can map the earth, locate mineral deposits, survey flood damage, and do a host of other important activities.

But if Landsat turns out to be the next device in space that facilitates improvements in Soviet-American relations, then all the better.

EDUCATION APPROPRIATIONS—H.R. 5901

Mr. HATFIELD. Mr. President, the Senate has given final consideration to the conference report on the education appropriations bill, H.R. 5901. I commend the education subcommittees on both sides of the Congress for reporting the bill promptly, to allow educational institutions to begin making their plans.

In most respects I am pleased with the levels of funding in the bill. Although there have been rumors of a veto of the bill, we must not begin to cut back on the support of these vital education programs.

The conferees settled upon the lower Senate figure on the funding of the National Institute of Education. This disappointed me, for I feel NIE could very profitably use the House amount of $80 million. With a new Director and with some tightening up of research plans, NIE is worthy of congressional support in its efforts to direct and stimulate educational research.

I noted that the conferees selected the Senate language in reference to the amount for the regional laboratories. The amount is to be up to $30 million. This gives appropriate flexibility to NIE to fund the regional lab programs which measure up to the quality of other NIE projects.

The cut of $10 million from the administration and House figures for NIE, of course, will mean that some worthy new projects will not be funded. The NIE must weigh one project against another, in the light of the needs of the entire educational community. One proposed area of new research involves careful evaluation of the success of competency-based education programs. This new movement in education appropriately emphasizes helping the student to be able to demonstrate practical and meaningful skills. The focus in testing is on what the student can do rather than just what he knows. The teacher begins each course or unit with clearly defined behavioral goals and evaluates the student's performance against these objectives. In the State of Oregon, the entire secondary school curriculum is being reorganized on this basis. High school graduation will be based not just on obtaining passing grades in certain courses, but on demonstrating that one can do certain intellectual and physical skills, hopefully of importance in the real world.

On May 9, 1975, the Acting Director of NIE, Emerson J. Elliot, informed me that research on competency-based education would be a major emphasis in the new projects for 1976. If NIE had been funded at $80 million, approximately $4.6 million would have gone toward such projects. While it may be necessary to reduce this level, it is my hope that this priority will not be set aside. It is vital to proceed with this research while there is the opportunity to evaluate the work now being done in Oregon schools and elsewhere. Many legitimate objections have been raised against the research being funded by the Federal Government, but the research in competency-based education is practical and very deserving of public assistance.

OIL SPILL FIGHTER

Mr. HUMPHREY. Mr. President, I bring to the attention of my colleagues a lively and informative article which appeared in the July/August issue of the EPA Journal.

The article details briefly, but very vividly, some of the factors involved in the control and cleanup of massive oil spills, which have grown to be a serious

problem not only for our Government but for governments all over the world.

The subject of the article is Mr. Kenneth Biglane, Director of the Oil and Special Materials Control Division of the Environmental Protection Agency. Formerly with the Federal Water Pollution Control Administration, Mr. Biglane traces his interest in oil spill control to his preteenage days in Louisiana. A native of Shreveport, Mr. Biglane became a pioneer in the field as chief of water pollution control for the Louisiana Wild Life and Fisheries Commission and as executive secretary of the Louisiana Stream Control Commission.

Representing the U.S. Government, Mr. Biglane has answered calls in all parts of the Nation and, indeed, in many parts of the world, for his assistance and counsel on methods of cleaning up massive, potentially lethal spills which can have devastating effects on the environment.

Many of our citizens spend a good deal of time complaining about bureaucracies, Mr. President. For some, "bureaucrat" is a generalized, uncomplimentary term used in a blanket fashion to condemn the spreading tangle of Government agencies and regulations.

But I believe we owe it to our colleagues in the Congress and to our citizens to shed some light on the fine work that is done by the vast majority of Government employees. Mr. Biglane's work is an outstanding example of Government service of the finest caliber, and as a public official, I congratulate and thank him for his dedication and commitment to preserving our precious environment.

This article should also serve to alert each of us to the fact that while a great deal of progress has been made in the control of oil spillage, we must assure the maintenance of resources necessary to move quickly and decisively when spills occur in the future. As Mr. Biglane says:

> We are a lot more ready than we used to be. We can minimize damage, but we can't protect everything. We have the expertise now, but we need to keep our forces fine tuned.

Mr. President, I ask unanimous consent that the article, entitled, "Oil Spill Fighter," be printed in the RECORD.

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

OIL SPILL FIGHTER

As the Coast Guard cutter circled the huge and spreading oil slick bubbling up from a leaking well in the blue Santa Barbara channel, Kenneth Biglane radioed to the Coast Guard station at Santa Barbara, Calif.:

"She's coming into the harbor. There's no way of stopping her now."

The man who sounded this warning knew that one of the most dramatic and trying chapters was about to begin in his long career of oil spill prevention and control.

At that time, February 4, 1969, Mr. Biglane, who is now Director of EPA's Oil and Special Materials Control Division, was with the Federal Water Pollution Control Administration, one of EPA's predecessor agencies.

For the next several weeks after the vast carpet of oil smeared the harbor and shoreline of Santa Barbara, he played a key role in a tireless struggle by officials of FWPCA, Coast Guard, other Federal and local Government agencies and the Union Oil Co., owner of the leaking well, to curb the damage from the huge spill.

One of Mr. Biglane's main concerns, was to discourage the spraying of detergents, except in cases of fire hazard, to help clean up the oil smears.

He explained that he had learned as an observer of the effort to clean up after the tanker Torrey Canyon was wrecked in 1967 off the coast of England that the use of detergents greatly increases the harm to water fowl and sea life.

"The Torrey Canyon was the first major oil spill and is still the largest because 33 million gallons of Kuwait crude spilled from this vessel," Mr. Biglane recalled.

"The oil from this spill hit both the English and the French shores. When I was sent to the scene as an observer I found that the English were using three million gallons of detergents in an attempt to get their beaches cleaned for the tourist season.

"Oil by itself is toxic. Adding detergents makes it more toxic. The French started using physical means such as straw and wood chips to clean up oil on their shores. As long as they did this the damage to fish and wild life was minimal. But then the French hotels got worried about the tourist season so the French also began to use detergents."

Mr. Biglane recalled that "the impact of the Torrey Canyon caused every major country to consider what it would do if something like this happened to them."

Since the Torrey Canyon spill Mr. Biglane has traveled to countries around the world as a consultant or observer when major oil spills have occurred.

Approximately one year after the Torrey Canyon spill, he flew to Puerto Rico as a senior advisor to the U.S. Department of the Interior after the tanker, Ocean Eagle, broke in two and spilled over three million gallons of oil in the San Juan harbor.

"This was a case where we learned the importance of working with a local Department of Public Works because it could provide the manpower and equipment we needed—resources a pollution control agency does not normally have in any quantity.

"I discouraged the use of detergents because I felt certain that use of these dispersants would have killed tons of fish in the San Juan harbor. Straw was used to soak up the oil on shore and then we also got every septic tank truck on the island to haul oil away to surface pits or an oil refinery."

In December, 1968, Mr. Biglane flew to Panama as a consultant to the Smithsonian Instituton after the tanker, Whitwater, broke in two and spilled oil on a coral reef the Smithsonian's tropical laboratory had been studying.

"When the oil got to the shoreline we held it in pools with booms until it could be pumped out with bilge pumps. It was pumped into shore pits and then burned. Again we avoided using detergents."

In October, 1968, Mr. Biglane had served as a U.S. delegate to the International Conference on Pollution on the Sea in Rome. This meeting led to the Brussels Intervention Convention in Belgium in November, 1969, which Mr. Biglane also attended as a U.S. delegate.

"It was at the Brussels conference that agreement was reached that one Nation could seize another's country's ship if it was about to pollute by oil the shores of the first country. In the case of the Torrey Canyon, Britain had been reluctant to seize this vessel because it was flying a foreign flag."

In 1970–71, Mr. Biglane was an advisor or observer at three off-shore oil well fires in the Gulf of Mexico.

"We learned from the Chevron oil well fire in 1970 that it was better to let the fire keep burning until a relief well could be drilled to stop fresh oil from feeding the blaze," Mr. Biglane said. He explained that as long as the fire was burning the amount of oil escaping to pollute the Gulf of Mexico was relatively small.

In 1971, Mr. Biglane was also a consultant on cleanup efforts after the collision of two tankers in San Francisco Bay resulted in a large oil spill.

"We learned a great deal in this case about using aerial surveillance to check the extent and density of the oil spill," he recalled.

In the summer of 1971, Mr. Biglane flew to Australia to testify at hearings on proposed drilling for oil in the Great Barrier Reef.

"I gave sworn testimony for five days on oil pollution control and prevention," he remembers. "I was grilled by three sets of barristers and they dredged up every bit of experience I ever had. I gave over 300 pages of testimony. It was pleasing in a way because it indicated that other countries were beginning to seek out our technology."

In 1972, Mr. Biglane helped advise on the cleanup after "one of the largest oil spills in this country" was caused by Hurricane Agnes. He said that six million gallons of waste oil being held in storage lagoons along the Schuylkill River (above Philadelphia) were swept away when the hurricane-lashed river water rose 20 feet.

"We found oil 20 feet high in trees and in the second floors of homes," Mr. Biglane recalled. "Thousands of barrels of hazardous chemicals were also carried away by this storm. We had to find and dispose of these barrels."

In 1973, Mr. Biglane went back to Puerto Rico to advise on the cleanup after another tanker spilled oil on the island's south coast. In the same year he traveled as a consultant to the Smithsonian Institution to Jakarta, Indonesia, to conduct a workshop on marine oil pollution.

Last year, Mr. Biglane says, "I had to stay home and mind the store. We were working on our oil spill prevention program and we inherited the ocean dumping program. We did work on the granting of an ocean dumping permit for the burning of wastes in the incinerator ship Vulcanus—that was the first."

Earlier this year he went to Hawaii for an EPA hearing on whether more than 11,000 tons of Herbicide Orange, a toxic plant killer, should be burned in the Vulcanus in the Pacific Ocean about 1,000 miles west of Hawaii.

Asked how he became involved in the oil spill cleanup work, Mr. Biglane said, "At the age of 12 I worked as a roustabout in the oil fields of South Arkansas where an uncle of mine owned some wells. I became familiar with oil spills and leaks early."

A native of Shreveport, La., Mr. Biglane received bachelor and master of science degrees in aquatic biology from Louisiana State University. He later became chief of water pollution control, Louisiana Wild Life and Fisheries Commission, and executive secretary, Louisiana Stream Control Commission.

Recalling those days, he said, "Some of the worst examples of continuous discharges of oil I ever saw were on the coast of Louisiana. It used to be an ecological pig sty. Certain areas of the Louisiana coast became a biological desert as a result. The environment can bounce back from a one-time spill, but a continual discharge of oil can do great damage."

He added that he has been pleased to notice when flying over the Louisiana coast recently that "it is now well on its way to being cleaned up, due in part, at least, to action by EPA and the Coast Guard.

Reviewing the progress made in this country in coping with oil spills, Mr. Biglane said that all EPA Regional Offices and all Coast Guard districts now have contingency plans. There are also a number of private contractors around the country now who know how to cope with oil spills.

"We are a lot more ready than we used to be. We can minimize damage, but we can't protect everything. We have the expertise now, but we need to keep our forces fine tuned."

Asked when the next major oil spill is likely to occur. Mr. Biglane smiled and replied:

"We try to be ready every day."

THE MIDDLE-INCOME TAXPAYER

Mr. PACKWOOD. Mr. President, for years, we in public office have been asking questions like, "How do we get this group or that group to think 'our way'?" I say we should reverse the question. Why do we not try thinking "their way"? In my mind, the key to the revival of confidence in Government is to listen to the man and woman in the middle—the working American—the middle-income taxpayer. Listen to their complaints, their grievances, their needs, their wants, and then address ourselves to them and set about trying to help them.

I have had the opportunity in the U.S. Senate for the last 6 years to listen to these people. I have had a chance to read their mail, to meet with them in schools and factories, and then to try to solve their problems. I find their concerns are not much different no matter where I go in this country, be it Portland, Oreg., Dover, Del., or Cincinnati, Ohio.

The theme that comes through over and over is unresponsiveness. " I can't find out why my mother didn't get her social security check." "I bought a washing machine that's defective and the retailer has gone out of business and the manufacturer won't fix it."

Included in their complaints about unresponsiveness is the complaint about a faceless bureaucracy, and they mean both Government and business. The frustration they feel at the inability to eyeball anybody, to grab somebody's lapels who is responsible for making the decision. Month by month, year by year, these people are turning off—turning off not just on the Republican Party, or the Democratic Party, but on Government in general, and I might add, on big business and big labor as well.

Our Government must address itself to these people if we want them to support this Government. I will tell you specifically the things I think we have to do.

First, let us delegate as much power as possible to local governments and away from the Federal Government. National standards should be set only for compelling reasons. I know the argument this raises: "The Federal Government undertakes a general revenue-sharing program, and cities spend too much for police cars and not enough for day care."

Or stated another way: "Local Government just doesn't understand the proper priorities."

That means, of course, that they do not understand the priorities as we see them in Washington, D.C. Well, there are over 38,000 units of local government in this country.

I can assure you that any delegation of power from Washington, D.C., will cause some of those governments to do things with which you and I do not agree. That is, however, infinitely preferable to the Federal Government creating a nationwide program under which it imposes a uniform mistaken standard on every community in this Nation.

Second, we should recognize that bigness and unresponsiveness are not unique to government; business has the same problem. And as I would limit big government when it becomes unresponsive, so would I limit big business when it becomes unresponsive. Not only should business be broken up under the present antitrust laws when they get so big that they can monopolize a market, or rig a price; they should, in addition, be broken up into smaller businesses if they can no longer be responsive to the legitimate grievances of their customers. If that takes amendment of the present antitrust laws, they should be so amended. The best interests of this country are served by numerous, responsive businesses freely competing with each other.

If the antitrust laws can be so amended, then I would also encourage further competition by either limiting or getting rid of most of the regulatory agencies like the Interstate Commerce Commission, and the Civil Aeronautics Board. Let business earn their profits by delivering the best goods at the lowest price. This, then, is the ideal: antitrust laws firmly enforced against conspiracy, monopoly, and unresponsiveness, leaving businesses free of regulation to compete in a free market economy.

Third, limit the power of the Federal Government over us as individuals. Let us renew our dedication to the protection of civil liberties. If there is any singularly frightening thing I have discovered in Washington, it is the unlimited power of the Federal Government, especially the executive branch, to tap a phone, to snoop, to burgle.

In my earlier years in Congress, I realized that there was a capacity to do evil in the centralization of the Federal Government: that there was a capacity to abridge the individual liberties of the people of this country. It was only later that I fully comprehended and realized it was actually being done. It was brought forcibly home to me personally when I discovered that the phones of two of my good friends, honest Americans, were being tapped and that the Federal Government—my Government—was listening to my conversations with my friends. My fellow Americans, the Federal Government has no business listening to my phone conversations or your phone conversations.

There is nothing more dangerous to this country than people in power who are resolutely convinced they are right, people who are so convinced that if you disagree with them, you are wrong. Let us remember as elected officials that God did not speak to any of us and make us eternally, perpetually right.

The bill of rights, the greatest protection of the individual in the history of this world, should be reread and remembered by every American. It gives us the power to protect ourselves against the abuses of our individual liberty by an overreaching Federal Government.

Fourth, we must find out what specific social programs the majority of the people genuinely want, and set about providing those programs in the most expeditious manner. There is no secret to finding out if people want day care, or company pensions in addition to social security, or subsidies to buy houses. It is the function of those of us in politics to know. The Federal Government should then encourage business to provide these programs by granting tax incentives.

There is nothing unusual about business providing social benefits. Workmen's compensation is a perfect example. The Government mandates the level of benefits that shall be provided. The employer is obligated to pay for the benefits, but they are provided through a private insurance carrier. It is a perfect marriage of social policy well administered and paid for by business. Business is infinitely better at delivering almost anything, be it a social service or a product, than the Federal Government will ever be. I can assure you if the U.S. Government itself starts providing these programs directly, we are going to do it with all of the dispatch and efficiency of the U.S. Postal Service.

Finally, let us face the issue of spending. We in Congress should practice fiscal restraint. Take a look at where the country has been and where it is going. From 1965 through 1974, we ran up an additional $109 billion deficit in what is now regarded in retrospect as relatively good economic times. I place the blame for that equally on President Johnson, President Nixon, and the Congress, because we all had a hand in it. In 1975, the deficit is projected at $42.6 billion. For 1976, President Ford proposes a deficit now estimated at $60 billion. Unfortunately, the Congress has already upped that to $70 billion. My hunch is that by the end of 1976, the deficit for that year will be someplace between $70 and $80 billion. Between March 1, 1975, and October 1, 1976, total Federal Government borrowing will hit roughly $140 to $160 billion. That, together with the borrowing that State and local governments do, will constitute 80 percent of all the bonded indebtedness in the United States.

That means that all the rest of us who wish to borrow—individuals and businesses—have a thin slice of the pie left. Small businesses that have a moderate credit rating will pay 10 to 12 percent to borrow money, and they will be lucky if there is any money to borrow at all—at any rate. Of course, if they can borrow, they will pass along the cost in the form of increased prices to their customers. Homeowners will be lucky to borrow at anything less than 9 to 11 percent.

The upshot of all of this will be that when the public has finally had it, the Congress will mistakenly delegate to the President the power to impose wage and price controls, credit allowances, interest ceilings, and then we will try to blame the President if he will not impose them.

I think the working American understands that it took us about 10 years to get into the recession we are in. We started under Lyndon Johnson in 1965 with guns and butter. We thought we could escalate the war in Vietnam and start the war on poverty and not pay for it. President Nixon continued the same fiscal policy. Unfortunately, the piper now wants his due. If we try to spend ourselves out of this recession by borrowing $140 to $160 billion, all we are asking for down the road is higher inflation, immense interest rates, and possibly national bankruptcy. A bankrupt America is not going to be good for the rich or the poor, or for anybody else.

When President Ford gave his state of

the Union message in January, he announced that the state of the Union was not good. That depends upon your point of view. I agree that the state of Government is not good. I find the state of the Union not bad. I still find people basically optimistic. Most of them are still working, they still coach Little League, they bowl on Wednesday nights, and they take reasonable care of their families. They do not ask much of Government, except to be protected, to be secure and to be left alone.

The most significant, but least understood, fact of political life is that the stability of our Government, and our ability to have a government for all of our people, rich and poor, depends upon the continued tolerance and cooperation of the middle-income American. Those people pay for the cost of this Government, including the excesses of this Government. Up to now, they have been responsive to the needs of the poor and the prosperity of the rich. But if that group ever turns off on Government permanently, as Government has turned off on them, if that middle-income taxpayer who does not get food stamps, who does not get welfare, and who does not ask for much, turns off on this Government, he is going to strike both ways, at the rich and and at the poor. To the rich he will say, "You got rich off of me, because of unjustifiable loopholes." And to the poor, he will say, "You're undeserving and you'll get nothing." In the process, he may tumble the entire competitive, free enterprise system to boot.

We cannot let that happen. We must show the middle-income taxpayer that our system has earned their support by demonstrating a concern for their desires. Those working Americans still know there is greatness in this country. These people—the middle Americans—who have carried our country through the best and worst times—will always be the force that keeps our Nation alive.

We must listen to those unheard voices of the middle-income taxpayer. We must listen and let them lead the way. They have never let us down, and now it is our turn to show them that together we will not ever let each other down. Their way will be our way, and together we shall accomplish what none of us can accomplish alone.

FEA UNDERSTATES OIL PRICE IMPACT JEC ANALYSIS REVEALS

Mr. HUMPHREY. Mr. President, the FEA's estimate of the economic impact of President Ford's oil decontrol plan grossly understates the drastic consequences of this program compared to appraisals by the Joint Economic Committee staff and other sources:

The FEA estimates that the President's program would add only 0.1 percent to the unemployment rate in 1977. But, the JEC staff analysis shows that, even with a full refund to consumers of the Administration's proposed excise tax and of the $2 tariff on imported oil, the unemployment rate would be 0.8 percent higher. That means that about 750,000 more people would be unemployed than if the controls are continued.

According to our analysis, consumer prices would be over 2 percent higher in 1977 and lost GNP would exceed $50 billion, solely as a result of the President's mistaken action. The decontrol program would add about $600 to the cost of running the average American family. Many other experts regard the conclusions of the JEC staff on the severity of these consequences as conservative. This is more than the stagnant American economy and the battered American consumer can be asked to bear.

Mr. President last week I released a preliminary evaluation of the probable impact of what at that time appeared to be the administration's energy program. In light of the recent announcements by the President of his new decontrol program, I asked the staff of the Joint Economic Committee to reevaluate that program. The results presented in the summary table which follows are based on the following assumptions:

First. A 30-month phased decontrol of regulated domestic oil.

Second. A ceiling on domestic oil prices of $13.50 per barrel.

Third. A $2 per barrel excise tax on uncontrolled domestic oil and a $2 per barrel tariff on imported oil to be fully refunded through tax reductions to consumers.

Fourth. A 15 percent increase in the price of OPEC oil effective October 1, 1975.

Fifth. Increased Federal spending of $3 billion per year and increased grants to State and local governments of $2 billion per year, to offset higher energy prices.

In making this estimate, the Joint Economic Committee staff assumed that monetary policy would accommodate the increased inflation. This meant money supply growth rates in excess of 9 percent throughout 1976. If monetary policy does not accommodate large petroleum price increases, the impact on real growth and unemployment could easily be more severe than these staff estimates.

Mr. President, I ask unanimous consent that the summary table be printed in the RECORD.

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

SUMMARY TABLE—ECONOMIC IMPACT OF ADMINISTRATION ENERGY PROPOSALS AND OPEC PRICE INCREASE

	75:4-76:1	76:2-76:3	76.4-77:1
Reduction in real economic growth (percentage points)	0.85	2.0	3.0
Increase in unemployment rate (percentage points)	.1	.3	.8
Increase in Consumer Price Index (percentage points)	2.3	2.1	2.2

WHY THEY DREAD SCOTT

Mr. MCCLURE. Mr. President, it is refreshing to note that some people in the media are beginning to appreciate the junior Senator from Virginia (Mr. WILLIAM L. SCOTT. Given the leftwing leaning of the urban eastern press, self-education is no mean feat. But then, as Stan Evans points out in his article in Human Events, to have emerged as a continual target of the liberal left so early in the game, he must be doing something right. I know how effective Senator WILLIAM L. SCOTT is, having served with him in the House of Representatives as well as in this body.

I, therefore, ask unanimous consent that the article in Human Events be printed in the RECORD.

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

WHY THEY DREAD SCOTT

(By M. Stanton Evans)

Every once in a while the boys and girls on the media bus will play a game called "it"—in which they select some target for annihilation and work him over pretty fiercely.

Past recipients of this treatment have included Spiro Agnew in the '70s, Barry Goldwater in the '60s, and Joe McCarthy in the '50s. Sometimes the charges have contained a shred of truth, though more often they have not. Sometimes the victims have survived, sometimes they haven't. But one thing has been fairly constant: The target is almost always a conservative, and someone the liberals fear can do them political damage.

Of late there is a brand-new candidate for these peculiar honors—Sen. William L. Scott of Virginia. Since his days in the House and more especially since his campaign for the Senate in 1972, Scott has been subjected to a media blitz that rivals, on a local scale, the toughest hatchet jobs on Barry Goldwater. No charge is too outrageous, it appears, to be hurled at the head of the Virginia Republican.

Beginning in the journals of the New Left, then gradually seeping through to more conventional media, the rap on Scott has echoed and re-echoed: Mean to his staff, a penny-pincher, the "dumbest man in the Senate," and so on. The intensity of feeling against a freshman senator struck me as intriguing, so I resolved to meet and talk with this supposed paragon of vices and judge the matter for myself.

Recently I spent a considerable period chatting with Sen. Scott, and emerged with quite a different picture. Most easily scotched in this discussion was the idea that Scott is dumb. Whatever else he may be, dumb he is not. He is a trained legalist, has a wide-ranging knowledge of the issues, and conducts a varied, lively conservation. And he seemed to me an accessible personality—which many U.S. senators emphatically are not.

Those who have read the usual billingsgate on Scott would be surprised, indeed, to learn of his educational and professional background. He holds a Juris Doctor degree from George Washington University, was a trial attorney for the Justice Department, is a past chancellor of his legal fraternity, and has served in numerous civic leadership posts. His three children are all graduates of William and Mary.

Equally suggestive is Scott's political career, which got going in earnest when he converted Virginia's 8th District from Democratic to Republican, continued to build as he increased his winning margins there, then took a quantum jump as he became the only Republican Senate aspirant in 1972 to defeat an incumbent Democrat—liberal favorite William Spong. Not exactly the record of a political bungler.

On the other counts, an informal talk of course proves nothing—but they are irrelevant anyway. Considering the moral ambiance of Washington and the things that normally go on here, the idea of crucifying a man for the alleged crime of saving paper clips is downright ludicrous. We may be sure that the onslaught has as little to do with Scott's frugality or style of office management as it does with his intelligence.

The real reason for the attack emerges readily from conversation with Scott—as it does from his record in the Congress. He is, and no mistake about it, a solid, blunt conservative, without apologies. On issue after issue, he goes down the line for traditional values: Against Red trade and busing, for balanced budgets and retention of the Panama Canal, against the wilder frenzies of the environmentalists.

In recent weeks, for example, Scott has zeroed in on the misnamed Agency for Consumer Advocacy, opposed the punitive strip-mining bill, attacked the discriminatory Voting Rights Act, plumped for stronger national defense, and so on. His daily performance is one of no-nonsense activity in behalf of limited government, freedom of enterprise, and protection of our national sovereignty.

Of course Scott isn't the only firm conservative in the Senate, so this alone doesn't entirely explain the blitz. It is a combination of other qualities, I think, that has marked him as a special enemy of the left.

First, he is very much his own man—as he proved by being one of the few Republicans to oppose the confirmation of Nelson Rockefeller (and make some excellent points in doing so); second, he is a comer, with the ability to get his message over to the voters—as he has proved by winning some tough elections.

Consider, if you will, Scott's declaration on the Rockefeller question, explaining why he wouldn't go quietly down the line for the recommendation of the president.

"I feel," Scott said, "that this nomination is different from the customary right of the President to name his own cabinet or the heads of government commissions or agencies. We are acting . . . in lieu of a general election in which the voters of the country decide who shall be President and Vice President.

Therefore, I urge that each member of the Senate determine, in his own mind, whether Nelson Rockefeller is qualified to serve as Vice President, whether he would tend to restore the confidence of the people in their government and its elected representatives, and whether the people themselves, if afforded the opportunity, would elect him to this high office.

"For my part, I am not satisfied on these issues and cannot support the nominee."

Now, that's the kind of man the liberals *really* dislike, and would love to sandbag if they can. So, from this perspective, the attack on Scott can be taken as a form of compliment. To be so distasteful to the liberal left so early in the game, he must be doing something right.

RESTORATION OF CITIZENSHIP TO GEN. ROBERT E. LEE

Mr. HARRY F. BYRD, JR. Mr. President, the efforts to restore full rights of citizenship to Gen. Robert E. Lee are reaching a long-awaited and hopefully successful crescendo in the House of Representatives. On June 19, 1975, the House of Representatives' Judiciary Committee reported favorably Senate Joint Resolution 23 by a vote of 28 to 2.

Recently, three excellent articles have appeared on this topic. On June 22, 1975, the Washington Star published an article by Brian Kelly. In that article, Mr. Kelly probed in depth the efforts by Elmer O. Parker, the assistant director of the Old Military Records Division of the National Archives, who, in 1970, discovered the original Oath of Allegiance sworn to by General Lee on October 2, 1865.

In describing Mr. Parker's momentous task, Brian Kelly noted that "two and a half billion pieces of paper are in the Nation's official archives, but Elmer O. Parker, after more than 5 years of on-and-off searching, found it."

Kelly goes on: "Archivist Parker was convinced that Lee must have completed the oath * * *"

"I felt he did it, because why else would he repeatedly have urged others to do something he himself did not do?", adds Parker, a Georgia native and great-grandson of two men who served the South.

In a second article carried on the front page of the Wall Street Journal of June 24, 1975, Ronald G. Shafer wrote an excellent piece on the history of the efforts to restore General Lee's rights, entitled "After 110 Years, U.S. May Be About Ready To Forgive General Lee."

Mr. Shafer notes the necessity of the present congressional action in his article:

Some rights of citizenship, such as the right to vote, were restored to General Lee on Christmas, 1868, when President Johnson declared a universal amnesty for Confederate officials. But the General's citizenship couldn't be fully restored by the President because a provision in the 14th Amendment to the Constitution bars certain rights, such as the right to hold office, to any U.S. officer who "engaged in insurrection or rebellion" against his country. The "disability" can only be removed by a two-thirds vote of both Houses of Congress.

Most recently, on June 26, 1975, the Washington Star carried an article by Edwin M. Yoder: "The Two Faces of Robert E. Lee." In this brief but thoughtful article, Mr. Yoder explores the depth of Less character and the difficult decision he was compelled to make during the last decade of his life.

Mr. Yoder writes that General Lee's "self-containment of his personal emotions concerning this matter helps account for what one must view as a national indecency—that Robert E. Lee remains, after a century, a man without a country."

I ask unanimous consent that the article by Brian Kelly, the article by Ronald G. Shafer, and the article by Edwin M. Yoder be printed in the RECORD.

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

[From the Washington Star, June 22, 1975]

FIVE-YEAR HUNT TO FIND LEE'S VOW OF LOYALTY

(By Brian Kelly)

Two and a half billion pieces of paper are in the nation's official archives, but Elmer O. Parker, after more than five years of on-and-off searching, found it.

Admittedly he was a professional, an archivist, and admittedly most of the billions of documents were grouped, categorized, indexed or whatever.

Yet, certain as Parker was of its existence, the one piece of paper he wanted would have been more than a century old, and most of the scholars, the important historians and biographers, said it didn't exist. One wrote a 17-page chapter explaining why not.

It was a hunt for "the needle in the haystack," Parker acknowledges.

Then the assistant director of the Old Military Records Division of the National Archives, Parker began looking during the years of the Civil War Centennial, more than a decade ago.

He long had been a Civil War buff, and he was interested in Confederate Gen. Robert E. Lee.

Parker knew that Lee, after the surrender at Appomattox, had applied for pardon and restoration of his U.S. citizenship. A symbol of post-war reconciliation, Lee publically had urged his fellow Confederates to accept President Andrew Johnson's offers of pardon and amnesty, to rejoin the Union and to build the nation anew.

In addition to the application that Lee wrote out in Richmond shortly after the war's end, an application later to be endorsed warmly by his opposite number, Gen. Ulysses S. Grant, Lee should have subscribed to an oath of allegiance to the U.S. Constitution.

He should have, but many historians felt he didn't. There was no known record of its receipt here in Washington, and Lee died in 1870 still unpardoned, still a man without citizenship.

Archivist Parker was convinced that Lee must have completed the oath. He probably would have done it when he wrote out his application in June 1865 in Richmond, but at that time, according to Grant himself, Lee did not know the oath was an additional requirement for presidential pardon.

"I felt he did it, because why else would he repeatedly have urged others to do something he himself did not do?" adds Parker, a Georgia native and great-grandson of two men who served the South.

But the oath, if there was one, was nowhere to be found when Parker began looking. He could find no record of its receipt, presumably by Secretary of State William H. Seward's department of the 1860s.

For that matter, Parker initially couldn't even find Lee's letter of application for citizenship. But there was ample supporting material reporting its receipt, the Grant endorsement and the contents of both. It had, in Parker's words, "left tracks."

And he soon located the application, in the files of the Illinois State Historical Library. Somewhat mysteriously also, it had found its way to a Grant collection there after passing through the hands of a minor Union general and a Philadelphia publisher who once offered it to the War Department for $100 and was turned down.

In fact, publisher Charles Walsh was turned down with an obscure clerk's notation, "Seen by Genl. Ainsworth who directs that the writer be informed that this Department has no money to purchase records of any kind."

So much for the Lee application. By Parker's reconstruction of events, it initially went to Grant and later to Secretary of State Seward, who gave it to Maj. Gen. Daniel Sullivan "as a souvenir." Thence to Sullivan's heirs, to publisher Walsh and by some further alchemy to its final resting place in Illinois.

Meanwhile, what of the Lee oath? And why didn't Lee know about the added requirement of a separate oath of allegiance?

In Prologue, a National Archives publication, Parker some time ago explained the historical setting:

"Facing an indictment for treason, Lee read in Richmond newspapers President Andrew Johnson's proclamation of May 29, 1865, 'to induce all persons to return to their loyalty.' Lee immediately informed . . . Grant that he wanted to comply with the provisions of the proclamation and enclosed 'the required application'.

"It was not in order, for it was not accompanied by an oath of allegiance to the United States. . . .

"General Grant attempted to justify the absence of the oath. He explained to the President that Gen. E.O.C. Ord, commanding the Department of Virginia at Richmond, informed him that the order requiring it (the oath) had not reached the city when Lee's application was forwarded.

"Grant, therefore, earnestly recommended that amnesty and pardon be granted the old warrior."

But it wasn't, apparently because of the missing oath.

Meanwhile, Lee had accepted an offer to become president of Washington College, now Washington and Lee University, in Lexington, Va., and on his famous Horse Traveller made his way by slow stages to the Shenandoah Valley town for his inauguration as head of the school on Oct. 2, 1865.

As we now know, Lee also took time on that rather busy and special day in his life to go before a young attorney and notary public in Lexington, one Charles Davidson, and in a rather shaky hand signed a printed form headed in big block letters, "Amnesty Oath."

In it, "I, Robert E. Lee of Lexington, Virginia" swore to support, protect and defend the Constitution and furthermore to support and abide by, "all laws and proclamations which have been made during the existing rebellion with reference to the emancipation of slaves."

That was the Lee oath, and 105 years later it turned up in a 12-inch box stored away in the National Archives, a cardboard container of unsorted State Department papers, most of them look-alike amnesty oaths of the same period. The man shuffling through those papers in 1970 was Elmer O. Parker.

Now retired in Columbia, S.C., and apparently a modest man given to understatement, Parker recalls, "I was aware of its importance."

But how could it have happened? How could an amnesty oath from such a key Confederate figure have vanished like that?

"Sir, that is a mystery," Parker says. "And I wonder if anyone will eventually know how that oath found its way into those records without leaving any tracks. I can't understand why it found its way into that file.

"If I hadn't come upon it, it may well have remained there for another 100 years."

Any theories?

"I really don't know why—maybe it was done deliberately, maybe it was through the inadvertence of some clerk."

In any case, as a result of Parker's discovery, the latest of several posthumous efforts to grant Lee his citizenship finally is moving through Congress.

Sponored by Sen. Harry F. Byrd Jr., I-Va., the Lee citizenship resolution was approved by the Senate on April 10. Two weeks ago, it cleared a subcommittee of the House Judiciary Committee, and last week it cleared the full Judiciary Committee by a 28-4 vote. Next step, the House floor, with sponsors hoping for final action by July 4.

Parker's reaction to the citizenship effort? Again, the understatement: "I certainly would not object to it."

As for Byrd's resolution, it would grant Lee his citizenship effective June 13, 1865, the day he sat down in Richmond, the old capital of the Confederacy, and wrote out his application for pardon, unaware of the required amnesty oath that would lie buried in dusty papers—one sheet among billions—for more than a century.

[From the Wall Street Journal, June 24, 1975]

AFTER 110 YEARS, UNITED STATES MAY BE ABOUT READY TO FORGIVE GENERAL LEE

(By Ronald G. Shafer)

WASHINGTON.—The bitter war is over. It's time, they say, to let bygones be bygones. And so the cry is spreading up from Virginia and through the U.S. capital—amnesty for Gen. Robert E. Lee.

That's right. The Gen. Lee who commanded the Confederate Army in the Civil War. When that war began, Mr. Lee was a colonel in the Union Army. But the native-born Virginian felt he had to join the Confederacy. After the South lost the war, the rebel leaders and soldiers no longer were considered to be U.S. citizens unless pardoned by the Union government. Gen. Lee's citizenship never was fully restored.

But it may be soon. The Senate unanimously passed a resolution in April to restore "full rights of citizenship" to Gen. Lee, retroactive to 1865, the year the war ended. With the Virginia delegation leading the charge, the House is expected to approve the measure this week, capping a four-year fight by Sen. Harry Byrd to make Robert E. Lee a U.S. citizen again.

Sen. Byrd is an independent from Virginia. His resolution isn't a sectional matter, he says, "but rather it is a step that should have been taken by the nation as a whole long ago." Gen. Lee, Sen. Byrd notes, wasn't only a military hero; he also is credited by historians with helping to bring the North and South together after the Civil War.

While the expected congressional action will come too late to help Gen. Lee himself, its purpose is to remove a cloud over his memory.

Just why Gen. Lee wasn't pardoned long ago is a mystery. After the war, President Andrew Johnson offered "full amnesty and pardon" to rebel soldiers who would swear allegiance to the U.S. Constitution. Gen. Lee and other Confederate leaders first had to apply for pardons so their cases could be considered individually. In June 1865 Gen. Lee applied for a pardon in a letter to Union Gen. Ulysses S. Grant, who sent the application to President Johnson "with the earnest recommendation" that the pardon be granted. Gen. Lee separately urged other Southerners to follow his lead, saying, "I believe it to be the duty of every man to unite in the restoration of the country and the re-establishment of peace and harmony."

CONGRESS IS KEY

But the pardon never came, apparently because the White House never received from Gen. Lee a separate oath of allegiance to the Union. Subsequently, the general's pardon application became lost after Secretary of State William H. Seward apparently gave it to a friend as a souvenir. It eventually fell into the hands of a Philadelphia publisher, who offered to sell it in 1899 to the War Department for $100. The department replied that it had "no money to purchase records of any kind." The application now is in an Illinois museum.

Some rights of citizenship, such as the right to vote, were restored to Gen. Lee on Christmas 1868, when President Johnson declared a universal amnesty for Confederate officials. But the general's citizenship couldn't be fully restored by the President because a provision in the 14th Amendment to the Constitution bars certain rights, such as the right to hold office, to any U.S. officer who "engaged in insurrection or rebellion" against his country. The "disability" can only be removed by a two-thirds vote of both houses of Congress.

Some historians have stated that the government didn't pardon Gen. Lee because of Northern enmity against him. Other historians have suggested that Gen. Lee wouldn't sign the oath of allegiance because he believed there was a possibility the government would indict him for treason. But none of these explanations satisfied many Lee admirers.

One of them was Elmer O. Parker, who worked as a Civil War history specialist at the National Archives here. Mr. Parker says he was convinced that Gen. Lee must have signed an oath because "I just felt he wouldn't urge others to do something he wouldn't do himself." Spurred by inquiries during the Civil War centennial in the mid-1960s, Mr. Parker began searching for evidence to back up his belief.

In 1970, he found the oath itself at the archives. It had been lost for decades in a cardboard container of old State Department papers. Signed by "R. E. Lee" before a notary public at Rockbridge County, Va., the oath was dated Oct. 2, 1865. It stated that:

"I, Robert E. Lee of Lexington, Virginia, do solemnly swear, in the presence of almighty God, that I will henceforth faithfully support, protect and defend the Constitution of the United States, and the Union of the states there under, and that I will, in like manner, abide by and faithfully support all laws and proclamations which have been made during the existing rebellion with reference to the emancipation of slaves, so help me God."

There was no evidence that the document ever had been officially received by the government. How did it get lost? "I think that will remain a mystery forever," says Mr. Parker, who is retired and living in Columbia, S.C.

Mr. Parker's discovery was the key to efforts to restore Gen. Lee's citizenship. The lack of such an oath was one factor that had doomed a 1957 amnesty-for-Lee resolution co-sponsored by several Senators, including a Yankee Senator from Massachusetts named John F. Kennedy. But the new evidence didn't produce instant victory.

Sen. Byrd first introduced his resolution in 1970, but it got bogged down in debate over whether or not President Nixon could legally grant Gen. Lee amnesty by simply signing an executive order. (In this case, it was decided, he couldn't.) The Senator tried again last year, but this time liberals wanted to expand the measure to include general support of amnesty for Vietnam war resisters. Sen. Byrd, a staunch conservative who opposes such clemency, followed Gen. Lee's battlefield strategy at Gettysburg—he took his resolution and retreated.

When the Senator introduced his resolution for a third time this year, he picked up support outside Congress. The Alexandria (Va.) Gazette began printing support-Lee coupons and asked its readers to clip them out and mail them in. So far the paper, which has a daily circulation of about 19,000, has received over 14,000 coupons; they have come from most states, Puerto Rico and "someplace in Denmark," says editor Terry Wooten. Other papers also have taken up the cause by running citizenship-for-Lee coupons of their own or editorials. Among others supporting the action is a New Jersey group made up of descendants of Union soldiers.

Some congressional liberals, such as Rep. Elizabeth Holtzman, a New York Democrat, still argue that Congress should also vote amnesty "for those who are living" and refused to fight in Vietnam. But Sen. Philip Hart, a Michigan Democrat who has introduced legislation to pardon Vietnam war draft evaders, favors the Lee resolution. "Basically we revere him because he had the guts to say 'no' when he thought his country was wrong," Mr. Hart said before the Senate vote. He urged his colleagues to consider "extending the tradition of tolerance and forgiveness to those who refused to go to war in Vietnam."

[From the Washington Star, June 26, 1975]

THE TWO FACES OF ROBERT E. LEE

(By Edwin M. Yoder, Jr.)

The face of Robert E. Lee—in the national imagination and in what used to be called down South the cult of the Lost Cause—is as rigidly set in alabaster as the face of his lifelong model, George Washington. It was the historian Charles A. Beard, who should have known better, who told us with stunning irrelevance that Lee's lips "were never profaned by an oath, whiskey or tobacco"—thus erecting for the contemplation

of a whole generation of neo-Confederate ladies a saintly exemplar of Sunday school piety and Prohibition.

But one has only to visit the still-undisturbed little office at the Washington and Lee library to see the conventional image belied. Photographs taken of the general after the war show us another Lee. It is a face in ruins, furrowed and darkened by immeasurable remorse. It almost seems to freeze on paper the terrible portrait in Dr. Freeman's biography—Lee wandering the stricken sward at Gettysburg after Pickett's charge, murmuring "Oh, too bad. Oh, too bad."

If, as we may suppose with Beard, General Lee's lips were not "profaned" by strong words or drink, his face reflects the worst of human torments: The torment of divided loyalty and bitter regret. They were common emotions of that time and episode. Whole families were driven by them. "Three brothers of Mrs. Lincoln died for the South," write the historians Morison and Commager, "whilst near kinsmen of Mrs. Davis were in the Union army."

In a house on West 20th Street in New York, a little boy named Theodore Roosevelt prayed for the Union armies at the knee of his Georgia mother, whose brothers were in the Confederate navy. At the same moment, in the Presbyterian parsonage of Augusta, Ga., another little boy named Thomas Woodrow Wilson knelt in the family circle while his Ohio-born father invoked the God of Battles for the Southern cause."

Robert E. Lee, the most brilliant military figure of his generation, knew and felt this anguish. A brave and effective soldier in the Mexican campaigns, later superintendent of the U.S. Military Academy where he had stood second in his class, he was a figure ensnared by the quarrels of stronger, more elemental wills. His was the fate that befalls temperate men when, as Yeats put it, "the best lack all conviction, while the worst are filled with passionate intensity." Yeats' lines might stand, in fact, as epigraph to the Lee story, as to the Lincoln story, as indeed to the whole story of the Irrepressible Conflict. Not that he lacked conviction. His convictions were not convenient and did not lend themselves to easy choice. One of them was that the new President, Abraham Lincoln, was dead right about the great issue of spring, 1861.

"In your hands, and not in mine," Lincoln had told the secessionist hotheads in his First Inaugural, "is the momentous issue of the civil war. The government will not assail you. But I hold that, in contemplation of the universal law and the Constitution, the union of these states is perpetual. No state, upon its own mere action, can lawfully get out of the union." Many (including at one time the arch-abolitionist Horace Greeley) disagreed. Lee agreed. Secession, he declared, "is nothing but revolution." But another, stronger conviction eclipsed his agreement with the President about the illegality of secession. He thought it would be monstrous "to raise my hand against my native state, my relatives, my children and my home." When the Virginia convention, following others, voted to secede, Lee sadly rejected field command of the Union armies. In mid-April, 1861, he crossed the Potomac to what simpler, hard-bitten men would call treason: A harsh term for a profound preference.

Our age, which finds supreme importance in political abstractions, which often betrays personal loyalties in their name, would not find Lee a congenial figure. And it was all the more baffling that after making his choice and seeing it through to Appomattox, he walked away from this war he had not wanted, for a cause he had regarded as illegal, whose ruin and fratricide tore at his spirit, with not so much as a word of explanation or apology.

Perhaps it was that infuriating self-containment, that patrician neglect of the memoirist's convenient hindsight, that helps account for what one must view as a national indecency—that Robert E. Lee remains, after a century, a man without a country. Congress, one reads, is at least moving in its leisurely way to rectify this disgrace. But the long neglect is a comment on the poverty of our sense of history. Lee's anguish, no less than Lincoln's, summed up the divisions of an era—divisions too deep for casual judgment, and certainly too sad for revenge.

CONSTITUTIONAL AMENDMENT AND ABORTION

Mr. PACKWOOD. Mr. President, as hearings continue in the Senate Judiciary Committee's Subcommittee on Constitutional Amendments, I feel it important to bring to the attention of my colleagues testimony presented by Harriet Pilpel, regarding the serious questions of Federal-State relationships that could arise out of any "right to life" amendments. In the following addendum to her testimony, Ms. Pilpel, herself an attorney, discusses the possible enactment of numerous inconsistent and conflicting laws that could result from passage of Senate Joint Resolutions 10 and 11. I ask unanimous consent that her statement be printed in the RECORD.

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

ADDENDUM TO TESTIMONY OF HARRIET F. PILPEL, ATTORNEY

In addition to introducing the federal government into areas which have heretofore been the exclusive province of the states, all three amendments, if adopted, would raise serious questions of federal-state relationships. All three provide for enforcement through appropriate legislation by Congress and by the several states.

The authorization of power to Congress is not unusual; in fact, such authorization is contained in a number of other Amendments, including the Thirteenth and Fourteenth. But the authorization of concurrent power to Congress and the states is unprecedented. While the Prohibition Amendment did authorize the states to enforce its provisions, the substantive rule of law, that is the outright prohibition on the manufacture, sale or transportation of intoxicating liquors, was contained within the Amendment itself. The power delegated to the states was therefore limited to the power to prosecute and punish infringements of that federal enactment. But because the Helms and Buckley amendments (with the exception of Section 2 of S.J. Res. 11) are not self-executing, the enforcement authorization contained in these amendments would permit both the federal government and the several states to enact substantive law to protect the "right to life."

These amendments thus make likely the enactment of numerous inconsistent and possibly conflicting laws governing not only abortion, but any area of law involving the "right to life." And they give no guidance as to whether the federal or the state government action is to prevail in the event of such conflict. The Helms amendment provides simply that "Congress and the several states shall have concurrent powers to enforce this article by appropriate legislation." Assuming a conflicting state and federal law, which preempts the other? How could a doctor faced with conflicting federal and state laws, for example, if abortion were variously permitted to protect the "life", "health" or "safety" of the mother, decide whether performing an abortion would subject him to criminal penalties? Would both laws be void for vagueness—not in their terms but because of the conflict and uncertainty of their application? The Helms amendment provides no guidance in answering these questions.

The language of both Buckley amendments is even more troublesome. Sesctions 3 of S.J. Res. 10 and 11 provide that: "Congress and the several states shall have power to enforce this article by appropriate legislation within their respective jurisdictions." Does this mean that Congress may act throughout the geographical limits of the United States, only in geographical territories which are not part of the several states, or is it limited to action in those substantive areas which fall within the enumerated powers of the Congress in Article 1 of the Constitution? Can the states enact any "right to life" laws applicable within the geographical confines of the state or only those laws which can be considered as falling within the powers reserved to the states under the Tenth Amendment? Again, the amendments provide no guidance.

It is thus clear that, in addition to many other unfortunate collateral legal consequences, these amendments would present serious and perhaps insoluble questions which would provide additional fertile fields for litigation and dispute.

FIRST AMENDMENT WINS AGAIN

Mr. PROXMIRE. Mr. President, a three-judge Federal court panel ruled in New York this week that a State campaign law may not control what a candidate says, even when attacking an opponent.

In ruling unconstitutional parts of the New York State Fair Campaign Code, the judges said this:

Nothing in our decision downgrades that state's legitimate interest in insuring fair and honest elections. Undoubtedly, deliberate calculated falsehoods when used by political candidates can lead to public cynicism and apathy toward electoral process. However, *When the State though the guise of protecting the citizen's right* to a fair and honest election *tampers with what it will permit the citizen to see and hear even that important state interest must give way to the irresistible force of protected expression under the First Amendment.* (*Emphasis* added.)

One of the reasons the judges ruled as they did was the "substantial chill" created by the New York law. The chill is the deterrence the law might effect on the candidates. As the court put it:

Upon consideration of these factors (the effect of charges filed against a candidate before the New York State Board of Elections and publicity on board findings) it is not difficult to see how a political candidate might be deterred from making protected statements when he must consider the consequences of a Board proceeding.

The court said the New York law was unconstitutional in banning "misrepresentation of any candidate's qualifications," "personal vilification," "scurrilous attacks," and "attacks based on race, sex, religion or ethnic background."

The Federal judges said:

Such expression may be offensive but by that fact alone it does not lose its constitutional protection.

The three-judge panel held—

That the challenged sections of the Code and of the statute are repugnant to the right of freedom of speech guaranteed by the First Amendment and are unconstitutional on their face.

Mr. President, I do not bring this case to the attention of the Senate because of campaign practices or because of Federal election reform legislation now being tested in the courts.

Rather, my purpose is to draw attention to the parallel with the Federal Communications Commission's fairness to doctrine and the equal time law for political candidates. I have contended that these controls over broadcasters are unconstitutional. And I have introduced S. 2, the First Amendment Clarification Act of 1975, to abolish the fairness doctrine and repeal its statutory authority along with the equal time rule.

In fairness, it must be noted that the decision of the three-judge panel of the U.S. District Court of the Eastern District of New York may be appealed. But until it is and until it is overturned, the decision is part of case law and can become a precedent.

And because it does deal with the first amendment, the New York decision could be cited in a case on the fairness doctrine.

Attacks on the fairness doctrine have noted its chilling effect. Suporters have brushed aside this argument, saying that there is no proof that broadcasters have indulged in self-censorship because of the fairness doctrine. They say that no first amendment problems arise because the fairness doctrine does not dictate what broadcasters will air concerning controversial issues of public importance. It only says, they contend, that once having done so, the broadcasters must provide reasonable opportunities for opposing viewpoints to be heard. The fairness doctrine also requires that every broadcaster devote some air time to discussion of controversial issues of public importance, that being part of their obligations to serve the public interest, convenience, and necessity.

The equal time rules says that when a political candidate is granted broadcast time, any other candidate for the same office must be granted the same amount of time. A corollary has extended the rule to spokesmen for candidates. The law also states that the broadcaster may not censor the candidate's material.

I believe the equal time rule is unconstitutional because it interferes with the free press rights of broadcasters to concentrate on the major candidates for a particular office. I will not dwell on the equal time problem, for the fairness doctrine is more pertinent to the New York case.

If a court finds that State law cannot regulate campaign speech, even when that might entail slurs as repugnant as name calling, attacks based on race, sex, religion, or ethnic background, misrepresentation of a candidate's position, because that might deter robust discussion, then, I ask, how can the FCC chill discussion on public issues?

In ruling on the sections of the New York Code dealing with "attacks on a candidate based on race, sex, religion, or ethnic background," the three judges quoted a 1970 case in which the Supreme Court recognized the real world.

The Supreme Court said in Monitor Patriot Co. against Roy—

Given the realities of our political life, it is by no means easy to see what statements about a candidate might be altogether without relevance to his fitness for the office he seeks.

The three judges then said:

It would be a retreat from reality to hold that voters do not consider race, religion, sex or enthic background when choosing political candidates. Speech is often provocative and indeed offensive . . . but unless it falls into one of those "well defined and narrowly limited classes" of unprotected speech (e.g., "fighting words") it enjoys constitutional protection. New York's attempt to eliminate an entire segment of protected speech from the arena of public debate is clearly unconstitutional.

What about the sections of the New York Code that deal with misrepresentations of a candidate's qualifications, positions, or party affiliation? The board of elections claimed those were carefully drafted so that only deliberate calculated falsehood—speech which is unprotected by the Constitution—was subject to regulation. The judges disagreed. They concluded:

These sections cast a substantial chill on the expression of protected speech and are unconstitutionally overbroad and vague on their face.

Other court decisions are quoted to back up their reasoning on this "overbreadth doctrine." They said:

In effect, it is a doctrine which recognizes that despite any legitimate state interest involved, the chilling effect on protected expression is too high a price to pay when the regulatory scheme has not been narrowly drawn."

Again, a reference to "chilling."

And, still another one a few paragraphs later in the decision:

It is not hard to see then, given the often difficult task of trying to define, for example, what a political candidate's "position" is on issues discussed during a campaign, that the term "misrepresentation" could be applied to almost all campaign speech. The candidate who wishes to avoid the consequences of a Code proceeding—including the adverse publicity such a proceeding would generate—might very well be "chilled" from the expression of protected First Amendment speech.

And a few more paragraphs into the decision, more about chilling effect:

Initially, we note that the inhibitory "chilling effect" resulting from the overbreadth of the Code, applies to important First Amendment speech. Free debate on public issues is essential to the survival of the Republic. It hardly needs repeating that such speech should be "uninhibited, robust and wide-open." . . . In our view, the Code creates a "substantial chill" and had a significant likelihood of deterring this important First Amendment speech. We cannot agree with the Board's contentions that any chill on protected expression is "minor or purely speculative," and that the chill of unlimited liability for damages or imprisonment under the Times and Garrison decisions is "much more significant than any chill that might result from the Code's existence."

Among the provisions of the New York Code noted in the decision are the administrative proceedings as opposed to judicial proceedings—although the board can go to court to force its decisions—and the ability to levy fines of up to $1,000. These, too, the judges say add to the chilling effect of the campaign code.

So, here is what we have in the decision of the three-judge panel: Chilling effects caused by the campaign code's overbroad language and by enforcement procedures.

And those, in my opinion, are exactly the conditions present in the Communications Act and the rules, procedures, and penalties that can be imposed by the FCC on broadcasters: the law is overbroad; penalties chill protected speech.

The FCC's authority for controlling the programing of some 8,000 radio and television broadcasters are but a few broadly phrased policies in the Communications Act. "Public interest, convenience and necessity" is the FCC's principal hatrack. That phrase reoccurs in the law.

The authority for the fairness doctrine appears in the equal time section (315) of the act. It says:

Nothing in the foregoing sentence shall be construed as relieving broadcasters, in connection with the presentation of newscasts, news interviews, news documentaries, and on-the-spot coverage of news events, from the obligation imposed upon them under this Act to operate in the public interest and to afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

To back up those authorities, the FCC has made rules and administrative law, and has issued reports to interpret them.

Although relatively speaking it has not happened often, the FCC has followed through with fines of $1,000 or more to back up its rulings on programing and, in a few instances, has imposed the ultimate weapon, denial of license. I am not referring to the bulk of the penalties, imposed for technical and engineering violations, but for editorials, failure to live up to programing promises, and for news handling.

The FCC does not have to act very often to get its way. Supporters of the fairness doctrine point to the relatively few times penalties have been imposed in its 35-year history. And they deny the chilling effect.

Yet, the three judges found a chilling effect in the New York Campaign Code enacted only last year.

The same element is present in both the New York code and the fairness doctrine: a threat of penalty for speaking out in a robust fashion on public issues and on public persons.

Surprisingly, this has happened under the Communications Act despite section 326 of that law:

> Nothing in this Act shall be understood or construed to give the Commission the power of censorship over the radio communications or signals transmitted by any radio station, and no regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication.

In practice, the FCC hides behind section 326 most often when answering complaints from citizens about sex and violence in entertainment programs.

The Supreme Court has interpreted, in effect, the phrase "public interest, convenience, and necessity" to be stronger than the Communications Act's reminder about the first amendment.

The Supreme Court has seen the fairness doctrine as possible chiller of broadcast news and public affairs programing, but it says it will be time enough to act when there is evidence of self-censorship induced by the fairness doctrine.

Perhaps the time will come when the Supreme Court or the Congress will see the chilling effect of the fairness doctrine the way Judges Henry F. Werker, Leonard P. Moore, and Mark A. Costantino did in the New York Campaign Code.

CAPTIVE NATIONS WEEK

Mr. HRUSKA. Mr. President, the week of July 13–19 marks the 17th observance of Captive Nations Week. This year's observance is a particularly bitter one for those of us in the free world. As the American people prepare for the celebration of the 200th anniversary of the founding of our great Republic, two more countries, South Vietnam and Cambodia, have fallen under the oppressive rule of communism.

As a direct result of that disaster in Southeast Asia, it is now questionable how long Laos and Thailand will remain as free nations. Furthermore, South Korea, one of our closest allies, is increasingly threatened with invasion by the brutal forces of North Korea. In the meantime, half way around the world and much closer to the American mainland, Portugal, a NATO ally, is in immediate danger of falling into the Communist camp. Such an event would constitute a severe blow to NATO and the security of the free world.

These tragic events clearly demonstrate that today the forces of communism are as dangerous to our own well-being as they were in 1959, when the first Captive Nations Week was observed. The only difference between then and now is that countless millions of additional people are now forced to live under this evil ideology.

The lessons of the past year shows that while détente is a desirable policy, if it leads to a relaxation of tensions, it must not be used as an excuse to allow the Communists to gobble up the remaining weak but free nations of the world.

As the elected representatives of the most powerful Nation in the world, the Members of Congress have a moral obligation to work for the preservation of freedom. This is not to say that the United States should be the world's policemen, but neither should it refuse assistance to countries under attack simply because their system of government is not entirely to our liking. An imperfect democracy is far more preferable than a Communist dictatorship. For those who doubt this fact, I offer the following advice: I say go to Czechoslovakia, go to Hungary, go to the Ukraine, go to the Baltic States, go to Berlin, go and see how people live in the "workers' paradise."

Mr. President, despite the losses suffered in the last year the struggle for man's freedom has not been lost. The Communists will never win that struggle as long as the captive people whom they rule maintain the hope of their future freedom. This is a fact which the Communists fully understand. Therefore, it is critical that the United States at the European Security Conference not agree to permanent Russian hegemony over Eastern Europe. We must not break faith with the countless millions who look to the United States as the leader of the free world for their ultimate salvation.

THE PRISON FACILITY AT LORTON, VA.

Mr. HARRY F. BYRD, JR. Mr. President, the Honorable Jack Herrity, Fairfax County, Va., supervisor representing the Springfield district of southern Fairfax County, wrote a thoughtful and well-reasoned letter to the Washington Post urging the removal of the District of Columbia's prison facility at Lorton, Va.

His letter was printed in "The Weekly Forum" section of the Post, dated July 17, 1975. In calling for the removal of the prison complex from Virginia, he notes that—

> Outrageous conditions exist at the prison that serve neither the best interests of the prison population nor that of the neighboring community.

In an editorial on the same subject, the Northern Virginia Sun on July 11, 1975, noted that—

> The District of Columbia has finally admitted that Lorton Prison is not the nice place that Mayor Walter Washington and other District of Columbia officials would like for us to believe.

Herman J. Obermayer is editor and publisher of the Sun.

I think this is telling commentary on the situation which confronts the people of Fairfax County: that a unique and, unfortunately, "outrageous" operation of a prison complex by one jurisdiction within the boundaries of another State exists in the first place is bad enough. That the District of Columbia recognizes just how undesirable this facility is and persists in its refusal to do anything about it is, in the words of Fairfax County Board of Supervisors Chairman Jean Packard, "unconscionable."

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:

[From the Northern Virginia Sun, July 11, 1975]

AN EDITORIAL: MOVE LORTON?

The District of Columbia has finally admitted that Lorton Prison is not the nice place that Mayor Walter Washington and other District of Columbia officials would like for us to believe.

"We're no longer going to put undesirable sites in areas where blacks live," said Julian Dugas, DC's city administrator as he pointed out that the prison could be relocated in the heavily white populated sections of Northwest Washington.

Dugas suggested the prison could be relocated in Glover-Archbold Park or the Foxhill Road area. How he left out a site along Embassy Row remains a mystery.

Dugas said that there were already "enough negative facilities" east of Rock Creek and that Lorton, if it is to be in the district, must be relocated in the Northwest.

He rejected the suggestion of four Fairfax Republicans Monday that Lorton be relocated at Fort Lincoln in the Northeast. Dugas said that the Fort Lincoln site was needed for urban renewal and to broaden the district's tax base.

The sites Dugas mentioned were:

Glover-Archbold Park, which borders land that France wants for a new embassy.

A segment of Rock Creek Park;

The Tregaron estate now occupied by the Republic of China;

Several Foxhall Road estates, the road which runs in front of Vice-President Nelson Rockefeller's estate;

The Miller Tract on the Maryland-D.C. line;

The McLean Gardens site.

With all those listed, it is a wonder he didn't add the Mall, because it is empty now that the folk festival has packed up for another year.

Sen. William Scott (R-Virginia) who lives in Fairfax County and used to represent the Lorton Area as a congressman, viewed Dugas' statements as "Congress-baiting."

Scott suggested a number of possible sites—a Potomac River mud flat called Goose Island, the Blue Plains sanitary landfill, several urban renewal sites—only to have Dugas say that each was unacceptable.

Scott said, "The impression that comes over . . . is that you just don't want this facility in the District of Columbia."

"I think that's a fair statement," said Dugas.

But for all the rhetoric, a positive step was taken in that for the first time the District of Columbia has said that Lorton is not a desirable neighbor. It appears it is going to remain in Fairfax for many years.

[From the Washington Post, July 17, 1975]

ARGUING FOR CLOSING LORTON

Twenty miles south of the District, in suburban Fairfax County, the city maintains its Lorton correctional complex. Escapes, inmate and guard killings and prison disturbances have prompted some Virginia officials to call for the closing of the facility and its relocation in the District of Columbia. Today, Fairfax Supervisor Jack Herrity, whose Springfield district embraces the Lorton complex, argues for its removal from Virginia. Next week, Delbert C. Jackson, director of the D.C. Department of Corrections, presents the opposite view.

(By Jack Herrity)

The District of Columbia department of corrections prison facility in Lorton, Va., is the only non-federal prison in the United States located outside the boundaries of the

jurisdiction that operates it. Neither the Commonwealth of Virginia nor the County of Fairfax has any control over its administration. This absence of local and state control combined with the apparent indifference to the needs and concerns of the local citizenry by the officials of the District of Columbia constitute the core of the problems that exist at the prison complex in Lorton. Those who are responsible for running the prison, and I am talking about the District of Columbia government as well as the prison administration, do not have to account to anybody in the Commonwealth of Virginia or the electorate of Fairfax County if the prison is mismanaged, as numerous studies, reports and investigations have shown it to be, or if they fail to honor the various agreements they have signed with the Fairfax County Board of Supervisors.

In my opinion they have taken full advantage of this unusual situation and as a consequence, outrageous conditions exist at the prison that serve neither the best interests of the prison population nor that of the neighboring community.

I am not alone in holding this view. Chief Judge John J. Sirica, speaking for the judges of the U.S. District Court for the District of Columbia, in a 1972 letter to then U.S. Attorney General Richard Kleindienst, said that "discipline is lax or nonexistent. Prisoners have not been protected from . . . assault and bodily harm at the hands of other prisoners, and there are frequent escapes . . . of prisoners deemed to be highly dangerous to the law-abiding citizens of this area." He added that "services, facilities and programs are totally inadequate insofar as sentencing objectives are concerned."

Sirica has been joined in his criticism by Federal Judge John H. Pratt and Chief District Judge George L. Hart. In 1974 Judge Pratt sent a convicted counterfeiter to a federal prison instead of to Lorton because, he said, the reformatory's furlough program "makes a mockery" of the sentencing process. Pratt also said that he didn't feel the five-year term would be carried out at Lorton because "those people at Lorton feel they have the authority to do pretty much what they want to. Conditions at Lorton are so shockingly lax that if we have the discretion never to send anyone in that institution we're not going to." Pratt acted after state prosecutors filed a report with him listing 15 specific instances in which persons convicted of violent crimes, and sentenced as recently as a year before were regularly released on unescorted trips under Lorton's furlough program.

Judge Hart declared that the D.C. corrections department "has taken over the sentencing functions from judges of the court" by allowing inmates, well before their paroles, to spend long periods of time outside Lorton. He cited figures for fiscal year 1974 that 16 percent of all criminal cases in federal court here are escape cases. All of them, according to Hart, involved escapes by inmates on furlough or by halfway house residents or inmates in similar pre-release programs.

A closer look at the escape statistics and prison disturbances including riots bears out the concerns of these prominent jurists and shows why the majority of Fairfax County citizens want the D.C. prison complex moved out of Virginia. According to a 1974 General Accounting Office report entitled "Better Management needed for Tighter Security at Lorton Correctional Institutions," there were 380 escapes over a three-year period ending June 30, 1973, and there were 64 more escapes during the six months ending Dec. 31, 1973.

About 30 per cent of these escaped from the confines of the Lorton institutions; and about 70 per cent escaped while outside the institutions on authorized absences. Many of the escapes were multiple in nature, involving two or more inmates. It was during one of the 1972 multiple escapes that five inmates held a Fairfax County family hostage for several hours before stealing their car and fleeing the area. In May of 1970 a major disturbance occurred at the complex involving not only escapes but also rioting, burning, and destruction of approximately $500,000 worth of prison property. On Christmas Day in 1974 there was a 24-hour prison riot in which three inmates escaped, one of whom was killed, 10 guards were held hostage, and a Fairfax County resident was kidnapped. In February of this year approximately 30 inmates participated in a hunger strike on the grounds that D.C. corrections had allegedly failed to abide by the terms of an agreement reached in settlement of the December, 1974, disturbance.

What concerns me about the high number of escapes, apart from the obvious threat of danger to the citizens of Fairfax County, is that these escapes and riots point to an incredibly shocking absence of proper management by the D.C. department of corrections administration. I am concerned because this is not a new revelation. The House Committee on the District of Columbia, in a report filed in 1970, for example, found 32 findings of fact of mismanagement. To name just a few: 1) narcotics use was widespread; 2) prisoners were provoked to near riots when asked to do menial tasks; 3) no background checks were made on supervisory personnel employed at the prison; and 4) the few responsible officers who did strictly enforce regulations were summarily transferred to other duties.

The GAO Report revealed that little had changed since 1970, adding that there were lax disciplinary procedures towards narcotics users and that there was a need for uniform procedures for identifying visitors and their belongings so as to lessen the frequency of escapes by inmates who simply walk out with the visitors.

In addition to the documentation of mismanagement, I have had numerous conversations with people knowledgeable about the conditions at the Lorton complex, and I have received letters from former guards and former prisoners. They all say the same thing: Lorton is run by the prisoners and that the administration there has consistently failed to demonstrate either the ability or the willingness to provide for proper safekeeping, care, protection, instruction or discipline of the inmate population and they have consistently failed to properly maintain and operate the complex so as to prevent the dangers that exist to the health, safety and welfare of the citizens of Fairfax County, and particularly those who reside in the vicinity of the prison.

As if all of this were not enough, the D.C. department of corrections adds insult to injury by continuing to operate the prison in violation of federal, state and local laws against pollution. Their water treatment and waste water treatment plants, the coal dust run-off from their coal-fired boilers and gases from other matters emitted from the operation of the facilities have polluted and continue to pollute the waters, streams and air of or in Fairfax County.

A local TV station said not long ago that the D.C. prison at Lorton was an economic asset to Fairfax County. Far from it. Neither the County nor the Commonwealth of Virginia realizes one penny of revenue from the prison. As a matter of fact, part of our tax money goes to pay for the police, fire and rescue services that the D.C. prison in Lorton has received for more than 20 years, services which have not been compensated for by the District of Columbia.

And to make matters even worse, our policemen and firemen have been forced to operate in unsafe conditions without adequate support systems and in buildings and structures which do not meet federal, state or local standards of safety.

All of these reasons have convinced me that the solution that will best serve all of the respective parties is to relocate the prison in the District of Columbia. There is much support in Virginia for this solution to the Lorton problem, so much so that various proposals are being suggested for the use of the 3,200 acres at Lorton, the most popular of which seems to be that it be converted into a national cemetery. I am told that the Veterans Administration is looking for five sites in the nation, and I understand that the soil in Lorton is suitable for such a use.

I personally think that the idea is a good one—it has the backing of the Veterans of Foreign Wars and other groups, and I would hope that the proposal would find support in Congress. Another proposal has been that the property be converted into state park land, and this is also a commendable idea. But whatever public use the land may eventually serve, what should be evident at this time is that the land should not continue to be used for the operation of a prison by an outside jurisdiction that is indifferent to the health, safety and welfare of the citizens of the Commonwealth of Virginia.

HILLMAN LUEDDEMANN

Mr. HATFIELD. Mr. President, I want to call attention to the retirement of a unique Oregonian, Mr. Hillman Lueddemann, from public service to the people of our State. When I was Governor of Oregon, I asked "Lueddie" to undertake a very difficult task. We had put together the first department, where we took agencies and departments that were under no central direction, and we grouped these related areas under a State department of commerce.

What was important about this was that it paved the way for later consolidation and streamlining of other agencies, departments, and bureaus.

What was unique about my choice of "Lueddie" to head this important post is that he was 69 years young at the time. He had finished a distinguished career as a businessman, and was at an age when most people think about enjoying retirement. But not "Lueddie." He now has worked for three Oregon Governors, and done an outstanding job for all three of us. He has announced his intention to retire at the still-young age of 80. As I have heard in Oregon since this announcement was made, he probably really is not retiring in the usual sense, but merely getting ready for some new task. I believe it of "Lueddie."

At a time when all of us are aware of growing budgets and growing bureaucratic kingdoms, I also want to call attention to another quality of this remarkable Oregonian. I know my fellow former Governors will take special note of this accomplishment. His own office has remained only "Lueddie" and a secretary. There has been no empire-building, no coveting a stable of aids, no attempt to persuade the budget committee that he merited special appropria-

tions for a personal office and staff. It is truly remarkable.

To a longtime friend, I say congratulations. You have earned a respite from the struggle of providing better service for the people of Oregon. But when I read the word "retirement," I just do not believe it.

I ask unanimous consent that editorials from both Portland papers that comment on "Lueddie's" retirement be printed in the RECORD.

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

[From the Oregon Journal, July 12, 1975]

LUEDDEMANN'S RETIREMENT JULY 12

It is now reported that Hillman Lueddemann is about to retire, and it seems to us that we've heard that line before.

Lueddemann was alleged to be in retirement when Gov. Mark Hatfield tapped him to take on a particularly difficult challenge.

A breakthrough in government reorganization had been made—tentatively, as least. Several related but separate and uncoordinated little agencies were being pulled together into one Department of Commerce. It was temporary at first. If the grouping into a cabinet-type department was successful, a future Legislature could give it permanence and perhaps follow up with some additional reorganized departments.

Lueddemann was asked to tackle the job. He was 69 and already retired as a highly respected business executive. He went at the task with youthful enthusiasm, the patience of one who has seen may years pass by and the skills of the executive.

The department went together. Lueddemann had succeeded. The groundwork was laid for far-reaching reorganization that has followed.

It was 11 years ago when Lueddemann answered the call and went to Salem. Now, at 80, he says he's going to retire again. Anybody want to bet that's just a good cover until he decides what he wants to do next, or until he is called on for further service?

In the meantime, he has earned the right to step down from the Commerce post, and with the plaudits of his state for his contribution.

"LUEDDIE" STEPS OUT

Gov. Mark Hatfield made a wise choice, in 1963, when he asked Hillman Lueddemann, a former high executive in Pope & Talbot, to come out of retirement and head up a new State Department of Commerce. The Legislature had authorized this department as the trial horse, for three years unless continued by the Assembly, of the cabinet form of government previously advocated by Governors Charles Sprague and Bob Holmes and by a citizens' committee on which Mr. Lueddemann has served.

Under Lueddemann, who took charge Jan. 1, 1964, the department was outstandingly successful, and the Legislature, thus encouraged, has added six more departments to the cabinet. Had it failed, state government would have continued to proliferate among hundreds of semi-autonomous, inadequately supervised agencies and commissions, scrambling for appropriations, staff and influence.

What has never ceased to astonish new members of the Legislature's Joint Ways and Means Committee is that Hillman Lueddemann comes in every session with a tiny budget for his own office, which is manned by him and one secretary. This long-experienced businessman believes in finding top men for the agencies of government and giving them responsibility. It has worked well as the number of units of state government under his supervision has increased from 15 to 53 (under 36 budgets).

Mr. Lueddemann was 69 when he took the assignment and is 80 now, after serving under three governors, and is still commuting from Portland to Salem every working day and reaching his office at 7:30 a.m. Under no hints from the governor's office, he announced Thursday his resignation as director of the Department of Commerce—"to make way for a younger man." Gov. Bob Straub has asked him to continue to serve, after his successor is found, as a consultant in a broader range of state government.

EXPORT PROMOTION AND THE FLOATING EXCHANGE RATES

Mr. INOUYE. Mr. President, recently the Office of Management and Budget produced a report, still embargoed, entitled "Interagency Report on U.S. Government Export Promotion Policies and Programs." This report, which stirred strong opposition within the administration and by American exporters basically concluded that the United States should deemphasize export promotion programs and rely instead on the operation of floating exchange rates to correct trade imbalances.

This overly theoretical model of the way international trade works is totally divorced from reality. In fact, there is no free market in currency markets. Every country will, from time to time, intervene in these markets for political, social, or economic reasons. Since exports are much more important to all of our competitors' economies than to the United States, these governments either engage in dirty floats or stimulate exports through expensive programs or both. Unilaterally dismantling American programs would clearly leave American exporters at a disadvantage. I should finally note that the interagency report reached its conclusions with very little attention to the effects which adoption of its recommendations would have.

On July 14, 1975, the Wall Street Journal printed a column which pointed out further weaknesses in this monetarist analysis. Principal among the columnist's findings was the fact that changes in currency values are not the accurate, fine-tuning instrument they were once thought to be. He writes that a Scandinavian official noted, "Central bankers rarely know more than any outsider about why money is moving in or out." The column is an interesting, though indirect commentary on those academic theorists who would weaken our export efforts and rely instead on floating to correct trade deficiencies.

I ask unanimous consent that the column be printed in the RECORD.

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

REVIEW OF CURRENT TRENDS IN BUSINESS AND FINANCE

LONDON—At one of those meetings where people plot a future international monetary system, a colleague glances at a graying central banker and recalls, "He's always been a big floater." The neutral remark reminds one how rapidly connotations can change, because within a decade, being known as a floater has meant being known as a harmless academic dreamer, a subversive schemer, a dangerous revolutionary and now, a pragmatic manager.

Perhaps a somewhat disillusioned one, too, as the widespread floating of currencies since March 1973 is exposing problems which strongly resemble those of the old fixed rate system. Enough so, it seems, to explain why once-enthusiastic "reformers" are no longer able to envision—much less agree upon—any ideal alternative.

The problem is "on the plate," as the British say, of central bankers and treasury chiefs. But it also has a lot to do with whether we buy VWs or Chevies, with whether that Swiss vacation which looked affordable proves unbearable at bill-paying time, whether unemployment lingers longer in West Virginia or Westphalia, and even with whether the Atlantic defense alliance strengthens or weakens.

The ideological break was clear enough. Against the old worry that world trade would suffer from uncertainty, governments would decide how many units of another currency a dollar should buy, and central banks enforced the decisions by routine rate-steadying "intervention" dealings. The new ideology relies on supply and demand, counting on free market forces instead of bureaucratic decisions to keep currencies floating at realistic rates.

But the practical work hasn't gotten any easier. "You'd be surprised how much time we spend," sighs a Scandinavian central banker, in trying to distinguish brief market flurries which can be "smoothed" from "fundamentals" which mustn't be resisted anymore. Central bankers rarely know more than any outsider about why money is moving in or out, he concedes, half-joking that the only way to know whether a market force was fundamental or not is by "counting how much we spent" to counter it.

Just what constitutes a "fundamental" force anyway is fast becoming less clear, other insiders fret. The old basic test used to be whether a country was regularly running a surplus or deficit in its foreign trade. But these days there is so much "capital" around that desire of investors or speculators to acquire a currency ought to be considered a "fundamental" force in itself, a key continental argues.

A few figures in the table below hint at the magnitudes to which international money movements have grown. Exports and imports are a bare minimum, analysts say, because the currencies may change hands frequently during a year. Central bank reserves can be used to pay a government's bills abroad as well as for market intervention, and Eurocurrency market deposits, already outside their home countries, are particularly well-poised for swift switching. Dollar totals are billions.

	1970	*1974*
Imports	$295.1	$777.6
Exports	280.7	779.5
Reserves	92.4	217.9
Eurocurrency	75.0	220.0

Dislodging even tiny fragments of the money mountain into a single country's currency can make floating very turbulent, and the prospect of such trouble underlies the caution with which continental countries are expanding their network of jointly floating currencies. That "very massive" amount of money is all the more reason, argues German central bank deputy Otmar Emminger, to put off trying to restore a wider fixed rate system, lest it be smashed with wider consequences.

There couldn't be a stable global system again without an active American role, of

course. But even if America could muster the political will, European officials find it annoyingly ironic that the richest western power couldn't muster the foreign currencies with which to buy up excess dollars. Despite the American campaign to get gold out of the system, they note, the U.S. still keeps the bulk of its reserves in gold.

Whether other central banks would lend the U.S. the bigger amounts of foreign currencies that might be needed these days isn't certain, as some continentals blame their own inflation mainly on having created too much currency for dollar-propping purchases under the old system. Snapping his hand sharply up to his chin, one European official declares, "We have had it up to here with that."

On the other hand, some officials still yearn for a fixed-rate system to exert anti-inflation discipline. British unions might have been frightened months ago into moderating their wage demands, one analyst argues, "if we could have had a good old-fashioned sterling crisis." Lacking the sanction of a sharp one-time devaluation, officials have resorted to public warnings of a deepening downward float, opening themselves to suspicion of trying to influence the rate.

Indeed, suspicions about each other's true intentions appears to be one reason governments are so slow to commit themselves to any permanent new system.

Is France in effect clandestinely supporting its franc, some wonder, by bartering goods for oil? Or is America Machiavellian enough to have sent interest rates down so sharply, others ask, to cheapen the dollar long enough to induce Europe to buy U.S. warplanes instead of making their own? If so, would that be a purely political act to keep Europe militarily tied to the U.S., or an economic act to save U.S. jobs at the expense of European ones? Should any new rules deal with such things? Or could they?

Before the floaters' revolution runs its course, a lot more heads are apt to go gray in its service.

HEALTH CARE AND GOVERNMENT POLICIES

Mr. FANNIN. Mr. President, in recent years, Congress has enacted and the administration has promoted a number of programs and policies designed to moderate the rising costs in health care. These efforts have, for the most part, taken the form of regulating health care providers; that is, physicians and hospitals. Among the more significant efforts by the Congress has been the establishment of the Professional Standards Review Organization which is a Federal program through which local physicians review services delivered by other physicians to medicare and medicaid recipients.

In addition, the Congress enacted the National Health Planning and Resource Development Act of 1974. This legislation reformed existing State and local health planning agencies by strengthening their ability to question and reject, if necessary, program proposals utilizing Federal funds which are duplicative and construction projects which are unnecessary. Finally, in Public Law 92–603, the Social Security Amendments of 1972, the Congress reformed a number of existing medicare and medicaid statutes to better control the costs of these two programs. Perhaps the most important of these reforms concerned utilization review. This provision required the development of an effective review mechanism to reduce overutilization of hospital services.

For its part, the Department of Health, Education, and Welfare has, since January, promulgated numerous regulations designed to limit costs. Some of these regulations have not only served to demonstrate the case for regulatory reform, but have raised serious questions about their effectiveness as cost control mechanisms and their potential for jeopardizing the practice of medicine itself.

These policies and programs, in isolation, may have some merit, but taken together they form a clear and unmistakable pattern of increased Federal involvement in health care delivery. The growth of Federal participation in recent years has made such regulation a necessity and no one can doubt the need to control such costs but we should be concerned over the development of regulations which intrude in the work of health care professionals and their relationship with their patients. More importantly, we should be concerned with the effects of such regulations on the state of the medical community and its ability to do an effective job in delivering quality care. We are, of course, only beginning to feel the pains of increased Federal involvement and we have the chance to recognize those pains for what they are; early warning signals that the relationship between government, especially the Federal Government, and the medical community is becoming divisive if not hostile. We can avoid a confrontation that is certain to come if we recognize the value of a partnership between the Federal Government and physicians and hospitals in the delivery of quality health care. If we act now to eliminate unreasonable regulations and questionable legislation, we can hope to avoid disputes which can only poison the relationship between doctor and patient and between the medical community and government.

Mr. President, the British experience with its national health program can teach us what can happen when government attempts to manage health care providers. A recent article entitled "Can Private Practice Survive Barbara Castle?" by Harry Schwartz appearing in the July-August issue of Prism magazine clearly points out the problems of government involvement in health care programs. If we want to avoid the same fate we can learn much from this timely article.

Mr. President, I ask unanimous consent to have the article printed in the RECORD.

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

TURMOIL IN BRITAIN—CAN PRIVATE PRACTICE SURVIVE BARBARA CASTLE?

(By Harry Schwartz)

(The Author: Former visiting professor of medical economics at Columbia, Harry Schwartz is now Distinguished Professor, State University of New York at New Paltz.)

A highly significant chapter in British medicine was closed in May, 1975, with what many observers believe must be called a betrayal by the government of the 12,000 hospital-based consultants, who historically comprise the elite of British medicine.

In essence, the government began the official banishment of private beds in British hospitals. It also sought to discourage a rapidly growing movement to provide some facilities across the country for private practice. To make the picture—and the future of British medicine—even darker than it has been, the Labour government of Harold Wilson appeared to renege on an agreement made only weeks earlier with the consultants. In the light of increasing government control over medicine in the United States, it is important to document this cautionary tale, which has intrinsic interest of its own.

The chapter opened in the first months of 1975, a period dominated by the unprecedented "work-to-contract" job action, or semi-strike, of most of Britain's consultants. Goaded by actions of the hospital workers' unions and by what they saw as the take-it-or-leave-it ultimatum of the government on a new contract, the majority of the consultants decided to work a maximum of 35½ to 38½ hours a week, rather than the 50 to 60 hours they had been working.

This is the way the *British Medical Journal* described the National Health Service (NHS) in an editorial published March 22, 1975.

". . . the descent of the N.H.S. into anarchy has accelerated. Each week these are fresh press reports of withdrawals of labour, of union officials deciding who may or may not be admitted to hospital—and of expansion of facilities by the private sector. An Independent Hospital Group has now been formed to provide facilities throughout the country for private practice. We are close to the point of no return. Once a comprehensive service of private hospitals, nursing homes, and similar units has been established, a two-tier system will be with us in perpetuity."

The *British Medical Journal* concluded its long and doleful examination of the state of the National Health Service with this evaluation of the consultants' "job action".

"Even within the medical profession consultants have traditionally been seen as remote from medical politics—so their present untypical militancy is surely indicative of their concern for the future. Management experts assert that repeated industrial action within any business concern is evidence of deeply felt resentments and needs radical measures to put the situation right. That diagnosis now applies to the nation's medical service."

A LITTLE HISTORY

To better understand the turbulent currents in the delivery of British medical care, we need to step back for a moment and examine a little history. The present troubles began 27 years ago when a shrewd and somewhat devious Labour politician, the late Aneurin Bevan, embraced *The Beveridge Report* (1942) on the welfare state and persuaded the British medical profession to go along with his plan for a National Health Service. He did this in part by splitting the profession, in particular by winning over the hospital specialists with promises of special privileges. As he himself boasted privately later to his friends, he "choked their mouths with gold" by providing a system of bonus payments that would go mainly to prestigious specialists in London and other key centers.[1] Also, all consultants would be allowed, if they wished, to treat private fee-for-service patients in their offices, if they made the appropriate arrangements with the government, and the government would maintain a few private beds in NHS hospitals.

Bevan also had the notion that in the Britain of 1948 there were many citizens with ills who could be cured as soon as they had free access to medical care. Once that was done, he expected the cost of medical care to go down, since everybody, or almost everybody, would be healthy. It apparently did not occur to him that persons cured of

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one ailment live to an older age and then fall prey to other and more serious diseases, many of them harder and more expensive to treat, such as cancer and heart disease. Moreover, he seems to have had no premonition that rapid medical progress would tend to provide more effective and expensive techniques for curing disease and prolonging life.

The National Health Service went along for many years more or less as Bevan had foreseen because of several factors. First, the authorities invested little capital in the Health Service, and so the volume of care was automatically limited by a fixed number of beds—in old and often poorly equipped hospitals, by modern standards.

Little importance, too, was attached to increasing the number of domestically trained physicians, and so the rising demand for care was met by importing more and more physicians from India, Pakistan, Africa, and the West Indies. Finally, there was no sign of public revolt as persons who needed elective surgery—for conditions that might be painful or embarrassing or unsightly but not life-threatening—were compelled to wait longer and longer periods.

What in retrospect looks now like the first major crack in the success of the Bevan formula came in the mid-1960s when there was a revolt of sorts by the general practitioners, the backbone of British medicine. The GPs had always felt that they were "had" when the health service was set up, and they resented the superior rewards and prestige granted the hospital consultants. The more ambitious of them also resented the fact that when their patients needed hospitalization, they were turned over completely to the consultants and their junior staff members—and many of the latter could barely speak English. (Until this year, it should be remembered, the National Health Service required no formal examination at all for foreigners who go to Britain to practice medicine.)

At any rate, the GP militancy of the mid-1960s was quickly rewarded by higher capitation fees and other gains that began to reverse their position relative to the consultants. As a result, the general practitioner began to be seen as the lord of the medical manor, and soon the number of applicants for GP positions grew gratifyingly. Simultaneously, it became increasingly difficult to get consultants for hospitals in relatively undesirable areas of the United Kingdom, as well as to work in those specialties—geriatrics, for example—which lack the psychic rewards of spectacular cures.

ROOTS OF DISCONTENT

The increasing dissatisfaction of the consultants that culminated in this year's job action has some roots in the elevation of the GP's a decade ago. But its more important origins stem from recent times. One root of their discontent was the growing feeling among consultants that their incomes were not keeping pace with inflation—which recently has been pushing prices up 20 percent a year—or with the more rapid earnings gains of manual laborers who have strong unions and do not hestiate to strike.

Further, a sort of generation gap opened up between the older consultants, who had bought their homes and expensive cars and educated their children in private schools in an earlier era when they were an economic elite, and the younger generation of consultants who found, after long years of training and hard competition, that a attainment of the long-sought goal did not bring the expected standard of living.

In a letter to the *British Medical Journal*, one physician calculated in March, 1975, that since 1970 alone, doctors' salaries had fallen 38.5 percent behind the rise in the cost of living. And he added that this ignored the progressive income tax which made the comparison of after-tax incomes of doctors and the cost of living even worse than his figures indicated.[3]

UNDERSTANDABLE RESENTMENTS

Another British physician put the matter this way in a September, 1974, letter:

"Clearly the skilled and semi-skilled in industry are demanding and obtaining high rewards for their labours—to criticize their achievement is only to be envious of them. How then do we rate our training and our skills if an engine driver, car worker, miner, docker, or salvage collector can receive wages as high or if not higher than those of many doctors? . . .

"I fear that militancy and toughness in dealing with politicians are essential—soft speech, soft measures, and soft action are obsolete. . . ."[3]

Beyond the understandable resentments based on the consultants' own economic difficulties, these doctors also increasingly rebelled at the evidence all around them that they were not being permitted to take care of their patients as well as they had been trained to do. The historic tradition of minimizing capital spending assured that many British hospitals even now are very old (100 years or more in not a few cases) and have relatively little modern equipment. The House of Commons Committee on Expenditures, in its report published in September, 1974, concluded that "no Government has ever provided sufficient money to allow the Health Service to function and to react to growing needs successfully."[4]

A half year later, Dr. David Owen, one of the Labour government's ministers of state for Health and Social Security, indicated that this situation would continue indefinitely, declaring, "The health service is a rationed service. There will never be a government or a country that has enough resources to meet all the demands any nation will make on a national health service."[5]

For consultants, the final straw on this issue was delivered by the Conservative government in December, 1973, when it ordered heavy cuts in capital expenditures for the health service. (The Labour Party regime that came to power in early 1974 reaffirmed the cuts.) The practical consequence in many parts of Britain was that construction of hospitals and other health facilities came to a halt. This happened even though many of these aborted projects represented essential installations whose construction had been promised for many years, facilities on whose future existence had been based complex plans for improving the health service over large areas.

A NATIONAL FUROR

Finally, the third general motive behind the consultants' job action of early spring was the effort of unionized manual laborers in some hospitals to bar private patients. In mid-1974, a national furor was created when a union at London's new Charing Cross Hospital threatened to starve out the few private patients there by denying them food delivery and all other services. The anger this inspired among virtually all British physicians was reflected even in the liberal *Lancet*, which had won much ill-will by backing the government and denouncing the consultant job action. But even in *The Lancet*, an anonymous doctor/poet responded with this prediction in verse:

> "Physicians leave for Paris,
> And surgeons plan removal
> To where their operation lists
> Need no union's approval;
> Where patients are not left unfed
> For being in a private bed."[6]

What made the issue even more important was the open declaration by the Labour Party—including Mrs. Barbara Castle, the chief government official over the health service—that it intended to end the compromise Bevan had engineered in 1948. It looked forward to ending the existence of private beds in the National Health Service hospitals, and as rapidly as possible. No attempt was made to deny that this move pandered to pure envy—though Mrs. Castle herself was much embarrassed by the revelation that several years earlier she herself had been cared for as a private surgical patient.

As far as the Labour Party was concerned, "queue jumping"—*i.e.*, the ability of a private patient to have an operation done at a time of his convenience and far more quickly than if he waited on the long National Health Service line—was politically unpopular with the majority of Britons who did not use the private medicine option. Hence the promise that it would go produced votes. But among doctors it produced more anger still, for it was seen as unilaterally abridging the historic bargain on which the health service was founded.

Only about half of Britain's consultants are "part timers"—*i.e.*, those who sacrifice two-elevenths of a consultant's normal income to have time for private patients. And even for the majority of part timers, private practice constitutes only a small part of their incomes. But for many British physicians, whole timers and part timers alike, the option of engaging in private practice is far more important than its present reality or even its economic importance *in their* lives. The option symbolizes their retention of professional freedom against the monopolistic state that employs them. Consequently, they see all attempts to prohibit private practice or to make it nonviable as attacks on their remaining professional integrity and freedom. It is an emotional issue the importance of which goes far beyond the economic.

It was against this background that Mrs. Castle and her associates, in late 1974, offered a new contract which the consultants saw as an attack at just this point. To avoid technical details that would be of little interest to the American reader, the issue can be oversimplified in these terms.

Mrs. Castle offered very attractive financial terms to consultants who would pledge themselves to work full time in the National Health Service and eschew any professional work outside the NHS. On the other hand, consultants who did not wish to make such a full-time commitment were offered contracts much less attractive; indeed, they contained punitive features aimed at making private practice as unremunerative as possible.

To the consultants, this seemed an act of dictation. They decided that the government had no business mandating whether or not they engaged in private practice or even in inquiring how their free time was employed. The consultants demanded a contract that would specify the number of hours of NHS work they needed to do, regardless of how they spent the rest of their time. When this demand was met by what the consultants regarded as Mrs. Castle's take-it-or-leave-it attitude, they decided on the job action we have already described, beginning January 2 in England and February 10 in Scotland.

Not only did they cut their working hours, but many of the consultants decided that they would try to give really good, conscientious and humane care, by spending far more time with each patient than they had been able to in the past.

The result was predictable, of course. Many thousands of people who would normally have seen consultants during the period of the job action did not get to see them. Moreover, the waiting lists for elective surgery grew longer and longer. (But at all times the consultants were pledged to pro-

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vide emergency care, and this writer saw no accusation that lives were endangered because consultants would not respond when needed in a serious situation.)

The members of the junior hospital staffs, the British equivalent of our interns and residents, were the immediate gainers from the consultants' job action. It was only in 1974 that they had won recognition of an 80-hour work week with overtime pay for work beyond that limit. In March, 1975, the junior staff won a major concession by announcing that they were ready to go on strike with the consultants, if the government did not establish 40 hours as their normal work week.

With the consultants engaged in a job action, a strike by the junior doctors would have forced the closing of the hospitals and the National Health Service. So the government recognized power when it saw it—at least in words—and promised to meet the junior doctors' demands, though some wondered whether it would keep its promise after the consultants had gone back to normal work schedules and the huge bills for overtime pay for the junior doctors started to come in.

The tension in the National Health Service could not go on forever. Something or someone had to give. The apparent resolution of the dispute came in mid-April when, in a closely coordinated series of moves, the consultants went back to working normally; Mrs. Castle publicly "clarified" her ideas about the contract for the hospital doctors in a way that reassured they would not be forced to become full-time salaried civil servants denied the right to see private patients; and all physicians in the National Health Service got the largest pay boost in history.

RELATIVE PEACE

However, the most militant doctors—represented by the Hospital Consultants and Specialists Association, a small, rival union with 5,000 members that has both competed against and cooperated with the British Medical Association—felt the settlement was inadequate. Nevertheless, for the moment at least, relative peace has returned to the National Health Service.

The lever used to "end" the impasse between the consultants working to contract and the British government represented by Mrs. Castle was provided by the fact that on April 1 the British government received a report from an impartial Review Board that had examined the incomes of British doctors and dentists. It was common knowledge that the board would urge a large salary increase to make up for years during which physicians' incomes had lagged well behind rapidly rising prices. But the government remained mum about the review board's decision, and tension mounted as day after day went by without word.

The implicit threat contained in this silence was that the Labour government would refuse to accept any recommendation for a large salary increase, justifying its refusal by the continued consultant work-to-contract tactics. In effect, Prime Minister Wilson was serving notice that any large pay increase was hostage to resolution of the dispute.

EQUAL ETHICAL OBLIGATION

That "resolution" took place in intensive negotiations between BMA representatives and Mrs. Castle, negotiations that began at 4 p.m. on April 16 and did not conclude until 6 a.m. the following morning. The outcome of these talks was a pair of statements by Mrs. Castle which added up to assurance that consultants will not have to be full-time salaried government employees but will continue to have the option of accepting less than full-time government contracts so they can see private patients. Moreover, Mrs. Castle recognized that each consultant had an equal "ethical obligation to all his patients when emergencies arise"; *i.e.*, putting on a par both NHS *and* private patients.

Hence, on April 18, 1975, the British Medical Association advised the consultants to go back to a normal schedule of work. That same day Prime Minister Wilson announced he had accepted the recommendations of the review board, which, on average, provided for pay scales 35 percent above those of April 1, 1974 (a gain lowered to 30.3 percent when allowance is made for automatic cost-of-living increases physicians had received since April 1, 1974).

Under the new scale, the highest paid NHS doctors (138 whole-time consultants in a so-called A+ category who receive the most generous bonus payments) will be receiving 21,374 pounds (about $50,000) annually. But the great majority of consultants who do not receive bonus payments will be earning between 7,536 and 10,689 pounds (roughly between $18,000 and $26,000) annually, while general practitioners are expected to average an annual net income of about 8,500 pounds (about $21,000).

HIDDEN CARD

These figures do represent major increases by British standards, and the London *Economist*—which is frequently highly critical of British and American medicine—has criticized the new pay scales as "generous," implying they are more than the doctors deserve or than the British economy can afford. But viewed in international perspective, the earnings of most British doctors seem relatively modest, and the income incentive for continued emigration from Britain to the United States, Canada, Australia, and the continental nations of Western Europe still exists.

Nevertheless, the consultants *were* given increases. But a number of them wondered whether the government had fully revealed its hand. Circumstances proved their doubts had substance, for in early May, Mrs. Castle finally played her "hidden card."

She announced in Parliament that the Labour government was going to move quickly to end the existence of private beds in NHS hospitals and declared that a group of these beds was being immediately returned to the general NHS pool of beds. In the future, she added, rich people who wanted to use NHS hospitals and pay for the privilege—Arabian rulers, for example—would be allowed to do so, but their payments would all go to the government; the doctors treating these private patients in NHS hospitals would get no extra pay.

A TRUCE

Finally, as though to rub salt in the doctors' wounds, Mrs. Castle announced that the government was also taking action to contain the growth of a separate and parallel private medical system. And all of these reforms, it was indicated, would be done in a way designed to make it virtually impossible for any future Conservative government to undo what was intended to be the final, virtually complete socialization of all British medicine.

To many a British consultant, this program must have appeared like a complete betrayal of all that had been promised and implied in the settlement of mid-April. How after all, could a physician have an ethical obligation to a private patient if the government made it impossible for him to have any private patients?

The sense of betrayal many British physicians must have felt was well suggested by the acid comment of the *British Medical Journal* in its May 10, 1975, issue. Obviously written at the last minute and immediately after hearing of Mrs. Castle's statement, the editorial declared in part:

"So private practice will be subjected to a pincer attack—excluded from the N.H.S. and corralled outside it. Is the Government frightened that too many consultants will opt for private practice? Surely this restrictive approach, clearly influenced by trade union attitudes, may persuade many of them [i.e., the consultants] that their future lies abroad. . . . The lesson to the profession, whose representatives had 30 minutes' warning of the Government's policy declaration, will be that militancy pays."

The possibility looms, in short, that the settlement of the spring of 1975 may have provided for a truce in the war between physicians and the government not a lasting settlement. For if the British medical profession concludes in the *Journal's* phrase, "that militancy pays," then the logical corollary may well be that the profession was not militant enough between January and April, 1975, and laid down its weapons too soon and much too cheaply.

FOOTNOTES

[1] *The Lancet*, Nov. 24, 1973, p. 1197.
[2] Scott BO: "Cost of Living and the Review Body," *British Medical Journal*, March 15, 1975, p. 630.
[3] Woodcock PH: "Trade Union Tactics," *Ibid.*, Sept. 21, 1974, p. 744.
[4] "Parliamentary Committee on Expenditure," *Ibid.*, Sept. 14, 1974, p. 697.
[5] *The Times* (London), Feb. 6, 1975.
[6] "Elderly Emigrants," *The Lancet*, Sept. 21, 1974, p. 710.

A DECLARATION OF COMMON SENSE

Mr. ABOUREZK. Mr. President, we are all caught up in the excitement of celebrating our Nation's Bicentennial. Certainly one of the most fitting tributes to our revolutionary struggle and 200 years of independence is Senator McGOVERN's suggestion that we issue a "Declaration of Common Sense." Mr. President, I ask unanimous consent that Senator McGOVERN's article about this declaration, which appeared in The Nation on July 19, 1975, be printed in the RECORD.

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

A DECLARATION OF COMMON SENSE

(By Senator GEORGE McGOVERN)

1976 is the Bicentennial anniversary of the Declaration of Independence which set the American nation on a revolutionary course toward national independence and personal freedom. For two centuries we have asserted the propositions of human equality, the sanctity of life, the blessings of liberty and the pursuit of happiness. These liberating ideals not only fueled a revolution; they raised standards of national measurement so high that they are not likely to be fully realized. Thus, we live with a continuing, unfinished revolution that challenges each succeeding generation.

The Declaration of Independence and the revolutionary struggle it described represent neither a static document nor a completed historical event. Instead, these dynamic principles comprise a never ending, always changing call to the nation to give direction and purpose to its historical process by applying enduring principles to contemporary conditions. As Woodrow Wilson wrote in 1913: "The Declaration of Independence is of no consequence to us unless we can translate its general terms into examples of the present day. It is not a theory of government, but a program of action. Unless we can translate it into questions of our own day, we are not worthy of it."

Thomas Paine attempted in his day to translate the gospel of liberty into a plea for public action by means of a series of

essays entitled *Common Sense*. Paine recognized that his calls for revolutionary change were "not yet sufficiently fashionable to procure them general favor. . . ." Cognizant of the resistance to change of established power and practice, Paine noted that "a long habit of not thinking a thing *wrong* gives it a superficial appearance of being *right*, and raises at first a formidable outcry in defense of custom. But," he wrote, "the tumult soon subsides. Time makes more converts than reason."

In the 1960s, many frontal assaults were launched in America against practices that contradicted the nation's integrity. The ramparts of racism, prejudice and poverty were assailed on a scale that approached civil war. Simultaneously, millions of Americans were mobilized to oppose a war in Southeast Asia that insulted fundamental precepts of decency and dignity. Those efforts were often clumsily orchestrated and erratically led, but they grew out of America's revolutionary and constitutional ideals and they represent our best hope for a future based on common sense rather than neurotic dreams of power and glory.

It is worth noting that the decade of the 1960s began with a farewell warning by President Eisenhower that the nation was falling into the clutches of an unprecedented "military-industrial complex." That warning has not been heeded by any subsequent President or Congress. Presidents Kennedy and Johnson did, however, seek to advance the *domestic* rights of the American people within the confines of an exhausting, self-defeating, militaristic foreign policy. We must hope that the 1960s have taught us that it is not possible to maintain domestic tranquillity while pursuing a course of interventionism and militarism that dissipates our ideals and resources abroad.

We must also hope that the first half of the 1970s has taught us that politics and foreign policy, when separated from the nation's constitutional principles, can lead only to political and economic despair. If these lessons are now being perceived, perhaps in the spirit of Thomas Paine's memorable call for "common sense" of 1776, it is appropriate to propose "A Declaration of Common Sense" for 1976. What are the propositions such a declaration would include?

First, America's influence in the world is dependent more upon the power of our example as an enlightened, humane democracy than upon the force of our arms. If America is to be a witness for what is worthy and noble in human affairs, we must draw upon the basic economic, political and spiritual sources of national power. Conversely, we must avoid excessive militarism, mindless intervention and clandestine disruption of the affairs of other nations. Never again should American forces be committed abroad without full debate and careful judgment by the Congress of the United States.

A decent respect for the opinions of mankind requires recognition that all human beings on this planet are creatures of equal worth, needing the respect and love of their fellow humans. This, in a sense, is a declaration of *interdependence*. Just as thirteen colonies once pledged together their lives, their fortunes and their sacred honor, we must now realize that life and fortune and honor depend upon the assent and cooperation of people around the world. It is not common sense to organize the world in armed camps and rival commercial blocs. Rather, it is the course of common sense for vast national arsenals and armies to be reduced and coordinated in an international peacekeping power under the auspices of the United Nations. Peace between Americans and Cubans, Arabs and Israelis, Turks and Greeks, Russians and Chinese depends not upon the size of national arms but upon a recognition of their mutual dependence and the superior claims of international law.

Thus, in 1972 I called upon America to lead the way to a new agenda of peace and public investment by converting excessive military spending to such constructive purposes as efficient public transportation and urban reconstruction. It was my view that this conversion from military overkill to needed public investment could proceed at a rate of $10 billion a year over the course of three years. That is even more strongly my view today. We will create more jobs, with less inflation and with greater service to our people, if we proceed on a common-sense basis to convert the excess in the arsenals of war to the works of peace. A common-sense military budget designed for a foreign policy based on international peacekeeping and interdependence can make us a stronger, more secure and happier nation.

Second, "A Declaration of Common Sense" calls us to recognize that we and our fellow human beings are stewards of the world's finite resources of air, water, land and minerals. Responsible stewardship requires an appreciation not only of the fragile and limited character of resources but of the need to employ their fruits for the benefit of all persons, including those who will follow us in future generations.

There is only a limited supply of energy in the world to fuel our machines and to feed our bodies. Thus, the production, distribution, pricing and management of fuel and food is a matter of primary importance in human affairs. America is uniquely endowed to lead the way toward common-sense international agreements on the wise use of fuel, food and other commodities. Economic warfare, environmental neglect, short-term exploitation and mindless population growth are the great enemies of mankind. None of these enemies can be conquered either by isolated national efforts or by indecision and drift. They can all be resolved if we act from a clear recognition of global interdependence and responsible stewardship.

Third, America must nurture its own great human and physical resources by constructing a new agenda based on wise public investment, fair taxation and just economic order. We must provide a job opportunity for every citizen who is capable of working, even if this involves substantial public investment in constructive enterprises. For example, the nation needs to rebuild its antiquated rail system and to construct clean, efficient public transit systems in our cities. These projects will probably require public financing and development, but they will provide countless jobs for those who are now idle. For those who are unable to work, we should develop a simple, automatic income insurance policy to replace the existing patchwork of welfare, food stamp and public assistance programs.

The rallying cry of the American Revolution—"No taxation without representation"—must now become "No taxation without justice." Taxation, if properly constructed, is the privilege of a free citizen, who should be taxed according to ability to pay—not on the basis of special-interest concessions and unfair shifting of the tax burden.

And if our "free enterprise system" is to be truly free, it must be liberated from the grip of monopoly. The steadily growing concentration of economic power must be reversed by an honest enforcement of our antitrust statutes. Beyond this, workers must be liberated from needless danger to life and limb, or from discrimination based on sex or prejudice in any form.

These are some of the elements I suggest for the consideration of my fellow citizens that might comprise "A Declaration of Common Sense for the Bicentennial."

CONFERENCE ON SECURITY AND COOPERATION IN EUROPE

Mr. FANNIN. Mr. President, for 2½ years, deliberations have been in progress toward a conclusion of the Conference on Security and Cooperation in Europe. This concept of world order, which originated in the Soviet Union in 1954, will be given the status of an international agreement when a concluding document is signed in Helsinki, Finland on July 30 of this year.

While this document is not binding and is only a statement of intent, it nevertheless gives the appearance of Western acceptance of the Communist concept of post-World War II Europe. This Soviet concept does not perceive countries of the Baltic and Balkan regions of Eastern Europe as captive nations but as Russian territory. The Conference agreement with the signatures of Western European nations, the United States and Canada among others, will stamp approval on the status quo in East Europe. Certainly, the Soviet Union will interpret this document to mean that captive nations no longer have any independent existence separate from their antagonistic superpower neighbor. Following up after the Conference, the Russian propaganda machine will undoubtedly spew out Western concurrence at Helsinki as justification for tighter controls in East Europe and destruction of any displays of nationalism in that area of the world.

The whole world has changed since 1945 and the end of World War II. Progress has been made in every corner of the world through development of social, economic, technological and defense programs. This progress must be used to foster human rights and improved economic conditions. I am afraid, Mr. President, that in the case of the captured nations, it is being used to subjugate national minorities and to appropriate adjacent territory.

American policy should not be so blind as to ignore changing situations and political realities in Eastern Europe. The Soviet Union is undoubtedly the dominant power there and it must be dealt with in terms of its strength. Certainly we must realize that the captive nations are not in a position, militarily or politically, to force the Soviet Union to treat them as sovereign equals. They need the moral support of the West. Ever since the end of World War II this combination of Eastern European countries and Western conscience has been sufficient to deter total incorporation of these nations into the U.S.S.R. It has not been enough to force Soviet acceptance of their inherent right to independence. It is my concern that a Helsinki agreement will go the final step in giving international approval to the Soviet idea of Eastern Europe as an extension of Mother Russia.

The inherent danger in signing such an agreement is that the United States will assume that peace in the world is at hand.

The final document from the Confer-

ence on Security and Cooperation in Europe will not assure peace. In the first place, it is a non-binding agreement; in the second place, it is subject to independent interpretation by the 35 nations which participated in constructing the document. It seems to me that this agreement will contain many of the same problems the United Nations Charter and Declaration of Human Rights has encountered. It is obvious that the United Nations is not working as the peace keeping organization it was intended to be. There is no reason to believe that a mere Conference document will be instrumental in bringing an era of peace to the world.

The United States cannot use the Conference agreement as an excuse to relax the constant vigilance that is necessary to keep open the possibility of peace in the world. We must understand the philosophies upon which national and international goals of our enemies and allies are based in order to assume the responsibilities we have inherited as the leader of the Western world. To understand the Communist principles behind such terms as peaceful coexistence and détente is to reject them since they spell certain disaster for free enterprise, human rights and freedom of expression which is central to our way of life.

Mr. President, it is my belief that we must not let the desire to attain a true relaxation of international tensions inhibit our duty to protect the principles which are the basis of our national existence. Détente should not blind us to the realities of the power and ambition of the Soviet Union. To me, détente is the use of negotiation rather than military force in settling disagreements between the free world and the Communist countries. However, détente does not mean surrender of our principles for the sake of maintaining friendly relations with the Communist world. Captive Nations Week provides a perfect opportunity to caution the U.S. Government as well as the rest of the free world to be extremely cautious about agreeing to a document in Helsinki on Security and Cooperation in Europe which contains broad ranging concepts involving the existing and proposed status of international relationships in Europe.

Mr. President, I wholeheartedly support the Senate joint resolution on the Europeon Security Conference.

CONGRESSIONAL LEADERSHIP FOR SATELLITE EDUCATION EXPERIMENTS AND DEMONSTRATIONS

Mr. MOSS. Mr. President, when taking up the conference report on the Education Division and Related Agencies Appropriation Act, 1976, H.R. 5901, on Thursday, July 17, 1975, the distinguished Senator from Washington (Mr. MAGNUSON) said:

There are two items of special interest which we hope will help improve the National Institute of Education. The first deals with educational laboratories and centers. The conferees agreed to Senate language which would continue the centers at or near last year's level. It is our intention that existing centers be allowed to compete for funds on an open, fair basis.

In another area, it is our intention that $5 million of the NIE appropriation be used to continue satellite communication experiments and demonstrations, using the soon-to-be-launched communications technology satellite and other satellites such as the applications technology satellite. Senator Stevens and myself feel very strongly about this. It appears to be a good, sound investment of NIE time and effort. More importantly, this will result in the education community reaping the benefits of technology.

The Senator from Alaska (Mr. STEVENS) also made a strong statement supporting the continuation of education experiments and demonstrations by the National Institute of Education on the Communications Technology Satellite, to be launched in December, and on the existing Applications Technology Satellites.

Mr. President, I could not agree more with my colleagues. It is a "good and sound investment" for the National Institute of Education to pursue a strong program in the use of technology to bring educational services to the people of this country. The Government has invested millions of dollars in experimental communications satellites and the Senator from Washington and the Senator from Alaska and the Appropriations Committee are right when they urge and direct an agency of the Government to use these satellites for experimental and demonstration purposes so that the benefits of technology can reach the people. I hope that the committee has been heard by the National Institute of Education and its new director, and that NIE will pursue a strong program using these communication satellites for experimental and demonstration purposes.

Mr. President, I commend the Committee on Appropriations for its forthright action in stating its intention that the National Institute of Education pursue these educational satellite experiments and I congratulate the Senator from Washington and the Senator from Alaska for their leadership.

CAPTIVE NATIONS WEEK

Mr. BEALL. Mr. President, the week of July 13 to 19, 1975, marks the 17th observance of Captive Nations Week. Since President Eisenhower proclaimed the first Captive Nations Week in 1959, three additional nations have slipped behind the Iron Curtain. Two of these three nations, Cambodia and South Vietnam, have fallen to Communist expansionism in 1975. Mr. President, I ask unanimous consent that a list of the captive nations be printed in the RECORD at this point in my remarks.

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

Captive nations and peoples

Armenia	1920
Azerbaijan	1920
Byelorussia	1920
Cossackia	1920
Georgia	1920
Idel-Ural	1920
North Caucasia	1920
Ukraine	1920
Far Eastern Republic	1922
Turkistan	1922
Mongolia	1924
Estonia	1940
Latvia	1940
Lithuania	1940
Albania	1946
Bulgaria	1946
Yugoslavia (Serbs, Croats, Slovenians, etc.)	1946
Poland	1947
Romania	1947
Czecho-Slovakia	1948
North Korea	1948
Hungary	1949
East Germany	1949
Mainland China	1949
Tibet	1951
North Vietnam	1954
Cuba	1960
Cambodia	1975
South Vietnam	1975

Mr. BEALL. Mr. President, there is a continuing instability in many regions of the world which bode ill for the free world. As our U.N. Ambassador Moynihan has noted in a recent speech, liberal democracies are being replaced by totalitarian regimes and there is little if any evidence of a trend in the other direction.

In light of the defeat our policy has sustained in Southeast Asia, the continuing instability of the Middle East, and the grave uncertainties surrounding future developments in Cyprus, Greece, Turkey, Spain, Italy, India, Portugal, Angola, Argentina, and so forth, I believe it is safe for us to conclude that the international environment is neither stable nor conducive to American interests. Whenever the international environment becomes conducive to our national interest our security is adversely affected. Thus I believe that we must continue to bear the burden necessary to maintain a strong and unassailable military posture.

I believe that a strong America and a strong free world will not only help to contain future Communist expansion but will serve as a source of hope for the millions of people now living behind the Iron Curtain.

I would hope that whenever we enter into an agreement with any of the Communist nations we would seek concessions designed to make it more difficult for them to maintain the repressive domestic policies they have pursued in the past. Our objectives could include a freer exchange of ideas and people, freer emigration, prohibition on jamming, and other similar measures. By pursuing such a policy, we could also increase the security of the United States and the free world by making it more difficult for our adversaries to pursue their military and expansionistic objectives.

I think all Americans might reflect upon your importance of Captive Nations Week to people on both sides of the Iron Curtain. To those citizens of the nations which have fallen to Communist aggression, Captive Nations Week holds out the hope that they have not been forgotten in their continuing struggle to regain there freedom and independence. To the people of the United States and the free world, it is a time each year for

us to reflect on just how precious, valuable, and fragile our freedoms are and how important it is for us to be vigilant in the defense of them.

REA POLICY

Mr. ABOUREZK. Mr. President, on April 10, I participated in a discussion in the Senate on a proposed policy of the Rural Electrification Administration that would have increased interest rates on loans for generation and transmission cooperatives from 5 percent to about 8 percent. The policy proposal was that loans for wholesale power cooperatives would, with a few exceptions, not be made from a revolving fund established by the 1973 amendments to the REA Act, but rather be guaranteed by that agency at the market rate of interest.

Mr. David A. Hamil decided, wisely, to withdraw this policy recommendation.

The reason for that policy, Mr. Hamil said, was to make "maximum amount of REA insured loan funds available for the financing of electric distribution facilities."

Senator GEORGE MCGOVERN, on April 30, conducted oversight hearings concerning this proposed policy change. He commented on that occasion:

The revolving fund amounts to billions of dollars, enough that REA is continuing to lend from it without revolving any of the mortgages to replenish the f nd. At this time and in the foreseeable future, availability of money in the revolving fund is no problem. If there is any scarcity it is one that is arbitrarily imposed by the Administration, like an impoundment of appropriated funds.

The Congress is now considering the appropriations bills for REA for fiscal year 1976.

Those appropriation bills make recommendations on the amount of insured loans to be made. The House bill recommends not less than $750 million nor more than $900 million for electric loans and not less than $250 million for telephone loans.

Because of higher operating costs, more cooperatives are now eligible for the 2 percent loans than when the new program was established in 1973. So that all of us may know the exact status of the revolving fund, I requested the General Accounting Office to report to me on its status. GAO supplied me a series of schedules provided to it by the REA. I was surprised to learn that the fund has grown since it was established. When the fund was established on May 11, 1973, it was $7,792,839,918. On May 31, 1975, it was $8,162,745,160. This additional $370 million in the revolving fund is irrefutable evidence that Senator MCGOVERN is correct in his appraisal that "at this time and in the foreseeable future availability of money in the revolving fund is no problem."

Also available to the REA Administrator is approximately $366 million of appropriated funds, money in addition to that which the Administrator has available through the revolving fund.

Mr. President, I ask that unanimous consent that five schedules provided GAO by REA showing the status of the revolving fund and other information concerning operation of this agency since 1973 be printed in the RECORD.

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

UNITED STATES DEPARTMENT OF AGRICULTURE—RURAL ELECTRIFICATION ADMINISTRATION

RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND—COMPARATIVE BALANCE SHEETS

	May 11, 1973	June 30, 1973	June 30, 1974	May 11, 1975
ASSETS				
Cash	$298,225,485	$247,592,512	$163,290,343	$187,212,504
Receivables:				
Notes and bonds	6,494,449,847	6,566,528,607	7,195,768,528	7,775,120,767
Interest	104,233,111	100,659,083	97,070,107	92,064,889
Less: Allowance for losses	(9,940,000)	(10,265,000)	(11,653,000)	(11,653,000)
	6,588,742,958	6,656,922,690	7,281,185,635	7,855,532,656
Funds available on Treasury Notes to cover undisbursed balance of electric and telephone loans under secs. 4, 5, and 201 loans	845,871,475	845,871,475	445,771,475	0
Class A capital stock of RTB	60,000,000	60,000,000	90,000,000	120,000,000
Total	7,792,839,918	7,810,386,677	7,980,247,453	8,162,745,160

	May 11, 1973[1]	June 30, 1973	June 30, 1974	May 31, 1975
LIABILITIES AND GOVERNMENT EQUITY				
Liabilities:				
Notes payable to U.S. Treasury:				
Advanced	$6,562,642,068	$6,562,642,086	$6,963,336,068	$7,409,107,543
Unadvanced	845,871,475	845,871,475	445,771,475	0
	7,408,513,543	7,408,513,543	7,409,107,543	7,409,107,543
Government equity	384,326,375	401,873,134	571,139,910	753,637,617
Total	7,792,839,918	7,810,386,677	7,980,247,453	8,162,745,160

[1] Assets, liabilities and Government equity transferred to the Fund at date of establishment.

RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND—PRINCIPAL AND INTEREST PAYMENTS BY REA BORROWERS, FISCAL YEARS 1973 TO 1975

	Fiscal year 1973			Fiscal year 1974			Fiscal year 1975[1]		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
U.S. total:									
Electric program	$179,199,479	$103,803,621	$283,003,100	$182,061,900	$113,084,468	$295,146,368	$179,998,407	$125,978,782	$305,977,189
Telephone program	4,704,787	29,625,076	71,329,863	45,986,053	31,159,283	77,145,336	45,947,575	31,524,143	77,471,718
Total, United States	220,904,266	133,428,697	354,332,963	228,047,953	144,243,751	372,291,704	225,945,982	157,502,925	383,448,907
South Dakota:									
Electric program	4,366,077	2,024,436	6,390,513	4,433,702	2,031,153	6,464,855	3,713,111	1,721,129	5,434,240
Telephone program	881,718	673,758	1,555,476	954,225	709,536	1,663,761	782,459	611,034	1,393,493
Total, South Dakota	5,247,795	2,698,194	7,945,989	5,387,927	2,740,689	8,128,616	4,495,570	2,332,163	6,827,733

[1] Through May 31, 1975.

Note: Includes payments made through reduction of advance payment balances.

RURAL ELECTRIC AND TELEPHONE BORROWERS—ASSETS AND NET EQUITY AS OF DEC. 31, 1974

Program	Borrowers reporting	Assets	Net equity
U.S. total:			
Electric:			
Distribution borrowers	927	$6,786,435,026	$2,237,008,646
G & T	41	2,442,602,586	170,300,294
Total	968	9,229,037,612	2,407,308,940
Telephone	851	3,213,801,374	723,619,459

Program	Borrowers reporting	Assets	Net equity
South Dakota:			
Electric:			
Distribution borrowers	32	$119,101,085	$33,969,163
G & T borrowers	2	30,010,614	5,516,409
Total	34	149,111,699	39,485,572
Telephone	16	44,883,044	3,701,499

REA INSURED LOANS BY TYPE OF BORROWER AND INTEREST RATE, FISCAL YEARS 1973 TO 1975

[Dollars in thousands]

Insured loans by type of borrower	May 12 to June 30, 1973			Fiscal year 1974			Fiscal year 1975		
	2 percent	5 percent	Total	2 percent	5 percent	Total	2 percent	5 percent	Total
U.S. total:									
Electric:									
Distribution	(32)$15,151	(243)$198,015	(275)$213,166	[1] (118)$65,510	(364)$347,563	[1] (423)$413,073	(134)$105,000	(423)$398,457	(557)$503,457
G & T	(12) 176,834	(12) 176,834			(12) 205,521	(12) 205,521		(22) 196,543	(22) 196,543
Total, electric	(32) 15,151	(255) 374,849	(287) 390,000	[1] (118) 65,510	(376) 553,084	[1] (494) 618,594	(134) 105,000	(445) 595,000	(579) 700,000
Telephone	(29) 33,984	(31) 55,016	(60) 89,000	(58) 55,193	(66) 84,807	(124) 140,000	(56) 70,000	(86) 129,939	(142) 199,939
Total, United States	(61) 49,135	(286) 429,865	(347) 479,000	[1] (176)120,703	(442) 637,891	[1] (618) 758,594	(190) 175,000	(531) 724,939	(721) 899,939
South Dakota:									
Electric:									
Distribution	(5) 1,914	(1) 254	(6) 2,168	[1] (14) 8,266	(2) 1,171	[1] (16) 9,437	(17) 12,976	(3) 2,317	(20) 15,293
G & T								(1) 1,988	(1) 1,988
Total, electric	(5) 1,914	(1) 254	(6) 2,168	(14) 8,266	(2) 1,171	(16) 9,437	(17) 12,976	(4) 4,305	(21) 17,281
Telephone	(4) 3,447	(1) 76	(5) 3,523	(6) 3,182		(6) 3,182	(8) 7,549		(8) 7,549
Total, South Dakota	(9) 5,361	(2) 330	(11) 5,691	[1] (20) 11,448	(2) 1,171	[1] (22) 12,619	(25) 20,525	(4) 4,305	(29) 24,830

[1] Includes 1 sec. 4 direct loan for $594,000.

Note: Figures in parentheses represent the number of loans approved in each category.

REA LOAN GUARANTEE COMMITMENTS, FFB LOAN COMMITMENTS AND FFB LOAN ADVANCES

[Dollars in thousands]

Program	May 12 to June 30, 1973			Fiscal year 1974			Fiscal year 1975		
	REA loan guarantee commitment	FFB loan commitment	FFB loan advances	REA loan guarantee commitment	FFB loan commitment	FFB loan advances	REA loan guarantee commitment	FFB loan commitment	FFB loan advances
U.S. total:									
Electric:									
Distribution borrowers									
G & T borrowers				(6)$974,433			(10)$1,206,343	(14)$1,976,151	$249,237
Total, electric				(6) 974,433			(10) 1,206,343	(14) 1,976,151	249,237
Telephone							(35) 200,000	(14) 76,324	5,529
Total, United States				(6) 974,433			(45) 1,406,343	(28) 2,052,475	254,766
South Dakota: (There have been no loan guarantee commitments to South Dakota borrowers.)									

Note: Figures in parentheses represent number of commitments.

THE NIGHT BILLY REGAN MADE THE TEAM

Mr. PROXMIRE. Mr. President, the American way, it is said, is to root for the underdog. We are competitive. We like winners. But we—at least we like to think so—can understand the guy who cannot make it, but tries hard.

Coach Marty Crowe, of JFK Prep in St. Nazianz, Wis., has written an essay about just such a dedicated loser, Billy Regan. The Capital Times of Madison, Wis., ran the piece on July 14.

It is more than a tribute to the Billy Regans of this country. It is more than the lumps in the throats of many unsung coaches and teachers.

Without saying so, Marty Crowe has given an affectionate pat to the backsides of five JFK varsity players plus many unknown other young people around the country who really do get something more from sports than visits and tempting offers from recruiters.

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:

THE NIGHT BILLY REGAN MADE THE TEAM

(By Marty Crowe)

Billy Regan was a nine-minute miler.

Every man who has ever coached knows the type. Comes out for everything. Can't do anything. But a great and wonderful kid. He will never quit. (Sometimes, for once, you wish he would.) He gives all that he has but it's never going to be enough.

Like that last night of football practice his senior year.

It's a quiet time. The guys realize, all at once, that a special part of their lives is over. It will not come again. So after practice it's a long, quiet walk in the early dark of late October in to the dressing room. Nobody says very much.

The boy ahead of me was walking alone—and slow. I passed him and I saw that it was Billy Regan. I wonder how he felt that night. The four years of desperate trying over now. The dream, at long last, finally dead.

Oh, I'd tried to play him once but it was just no go. He was so small and so unskilled but so determined that when the ball was snapped he'd begin to thrash his arms around. Wildly.

"Fifteen yards!"

"Huh?"

"Unnecessary roughness!"

How ridiculous can you get? Roughness! Billy Regan was the gentlest boy on the team. But again the ball is snapped and again Billy wildly swings his arms.

"Fifteen yeards!"

We had to get him out of there. And that was as close as Billy ever came to making the team. It didn't seem fair somehow. A boy with that much dedication and grim perseverance. But what the hell. Like I say, every coach has had a Billy Regan. Every teacher has had one in his class.

The guys took their showers slowly that night. And it was quiet. One by one, they finished dressing at last and slipped out the door for the final time and were gone. After a while, there were just five guys left in the room. Plus Billy, of course. He took his shower and he was the last one. Then he began to put on his clothes.

He almost made it.

By that time I knew something was up. The five guys were—waiting around. They could have left—but they hadn't. Five seniors. Regulars. The stars of the team.

Billy had everything on but his shoes when they made their move. Without a word, they walked over and grabbed him by the arms and legs. They carried him into the shower—clothes and all—and turned the water on and left him there.

Then, still with no word at all, they came out, went through the door—and were gone.

It was quite a while before Billy come out of that shower. And it took him a while to get the wet clothes off. When he came over to the equipment cage he held up the wet clothes—and I gave him a sweatsuit to go home in.

And the tears were shining in his eyes.

But those were tears of wonder, man. Tears of glory. Magic. Choose your word. And I was privileged to be there. As a teacher and a coach, I had the honor that night to be there when five guys on the ball club saw to it that Billy Regan made the team.

"Night, coach."

"Good night, Bill."

"And . . . thanks."

"Okay."

And he was gone.

Sure his mother called the principal that night and gave him Royal Canadian hell. And sure, he called me and passed it on.

But who cares.

I saw Billy Regan make the team . . .

A teacher's career is crowded with little things like that. Moments that light up his life. A guy in this profession should be grateful for that. Maybe, even, some night on his knees.

I go along with those teachers in convention in L. A. I am for a better salary scale—and all of that. But a teacher can get lost if he's not careful. There's more to this job than money. There are all the dreams we all had. Once. There's the chance to help and the chance to care. There's the chance just to be there when a boy needs somebody. There.

I keep thinking of that story of the well-off businessman watching the old nun working, under incredibly unpleasant conditions, with the very sick and the very poor. The place looks bad and it smells worse.

"I wouldn't do this for a million dollars!" the man says.

"Neither would I" replies the nun.

And I guess, in there somewhere, is something of what I've been trying to say.

CONGRESS WELCOMES ALEXANDR SOLZHENITSYN

Mr. BIDEN. Mr. President, Alexandr Solzhenitsyn, a Nobel Prize winner for literature, was welcomed at a congressional reception held in his honor in the Senate caucus room on Tuesday, July 15, 1975.

I am pleased to have played a role in his coming to talk to us, so we could convey our appreciation for his courageous actions on behalf of human rights.

In his remarks, Mr. Solzhenitsyn, a victim of Soviet oppression, but now in exile, said:

Whether or not the United States so desires, it stands at the peak of world history and takes the leadership if not of the whole world, then of at least a good half of it. The United States has not had a thousand years to train for this. Maybe the 200 years of your existence has been time to weld together a sense of national awareness. The load of obligations and responsibilities has fallen on you unbidden.

I hope the United States can live up to this challenge and we can continue to provide leadership for the free world.

Mr. President, I ask unanimous consent that Alexandr Solzhenitsyn's remarks to Members of Congress be printed in the RECORD.

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

SPEECH BY ALEXANDR SOLZHENITSYN

Here, in the Senate Office Building, I must begin by saying that I have in no way forgotten the signal, and even exceptional, honor paid me by the United States Senate in twice endeavoring to declare me an honorary citizen of the United States.

I interpret this to mean that you have in mind not just myself as a person, but the millions of my fellow countrymen who have been deprived of rights, and even those in the other communist countries—those millions who have never been able, and are still unable, to express their opinions in the press, in parliaments, or at international conferences.

In conveying to you my gratitude for the decisions of the United States Senate relating to myself, I am even more conscious of my responsibility as representative of those others—a responsibility almost too burdensome for the shoulders of a single human being. But since I have never lost sight of the suffering, the striving, and the yearnings of those other voiceless millions, and have had no other aim in life than to give voice to them, this has lent me strength for my public appearances in this country and for my appearance before you here today. There are as yet few back there, in the communist countries, who speak out, but millions understand how loathsome and repulsive the system is. Whoever can do so "votes with his feet," simply fleeing from this mass violence and extermination.

Here today I see not only members of the Senate, but also a group of Representatives. Thus, I am speaking for the first time to participants in your country's legislative process whose influence in recent years has spread well beyond the limits of American history alone.

In virtually every respect of our Russian historical experience has been almost the opposite of yours. Our enormous sufferings in the twentieth century have made this Russian experience a bitter example, one which is too overwhelming, one which—as it were—comes to you from the future. Hence it is the more needful that we convey to one another our mutual experiences—persistently and with complete sincerity. One of the most terrible dangers of the present day is precisely that the destinies of the world are tangled together as never before, so that events or mistakes in one part of the world are immediately felt in all the others. At the same time the exchange of information and of opinions between populations is blocked by iron barriers on the one side, while, on the other, it is distorted by distance, by misinformation, by narrowness of outlook, or through deliberate misinterpretation by observers and commentators.

In my few addresses here in your country I have attempted to break through that calamitous wall of ignorance or of unconcerned arrogance. I have tried to convey to your countrymen constrained breathing of the inhabitants of Eastern Europe, in these very weeks when an amicable agreement of diplomatic schovels will bury and pack down bodies still breathing in a common grave. I have tried to explain to Americans that 1973, the tender dawn of detente, was precisely the time when the starvation rations in the prisons and concentration camps of the USSR were made even skimpier while in the very most recent months, when more and more Western speechmakers were pointing to the beneficial consequences of "detente", the Soviet Union put the finishing touches on an even more novel and important improvement in its system of punishment: retaining their undying primacy in the invention of forced labor camps, the Soviet jailers, have now established a novel form of solitary confinement—forced labor in the solitary cells—cold, hungry, without fresh air, without sufficient light, and working according to impossible output norms. And failure to fulfill is punished by confinement under even more brutal conditions.

Alas, such is human nature that we never feel the sufferings of others until we ourselves have to share them. I am not certain that in my addresses here I have succeeded in conveying the breath of that terrible reality to American society which is complacent in its prosperity. But I have done what I was bound to do, and what I could. So much the worse if the justice of my warnings becomes evident only some years hence.

Your country has just recently passed through the extended ordeal of Vietnam, which so exhausted and divided your society. I can tell you with confidence that this ordeal was the least of the long chain of similar trials which awaits your country in the near future.

Whether or not the United States so desires, it stands at the peak of world history and takes the burden of leadership if not of the whole world, then of at least a good half of it. The United States has not had a thousand years to train for this. Maybe the 200 years of your existence has been time to weld together a sense of national awareness. The load of obligations and responsibilities has fallen on you unbidden.

That is why you members of the Senate and of the House of Representatives, each one of you, is not just an ordinary member of an ordinary Parliament—you have been elected to a particular position in the contemporary world. I would like to convey to you how we—the citizens of the communist countries look upon your words, deeds, proposals, and enactments—as brought to us over the radio sometimes with warm approval and sometimes also with horror and despair. But we never have a chance to respond out loud.

Perhaps some of you, in your minds, still feel yourselves just representatives of your state or party—but we from over there, far away from here, the whole world itself, does not perceive these differences. We do not look upon you as Democrats or Republicans, not as representatives of the East or West coast or the Midwest, we see you as figures upon each of whom depends whether the course of world history will tend to tragedy or salvation.

In the oncoming combination of a world political crisis with a shift in the spiritual values of a humanity exhausted and choked by the existing false hierarchy of values you or your successors in the Capitol will have to confront, and are confronting today, tasks which are immeasurably greater, incomparably greater, than the petty calculations of diplomacy, the inter-party struggle, or the clash between President and Congress. There is no choice but to rise to the tasks of the age.

Very soon, only too soon, your state will have need not only of exceptional men but of great men. Find them in your souls. Find them in your hearts. Find them in the heart of your country.

THE GENOCIDE CONVENTION AND THE FIRST AMENDMENT

Mr. PROXMIRE. Mr. President, today I intend to continue my examination of arguments that have been raised in opposition to ratification of the Genocide Convention.

A popular argument against ratification was one brought up by members of the Committee on Foreign Relations and by the American Bar Association:

Article III (c) of the Convention concerning "direct and public incitement to commit genocide" violates freedom of speech and press in the United States.

There is no basis for such a concern. The convention does not abridge the first amendment. There has never been unrestrained freedom of speech here in the United States or anywhere else in the

world. Incitement has a definitive meaning in American law and under this meaning, has often been made a punishable offense. By our law, criminal acts include incitement to riot, to murder of officials and to mutiny. The convention only seeks to apply the same principles to acts of genocide. Moreover, the Genocide Convention provides that the contracting nations enact legislation to make the convention effective "in accordance with their respective constitutions."

Among those citing this case is the American Civil Liberties Union:

If this Convention did interfere with the First Amendment, the American Civil Liberties Union would be the first one to complain, without regard to whether or not we commend the objectives of the Convention. However, we do not think there is any problem under the First Amendment to the Constitution.

With the clarification of this point, I urge the ratification of the Genocide Convention without further hesitation or delay.

JOSEPH W. HATCHETT NAMED FLORIDA STATE SUPREME COURT JUSTICE

Mr. CHILES. Mr. President, I take this opportunity to extend to newly appointed Florida State Supreme Court Justice Joseph W. Hatchett, my sincere congratulations and to bring to the attention of his appointment to my colleagues in this body.

Justice Hatchett is the first black American to hold such a high judicial office in the South in nearly 100 years and the first ever in Florida.

Acting to fill a vacancy on the State supreme court, Gov. Reubin Askew picked Judge Hatchett from among seven outstanding attorneys and judges recommended by the Florida Supreme Court Nominating Commission.

A native Floridian, Mr. Hatchett graduated from Florida A & M University in Tallahassee and from Howard University here in Washington.

Hank Drane of the Florida Times-Union wrote a fine article on Judge Hatchett's appointment and I ask unanimous consent that it be printed in the RECORD following my remarks.

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

(See exhibit 1.)

Mr. CHILES. Mr. President, I am sure that it is with a great deal of pride that Joseph Hatchett now takes his place in history with William H. Hastie, who was the first black to head a Federal court district, 1937; Ms. Jane Bolin, first black woman judge, 1939; Irwin Mollison, the first black judge appointed to the U.S. Customs Court, 1945; and U.S. Supreme Court Justice Thurgood Marshall, 1967.

I am sure that I express the sentiment of a majority of Floridians when I say that we, too, wish him well.

EXHIBIT 1

[From the Florida Times-Union, July 9, 1975]

ASKEW TAPS HATCHETT AS JUSTICE OF HIGH COURT

U.S. Magistrate Joseph W. Hatchett of Jacksonville, youngest son of a Clearwater fruit picker, was appointed Tuesday as Florida's first black Supreme Court justice and the first in the South since Reconstruction.

Hatchett, 42, was named by Gov. Reubin Askew to fill a vacancy, effective Aug. 30, created by the resignation of Justice David McCain who quit the court in May while under threat of impeachment by the Florida House.

"For a black professional to get ahead, I think he has to have something extra," Askew told reporters in his Tallahassee announcement of the appointment. "I think Mr. Hatchett does."

He was selected by Askew from a list of seven attorneys and judges recommended by the Florida Supreme Court Nominating Commission.

"He is eminently qualified but so were the other six nominees," Askew said.

Hatchett, who was named U.S. magistrate for the federal district court in January of 1971, said he was deeply honored by the confidence of the governor and the nominating commission.

"I am mindful of the great responsibilities that devolve upon a justice of the Supreme Court and I will undertake the tasks of that office with a deep sense of humility and dedication," he said.

Hatchett was born in Clearwater, one of four sons of Mr. and Mrs. John Hatchett. The father, now deceased, was a laborer and fruit picker most of his life. His mother still resides in Clearwater.

Hatchett is a graduate of Florida A & M University in Tallahassee and received his law degree in 1959 from Howard University in Washington.

He practiced law in Daytona Beach for seven years before being named an assistant U.S. attorney here. In 1967 he was named chief assistant U.S. attorney for the Jacksonville office and was appointed as U.S. magistrate in 1971 by the five district judges.

He served two years in the U.S. Army after graduating from Florida A&M in 1954, being discharged as a first lieutenant.

He and his wife Betty, a graduate of Florida A & M and an elementary teacher, reside with their two daughters, Brenda and Cheryl, in the fashionable Harbor subdivision off Ft. Caroline Road.

Askew said Hatchett was highly recommended by U.S. District Judges Gerald Tjoflat and Charles Scott with whom Hatchett works closely in the Jacksonville district court office.

Tjoflat said following announcement of the appointment that Askew appointed a highly qualified lawyer of utmost integrity to the Supreme Court.

"As our magistrate for the past five years, Mr. Hatchett has an enviable record," Tjoflat said, "His reputation has grown to such an extent he is now recognized as one of the finest magistrates in the federal judicial system.

"He will be sorely missed here and his shoes will be hard to fill, but we wish him well."

Scott said by telephone from the Ocala court that he has enjoyed a close working relationship with Hatchett since 1966 and Hatchett has tried many important cases before him as an assistant U.S. attorney.

"In 1970 the judges of the Middle District unanimously selected him as magistrate where he has served faithfully and well. In my opinion he will make an outstanding contribution to the Supreme Court."

Scott said Hatchett's honesty, integrity and character are above reproach and he is held in high regard by lawyers and judges here as well as law enforcement personnel.

"He has patience and understanding as well as judicial temperament and a tremendous amount of good common sense," Scott said.

Askew was asked if he would have appointed Hatchett if the new justice had been white. "That's something I don't have to consider because that's not the case," Askew said, "God made him black."

Askew said at another point he is well aware it will be the first time a black will serve on the Florida Supreme Court.

Hatchett must seek election on his own in 1976 and Askew said he was confident Hatchett could be elected to a full, six-year term.

"I think that once the people have a chance to see him perform they will judge him as an individual and not on his race," Askew said.

Rep. Mary Singleton of Jacksonville, the second black woman ever elected to the Florida Legislature, said she had written Askew urging Hatchett's appointment.

"He's one of the finest men I ever met," she said. "I don't think anyone can cast a stone at him. He is dedicated and capable."

Mrs. Singleton said the appointment is a beautiful example for young people, black and white, "that the system is working and if you deserve it, you can get to the top in any profession."

The six other nominees recommended for the post, of the 51 considered, are former Sen. Fred Karl, Public Counsel Woodie Liles and Appellate Court Judge Guyte McCord, Jr. of Tallahassee; Circuit Judge Howell Melton of St. Augustine; Appellate Court Judge James Walden of West Palm Beach, and attorney Alan R. Schwartz, Miami.

DISENGAGEMENT FROM KOREA

Mr. CHURCH. Mr. President, since serving with distinction as U.S. Ambassador to Japan, Edwin Reischauer has been one of our country's most valued analysts of American foreign policy in Asia. Now, in a June 28 article for the Washington Post, Reischauer urges us not to panic in repeating in Korea the mistakes learned so painfully in Vietnam.

Reischauer points out that today South Korea enjoys superiority over the North in manpower and weaponry and internal unity not known in South Vietnam. Neither China nor Russia shows an inclination to support a North Korean military venture into the South. Moreover, American public opinion is not likely to sanction a repeat performance that would draw us into another Asian war, particularly to defend a government of which it does not approve.

But, Reischauer says, a situation is developing which "over a longer time span may produce conditions like those that proved fatal to South Vietnam." The Park government is using repressive measures which are beginning to build up internal forces of resistance. Economic problems brought on by oil prices and worldwide recession haunt the South Korean economy. It is, therefore, possible that the presence of 40,000 American soldiers near the border could threaten to draw the United States into a future conflict brought on as much by forces internal to South Korea as external.

While it would not be appropriate for the United States to take immediate action, we must begin now to institute a policy of gradual but deliberate disengagement from Korea, one which would be fully understood by our most important friend and ally in Asia, Japan. As Reischauer says:

Now is the time, while the Vietnam dust is settling, to start thinking through this

problem. We should before long have a clear program to present to Park of measured withdrawals of American troops and reductions of military aid until both are entirely gone within a few years.

I support this view and believe we should begin taking the Ambassador's advice. I, therefore, ask unanimous consent that the article, "Korea and Vietnam: The Nonparallels," by Edwin O. Reischauer, be printed in the RECORD.

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

[From the Washington Post, June 28, 1975]

KOREA AND VIETNAM: THE NONPARALLELS

(By Edwin O. Reischauer)

False analogies between Korea and Vietnam originally helped get us into a fundamentally worse situation in Vietnam. Let us not now reverse the process and panic over Korea because of analogies mistakenly drawn with Vietnam.

South Korea simply is not vulnerable at present to the two basic ills that destroyed South Vietnam—the uncertain loyalty of its people, and the resultant possibility for easy penetration and subversion by the North. At present it would require a massive external flow to overthrow the South, and there seems no sign of this happening.

Kim Il Sung, the northern dictator, is trying to take advantage of the sudden collapse in Vietnam to intimidate South Korea, but despite repeated cries of warning, the situation along the border in Korea is in actuality less menacing than at most times during the past two decades. Pyongyang does have more than twice the air strength of Seoul, but this advantage is offset by the presence of American air power in the South, while in ground forces the South outnumbers the North by about 600,000 men to 400,000, with reserves and paramilitary units that give an overall balance of 3 million to less than 2 million.

These figures reflect the facts that the South has more than twice the population of the North (in Vietnam it was the North that was the larger), and both regimes are as completely militarized as any in the world. Pyongyang could not risk war without the strong support of China or the Soviet Union, and both of these seem much more eager to avoid a conflict in Korea than they were in the past.

This may sound reassuring, but it concerns only the false crisis derived from mistaken analogies with Vietnam. Back of this, however, is a real danger that is escaping adequate attention, in part because of the red herring of Vietnam.

It is not an immediate crisis, but rather a situation that over a longer time span may produce conditions like those that proved fatal to South Vietnam. In other words, an ultimate, Vietnam-like debacle may be in the cards for us in Korea unless we start to do something about it soon.

The experiences of the Korean War made the South Koreans the most bitterly anti-Communist people in the world and therefore insured their loyalty to Seoul. But this shows signs of eroding.

There has always been much popular dissatisfaction with the government in South Korea. Despite rapid economic growth in recent years, the discrepancies in wealth were severe and seemed to be growing worse. Corruption in government and business—recently highlighted by the admission of a $4 million bribe to government authorities by the Gulf Oil Corp.—has always drawn much criticism. Except for a brief period in 1960–61 of ineffective Democratic government, Korea's democracy has always been imperfect and incomplete. Individual rights and freedoms were often curtailed.

But at the same time, there was enough individual liberty and democratic participation in government to make people feel that there was sufficient difference from the completely repressive regime of the North to make the South worth fighting to preserve.

This situation, however, has been changing of late. In October, 1972, President Park Chung Hee declared martial law and followed this with a new constitution, which, by giving him the right to appoint one-third of the members of Parliament, reduced that body and all electoral politics to a sham.

He followed this by Draconian measures seriously limiting individual freedoms, including those of political criticism and self-expression, and enforced these with brutal police controls. The opposition forces have been cowed into virtual silence, but hostility and tensions run deep.

Especially among the city dwellers and the better educated, including the bulk of the influential Protestant and Catholic groups, there is a sense of desperation. Student activism may have been successfully repressed; but probably at the cost of creating secret student revolutionaries. Step 1 has been taken toward the making of a Vietnamese situation.

South Korea has recently suffered another blow, this one not of its own making. Korea's dazzling economic record of recent years was based on industrialization and world trade—an incipient replica of the Japanese economic miracle—and therefore the oil crisis that started in the autumn of 1973 dealt Korea a serious blow.

It is particularly dependent on markets in and investments from Japan and the United States, and both these countries have themselves been in recessions. In addition, the picture of an increasingly repressive South Korean regime makes both Japanese and Americans more critical of conditions in Korea, more dubious about its future and less willing to invest there, thus adding to Korea's economic woes. A serious economic downturn could further erode South Korean loyalties.

The deterioration of the political situation in South Korea has also increased doubts about the American commitment to help defend the country. The post-Vietnam mood in the United States is reason enough for such doubts, but they are greatly increased by a picture of a dictatorial and cruelly repressive regime in Seoul, which is repugnant to Americans.

The American commitment is hedged by the phrasing that "In case of an external armed attack" each nation "would act to meet the common danger in accordance with its constitutional processes." Still, the presence of about 40,000 American soldiers as a sort of trip-wire near the border has always made American involvement in a renewed Korean War seem almost automatic.

But this may well not be true, given the popular mood in the United States, as strengthened by the distasteful political actions of Park's government. In other words, the United States has made a commitment reinforced by a military presence that the American people would very possibly be unwilling to live up to. This is indeed a perilous position for the United States to be in.

Park or his successors have only two paths they can follow.

On the one hand, they can smother all political criticism and ruthlessly eradicate all sources of opposition. North Korea, North Vietnam and China itself show the viability of this sort of regime in an East Asian setting though it may be much more difficult to create one on a rightist rather than a leftist ideological basis, as the experience of the Chinese Nationalists suggest. Of course, this road would ultimately lead to the forfeiture of the American military commitment, and probably much of Japanese and American economic support.

The other road would be a return toward a more open society with a growing role for democratic political institutions. High educational levels make such a course perfectly feasible in Korea, and in my judgment it would be by far the better bet, even in stark military terms.

But what should the United States do? The tendency is to sweep the problem under the rug—to leave things alone and pretend the problem does not exist, counting on the improbability of war, at least in the near future, to see us safely through until some still unknown but, it is hoped, better situation develops later on.

In the very short run, this policy is understandable. The shock of the sudden collapse in Vietnam for Americans, Koreans and the world at large makes it wise to let the dust settle a bit before making any decisive new moves in Korea. But such a do-nothing policy cannot be allowed to continue indefinitely, as South Korean loyalties wither and popular American distaste for Korean dictatorship grows.

The defense of South Korea, regardless of the nature of its systems, is not vital to American interests. A defense line in the straits between Japan and Korea has always made more military sense than one in the middle of the peninsula. Aside from our emotional involvement in the well-being of the brave and talented people of South Korea, our only major concern in the area is the adverse impact its fall to North Korea would have on Japan, a nation of very great importance to the United States.

A sudden collapse resulting in part from an American refusal to live up to its commitments might start a nervous Japan back on the road toward remilitarization, or might frighten it into a stance of much less cooperation with the United States on vital shared problems of economics and world order.

If, however, the United States had disengaged militarily from Korea by slow and well understood steps prior to a collapse, the impact might be quite negligible.

Now is the time, while the Vietnam dust is settling, to start thinking through this problem. We should before long have a clear program to present to Park of measured withdrawals of American troops and reductions of military aid until both are entirely gone within a few years—unless the South Koreans find it possible in the meantime to change course again and start moving back to a freer, more democratic system that would better win the loyalties of their own people and the support of the American public.

To avoid damaging shocks both in Korea and Japan, such a program would have to be spread over several years. Although the crisis is not an immediate one, we must start very soon if we are to complete the maneuver before the situation does reach crisis proportions.

The present is also a good time to start forming a longer-range Korean strategy. Korea has all along been a more dangerous threat to world peace than Vietnam, not just because it is a larger and more effectively militarized country, but because of its more strategic location between three of the largest nations of the world—Japan, China and the Soviet Union—with the fourth, the United States, deeply involved in the peninsula for historical reasons.

The surrounding great powers should move toward an agreement to isolate this danger spot from other issues.

What is needed is a four-power agreement between the United States, the Soviet Union, China and Japan that they will not allow disturbances in Korea to spill over to involve them in their relations with one another.

The distrust and hostility between China and the Soviet Union stand in the way of

such an agreement today, as does also the presence of American forces in the South. Such as agreement will not be easy to achieve but it is an obvious goal that the United States should be working toward now.

When achieved, it will not only neutralize one of the most dangerous trouble spots in the world, but may also take some of the tensions out of the situation in Korea itself. It could lead to agreed military limitations between the two Korean regimes, which would be an economic boon to both, and possibly might open the way for ultimate reunification, which is of course the dream of all Koreans.

PRESIDENT RECOGNIZES NEED FOR JUDICIAL SALARY RISE

Mr. ABOUREZK. Mr. President, last week the President of the United States addressed the Sixth Circuit Judicial Conference in Michigan. He spoke of some of the major problems confronting the Federal judiciary at this time.

Included in his remarks were two very important statements. For the first time that I am aware of, the President recognized the need to increase the salary of Federal judges.

I think the President should be complimented on his call for higher salaries. I have already introduced legislation calling for just such an increase, and urge my colleagues to support this needed legislation.

Mr. President, I ask unanimous consent that the full text of the President's remarks be printed in the RECORD.

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

REMARKS OF THE PRESIDENT AT THE JUDICIAL CONFERENCE

Judge Engel, Governor Milliken, Justice Stewart, Senator Bob Griffin, Judge Phillips, distinguished Members of the Congress, my former colleagues in the House, Al Cederberg, Phil Ruppe and Guy VanderJagt; Bishop Dimmick, and an old very dear friend of mine, Judge McAllister and his wonderful wife Dorothy, ladies and gentlemen:

Before I begin, I would like to ask a question of this very distinguished Judicial Conference.

Last Thursday, one of the tires on Air Force One blew out as we were landing in Cleveland and that night a newspaper reported the incident as follows: "Air Force One landed in Cleveland today with a flat tire." (Laughter) "And President Ford stepped out." (Laughter)

And now for the question: Can I sue? (Laughter)

It is a privilege to meet this morning with such a distinguished group of jurists and lawyers from Kentucky, Michigan, Ohio and Tennessee, and obviously I am honored to share the platform with my former law school classmate, Justice Potter Stewart.

It is wonderful to see you, Potter, and we look back, I am sure, from time to time, at those fine days in the Yale Law School.

And I am extremely pleased to see so many families here today, and families of people that I have known so long myself.

I can't help but make an observation and comment about Judge Tom McAllister. I was delighted that Tom was finally accorded the recognition that he should get. The University of Michigan Law School finally gave him his degree (Laughter) after some 55 years of reticence.

And secondly, some of you may or may not know but just a few years ago Tom McAllister was permitted to receive the Legion of Honor from the French Government that he earned in World War I.

And, Tom, it is nice to see you. I can't see where you are sitting.

I think it was in 1936 that Tom ran for the House of Representatives from the district that I had the honor to represent, and he came so close—I think less than 200 or 300 votes—if he had ever won I probably wouldn't be here. (Laughter)

And then I am especially pleased to have been introduced by Judge Albert Engel. His father was a very distinguished Member of the House of Representatives when I first went to the Congress in 1949, and he decided after one—my first term—he decided to seek the Governorship of Michigan.

And he had had a long and very distinguished record on the Committee on Appropriations. And when he left to seek the Governorship, I was fortunate enough to get on the Committee of Appropriations at a relatively early stage in my Congressional career.

I was sorry that Albert didn't get to be Governor, but I was thankful that I was given the opportunity to succeed him on the Committee on Appropriations, and I can only say to you, Albert, your father was one of the outstanding Members of the House of Representatives during my career in the Congress.

Now, despite the importance of the Judiciary, I think we on the outside do recognize that many of the problems that you face and that you tackle go unnoticed and unreported. Too often we pay attention only when Federal court decisions are controversial, or the problems of court management become overwhelming.

You know better than even those of us who look at the statistics, that the case loads in Federal courts have expanded tremendously in the past decade.

Those of you on the Federal bench know personally about the 25% increase in criminal cases, and the 55% increase in civil cases between 1964 and 1974. And I think, with mixed blessings, we recognize that the Sixth Circuit is one of the busiest and most productive and has one of the finest records, according to the statisticians in the country. And I compliment you and congratulate all of you, those on the Circuit Court as well as those in the district courts, for that very enviable record.

You have this impressive record of accomplishment in keeping up with the explosive development of cases in or under Federal jurisdiction, and by all of the experts that I have read you have handled these tremendous responsibilities extremely well.

But I think it is self-evident there is a very serious question how long the Federal Judiciary will be able to function smoothly without additional manpower.

And I can say with emphasis that this Administration strongly supports the recommendations for additional district circuit court judgeships.

Your judicial conferences have said on more than one occasion, the need is there, and legislation has been introduced in both the House and the Senate to provide I think it is 5 or 53 additional Federal judges.

I can assure you personally that I will do all I can to convince the Congress that action is required. I think all of us in this room recognize that you may have to make some division between one group and another in order to get it approved, but I think the overriding interest is in the need for judges.

So, as far as we are concerned, we will work out with those that feel there should be some equal division—and I understand it—so that we can meet the needs of our Federal court system. I think we also have to recognize there is a need for an increase in Federal judicial salaries.

Let me assure you that in the most discreet way the Chief Justice, without violating any Constitutional limitations, has talked to me on several occasions—(Laughter)—has talked to a number of Members of the Congress and at his specific request, I got a group of the Democratic and Republican leaders to the White House along with people from the Executive Branch to again mention with emphasis the problems in the field of compensation for Federal judges.

So, you have a good advocate. We just have to find some way to get some action.

Let me say this: In my crime message, which was submitted to the Congress several weeks ago, I strongly supported, as I think it is absolutely essential, legislation to expand the jurisdiction of Federal magistrates.

You know better than I that the expansion of that responsibility can be very helpful in alleviating some of the case load problems in the Federal judicial system.

In addition, in this crime message, I did propose action on the scope and the process of Federal jurisdiction, including the range of diversity, jurisdiction, the advisibility of three-judge courts, possible avenues of Federal-State cooperation and related proposals, all of which could be materially beneficial in reducing the case load.

Accordingly, in this process, I have requested a comprehensive review of Administration efforts on judicial improvements and an examination of the full spectrum of problems facing the Judiciary.

Because the State courts are being equally, if not greater, taxed by special problems, I have recommended an extension of Law Enforcement Assistance Administration programs calling attention specifically to the financial and the technical assistance requirements of our State courts.

The Administration is also aware of the need to consider the judicial impact of any new legislation, and I can assure you that we will examine the potential for litigation arising from any of our proposals.

It has been my observation that too often Federal laws have been passed without adequate consideration of their impact on the effect on our Federal court system.

From its founding, the Nation has expected its courts to perform vitally important functions, and in recent years the Federal bench has wrestled with many of these controversial issues in our society.

In fact, we are turning too often to the Federal courts for solutions to conflicts that should have been tackled by other agencies of the Federal Government, or even the private sector.

We cannot expect the Judiciary to resolve and to balance all of our opposing views in our society. Neither can we rely on the courts as the sole protector of our individual liberties.

I think other agencies, or partners in the Federal Government, have an equal responsibility. We can't, in all honesty, put the full burden and total load on the judicial system.

The Judiciary is the Nation's standing army in defense of individual freedom, but all segments of our society—Government, business, labor, education—must work to see that the individual is not stifled.

In our first century, the Nation established a continentwide system, a very unique system of Government. That first century of our country's history provided our people with the opportunity to put together a Government that worked to protect the rights of individuals and created stability for this new and growing Nation.

In our second century, we developed a very strong economic system. We moved from the East Coast to the West, and from the North to the South, and we developed this industrial complex under a free enterprise system that permitted our country to move ahead and become the strongest industrial nation in the history of the world.

So, in the first two centuries, we devel-

oped that wonderful form of Government that we have. Along side with it in our second century we put together this industrial might that has given us so much.

We developed stability in freedom in the first one hundred years, and economic strength in the second.

In the third, the challenge is, as I see it, to advance individual independence. If we don't do something in this third century to protect the individual against mass education, mass Government, mass labor, where the rights of the individual are lost because of the totality of the effort, the individual, has to be given his unique opportunities to participate and not get lost in the crowd.

Daniel Boone moved West to find some elbow room. Elbow room for the individual is what our next century as a capitalized nation must be about. We must give ourselves as individuals ample room to grow, to achieve and to be different if we want to be, and to define the basic quality of our personal existence.

You know out of the slogans and the myths of 200 years of American history the first words still ring very, very true. "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness."

Those words are not just for political orations or even court decisions. They are the watchwords of what we must be about as a people in the coming years. Freedom for a nation begins and ends with the freedom of the individual.

With that commitment, our future will be as glorious as our past.

Thank you very much.

TWO HUNDRED YEARS AGO

Mr. YOUNG. Mr. President, I recently read a very interesting story which was printed in the Pierce County Tribune, Rugby, N. Dak., and which I think has considerable significance as our country prepares to celebrate its 200th anniversary. It was written by the Reverend A. A. A. Schmirler.

Father Schmirler's article is an historical account of a person he maintains was the first white man in North Dakota exactly 200 years ago. This historical sketch presents evidence of a man known as "Old Menard," a Frenchman and a trader, dealing with the Indians of that time in what is now Bottineau County, N. Dak., which is in the extreme north-central part of my State.

I think this article, written by Father Schmirler, is a valuable historical document and I believe it merits reprinting.

I ask unanimous consent to have this article printed in the RECORD.

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

TWO HUNDRED YEARS AGO

(ED. NOTE.—author of the following historical sketch is Fr. A. A. A. Schmirler, presently assistant pastor of Little Flower Catholic Church, Rugby. He says he has researched and studied the topic since 1960.)

To love the United States, as headlined in the Pierce County Tribune recently, is a good goal for the Bicentennial Year. We can love an object better when we know more about it. Let us look at the heartland of the North American continent, which is the middle-north of North Dakota, 200 years ago. Is there any history? Archeology, yes; but history? Yes, a little; and one important happening has been neglected by historians. They have slighted the central figure of the action two hundred years ago: the man who was killed in 1803.

In 1776 Assiniboine tribes, called Cristeneaux by some, held hunting rights over the trade areas of present day Velva, Rugby, Towner, Minot, Rolete, Willow City, Upham, Dunseith, Bottineau, Westhope, Boissevain, Deloraine and Melita. We focus upon the loop of the Mouse, or, Souris River, and will probably miss naming some towns: Logan, Surrey, Norwich, Verendrye, Karlsruhe, Granville, Denbigh, Berwick, Barton, Bantry, Glenburn, Lansford, Maxbass, Newburg, Kramer, Gardena, which had 7 inches rain last week, Omemee, Souris, Carbury and the smaller post offices across the border.

I know a man who after twenty years wishing, viewed remains of fur trading posts near Tresbanks, Manitoba. And after twenty six years, he lifted frustration to mail a postcard at Carbury, N.D.; but that had no particular historical significance. Many boys and girls have grown up in the towns and on the farms of the Mouse loop area since; but 200 years ago the Montreal Peddler who transected it might have been the only human being in the loop. He was the only white man in what is now North Dakota.

Sioux activities had hardly begun at the south end of Assiniboine hunting grounds, then. For history does record one date in the Indian world very definitely, that in 1740, or two hundred and thirty-five years ago, the Sioux dislodged the Cheyennes from Section 18, 135N 54W in the southeastern part of North Dakota, and from the state as a whole as a result of that massacre of Indian by Indian. Archeologists refer to the Cheyenne village as the Biesterfield Site. (Biesterfield was the farmer scratching to make his mortgage payments in the 1900's when Columbia University dug up the village site.) This site is really located on the lower Sheyenne River, the stream somebody misspelled with an "s". It may well have taken the Sioux 35 years to move upstream on the Cheyenne, north and then west toward its beginning in Sheridan County. Chippewa returnees from the Great Lakes restrained their westward urge at the Red River. A map thought to date to 1795 (by Antoine Souhard) shows Cristeneaux (Assiniboine) just north of the Sioux in what is now Pembina County, on the west side of the Red River.

When an Indian family had to move, the warrior's wife could pack their personal property on a travois. (When a European settler was foreclosed after twenty years on his homestead, he had ten times as much personal property to offer at an auction sale.) Nor had Indians acquired much by way of private property rights, i.e., land holdings; though they established hunting rights as already noted. Rising above the general Indian culture, was the complex of five tribes termed the "Mandan Villages" at the big bend of the Missouri River roughly in the Stanton, N.D. area. They enjoyed more personal and private property, and communal holdings. Mentally I picture their land holdings as fitting within the combined city limits of Rugby and Towner.

Verendrye (Pierre Gauthier de Varennes) had indeed crossed from the Assiniboine to the Mandans more than two hundred years ago; he had visited the Mandans two years before the historic date when the Sioux massacred the Cheyennes. (Verendrye, N.D. was named in his honor, but not with reference to his route.)

Privileged, active fur traders received pelt territory more accessible to the market. Adventuresome souls ranged farther west and north in Canada; and from east and south came up as far as South Dakota. Spain also inched upward on the West Coast; while Russia leap-frogged downward. Less privileged, free traders had to range farther from market; they had criss-crossed northern Minnesota, western Ontario and eastern Manitoba; by the time of the Declaration of Independence at Philadelphia. The Indians indeed knew one could canoe from the Gulf of the St. Lawrence, to either the Gulf of Mexico, or the Gulf of California, routed through North Dakota. Not so the white man; and except for Verendrye's little known exploratory trips, North Dakota, and Montana also, remained a conundrum to him.

A probability does exist Old Menard had heard tales of Verendrye's crossing between the Assiniboine River and the Mandans by an over land route. Aside from that probability, the sea of grass covering the long slopes of the Mouse loop remained uncharted in 1776. Sinking in at each step as if on a shag carpet, the peddler at times walked a hundred miles from the nearest living person. The only road in North Dakota was less than three miles long, connecting two of the Mandan villages. Later landmarks in the loop became well known: Dogden Buttes, Bald Hill Butte, Buffalo Lodge north of present day Denbigh, from which the traveler could see the Turtle Mountains. Some years later, 1784–1795, Northwest Company traders and wholly free traders enjoyed the nearer convenience of a fur depot on Rainy Lake, Minnesota; when Menard started in 1776, his base for operations had to be Michilimackinac.

In a good book entitled "Before Lewis and Clark" by A. P. Nasatir, Vol. I, p. 82, we read: that in August, 1790, Jacques D'Eglise obtained a license in St. Louis to hunt on the river, and " . . . in his meanderings became the first Spanish subject to reach the Mandan and Tayenne Indian Villages via the Missouri. According to D'Eglise the Mandans lived about 800 leagues above its mouth . . ." (This is 2400 miles up river from St. Louis, Mo.) "While among them D'Eglise received authentic information from a Frenchman (Menard) who had been living among these Indians for fourteen years." Thus began commerce in North Dakota in 1776.

Another name better known in local North Dakota history is Alexander Henry Jr., and he wrote this in his journal, (Coues Ed. p. 311): "At nine o'clock we left the Mouse River and directed our course S.S.W. on a level plain." This is not far from the juncture of the Mouse with the Assiniboine in Canada, a distance they had already covered by several days riding. A footnote by the author states that Henry crossed the border, entered the NW corner of Bottineau County; later leaving the Mouse River on his left, and proceeding south southwest over the prairie. Had they gone on the eastside of of the Mouse, they would have crossed Willow Creek. The way they went, the first river Henry records as Rivie're Pl'e; this has also been named Green River, Cutbank Creek, and appears on maps now as Deep River. "At noon we stopped to refresh our horses; in an hour we were again on our march and at four o'clock crossed Rivie're Pl'e which takes its rise in Moose Mountain and after a course of 20 leagues through an open plain, empties into Rivie're la Souriss, a few leagues below Riviere aux Saules." "Along this river no wood grows except a few stunted willows. At this place old Menard was pillaged and murdered by three Assiniboines in 1803 on his way to the Missouri. Having crossed this river we pushed as fast as possible, sometimes at a gallop and never slower than a trot, until sunset, when we stopped for the night on the open plains.'

"We found much water on this low and level plain, and, of course, mosquitoes in abundance."

Spanish authorities, according to Truteau in 1974, trusted Menard, who ". . . has the reputation among the Indians of being a man

to be depended upon, frank and honest . . ." His fellow-diplomat, Rene Jusseaume, did not enjoy such an all-around good reputation among the Indians, though both men could and did write a letter to the Spanish, and brought about a diplomatic peace with the tribes. If the five villages on the big bend of the Missouri had not learned the advantages and procedures of diplomatic peace fourteen years earlier, they could have sealed the Lewis and Clark expedition in failure at this juncture. The Michaux Expedition had failed earlier, at St. Joseph, Mo., if I remember rightly. Had Lewis and Clark been snuffed out in their winter quarters, the West Coast might conceivably be much different today. Had there been no states of Oregon and Washington, one can argue Jim Hill would never have built the Great Northern to the West Coast; and a stop named Rugby would not exist on Amtrak today.

Where is the exact spot where Menard left his monument; his body on the plains? He may have intended to camp overnight in the concealment of the stunted willows. Again depending upon observations made by Henry, the Assiniboines may have followed his movements during the day themselves unperceived, and used those very willows to spring their ambush. At that time, willows were probably found from four to six miles along Deep River, upstream from its juncture with the Mouse. Highway 14 leads closest to the area near Upham, N.D.

ANNOUNCEMENTS FROM THE FEDERAL ELECTION COMMISSION

Mr. CANNON. Mr. President, I ask unanimous consent that certain announcements from the Federal Election Commission be printed in the CONGRESSIONAL RECORD.

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

FEDERAL ELECTION COMMISSION, NOTICE 1975–14, REPORTING UNDER THE FEDERAL ELECTION CAMPAIGN ACT

NOTICE OF PROPOSED REVISION OF FORMS REQUIRED UNDER THE ACT

The Federal Election Commission (FEC) was established by the Federal Election Campaign Act Amendments of 1974 (Public Law 93–443, 2 U.S.C. § 431 et seq.). The Act provides in 2 U.S.C. § 438(a)(1) that the FEC is to "develop and furnish to the person required by the provisions of this Act prescribed forms for the making of reports and statements required to be filed with it under this chapter" (Chapter 14 of Title 2 of the United States Code). Pursuant to this responsibility, the FEC is preparing a revision of the existing forms used by candidates and committees to report campaign contributions and expenditures, and initiating new forms for the other information required to be reported under the Act. The FEC intends to prepare revised forms that are written in clear language, and designed to facilitate all disclosure required by the Act.

Any interested person or organization is invited to submit written comments to the FEC concerning any aspect of the revision of the forms required under the Act. The facts, opinions, and recommendations presented in writing, in response to this notice will be considered in designing forms and drafting regulations necessary to implement the statutory provisions.

Set forth below is a general description of the matters which the FEC believes require the most immediate attention:

I. Reporting of Receipts and Expenditures.

Persons or organizations commenting on this section should attempt to suggest ideas and recommendations that will allow candidates and political committees to complete relatively simple, yet comprehensive, reports that will not require extensive backup material or the services of a professional staff to maintain the backup material or prepare the required reports.

1. Comments are invited as to what is the best format for the reports required by 2 U.S.C. § 434(b) for obtaining information from candidates and political committees on their receipts and expenditures. If helpful, reference should be made to desirable revisions, modifications, and changes in the existing receipts and expenditure reporting forms.

2. Comments are invited as to whether one or more of the existing forms for reporting campaign receipts and expenditures should be combined into a single form to avoid unnecessary repetition of similar information. Specific recommendations for the design of such a form also are requested.

3. Comments are invited as to whether short and long reporting forms, similar to those employed by the Internal Revenue Service, should be designed to more satisfactorily meet the separate needs of candidates and committees which receive and expend numerous large sums, and those which have made or received relatively few contributions and expenditures. Specific recommendations for the design of such forms also are required.

4. Comments are invited as to whether any real benefit would stem from the use of differently colored or designed forms, to clearly distinguish between the different reporting dates provided in 2 U.S.C. § 434(a).

5. Comments are invited on the contents and design of a receipt and expenditure summary reporting sheet which will contain only the minimum essential information for obtaining an overview of a candidate's or committee's financial operations.

II. Other Reports Required By Chapter 14 of Title 2 of the United States Code.

Persons and organizations commenting on this section should attempt to suggest ideas and recommendations that will allow for the creation of new forms that are comprehensive, but are written in simple language and designed to be readily comprehensible to the reader.

1. Comments are invited as to what should be the form and detail (other than already provided in 2 U.S.C. § 433) of the statement of registration of a political committee.

2. Comments are invited as to the contents of the regulations which will prescribe the manner for reporting campaign debts and pledges as required by 2 U.S.C. § 436(c). Recommendations as to the design and content of forms to implement these regulations also are welcome.

3. Comments are invited as to what should be the form and detail of the full and complete financial statement on convention financing which is required by 2 U.S.C. § 437.

4. Comments are invited as to what should be the contents and format of the forms required by 2 U.S.C. § 437a for the reporting by a person (other than an individual) "who expends any funds or commits any act directed to the public for the purpose of influencing the outcome of an election or who publishes or broadcasts to the public any material referring to a candidate (by name, description, or other reference) advocating the election or defeat of such candidate, setting forth the candidate's position on any public issue, his voting record, or other official acts (in the case of a candidate who holds or has held Federal office), or otherwise designed to influence individuals to cast their vote for or against such candidate or to withhold their votes from such candidates . . .".

5. Comments are invited as to the most appropriate means of reporting the designated campaign depository provided in 2 U.S.C. § 437b, and the format that should be taken in requiring such information.

III. Reports Required Under Title 26 of the United States Code.

Persons and organizations commenting on this section should attempt to suggest ideas and recommendations that either may be combined with existing forms or developed independently. All forms or parts of forms should have, wherever possible, a simple format that is written in readily comprehensible language, yet is sufficiently comprehensive in coverage.

1. Comments are invited as to whether the information required under 26 U.S.C. §§ 9003, 9004, 9007, 9008, 9033, 9037, and 9038 on public campaign and convention financing can be best obtained through further development and use of the existing reporting forms, or whether separate forms should be developed. Recommendations as to the design and contents of the required information also are invited. If the new forms are to be developed, comments are particularly invited as to whether there should be:

a. separate forms for use in reporting public financing of primary election campaigns general election campaigns, and national political conventions;

b. long and short versions of these forms;

c. differently colored or designed forms for each type of election which is to be publicly financed, and/or differently colored or designed forms for each reporting period for that type of election; or

d. a summary sheet containing essential information for each type of election, and/or reporting period under the class of election.

Comment period.—Comments should be mailed to the Task Force on Forms, Federal Election Commission, 1325 K Street, N.W., Washington, D.C. 20463 by ten working days after the appearance of this notice. For further information call (202) 382–3484.

THOMAS B. CURTIS,
Chairman for the Federal Election Commission.

FEDERAL ELECTION COMMISSION,
NOTICE 1975–13

ADVISORY OPINION REQUESTS

In accordance with the procedures set forth in the Commission's Notice 1975–4, published on June 24, 1975 (40 FR 26660), Advisory Opinion Requests 1975–13 through 1975–17 are published today. Some of the Requests consist of similar inquiries from several sources which have been consolidated in cases where appropriate.

Interested persons wishing to comment on the subject matter of any Advisory Opinion Request may submit written views with respect to such requests within 10 calendar days of the date of the publication of the request in the Federal Register. Such submission should be sent to the Federal Election Commission, Office of General Counsel, Advisory Opinion Section, 1325 K Street NW., Washington, D.C. 20463. Persons requiring additional time in which to respond to any Advisory Opinion Request will normally be granted such time upon written request to the Commission. All timely comments received by the Commission will be considered by the Commission before it issues an advisory opinion. The Commission recommends that comments on pending Advisory Opinion Requests refer to the specific AOR number of the Request commented upon, and that statutory references be to the United States Code citations, rather than to the Public Law citations.

AOR 1975–13: Bentsen in '76 Committee (Reimbursement of Travel Expenses from Corporate Funds) (Request Edited by the Commission).

"DEAR COMMISSIONERS: This is a request for an advisory opinion on behalf of the Bentsen in '76 political committee as to the legality under Section 610 of Title 18, U.S. Code, of a Presidential candidate receiving travel expenses for a speaking engagement at

a Chamber of Commerce, where the Chamber has money contributed by corporations in its general treasury.

Senator Lloyd Bentsen was invited to address a luncheon meeting of a Chamber of Commerce in the State of New York. The Chamber has offered to pay from its general treasury travel expenses for the Senator and Mrs. Bentsen from Washington, D.C. to New York State, and back. Like other Chambers of Commerce, this Chamber is supported by contributions from dues-paying members, many of whom are corporations. The Senator addressed the Chamber on the state of our nation's economy and on the crisis of confidence in government.

Senator Bentsen is a declared candidate for the Democratic nomination for President of the United States. He has been filing personal Reports of Receipts and Expenditures with the appropriate supervisory offices for some time under the Federal Election Campaign Act. Moreover, he has a registered political committee working actively on his behalf.

Our specific question is whether or not Senator Bentsen may legally receive a reimbursement from the Chamber of Commerce for air fare and other travel expenses under the circumstances noted above. We refer you specifically to Section 610 which prohibits corporations from making contributions or expenditures "in connection with" Federal elections, and prohibits any person from accepting or receiving any such contributions.

ROBERT N. THOMSON,
Counsel, Bentsen in '76.

Source: Bentsen in '76 by Robert N. Thomson, Counsel Preston, Thorgrimson, Ellis, Holman, Fletcher, 1776 F Street, NW., Washington, D.C. 20006, (June 6, 1975).

AOR 1975–14: Contributions by Banks, Corporations, and Labor Unions to Defray Constituent Services Expenses.

A. Request of Congressman Moore (Contribution of Corporation's Computer to Analyze Response to Constituent Survey) (Request Edited by the Commission).

"DEAR MR. CHAIRMAN: I plan in the near future to send out a franked questionnaire to my constituents in an attempt to learn their feelings on various issues. My question is this:

"If a corporation donates the use of its computer to analyze the results of this questionnaire, is this considered a corporate contribution to my campaign?"

W. HENSON MOORE,
Member of Congress.

Source: Congressman W. Henson Moore, 427 Cannon House Office Building, Washington, D.C. 20515, (June 23, 1975).

B. Machinists Non-Partisan Political League (Contributions from Union Dues, to Congressional Office, Constituency or Newsletter Funds) (Request Edited by the Commission).

"DEAR SIR: As provided for under Title II USC, Section 437F, I am requesting an advisory opinion in regards to donating monies out of our educational fund (which is dues monies from our various local lodges) to incumbent United States Senators and Representatives for their Office, Constituency or Newsletter funds. Specifically, I would like to know if there is any restriction that would prevent us from making such contributions to these or similar funds under the present or any previous election law that is still in existence."

WILLIAM J. HOLAYTER,
Director, MNPL.

Source: William J. Holayter, Director, Machinists Non-Partisan Political League, 1300 Connecticut Ave. NW., Washington, D.C. 20036, (June 23, 1975).

C. Request of Congressman Butler (Contributions by Banks to Defray Expenses of Conference with Constituents) (Request Edited by the Commission).

* * * "It is my intent to hold my fourth annual Farm Conference this August for the purpose of giving the farmers and other agricultural interests in the Sixth Congressional District the opportunity to present their views and concerns to me, as well as, to the various heads of the Federal and state agricultural agencies.

[My question is whether] this conference would be considered official business [so] that * * * any contribution made by a bank or bank holding company to defray the expenses of the conference would not come under the coverage of the Federal Election Laws.

I would greatly appreciate a written advisory on this matter. * * *"

M. CALDWELL BUTLER,
Member of Congress.

Source: Congressman M. Caldwell Butler, 109 Cannon House Office Building, Washington, D.C. 20515 (June 23, 1975).

AOR 1975–15: Payment of Royalties by Campaign Committee to Candidate (Request Edited by the Commission).

"DEAR MR. CURTIS: There is * * * enclosed a copy of the contract that this Corporation has with George C. Wallace and we ask you for a written opinion as to whether or not there is any prohibition against receiving payments under this contract. When we advertise these articles we intend to state that George C. Wallace receives a royalty and have previously advertised that royalties are being paid."

CHARLES S. SNIDER,
Executive Director.

The Wallace contract provides as follows:

"This agreement made and entered into this day of , 1974, by and between The Wallace Campaign, a non-profit corporation, hereinafter called Campaign; and George C. Wallace, hereinafter called Wallace;

WITNESSETH

1. Wallace does hereby grant unto the Campaign the sole and exclusive right to use his photograph, facsimile signature, a photo biograph and a minted likeness of himself on the following items:

In a book, on a watch, on specially minted medallion or coinlike replicas.

Said right to the exclusive use thereof shall be for a period of ten (10) years.

2. In consideration of such exclusive use which the Campaign may copyright or trademark, if necessary, in the name of Wallace but still owning only the license above granted, the Campaign shall retain a royalty for Wallace in the following portions:

	Each
Photo biograph	$1
Watches	7
Gold coin or medal	5
Silver coin or medal	3
Bronze coin or medal	2

All such royalties to be net to Wallace, the Campaign to bear the full cost of sale, mailing, promotion and distribution.

3. As the Campaign collects funds from the above items, it shall maintain and keep an account of all such items above referred to and furnish Wallace with an accounting thereof. It shall pay Wallace the sum of Fifteen Thousand Dollars ($15,000.00) per annum and no more. Same may be paid whenever Wallace shall choose, whether it be in one sum, quarterly or however, but it shall not exceed Fifteen Thousand Dollars ($15,000.00) per year regardless of the amount collected, and Wallace may not draw nor have access to any fund so collected.

4. At the termination of this Agreement, it may be extended by the parties hereto for additional five year periods by mutual consent and if not extended, then any funds remaining in said account shall be paid to Wallace at the termination hereof.

5. This Agreement shall inure to the benefit of the heirs, executors, administrators or assigns of Wallace.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the day and year first hereinabove written."

THE WALLACE CAMPAIGN.
Charles S. Snider, Chairman; George C. Wallace; F. Alton Dauphin, Jr., witness.

Source: The Wallace '76 Campaign, by Charles S. Snider, Executive Director, P.O. Box 1976, Montgomery, Alabama 36103, (May 15, 1975).

AOR 1975–16: Requests of Congresman John Dingell.

A. Interpretation of Principal Campaign Committee, Reporting Schedule, and Campaign Depository Provisions (Request Edited by the Commission)

DEAR MR. CHAIRMAN: I would appreciate having answers to the following questions pertaining to the Federal Election Campaign Act Amendment of 1974 * * *

(1) May I have a full interpretation of the one committee requirement? Under the new law, may more than one commitee remain in existence, and if so, under what conditions?

(2) Under the amended Act it is my understanding that no report is necessary to be filed provided that no more than $1,000 was received or expended in a reporting period. If no more than $1,000 was received or expended, is there any obligation to file a report? My specific question is, would a report be required stating "no more than $1,000 received or expended?"

(3) Is there a time limit which is imposed between the receipt of a campaign contribtuion and the deposit of such a contribution in a campaign account?"

JOHN D. DINGELL,
Member of Congress.

B. Corporate Contributions from Membership Organization (Request Edited by the Commission).

"DEAR MR. CHAIRMAN: I am writing to you in an effort to clarify a question with regard to a contribution to my Citizens for John D. Dingell Campaign Committee.

The contributor is a VFW Post which is incorporated. Can a contribution be accepted from them, although they are incorporated, if a vote of the Executive Board is taken approving the contribution?" * * *

JOHN D. DINGELL,
Member of Congress.

Source: Congressman John D. Dingell, 2210 Rayburn House Office Building, Washington, D.C. 20515, (June 25, 1975).

AOR 1975–17: Request by Congressman Neal (Campaign Contributions from a Partnership) (Request Edited by the Commission).

"DEAR SIR: I would appreciate * * * an advisory opinion on the following question:

"How much money in campaign contributions may I accept from a two or three member partnership? * * *"

STEPHEN L. NEAL,
Member of Congress.

Source: Congressman Stephen L. Neal, 502 Cannon House Office Building, Washington, D.C. 20515, (June 12, 1975).

NEIL STAEBLER,
Vice Chairman for the Federal Election Commission.

THE EDUCATION DIVISION AND RELATED AGENCIES APPROPRIATIONS BILL—H.R. 5901

Mr. THURMOND. Mr. President, several weeks ago I voted against the Senate version of H.R. 5901, legislation making appropriations for the education division and related agencies. Yesterday I voted against the final version of this

bill, a compromise worked out by the House and Senate.

In view of my interest in education throughout the years, as exemplified during my service as an educator, State senator, and Governor of South Carolina, I feel it appropriate to comment on the votes I cast on this particular legislation. My interest in education remains at the highest level ever, and I am convinced that education is the hope of the Nation. Education is an investment in the future, and I shall always favor programs to provide the best educational opportunities for our youth.

In spite of my commitment to the field of education, I cannot ignore the need for this Congress to exercise fiscal responsibility. The total cost of the final version of this bill was $7,480,312,952. This was $202,198,900 under the original Senate version but $560,594,952 over last year's appropriation and a whopping $1,345,-973,952 over the administration's budget request for fiscal 1976. With a projection of a national deficit for fiscal 1976 of approximately $60 billion, if expenditures can be held just to the level of the administration's budget, we cannot afford to have another $1.3 billion added to our deficit—even in the name of education.

Mr. President, when is the Congress going to face up to the fact that the fiscal irresponsibility it has displayed is one of the principal reasons for our recent depressed economic situation? It is particularly disturbing to see the Congress begin to stoke the fires of inflation just when the country is beginning to make an economic upswing with some control of inflation.

How are we ever going to have any economic stability in this country if the Congress will not face up to the hard decision to reduce Federal expenditures and move toward a balanced budget? The attitude that has existed in this Congress for the past decade—that problems can be solved just by throwing money at them—has got to be stopped or it will eventually lead to the economic ruin of our Nation.

Another disturbing aspect of this legislation was the failure of the conference committee to include the House language regarding busing in the final version of the bill. The House language unequivocally prohibited any of the funds appropriated by the bill to be used to take any action to force the busing of students. The Senate language, which was included in the final bill, was not as prohibitive and would allow funds to be used to require forced busing if the school or school district were not classified as "desegregated", as defined in title IV of the Civil Rights Act of 1964. This leaves open to interpretation by the Department of Health, Education, and Welfare whether schools have "desegregated." In my opinion, the Congress should face up to the issue of forced busing to achieve a racial balance once and for all. The American people, black and white, do not want it, and this Congress should have the intestinal fortitude to put an end to it. Halfhearted attempts and wishy-washy language will not suffice.

THE ECONOMICS OF UNEMPLOYMENT

Mr. CHURCH. Mr. President, when the Congressional Budget Office was formed, there were those who said that it would not work. Congress, it was said, could not control itself in the area of spending nor could it form a unified front on economic issues.

It may still be too early to say that the naysayers were totally wrong, but it is not too early to point out that early indications are that they will be proved in error. The Congressional Budget Office has issued its first report on the economy and it provides significant food for thought for both the Congress and the Executive. Hobart Rowen wrote of the report in the July 10, 1975, issue of the Washington Post:

It is a thoroughly professional job that proves the wisdom of giving the Congress an independent role in the formulation of budget policy.

It is an indication of how far astray the separation of powers doctrine had gone that Mr. Rowen should speak in terms of "giving" Congress—the body with constitutional power over the Nation's expenditures—a voice in the formation of budget policy when the Congress should be the voice and the body as well. While I do not agree with all Mr. Rowen has to say, his article is of some solace to those of us who have felt for some time that Congress must reassert its rightful authority over the purse-strings of the Nation.

I ask unanimous consent that Mr. Rowen's article be printed in the RECORD.

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

THE RIVLIN ECONOMIC REPORT

(By Hobart Rowen)

Alice Rivlin's Congressional Budget Office has produced its first report on the economy. Sen. Edmund S. Muskie and Rep. Brock Adams, chairmen of the two new budget committees on the Hill, are justifiably proud of it.

As might have been expected from a staff directed by economist Rivlin, it is a thoroughly professional job that proves the wisdom of giving Congress an independent role in the formulation of budget policy.

And although the report sticks to the requirement that the CBO provide non-partisan analysis of economic policy options, it pulls no punches.

Thus, the Rivlin report says that "given the depressed state of the economy at the moment, expansionary fiscal policies to reduce unemployment would have only minor ill effects on the inflation rate."

To concentrate on restrictive policies designed to reduce the deficit and tighten up monetary policy, the report adds, would not only risk aborting whatever economic recovery is in prospect, but do little to reduce inflation.

Needless to say, Treasury Secretary William E. Simon, champion of the "old-time religion" that abhors budget deficits, vigorously disagrees with this cautiously stated conclusion. Simon argues the classic line that it is best not to push too hard for an expansion of the economy that might re-stir the inflationary fires.

Better to live with high unemployment rates now than even higher ones in a new, big bust, Simon feels.

The good Secretary has worried too long and too loudly about inflation. Three months ago, he was predicting a "crowding out" of private borrowing in the financial markets because of the pressures of the federal deficit. But as others of his cabinet colleagues confess, it hasn't happened, and isn't likely to happen unless and until recovery is substantially more advanced.

Democrat Arthur M. Okun, who now expects a more vigorous economic recovery than some of his liberal pals, points out that the hopeful scenario that he sees will still leave the economy at the end of 1976 only half way back to where it was in the summer of 1972.

In other words, even if you accept the more optimistic Okun thesis, the economy at the end of next year would be operating with a great deal of idle capacity and an unemployment rate over 7 per cent.

Given that outlook, it is hard to buy Simon's prescription for holding back on economic stimulus. Some time next year, if then, may be the time to be worrying about inflation, not now. There has been an amazing retreat from price inflation, with the consumer index in the last three months increasing at only a 5 per cent rate. That's less than half the rate at the end of 1974.

What Secretary Simon should do is announce that the Whip Inflation Now (WIN) campaign has produced a belated victory, relegating inflation to a No. 2 priority, behind the No. 1 problem of restoring full employment.

That won't always be the case. As Mrs. Rivlin & Co. point out, hitting the expansion button without worrying about inflation can be done "only when the economy is in a deep recession."

Given the worry about jobs, the report adds, "it would be very surprising if pushing the unemployment rate down from 9 per cent to 7 or 8 per cent led to a marked escalation in wage demands."

One uncertainty about prices, of course, is what the oil cartel will do in the fall. Another couple of dollars per barrel will certainly be a new inflationary factor—and one which at the same time worsens recession by reducing the real purchasing power of consumers.

If the administration continues meekly to knuckle under to whatever the cartel decides to do, it will certainly have to consider offsetting any new depressant on the economy by junking its own $2 per barrel import duty and asking for additional tax cuts.

With or without a new OPEC "dictate," the administration and Congress should be aggressively seeking to cut the unemployment rate, speed economic expansion, and get us out of a recession that the CBO says represents a loss of output equal to $1,000 for every man, woman, and child in America.

SEND IT BACK TO NEW HAMPSHIRE

Mr. HANSEN. Mr. President, there has never been a doubt in my mind about the fact that the New Hampshire election matter should be sent back for resolution by the people of New Hampshire.

I have been convinced for a long time that the majority of Americans in all 50 States feel the people of New Hampshire, and not the Senate, should decide who shall represent them in this body.

A growing list of editorial writers constitute an overwhelming consensus that the press shares this deep and growing conviction.

My good friend and distinguished editor of the Wyoming State Tribune, Mr.

Jim Flinchum, in the July 15 edition of that newspaper, addressed this issue.

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD.

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

SENATE MAJORITY HURTS ITSELF

The Senate will debate, if necessary, a year from now on the issue of who was elected U.S. Senator from New Hampshire, majority leader Mike Mansfield promised yesterday. Mansfield said the Senate cannot evade its constitutional duty in the issue of resolving the Wyman-Durkin contest. He might have added that it also will overlook no opportunity to prove that it would rather stall forever rather than get a clear decision as to who won.

The Republicans and a few Democrats with more sense than some of their fellows are willing to send this thing back where it belongs, to the voters of New Hampshire to conduct another election so that they can have the final word on whom they wish to represent them. But the Senate Democrats who already hold a huge majority (60 to 37 Republicans plus one independent plus one Conservative-Republican) apparently are not willing to risk this; so in a remarkable display of the dog in the manger attitude, they are perfectly willing to maintain a state of limbo perhaps indefinitely rather than have it decided possibly on the chance of its going to the Republican, Wyman.

The longer this thing keeps on, the greater the loss of credibility of the Senate majority Democrats.

S. 692—WILL WORSEN THE NATION'S SHORTAGE OF NATURAL GAS

Mr. BARTLETT. Mr. President, developing a proper solution to our Nation's worsening natural gas shortage is, in my opinion, the most important of all the energy issues to be addressed by this Congress. The bill reported by the Senate Commerce Committee, S. 692, dealing with the natural gas issue is a wholly inadequate approach to this critical problem. It is doomed to failure. The citizens of this country deserve a solution from Congress that will guarantee success, not one mimicking the regulatory scheme which caused the natural gas shortage in the first place.

The Commerce Committee's bill will probably be debated by the Senate next week. Many of the statements in the majority report accompanying this bill are inaccurate and misleading. They can only lead to erroneous conclusions as to the proper direction for Federal natural gas policy. The problem is so serious that any approach other than the free market, the one based on fundamental economic principles and proved successful in the intrastate gas market and for all other commodities, is inadequate. In order that my colleagues would not be misled by the many fallacious statements, arguments, and conclusions contained in the majority report, I should like to comment on several of the more fundamental, but inaccurate and incorrect ones.

The basic flaw which permeates S. 692 is the erroneous, factual assumption on which it is based; namely, that the current critical shortage would have come about regardless of Federal regulation of the wellhead price and that "natural gas demand has mushroomed primarily because it is the cleanest burning of the fossil fuels." Thus, the majority of the committee is unwilling to face the glaring fundamental economic facts which have been accepted by practically every objective student of the natural gas shortage. Cost-based controlled prices for wellhead sales of gas in interstate commerce have placed severe constraints on the ability of producers to explore for and develop any but the most promising sources of new natural gas and simultaneously have artificially stimulated the demand for this valuable resource.

The proponents of the bill attempt to prove their claim that Federal regulation did not diminish the ability of producers to find and deliver adequate gas supplies by stating:

Domestic natural gas production has increased from 9 trillion cubic feet in 1954 (when regulation of wellhead natural gas prices was required by the Supreme Court in the Phillips case) to 22 trillion cubic feet today.

The implication of this statement is totally wrong. Usage of natural gas increased because of high demand, and this natural gas demand was and still is stimulated by the artificially low, controlled price for interstate natural gas. Adequate supplies were available to meet this demand primarily because of drilling efforts and discoveries made prior to the time controls were mandated by the Court. Natural gas replaced other fuels, primarily coal, as an energy source largely for an economic reason—it was cheaper. Federal regulation of natural gas prices thus had the additional effects of retarding expansion of the use of coal, of crippling the coal industry, and of discouraging the development of alternate energy sources.

What is much more significant, however, is that the volume of reserves added to interstate supply in recent years has not kept pace with consumption. These figures are the direct evidence of the size of exploration and development effort by the producers and prove that the FPC price has not succeeded to elicit adequate supply. In every year since 1968, the new reserves added in the Nation have been less than the amount of gas produced as the following table comparing interstate reserves additions to consumption demonstrates.

RESERVES, PRODUCTION, AND RESERVE ADDITIONS OF INTERSTATE PIPELINES FORM 15 DATA (LOWER 48 STATES)

[Volumes in trillions of cubic feet]

	End of year reserves	Net production	Net reserve additions
1963	188.5	9.4	NA
1964	189.2	10.0	10.7
1965	192.1	10.4	13.3
1966	195.1	11.1	14.1
1967	198.1	11.8	14.8
1968	195.0	12.6	9.5
1969	187.6	13.4	6.1
1970	173.6	14.1	.04
1971	161.3	14.2	1.9
1972	146.9	14.2	(.2)
1973	134.3	13.7	1.1

It is false and misleading, therefore, to focus on production figures alone and conclude that the pricing mechanism which has governed wellhead prices since 1960 has served us well. The significant fact is that over the last 7 years, the interstate pipelines have been unable to match production with new reserve additions and have eaten away at existing reserves in an attempt to keep up with customer demands. The frightening results of this trend are revealed by the FPC's estimate that deliveries from presently attached reserves to interstate pipelines will decline almost 16 percent by 1976 and over 30 percent by 1978.

The majority report further refers to recent estimates by the USGA of the undiscovered natural gas resources and then implies that this resource base is "too small to satisfy the huge potential demand for clean energy." What the report does not say, however, is that the USGS figures are merely guesses at completely unknown quantities. Regardless of the volume of undiscovered resources, there is little chance of ever finding and producing any of these resources if wells are not drilled to explore for them. These wells will not be drilled if the pricing procedures of S. 692 are adopted. Thus the consumer will be deprived of this gas and forced to use substitutes consisting of high cost foreign oil, SNG, or coal.

The culprit in this scenario for disaster is the regulation of the wellhead price, not the fact that natural gas is the "cleanest burning of the fossil fuels." Cost-based regulation, including the use of an average cost as a ceiling rate, has brought an exploratory decline. Former Commissioner Moody has concisely described the effect of this ratemaking approach for producers:

These average cost-based rates have the appearance, and the stated purpose, of guarding consumers against the extortion of excessive profits by gas producers. But such rates have the inevitable effect of sealing off from exploration and development all but the most profitable drilling opportunities. What occurs after an FPC rate, based on average costs, is announced? Common sense tells me that gas producers begin to measure their drilling prospects in terms of profitability. If a particular drilling prospect will be profitable at the FPC-set rate level, it will be drilled; if the economics of the venture indicate that profitability is not reasonably to be expected, the prospect is not drilled. I do not believe that any reasonably prudent operator will drill when his own best estimates of cost, and productivity, tell him that if he finds gas he can sell it only at a loss. Thus, an FPC rate is, in practical effect, a ceiling on what gas wells are drilled—but it is not a ceiling on profits.

The authors of the Majority Report admit that the easily accessible large reserves of natural gas have been discovered and that what remains is in smaller formations and more difficult to find. New reserves will be found at deeper depths and in hostile and costly environments. It is obvious that rates based upon average "costs," such as proposed in the bill, must be eliminated if such supplies are to be found. The Majority Report admits that—

The price of natural gas is important to provide sufficient incentive to facilitate the

discovery and production of that gas which remains.

But, just when the reader is expecting to hear the conclusion that the price of new natural gas should be freed from controls, he is smacked in the face with just the opposite:

The evidence inescapably suggests that ceiling prices at the level contemplated in this bill would bring forth essentially the same volumes of gas as would total decontrol of new natural gas.

This startling conclusion, in light of the prior discussion is completely unsupported, except by a reference to the Project Independence Blueprint Report prepared by the Federal Energy Administration. This report is cited by the authors for the proposition that a price of $2 or more per MCF in 1985 will result in production in the lower 48 States of about the same volume of unassociated natural gas—19.41 Tcf—as would be produced at a price of 80 cents per Mcf—19.114 Tcf. Tracing this citation, however, reveals that the Majority Report has committed a gross abuse in the manner in which it has utilized these figures, which were obtained out of context, and without reference to the explanation, from one of the numerous charts and projections contained in the Project Independence Report. As the explanation to this chart states:

As discussed in detail elsewhere in the report, these schedules are not supply curves in an economic sense, as they were not derived in a manner consistent with the economic definition of a supply curve. They are merely the aggregate results of projections made without reference to market prices. Therefore, the schedule should not be read "given a 'price' X, we project production Y", but rather, "given a projected production level Y, we must have 'price' X to break even, given our required rate of return and assumed findings per foot of hole drilled. This is a major distinction.

It is gross misrepresentation of this type which belie the underlying premise and conclusion of the majority report that this legislation will facilitate discovery and production of the remaining supplies of natural gas which are available. In fact, this bill will choke off that effort, and it will force the consumer onto more expensive and less reliable alternative sources faster and in more chaotic fashion than would otherwise be the case if an uncontrolled market price for our remaining supplies of gas were allowed.

Thus the inescapable conclusion is—rather than proposing legislation which corrects the true cause of the shortage, the majority of the Commerce Committee attempts to create phantom issues and deal with them.

Let us now look critically at some of the specific provisions in S. 692 and the unsupported conclusions reached in the majority report.

At the very outset one is told that the bill provides new incentives to insure maximum production. The first of these incentives is said to be a new national ceiling price which would reflect "prospective costs and profit margins high enough to attract capital for gas producing activities." It would not have these results. This procedure is nothing more than the inadequate methodology now being used by the FPC and which has directly led to the natural gas shortage.

In fact, the FPC is permitted only limited flexibility to set the rate using the above criteria, because the range within which the Federal Power Commission would be allowed to establish the "new" ceiling price begins at a low of 40 cents per Mcf—which is 20 percent below the base rate already established by the FPC for the years 1973–74, and may not exceed a high of 75 cents per Mcf—which is below current replacement cost levels. Thus, the "incentive" ceiling set by this proposed legislation would, in fact, be a price freeze at a level below current costs. Moreover, these rates could not be changed for the next 5 years thus removing any flexibility to adjust to changing costs.

The second element of the incentive built into this legislation is higher prices for certain higher cost production areas. S. 692 offers nothing new. The incentive is now available to producers under present law.

The third so-called incentive, which is described as "in essence, decontrol of gas prices—for onshore gaswell gas found by independent producers," is in reality, a snare and a delusion. Never has the "decontrol" label been so badly misused or distorted. The purported "exemption" for independents in the sale of onshore gas was recently described as follows by former FPC Commissioner Rush Moody, Jr., in a speech to the Independent Petroleum Association of America:

. . . I cannot read Section 203(L), or any other part of S. 692 as deregulating anyone, anywhere. FPC has control over ¾ of the revenues generated. You will probably have to go to the FPC before making a sale for a determination that you are a qualified seller, and that your gas is a qualified commodity. If you sell under 203(L), you will have special reporting requirements imposed upon you. In Section 203(L)(2) it is stipulated that the FPC "shall collect data . . . from producers . . ." who use 203(L) sales procedures ". . . on gas exploration, development, production and reserves on an annual basis."

Somehow, this does not add up to deregulation to me.

The pricing provisions of S. 692 are held out by its proponents as desirable because they will produce "certainty" for producers. The comments of the majority report on this issue begin with the proud announcement:

The uncertainty and delay of regulatory proceedings is eliminated.

Is this so? That conclusion certainly does not emerge from a reading of S. 692 itself. Consider the problems outlined by former Commissioner Moody:

In order to discuss the pricing aspects of S. 692, you need to understand first that this is an extremely complex piece of legislation, and that the regulatory pattern which it mandates is extremely complex.

For example, if you ask "for what rate will I be able to sell new gas?", I cannot give an answer until I know:

1. What is your FPC classification? Are you a producer, a small producer, a producer who qualifies as an independent, or an affiliate producer? Each of these is a term of art; each does not mean what you might guess without reading the bill; but you cannot know what your rate structure will be until your classification is determined.

2. Before I can tell you what your rate will be, I must know whether your gas will be classified as "old" gas, "new" gas, "exempt" gas, or "intrastate" gas. Again, the definitions are technical, and will, in my judgment, require rulings from the FPC before anyone knows where he stands.

3. Before telling you what your sales rate will be, I must know whether your gas is associated or non-associated.

4. Before telling you what your sales rate will be, I must know whether your gas is produced from lands controlled by the Federal government or from private lands.

5. Before telling you what your sales rate will be, I must know the length of your contract term.

6. Before telling you what your sales rate will be, I must know when your gas was discovered, and by whom; and I must know when it was dedicated to commerce.

Now, if you furnish all this information to me, still I can give you no concrete assurance as to what your sales rate will be—except in those cases where you are marketing gas from acreage previously dedicated to interstate commerce.

In certain other respects, however, the majority report is correct is concluding that the proposed pricing provisions will create certainly, although not necessarily the kind that the drafters intend. The price freeze on new natural gas for a period of 5 years within the range arbitrarily set by S. 692 will simply create the certainty that no gas supplies which a producer thinks will be unprofitable at that rate will be sought. We will have the certain knowledge with S. 692 that maximum efforts to find and develop our remaining resources of natural gas will not occur.

The majority report in its summary contends in support of the bill's provisions extending for the first time Federal regulatory controls to the intrastate market, that there will be a "more equitable distribution of available supplies" between the intra- and interstate markets. But consumers in producing States have willingly paid for years free market prices—averages of which are far below the Btu equivalent cartel price for oil—which have in turn produced adequate supplies to balance demand. Taking this gas away, as provided in S. 692, is nothing more than legalized thievery.

Furthermore, no explanation is given as to why consumers in the producing States should be prevented from paying higher prices in order to obtain new supplies. As with so many of the facile statements contained in the majority report, the reader is simply expected to accept the invalid assumption that higher prices will not bring forth more supply. Thus, rather than stimulating the interstate market by deregulating the price, the bill proposes to control the intrastate price in order that interstate buyers can compete. An ingenious scheme. No one will have any gas.

This analysis serves to illustrate why this legislation cannot possibly achieve the purpose or objectives which its proponents hold out for it. To the contrary, S. 692 is more of an anticonsumer than an antiproducer bill. Its enactment would eliminate the normal incentives provided by the free market. Its enactment would be a devasting blow to the

efforts which must be undertaken if this Nation is to develop its own energy resources. The ability of the free market to balance supply and demand in the natural gas industry has recently been demonstrated in the Texas intrastate market. There, when shortages developed, the operation of the free market resulted in higher prices. This in turn brought about a substantial increase in drilling activity and thereafter more supply. As a result, prices to consumers in Texas are decreasing as supply now is beginning to exceed demand.

In this regard, a recent Business Week article states:

. . . some Texas oilmen fear that talk of even a temporary gas surplus in the state will bring a storm of criticism from congressmen who charge that producers are withholding gas from the interstate market to force prices up. But a lot of oilmen are quick to speak out anyway, believing that the turnaround in the Texas market proves how uncontrolled energy prices can eliminate shortages by encouraging new supplies and discouraging unnecessary demand. Observes Kenneth E. Montague, president of Houston's General Crude Oil Co.: "It's a perfect example of what happens when a market is allowed to function freely."

Except for proposals such as Senate bill S. 692 which thwart the operation of fundamental economic principles, the free market could operate as well in the rest of the country. Production of natural gas resources are vital to achieving a reasonable transition to the longer term development of alternate domestic sources of energy, such as coal, solar and nuclear power. The big loser under S. 692 would be the consumer, despite the efforts of the authors to conceal this damaging fact.

NATURAL GAS SHORTAGE

Mr. HANSEN. Mr. President, I wish to commend my distinguished colleague, Senator BARTLETT, for his excellent analysis of the problems surrounding our domestic supplies of natural gas.

Mr. President, I have received a number of letters from retired people expressing concern over the Buckley amendment that would deregulate the wellhead price of new natural gas.

I can well understand their concern over the prospects of higher prices for natural gas or anything else for that matter. Inflation strikes harder at those on retirement and fixed incomes and I share their fears of further cost-of-living increases.

President Ford recognizes inflation as the Nation's most serious problem and is, in my opinion, doing his best to combat the double threats of inflation and recession which he inherited.

But, in my opinion, the charges made against deregulation of natural gas by Ralph Nader's "Public Citizen" and Lee C. White's Consumer Federation of America are inaccurate, misleading, and false.

Inasmuch as at least two Members of this body have circulated the views of these two groups in dear colleague letters, I feel it incumbent to present the other side of the issue as well.

Senator BUCKLEY in an article published by the Washington Post did an excellent job of explaining the need to deregulate the price of natural gas at the wellhead and I ask unanimous consent that the article be printed in the RECORD following my remarks.

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

(See exhibit 1.)

Mr. HANSEN. The Washington Post itself has also done an excellent job in pointing the finger at FPC regulation of natural gas as the principal reason for the shortages that may this winter shut down plants across the country and worsen an already serious unemployment problem. I ask unanimous consent that the excerpts from Post editorials and other newspaper comment around the country also be printed in the RECORD.

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

(See exhibit 2.)

Mr. HANSEN. Ralph Nader has contended that there is no energy shortage but only a contrived shortage created by a conspiracy of the major oil companies and Lee White has charged that these same companies have conspired to withhold gas from the market.

Numerous congressional committees have investigated these charges as well as the Federal Power Commission, the Federal Trade Commission, and the Federal Energy Administration. None of them have been substantiated.

The Federal Energy Administration has, in fact, issued a briefing book on new gas deregulation which was based partly on testimony and studies by some of these committees, particularly the Senate Interior Committee and its study of natural gas policies.

The conclusion of the FEA study is that, "There is no doubt but that the shortage is real. Past and present allegations that the shortage is due to the under reporting of reserves by interstate pipelines are in error both as to logic—pipelines do not increase their rate base by paying higher prices—and as to methodology. The shortage is already severe in some States. Natural gas supplies last winter fell short of promised delivery by 1.7 trillion cubic feet, according to the Federal Energy Administration. By the end of 1975, that figure is expected to rise to 3.3 trillion cubic feet and projections for future years are even higher. The failure to enact new gas deregulation will result in unemployment, higher consumer costs and increased vulnerability from foreign dependence.

Also refuted by the FEA report are the wild and unfounded predictions of astronomical consumer cost increases if the Buckley amendment is enacted.

If new natural gas deregulation were enacted, the report states, the average annual residential users bill would increase much less in percentage terms then the field price because most gas will be flowing under old contracts and the field price represents only about 17 percent of the residential user charge. It is estimated that the average annual residential gas bill of $156 would rise by $25 as of January 1, 1976, even if all new gas prices were $1.50 per thousand cubic feet and new gas had been regulated as of January 1, 1973. By January 1, 1980, the cumulative price increase would be about $72.

The highest new gas price now allowed by the FPC is about 50 cents per thousand cubic feet and the average price paid to producers is about 26 cents. Compare those prices with a delivery price of $1.50 to $2 for foreign produced liquified natural gas and even higher prices for gas produced from coal and deregulation and the incentives of a free market place make sense. Canadian gas will cost the United States $1.91 by the end of this year.

The opponents of deregulation make quite an issue of price but fail to explain how consumers would benefit from low gas prices if it is unobtainable at those prices.

I believe anyone who fully understands the issue and is not basically opposed to the free enterprise system would rather pay a price more nearly the true value of natural gas and have some assurance of a continued supply rather than the threat of continued shortages at unrealistically low prices under FPC regulation.

If competitive natural gas pricing is not restored and quickly the only alternative will be an allocation of the shortage. The Oil and Gas Journal in an editorial pointed up the fallacy of continued controls and the depressing impact of price regulations. I ask unanimous consent that the editorial, "Dividing Up the Shortage No Answer to Gas Crisis" be printed in the RECORD.

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

(See exhibit 3.)

EXHIBIT 1

[From the Washington Post, Nov. 2, 1974]

DEREGULATING NATURAL GAS

(By James L. Buckley)

The Federal Power Commission recently announced that cutbacks in the delivery of natural gas by interstate pipelines this year will exceed last year's by 81 per cent. This stark statistic underscores the fact that our most immediate challenge, in the field of energy, is to expand domestic gas production so as to meet the demand for our most useful and environmentally acceptable source of fuel.

The experts agree that vast amounts of natural gas remain to be discovered within the United States. They also agree that there is one measure that can be put into immediate effect that will stimulate an accelerated exploration for new sources of gas and their commitment to interstate pipelines; and that step is to free "new" natural gas (i.e., natural gas which is not now flowing under contract in the interstate markets) from the price controls that the Federal Power Commission has imposed since the late 1950s. As the Washington Post correctly observed in an editorial almost two years ago, the FPC experience has been "an instructive failure, demonstrating the importance of prices on any policy for fuels and energy." The facts presented in exhaustive Senate National Fuels and Energy Policy Study hearings demonstrated beyond question that wellhead price regulation has discouraged exploration, and has caused most of the gas being discovered onshore to be sold in unregulated intrastate markets.

This is why the deregulation of new natural gas has headed most lists of "energy musts," why it has such broad backing not only from gas distribution companies trying

to avoid further curtailment of services, but by gas consumers as well, especially businesses which face major cutbacks in operations if adequate supplies can't be assured. (It is estimated, for example, that anticipated cutbacks this winter may cause New Jersey employers to lay off 12,000 workers, with adverse effects on 400,000 additional workers in related industries.)

Yet, because of widespread misinformation, there is still strong opposition to deregulation from a mistaken understanding of where the consumers' interests lie. These critics focus solely on the narrow question of the price of natural gas delivered to a pipeline to the total exclusion of questions of supply or of the cost of alternative sources. They also vastly exaggerate the cost impact of deregulation on the consumer.

It has been suggested, for example, that deregulation would cost consumers $9 billion-$11 billion a year over the next several years. The facts of the matter are vastly different. Because the price of new gas would be averaged into the cost of the great bulk of the gas that is flowing into interstate pipelines under long-term contracts at prices that currenly average 26.3 cents per thousand cubic feet (MCF).

The most conspicuously high estimates of the increase in consumer prices appears to have arisen out of an over-estimation of the amounts of "old" natural gas contracts which will expire in 1975. While it has been alleged that "old" natural gas contracts totalling 1.6 trillion cubic feet will expire in 1975, the only comprehensive study done on expiring natural gas contracts actually based on FPC records ("The Impact of Deregulation on Natural Gas Prices" by Foster Associates, Inc.) shows that only 0.9 trillion cubic feet of natural gas contracts will expire through Jan. 1, 1977. When the correct estimates are used, the estimates made suggesting a staggering burden on consumers are without foundation.

The following figures, provided by the Federal Energy Administration, offer a far more accurate understanding of the impact of deregulation on the average residential consumer even on the extreme assumption that the market price of new natural gas would rise as high as $2.20 by 1980, which is higher than most specialists predict. Based on this assumption, the total increase in cost to the average residential consumer over the period from 1973 to 1980 would aggregate $180.21, for an average increase of about 13.6 per cent per year. The increase that the householder would pay in the year 1980 would be $38.35, or an average of a little more than $3 per month.

Now no one enjoys paying higher prices for any commodity, however convenient or necessary. But this begs the question. Given the rate at which the gap between domestic supply and demand for natural gas is widening (shortfalls of as much as 25 per cent are expected in some states this winter), the question is not what the consumer would like to pay, but what he will have to be prepared to pay in order to be assured of sufficient supplies to meet his demand.

The supplemental needs of gas consumers in the Washington metropolitan area can be met in one of three ways: By rapidly increasing the rate of development and commitment of new sources of domestic natural gas to interstate pipelines; by expanding the importation of liquified natural gas (LNG); and by the manufacture of synthetic natural gas (SNG), largely from imported naptha. What are the costs of these alternatives? Even assuming that the interstate pipelines were to bid up the price of new gas to the energy equivalent of the average cost of domestic and foreign crude oil now being consumed in the United States, the price of this new gas would be approximately $1.40 per MCF. In the first year, this would raise the current 45 cents "city gate" price of pipeline gas delivered to the Washington area by less than 10 cents. By way of contrast, synthetic gas in this area has an equivalent "city gate" cost of $3 per MCF, and LNG a cost of between $2.50 and $3 per MCF; and of course, each of these latter commodities is dependent on foreign sources of supply. In light of these facts, can anyone really question where the consumer interests lie?

No one any longer refutes the fact that current natural gas shortages are the direct result of artificially low prices imposed by Federal Power Commission regulations. As a predictable result, the search for new gas reserves has declined sharply over the period, while the bulk of the gas that has been discovered in the process of looking for oil has been sold intrastate at unregulated prices. Thus gas distributors in consumer states are now being forced to supplement supplies with the far more expensive alternatives provided by LNG and SNG. Thus, the deregulation of new gas is the only sensible course for us to follow. Failure to act promptly will inexorably increase the price consumers must bear without any sensible economic rationale for doing so.

Question has been raised concerning the responsiveness of those seeking to supply natural gas to an increase in prices. The experience in my own state, New York, provides an illustration in microcosm of what we can expect on a nationwide basis if the wellhead price of natural gas is deregulated. In early 1972, natural gas produced from wells in the western part of New York State sold for 30 cents per MCF. Because this gas was sold only in the free market (i.e., intrastate), its price was allowed to rise as demand increased. By 1973, the price had doubled to 60 cents per MCF, and increased by another 20 cents in 1974. However, the number of natural gas new wells drilled or reactivated in 1973 rose nearly four times and production nearly tripled (from 2.2 to an estimated 6.0 million cubic feet in the current year), and the number of producing wells rose from 628 in 1971 to an estimated 800 in 1974. This rapid expansion of natural gas exploration and production has occurred in a state not considered to be an oil and gas producing state. The increase in prices has provided the incentive for entrepreneurs to search for gas in New York State where it would not otherwise have been economically feasible.

One final matter. It is charged that the price of deregulated gas would be set not by the marketplace but by oil industry monopolists. The massive data and studies collected by the Senate Interior Committee, the FPC, and other public and private sources, however, point to just the opposite conclusion. The price at which natural gas will be supplied will be as close to free market competitive prices as any commodity in the United States. This would occur as a consequence of the fact that there are thousands of independent natural gas producers in the U.S. so that no producer or small group of producers could maintain control over the price of natural gas. In its 1973 annual report to the Congress, the FPC stated that "after careful analysis, we have concluded that workable competition exists in the natural gas production industries." A similar conclusion was reached by the Federal Trade Commission in a staff report published earlier this year in which it was noted that "concentration is relatively low in natural gas production."

Thus, we have an ideal set of circumstances for the marketplace to work efficiently: a strong but unsatisfied consumer demand, a competitive industry, and an in place distribution system. We now need only take the final step to make the marketplace work: free the price so that new supplies of natural gas can be developed and brought to the market.

It is for all these reasons that the regulatory agency itself advocates deregulation. In a letter dated Oct. 2, 1974, conveying the Commission's endorsement of a pending amendment to deregulate new natural gas, FPC Chairman Nassikas stated: "The Amendment will more nearly enable market forces to allocate effectively our natural gas resources, and should encourage the development of additional domestic gas supplies. The Commission believes these objectives to be of prime importance to the American natural gas consumers."

EXHIBIT 2

[From the Washington Post, Apr. 3, 1975]

GAS PRICES AND JELLYBEANS

As the shortage of natural gas grows more serious in the Washington area, some customers are being forced to convert to oil. Nobody converts voluntarily. The price of gas to a large customer is $1.60 per thousand cubic feet. The equivalent energy in the form of fuel oil is now up around $2.60. That difference is, in fact, the explanation of the gas shortage. There are three basic fuels. Congress insists on holding the price of gas far below the prices of oil and coal. That is the heart of the controversy over the deregulation of natural gas.

The way to deal with the gas shortage is to deregulate the price. In present circumstances, it ought to be done in stages, over several years, to cushion the impact. No one can exactly say where fuel prices will be several years from now. But they certainly will not return to the level of two years ago. The basic reason for the great upswing in fuel costs is not the producers' cartel but a worldwide surge of demand for cheap fuel. Higher prices are a signal that supplies are not unlimited and we have to begin conserving. Price controls merely suppress that warning signal. Natural gas currently provides one-third of this country's energy supply. We can afford to make mistakes in our national policy on jellybeans, but not on basic fuels.

[From the Los Angeles Times, May 26, 1975]

NATURAL GAS: WHAT TO DO

The Senate Commerce Committee wrestled for weeks with the question of taking price controls off natural gas producers, and approved a bill that contributes little or nothing to the main goal: to spur the development of additional supplies of gas in time to avoid a serious shortage. We believe that Congress can do better. As Sen. John V. Tunney (D-Calif.) has pointed out in defense of his support of deregulation, cheap gas won't do consumers much good if there isn't enough gas to go around. And there won't be if the law isn't changed.

Artificially depressed prices have made natural gas a bargain for consumers, but have created a growing disincentive for its production.

No Californian would like having to spend $1,000 or more to convert from gas to electric cooking and heating. And the electric utilities might not have the power to spare. Even if they did, it would not be cheap power, because the generating plants would be burning fuel oil costing up to $16 per barrel, several times today's natural gas prices.

A so-called compromise has been approved by the Senate Commerce Committee, and awaits action on the floor. It would deregulate independent producers, but would allow the 23 largest companies—which account for 80% of natural gas production—to sell their gas for no more than 75 cents per thousand cubic feet. In addition, the measure would extend federal controls to intrastate sales of gas, thereby forcing an actual rollback of prices from current levels.

This is a bad piece of legislation (S. 692). It might comfort consumers in the short run. But since it would do little or nothing to increase gas supplies—and might even cause

further contraction—it would hurt consumers in the long run.

INDUSTRIAL WASTELAND

Half of all the energy used by industry in America comes from natural gas And the industries in the Midwestern, Northeastern and Middle-Atlantic states are being told that there isn't enough gas available to keep them running at full capacity the winter of 1975–76.

This is ridiculous, because we have the gas right here!

The federal Energy Research and Development Administration tells us that there are at least 500 trillion cubic feet of natural gas locked in the Devonian shale formations in Ohio, Michigan, Illinois, Indiana, Kentucky, Alabama, Tennessee, West Virginia, Pennsylvania and New York.

What do you think about that, New York? How about that, Pennsylvania, New Jersey, Connecticut, Massachusetts, Rhode Island, Maine, Vermont and New Hampshire? Can the factories in Ohio, Illinois, Indiana, Michigan, Kentucky, Tennessee and Alabama use this gas? And how about Virginia, West Virginia, Maryland, Delaware, Washington, D.C., North Carolina and South Carolina?

Let us all join forces now. Government, industry, labor and the scientific community to develop ALL the gas we know is here to keep the flame of American industry burning."

[From the San Francisco Examiner, June 1, 1975]

CALIFORNIA'S NEED FOR ALASKAN GAS

Proposals that California's natural gas utilities put up front money for development of new gas sources in Alaska's North Slope fields are before the California Public Utilities Commission. Under the proposals the State's gas consumers would pay higher rates now as a step toward assuring them supplies of scarce natural gas in the 1980s and 90s.

Eighty-six percent of all California households—more than 17 million people—rely on natural gas for winter heating. Natural gas is the chief and virtually indispensable source of energy for scores of California's major industries, the giant food processing industry among them.

In the long term, meaning 1985 and beyond, the undisputed testimony before the utilities commission is that supplies from existing sources—approximately two trillion cubic feet a year—will shrink to a trickle.

[From the New York Daily News, June 14, 1975]

NEVER SAY DIE

The Federal Power Commission is kicking around an idea that agency bigwigs believe might alleviate the natural gas shortage caused, for the most part, by FPC regulation of wellhead gas prices. The solution: Put Uncle Sam in the business of buying and supplying the fuel.

Here is an example, par excellence, of how the minds of Big Brother-oriented bureaucrats work. When federal intervention screws up the market place, they automatically look to further government meddling as a cure for the ailment.

A far better idea would be to deregulate gas prices altogether at the wellhead, and let nature take its course. But that seems to be too simple and logical an answer for the big brains in Washington.

[From the San Francisco Examiner-Chronicle, June 1, 1975]

COMMENTARY

Eighty-six per cent of all California households—more than 17 million people—rely on natural gas for winter heating. Natural gas is the chief and virtually indispensable source of energy for scores of California's major industries, the giant food processing industry among them.

The outlook for future supplies is bleak. In the near term, meaning the next four years, declines in supply will be so substantial that the utilities commission has ordered schedules for curtailment of service to many commercial consumers.

In the long term, meaning 1985 and beyond, the undisputed testimony before the utilities commission is that supplies from existing sources—approximately two trillion cubic feet a year—will shrink to a trickle.

While the Alaskan fields cannot meet all of California's needs—other states either are or will be competing for the same gas—they can help substantially. Alaska's Prudhoe Bay field has proven reserves of 24 trillion cubic feet. Potential reserves in the total North Slope area are put at 114 trillion cubic feet.

[From the Minneapolis Star, June 14, 1975]

DEREGULATION NEW GAS PRICES

The Federal Power Commission (FPC) reports that the nation's natural gas utilities estimate they will be almost 20 percent short of gas needed to meet firm requirements over the next 12 months. But another federal agency, the Federal Trade Commission (FTC), accuses the natural gas industry of underestimating available reserves in a move 'tantamount to collusive price rigging.'

In this confusing atmosphere, Congress continues to argue about whether to abandon or change the way in which prices are regulated on natural gas. The record, we think, suggests the government must either get into regulation more deeply than it already is, and for other fuels as well as gas, or it should abandon regulation of at least new natural gas discoveries.

We believe reregulation should be tried first. Control has worked to the nation's disadvantage during the 20 years it has been in effect.

Desirable because it is a clean fuel, gas also was given the advantage of a relatively lower price. Its share of the energy market has doubled in the past 25 years. Coal's share has been cut in half.

The low return also has worked to discourage industry exploration for additional gas supplies. The cost of finding gas rose, but the price didn't go up along with it. On top of that, intrastate purchasers of gas are not subject to price regulation, and intrastate prices have risen to three times the regulated price for gas going into the interstate pipelines, with the not unexpected result that the intrastate market is getting more than its share of the gas.

It's clear to us that we haven't found the right way to regulate the price of energy nor do we feel the nation wants at this point to undertake a more comprehensive plan for regulation. Let's ease off on the controls and see if the results aren't better than what we have.

[From the Portland Oregonian, June 18, 1975]

EDITORIAL

President Ford has waited with growing impatience for Congress to either support the administration or produce its own energy program, but the Congress has done nothing but swallow air. Its failure to move on oil conservation and energy is a national disgrace.

The nation is spending more than $25 billion a year for foreign oil and the percentage of these imports is climbing while there is talk among the oil-producing nations of another price increase. Meanwhile, nothing has been done to encourage exploration for natural gas, which is in short supply. Many sections of the country face a severe hardship next winter if extreme cold weather is experienced.

[From the Los Angeles Times, June 23, 1975]

EDITORIAL

On a single day last week these events occurred:

The House gave final approval to a weak energy tax bill that would do very little to promote fuel conservation or reduce imports of increasingly higher-priced petroleum.

The House Commerce Committee set its face to the past and voted to retain the present unrealistic controlled price of "old" oil while rolling back the currently uncontrolled price of "new" oil. Those actions are a prescription for reduced development of domestic oil resources.

The U.S. Geological Survey reported that undiscovered recoverable resources of oil and natural gas liquids apparently are much less than previously estimated. The combined estimate now ranges from 61 billion to 149 billion barrels. In March, 1974, the combined estimate was between 200 and 400 billion barrels.

[From the Washington Post, July 3, 1975]

FORD WARNED OF LACK OF NATURAL GAS

President Ford was told by energy advisers yesterday that the nation faces a serious shortage of natural gas this winter.

In a meeting with Federal Energy Administrator Frank G. Zarb and other advisers, Mr. Ford was warned that many Midwestern and Northeastern states can expect "shortages that cannot be made up by other fuels," White House press secretary Ron Nessen said.

Nessen said the shortages would apply "entirely or almost entirely to industrial users."

Earlier, asked whether the nation could expect a shortage of gasoline this summer, Nessen said no. He did not elaborate.

Natural gas supplies last winter fell short of promised delivery by 1.7 trillion cubic feet, Nessen said, By the end of 1975, that figure is expected to rise to 3.3 trillion cubic feet, and projections for subsequent years are even higher, he said.

Nessen said the President believes that the expected shortage will be at least partially caused by the federal price controls now in effect on natural gas in interstate commerce, and that during the meeting Mr. Ford called for an end to those controls, as he has in the past.

[From the Minneapolis Farmer]

A RACE AGAINST TIME

There are certainties and uncertainties about natural gas production, the Farmer learned in a recent tour of Gulf of Mexico developmental gas fields, on and offshore.

Chief among the certainties: Demand is fast outstripping present natural gas production. Gas usage has doubled since 1954; by 1985, it is expected to double again.

The Pearson-Bentsen amendment to U.S. Senate Bill 692 (Natural Gas Production and Conservation Act of 1975), soon to be debated in the Senate, would be of immense help in the natural gas situation. Its passage would give the go-ahead to gas reserve development by immediate decontrol of wellhead prices for new onshore gas and gradual price control phaseout of new offshore gas. The alternative may be to curtail development of new gas reserves for lack of economic incentive and to be at mercy of foreign petroleum suppliers.

[From the Washington Post, July 9, 1975]

NATURAL GAS AND NEXT WINTER

The eastern seaboard is going to get much less natural gas over the coming winter than last year. Consider a specific case: the city of Danville, Va., down near the North Carolina border. Its population is 46,000. Its principal industry is Dan River Mills, a huge textile manufacturer, that employs 9,000

people. Dan River Mills has to have gas for the cloth finishing process, which requires an open flame. Without gas, the factory shuts down.

This country has been treated very kindly by the weather. Since the gigantic rise in fuel prices at the end of 1973, both winters have been unusually warm. Less gas used for heating means more available for industry—but the reverse is also true. A wise and foresighted nation would not count on a third warm winter in a row.

EXHIBIT 3

DIVIDING UP THE SHORTAGE NO ANSWER TO GAS CRISIS

The staff report of the Federal Power Commission gives a disturbing picture of the future for natural-gas supply in the U.S. It concludes that there's little chance of ever finding enough gas to satisfy all the potential customers, and therefore measures to share the shortage should be taken immediately.

Most industry observers will agree partially with the FPC staff assessment of the gas-supply situation. It is ominous, and it has been for many years under the repressive hand of price regulation. Gas producers long have warned that just such a supply crisis as outlined by FPC would come to pass unless gas prices were freed to give incentive for finding new reserves.

But the supply outlook still may not be hopeless, and certainly other measures to increase supply and dampen demand should be tried before full allocation with all its political implications is imposed.

A defeatist psychology dominates the report.

The FPC staff, in the first place, doesn't have enough confidence in the industry's ability to find more gas. The distorted picture doesn't have to happen. The industry has operated for 20 years under the depressing impact of strict price regulations. Given the incentive of a free market, a vigorous exploration drive can be mounted. There's much gas to be found in Alaska, in vast untested offshore areas, and even on land in the Lower 48 states.

The FPC staff is correct that new reserves can't supply all potential demand. Under new environmental regulations the potential demand for gas is just too great, especially when the price is artificially made cheap by regulation. But potential demand can be reduced sharply by competitive gas pricing, by measures to conserve gas, and by switching industrial users to alternative fuels.

Coal, synthetics, and nuclear fuels must be developed to fill the rest of the supply void. The FPC staff report does not sufficiently stress these alternatives, especially the use of coal, of which the U.S. has vast reserves which are penalized by environmental laws.

Increasing energy supply is by far preferable to full allocation. The FPC already is allocating supplies of interstate pipelines under its curtailment orders. Legislation pending before Congress would result in allocation of intrastate supplies as well. Consumers and their supporters in Congress will fight for a "fair share" of an ever-dwindling supply. Producing states could be forced to share their supply with more politically powerful regions served by the interstate lines.

There's danger that, in the political wrangling, politicians will lose sight of the dire need to free gas prices and provide other incentives for finding more reserves. Politics will replace the economics of the free market as the basis for regulation. This is an approach sure to choke off new supply. Allocation should be only the last resort after every effort at increasing supply by new exploration and use of alternate fuels has been exhausted.

ENERGY POLICY

Mr. McCLURE. Mr. President, let me begin by complementing Senators HANSEN and BARTLETT for their fine remarks on this issue. I wish to associate myself with their fine presentation by my own presentation.

Mr. President, the Senate will have before it, soon now, perhaps even next week, a bill which could very well make the difference between sound energy policy and continued empty rhetoric.

Mr. President, the coming shortfall in natural gas supplies, given a severe winter, will be catastropic indeed. The problem is enormous and the only real solution will not be an easy one for us to accept. It is going to take a great deal of moral leadership and courage on the part of this body to admit the policies of the past on this issue no longer work; and that we must look to individual initiative to find our ultimate answer, instead of bureaucratic regulation.

Mr. President, so many academic authorities have spoken on the need for prudent congressional action to remove Government price controls from new interstate natural gas.

Let me name a few: Stephen G. Breyer, professor of law, Harvard; Paul W. Macavoy, professor of economics, Massachusetts Institute of Technology; Keith C. Brown, associate professor of economics, Purdue University; Dr. William A. Johnson, professor of economics, George Washington University; Herman Kahn, head Hudson Institute; Walter J. Mead, professor of economics, University of California at Santa Barbara; Milton Russel, professor of economics, Southern Illinois University; Clark A. Hawkins, associate professor of finance and economics; John J. Schanz, Jr., professor of economics, University of Arizona; Helmut J. Frank, professor of natural resources and senior research economist, University of Denver; Edward W. Erickson, professor of economics and business, North Carolina State University; Robert W. Spann, Virginia Polytechnic University; Dr. Norman B. Ture, consulting economist, Washington, D.C.; Prof. Edmund Kitch, University of Chicago; Prof. Edward J. Mitchell, University of Michigan; Dr. Robert S. Pindyck, assistant professor of economics, Massachusetts Institute of Technology; Ezra Solomon, professor of finance, Stanford University; Robert B. Helms, senior staff member, American Enterprise Institute; Thomas Gale Moore, senior fellow, Hoover Institute, Stanford University; and William H. Riker, professor of political science, University of Rochester.

Mr. President, not only the academic community, but some members of the Nation's media have also joined in the public request for more natural gas supplies.

My good friend and colleague Senator HANSEN has previously noted several of these references by the media.

Mr. President, I commend these efforts to give Americans the energy supply they want and deserve, as well as the hundreds of thousands of letters, phone calls, and telegrams that concerned citizens have made on this behalf.

Mr. President, when S. 692 comes before us, the Senate of the United States hopefully will seize this opportunity to turn our performance around and begin the work to get this Nation back on track.

Mr. President, I ask unanimous consent that a number of quotes from distinguished members of the academic community as well as several media editorials and articles on the issue of natural gas regulation be a part of the RECORD at this time.

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

OPINIONS OF NATURAL GAS REGULATION

(By Stephen G. Breyer, professor of law, Harvard University, and Paul W. Macavoy, professor of economics, Massachusetts Institute of Technology)

We believe that natural gas regulation has hurt more consumers than it has helped. It is widely recognized that regulation brought about a *reserve* shortage beginning in 1962, which grew into an actual *production* shortage in 1969. But, it is less often noted that these shortages directly raised fuel costs for consumers, for they led millions of consumers who might have used gas to rely instead on other, more expensive fuels . . . if existing regulations keeps gas prices low, it may save present consumers of gas billions of dollars. But, it will do so only by imposing great costs (we predict greater costs) upon other consumers—consumers of, say, oil or electricity who might otherwise have the opportunity to use gas, consumers of natural gas whose reserve backing is no longer adequate, and customers of firms whose products would be cheaper were natural gas obtainable.[1]

To hold down new gas prices will *decrease* gas production, creating a shortage and, by driving smaller, higher cost producers out of business, increase the very economic concentration that the FPC . . . seeks to avoid. . . .[2]

It is difficult to see how an FPC that, from everyone's point of view, has failed to find the proper prices for natural gas after 15 years of trying could perform successfully the far more complex job of deciding which customers shall get natural gas and which shall not. . . .[3]

In sum, the arguments against the present system of gas field market regulation are compelling. Price control is not needed to check monopoly power, and efforts to control rents require impossible calculations of producer costs and lead to arbitrary allocation of cheap gas supplies. In practice, regulation has led to a virtually inevitable gas shortage. It has brought about a variety of economically wasteful results, and it has ended up by hurting those whom it was designed to benefit. Thus, less, not more, regulation is required.[4]

Regulation induced a gas shortage of considerable dimensions. . . . And its major objective—benefiting the home consumer—was not achieved. The lower prices produced benefits with one hand that were taken away with the other. Excess demand generated from the reduced prices took away the benefits—regulation denied consumers gas reserves for which they would have been willing to pay.[5]

The arguments against continued efforts to control the exact price of natural gas are strong. Regulation is not necessary to check the market power of producers. Moreover, there is no practical way to calculate and capture rents in competitive gas markets: setting the prices for producers individually is not feasible; setting area rates is adminis-

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Footnotes at end of article.

tratively complex and of necessity produces a gas shortage.

Some consumer groups have argued that the Federal Power Commission should deal with the problems that arise from its regulatory efforts by introducing still more regulation. The FPC might, for example, seek to expand its jurisdiction over intrastate sales. . . . It might then establish end-use controls, specifically allocating gas to particular individuals or classes of customers. Such an approach, however, would not solve the problems raised here. More intense regulation would reduce even further the incentives to increase reserves or improve gas production technology. . . .[6]

Efforts to regulate the prices charged by natural gas producers should be abandoned. De-regulation in all likelihood would end the gas shortage, while competition among producers probably would keep prices near market-clearing levels. . . .[7]

FOOTNOTES

[1] Breyer, Stephen G. and Paul W. MacAvoy, "Natural Gas and the Consumer", *The Washington Post*, October 14, 1974.

[2] *Ibid.*

[3] *Ibid.*

[4] Breyer, Stephen and Paul W. MacAvoy, "The Natural Gas Shortage and the Regulation of Natural Gas Producers", *Consumer Energy Act of 1974*, Hearings before the Committee on Commerce, United States Senate, Part 2, 1973, p. 850.

[5] Breyer, Stephen G. and Paul W. MacAvoy, *Energy Regulation by the Federal Power Commission*, The Brookings Institution, 1974, pp. 86–87.

[6] *Ibid.*, p. 87.

[7] *Ibid*, pp. 132–133.

OPINION OF PROF. EDMUND KITCH, UNIVERSITY OF CHICAGO

The second reason that the present regulation has encouraged the industrial uses of natural gas is related to the regional distribution of those industrial uses. The west-south-central area is composed of the States of Texas, Louisiana, Arkansas and Oklahoma. In these States natural gas is largely supplied by the intrastate market. This area is the most intensive natural gas consuming area in the Nation. The area consumes 34 percent of the natural gas produced in the Nation. Ninety-one percent of the gas consumed in this region is consumed industrially. Put another way, 40 percent of all natural gas in the United States which is consumed industrially is consumed in the west-south-central area. By holding down the price of natural gas within the region, the Federal regulation has effectively acted as a subsidy to this industrial market, and therefore as a subsidy to the industrial growth of the Southwest. The only practical way to reduce the industrial use of gas within the Southwest is to raise the price of gas in that region. . . . Put another way, the residential gas consumer of the Pacific Coast, upper Midwest and the East Coast is prevented by Federal law from paying 10 to 15 percent more for his gas, thereby making gas in the American Southwest 50 percent cheaper than it would otherwise be and subsidizing the movement of industry from the consumer's home region to the Southwest.[1]

OPINION OF HERMAN KAHN, HEAD, HUDSON INSTITUTE

The following quote is taken from Mr. Kahn's critique of the Final Report of the Energy Policy Project of the Ford Foundation *A Time to Choose America's Energy Future:*

"The study refers frequently to the need for all sorts of government control and regulation; indeed, it is clearly biased in favor of such action. People who take this stance, unfortunately, tend to underestimate the enormous role high prices can play in a free market and to ignore the harm governments can do. In many cases regulation would be useful if carried out with great skill, but disastrous if such skill is not forthcoming. For example, I would argue that the Arab oil embargo of 1973 could not have had serious effects in this country, had our government not made at least two serious mistakes. The first was to allow our energy stocks to reach dangerously low levels. In fact, if there had been a very cold winter or very warm summer in 1973 or 1974, our home heating and air conditioning needs would have been so great that a large part of our industry might have been forced to shut down. Behavior like this is similar to the disastrous gamble of the British Labour Party on a warm winter in 1948. *The second major mistake by our government was to keep the domestic price of natural gas at an artificially low level, at a time when we were negotiating to buy it abroad for a dollar or more per thousand cubic feet (at this writing the domestic price is still about 50 cents). I really don't know of any sensible person who will still defend this policy.* As a result of this mistake, perhaps 40 percent of our natural gas has been consumed inefficiently. If the price had been more rational, much of our gas would have been kept in storage, and quite probably, more would have been discovered." * (Emphasis added)

OPINIONS

(By Edward W. Erickson, Professor of Economics and Business, North Carolina State University, and Robert W. Spann, Virginia Polytechnic University)

The consumer consequences of natural gas field market price deregulation would be higher prices, but these prices would allow relatively smooth consumer adjustments, would limit necessary abandonments and curtailments, and would call forth substantial new gas supplies.

Our major conclusions are that natural gas field markets are effectively competitive and that the most efficacious solution to the natural gas dimensions of the energy crisis is deregulation of the wellhead price of natural gas.

There is a shortage of natural gas reserves and production.

This shortage is a result of a variety of factors. Some of these include:

shortages of refinery capacity and crude oil inputs,

shifts of fuel demands to natural gas,

Federal Power Commission ceilings on the wellhead price of natural gas,

and uncertainties about the future of regulation of the wellhead price of natural gas.

Regulatory reform is a necessary ingredient for a long-run solution of our natural gas shortage.[1]

The evidence from the offshore bidding data is especially important for public policy formation with regard to natural gas field markets. It indicates that higher supply prices for new natural gas supplies are the result of the higher costs of securing those supplies.[2]

A significant part of the current shortage is demand induced. In addition to finding ways to stimulate supply, public policy should also cause available supplies to be rationed among the highest valued uses. The price system is the most efficient rationing system we know. A way to both stimulate new supply and conserve our scarce resources by allocating them to their highest valued use is to allow market clearing prices to operate.

Although markets in which prices are allowed to clear demands and supplies are the most efficient rationing systems for allocating scarce resources among competing uses, would not allowing the field markets for new natural gas to clear work be an inequitable hardship on gas consumers? . . . these increases would be gradual and would allow consumers to adjust smoothly. Moreover, these prices would perform the rationing function discussed above that is so important to the effective conservation of natural gas resources. We believe that consumers would prefer to have adequate gas supplies at prices which reflected the costs of the resources they are using rather than curtailments and abandonments at artificially low prices. . . .[3]

It has been suggested that one part of the solution to the natural gas portion of the energy crisis should be the formation of a national energy company to explore for, develop and produce new natural gas reserves. There is one example of such a venture in another area. This is TVA. The total assets of TVA are about $4,000,000,000. The total assets of Amerada-Hess are $1,378,000,000. Thus, if we were to create a national energy company dedicated to oil and gas production, it would only be about 3 times as large as Amerada-Hess. Even if all the resources of such a venture were committed to oil and gas exploration and production, the contribution of such a venture to the long-run oil and gas supply problem would be marginal. Moreover, we could not create such a national energy company overnight. The natural gas supply problem is here and now. The most promising solution to the natural gas crisis is to allow prices in the field markets for new natural gas supplies to rise to their market clearing level.[4]

The indications are that substantial reserves remain to be discovered in the onshore and offshore United States. If prices are sufficient to cover the costs, these reserves will be forthcoming. . . If we are to enjoy the benefits of these potentially discoverable reserves, field market prices must encourage the exploration activity necessary to bring them into economic existence.[5]

Our conclusions are: . . . the long-run marginal costs for incremental new gas supplies are substantially higher than the current average field prices, and if field market prices were allowed to rise to market clearing levels, new natural gas discoveries would eliminate the current shortage.[6]

The current shortage of natural gas represents a regulatory failure. That regulatory failure has been FPC ceilings on wellhead prices in natural gas field markets. The appropriate solution to our problem of natural gas shortages is complete and immediate deregulation of the wellhead price of natural gas—both old gas and new gas.

Precise estimates of the supply and demand responses to higher natural gas prices are very chancey. This is true regardless of whether they are made by geologists, economists, engineers or lawyers. We can say with certainty that supplies will be larger and demands lower than they would otherwise be, but not precisely by how much. This situation is in part a result of the pernicious effects of regulation itself.

Suppose that deregulation resulted in no increase in U.S. gas reserves, would it still be a desirable policy? The answer is yes. A policy which prevents U.S. reserves and production from falling contributes an increment to supply that would otherwise be filled by imports, constitute unmet demand or be met by higher cost alternatives.

Is deregulation of natural gas prices capitulation to OPEC with respect to U.S. energy prices and should we resist deregulation on those grounds? No. The plain fact is that the marginal cost of energy to the U.S. economy is the price of imported oil. To pretend otherwise is unrealistic. Moreover, one of the prerequisites for enhancing the probability that the cartel price will erode in

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[1] Kitch, Edmund W., "The Shortage of Natural Gas," Occasional Papers from the Law School, The University of Chicago, 1 February 1972, pp. 10–11.

* Kahn, Herman, "A General Overview", *No Time to Confuse*, Institute for Contemporary Studies, San Francisco, 1975, pp. 143–44.

Footnotes at end of article.

real terms is getting the U.S. domestic energy house in order. Natural gas deregulation is a step in that direction.

The advantages of natural gas deregulation include:

1. enhanced supply,
2. conservation in demand,
3. reduction of the U.S. excess demand for imported oil,
4. increased probability of lower world real oil prices,
5. decreased reliance upon higher cost substitutes for natural gas,
6. rationalization of the relation between the interstate and intrastate natural gas markets, and
7. creation of confidence in a set of rules of the game which facilitate investment decisions." [7]

FOOTNOTES

[1] Erickson, Edward W. and Robert M. Spann, Statement at Hearings before the Committee on Commerce, United States Senate, 93rd Congress, *Consumer Energy Act of 1974*, Part 2, Nov. 8, 1973, p. 752.
[2] *Ibid.*, p. 757.
[3] *Ibid.*, p. 758.
[4] *Ibid.*
[5] *Ibid.*, pp. 758-9.
[6] *Ibid.*, p. 759.
[7] Erickson, Edward W., "Natural Gas Deregulation", Statement before the Committee on Interstate and Foreign Commerce, United States House of Representatives, March 17, 1975. (Entire statement)

OPINION OF EZRA SOLOMON, PROFESSOR OF FINANCE, STANFORD UNIVERSITY

"The . . . most critical element in the development of the current energy problem was the imposition of price ceilings on the wellhead price of natural gas used in interstate commerce . . . the ceilings were set and kept significantly below equilibrium market levels all through the 1960's." [1]

". . . Given . . . the rising ratio of energy input per unit of gross national product and the increased emphasis on environmental quality, the proper course for natural gas policy would have been one that encouraged the maximum development of its potential supply, and discouraged the very rapid growth in its overall consumption especially for purposes which reflect less-than-economic use of its full value.

"The evidence is overwhelming that the pricing policies which were followed in the 1960's did precisely the opposite.

". . . Ceiling prices were set too low to bring forth an adequate finding and developmental effort. Between 1960 and 1970 exploratory natural gas well completions in the lower 48 states fell by one-half . . ." [2]

". . . Not only did artificially low prices discourage the development of new reserves of gas, they also encouraged an extremely rapid growth in gas consumption, both in absolute terms and relative to other fuels. During the decade of the 1960's end-use gas consumption rose by 84 percent or nearly 6.3 percent per annum. In contrast, the use of bituminous coal rose 29 percent and of petroleum 45 percent." [3]

". . . a pattern of declining interstate sales is a major social cost of gas price regulation." [4]

"The adverse effects of natural gas price policy in the 1960's, which gathered momentum all through the decade, began to manifest themselves dramatically in 1970—nor were these effects confined to the gas sector alone. One of the arguments sometimes used in favor of low ceiling prices on gas is that this would tend to keep the price of competing fuels down. This would be true only if the low price of gas were due to large supplies of gas. But artificially mandated low gas prices produce exactly an opposite effect. It lowers gas supply and creates shortages. Unmet demands for gas are then transferred to other fuels, and the result of higher demand for those fuels is rising prices. This is what occurred beginning in 1970. Given the depleted level of reserves, domestic gas output virtually reached its limit and deliveries to some users had to be curtailed. At the same time as natural gas curtailments increased, the total demand for clean fuel was rising. As a result, there has developed a relative shortage of and a consequent sharp increase in the price of low-sulfur oil. The subsequent attempt to increase the output of fuel oil per barrel of crude has, in turn, affected gasoline output, and shortages in this sector have also emerged. These are the symptoms. The root cause lies in a decade-long attemp to hold natural gas prices at artificially low levels." [5]

"The . . . most promising, approach would be to permit wellhead prices of natural gas to move freely to their market-clearing level. The argument for this approach can be stated succinctly:

"(a) The U.S. has abundant undiscovered deposits of natural gas. . .

"(b) Allowable price ceilings were set, and kept, at levels too low to induce the exploration and development of those abundant gas supplies. At the same time the artificially low prices induced an abnormal growth in gas consumption.

"(c) The restoration of a free market in gas would stimulate a significant expansion in exploratory and developmental activity and this would lead to a significant increase in the availability of new supplies. At the same time, market-clearing prices would restrain the rapid growth rate of consumption, shift gas supplies automatically from less efficient to more efficient end-uses and thereby restore a proper balance between supply and demand at a much higher level than would otherwise be the case.

"(d) The restoration of a more efficient equilibrium in the gas sector would aid the restoration of equilibrium for other fuels, . . . it would result in lower fuel oil prices than would otherwise prevail and also result in a significantly lower dependence on imports and all that this implies for the national economy and for national security." [6]

". . . Rationing existing supplies of natural gas does nothing to reduce the overall shortfall of supply—it simply shifts the problem and the burden to another sector, creating new problems there. Furthermore, the implied course of action would eventually, and predictably, worsen the gas supply situation, even for the temporarily "preferred" group of users." [7]

"There is no precise way to calculate the cost which regulation has imposed on unsatisfied gas consumers by forcing them to alternative fuels. Attempts which have been made to place a "money value" on the size and costs of the shortage induced by price regulation have concluded that the costs probably exceed even the *gross* benefit conferred by the lower price to those fortunate consumers whose demand for gas has been satisfied.

"In sum, regulation benefited consumers who received and used the lower price gas; it benefited industrial users who were able to bid away an increasing fraction of new supplies from the artificially depressed interstate market; it benefited a small army of people, in and out of Government, who ran the expensive and time-consuming process of regulation.

"On the other hand, regulation hurt, and will continue to hurt new residential and commercial consumers—usually those in new and growing population centers—who were and are willing to pay more for gas but cannot obtain supplies; it hurt the producing industry directly and indirectly hurt those who participate in the overall exploration, development and producing process; it hurt the public at large through a fall in tax receipts below levels that otherwise would have prevailed; finally, it hurt users of competing fuels by the upward pressure which the gas shortage has exerted on the price of such alternatives.

"On balance, the effort to capture the economic rents of producers through price regulation has ended up by hurting the consumer: the direct and indirect losses arising from the shortage which has been created are so great they outweigh the maximum possible benefits that can be achieved by the further pursuit of lower prices through wellhead regulation.

"If price control has been the key to the shortage of gas, then substantial or total decontrol must be the key to its correction." [8]

". . . the evidence suggests that the joint effect of freer market prices on supply and demand would lead either to an equilibrium or near equilibrium situation in gas markets by 1985. Certainly it would lead to a situation that will be far closer to equilibrium than the gross disequilibrium which can be predicted if present regulatory policy is continued. The economic case for substantial or complete reregulation is an extremely strong one." [9]

"The case for more controls is a weak one. It also ignores some clear and important lessons.

"(1) Mandatory ceilings . . . has already converted a situation of abundant gas supply into a situation of serious shortages. A continuation of FPC price ceilings means that the shortage will get worse.

"(2) Rationing a commodity which is in short supply can do nothing to increase its total availability or to hold down the potential growth in demand. At best, it is an arbitrary way of distributing the social and economic burdens caused by the shortage. What it does do is to transmit the real burden of meeting the predictable shortfall in supply to other energy sectors. It thereby exposes the nation to the huge costs of accommodating to such a shift. These costs include the deprivation of some users; slower commercial and industrial growth especially in the potentially faster growing areas; lower long-run employment levels; higher financial costs per unit of energy for those users for whom rationing cuts off gas supply; more severe balance of payments problems; and finally a higher level of dependence on the whims of foreign sources of energy supply." [10]

". . . The basic issue is what happens to those numerous users who will be forced to do without gas under a long-term system of price control and rationing: Either they will suffer deprivation or they will be forced to turn to alternative forms of energy which cost more than they would have to pay for gas in a free market." [11]

". . . total deregulation of all gas sales at well-head . . . would maximize the certainty and durability of the shift to freer markets for field gas. It would also have the maximum possible impact on supply and on demand. On the supply side, it would encourage and facilitate investment in existing fields that would both speed the withdrawal and yield additional supplies not available if deregulation is confined to new gas alone. It would also contribute additional cash flows that would almost certainly be reinvested to expand production." [12]

FOOTNOTES

[1] Solomon, Ezra, Statement before the Committee on Commerce, United States Senate, Transcript of Proceedings, *Hearings on Natural Gas Regulation Bills*, p. 580.
[2] *Ibid.*, pp. 580–581.
[3] *Ibid.*, p. 582.
[4] *Ibid.*
[5] *Ibid.*, pp. 582–583.
[6] *Ibid.*, pp. 587–588.
[7] *Ibid.*, p. 589.
[8] *Ibid.*, pp. 602–603.
[9] *Ibid.*, p. 606.
[10] *Ibid.*, pp. 606–607.
[11] *Ibid.*, p. 608.
[12] *Ibid.*, p. 613.

OPINIONS OF JOHN J. SCHANZ, JR., PROFESSOR OF ECONOMICS, UNIVERSITY OF ARIZONA, AND HELMUT J. FRANK, PROFESSOR OF NATURAL RESOURCES AND SENIOR RESEARCH ECONOMIST, UNIVERSITY OF DENVER

" . . . deregulation would obviate the need for deciding administratively which customers and markets should enjoy adequate gas supplies at attractive prices and which should be excluded. In our view, any attempt to make such a determination would result in the probability of a misallocation of resources; it would saddle the FPC with responsibilities that neither it nor any other governmental body should be asked to shoulder, at least in peace time; and it would redirect the decisionmaking process from the realm of economics into the political arena, where extraneous pressures would inevitably overwhelm rational decision criteria. In short, any such effort would be foredoomed to failure. Moreover, adverse repercussions on all segments of the gas industry could not be avoided. . ." [1]

" . . . substantial increases in gas prices would accomplish several highly important objectives. For energy consumers (and local authorities concerned with setting pollution standards), a clear choice would be offered: Is a cleaner environment worth the added cost of burning a premium fuel? Continuing to pretend that ample gas supplies will be available at costs equal to, or even lower than, the "dirty" hydrocarbons seems objectionable as well as inherently self-defeating. For producers of natural gas, substantially higher prices would offer the challenge of responding to adequate incentives and of substantiating their claim that reduced incentives under regulation have been the major obstacle to providing consumers with ample supplies. For potential suppliers of supplementary gas sources (imports, LNG, and synthetic gas), higher prices would represent a clear signal to proceed with rapid development in response to the prospect that these new supplies could find a ready market as they become available. For American industry, science and technology, higher gas prices would present a chance to search for new ways to utilize the fuels with which this country is amply blessed—especially coal—without polluting our cities. Past performance gives grounds for optimism if the rewards justify the necessary expenditure in money, time, and effort." [2]

"Our argument against increased regulation and for allowing a freer rein to market forces rests on broad conceptual grounds, as well as on what we believe to be a sound economic basis . . . in times of shortage, prices in the most perfect of competitive markets will be far above the 'normal supply price,' as defined by Alfred Marshall.[3] . . . to pursue a course that would paralyze, rather than take advantage of, healthy economic forces would appear wholly ill-advised." [4]

OPINION OF DR. NORMAN B. TURE, CONSULTING ECONOMIST, WASHINGTON, D.C.

"It must surely be evident that FPC has seriously underestimated both the increase in demand and the increase in the costs of gas production . . . the industry is appropriately characterized as one of increasing costs. Efforts to increase gas supply by the addition of reserves result in sharply rising average costs. Taken together with the rapidly accelerating increases in the demand for gas, these factors have called for substantial increases in gas prices if shortages were to be averted. FPC ceiling prices, no matter how determined, have fallen far short of those required to clear the market.

"Both abstract and empirical analyses leave no room for doubt that since gas prices were established by the FPC at the level of gas costs, regulation must be blamed for the gas shortage that has developed. Moreover, regulation *per se* is responsible for the shortage, entirely irrespective of the degree of competitiveness of the regulated industry." [1]

"Part of the objection to the "windfalls" which producers allegedly would realize if gas prices were deregulated is that consumers would get nothing in return for the higher prices they would pay and the greater profits producers would realize. The objection is without basis. Too low ceiling prices have inhibited capital commitment in the industry, retarded reserve additions, and curtailed gas output relative to what it otherwise would have been. By the same token, the price increases which would result from deregulation will both encourage and make possible larger investments in additional reserves and greater gas production than can be expected so long as regulation persists.

"This is true not merely with respect to the price of 'new' gas but the price of 'old' gas as well. The revenues from the sale of 'old' gas provide the bulk of the funds required for producers' capital commitments for exploration, development, and production of 'new' gas. The capital requirements for any given amount of 'new' gas are continuously increasing, both because of the inherent increasing cost nature of exploration, development, and production, and because of the increase in the price level. Future revenue increases from higher prices for 'new' gas are inadequate to finance the increase in capital commitments required now. Without freeing the price of 'old' gas, future gas supplies will be lower than otherwise.

'Too low prices for gas have encouraged wasteful uses of this energy source; the price increases which would result from deregulating and allowing the price of gas to clear the market would result in more efficient and economical use of gas.

"Consumers will get more gas from deregulation, and they will use it more efficently." [2]

"Continued insistence on a regulated price for gas equal to the 'just and reasonable' price based on at best grossly imprecise cost estimates, therefore, is the same as continued insistence on market disequilibrium.

"The argument that continued regulation of the price of gas is necessary to protect the interests of consumers is equivalent to asserting that consumers are better served by artificially depressed prices and the resulting shortages than they would be by higher, market-clearing prices. Artificially low prices and attendant shortages necessarily mean that some non-price, non-market mechanism must be used to allocate the quantity of gas supplied would-be purchasers. Conceivably, some such non-price distribution method may be justified on political grounds; it cannot be justified on economic grounds. . . . Any gas allocation other than that resulting from free market prices impairs consumer well-being." [3]

"Examination of the characteristics of the natural gas producer industry and of the data pertaining to its operations reveals that in every significant respect the industry is highly and effectively competitive. The contentions that the industry is noncompetitive rest on faulty analysis and misconceptions concerning competitive behavior and results as well as upon incorrect interpretations of the operational significance of some of the industry's practices. Under critical examination, those contentions fail both analytically and factually.

"To argue that the industry is monopolistic and for that reason must continue to be regulated in its interstate operations in order to protect the interests of consumers is to urge the indefinite perpetuations of gas shortages. . . . Regulated prices do not serve the interests of consumers; rather, under present and foreseeable circumstances, they generate shortages which impair consumer well being. . . ." [4]

FOOTNOTES

[1] Ture, Norman B., Prepared Statement to Committee on Commerce, United States Senate, 93rd Congress, *Consumer Energy Act of 1974*, Part 1, Oct. 24, 1973, p. 351.
[2] *Ibid.*, pp. 355–56.
[3] *Ibid.*, pp. 356–57.
[4] *Ibid.*, p. 364.

OPINION OF DR. ROBERT S. PINDYCK, ASSISTANT PROFESSOR OF ECONOMICS, MASSACHUSETTS INSTITUTE OF TECHNOLOGY

". . . consumers can experience a negative benefit under regulation because the cost to those consumers who don't receive . . . gas is greater than the benefit to the consumers who get gas at a lower price.

"I believe that is the case with gas. I believe this based on the estimates that we have made and the investigation that we have made into the structure of consumer demand for natural gas.

"The structure is such that under a scheme of strict regulation where there would be considerable shortage, that the net effect would be negative." [1]

FOOTNOTE

[1] Pindyck, Dr. Robert S., *Consumer Energy Act of 1974*, Hearings before the Committee on Commerce, United States Senate, 93rd Congress, October 25, 1973, Part 2, p. 518.

OPINION OF KEITH C. BROWN, ASSOCIATE PROFESSOR OF ECONOMICS, PURDUE UNIVERSITY

"FPC regulation of the maximum price that jurisdictional purchasers are allowed to pay producers of natural gas seems to have been at least partially responsible for the current unsatisfactory conditions existing in the natural gas producing and distributing industries. At current price levels, the quantity of gas demanded by consumers considerably exceeds that which producers are willing to supply. There is no evidence that large enough quantities of substitutes for natural gas produced in the forty-eight contiguous states (gas from coal or oil, Canadian imports by pipeline, or liquefied natural gas from Alaska or foreign countries) will be available in the next decade to substantially reduce the projected demand growth for natural gas, either at current or prospective equilibrium natural gas prices. Therefore, providing market conditions under which quantity of natural gas supplied is likely to increase to quantity demanded seems to be the only way to end the current problem." [1]

". . . most economists feel that independent producers have possessed little, if any, monopoly power. If this finding is accepted, then the argument that price regulation is necessary to control producer market power collapses." [2]

". . . A price ceiling does little, per se, to encourage competition. Therefore, measures aimed at making gas production more competitive . . . seem more appropriate than setting ceiling prices for combatting monopoly power.

"It's obviously true that if gas prices rise, some producers will receive more than the minimum that would have been necessary to induce them to sell their gas. But one wonders why such revenues in the gas producting industry ought to be singled out for special attention. Similar revenues earned in other

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[1] Schantz, John J., Jr. and Helmut J. Frank, "Natural Gas in the Future National Energy Pattern", *Regulation of the Natural Gas Producing Industry, Resources for the Future*, Inc., Washington, D.C., 1972, p. 47.
[2] *Ibid.*
[3] Marshall, Alfred, *Principles of Economics*, MacMillan, 8th Edition, 1947, bk. 5, Chap. 5, pp. 363–80.
[4] Schantz, John J., Jr. and Helmut J. Frank, *op. cit.*, p. 48.

[1] Brown, Keith C., "Introduction," *Regulation of the Natural Gas Producing Industry*, Resources for the Future, Inc., 1972, pp. 11–12.
[2] Brown, Keith C., Statement in *Consumer Energy Act of 1974*, Hearings before the Committee on Commerce, United States Senate, Part 5, 1974, p. 2042.

markets (for example by owners of farmland or owners of stock in firms which have unexpected earnings increases) seem to be accepted in our society today without consensus that they be limited by permanent price controls or any means other than income and capital gains taxes . . ." [3]

". . . Finding the appropriate ceiling price by looking at historical costs is almost impossible during periods when drilling and exploration costs are changing rapidly and when widespread exploration is being undertaken in areas unlike those for which cost history is available." [4]

"Whatever else one may say about the history of producer price regulation by the FPC, one must admit that a serious shortage of natural gas has developed and apparently will persist for some time. There is no guarantee that regulators can do better in the future." [5]

OPINION OF THOMAS GALE MOORE, SENIOR FELLOW, HOOVER INSTITUTE, STANFORD UNIVERSITY

The following vote is taken from Mr. Moore's critique of the Final Report of the Energy Policy Project of the Ford Foundation *A Time To Choose America's Energy Future:*

"Chapter 9 starts by asserting that energy is essential and a 'breakdown of supplies must be avoided' (p. 229). Later, the authors assert that 'Oil and gas companies, unlike regulated public utilities, have no legal obligation to maintain adequate supply' (p. 253). These statements are true, of course, not only for the oil industry but for many other industries that provide essential services—the food industry, for example.

"Next year will be the 200th anniversary of the publication of a much better book, one the report's authors would have done well to study. Adam Smith, in his *Inquiry into the Nature and Causes of the Wealth of Nations,* wrote 'It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own self interest.' To paraphrase Smith, it is not from the benevolence of the oil companies that we expect our gasoline but from their regard to their own self interest. The sort of a utility regulation advocated in chapter 9 is neither necessary nor sufficient to guarantee an adequate supply of petroleum products. In fact, the record on such regulation suggests that the result more likely is to produce inadequate supplies, inefficiency, and cost increases than to guarantee 'adequate supply.'

"The authors would also have benefitted from careful study of our country's experience under natural gas regulation. There, as elementary economic theory would predict, shortages have developed. Prices have been held below market clearing levels, with the result that exploration and development has been retarded. Such experience is not confined to natural gas . . ." [1]

"The proposed method of regulation is to require energy companies to incorporate federally. Federal chartering is envisioned as a method of setting limitations on profit margins, requiring more investment in developing supply, requiring full disclosure, and appointing public members to the board of directors. The authors fail to recognize that lower profit margins are inconsistent with increasing investment in private enterprise economy, but then the federal chartering plan they envision is more akin to Yugoslav socialism than private enterprise in its present form." [2]

[3] *Ibid.*
[4] *Ibid.*
[5] *Ibid.*
[1] Moore, Thomas Gale, "Choosing or Judging: A Time to Choose," *No Time to Confuse,* Institute for Contemporary Studies, San Francisco, 1975, pp. 85–85.
[2] *Ibid.,* p. 85–86.

OPINION OF WILLIAM H. RIKER, PROFESSOR OF POLITICAL SCIENCE, UNIVERSITY OF ROCHESTER

The following quote is taken from Mr. Kahn's critique of the Final Report of the Energy Policy Project of the Ford Foundation *A Time to Choose America's Energy Future:*

"Shortages and confusion achieved through mistakes in planning are common occurrences in the real world. We see them constantly in socialist and fully regulated societies. We see them in the United States whenever we try to regulate prices. In the field of energy itself, we see them in the current shortage of natural gas—even though there is plenty of gas to be drilled—because we have regulated the price so low that everybody wants to use it and nobody wants to produce it . . ." [1]

OPINION OF WALTER J. MEAD, PROFESSOR OF ECONOMICS, UNIVERSITY OF CALIFORNIA AT SANTA BARBARA

The following quote is taken from Mr. Mead's critique of the Final Report of the Energy Policy Project of the Ford Foundation *A Time to Choose America's Energy Future:*

". . . they suggest 'adoption of a combined policy covering oil and natural gas pricing' that would provide 'high enough prices to attract sufficient capital for the development of oil and gas resources' (p. 333). Here is an obvious demand for continued government price controls. Oil and natural gas are already covered by such controls; let us examine the record. Though oil controls have not been in force long enough to permit evaluation, the well-head price of interstate natural gas has been controlled for twenty-one years and the resulting shortage is clearly documented. Some consumers are able to buy all the gas they want at very low prices and use it wastefully as a result, while others cannot buy it at any price. We are importing Canadian gas at $1.00/Mcf and Algerian gas (LNG) at about $1.50/Mcf, while requiring domestic sales of new gas at well-head at 51¢/Mcf. The price control system has caused demand to increase and development of new reserves to decline. Proved reserves reached a peak in 1967 and have been declining since then. The report presents no evidence to suggest that the government can determine and administer the optimum price for oil and gas. It does not examine the shortcomings of past price control policy. In the absence of such research and analysis, it cannot responsibly recommend continued controls without inviting . . . criticisms . . ." [1]

OPINION OF CLARK A. HAWKINS, ASSOCIATE PROFESSOR OF FINANCE AND ECONOMICS

". . . If the price set by the F.P.C. for natural gas in the field is below what would otherwise prevail then a shortage of gas in the interstate market will develop. It will appear as the lower rate of commitment of gas to the interstate market in the future than will be required by demand. Excess demand will prevail, and unless some other laws are enacted forcing the gas into the interstate market, the F.P.C. will need to ration the supply of natural gas to would-be users. . ." [1]

". . . it is only the market that will give the lowest price consistent with maximum output in the long run. . ." [2]

[1] Riker, William H., "The Ideology of A Time to Choose", *No Time to Confuse,* Institute for Contemporary Studies, San Francisco, 1975, p. 153.
[1] Mead, Walter J., "Private Enterprise and Energy," *No Time To Confuse,* Institute for Contemporary Studies, San Francisco, 1975, p. 71.
[1] Hawkins, Clark A., *The Field Price Regulation of Natural Gas,* Florida State University Press, Tallahassee, 1969, p. 213.
[2] *Ibid.,* p. 214.

OPINION OF PROF. EDWARD J. MITCHELL, UNIVERSITY OF MICHIGAN

If consumption is so sensitive to price or cost, why haven't we observed a substantial curtailment of energy use over the years as the energy problem developed? The answer is simple. The price of energy has been falling almost continuously for the past twenty years relative to the price of other goods and services. Rather than stifling demand growth, energy prices have been stimulating it. From 1950 to 1960 an index of real prices paid by final energy consumers—both household and industrial—fell by more than 6 percent. From 1960 to 1970 it fell by more than 13 percent. Thus, real consumer energy prices have fallen roughly 20 percent in 20 years.

Incidentally, this simple fact hints at the absurdity of claims that the energy crisis was engineered by the oil companies as Mr. Nader, the FTC and some Washington polls have suggested. Imagine oil company executives conspiring to drive down the price of their products for two decades so as to artificially induce a demand for their product that they cannot meet!" [1]

My guess is that, overall, real energy cost or scarcity is not very different now from what it was before the energy "crisis" arrived. The crisis and the whole price structure is artificial, caused by the intervention of government agencies, particularly the U.S. Federal Government, in the marketplace. When we look back years from now, the appropriate epitaph to the crisis will be found on a sign hanging at a Hempstead, Long Island, gas station which you may have seen in a recent issue of the New York Times. The sign reads:

"This station closed because of U.S. Government bungling."

The thrust of U.S. government policy in natural gas since the early 1960's has been to artificially stimulate consumption while stifling discovery, all in the name of protecting the consumer. Vast resources exist on Federal offshore properties and Alaskan lands that have not been offered for exploitation. The reasons for withholding these resources from the people vary from the pettiness of Congressional politics to the bumbling of Executive branch bureaucrats. . . ." [2]

To demonstrate that these interventions are not small matters, let us take just the case of natural gas price regulation. Using the various supply-price models for natural gas, one can project the future supply of natural gas under free market prices and under continued regulation. At estimated free market prices, an average projection for 1985 would give a domestic supply of 30 trillion cubic feet. At current real ceiling prices the supply would be 13 trillion cubic feet, substantially less than half. This difference converted into its oil equivalent represents about 8 million barrels per day. When we consider that the "scare" projections of oil imports from the Middle East in the 1980's of ten million barrels per day are generally based on the assumption of low regulated natural gas prices, we see that it is the domestic policy decision to regulate gas prices that in large part places us in this precarious international position.

But what will happen to consumer prices if we deregulate natural gas? The question hardly requires statistics to answer. For the increased supplies of gas to be sold, they must be offered at a price equal to or lower than other fuels. And the increased gas supplies will tend to reduce other energy prices since they would then face greater competition from natural gas. For the statistically-minded, a recent study of consumer prices after deregulation of new wellhead contracts suggests a first year increase of 6 percent followed by increases on the order of 3 percent for several years thereafter. The smallness of these increases compared with the large gap

Footnotes at end of article.

between regulated and free market prices is due to the fact that transportation and distribution costs are predominantly what the consumer pays in his gas bill: the gas itself represents only 17 percent of the cost to the average user. But the key point is still that gas, to be sold, must be a better buy than the alternatives.[3]

. . . we always have the options of high prices and surpluses, or low prices and shortages, or market-clearing prices. The national interest, if we can define such a thing, would seem to call for the latter. The political process has given us surpluses in the 50's and early 60's and shortages in the 70's.

This suggests that hope for the late 1970's and 1980's lies in swinging back part way without overreacting in a wave of energy hysteria. Any sensible energy policy would have to include deregulation of natural gas . . . On the hysterical side the dangers seem to reside in grand-scale Federal research and development projects which offer tens of billions in added taxes on the one hand and tens of billions of added consumer prices on the other. I would place elaborate Federal conservation schemes and Government energy corporations in the same category.

This shift will require on the part of consumer-state politicians a bit more public-spiritness. In recent years it has been as though the consumer-oriented Congressmen who were afraid to kick the oil industry in the shins when it was standing tall are falling over themselves to get in their licks now that the giant is politically prone. Most important, the voter will have to recognize that being anti-industry is not the same as being pro-consumer.[4]

. . . my studies of the petroleum industry over the past five years, lead me to believe that the forces of competition are all that are required to keep petroleum company profits down to the minimum necessary to natural gas since 1959 and on crude oil and acquire enough capital to meet demand. What has happened is that the hand of regulation in the form of price controls on products since 1971 have depressed earnings below the rate needed to attract adequate capital. This is why we face shortages of natural gas and oil today.[5]

. . . We . . . have extensive and profound experience with FPC regulation of interstate gas prices and there has developed a general consensus among economists that FPC regulation has created a massive shortage of natural gas. Perhaps at the time the decision was made to regulate interstate gas prices there were doubts about the competitiveness of the industry and about the size of the supply response to price. I cannot verify the degree of uncertainty at that time because I was not involved in the regulation issue then. But the number of studies that have been conducted on the natural gas market since then and their virtually uniform conclusions do not leave much room for controversy or speculation today. In reviewing possible future studies for my energy project the natural gas regulation issue looms as one of the most important. But in consulting other energy economists about further work on the issue I do not find any pressing questions that require answers before we can make a policy choice. The issue has been studied to death. The industry is competitive. The FPC price regulations have caused a huge shortage of gas. Whether they are liberals, conservatives, middle-of-the-roaders, or of no particular political persuasion, that is the view held by economists I talk to. We may all be wrong. But one would hope that the Congress give a great deal of thought to the matter before it proceeds on that assumption.[6]

. . . If regulators use average costs as a basis for pricing they confer economic rents on half the suppliers and losses on the other half. Recognizing this the higher cost supplies do not get produced. This not only creates a shortage of supplies but also reduces the observed average cost, thus depressing the ceiling price and causing still greater shortages in the future.

These problems can only be resolved by moving to a marginal cost pricing system. But it is far more efficient to allow the market to handle this than to order regulators to focus on marginal costs. The market assures that no one can charge more than that marginal cost necessary to meet demand. It is not clear how a regulator would do this except by initiating the market.

My brief reflection on the horrors of area rate cost-of-service regulation with exemption of independent producers suggests to me that it would wind up as an entirely political exercise. Economic efficiency would be abandoned and political muscle put in its place.

If one is intent on public utility status for the petroleum industry it seems to me it could only be managed on the basis of regional monopolies, much in the way we regulate electricity generation, transmission, and distribution, with the FPC regulating interregional transactions. While this might be more manageable, cost minimization would disappear along with the competition, and consumer prices would undoubtedly be much higher than under competition.

I believe the domestic petroleum industry is essentially competitive and that competition would be a far better disciplinarian than regulation. . . .[7]

While . . . import control alternatives have captured the headlines the greatest room for improvement in U.S. energy policy is on the domestic side. While our consumption of oil has actually declined since the period just before the Arab embargo our domestic production of oil has declined even faster and imports have risen somewhat. The reason for recent declines in domestic oil and gas production is simple: price controls. We will not allow our own domestic producers the same price we pay to the cartel. As a result we subsidize the cartel, we import more from them than is necessary, and we discourage domestic production. The best single action we could take to reduce long run oil prices and imports is paradoxically, to let U.S. producers receive the world price.

It is significant that among the few policy prescriptions agreed upon by the panel of five economists testifying before the Ways and Means committee last week were the following:

(1) deregulate natural gas prices and phase out price regulations on old oil;

(2) repeal the oil depletion allowance; and

(3) reject a windfall profits tax on oil and gas.

At the present time de-control of old oil and new gas prices is the only measure that improves our security and helps the consumer in the long run . . .[8]

FOOTNOTES

[1] Mitchell, Edward J., "The Energy Problem: Causes and Cures", an Address delivered to the 1973 Annual Business Conference of the Graduate School of Business Administration, The University of Michigan, pp. 5–6.

[2] *Ibid.*, p. 8.

[3] *Ibid.*, pp. 9–10.

[4] *Ibid.*, pp. 11–12.

[5] Mitchell, Edward J., Statement before the Committee on Commerce, United States Senate, 93rd Congress, *Consumer Energy Act of 1974*, Part 3, March 28, 1974, p. 1349.

[6] *Ibid.*, p. 1350.

[7] *Ibid.*, p. 1351.

[8] Mitchell, Edward J., Statement before the Subcommittee on Energy and Power, Committee on Interstate and Foreign Commerce, U.S. House of Representatives, 94th Congress, March 10, 1975.

OPINION OF DR. WILLIAM A. JOHNSON, FORMER ENERGY ADVISER TO DEPUTY SECRETARY OF THE TREASURY WILLIAM E. SIMON, CURRENTLY PROFESSOR OF ECONOMICS, GEORGE WASHINGTON UNIVERSITY

. . . our short-term difficulties with gas, coal, and oil are, very largely, the result of various policies of Federal, State, and local governments. For years, we have been sacrificing the long-run interests of the Nation to secure short-run objectives such as unrealistically low prices for consumers and the too rapid application of environmental controls and restrictions. Now, unfortunately, we are paying for past policies.[1]

Let me begin by presenting a brief overview of some of these policies. First, natural gas. In no segment of the industry have our policies been so wrong or created such damage as in gas. I refer primarily to the regulation of natural gas prices at the wellhead.

The conscious decision of past Federal Power Commissions to keep gas prices as low as possible, regardless of the consequences on future exploration, and, worse, to change retroactive prices already approved by the FPC, has discouraged investment in drilling. In the 10 years since 1962 gas well completions have fallen from 5,848 wells to 3,830 wells per year. As a result, we are now withdrawing natural gas from reserves at twice the rate at which we are adding gas to reserves. We have created a shortage that need not have occurred. This shortage has, in turn, encouraged investment by the pipeline and gas companies in such high-cost alternatives as syngas and liquefied natural gas, which will, in the end, cost the consumer far more than if wellhead prices were deregulated.

The Nation's experience with regulation of wellhead prices demonstrates two fundamental principles. First, it does little good to assure a consumer a low price for a good or service that he cannot buy. Second, whenever the Government requires a producer of a good or service to subsidize the consumer, as it has been doing in gas, it is doomed to failure, for in the end neither producer, nor consumer, nor the Nation as a whole will benefit. And so, today, many consumers are unable to obtain gas and are turning, instead, to oil which, for a number of reasons, is also in short supply.[2]

There are other policies that we must also change. Let me mention briefly some of them. . . .

We need to accelerate off-shore drilling and remove administrative and environmentalist obstacles that have restricted our ability to exploit off-shore oil and gas reserves.[3]

We must deregulate natural gas, not only to assure the higher price necessary to produce more gas, but to enable the industry to operate free of uncertainties about changes in future FPC policies.[4]

Perhaps most important, we must stop deluding ourselves that the energy crisis is a result of anything other than our own mistakes. We must come to the realization that we must do all we can to remove the policy impediments that have discouraged the development of our energy industries.

For this reason, I am deeply disturbed by the mood that seems to possess our country now, a mood which implies that we need do very little. Increasingly, we all hear allegations that the energy crisis is a hoax, that it is a contrivance by the oil industry, and especially the major oil companies, to get higher prices and to drive the independent segment of the industry out of business. In fact, the major oil companies, as well as other segments of the industry, are merely

Footnotes at end of article.

responding to the disincentives that we have created, the various policies that have made it uneconomic to drill for oil and gas and to build refineries.

The belief that there is a massive plot by the industry is the most dangerous of all self-delusions. For some, who would use the industry as a scapegoat, it is an act of deceit. It is reminiscent of the late 1940s and early 1950s when the Red Scare was raised by those who would have us believe that every foreign policy setback was the result of a Communist conspiracy at home. In fact, we have created the energy crisis. We are all responsible. And, when we realize this, and are willing to admit this, then half the battle will be won., "The fault, dear Brutus, lies not in our stars but in ourselves, . . ."

We must also shun fanciful notions that nationalization of the industry or the creation of a government owned company is the solution to our oil and gas shortages. We must avoid, not embrace, ever greater intrusions by the government into the activities of the industry. For the only fuel that the Government is capable of producing in any volume is paper and this, as most of you know, has an extremely high cost per Btu.[5]

FOOTNOTES

[1] Johnson, Dr. William A., Remarks before the National Capital Petroleum Section—Society of Petroleum Engineers of AIME, Washington, D.C., September 18, 1973, as reprinted in *Department of the Treasury News*, p. 3.
[2] *Ibid.*, pp. 3–4.
[3] *Ibid.*, p. 13.
[4] *Ibid.*, p. 14.
[5] *Ibid.*, pp. 15–16.

OPINION OF MILTON RUSSELL, PROFESSOR OF ECONOMICS, SOUTHERN ILLINOIS UNIVERSITY

. . . at any given price more gas would be produced without regulation than with . . . not only because resources will be allocated more efficiently, but also because more resources will be committed to the industry.

On the consuming side, the relocation of gas using firms to gas-producing regions to avoid jurisdictional supplies would tend to be reversed because there would be less reason to fear a gas shortage in the nonproducing states . . . Some of the impetus for developing gas substitutes has come from fears of gas shortage, not from the natural gas price. Deregulation will allow the market to clear, and the equilibrium price may well be below the cost of gas from substitutes or from nondomestic sources . . . Since the range between the price of environmentally inferior fuels and gas would be widened by the increase in gas prices, further incentives will be generated for development of pollution control devices . . .[1]

. . . Some potential consumers will be made better off by deregulation because under regulation they were unable to get as much gas as they wanted. Others of course will be harmed, but again the total negative redistributional effect will be partly offset by the increase in total welfare due to improved energy industry efficiency . . .[2]

The long-run effect of deregulation is likely to be an industry that will be able to respond more flexibly to changes impinging from shifts in its environment. . . . The ultimate effect of deregulation would be . . . an increase in economic welfare, as defined, for the community at large.[3]

Public policy toward the natural gas industry, as reflected in field price regulation by the area price method from 1960 to the present, has led to misallocation of resources and to gas shortages in the jurisdictional consumer markets . . . The costs of pursuing the existing regulatory method have become increasingly high over time, and the benefits received have become less demonstrable . . .[4]

Even with modifications suggested to reduce producer uncertainty and to minimize time lags, the cost-based area price scheme leads to very significant economic losses to the community. Most obviously, a gas shortage has arisen under . . . this same regulation, and there is no indication that regulation based on costs can, in the future, adjust to changing market conditions to prevent its development again . . .[5]

Price deregulation . . . under such a policy . . . resources will be allocated efficiently, leading to maximum total economic welfare . . . On the basis that the public interest is identified with maximum economic welfare, . . . the public interest would call for deregulation of the field price of natural gas . . .[6]

. . . Natural gas regulation has created a significant social cost by placing an essentially economic matter into the sphere of public conflict. Divisive forces have been fostered in the nation that might as easily have been avoided. But, now that the regulation exists, it satisfies elements (mainly consumers) who, whatever the facts, think themselves better off because of it . . . the nation has more or less accustomed itself to the existence of regulation and therefore has paid in social discontent for its implementation . . .[7]

. . . natural gas price regulation . . . lowers the efficiency with which resources are allocated when the alternative is an unregulated workably competitive industry.[8]

FOOTNOTES

[1] Russell, Milton, "Producer Regulation for the 1970s", *Regulation of the Natural Gas Producing Industry*, Resources for the Future, Inc., Washington, D.C., 1972, p. 235.
[2] *Ibid.*
[3] *Ibid.*
[4] *Ibid.*, pp. 235–236.
[5] *Ibid.*, p. 236.
[6] *Ibid.*, pp. 236–237.
[7] *Ibid.*, p. 237.
[8] *Ibid.*

OPINION OF ROBERT B. HELMS, SENIOR STAFF MEMBER, AMERICAN ENTERPRISE INSTITUTE, FORMER ASSISTANT PROFESSOR OF ECONOMICS, LOYOLA COLLEGE

* * * FPC area-rate regulation has had the effect of preventing the industry from responding to the increased demand that occurred in the late 1960s. Before 1967, abundant supplies of gas and declining pipelines demand caused field market prices to decline, thereby creating the illusion that area-rate regulation was a successful way to regulate a competitive industry. By the time the demand for gas began to increase after 1967, area-rate price controls were firmly in place. Their effect was to dissuade producers from searching for and developing new gas reserves. Prospective returns on investment in producing new gas reserves were too low to attract capital from alternative uses, given the price ceilings set by the FPC. As a result a large shortage of natural gas developed, eventually leading the FPC to allow some price increases in an attempt to alleviate the shortage. Despite this late attempt, the commission has been forced to ration the available supply.[1]

* * * in the absence of field price regulation, natural gas producers would have responded to higher gas demand with increased search for and development of new reserves and the commitment of these reserves to the interstate market. Had field prices been allowed to rise, current consumption in both interstate and intrastate markets would have been smaller and natural gas reserves would have been more efficiently allocated over time. These findings lead us to the conclusion that the FPC has yet to devise a "successful" system of field market regulation for 'providing adequate supplies at reasonable prices, as long as "reasonable prices" are interpreted to be prices which do not increase. The experience with field market controls shows clearly the inevitable long-run results of holding the price of a competitively produced product below the market equilibrium price. Some gain will accrue to existing consumers at the expense of retarded growth in service to new consumers, over consumption of expensive alternative fuels, and a reduction in the inventory of proven reserves.

Given these results, there seems to be no real case for continuing field market regulation.[2]

By complete deregulation I mean the removal of FPC authority over the provisions of all natural gas contracts negotiated between producers and pipelines . . . This action would eliminate price controls on both new and old contracts, thereby giving producers an incentive to develop old fields fully, to search for and develop new gas reserves, and to commit both old and new reserves to the interstate market.

Eliminating the FPC's regulatory control over natural gas contracts, both existing and future, would deregulate field prices and consequently reduce producers' uncertainty about future regulatory policy. This would give producers an added incentive to increase investment in natural gas exploration and development. However, if only new gas prices are deregulated, but not "old" gas prices, producers would be likely to interpret this as suggesting congressional intent to retain some control over natural gas prices. The result would be a smaller supply response to higher prices than would occur in the absence of such an interpretation.[3]

. . . Higher field prices resulting from complete deregulation could be expected to give the active producer companies added incentive to add to their inventory of gas reserves and might bring some of the now inactive producer companies back into business.[4]

. . . The market supply curve, by standard economic definition, relates the quantities of gas that producers will place on the market during some time period to a set of prices. Given the nature of the gas-producing industry, there is no reason to believe that the market supply of natural gas will not be upward-sloping. Studies (including this one) have estimated the elasticity of domestically produced gas at approximately +.5—that is, for a 10 percent increase in field prices, reserves can be expected to increase 5 percent. On the basis of this past behavior of the industry, there seems to be no reason not to expect producers to respond to higher gas prices.

Another argument against complete deregulation is a historical one. Opponents of the current attempts to deregulate the field market argue that it is "ironical" that large quantities of gas were dedicated to the interstate market during the 1960s under strict price controls while, during the 1970s, at a time when the FPC has been trying to raise the controlled field price and allow some exemptions to its regulations, interstate commitments have been declining. This argument seems to imply that producers are not responsive to price—that they are more willing to sell gas in the interstate market when controlled prices are at a low level and less willing to sell gas when prices are allowed to increase.

This argument fails when one considers both the history of the field market and the effect of regulation on producers' expectations. The large quantities of gas committed in the early 1960s resulted from development of major discoveries of the 1950s. The large supply caused the market prices of gas to decline relative to the FPC's price ceilings. Prices started to increase in the late 1960s when producers no longer had a large inventory of undeveloped fields with which to respond to rising demand. With prices

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Footnotes at end of article.

bumping against ceilings which were below the expected cost of finding and developing new fields, the producers had little incentive to explore for new supplies.

Costs had increased but ceilings were stationary or moving upward more slowly than costs. The FPC was paddling upstream with a small paddle when it tried to react to the gas shortage. Its policy changes were late and of a short-run nature. They did little to change producers' long-run expectation that they would not be allowed protection against rising production costs and inflation through higher field-market gas prices.

Higher nationwide ceilings, however, can never substitute for complete deregulation. A nationwide ceiling set above the market prices prevailing in most areas would duplicate the situation producers faced in the mid-1960s under area-rate controls. If market prices should again increase, as they did during the 1967–69 period, the nationwide price ceiling could again become binding in the major low-cost producing areas. In that event, the FPC could be expected to move slowly, just as it did in the past. Thus, in the absence of congressional decontrol, consumers might once more be faced with inadequate supplies of gas resulting from producer uncertainty about FPC policy.[5]

Those who wanted to protect consumers through natural gas regulation may have had good intentions—but that is what the road to hell is paved with. The problem of monopoly exploitation of consumers never existed in the field market and was probably greatly exaggerated for the pipeline industry. Indeed, there is strong evidence that the monopoly and monopsony power of pipelines has been significantly increased by FPC regulation itself. Perhaps it is time to question not only the prescription of regulation, but the original diagnosis of monopoly power which brought it about. People who see ghosts in all dark places may be afraid of the dark. The cure may be not to create a bureaucratic monster to chase away the ghosts, but to shed more light on the dark places.[6]

FOOTNOTES

[1] Helms, Robert B., *Natural Gas Regulation, An Evaluation of FPC Price Controls*, American Enterprise Institute for Public Policy Research, Washington, D.C., 1974, p. 67.
[2] *Ibid*, pp. 67–68.
[3] *Ibid.*, p. 68.
[4] *Ibid.*, p. 70.
[5] *Ibid.*, p. 72.
[6] *Ibid.*, p. 74.

[From the Washington Post, Apr. 3, 1975]

GAS PRICES AND JELLYBEANS

As the shortage of natural gas grows more serious in the Washington area, some customers are being forced to convert to oil. Nobody converts voluntarily. The price of gas to a large customer is $1.60 per thousand cubic feet. The equivalent energy in the form of fuel oil is now up around $2.60. That difference is, in fact, the explanation of the gas shortage. There are three basic fuels. Congress insists on holding the price of gas far below the prices of oil and coal. That is the heart of the controversy over the deregulation of natural gas.

The local distributor, Washington Gas Light, has accepted no new customers for three years. The pipeline companies supplying the Washington area have cut back deliveries and, in turn, Washington Gas Light is dropping service to its interruptible customers—those that got a lower rate for signing a conditional contract. Most of them are big apartment houses and office buildings, but the list includes some schools and colleges. Next in jeopardy are the industrial customers. Some of them would have been cut off months ago if the weather had been normal. But for the second year in a row this region was lucky. It was a warm winter. What about next winter?

Gas is the cleanest of all the major fuels, and ought to be sold at a premium on environmental grounds alone. Instead, as the cheapest of the three competing fuels, it is used to fire boilers by any industry or utility that can get it. With the enormous increases in oil prices over the past two years, the disparity has become increasingly severe. By last summer, to use a standard comparison, the gas delivered to utility generators throughout the country cost only 26 per cent as much as their fuel oil. Coal cost 38 per cent as much but was rising fast, as contracts expired or were renegotiated. Soft coal went for about $5 a ton throughout the 1960s, but prices now range from $15 to $25 and are climbing. The wider the price gap between gas and the other fuels, the more severe the gas shortage will be.

It is as though Congress were keeping down the price of red jellybeans, to protect the consumers—but not the prices of black or white jellybeans which, in the current inflation, are rising. In time you would find it increasingly difficult to get red jellybeans, although there would be plenty of the others in the stores. In Congress, the defenders of the consumers would explain that the rapacious and monopolistic jellybean industry was willfully withholding red jellybeans from the public. That, of course, would be an outrage. Several senators would promptly introduce bills establishing intricate rules for allocating the dwindling supply of red jellybeans—and maybe extending price controls to the black ones as well, since they are getting increasingly popular.

In the Senate Commerce Committee, Sens. Warren G. Magnuson (D.-Wash.) and Adlai E. Stevenson (D.-Ill.) are currently drafting a bill to resolve the natural gas issue pretty much along the lines of the jellybean case. Their bill would greatly expand and refine the system of allocation and price control that is already in effect. It would extend price ceilings for the first time to gas burned within the state where it is produced. The uncontrolled intrastate prices are currently running almost four times as high as the present federal maximum for gas crossing state lines.

The Commerce Committee's draft bill is pursuing a principle that deserves attention. It would raise the present ceiling price, but deliberately keep it far below the comparable price for oil. The price of oil has been jacked up artificially high, the argument goes, by a cartel of foreign governments. If the U.S. government has lost control of oil and coal prices, why should it voluntarily permit gas prices to accompany them to such unreasonable heights? This view is not a frivolous one. It reflects a well-considered conviction that, as a matter of social justice, it is better to have shortages—managed by various allocation and rationing systems—than high prices.

But keep in mind that any price ceiling turns out to be a subsidy paid by somebody. As people in the Southwest point out, a low ceiling on natural gas means that relatively low-income states like Oklahoma and Louisiana are subsidizing the standards of living in much wealthier states of the northeast—not to mention metropolitan Washington. To help the poor and the elderly in times of rapidly rising prices, the most effective remedies are those that directly increase the amounts of money in their pockets. Straightforward income redistribution is infinitely better than trying to fiddle and distort the mechanisms for pricing each of the hundreds of commodities that are, to one degree or another, necessities of life.

The way to deal with the gas shortage is to deregulate the price. In present circumstances, it ought to be done in stages, over several years, to cushion the impact. No one can exactly say where fuel prices will be several years from now. But they certainly will not return to the level of two years ago. The basic reason for the great upswing in fuel costs is not the producers' cartel but a worldwide surge of demand for cheap fuel. Higher prices are a signal that supplies are not unlimited and we have to begin conserving. Price controls merely suppress that warning signal. Natural gas currently provides one-third of this country's energy supply. We can afford to make mistakes in our national policy on jellybeans, but not on basic fuels.

[Los Angeles Times, May 26, 1975]

NATURAL GAS: WHAT TO DO

The Senate Commerce Committee wrestled for weeks with the question of taking price controls off natural gas producers, and approved a bill that contributes little or nothing to the main goal: to spur the development of additional supplies of gas in time to avoid a serious shortage. We believe that Congress can do better.

As Sen. John V. Tunney (D-Calif.) has pointed out in defense of his support of deregulation, cheap gas won't do consumers much good if there isn't enough gas to go around. And there won't be if the law isn't changed.

The Federal Power Commission has done a good job of holding down natural gas prices. Gas moving in interstate commerce is markedly cheaper than coal or oil. Even with the increase approved by the FPC last year, the ceiling price for new gas is 51 cents per thousand cubic feet. If oil were similarly priced in terms of equivalent heating value, it would be selling for $3 a barrel; instead, imported oil is $12, and even price-controlled domestic oil from "old" wells sells for $5.25.

Artificially depressed prices have made natural gas a bargain for consumers, but have created a growing disincentive for its production.

Natural gas met 13% of the nation's energy needs in 1946; it now accounts for a third of consumption. Discoveries of new supplies are not keeping pace, however. For the past several years consumption has been outrunning discoveries almost 2 to 1.

And most new gas supplies are being sold in the states where produced rather than to the interstate pipelines, because the price for gas in the unregulated intrastate markets, at $1.50 to $2 a thousand cubic feet, is three to four times the price the interstate pipelines are allowed to pay.

Interstate gas supplies have fallen short of the need for the past three winters, forcing interruption of service to many electric power companies and industrial users in California and elsewhere. The energy laboratory of the Massachusetts Institute of Technology has estimated that, if artificially low pricing continues, by 1980 there will be a 30% shortage. If so, owners of new houses will find it hard to get gas. And even many existing customers could be cut off or rationed.

No Californian would like having to spend $1,000 or more to convert from gas to electric cooking and heating. And the electric utilities might not have the power to spare. Even if they did, it would not be cheap power, because the generating plants would be burning fuel oil costing up to $16 per barrel, several times today's natural gas prices.

Local gas utilities may be able to cushion the shortage by making deals for Alaskan gas, but not at a wellhead price of 51 cents. They might turn to liquefied natural gas imported from abroad. But this would bring new dependence on foreign sources, and the price would be several times higher than today's level.

The answer is to encourage new gas supplies. And the best way to do that is to

allow prices for newly discovered natural gas in onshore fields to float up in a fundamentally free market. Deregulation should be accompanied by a windfall-profits tax to be imposed if the producers failed to plow most of the profits back into the hunt for new supplies.

Deregulation of newly discovered gas supplies has been proposed by the Ford Administration; it is supported by four of the five FPC members and by many outsider experts. However, it is opposed by consumer groups and many if not most Democratic members of Congress because of the impact on consumer pocketbooks.

Although deregulation probably would mean that the price of new gas entering interstate markets would quadruple to $2 per thousand cubic feet, it would not mean that consumers would pay four times as much for their gas.

The wellhead price accounts for only 17% of the ultimate cost to the consumer. Only new gas supplies would be deregulated; existing supplies would continue to be sold at much lower contractual prices which currently average about 30 cents per thousand cubic feet. Since only about 5% of the gas entering interstate markets in any given year is newly discovered gas, the impact on consumers would be spread over a period of 10 to 20 years.

A so-called compromise has been approved by the Senate Commerce Committee, and awaits action on the floor. It would deregulate independent producers, but would allow the 23 largest companies—which account for 80% of natural gas production—to sell their gas for no more than 75 cents per thousand cubic feet. In addition, the measure would extend federal controls to intrastate sales of gas, thereby forcing an actual rollback of prices from current levels.

This is a bad piece of legislation. It might comfort consumers in the short run. But since it would do little or nothing to increase gas supplies—and might even cause a further contraction—it would hurt consumers in the long run.

The committee bill is aimed less at encouraging new gas production than at forcing a restructuring of the oil industry to reduce the market power of the major oil companies. This may or may not be a laudable goal, but it deserves much more serious study than given by the Senate Commerce Committee.

The choice is not between cheap and expensive natural gas, because there is no such thing as a plentiful supply of cheap gas. The choice is between supply and scarcity, between paying higher prices to go to foreign governments or to domestic producers. Congress take note.

[From the Wall Street Journal, May 29, 1975]

NATURAL GAS NOW, OR—INDUSTRIAL WASTELAND: THE MISERY OF UNEMPLOYMENT MUST NOT BECOME A WAY OF LIFE IN AMERICA!

Half of all the energy used by industry in America comes from natural gas. And the industries in the Midwestern, Northeastern and Middle-Atlantic states are being told that there isn't enough gas available to keep them running at full capacity the winter of 1975–76.

Some industries will have to shut down altogether. The problem is so acute that there will be virtually no gas at all for industry in these states in 1976–77.

We are told to look to exotic energy sources such as coal gasification, geo-thermal energy and solar energy.

Fine. Except that none of these sources will be one bit of help to us for the next five or ten years. Maybe longer. We are told we'll have to face curtailment, unemployment and shutdowns because of this natural gas shortage.

This is ridiculous, because we have the gas right here!

We do not need to suffer more unemployment, more misery or frustrating shutdowns.

The federal Energy Research and Development Administration tells us that there are at least 500 trillion cubic feet of natural gas locked in the Devonian shale formations in Ohio, Michigan, Illinois, Indiana, Kentucky, Alabama, Tennessee, West Virginia, Pennsylvania and New York.

That's enough gas to supply the industrial needs of 23 industrial states for 100 years!

What do you think about that, New York? How about that, Pennsylvania, New Jersey, Connecticut, Massachusetts, Rhode Island, Maine, Vermont and New Hampshire? Can the factories in Ohio, Illinois, Indiana, Michigan, Kentucky, Tennessee and Alabama use this gas? And how about Virginia, West Virginia, Maryland, Delaware, Washington, D.C., North Carolina and South Carolina?

There's as much Appalachian shale gas right under our feet as there ever was in the gas-rich South and Southwest. And we don't have to transport it thousands of miles. It's right here, where the jobs are.

The reason it hasn't been fully developed is because of the need to refine the fracturing technique to release the gas. Science can find the answer.

Once shale technology is developed we'll be able to get all the gas we need.

It will be industrial disaster if we don't go after it!

ERDA knows the gas is there, and recognizes the urgent need to develop the best extraction techniques.

But they only have $2.5 million a year to allocate to this development. That's like going on an elephant hunt with paper wads. By contrast, the federal government spends $8.3 million a year on the National Zoo in Washington.

ERDA needs $100 million to do the job now.

We organized the greatest technological effort in history to put a man on the moon. We accomplished the "impossible" with the wartime mobilization and Manhattan Projects.

Now we're in a war with unemployment, and we need to get the natural gas we know is here to keep our factories open.

We must gather a force of the nation's foremost scientists, geologists and engineers to develop these huge reserves in an immediate "Appalachia Project".

If we are to avoid the unnecessary misery of more unemployment of our hard-working people, we've got to provide ERDA the seed money.

The $100 million isn't very much when you consider the alternatives. Gas-related unemployment compensation will surely cost many times that figure. We have already appropriated $14 billion for extended unemployment compensation, and the figure is certain to go higher if we shut down our factories through a lack of natural gas.

The costs of welfare and crime which follow from unemployment will be even higher.

We're treating the symptoms. Not the disease.

Let's give ERDA the money it needs to develop shale gas.

Federal regulations are adding to the gas squeeze!

There are outmoded, absurd and illogical federal regulations which must be changed to let us move the gas. These regulations prohibit the use of the excess capacity of the interstate pipelines for the transport of locally produced gas. These pipelines are running well under their capacity, but we can't use that excess capacity to move our gas. Producers and drillers are willing to pay to use these pipelines.

The whole situation would be laughable if it were not so tragic in its consequences to the needlessly unemployed. The Federal Power Commission must act now to lift these restrictions. And, to provide the economic incentives necessary for drillers to sink new wells, Congress must deregulate the wellhead price of natural gas.

Fight for full natural gas production!

We want no more jobs lost. No more production lost. No more crippling energy shortages for industry.

Our very strength as a nation is at stake.

The future of America's working men and women depends on our ability to produce enough natural gas to meet our needs now.

The American people want jobs, not handouts. They want to provide for their families in a dignified manner. All of the social ills among able-bodied people come from the lack of jobs. Unemployment is the worst disease ever thrust upon mankind. It must not become contagious in America.

Because of the current recession, one out of every ten American workers is now unemployed.

Unless we begin now to solve our industrial energy problems, millions more will lose their jobs through no fault of their own.

America's social fabric cannot stand this kind of a shock.

Nothing happens until somebody does something. Every day we delay brings America closer to industrial disaster with its harsh consequences to our working men and women and their children.

Let us all join forces now. Government, industry, labor and the scientific community to develop all the gas we know is here to keep the flame of American industry burning.

Write, wire or call the Energy Research and Development Administration, the Federal Energy Administration, the Federal Power Commission, and your Congressional delegation to urge a $100 million commitment for the development of shale gas, the opening up of the interstate pipelines to move it, and the deregulation of interstate wellhead prices.

Sincerely,

JAMES A. RHODES,
Governor, State of Ohio.

[From the San Francisco Examiner, June 1, 1975]

CALIFORNIA'S NEED FOR ALASKAN GAS

Proposals that California's natural gas utilities put up front money for development of new gas sources in Alaska's North Slope fields are before the California Public Utilities Commission. Under the proposals the state's gas consumers would pay higher rates now as a step toward assuring them supplies of scarce natural gas in the 1980s and 90s.

We are not prepared to say whether the deals as currently outlined are the best the utilities can make. If the utilities commission can wangle a better bargain from the consumer standpoint, power to it.

Eighty-six per cent of all California households—more than 17 million people—rely on natural gas for winter heating. Natural gas is the chief and virtually indispensable source of energy for scores of California's major industries, the giant food processing industry among them.

The outlook for future supplies is bleak. In the near term, meaning the next four years, declines in supply will be so substantial that the utilities commission has ordered schedules for curtailment of service to many commercial consumers.

In the long term, meaning 1985 and beyond, the undisputed testimony before the utilities commission is that supplies from existing sources—approximately two trillion cubic feet a year—will shrink to a trickle.

This means that California's utilities must firm up new supply sources as soon as pos-

sible. Of all the potential sources—Soviet Siberia, Indonesia, Algeria, the Middle East, Alaska, offshore California—the proven Alaska supply offers the quickest, surest and safest bet.

While the Alaskan fields cannot meet all of California's needs—other states either are or will be competing for the same gas—they can help substantially. Alaska's Prudhoe Bay field has proven reserves of 24 trillion cubic feet. Potential reserves in the total North Slope area are put at 114 trillion cubic feet.

It's a seller's market. Idle talk of oil company ripoffs and threats of consumer boycotts against the oil companies owning the Alaskan gas are dangerous nonsense. California should make the best deal possible for that gas. But above all, it should make a deal.

[From the New York Daily News, June 14, 1975]

NEVER SAY DIE

The Federal Power Commission is kicking around an idea that agency bigwigs believe might alleviate the natural gas shortage caused, for the most part, by FPC regulation of wellhead gas prices. The solution: Put Uncle Sam in the business of buying and supplying the fuel.

Here is an example, par excellence, of how the minds of Big Brother-oriented bureaucrats work. When federal intervention screws up the market place, they automatically look to further government meddling as a cure for the ailment.

A far better idea would be to deregulate gas prices altogether at the wellhead, and let nature take its course. But that seems to be too simple and logical an answer for the big brains in Washington.

[From the Minneapolis Star, June 14, 1975]

DEREGULATE NEW GAS PRICES

The Federal Power Commission (FPC) reports that the nation's natural gas utilities estimate they will be almost 20 percent short of gas needed to meet firm requirements over the next 12 months. But another federal agency, the Federal Trade Commission (FTC), accuses the natural gas industry of underestimating available reserves in a move "tantamount to collusive price rigging."

In this confusing atmosphere, Congress continues to argue about whether to abandon or change the way in which prices are regulated on natural gas. The record, we think, suggests the government must either get into regulation more deeply than it already is, and for other fuels as well as gas, or it should abandon regulation of at least new natural gas discoveries.

We believe deregulation should be tried first. Control has worked to the nation's disadvantage during the 20 years it has been in effect.

Desirable because it is a clean fuel, gas also was given the advantage of a relatively lower price. Its share of the energy market has doubled in the past 25 years. Coal's share has been cut in half.

The low return also has worked to discourage industry exploration for additional gas supplies. The cost of finding gas rose, but the price didn't go up along with it. On top of that, intrastate purchasers of gas are not subject to price regulation, and intrastate prices have risen to three times the regulated price for gas going into the interstate pipelines, with the not unexpected result that the intrastate market is getting more than its share of the gas.

It's clear to us that we haven't found the right way to regulate the price of energy nor do we feel the nation wants at this point to undertake a more comprehensive plan for regulations. Let's ease off on the controls and see if the results aren't better than what we have.

[From the Portland Oregonian, June 18, 1975]

SWALLOWING AIR

President Ford has waited with growing impatience for Congress to either support the administration or produce its own energy program, but the Congress has done nothing but swallow air. Its failure to move on oil conservation and energy is a national disgrace.

The nation is spending more than $25 billion a year for foreign oil and the percentage of these imports is climbing while there is talk among the oil-producing nations of another price increase. Meanwhile, nothing has been done to encourage exploration for natural gas, which is in short supply. Many sections of the country face a severe hardship next winter if extreme cold weather is experienced.

The House Ways and Means Committee and its chairman, Rep. Al Ullman, have submitted the only comprehensive program that is a real alternative to President Ford's plan which would work greater individual and economic hardships on the nation.

It has become painfully evident that many new Democrats in Congres would rather talk about energy than make the hard choices requiring national sacrifices. Virtually every member of the House has his own little energy plan, but hardly any would qualify as a comprehensive program.

The Oregonian has favored fixed import quotas, coupled with regional allocation systems, for conserving gasoline, but also believes that Ullman's program is far more acceptable than the "price-rationing" plan offered by the President. The administration, because of the disarray in Congress, may well get most of its program by default. But this will hit industry and consumers with higher prices, further fueling inflation and depressing business by adding huge costs to transportation, home heating and products made from petroleum.

While Congress fiddles with tax credits for home insulation and solar heating, the nation continues to burn foreign oil. Encouraging alternative energy sources ought to be a part of a national energy policy, but these proposals fail to deal directly and immediately with the critical issue: The fact is the nation is dangerously exposed to the whims and caprices of foreign oil producers and this dependence is growing rather than receding.

[From the Los Angeles Times, June 23, 1975]

STILL NO ENERGY PROGRAM

On a single day last week these events occurred:

—The House gave final approval to a weak energy tax bill that would do very little to promote fuel conservation or reduce imports of increasingly higher-priced petroleum.

—The House Commerce Committee set its face to the past and voted to train the present unrealistic controlled price of "old" oil while rolling back the currently uncontrolled price of "new" oil. Those actions are a prescription for reduced development of domestic oil resources.

—The U.S. Geological Survey reported that undiscovered recoverable resources of oil and natural gas liquids apparently are much less than previously estimated. The combined estimate now ranges from 61 billion to 149 billion barrels. In March, 1974, the combined estimate was between 200 and 400 billion barrels.

All of these things are, as always, subject to change. The Senate could, as it certainly should, do what the House failed to do and vote a meaningful, comprehensive energy tax bill. Among other things, the bill should include strict mandatory fuel economy standards for new cars, and provision for some gasoline tax to support research and development of new energy sources. Congress also should act to end controls on petroleum prices by adopting procedures for gradual deregulation. Prices that accurately reflect the real market value of energy would encourage the search for and development of new domestic energy resources.

That is what should happen. For now we are left with what has happened. There is no sound mandatory energy conservation program, even though conservation is demonstrably the easiest and fastest way to stretch domestic supplies. There is no sensible tax or pricing program to finance government research or expanded private investment in new energy sources.

Meanwhile, a steadily rising percentage of the oil and natural gas used in the United States is purchased overseas. The oil cartel has made it clear it intends to increase prices once again in the fall. More American wealth will leave the country to pay for what the nation consumes. America's economic vulnerability will increase, affecting jobs, production, investment. It is a situation that is not just serious but dangerous. Each day's inaction, each day's delay in facing up to the scope and demands of the problem, adds to the danger.

[From The Washington Post, July 3, 1975]

FORD WARNED OF LACK OF NATURAL GAS

(By Cynthia Gorney)

President Ford was told by energy advisers yesterday that the nation faces a serious shortage of natural gas this winter.

In a meeting with Federal Energy Administrator Frank G. Zarb and other advisers, Mr. Ford was warned that many Midwestern and Northeastern states can expect "shortages that cannot be made up by other fuels," White House press secretary Ron Nessen said.

Nessen said the shortages would apply "entirely or almost entirely to industrial users."

Earlier, asked whether the nation could expect a shortage of gasoline this summer, Nessen said no. He did not elaborate.

Natural gas supplies last winter fell short of promised delivery by 1.7 trillion cubic feet, Nessen said. By the end of 1975, that figure is expected to rise to 3.3 trillion cubic feet, and projections for subsequent years are even higher, he said.

Nessen said the President believes that the expected shortage will be at least partially caused by the federal price controls now in effect on natural gas in interstate commerce and that during the meeting Mr. Ford called for an end to those controls, as he has in the past.

On July 15 energy advisers will provide the President with a state-by-state breakdown of the predicted shortage, Nessen said, along with a recommendation as to how the shortage should be met.

In other action, President Ford yesterday signed the Emergency Housing Act of 1975. The compromise bill was passed by Congress last Thursday, after Mr. Ford vetoed as "unfair and inflationary" a Democratic-sponsored housing bill.

The new law allows the government to increase by up to $10 billion its mortgage purchase authority, through which federal agencies buy mortgages from banks and other lenders. This releases money for lending to either existing or new homes.

It also provides up to $250 a month in mortgage relief payments for unemployed home owners, and allots $100 million to the Department of Housing and Urban Development for low interest housing rehabilitation loans.

The act will help finance an estimated 65,000 units of housing and provide new construction jobs, the President said.

The earlier version of the bill, which Mr. Ford vetoed on June 24, included direct subsidy programs and $1,000 cash grants for

middle-income homebuyers. Mr. Ford criticized both those provisions, saying they would "damage the housing industry and damage the economy." They were dropped from the new bill.

As he signed the bill in the Rose Garden of the White House, the President praised Congress for approving what he called "the alternative approach" to the vetoed housing bill.

"This is an excellent example of the way in which the Congress and the executive branch can—and should—work together in the best interests of the American people," he said.

The President yesterday also nominated Herbert J. Spiro, 50, a member of the policy planning staff at the State Department, to be ambassador to the Republic of Cameroon.

Today Mr. Ford is to fly to Cincinnati to speak to the National Environmental Research Center, then go to Cleveland to address a Republican fund-raising dinner. He is to return to the White House tonight.

[From the Minnesota Farmer]

A RACE AGAINST TIME

There are certainties and uncertainties about natural gas production, THE FARMER learned in a recent tour of Gulf of Mexico development gas fields, on and offshore.

Chief among the certainties: Demand is fast outstripping present natural gas production. Gas usage has doubled since 1954; by 1985, it is expected to double again.

Chief uncertainty: Will the U.S. be able to win this race against time—to tap and develop new reserves (gas and oil) before becoming near totally dependent upon petroleum imports? The latter is risky in terms of economic stability and national security.

We visited wellhead sites of newly-tapped gas wells on the outer continental shelf, in water depths up to 400', 100 to 130 miles off the Louisiana-Texas coast. (The U.S. will have to rely chiefly on offshore development for new gas reserves). From the people who do the discovery, drilling, pumping and pipelining of gas, we learned something about initial costs of gas as it comes from several thousands of feet beneath the ocean floor.

For example, a development firm such as Sun Oil Company, our tour hosts, may spend $40 million or more in developing a new reserve before a dollar's worth of gas is sold. The odds are 60 to 1 against finding commercially significant quantities of gas when drilling for new reserves; 10 to 1 against finding any at all, according to the American Petroleum Institute. Many millions more are expended by the transfer company that buys the gas at the wellhead site, pipes it beneath the ocean floor, runs it through "scrubbing" and compressing facilities, then pipes it northward to the Midwest.

Point is, development of new gas reserves is costly—beyond the price the Federal Power Commission allows at the wellhead. Natural gas producers are analogous to farmers—the raw material producers. Put on a control price at the producer level (as has been the case with natural gas since 1954) and there's not much incentive to develop new gas reserves at a loss.

Agriculture has a big stake in whether or not new natural gas reserves will be developed—and soon enough. So do consumers of ag products. Of energy inputs to agriculture, including manufacture of fertilizer, chemicals and the like, as well as direct farm usage, natural gas now makes up 38%, according to the American Gas Association. And 53% of U.S. farms now use propane. Natural gas is the major feedstock for ammonia fertilizer and propane production.

Wellhead control price of natural gas, from reserves new since Jan. 1 this year, is 51–54 cents per 1,000 cu. ft. (depending on gas B.t.u. quality). This is for any gas sold interstate (all offshore gas must be sold interstate). The only noncontrolled wellhead price is on onshore gas sold intrastate, and that price, in Texas or Louisiana, often is three or more times the controlled price—an illustration of how great the demand is.

Decontrol of the wellhead price is needed if U.S. demand for gas is to be at least halfway met the next 5 to 10 years (it takes 3 to 10 years to develop a new offshore reserve). Wellhead prices undoubtedly will rise, in keeping with gas discovery and developmental costs. In tough drilling conditions (on or offshore) an explorer needs up to 91 cents or more per 1,000 cu. ft. to make exploration pay, we were told. But as volume of flow builds from new gas reserves and competition increases, costs to natural gas buyers should level off.

The Pearson-Bentsen amendment to U.S. Senate Bill 692 (Natural Gas Production and Conservation Act of 1975), soon to be debated in the Senate, would be of immense help in the natural gas situation. Its passage would give the go-ahead to gas reserve development by immediate decontrol of wellhead prices for new onshore gas and gradual price control phaseout of new offshore gas. The alternative may be to curtail development of new gas reserves for lack of economic incentive—and to be at the mercy of foreign petroleum suppliers.

[From the Washington Post, July 9, 1975]

NATURAL GAS AND NEXT WINTER

The Eastern Seaboard is going to get much less natural gas over the coming winter than last year. Consider a specific case; the city of Danville, Va., down near the North Carolina border. Its population is 46,000. Its principal industry is Dan River Mills, a huge textile manufacturer, that employes 9,000 people. Dan River Mills has to have gas for the cloth finishing process, which requires an open flame. Without gas, the factory shuts down.

Danville gets its gas from the Transcontinental Gas Pipeline Corporation, which is having severe supply troubles. The troubles are all related to the way that the federal government regulates gas prices, but Transco's shortfall is greater than most. Last winter Transco curtailed deliveries to its customers, but the winter was warm and no actual unemployment resulted. Now Transco is projecting much more severe curtailments, and shortages along its line are inevitable.

Under the Federal Power Commission's rules, residential consumers and small commercial establishments have first priority for gas. Transco also supplies some of metropolitan Washington's natural gas. There are no large industrial users here in Washington and most of the gas goes into private homes. As they now stand, the FPC rules mean that all gas would be shut off to all industry in Danville, regardless of the effects on employment, before there was any reduction to households in Washington. These rules say that it is more important to use gas for drying clothes or keeping houses as warm as the owner pleases, than to use it for manufacturing in which peoples' livelihoods are at stake. There is something wrong with that order of priorities.

The same thought has occurred to the FPC, which is now reconsidering some of those priorities. But it is unlikely that there will be any change in time to help Danville this winter. Dan River Mills now has two choices—both of them instructive commentaries on the way that things are going under the present system of regulation. Dan River can buy propane. But it costs five times as much as natural gas, and propane too may shortly be in shortage as other factories all over the north and east do the same thing.

Dan River's other choice is more interesting, for it involves a basic change in federal regulatory policy. Last spring the FPC told large industrial users that it would consider permitting them to buy gas on the unregulated intrastate market and ship it, through pipelines like Transco, across state lines. To see the significance of this proposal, you have to keep it in mind that the federal price controls apply only to gas in the interstate sales. As the present procedure works, Transco buys gas from a well in, say, Texas. Transco is held to the federal ceiling price—which is so low that very few producers will sell to the interstate pipelines. Transco transports the gas to Virginia, adding its transit charge, and sells that gas to the city of Danville which resells it to Dan River Mills. The FPC is now proposing that Dan River's management get on a plane to Houston, buy gas directly from the producers at the unregulated intrastate price, and then ship that gas back to Danville via Transco. In one case the pipeline is the middleman. In the other, it is a common carrier, like a railroad carrying a customer's coal from the mine to the power plant.

This new procedure—if the FPC decides to permit it—would constitute an elegant evasion of the regulatory principle. But since the principle is a bum one and is creating serious trouble for industry in this part of the country, the evasion is useful and welcome. The federal ceiling price for intrastate sales is 53 cents a thousand cubic feet. The unregulated price for sales within a state is anywhere from $1 to $2 a thousand feet, and there is no shortage at that price. With transportation charges, direct purchasing might push Dan River's gas costs two or three times as high as the present level—but, at the present level, they are not going to get any gas. Even at the unregulated price, natural gas is a great deal cheaper than propane, which runs nearly $4 a thousand feet. More important, it is a reliable supply to maintain production and employment.

Danville is perhaps an extreme case in its vulnerability. But the example is repeated, to one degree or another, throughout this entire region. In the immediate vicinity of Washington it is easy to ignore the threat, because jobs here do not depend on manufacturing. In Baltimore, it is another matter. Baltimore depends on a different pipeline system than Danville, and fortunately the cutbacks forecast for it this winter are not quite so severe as Transco's. The distributing company, Baltimore Gas and Electric, thinks that it can get through the winter with no job losses among its customers if three conditions hold—if 1) the weather is no colder than normal, 2) its customers practice reasonable conservation, and 3) the pipeline curtailments are no worse than currently estimated. Those are, of course, large qualifications. A serious gas shortfall in Baltimore would hit steel and automobile production sharply. The biggest single user of gas in Baltimore is the General Motors assembly plant.

This country has been treated very kindly by the weather. Since the gigantic rise in fuel prices at the end of 1973, both winters have been unusually warm. Less gas used for heating means more available for industry—but the reverse is also true. A wise and foresighted nation would not count on a third warm winter in a row.

[From the San Francisco Examiner, June 1, 1975]

CALIFORNIA'S NEED FOR ALASKAN GAS

Proposals that California's natural gas utilities put up front money for develop-

ment of new gas sources in Alaska's North Slope fields are before the California Public Utilities Commission. Under the proposals the state's gas consumers would pay higher rates now as a step toward assuring them supplies of scarce natural gas in the 1980s and 90s.

We are not prepared to say whether the deals as currently outlined are the best utilities can make. If the utilities commission can wangle a better bargain from the consumer standpoint, power to it.

Eighty-six per cent of all California households—more than 17 million people—rely on natural gas for winter heating. Natural gas is the chief and virtually indispensable source of energy for scores of California's major industries, the giant food processing industry among them.

The outlook for future supplies is bleak. In the near term, meaning the next four years, declines in supply will be so substantial that the utilities commission has ordered schedules for curtailment of service to many commercial consumers.

In the long term, meaning 1985 and beyond, the undisputed testimony before the utilities commission is that supplies from existing sources—approximately two trillion cubic feet a year—will shrink to a trickle.

This means that California's utilities must firm up new supply sources as soon as possible. Of all the potential sources—Soviet Siberia, Indonesia, Algeria, the Middle East, Alaska, offshore California—the proven Alaska supply offers the quickest, surest and safest bet.

While the Alaskan fields cannot meet all of California's needs—other states either are or will be competing for the same gas—they can help substantially. Alaska's Prudhoe Bay field has proven reserves of 24 trillion cubic feet. Potential reserves in the total North Slope area are put at 114 trillion cubic feet.

It's a seller's market. Idle talk of oil company ripoffs and threats of consumer boycotts against the oil companies owning the Alaskan gas are dangerous nonsense. California should make the best deal possible for that gas. But above all, it should make a deal.

[From the Des Moines Register, June 3, 1975]

CURB ON NATURAL GAS

The Federal Energy Administration (FEA) has notified 79 electric utility companies, including four in Iowa, that it intends soon to order them to stop burning natural gas as boiler fuel in some of their power stations. This is the first step in an FEA program to phase out such use of gas.

Most utilities that burn gas have contracts with their suppliers requiring the utilities to shift to coal or oil during unusually cold weather when home-heating demands for gas begin to tax pipeline delivery capacity. Now, with the total reserves of natural gas uncertain, FEA believes gas ought not be used where coal, oil or nuclear energy can be readily substituted.

Several officials of Iowa firms affected by the FEA proposal agree in principle. But they, along with Iowa Commerce Commission Chairman Maurice Van Nostrand, feel that their firms have been discriminated against. Giving up gas would cost their customers an estimated $5.3 million annually in higher fuel prices.

Several of the Iowa firms had made arrangements with their supplier, Northern Natural Gas Co., to stop burning gas beginning a year from October, after present contracts expire. They believe—not unreasonably—that they should be allowed to follow that phaseout timetable.

FEA could have issued a general order setting gas cut-off dates far enough in the future that all or most utilities could have complied. Instead, it selected a group of those most readily able to comply: those which have immediate access to adequate coal, and those which have installed pollution-control equipment to make coal-burning environmentally acceptable.

If conversion from gas is to be gradual, this is the way to do it. But it is ironic that utilities which installed pollution controls (and their customers) are the first to be required to use higher-cost fuel.

The Iowa Commerce Commission doubts that much gas will be saved. The FEA order applies only to certain generating stations of the affected companies. They have other plants now burning oil which also could burn gas, and because gas is cheaper, they are expected to try to use their allotments from their supplier in those plants.

Possible appeals, and other delays in obeying the order, could prevent it from going into effect until a year and a half from now, when the firms affected plan to stop using gas as boiler fuel anyhow. It would be reasonable for the FEA to let them carry out their existing arrangements.

[From the Philadelphia Enquirer, June 11, 1975]

NEW JERSEY SUFFERS—AT PIPELINE'S END

When South Jersey faced a drastic cutback in natural gas supplies via pipeline last Winter, bumper-stickers in the gulf states declared: "Let the (blank) freeze in the dark." It was a displayed lack of sympathy for an energy-dependent part of the country that opposed drilling for gas and oil off its own shore.

South Jersey still faces the threatened loss of jobs because of its dependence on out-of-state gas. And oil companies continue pushing for both offshore drilling and deregulation of gas prices.

Some of the hard questions and dark suspicions that arose on those cold January days will, it is hoped, be answered this week in Washington. A subcommittee of the House Commerce Committee at last is holding hearings on why, for example, gas wells were temporarily shut down for repairs at such a crucial time.

At this point, all that's known is that South Jersey remains extremely vulnerable to such shutdowns and cuts in supplies. Even now, South Jersey Gas Co. asks a rate increase that would double bills, in order to stock supplies for a threatened 50 percent reduction next Winter.

The irony is that a recent Federal Power Commission study shows that 26 percent of present gas reserves are not in production. So, as South Jersey anticipates another hard Winter, the Department of the Interior presses for offshore drilling but has yet to show it's demanding maximum production from known reserves.

How does the nation force producers to tap these reserves? President Ford has the most certain solution, though probably also the costliest: remove price controls and make natural gas subject to supply and demand of the market place. The wellhead price for interstate natural gas is now limited to 50 cents per thousand cubic feet.

An interesting alternative surfaced last month in the U.S. Senate. It would allow the ceiling price on most gas to go to 75 cents per thousand cubic feet. The trouble is that the Federal Power Commission twice last year raised the ceiling price without appreciably encouraging exploration or production.

As long as maximum production of existing wells is not pushed vigorously by the Interior Department, South Jersey and its people and many other areas will continue to suffer the hardships of a fuel shortage.

[From the Philadelphia Bulletin, June 15, 1975]

SECRETIVE OIL RUSH

The U.S. Department of the Interior is pushing ahead on exploiting Atlantic Coast oil reserves without knowing the true extent and location of the offshore riches.

The department has received "nominations" of promising Atlantic tracts from 20 oil and gas companies in the usual fashion. That means the companies are telling the Federal Government where they think offshore oil and gas are apt to be found and the Government has to tag along with the companies.

Before the Atlantic continental shelf is punctured by a single drilling bit, Congress ought to reform the murky offshore development arrangements to give the Federal Government a direct role in determining the extent and location of oil and gas deposits and coastal states direct involvement in all of this.

The Senate is moving in this direction with two bills to amend the federal continental shelf management laws. The House is preparing to hold hearings on similar measures. One of the hearings will be in Atlantic City in mid-July.

The whole close-to-the-vest process of prospecting for oil leases is deeply disturbing to the Atlantic coastal states, as was shown by last week's vote of the National Governors Conference against immediate leasing. Asked to name the 20 prospective oil and gas developers, the Interior Department declined, saying that's competitively touchy information.

The best the coastal states have to go on are confidential indications being given them by the Interior Department of off-shore tracts in which unnamed companies are showing the greatest interest.

In New Jersey's case, the secretive bidding process means that the state will have to be satisfied, for now, in knowing simply that the closest drilling locale is likely to be 23 miles off Island Beach State Park, near Toms River. In all, the industry nominations cover a 3.1 million acre stretch of the outer continental shelf between Toms River and the Delaware-Maryland boundary.

The sub rosa bidding has unsettling implications for the coastal states and, though it seems to discount them, for the Ford Administration as well. As it's shaping up so far, the dimly monitored oil and gas hunt will leave the Interior Department almost totally dependent on the oil and gas companies for estimates of the undersea reserves. Industry figures, however forthright, will be used in the main to determine the value of upcoming leases—and the revenues that can be expected from them.

The oil and gas companies argue that offshore exploration is a risky venture and, since they are taking the risk, they ought to set the competitive ground rules. The risks, however, aren't industry's alone. They are environmental as well as financial and the coastal states share extensively in them.

Up to now, the Atlantic Coast reserves have been described in abundant terms. But as the bidding heats up, oil industry spokesmen are saying they may not be as extensive as was thought. Last week's report to a House oversight committee by the Federal Trade Commission that natural gas producers may have understated natural gas reserves in the Gulf of Mexico weakened the industry's credibility on resource reporting in some quarters.

Unless the secretive exploration system is changed, both the Federal Government and

the coastal states are going to have to plan to cope with environmental hazards on the outer continental shelf largely in the dark.

[From the Tulsa Daily World, June 11, 1975]

GAS GUESSING GAME

It sometimes appears that the official policy of the United States Government is to do whatever is legally possible to make the energy crisis worse.

How else can one explain the series of negative Government moves in recent weeks—all calculated to punish the natural gas industry and to further discourage the search for new gas supplies?

The Federal Trade Commission got into the act this week by dredging up an old and previously-answered charge that the gas industry deflates its reserve estimates in order to convince the Federal Power Commission that prices of interstate gas shipments should be raised.

It remains to be seen whether the FTC can actually make a case against the accused gas companies. But to the gas consumer, the outcome of the case isn't all that important. He loses either way.

The only predictable result of the FTC action is that it will cost the gas industry a bundle of money—win or lose. This will further discourage investors *not* to put their money in a business that has become a whipping boy for Federal bureaucrats. (In fact, exploration budgets are down generally throughout the petroleum industry, partly because of higher taxes and other Government action.)

The real crime here isn't the fact that someone may have misguessed the amount of gas underground (after all, there is no way to measure it exactly). The crime is that the price and, therefore, the supply of this valuable product should depend on how Federal officials interpret such "guesstimates."

This new round of abuse comes as Congress is debating measures to put even more restraints on the people who are supposed to be finding additional gas supplies.

No wonder we're running out of gas.

[From the Minneapois Star, June 14, 1975]

DEREGULATE NEW GAS PRICES

The Federal Power Commission (FPC) reports that the nation's natural gas utilities estimate they will be almost 20 percent short of gas needed to meet firm requirements over the next 12 months. But another federal agency, the Federal Trade Commission (FTC), accuses the natural gas industry of underestimating available reserves in a move "tantamount to collusive price rigging."

In this confusing atmosphere, Congress continues to argue about whether to abandon or change the way in which prices are regulated on natural gas. The record, we think, suggests the government must either get into regulation more deeply than it already is, and for other fuels as well as gas, or it should abandon regulation of at least new natural gas discoveries.

We believe deregulation should be tried first. Control has worked to the nation's disadvantage during the 20 years it has been in effect.

Desirable because it is a clean fuel, gas also was given the advantage of a relatively lower price. Its share of the energy market has doubled in the past 25 years. Coal's share has been cut in half.

The low return also has worked to discourage industry exploration for additional gas supplies. The cost of finding gas rose, but the price didn't go up along with it. On top of that, intrastate purchasers of gas are not subject to price regulation, and intrastate prices have risen to three times the regulated price for gas going into the interstate pipelines, with the not unexpected result that the intrastate market is getting more than its share of the gas.

It's clear to us that we haven't found the right way to regulate the price of energy nor do we feel the nation wants at this point to undertake a more comprehensive plan for regulation. Let's ease off on the controls and see if the results aren't better than what we have.

[From the St. Louis Post-Dispatch, June 16, 1975]

PRICE-RIGGING BY DECEPTION?

A recently released Federal Trade Commission staff study adds new weight to often repeated charges that the big oil companies under-report their natural gas reserves. The FTC study, which was obtained and released by the House Commerce Subcommittee on Investigations but which has not yet been acted on by the FTC, accused the American Gas Association and 11 oil companies of operating a natural gas reporting system that is "tantamount to collusive price rigging." It also said the reporting system violated the commission act making "unfair or deceptive acts in commerce" unlawful.

The data on which the FTC staff charges were based were obtained under subpena from four companies, Continental Oil, Union Oil, Pennzoil and Gulf. (Seven other companies—including Exxon, Mobil, Standard of California, Standard of Indiana and Texaco—are still fighting subpenas.) The FTC staff said the firms reported 24 per cent less reserves to the gas association, which reports to the Federal Power Commission, than their internal estimates show. For example, Gulf reported to the association 2.3 trillion cubic feet for six offshore Louisiana fields, while its internal estimates showed 3.1 trillion cubic feet for the same area. Gulf, which like the other companies denies the staff charges, explains the discrepancy by claiming a "bureaucratic time lag" in updating the company books.

It seems odd, however, that oil company report to the gas association, a trade group, would be more up-to-date than their own internal figures, on which company decisions are presumably made. Representative John Moss, the House subcommittee chairman, voiced the not uncommon suspicion that gas reserves have been under-reported in order to induce the FPC to raise rates on interstate gas. When the FPC decided in 1968 to raise rates as reserves got lower, the industry began to report lower reserves, the FTC study concluded.

Mr. Moss also suspects misleading figures on reserves to be part of a campaign to persuade Congress to remove price controls from new natural gas, as advocated by the industry, by the FPC and by the Ford Administration. The FTC staff has even been reported to think that the FPC and the Interior Department should be censured for "conscious or unconscious complicity" with the gas industry on the reporting of reserves. Mr. Moss logically noted that it is incumbent upon executive agencies, as well as Congress, to rethink their positions to the extent that they have been influenced by inaccurate information.

Although FTC Chairman Lewis Engman, a conscientious public servant, was incensed over what he considered to be the premature release of the FTC study, Mr. Moss made the telling point that release was important if it might prevent Congress from acting on misleading data. Surely, the FTC study should at least cause the lawmakers to refrain from any hasty action on deregulation. Equally important, the study should indicate the need to abolish the present reporting system on gas reserves, as recommended by the FTC staff.

Why should not Congress—especially in the case of offshore fields which are owned by the Government—make reports by the companies directly to the FPC compulsory, even if the reports have to be kept confidential in order to avoid the release of competitive data? In this way, the Government would at least have more reliable information on which to base decisions on a resource that is owned by the public.

[From the Des Moines Register, June 19, 1975]

TRICKY FIGURES ON GAS

The natural gas industry has waged a long campaign to get the federal government to end control of the wholesale price of gas sold for interstate distribution. The industry argues: "If we made more profit, we could find more gas. Don't worry about high prices—trust us to let competition keep everything in line."

The imminent and actual cutoff of fuel to many gas-using industries as a result of a growing shortage has helped the industry gain new advocates for its position. President Ford is one of them.

But a majority of state governors are unconvinced. Pressed recently by governors of gas-producing states for approval of a resolution endorsing the removal of natural gas price controls (as well as petroleum production controls), a majority voted "no."

The vote at the National Governors Conference was ill-timed from the viewpoint of the gas industry. It followed by only a few days the release of a Federal Trade Commission (FTC) staff report which accused 11 major oil companies of releasing one set of gas reserve figures to the public while using another, bigger estimate within their own companies. The report accused Gulf Oil, for example, of reporting Louisiana gas reserves of 2.3 trillion cubic feet in 1970 while using the figure of 3.1 trillion in its own records.

The significance of dual figures is that the shrinking reserve supply of natural gas (as reported by the industry) has been one of the factors persuading the Federal Power Commission to increase the ceiling price of natural gas in recent years.

The FTC report is not a document to inspire public trust in the gas and oil industry.

[From the Baltimore Sun, June 20, 1975]

PRICE FIXING

If natural gas producers collude in understating their reserves in an effort to get higher prices or to secure price deregulation, obviously this is a form of attempted price-fixing. Senator Moss of Utah has released Federal Trade Commission data which purportedly show that the American Gas Association and 11 oil companies consistently underreported reserves. The Senator's data were made public against FTC's wishes because it is so crucial to any realistic consideration of the administration's proposal for gas price deregulation. Indeed it is, and Congress should not consider deregulation until it has all the facts on reserves.

[From the Boston Herald-American, June 26, 1975]

DECEPTIVE CALM

With summer only a few days old, vacation plans, rather than next winter's energy needs, command the attention of most Americans. But those who have distracted into the belief that oil shortages—and higher prices—are a thing of the past, are due for a rude awakening.

President Ford recognized the grim prospect with his warning Wednesday that a new price increase contemplated by the exporting nations for next October would be "very dis-

ruptive in its adverse effect worldwide" and would call for the United States and its allies to find "some other answers than foreign oil."

What brought the threat even closer to home, however, was the prediction by Sen. Henry M. Jackson (D-Wash.) a few days earlier that the price of gasoline would go to $1 a gallon and heating oil would "soar through the roof" in New England this fall.

Jackson's gloomy forecast, made at a fund-raising affair at Agawam, might, under the conditions, have been written off as campaign propaganda. But too many other signs combine to point in the same direction. They indicate that instead of exaggerating the outlook, he may well have understated it by failing to add "in the event the supply is sufficient to meet the region's heavy demand."

One of the most significant is the continued failure of Congress to enact the comprehensive energy program it promised the American people. The watered-down energy bill approved so far by the House to roll back President Ford's import fees, is at best a second-rate compromise. It offers little lasting comfort because it assumes neither sufficient energy resources for the future, curtailment of waste nor conservation of current supplies.

Although refineries are reported glutted with crude, output of gasoline has been curtailed and federal energy experts are warning motorists of spot gasoline shortages as early as next week. They are also urging New England industries to convert, wherever possible to old-fashioned coal or space-age nuclear power in order to avoid over-dependence on oil.

Coupled with that, our Washington correspondent Grace Bassett cautioned these same industries—and homeowners, as well—in last Sunday's Herald Advertiser not to place great reliance on natural gas as a source of relief from impending oil shortages. Natural gas, too, is in increasing short supply and there is grave danger deliveries here will be seriously curtailed, possibly long before winter's arrival.

There is little to cheer about in the outlook for the immediate future. And those who have already forgotten the lessons of the past do little to brighten it. Instead they are creating a new crisis by wasting in midsummer the energy they will need to meet next winter's demands for heat and power.

[From the Chicago Tribune, June 18, 1975]

BACK TO THE DRAWING BOARD

What is left of the "Democratic alternative" to President Ford's energy proposals cannot by any stretch of the imagination be called a conservation program. It is a hodgepodge of meaningless provisions that will do virtually nothing to encourage conservation of energy or to stimulate development of alternative sources.

In the words of its chief sponsor, Rep. James Wright [D., Tex.], "We didn't have the guts to vote for anything that would stick . . . We Democrats just couldn't put it together."

Altho the bill held some promise as it came out of the House Ways and Means Committee, the key provisions were knocked out during the first five days of floor debate. The House went along with an oil import quota system, but raised the quotas to a level higher than what we presently import. The Democratic majority, aided by a solid bloc of Republicans, rejected the 20 cent gasoline tax increase, and there is doubt whether even the remaining 3-cent-a-gallon tax will survive. Nor could the House leadership come up with enough votes to pass a stiff tax on "gas guzzling" cars because the United Auto Workers lobbied against it on the ground that it might aggravate unemployment.

The last key provision to be voted on is the one setting up an energy trust fund for the development of alternative sources of energy. As Arthur Siddon of our Washington Bureau noted, "If the House strips the bill of the fund, it will leave the bill with nothing that reduces oil consumption or imports and no means of funding a way to find alternative sources."

Among the alibis being given for the failure to enact a meaningful energy package is that there is no national consensus in favor of the program. That's a copout. What's happening is purely political. Many members campaigned last fall against a gasoline tax and they feel that to turn 180 degrees would antagonize their constituents.

Unless some compromise energy package can be enacted, the G.O.P. "united we stand" opposition could backfire against them at the polls next year. They will have some difficult explaining to do if the Arabs and the O.P.E.C. countries increase the price of oil later this year. This would give us the higher prices and perhaps force some conservation, but the proceeds will go to foreign powers rather than to Americans, and there will be no funds set aside for the development of alternative sources of energy.

The only thing to do, as we see it, is to go back into committee and start all over again, blending the best features of President Ford's program, including decontrol of oil and natural gas prices, with parts of the Democratic alternative. Leadership does not mean cringing for fear of public disapproval; it means making hard choices and then selling them to the people. If the Democrats, with their solid majorities in both houses of Congress, can't even come up with an effective energy program, how do they expect to win the White House and lead the country?

[From the Portland Oregonian, June 18, 1975]

SWALLOWING AIR

President Ford has waited with growing impatience for Congress to either support the administration or produce its own energy program, but the Congress has done nothing but swallow air. Its failure to move on oil conservation and energy is a national disgrace.

The nation is spending more than $25 billion a year for foreign oil and the percentage of these imports is climbing while there is talk among the oil-producing nations of another price increase. Meanwhile, nothing has been done to encourage exploration for natural gas, which is in short supply. Many sections of the country face a severe hardship next winter if extreme cold weather is experienced.

The House Ways and Means Committee and its chairman, Rep. Al Ullman, have submitted the only comprehensive program that is a real alternative to President Ford's plan which would work greater individual and economic hardships on the nation.

It has become painfully evident that many new Democrats in Congress would rather talk about energy than make the hard choices requiring national sacrifices. Virtually every member of the House has his own little energy plan, but hardly any would qualify as a comprehensive program.

The Oregonian has favored fixed import quotas, coupled with regional allocation systems, for conserving gasoline, but also believes that Ullman's program is far more acceptable than the "price-rationing" plan offered by the President. The administration, because of the disarray in Congress, may well get most of its program by default. But this will hit industry and consumers with higher prices, further fueling inflation and depressing business by adding huge costs to transportation, home heating and products made from petroleum.

While Congress fiddles with tax credits for home insulation and solar heating, the nation continues to burn foreign oil. Encouraging alternative energy sources ought to be a part of a national energy policy, but these proposals fail to deal directly and immediately with the critical issue: The fact the nation is dangerously exposed to the whims and caprices of foreign oil producers and this dependence is growing rather than receding.

[From the Bergen Record, June 16, 1975]

FOXES GUARDING THE GASHOUSE

The price of natural gas sold in the interstate market is controlled by the Federal Power Commission. One of the yardsticks the FPC uses to determine the price at which gas sold is the extent of natural-gas reserves available to producers. The lower the total reserves of natural gas, the higher the FPC will allow producers to charge.

As long as controls are necessary, this is a fair way for the government to set prices—if the owners of natural gas reserves report the truth about their reserves. This, it seems, isn't what has been happening.

According to staff members of the Federal Trade Commission, 11 major oil companies owning natural gas wells have been lying about their reserves in order to con the FPC into setting a higher price for natural gas.

The FTC staffers want the FPC to sue the oil companies to force them to stop the phony reporting. In one case, the FTC staff members claim Gulf Oil Corporation has reported that its six offshore Louisiana gas wells had 2.3 trillion cubic feet of gas when the actual reserve was 3.1 trillion cubic feet. That's quite a discrepancy.

How did the FTC investigators uncover this alleged plot? They subpoenaed the producers' internal records. These records hold the true reserve estimates; those furnished to the government for price-setting purposes tell a different story.

So far, four of the eleven companies accused of underestimating their reserves have obeyed subpoenas to turn over their internal estimates of gas reserves to FTC investigators. The other seven are fiercely battling to keep their internal records from scrutiny. If they persist in this intransigence, the only conclusion to be drawn is that they have indeed been underestimating reserves in order to gain higher prices for their gas.

All these shenanigans have surfaced because Congress is considering the decontrol of natural gas prices. Unless the major owners of natural gas wells can assure Congress—and the rest of us—that their estimates of reserves are accurate, they can hardly expect Congress to abolish price controls.

False reporting, of course, results in higher prices for the consumer. More, it does the entire country a disservice. If there are indeed more energy reserves than the public—and the federal government—has been led to believe, then an entirely new element is present in determining how we cope with threats to a cut-off of energy by foreign producers.

A sure way to estimate true natural gas reserves is for a government agency rather than the owner of the reserves to monitor the estimating. If Congress elects to continue price controls based on reserves, determining the extent of these reserves should not be left solely to those who have a vested interest in underestimating.

[From the Salt Lake City Tribune, June 22, 1975]

ENERGY POLICY ELUDES HOUSE

House passage of the energy conservation bill Thursday displayed continuing Congressional reluctance to lay too heavy a hand on the petroleum consuming American public. The lawmakers deleted the gasoline tax increase provisions and settled for what is probably best described as a passive measure.

If the bill survives a Senate tussle intact—an unlikely event—petroleum conservation will be less apparent to the auto driving public than it would have been if the House Ways and Means Committee views had prevailed.

Rather, the measure attacks the matter of oil conservation obliquely and not particularly in a forthright manner. Oil imports will be restricted pretty much to the present level, about six million barrels a day. Motorists, if they buy a "gas guzzler" after 1978 will be paying a penalty of $50 for each mile per gallon the vehicle falls under the 18 MPG mark. By 1985 that standard will go up to 28 miles per gallon.

The gasoline consumption tax will be assessed against manufacturers, but it is certainly going to be passed through to the customer.

The bill also contains provisions to give industries that convert from petroleum to other fuels some tax breaks for depreciation of equipment they install. Industry will be assessed an excise tax for consuming oil and natural gas as a fuel, 17 cents a barrel beginning in 1977 and rising to $1 a barrel by 1982.

About the only real "break" for anyone contained in the measure is the elimination of the excise taxes on radial tires (they give you more miles to the gallon) and intercity buses. The latter provision doesn't do much to get urban residents out of their cars, does it?

Rated on a scale of 0 to 10, the House effort ranks about 2.5. It is a lackluster effort to create a national energy policy, falling far short of the goal. The measure does little to discourage automobile driving. It lends very little encouragement to industry to find alternative sources of energy. And it produces virtually no incentives to improve and expand public transit systems.

And, worst of all, it assures Americans their fuel bills are likely to get bigger as energy supplies dwindle.

[From the Raleigh News & Observer, June 29, 1975]

BAD ADVICE FOR NORTH CAROLINA NATURAL GAS USERS

The Raleigh meeting this week to discuss the state's natural gas shortage focused needed attention on a problem that is likely to get worse before it gets better. Some of the advice dispensed here almost seemed aimed at fulfilling that notion.

Gas customers, for example, were told that they might avoid interstate curtailments by buying directly from gas producers in Texas and Louisiana. They now purchase gas from North Carolina firms, such as Public Service Co., who are supplied by the state's one and only carrier, Transcontinental Gas Pipeline Corp. (Transco).

Customers would pay intrastate prices in Texas or Louisiana and then could pay Transco to deliver the fuel. The gas would cost more, about three or four times as much, but at least customers would be assured of fuel. That was the theory presented.

It is one that is certain to end up in a legal tangle. Such a purchasing bypass flouts the whole purpose of federal regulation of interstate pipeline carriers and producers. The law clearly and for good reason places these utility companies under review of the Federal Power Commission. For North Carolina users to ignore the law would invite the same response from customers elsewhere. The gas producers, no doubt, would welcome such a bidding war where winter would take the hindmost.

Just why the gas producers are not happy with their record profits and interstate rates which are determined in public hearings is not clear. Other questions about the industry have been raised elsewhere.

An agency of the Federal Trade Commission last week charged that gas producers deliberately were under-reporting reserves to hike prices. Similarly, reports from the House Investigations Subcommittee headed by Rep. John Moss, D-Calif., say that well repairs made last winter might have been delayed to create a shortage for Transco's customers and thus provoke a public outcry for deregulation of producers' prices.

The shortage of candid information on the gas crisis is as much at issue as the lack of fuel. Until answers are more forthcoming, captive customers should take a skeptical view towards advice like that doled out in Raleigh this week.

[From the Raleigh News & Observer, June 29, 1975]

NOW YOU SEE IT; NOW YOU DON'T

Governor Holshouser's public hearing on natural gas also pointed again to a curious facet of the gas shortage.

When the governor asked if the shortage might be contrived, Transco President W. J. Bowen replied that he had no evidence of such.

"It's elected officials in Washington," claimed Bowen, "who continue to restrict Transco from buying this on-shore gas." He complained further, "If we could just pay the price, we could get some gas for you next winter."

In other words, the gas is there but producers apparently don't want to sell it for the federally set prices.

[From the Cleveland Plain Dealer, June 22, 1975]

ASSESSING THE ENERGY CRISIS

Administration officials call the energy bill passed by the House the "OPEC price support act of 1975." They assert it would make the United States more dependent on the Organization of Petroleum Exporting Countries (OPEC) than it is today. Some House Democrats privately express hope that the Senate will strengthen the measure.

This could be a forlorn hope because the Senate leadership has been reluctant to do anything about energy on a short-term basis on the ground that any moves to curb consumption could be harmful to the nation's economic growth.

There is, however, growing pressure from experts in the field that something will have to be done, and quickly, or the energy crisis will hit the American public almost overnight like the proverbial ton of bricks.

A thought-provoking article, analyzing not only the energy crisis but the wasteful industrial society which man has built in the last century, based chiefly on an assumption of unending supplies of energy resources, appeared on The Plain Dealer's Forum Page.

It was written by David R. Williams Jr., a man who knows his way around in engineering and development of natural resources. He is convinced that a wartime-like effort by the United States will be needed to avoid a major catastrophe.

He envisions that by the year 2000, natural gas and oil supplies will be close to exhaustion. Electric heating will make single-family dwelling units almost unique, mass public transit will be the mode of transportation, and tax structures will be rebuilt and massive new government-industry programs installed to meet urban needs—according to Williams.

But government, he charges, has its head in the sand and operates by crisis reflex today instead of through comprehensive planning and huge mobilization of effort.

The House-passed energy bill, originally intended to be the Democratic majority's answer to President Ford's approach to curb oil imports through higher prices, was gutted in the last two weeks of debate. The House dropped the gasoline tax that could have gone as high as 23 cents a gallon if Americans failed to reduce gasoline use. It weakened the penalties on auto makers who continue to make big, gas-guzzling cars.

We agree with Williams that comprehensive long-range planning, on a data base that can be trusted, is sorely needed. Computer statistics of government and private fuel corporations and associations seldom agree. Williams compares the American approach to the energy crisis to a giant airplane flying blindly with all instruments gyrating wildly.

Williams' presentation may be overdrawn in places, but his "leisure hypothesis"—the American dream that new technology would enhance new productivity without end—can be supported. The dream did not foresee the lag in capital formation or a lapse of technology.

The point for Congress to remember, as it strives to mix oil and party politics with a dash of special-interest lobbies included, is that the problem is not simply energy but the impact of an energy shortage on the American economy and way of life in years ahead.

[From the Boston Herald American, June 15, 1975]

ENERGY OVERLOAD

Just before the House of Representatives voted on whether to override the President's veto of the coal strip-mining bill, Capitol telephone operators reported a surge in calls. A spot check revealed that the callers were virtually unanimous in their support of the veto. The House voted against an override.

The point isn't whether the veto should have been sustained or not; it is, rather, whether avalanche-style lobbying does more harm than good to the democratic tradition.

A concerted, sudden-death campaign by lobbyists at a crucial last moment can portray public opinion as reflected by narrow interests rather than by the public.

That the coal industry opposed the bill all along is no secret. That the oil industry opposed the bill all along is no secret. Energy companies generally opposed the bill, supported the President's veto and made their opinion known all along.

Oil companies control 25 to 30 percent of the nation's coal production. They own millions of tons of strip coal reserves. They hold 80 percent of the uranium reserves. Oil companies also are the producers of natural gas, a fuel often found in conjunction with oil.

In all, seven major oil firms control the nation's oil, gas, coal and nuclear energy supplies. add to this the pipeline companies that either own, or are owned by, oil and gas producers and the inevitable conclusion is that a relative handful of corporations normally enjoy heavy influence on the production, transportation and price of fuels.

Quite naturally, these firms and their stockholders—a numerically substantial group—are interested in maintaining the robustness of their financial interests. It would be folly for them to do otherwise, and it is their right. To tinker with this right would be to tamper with the most successful economic system on earth.

But what deserves scrutiny is the lobbying technique that is wielded at precisely the moment that allows no response. It is a tactic that, no matter who employs it, can impose political pressures on legislators that is out of all proportion to reality.

In this particular instance, when the United States must develop new sources of energy as well as conserve energy, at a moment when the country has no coherent energy policy, it is of the greatest importance

to ensure that what is interpreted as public opinion is actually the opinion of the public.

[From the Tulsa World, June 11, 1975]

GAS GUESSING GAME

It sometimes appears that the official policy of the United States Government is to do whatever is legally possible to make the energy crisis worse.

How else can one explain the series of negative Government moves in recent weeks—all calculated to punish the natural gas industry and to further discourage the search for new gas supplies?

The Federal Trade Commission got into the act this week by dredging up an old and previously-answered charge that the gas industry deflates its reserve estimates in order to convince the Federal Power Commission that prices of interstate gas shipments should be raised.

It remains to be seen whether the FTC can actually make a case against the accused gas companies. But to the gas consumer, the outcome of the case isn't all that important. He loses either way.

The only predictable result of the FTC action is that it will cost the gas industry a bundle of money—win or lose. This will further discourage investors not to put their money in a business that has become a whipping boy for Federal bureaucrats. (In fact, exploration budgets are down generally throughout the petroleum industry, partly beacuse of higher taxes and other Government action.)

The real crime here isn't the fact that someone may have misguessed the amount of gas underground (after all, there is no way to measure it exactly). The crime is that the price and, therefore, the supply of this valuable product should depend on how Federal officials interpret such "guesstimates."

This new round of abuse comes as Congress is debating measures to put even more restraints on the people who are supposed to be finding additional gas supplies.

No wonder we're running out of gas.

[From the Los Angeles Times, June 23, 1975]

STILL NO ENERGY PROGRAM

On a single day last week these events ocurred:

—The House gave final approval to a weak energy tax bill that would do very little to promote fuel conservation or reduce imports of increasingly higher-priced petroleum.

—The House Commerce Committee set its face to the past and voted to retain the present unrealistic controlled price of "old" oil while rolling back the currently uncontrolled price of "new" oil. Those actions are a prescription for reduced development of domestic oil resources.

—The U.S. Geological Survey reported that undiscovered recoverable resources of oil and natural gas liquids apparently are much less than previously estimated. The combined estimate now ranges from 61 billion to 149 billion barrels. In March, 1974, the combined estimate was between 200 and 400 billion barrels.

All of these things are, as always, subject to change. The Senate could, as it certainly should, do what the House failed to do and vote a meaningful, comprehensive energy tax bill. Among other things, the bill should include strict mandatory fuel economy standards for new cars, and provision for some gasoline tax to support research and development of new energy sources. Congress also should act to end controls on petroleum prices by adopting procedures for gradual deregulation. Prices that accurately reflect the real market value of energy would encourage the search for and development of new domestic energy resources.

That is what should happen. For now we are left with what has happened. There is no sound mandatory energy conservation program, even though conservation is demonstrably the easiest and fastest way to stretch domestic supplies. There is no sensible tax or pricing program to finance government research or expanded private investment in new energy sources.

Meanwhile, a steadily rising percentage of the oil and natural gas used in the United States is purchased overseas. The oil cartel has made it clear it intends to increase prices once again in the fall. More American wealth will leave the country to pay for what the nation consumes. America's economic vulnerability will increase, affecting jobs, production, investment. It is a situation that is not just serious but dangerous. Each day's inaction, each day's delay in facing up to the scope and demands of the problem, adds to the danger.

[From the New Orleans Times-Picayune, June 22, 1975]

HOUSE FLUNKS ENERGY

Congress, suffering from its own energy crisis, has finally, on the House side, passed an energy bill and sent it on to the Senate, where it might get worked on by mid-July and possibly, in a form as yet unpredictable, be offered to President Ford for signature in October.

It has been almost two years since the Arab oil embargo drew sharp outlines on America's only vaguely comprehended energy problem and almost six months since President Ford, tired of waiting for Congress to act, made and began to implement his own proposals. The Democratic-controlled House, determined to counter Mr. Ford's moves with a full-service energy plan, has been long in labor but has produced not an omnibus bill but a mishmash.

Instead of providing clear measures whose effectiveness could be readily foreseen, and thus providing a sense of leadership for a nation that is beginning to feel its leaders simply do not know what to do, the House bill does a little here, a little there, but little comprehensive.

Little sense of urgency is indicated by starting various programs no sooner than 1977. A new conservation-aimed tax on certain business and industrial use of oil and natural gas led one opponent to call the whole bill "an ounce of conservation and a gallon of loopholes." Other tax credits are intended to encourage homeowners and builders to use insulation and solar energy. Car manufacturers are encouraged to increase mileage by civil penalties and an eight-year timetable.

Oil import quota levels—the nut of the conservation and development crisis—are set at current levels into 1980, but with flexibility granted the President. Revenues from the new taxes and reduced tariffs go to a trust fund to foster conservation and energy-source conversion.

The bill's chief author, Rep. Al Ullman, D-Ore., chairman of the House Ways and Means Committee, now says he hopes President Ford "will show his desire to shape, rather than block, a more comprehensive program" in the Senate. We sorely need a more comprehensive program, but if it is to be based on this bill it will need a lot more than just shaping.

[From the Birmingham News, June 23, 1975]

INACTION ON ENERGY

The energy legislation just passed by the House is a signal to the world that the U.S. Congress just doesn't have the starch to provide the nation with the tough policy that is needed.

Unless President Ford takes further action under the authority he already has, the Organization of Petroleum Exporting Countries can count on a greater U.S. reliance on their exported oil. They are assured of conditions conducive to another round of price increases this fall.

Mr. Ford already has raised oil tariffs by $2 a barrel. He has the authority, and should use it, to decontrol domestic oil. Such a measure would provide the financial incentives to the petroleum industry to search out new domestic sources at the same time it would discourage, because of higher prices, overall consumption.

This is an extremely poor time to telegraph our national energy indecision to the rest of the world. And regardless of the international effects, it is ruinous to the country simply to drift.

Adding to worries over energy is the scaling down of estimates by the U.S. Geological Survey of undiscovered oil and natural gas reserves. The new estimates, which include decreases in every category, project a depletion of U.S. oil reserves within 37 to 62 years based on domestic oil production at 1974's level of 3.04 billion barrels a year.

Thirty-seven years is not a long time. If our consumption of oil increases because we do not have effective conservation measures, the time of oil famine will be pushed closer.

Modern life depends on oil. The bulk of it is burned, but it also is a vital raw material for industry. Take away oil and our civilization is a beached whale.

Instead of using up petroleum and natural gas as though there were a limitless supply of it, we should be exerting every national effort toward conserving it and using the economic base that oil provides to develop feasible alternatives.

The lifespan of oil is the rigid time framework within which we must find energy substitutes. If oil runs out before technology has found workable new energy sources, civilization will break down. Life again will become nasty, brutish and short. A remnant of mankind will survive among the ruins, but millions will perish. We have become an urban people dependent on our supply systems. Without the energy to run those systems, then what?

Perhaps technology will avert such a doomsday. Perhaps we will be able to replace the gasoline and Diesel engines with power systems fueled by something other than petroleum. Perhaps construction of nuclear plants will be speeded up and fusion power on a mass scale will be realized.

But to do all the things it will take to replace oil as the primary energy source will require a sense of utmost urgency.

The fact that Congress has not yet grasped the urgency of the energy dilemma in which we find ourselves is demoralizing and disheartening.

Thirty-seven years from now, will the 94th Congress be remembered as having lost the energy race for the nation because stern measures were unpopular at the time? And because Congress lacked the guts to provide leadership when it was needed? This is something congressmen should consider.

NATURAL GAS ANALYSIS

Mr. MCCLURE. Mr. President, my colleague Senator BUCKLEY had planned to introduce for the RECORD a detailed analysis of natural gas supplies around the country. Unfortunately, he could not be here at this time, and he has asked me to introduce it in his place. Therefore, at this time, I ask unanimous consent that this analysis be printed in the RECORD at this time.

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

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	577.5
Commercial	42.8
Industrial	1.2
Annual dollar cost of service (1974):	
Homes	154
Commercial	700
Industrial	76,600

2. In Alabama, 55% of the homes use natural gas.

3. Natural gas supplied 20% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Alabama were:

Natural gas:	
Homes	1.39
Commercial	.89
Industrial	.48
Heating oil:	
Homes	2.40
Electricity:	
Homes	5.37
Commercial	6.22
Industrial	2.82

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Alabama will be denied 68.25 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 22.1% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 16.4% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Alabama are: Primary metal industries; paper & allied products; chemical products; and stone, clay & glass products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 32,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 907,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 3% of the gas using homes in Alabama in 1975.

10. Some observers estimate that the deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$3.53
Heating oil	5.14
Electricity	19.99

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is a vitally important energy form to the United States.

Nationally, the numbers of users in the different classifications and their average annual gas bills were:

1974 thousands of users:	
Residences	40,670.6
Commercial establishments	3,392.0
Industry	248.5
1974 annual dollar cost of service:	
Residences	170
Commercial establishments	749
Industry	23,829

In 1974, 62 percent of the homes in the United States used natural gas. Natural gas supplied 40.5 percent of the total energy used, nationally, exclusive of that used for transportation.

Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in 1974 were:

Natural gas:	
Homes	1.42
Commercial	1.10
Industrial	.68
Heating oil:	
Homes	2.54
Commercial	----
Industrial	----
Electricity:	
Homes	9.65
Commercial	9.73
Industrial	5.28

The shortage of energy in the United States is primarily a shortage of natural gas. For 1975, predicted curtailments of natural gas, nationwide, will total 2.9 trillion cubic feet. This represents about 16% of the gas that would have been used had it been available. In 1974, actual curtailments were nearly 10% of what would have been used.

These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in the United States are: Primary Metals, Chemicals & Allied Products, Petroleum Refining and Related, Food and Kindred Products, Paper and Allied Products, Stone, Clay, Glass and Concrete, Transportation Equipment, Machinery, Except Electrical, Fabricated Metals.

Assuming alternative fuels are not available when gas is denied these and other gas dependent activities, a 20% gas supply reduction could potentially place 2,000,000 manufacturing and related industry workers out of work. This is a significant part of the 63,000,000 employed labor force, exclusive of government and agricultural workers.

Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 44 percent of the gas using homes in the United States.

Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices nationally in 1985 are estimated to be:

Per million Btu

Natural gas	$3.96
Heating oil	5.30
Electricity	21.74

If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases (currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates). These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	19.0
Commercial	3.2
Industrial	.1
Annual dollar cost of service (1974):	
Homes	371
Commercial	1,450
Industrial	62,000

2. In Alaska, 26% of the homes use natural gas.

3. Natural gas supplied 40% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Alaska were:

Natural gas:	
Homes	1.42
Commercial	1.07
Industrial	.38
Heating oil:	
Homes	----
Commercial	----
Industrial	----
Electricity:	
Homes	8.94
Commercial	9.57
Industrial	5.85

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Alaska will be denied 0.0 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about —— % of the gas that would have been used in the state during 1975. Last year's actual curtailments were —% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Alaska are: Food & kindred products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 1,300 manufacturing and related industry workers out of work. This is a substantial part of the total of 59,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 0% of the gas using homes in Alaska in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% *more* gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a *gradual* increase in the price of gas to consumers *but* it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$3.87
Heating oil	5.60
Electricity	20.63

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates.) These

supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	511.0
Commercial	42.3
Industrial	2.7
Annual dollar cost of service (1974):	
Homes	127
Commercial	500
Industrial	24,600

2. In Arizona, 79% of the homes use natural gas.

3. Natural gas supplied 44% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Arizona were:

Natural gas:	
Homes	1.29
Commercial	.77
Industrial	.49
Heating oil:	
Homes	----
Commercial	----
Industrial	----
Electricity:	
Homes	7.29
Commercial	6.26
Industrial	4.17

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Arizona will be denied 89.64 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 33.6% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 26.3% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Arizona are: Primary metal industries; stone, clay and glass products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 14,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 555,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 66% of the gas using homes in Arizona in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$3.63
Heating oil	4.96
Electricity	22.61

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	424.7
Commercial	48.4
Industrial	2.4
Annual dollar cost of service (1974):	
Homes	124
Commercial	450
Industrial	48,100

2. In Arkansas, 65% of the homes use natural gas.

3. Natural gas supplied 54% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Arkansas were:

Natural gas:	
Homes	0.87
Commercial	.64
Industrial	.40
Heating oil:	
Homes	----
Commercial	----
Industrial	----
Electricity:	
Homes	6.59
Commercial	6.36
Industrial	3.35

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Arkansas will be denied 204.10 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 45.5% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 34.6% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Arkansas are: Chemicals and allied products; paper and allied products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 38,500 manufacturing and related industry workers out of work. This is a substantial part of the total of 510,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving —% of the gas using homes in Arkansas in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$3.58
Heating oil	5.14
Electricity	20.21

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	6,087.0
Commercial	364.7
Industrial	11.8
Annual dollar cost of service (1974):	
Homes	145
Commercial	570
Industrial	40,200

2. In California, 87% of the homes use natural gas.

3. Natural gas supplied 44% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in California were:

Per million Btu

Natural gas:	
Homes	1.10
Commercial	.80
Industrial	.49
Heating oil:	
Homes	1.76
Commercial	----
Industrial	----
Electricity:	
Homes	7.24
Commercial	6.22
Industrial	3.54

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. California will be denied 1,707.87 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 10.2% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 7.2% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in California are: Petroleum and coal prroducts; stone, clay and glass products; food and kindred products; chemicals and allied products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 240,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 6,113,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving —% of the gas using homes in California in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$3.67
Heating oil	5.60
Electricity	20.63

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974): were:	
Homes	650.6
Commercial	73.5
Industrial	2.5
Annual dollar cost of service (1974):	
Homes	156
Commercial	680
Industrial	23,600

2. In Colorado, 85% of the homes use natural gas.

3. Natural gas supplied 43% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Colorado were:

Natural Gas:	
Homes	.82
Commercial	.68
Industrial	.35
Heating Oil:	
Homes	2.29
Commercial	--
Industrial	—
Electricity:	
Homes	7.57
Commercial	6.06
Industrial	3.86

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Colorado will be denied 0 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about —% of the gas that would have been used in the state during 1975. Last year's actual curtailments were —% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Colorado are: Food & kindred products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 17,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 709,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 89% of the gas using homes in Colorado in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$3.63
Heating Oil	4.96
Electricity	22.61

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates). These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	361.8
Commercial	29.5
Industrial	2.6
Annual dollar cost of service (1974):	
Homes	246
Commercial	1,060
Industrial	13,000

2. In Connecticut, 35% of the homes use natural gas.

3. Natural gas supplied 9% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Connecticut were:

Natural gas:	
Homes	2.40
Commercial	1.87
Industrial	1.32
Heating oil:	
Homes	2.25
Commercial	----
Industrial	----
Electricity:	
Homes	8.85
Commercial	8.00
Industrial	5.62

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Connecticut will be denied 5.44 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 7.6% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 5.4% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Connecticut are: Primary metals industries; machinery, except electrical.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 17,500 manufacturing and related industry workers out of work. This is a substantial part of the total of 1,073,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 32% of the gas using homes in Connecticut in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$5.20
Heating oil	5.39
Electricity	28.19

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Gas prices in the New England states have historically been greater than oil because of small volumes and long distance from source; and recently, due to expensive gas supplementals needed to compensate for curtailments.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	77.7
Commercial	5.3
Industrial	0.2
Annual $ Cost of Service (1974):	
Homes	217
Commercial	960
Industrial	46,400

2. In Delaware, 44% of the homes use natural gas.

3. Natural gas supplied 15% of all energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Delaware were:

Natural Gas:	
Homes	1.82
Commercial	1.38
Industrial	.68
Heating oil:	
Homes	2.30
Commercial	----
Industrial	----
Electricity:	
Homes	9.18
Commercial	7.91
Industrial	5.06

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Delaware will be denied 0.84 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 3.4% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 1.8% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Delaware are: Primary metal industries.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 4,800 manufacturing and related industry workers out of work. This is a substantial part of the total of 201,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 100% of the gas using homes in Delaware in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% *more* gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a *gradual* increase in the price of gas to consumers *but* it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$4.29
Heating oil	$5.39
Electricity	$20.74

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	395.0
Commercial	26.8
Industrial	0.7
Annual dollar cost of service (1974):	
Homes	112
Commercial	1,210
Industrial	102,800

2. In Florida, 15% of the homes use natural gas.

3. Natural gas supplied 20% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Florida were:

Natural Gas:	
Homes	2.21
Commercial	1.26
Industrial	.49
Heating Oil:	
Homes	2.50
Commercial	-----
Industrial	-----
Electricity:	
Homes	6.52
Commercial	6.95
Industrial	4.07

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Florida will be denied 48.66 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 23.0% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 17.3% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Florida are: Chemicals & allied products; paper & allied products; food & kindred products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 24,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 2,245,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 22% of the gas using homes in Florida in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$4.29
Heating oil	5.39
Electricity	20.75

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases (Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates.) These supplemental gas supply costs in 1985 are expected to average nearly $5 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	802.6
Commercial	63.1
Industrial	5.9
Annual dollar cost of service (1974):	
Homes	166
Commercial	690
Industrial	21,700

2. In Georgia, 59% of the homes use natural gas.

3. Natural gas supplied 25% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Georgia were:

Natural gas:	
Homes	1.27
Commercial	.92
Industrial	.54
Heating oil:	
Homes	2.00
Commercial	------
Industrial	------
Electricity:	
Homes	5.80
Commercial	6.46
Industrial	3.47

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Georgia will be denied 20.47 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 5.9% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 4.2% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Georgia are: Textile mill products; stone, clay, and glass products; chemicals and allied products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 32,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 1,452,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 3% of the gas using homes in Georgia in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$4.29
Heating oil	5.39
Electricity	20.74

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	31.1
Commercial	2.3
Industrial	1.7
Annual dollar cost of service (1974):	
Homes	130
Commercial	810
Industrial	2,900

2. In Hawaii, 20% of the homes use natural gas.

3. Natural gas supplied 2% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Hawaii were:

Natural gas:	
Homes	3.51
Commercial	2.39
Industrial	2.27
Heating oil:	
Homes	-----
Commercial	-----
Industrial	-----
Electricity:	
Homes	8.99
Commercial	10.80
Industrial	5.27

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Hawaii will be denied 0 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about —% of the gas that would have been used in the state during 1975. Last year's actual curtailments were —% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Hawaii are: Food & kindred products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 3,500 manufacturing and related industry workers out of work. This is a substantial part of the total of 238,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving —% of the gas using homes in Hawaii in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be—

Per million Btu

Natural gas	$3.87
Heating oil	4.61
Electricity	20.63

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates.) These

supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	94.5
Commercial	12.6
Industrial	0.4
Annual dollar cost of service (1974):	
Homes	219
Commercial	830
Industrial	59,900

2. In Idaho, 32% of the homes use natural gas.

3. Natural gas supplied 25% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Idaho were:

Natural gas:	
Homes	1.59
Commercial	1.16
Industrial	.52
Heating oil:	
Homes	2.50
Commercial	----
Industrial	----
Electricity:	
Homes	4.60
Commercial	4.19
Industrial	1.90

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Idaho will be denied 3.70 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 7.0% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 5.0% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Idaho are: Food and kindred products; chemicals and allied products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 6,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 189,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving —% of the gas using homes in Idaho in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$3.63
Heating oil	4.96
Electricity	22.61

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates.) These

supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	2,871.9
Commercial	213.7
Industrial	18.0
Annual dollar cost of service (1974):	
Homes	227
Commercial	1,090
Industrial	18,600

2. In Illinois, 75 percent of the homes use natural gas.

3. Natural gas supplied 34 percent of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Illinois were:

Natural Gas:	
Homes	1.18
Commercial	0.89
Industrial	0.66
Heating Oil:	
Homes	2.43
Commercial	----
Industrial	----
Electricity:	
Homes	8.63
Commercial	7.67
Industrial	3.98

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Illinois will be denied 411.80 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 26.6 percent of the gas that would have been used in the state during 1975. Last year's actual curtailments were 21.0 percent of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Illinois are: Primary metal industries; food and kindred products; stone, clay, and glass products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20 percent gas supply reduction could potentially place 173,000 manufacturing and related industry workers out of work. This is a substantial part of the total 3,698,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 57 percent of the gas using homes in Illinois in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50 percent more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$3.80
Heating oil	5.36
Electricity	19.50

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city

costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to home.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	1,071.4
Commercial	107.8
Industrial	4.2
Annual dollar cost of service (1974):	
Homes	213
Commercial	840
Industrial	48,500

2. In Indiana, 57% of the homes use natural gas.

3. Natural gas supplied 24% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Indiana were:

Natural gas:	
Homes	1.19
Commercial	0.97
Industrial	0.59
Heating oil:	
Homes	2.43
Commercial	----
Industrial	----
Electricity:	
Homes	6.77
Commercial	6.78
Industrial	3.76

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Indiana will be denied 251.48 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 32.0% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 25.2% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Indiana are: Primary metal industries; stone, clay and glass products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 99,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 1,715,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 55% of the gas using homes in Indiana in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$3.80
Heating oil	5.36
Electricity	19.50

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates.) These

supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	605.2
Commercial	71.7
Industrial	2.0
Annual dollar cost of service (1974):	
Homes	207
Commercial	760
Industrial	43,900

2. In Iowa, 63% of the homes use natural gas.

3. Natural gas supplied 39% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Iowa were:

Natural gas:	
Homes	1.16
Commercial	.87
Industrial	.50
Heating oil:	
Homes	2.30
Commercial	----
Industrial	----
Electricity:	
Homes	7.94
Commercial	7.88
Industrial	4.12

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Iowa will be denied 17.61 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 5.4% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 3.8% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Iowa are: Food and kindred products; machinery, except electrical.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 34,500 manufacturing and related industry workers out of work. This is a substantial part of the total of 793,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 76% of the gas using homes in Iowa in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$3.67
Heating oil	5.36
Electricity	19.50

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates). These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	625.6
Commercial	55.1
Industrial	8.3
Annual dollar cost of service (1974):	
Homes	141
Commercial	450
Industrial	17,800

2. In Kansas, 82% of the homes use natural gas.

3. Natural gas supplied 66% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Kansas were:

Natural Gas:	
Homes	0.77
Commercial	0.59
Industrial	0.35
Heating oil:	
Homes	2.00
Electricity:	
Homes	6.85
Commercial	5.98
Industrial	3.54

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Kansas will be denied 52.60 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 9.8% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 6.8% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Kansas are: Chemicals and allied products; stone, clay and glass products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 22,700 manufacturing and related industry workers out of work. This is a substantial part of the total of 584,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 3% of the gas using homes in Kansas in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% *more* gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a *gradual* increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural Gas	$3.67
Heating oil	5.36
Electricity	20.48

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases (currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates). These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	547.1
Commercial	53.4
Industrial	1.1
Annual dollar cost of service (1974):	
Homes	165
Commercial	620
Industrial	43,000

2. In Kentucky, 58% of the homes use natural gas.

3. Natural gas supplied 22% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Kentucky were:

Natural gas:	
Homes	.98
Commercial	.82
Industrial	.57
Heating oil:	
Homes	2.50
Commercial	----
Industrial	----
Electricity:	
Homes	5.84
Commercial	3.85
Industrial	2.49

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Kentucky will be denied 21.74 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 10.4% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 7.4% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Kentucky are: Primary metal industries, chemicals and allied products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 26,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 841,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 86% of the gas using homes in Kentucky in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$3.53
Heating oil	5.14
Electricity	19.99

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousand of users (1974):	
Homes	811.3
Commercial	63.2
Industrial	2.7
Annual dollar cost of service (1974):	
Homes	97
Commercial	320
Industrial	83,400

2. In Louisiana, 82% of the homes use natural gas.

3. Natural gas supplied 75% of all the energy used in the State.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Louisiana were:

Natural gas:	
Homes	0.95
Commercial	.65
Industrial	.30
Heating oil:	
Homes	1.95
Commercial	----
Industrial	----
Electricity:	
Homes	6.50
Commercial	6.26
Industrial	2.87

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Louisiana will be denied 430.36 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 44.3% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 34.2% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Louisiana are: Chemicals and allied products; petroleum and coal products; paper and allied products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 35,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 926,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving % of the gas using homes in Louisiana in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the costs of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$3.58
Heating oil	5.14
Electricity	20.21

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	18.2
Commercial	1.2
Industrial	fewer than 50
Annual dollar cost of service (1974):	
Homes	159
Commercial	1,080
Industrial	N/A

2. In Maine, 11% of the homes use natural gas.

3. Natural gas supplied 0.5% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Maine were:

Natural Gas:	
Homes	3.70
Commercial	2.21
Industrial	1.86
Heating Oil:	
Homes	2.11
Commercial	----
Industrial	----
Electricity:	
Homes	8.11
Commercial	7.98
Industrial	3.85

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Maine will be denied 0 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about % of the gas that would have been used in the state during 1975. Last year's actual curtailments were % of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Maine are: Food and kindred products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 4,300 manufacturing and related industry workers out of work. This is a substantial part of the total of 283,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 87% of the gas using homes in Maine in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% *more* gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$5.20
Heating oil	5.39
Electricity	28.19

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Gas prices in the New England states have historically been greater than oil because of small volumes and long distance from source; and recently, due to expensive gas supplementals needed to compensate for curtailments.

Natural gas is important to your state.

1. The number of users and their average annual gas bills unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available were:

Thousands of users (1974):	
Homes	722.4
Commercial	47.8
Industrial	5.7
Annual dollar cost of service (1974):	
Homes	204
Commercial	670
Industrial	11,400

2. In Maryland, 60% of the homes use natural gas.

3. Natural gas supplied 17% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Maryland were:

Natural gas:	
Homes	1.68
Commercial	1.37
Industrial	0.80
Heating oil:	
Homes	2.58
Commercial	----
Industrial	----
Electricity:	
Homes	8.00
Commercial	7.51
Industrial	4.50

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Maryland will be denied 20.87 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 11.3% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 8.0% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Maryland are:

Primary metal industries; chemicals and allied products; stone, clay, and glass products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 16,700 manufacturing and related industry workers out of work. This is a substantial part of the total of 1,142,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 99% of the gas using homes in Maryland in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$4.29
Heating oil	5.39
Electricity	20.74

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. Currently estimated to be $2 to $ per million Btu in 1975 dollars if city gates. These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available—were:

Thousands of users (1974):	
Homes	1,007.7
Commercial	64.7
Industrial	8.2
Annual $ Cost of Service (1974):	
Homes	255
Commercial	1,260
Industrial	6,600

2. In Massachusetts 52% of the homes use natural gas.

3. Natural gas supplied 12% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artifically low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Massachusetts were:

Natural Gas:	
Homes	2.35
Commercial	1.90
Industrial	1.11
Heating Oil:	
Homes	2.63
Industrial	----
Commercial	----
Electricity:	
Homes	9.41
Commercial	8.40
Industrial	5.89

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Massachusetts will be denied 11.52 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 6.3% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 4.5% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Massachusetts are:

Food and kindred products, chemicals and allied products, primary metal industries.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 26,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 1,997,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 41% of the gas using homes in Massachusetts in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu	
Natural gas	$5.20
Heating oil	5.39
Electricity	28.19

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates. These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	2.045.0
Commercial	174.6
Industrial	10.9
Annual dollar cost of service (1974):	
Homes	234
Commercial	1,190
Industrial	27,400

2. In Michigan, 70% of the homes use natural gas.

3. Natural gas supplied 32% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Michigan were:

Natural Gas:	
Homes	1.16
Commercial	0.95
Industrial	0.69
Heating Oil:	
Homes	2.45
Commercial	----
Industrial	----
Electricity:	
Homes	7.45
Commercial	7.47
Industrial	4.22

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Michigan will be denied 22.60 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 2.4% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 1.8% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Michigan are:

Primary metal industries, transportation equipment, paper and allied products, chemicals and allied products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 152,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 2,719,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 6% of the gas using homes in Michigan in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu	
Natural gas	$ 3.80
Heating oil	5.36
Electricity	19.50

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases.* These supplemental gas supply costs million Btu in 1975 dollars at city gates.

Natural gas is important to your state.

1. The number of users and their average annual gas bills—unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available—were:

Thousands of users (1974):	
Homes	638.4
Commercial	56.3
Industrial	5.6
Annual dollar cost of service (1974):	
Homes	247
Commercial	1,022
Industrial	18,600

2. In Minnesota, 54% of the homes use natural gas.

3. Natural gas supplied 31% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Minnesota were:

Natural gas:	
Homes	1.30
Commercial	1.04
Industrial	0.52
Heating oil:	
Homes	2.53
Commercial	----
Industrial	----
Electricity:	
Homes	7.47
Commercial	6.08
Industrial	4.36

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Minnesota will be denied 11.30 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 3.4% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 2.4% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Minnesota are:

Paper and allied products, food and kindred products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 47,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 1,182,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 12% of the gas using homes in Minnesota in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50%

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* Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates.

more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$3.67
Heating oil	5.36
Electricity	20.49

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates. These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills, unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available were:

Thousands of users (1974):	
Homes	335.6
Commercial	34.7
Industrial	1.5
Annual dollar cost of service (1974):	
Homes	121
Commercial	390
Industrial	47,500

2. In Mississippi, 52% of the homes use natural gas.

3. Natural gas supplied 58% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Mississippi were:

Natural gas:	
Homes	1.12
Commercial	.77
Industrial	.46
Heating oil:	
Homes	2.27
Commercial	----
Industrial	----
Electricity:	
Homes	5.53
Commercial	6.05
Industrial	3.50

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Mississippi will be denied 180.41 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 49.5% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 40.2% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Mississippi are: Paper & allied products, chemicals & allied products, lumber & wood products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 20,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 537,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 0% of the gas using homes in Mississippi in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastic'ly reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$3.53
Heating oil	5.14
Electricity	19.99

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates. These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills* were:

Thousands of users (1974):	
Homes	1,072.1
Commercial	85.7
Industrial	4.2
Annual dollar cost of service (1974):	
Homes	202
Commercial	780
Industrial	20,300

2. In Missouri, 68% of the homes use natural gas.

3. Natural gas supplied 32% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Missouri were:

Natural gas:	
Homes	1.13
Commercial	.78
Industrial	.49
Heating oil:	
Homes	2.60
Commercial	----
Industrial	----
Electricity:	
Homes	7.76
Commercial	7.34
Industrial	4.39

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Missouri will be denied 36.52 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 2.5% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 1.7% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Missouri are: Stone, clay, & glass products, food & kindred products, chemical & allied products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 65,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 1,449,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 11% of the gas using homes in Missouri in 1975.

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* Unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% *more* gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a *gradual* increase in the price of gas to consumers *but* it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$3.67
Heating oil	5.36
Electricity	20.48

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases.* These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available were:

Thousands of users (1974):	
Homes	152.9
Commercial	18.2
Industrial	0.6
Annual dollar cost of service (1974):	
Homes	195
Commercial	740
Industrial	32,200

2. In Montana, 70% of the homes use natural gas.

3. Natural gas supplied 26% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Montana were:

Natural gas:	
Homes	.98
Commercial	.73
Industrial	.42
Heating oil:	
Homes	----
Commercial	----
Industrial	----
Electricity:	
Homes	6.46
Commercial	6.00
Industrial	1.55

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Montana will be denied 0 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 0% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 0% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Montana are:

Petroleum and coal products, food and kindred products; stone, clay and glass products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 3,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 171,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 0% of the gas using homes in Montana in 1975.

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* Currently estimated to be $2 to $4 per million Btu in 1975 dollars at city gates.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$3.63
Heating oil	4.96
Electricity	22.61

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. Currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate. These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills unless otherwise indicated, all figures are for 1973, the latest year for which complete data is available were:

Thousands of users (1974):	
Homes	349.0
Commercial	43.5
Industrial	9.0
Annual dollar cost of service (1974):	
Homes	197
Commercial	640
Industrial	6,600

2. In Nebraska, 72% of the homes use natural gas.

3. Natural gas supplied 52% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the csots of energy per million Btu in Nebraska were:

Natural gas:	
Homes	1.06
Commercial	.84
Industrial	.45
Heating oil:	
Homes	1.85
Commercial	----
Industrial	----
Electricity:	
Homes	6.19
Commercial	5.21
Industrial	3.72

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Nebraska will be denied 5.22 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 2.5% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 1.7% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Nebraska are:

Food & Kindred products, chemicals & allied products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 13,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 425,000 workers in the state, excluding agricultural and government workers.

9. Restriction are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 9% of the gas using homes in Nebraska in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% *more* gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a *gradual* increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$3.67
Heating oil	5.36
Electricity	20.48

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. Currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate. These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills, unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available, were:

Thousands of users (1974):	
Homes	97.8
Commercial	7.9
Industrial	0.1
Annual dollar cost of service (1974):	
Homes	180
Commercial	1,080
Industrial	*369,900

*Due to gas sold for electric generation in large quantities.

2. In Nevada, 39% of the homes use natural gas.

3. Natural gas supplied 27% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Nevada were:

Natural gas:	
Homes	1.46
Commercial	.94
Industrial	.50
Heating oil:	
Homes	----
Commercial	----
Industrial	----
Electricity:	
Homes	4.56
Commercial	5.24
Industrial	2.75

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Nevada will be denied 1.96 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 2.6% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 1.9% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Nevada are:

Stone, clay and glass products, chemicals and allied products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 1,400 manufacturing and related industry workers out of work. This is a substantial part of the total of 202,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 0% of the gas using homes in Nevada in 1975.

10. Some observers estimated that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$3.63
Heating oil	4.96
Electricity	22.61

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases, currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate. These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills, unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available, were:

Thousands of users (1974):	
Homes	41.3
Commercial	4.0
Industrial	0.2
Annual dollar cost of service (1974):	
Homes	250
Commercial	1,030
Industrial	17,400

2. In New Hampshire, 17% of the homes use natural gas.

3. Natural gas supplied 7% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in New Hampshire were:

Natural gas:	
Homes	2.02
Commercial	1.76
Industrial	.97
Heating oil:	
Homes	2.52
Commercial	----
Industrial	----
Electricity:	
Homes	8.20
Commercial	8.65
Industrial	4.45

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. New Hampshire will be denied 0.65 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 5.5% of the gas, that would have been used in the state during 1975. Last year's actual curtailments were 3.9% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in New Hampshire are:

Paper & allied products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 4,000 manufacturing and related industry workers out

of work. This is a substantial part of the total of 252,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 47% of the gas using homes in New Hampshire in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% *more* gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a *gradual* increase in the price of gas to consumers *but* it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$5.20
Heating oil	5.39
Electricity	28.19

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. Currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate. These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available were:

Thousands of users (1974):	
Homes	1,620.1
Commercial	178.0
Industrial	6.2
Annual dollar cost of service (1974):	
Homes	202
Commercial	620
Industrial	13,500

2. In New Jersey, 73% of the homes use natural gas.

3. Natural gas supplied 19% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in New Jersey were:

Natural gas:	
Homes	1.88
Commercial	1.54
Industrial	.81
Heating oil:	
Homes	2.40
Commercial	----
Industrial	----
Electricity:	
Homes	9.52
Commercial	8.65
Industrial	5.15

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. New Jersey will be denied 150.85 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 33.5% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 27.3% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in New Jersey are:

Chemicals & allied products; food & kindred products; petroleum & coal products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 61,300 manufacturing and related industry workers out of work. This is a substantial part of the total of 2,340,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 100% of the gas using homes in New Jersey in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$4.51
Heating oil	5.18
Electricity	27.65

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive susbtitute gases. Currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate. These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills, unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available, were:

Thousands of users (1974):	
Homes	254.2
Commercial	24.0
Industrial	3.3
Annual dollar cost of service (1974):	
Homes	150
Commercial	490
Industrial	11,500

2. In New Mexico, 78% of the homes use natural gas.

3. Natural gas supplied 50% of all energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in New Mexico were:

Natural gas:	
Homes	.95
Commercial	.70
Industrial	.36
Heating oil:	
Homes	3.38
Commercial	----
Industrial	----
Electricity:	
Homes	8.01
Commercial	6.12
Industrial	3.53

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. New Mexico will be denied 23.91 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 14.9% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 11.1% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in New Mexico are: N/A.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 3,400 manufacturing and related industry workers out of work. This is a substantial part of the total 246,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 0% of the gas using homes in New Mexico in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$3.63
Heating oil	4.96
Electricity	22.61

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. Currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate. These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available were:

Thousands of users (1974):	
Homes	3,916.9
Commercial	257.3
Industrial	13.9

2. In New York, 71% of the homes use natural gas.

3. Natural gas supplied 17% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artifically low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in New York were:

Natural Gas:	
Homes	1.70
Commercial	1.41
Industrial	.97
Heating Oil:	
Homes	2.80
Commercial	------
Industrial	------
Electricity:	
Homes	10.30
Commercial	9.95
Industrial	4.18

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. New York will be denied 158.24 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 20.5% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 16.2% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in New York are:

Primary metal industries; food & kindered products; stone, clay & glass products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 119,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 5,863,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies

serving 100% of the gas using homes in New York in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$4.51
Heating oil	5.18
Electricity	27.65

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. Currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate. These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills, unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available were:

Thousands of users (1974):	
Homes	295.5
Commercial	37.8
Industrial	2.5
Annual dollar cost of service (1974):	
Homes	185
Commercial	670
Industrial	34,400

2. In North Carolina, 15% of the homes use natural gas.

3. Natural gas supplied 12% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in North Carolina were:

Natural gas:	
Homes	1.49
Commercial	1.26
Industrial	.66
Heating oil:	
Homes	2.53
Commercial	----
Industrial	----
Electricity:	
Homes	6.12
Commercial	5.31
Industrial	3.20

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. North Carolina will be denied 94.98 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 37.8% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 29.6% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in North Carolina are:

Textile mill products; chemicals and allied products; stone, clay, and glass products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 50,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 1,683,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 76% of the gas using homes in North Carolina in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of produced (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$4.29
Heating oil	5.39
Electricity	20.74

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	63.9
Commercial	8.0
Industrial	.3
Annual dollar cost of service (1974):	
Homes	212
Commercial	1,180
Industrial	8,600

2. In North Dakota, 32% of the homes use natural gas.

3. Natural gas supplied 13% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in North Dakota were:

Natural gas:	
Homes	1.14
Commercial	.74
Industrial	.52
Heating Oil:	
Homes	----
Commercial	----
Industrial	----
Electricity:	
Homes	7.56
Commercial	6.82
Industrial	6.00

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. North Dakota will be denied Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about % of the gas that would have been used in the state during 1975. Last year's actual curtailments were % of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in North Dakota are: Food and kindred products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 1,700 manufacturing and related industry workers out of work. This is a substantial part of the total of 132,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving % of the gas using homes in North Dakota in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$3.67
Heating oil	5.36
Electricity	20.48

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (Unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	2,561.4
Commercial	198.4
Industrial	6.8
Annual dollar cost of service (1974):	
Homes	223
Commercial	1,028
Industrial	52,700

2. In Ohio, 77% of the homes use natural gas.

3. Natural gas supplied 31% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Ohio were:

Natural gas:	
Homes	1.08
Commercial	0.90
Industrial	0.66
Heating oil:	
Homes	2.20
Commercial	----
Industrial	----
Electricity:	
Homes	7.11
Commercial	6.63
Industrial	3.08

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Ohio will be denied 79.77 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 6.0% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 5.0% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Ohio are: Primary metal industries; stone, clay, and glass products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 186,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 3,516,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new

homes. These restrictions apply to companies serving 56% of the gas using homes in Ohio in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$3.80
Heating oil	5.36
Electricity	19.50

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills* were:

(Unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available.)

Thousands of users (1974):	
Homes	556.9
Commercial	66.6
Industrial	4.2
Annual dollar cost of service (1974):	
Homes	134
Commercial	450
Industrial	19,700

2. In Oklahoma, 99% of the homes use natural gas.

3. Natural gas supplied 65% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Oklahoma were:

Natural gas:	
Homes	.87
Commercial	.61
Industrial	.30
Heating oil:	
Homes	2.35
Commercial	----
Industrial	----
Electricity:	
Homes	6.80
Commercial	3.72
Industrial	1.06

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Oklahoma will be denied 9.78 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 2.7% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 1.7% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Oklahoma are: Petroleum & Coal products; stone, clay, & glass products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 29,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 654,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving % of the gas using homes in Oklahoma in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$3.58
Heating oil	5.14
Electricity	20.21

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (Unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	223.6
Commercial	27.1
Industrial	0.6
Annual dollar cost of service (1974):	
Homes	220
Commercial	780
Industrial	79,300

2. In Oregon, 24% of the homes use natural gas.

3. Natural gas supplied 15% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Oregon were:

Natural gas:	
Homes	1.65
Commercial	1.37
Industrial	.59
Heating oil:	
Homes	2.07
Commercial	----
Industrial	----
Electricity:	
Homes	3.89
Commercial	3.94
Industrial	1.34

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Oregon will be denied 6.74 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 7.0% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 4.9% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas-using industries in Oregon are: Paper and allied products; lumber and wood products; food and kindred products.

8. Assuming alternative fuels are not available when gas is denied these and other gas-dependent industries, a 20% gas supply reduction could potentially place 29,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 656,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 91% of the gas-using homes in Oregon in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$3.87
Heating oil	5.60
Electricity	20.63

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available were:

Thousands of users (1974):	
Homes	2,137.9
Commercial	147.9
Industrial	8.6
Annual dollar cost of service (1974):	
Homes	231
Commercial	980
Industrial	36,600

2. In Pennsylvania, 55% of the homes use natural gas.

3. Natural gas supplied 21% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Pennsylvania were:

Natural Gas:	
Homes	1.41
Commercial	1.13
Industrial	.73
Heating oil:	
Homes	2.54
Commercial	----
Industrial	----
Electricity:	
Homes	8.36
Commercial	7.51
Industrial	4.38

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Pennsylvania will be denied 159.98 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 17.0% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 13.4% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Pennsylvania are: Primary metal industries, stone, clay, and glass products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 108,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 3,829,000 workers in the state,

excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 90% of the gas using homes in Pennsylvania in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$4.51
Heating oil	5.18
Electricity	27.65

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	150.9
Commercial	9.2
Industrial	1.6
Annual dollar cost of service (1974):	
Homes	232
Commercial	980
Industrial	6,100

2. In Rhode Island, 47% of the homes use natural gas.

3. Natural gas supplied 12% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Rhode Island were:

Natural gas:	
Homes	2.33
Commercial	1.96
Industrial	1.37
Heating oil:	
Homes	2.11
Commercial	----
Industrial	----
Electricity:	
Homes	9.53
Commercial	7.84
Industrial	5.79

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Rhode Island will be denied 1.74 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 7.0% of the gas that would have been used in the state during 1975. Last year's actual curtailment were 5.5% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Rhode Island are: Stone, clay & glass products; primary metal industries.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 5,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 308,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 92% of the gas using homes in Rhode Island in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$5.20
Heating oil	5.39
Electrically	28.19

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Gas prices in the New England states have historically been greater than oil because of small volumes and long distance from source; and recently, due to expensive gas supplementals needed to compensate for curtailments.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	251.9
Commercial	26.2
Industrial	1.2
Annual dollar cost of service (1974):	
Homes	164
Commercial	648
Industrial	63,000

2. In South Carolina, 27% of the homes use natural gas.

3. Natural gas supplied 21% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in South Carolina were:

Natural gas:	
Homes	1.65
Commercial	1.07
Industrial	.59
Heating oil:	
Homes	2.20
Commercial	-----
Industrial	-----
Electricity:	
Homes	6.27
Commercial	5.45
Industrial	2.89

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. South Carolina will be denied 18.15 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 11.0% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 7.8% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in South Carolina are: Textile mill products; chemicals and allied products; stone, clay, and glass products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 24,500 manufacturing and related industry workers out of work. This is a substantial part of the total of 817,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 76% of the gas using homes in South Carolina in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$4.29
Heating oil	5.39
Electricity	20.74

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	81.9
Commercial	10.3
Industrial	0.3
Annual dollar cost of service (1974):	
Homes	202
Commercial	830
Industrial	17,500

2. In South Dakota, 40% of the homes use natural gas.

3. Natural gas supplied 16% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in South Dakota were:

Natural gas:	
Homes	1.19
Commercial	.80
Industrial	.42
Heating oil:	
Homes	2.25
Commercial	----
Industrial	----
Electricity:	
Homes	7.36
Commercial	7.84
Industrial	4.82

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. South Dakota will be denied 0.07 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 0.1% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 0.1% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in South Dakota are: Food and kindred products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply re-

duction could potentially place 2,800 manufacturing and related industry workers out of work. This is a substantial part of the total of 146,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 37% of the gas using homes in South Dakota in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Derregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$3.67
Heating oil	5.36
Electricity	20.48

12. If regulation continues, customers will be forced to depend more and more on already much more expensive substitute gases (currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate). These supplemental gas supply costs in 1985 are expected to average nearly $5 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	424.5
Commercial	53.2
Industrial	2.9
Annual dollar cost of service (1974):	
Homes	144
Commercial	750
Industrial	29,800

2. In Tennessee, 33% of the homes use natural gas.

3. Natural gas supplied 23% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Tennessee were:

Natural gas:	
Homes	1.09
Commercial	.91
Industrial	.49
Heating oil:	
Homes	2.32
Commercial	----
Industrial	----
Electricity:	
Homes	3.90
Commercial	5.08
Industrial	2.45

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Tennessee will be denied 61.29 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 20.0% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 14.6% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Tennessee are: Chemicals and allied products; stone, clay and glass products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 48,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 1,295,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 58% of the gas using homes in Tennessee in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$3.53
Heating oil	5.14
Electricity	19.99

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (Unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousand of users (1974):	
Homes	2,681.5
Commercial	241.0
Industrial	27.7
Annual dollar cost of service (1974)	
Homes	114
Commercial	350
Industrial	27,600

2. In Texas, 79% of the homes use natural gas.

3. Natural gas supplied 66% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Texas were:

Natural gas:	
Homes	1.00
Commercial	.64
Industrial	.31
Heating oil:	
Homes	2.50
Commercial	----
Industrial	----
Electricity:	
Homes	6.20
Commercial	5.26
Industrial	2.69

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Texas will be denied 32.60 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 1.7% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 1.1% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Texas are: Petroleum & coal products; chemicals & allied products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 153,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 3,406,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving % of the gas using homes in Texas in 1975.

10. Some observers estimate that deregulations will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$3.58
Heating oil	5.14
Electricity	20.21

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases. (Currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate.) These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	271.0
Commercial	19.5
Industrial	0.7
Annual dollar cost of service (1974):	
Homes	172
Commerical	495
Industrial	36,600

2. In Utah, 82% of the homes use natural gas.

3. Natural gas supplied 35% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Utah were:

Natural gas:	
Homes	.79
Commercial	.58
Industrial	.33
Heating oil:	
Homes	1.89
Commercial	-----
Industrial	-----
Electricity:	
Homes	6.53
Commercial	5.76
Industrial	3.85

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Utah will be denied — Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about —% of the gas that would have been used in the state during 1975. Last year's actual curtailments were —% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Utah are: Stone, clay and glass products; petroleum and coal.

8. Assuming alternative fuels are not available when gas is denied these and other

gas dependent industries, a 20% gas supply reduction could potentially place 8,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 310,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving —% of the gas using homes in Utah in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$3.63
Heating oil	4.96
Electricity	22.61

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases (currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate). These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	15.9
Commercial	0.9
Industrial: Less than 50 customers in State	
Annual dollar cost of service (1974):	
Homes	190
Commercial	1,150

2. In Vermont, 2% of the homes use natural gas.

3. Natural gas supplied 4% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Vermont were:

Natural Gas:	
Homes	1.89
Commercial	1.76
Industrial	.58
Heating Oil:*	
Homes	1.87
Commercial	-----
Industrial	-----
Electricity:	
Homes	7.60
Commercial	7.86
Industrial	5.21

* Gas prices in the New England states have historically been greater than oil because of small volumes and long distance from source; and recently, due to expensive gas supplementals needed to compensate for curtailments.

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Vermont will be denied 0 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about —% of the gas that would have been used in the state during 1975. Last year's actual curtailments were — of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Vermont are: None.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 1,700 manufacturing and related industry workers out of work. This is a substantial part of the total of 133,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving — percent of the gas using homes in Vermont in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% *more* gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Development of producer (wellhead) prices for new supplies will mean a *gradual* increase in the price of gas to consumers *but* it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$5.20
Heating oil	5.39
Electricity	28.19

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases (currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate). These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	436.8
Commercial	43.3
Industrial	2.8
Annual dollar cost of sevice (1974):	
Homes	213
Commercial	900
Industrial	17,100

2. In Virginia, 33% of the homes use natural gas.

3. Natural gas supplied 14% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Virginia were:

Natural gas:	
Homes	1.69
Commercial	1.22
Industrial	.67
Heating oil:	
Homes	2.25
Commercial	----
Industrial	----
Electricity:	
Homes	6.47
Commercial	5.92
Industrial	3.55

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Virginia will be denied 40.43 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 21.9% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 16.1% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Virginia are: Stone, clay and glass products; paper and allied products; textile mill products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 26,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 1,340,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 85% of the gas using homes in Virginia in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$4.29
Heating Oil	5.39
Electricity	20.47

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases (currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate). These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your State.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete State data is available) were:

Thousands of users (1974):	
Homes	304.3
Commercial	37.8
Industrial	1.2
Annual dollar cost of service (1974):	
Homes	226
Commercial	1,000
Industrial	63,000

2. In Washington, 23% of the homes use natural gas.

3. Natural gas supplied 13% of all the energy used in the State.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Washington were:

Natural gas:	
Homes	1.50
Commercial	1.02
Industrial	.51
Heating oil:	
Homes	2.73
Commercial	----
Industrial	----
Electricity:	
Homes	3.15
Commercial	3.53
Industrial	.98

5. The shortage of energy in the United States is primarily a shortage of natural gas. Washington will be denied 3.70 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 2.2% of the gas that would have been used in the State during 1975. Last year's actual curtailments were 1.4% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Washington area: Paper and allied products; primary metal industries; food and kindred products; chemical and allied products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 36,000 manufacturing and relating industry workers out of work. This is a substantial part of the total of 892,000 workers in the State, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 2% of the gas-using homes in Washington in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% *more* gas than the drastically reduced amount which is expected to be available under present Federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a *gradual* increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this State in 1985 are estimated to be:

Per million Btu

Natural gas	$3.87
Heating oil	5.60
Electricity	20.63

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases (currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate). These supplemetnal gas supply costs in 1985 are expected to average nearly $5 per million Btu when delivered to homes.

Natural gas is important to your state.

The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	356.7
Commercial	31.7
Industrial	0.5
Annual dollar cost of service (1974):	
Homes	169
Commercial	62.0
Industrial	121,900

2. In West Virginia, 69% of the homes use natural gas.

3. Natural gas supplied 21% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in West Virginia were:

Natural gas:	
Homes	.93
Commercial	.72
Industrial	.61
Heating oil:	
Homes	2.25
Commercial	----
Industrial	----
Electricity:	
Homes	6.82
Commercial	6.31
Industrial	3.20

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. West Virginia will be denied 20.65 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 11.3% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 8.1% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in West Virginia are: Stone, clay and glass products; chemical and allied products; primary metal.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 8,300 manufacturing and related industry workers out of work. This is a substantial part of the total of 456,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 85% of the gas using homes in West Virginia in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be:

Per million Btu

Natural gas	$4.29
Heating oil	5.39
Electricity	20.74

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases (currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate). These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	853.0
Commercial	69.3
Industrial	8.5
Annual Cost of Service (1974):	
Home	229
Commercial	1,024
Industrial	17,700

2. In Wisconsin, 50% of the homes use natural gas.

3. Natural gas supplied 27% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Wisconsin were:

Natural gas:	
Homes	1.40
Commercial	1.09
Industrial	.65
Heating Oil:	
Homes	2.49
Commercial	----
Industrial	----
Electricity:	
Homes	7.40
Commercial	7.99
Industrial	4.61

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Wisconsin will be denied 0.34 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 0.1% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 0.1% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Wisconsin are: Paper and allied products; food and kindred products; primary metal; machinery, except electrical.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply reduction could potentially place 69,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 1,380,000 workers in the State, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving 25% of the gas using homes in Wisconsin in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% more gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean a gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu

Natural gas	$3.87
Heating oil	5.36
Electricity	20.63

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases (currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate). These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

Natural gas is important to your state.

1. The number of users and their average annual gas bills (unless otherwise indicated, all figures are for 1973, the latest year for which complete state data is available) were:

Thousands of users (1974):	
Homes	83.1
Commercial	10.5
Industrial	0.3
Annual dollar cost of service (1974):	
Homes	155
Commercial	540
Industrial	63,500

2. In Wyoming, 77% of the homes use natural gas.

3. Natural gas supplied 37% of all the energy used in the state.

4. Gas is the dominant domestic energy source, but its artificially low regulated price has created a supply shortage. Comparatively, the costs of energy per million Btu in Wyoming were:

Natural gas:	
Homes	.74
Commercial	.57
Industrial	.30
Heating Oil:	
Homes	2.11
Commercial	----
Industrial	----
Electricity:	
Homes	6.84
Commercial	5.01
Industrial	3.08

5. The shortage of energy in the U.S. is primarily a shortage of natural gas. Wyoming will be denied 3.26 Bcf of gas this year because of this supply shortage.

6. This predicted pipeline curtailment represents about 4.2% of the gas that would have been used in the state during 1975. Last year's actual curtailments were 2.9% of normal usage.

7. These curtailments will primarily affect current gas users in the industrial sector. The major gas using industries in Wyoming are: Petroleum and coal products; food & kindred products.

8. Assuming alternative fuels are not available when gas is denied these and other gas dependent industries, a 20% gas supply re-

duction could potentially place 1,000 manufacturing and related industry workers out of work. This is a substantial part of the total of 94,000 workers in the state, excluding agricultural and government workers.

9. Restrictions are also being imposed which prohibit gas hook-ups for many new homes. These restrictions apply to companies serving —% of the gas using homes in Wyoming in 1975.

10. Some observers estimate that deregulation will, by 1985, provide a 50% increase in the amount of gas available. This is 50% *more* gas than the drastically reduced amount which is expected to be available under present federal regulation.

11. Deregulation of producer (wellhead) prices for new supplies will mean gradual increase in the price of gas to consumers but it will still be well below the cost of alternative forms of energy. Prices for this state in 1985 are estimated to be

Per million Btu	
Natural gas	$3.63
Heating oil	$4.96
Electricity	$22.61

12. If regulation continues, consumers will be forced to depend more and more on already much more expensive substitute gases (currently estimated to be $2 to $4 per million Btu in 1975 prices at the city gate). These supplemental gas supply costs in 1985 are expected to average nearly $5.00 per million Btu when delivered to homes.

NATURAL GAS ACT AMENDMENTS OF 1975—S. 692 AMENDMENT NO. 703

Mr. FANNIN. Mr. President, more than a year and a half ago—on December 19, 1973—the Senate discussed the Buckley amendment to S. 2776, designed to provide effective and efficient management of the Nation's energy policies and programs.

Regrettably, in view of the deepening energy shortages since that time, the Buckley amendment to remove Federal controls over wellhead prices of new natural gas was tabled by the slimmest possible margin—45 to 43, with 12 Senators not voting.

I endorsed and supported the Buckley amendment then and I am still convinced that his approach represents a practical and sensible step to alleviate energy shortages—especially the alarming cutback in natural gas supply. I intend, therefore, to submit at this time an amendment in the form of a substitute for S. 692 which is essentially identical to the Buckley amendment.

Recalling that day of debate as the winter of 1973 began, it came at a time which clearly called for prompt action to deal with the drastic impact of the Arab oil cutoff, the endless lines of motorists at gasoline filling stations, the bleak immediate outlook for ample energy resources to keep our country's homes warm and its factories running. Despite all this, the Senate—by its negative vote on the Buckley amendment—did not appear to fully realize the urgency of our challenge. Now, 19 months later, let us reconsider the issue and let us try to make up for lost time.

As we take a fresh look at the imperative need to provide practical incentives to increase natural gas production, I would like to recall briefly what my colleagues and I said when the realistic Buckley amendment barely failed to earn this body's approval.

The Senator from New York (Mr. BUCKLEY) emphasized that—

> The most effective single step Congress can take at this time to build up supplies is by deregulating the price of new natural gas in the interstate market; that is, to remove Federal Power Commission jurisdiction over new gas.

This was the overwhelming conclusion reached, he said, on the basis of evidence presented in many months of expert testimony before the Committee on Interior and Insular Affairs, and other committees in Congress.

His cogent arguments for deregulation called particular attention to the discrepancy between mandatory price ceilings on gas moving in interstate commerce and the higher prices prevailing within States where gas is produced on an intrastate basis, a situation certainly to the detriment of consumers on a nationwide basis.

Among other points stressed by the Senator from New York were these:

Electric utilities which have been using great quantities of natural gas, because of its artificially low price, would turn to other fuels and make additional gas supplies available for individual consumers.

The elimination of price regulation on new gas would not result in a sharp increase to the cost to the ultimate consumer, because new supplies would be rolled in with gas already under long-term contracts.

And the door would not be opened to windfall profits, because renegotiation of existing contracts would be specifically prohibited.

It will be recalled that the Senator from Texas (Mr. BENTSEN), in requesting permission to be listed as a cosponsor of the Buckley amendment, declared he favored a phased deregulation approach because it would reduce the wasteful use of natural gas and increase its supply.

He said:

> If we ever hope to achieve (energy) self-sufficiency, we must adopt policies that conform with today's needs. The present regulatory system is not only unfair to domestic producers, it is contrary to our national interest.

Another distinguished colleague, the Senator from Kansas (Mr. DOLE) reflected the view, widely held then and even more openly endorsed editorially today in many influential newspapers, that—

> Deregulation provides the best, quickest, and surest answer to the stimulation of exploration and development . . . It is necessary to accept the reality of declining volumes of flowing gas. Re-establishment of incentives to get domestic exploration moving has to be done by Congress.

Not the least of benefits to be derived from adequate gas supplies, the Senator from Kansas pointed out, would be its potential in reducing air pollution and a better international trade balance through reduced dependence on costly and insecure foreign energy sources.

Mr. President, in reviewing the CONGRESSIONAL RECORD for December 19, 1973, I am keenly reminded of the narrow margin which tabled the Buckley amendment. In what easily may have been a decisive vote, the Senator from Illinois (Mr. PERCY) said he agreed with the overall objective of the amendment because, he stated, increased production is "really the best way, ultimately, to bring down prices and provide an adequate supply." He indicated his vote to table the amendment was in deference to hearings still pending in Congress at that time.

As for myself, Mr. President, I reiterate the view that we must make every effort, as soon as possible, to encourage the development of domestic supplies of energy, particularly natural gas. The essential question is: What is the best means to rapidly increase the supply of natural gas?

Deregulation of new gas is the option which is most favored by qualified academic economists, regardless of their party affiliation, who have no personal stake in its implementation.

It is also the option preferred by Federal agencies responsible for energy policy.

It is the option based upon a precedent which has succeeded.

It is the only option which would eliminate uncertainty and regulatory delays.

It is an option likely to achieve a balance of supply and demand.

It is an option which can—based upon actual precedent—guarantee a significant increase of supply while affecting residential and commercial consumers with only gradual increases in gas bills.

It is an option which can promote an effective and workable industrial switch to fuels other than gas.

The price of natural gas has been controlled for years by the Federal Power Commission with the result that natural gas at the wellhead sells for one-third the price of crude oil. Demand skyrocketed for this cheap, clean, fuel, far outstripping supply.

By 1974, the interstate pipeline shortage of natural gas amounted to almost 2 trillion cubic feet, or 16 percent of already contracted for firm requirements for the period September 1974 through August 1975. The projected curtailment of natural gas for interruptable customers during the 1975–76 winter season is projected to be 58 percent.

Interstate natural gas production has not been able to attract sufficient capital, because federally regulated prices have severely limited profits. The Federal Energy Administration projects a 40 percent decline in the U.S. natural gas production by 1985 unless supply trends are reversed by deregulating gas prices.

The only legislative response to date has been the preparation of a highly controversial natural gas bill by the Senate Commerce Committee, S. 692. It was reported by the committee on May 6. To properly analyze each of its convoluted provisions would require more space than is contained in the entire content of today's CONGRESSIONAL RECORD. Suffice it to say, in the words of a highly respected natural gas lawyer, the Commerce Committee bill "is extremely difficult to understand and produces a complex multi-

tiered pricing structure for new natural gas, with numerous anomalies and clear disincentives to a supply response." Regrettably, some of the staff members who were chiefly responsible for its drafting enjoy a national reputation for rabid distrust of the natural gas producing industry and an unmitigated aversion to granting it any meaningful incentives to produce a natural resource which they feel "belongs to the poeple". In fact, several such staff members invaded Ohio with the intent of intimidating voters who supported deregulation. Their Gestapo tactics were later rebuked by members of the Senate Commerce Committee. I use this illustration as an example of the resistance by zealous committee staff personnel to legislation designed to cure, rather than exacerbate the natural gas shortage.

Mr. President, it is my fervent hope that my distinguished colleagues will join me in moving forward now on this long overdue effort to make orderly progress on the energy scene. I know they share my concern and I earnestly invite them to join with me in supporting our amendment to decontrol new natural gas.

Mr. President, I ask unanimous consent that the amendment as submitted be printed in the RECORD at this point.

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

AMENDMENT No. 703

Strike out all after the enacting clause and insert in lieu thereof the following:

"NATURAL GAS ACT AMENDMENTS OF 1975

SEC. 1. Section 1(b) of the Natural Gas Act is amended by inserting before the period at the end thereof the following: "or to the sale or delivery by a producer to a natural gas company of natural gas in interstate commerce (i) commenced on or before July 1, 1975; (ii) continued in interstate commerce after the expiration of a contract for the sale or delivery of such natural gas existing as of such date, or (iii) produced from wells commenced after such date; provided, however, that with respect to all sales or deliveries of natural gas in interstate commerce which are not exempt under Section 1(b) herein amended, the Federal Power Commission shall continue to exercise its regulatory jurisdiction over all such sales and deliveries."

SEC. 2. Section 1 of the Natural Gas Act is amended by adding subsections 1(d), 1(e), and 1(f) the following:

"(d) The Commission shall have no power to disallow, in whole or in part, in the rates and charges made, demanded, or received by any natural gas company the amounts actually paid for natural gas exempt from the Act pursuant to Section 1(b) as amended herein, except as otherwise provided in Subsection (1)(e)."

"(e) In any case where a natural gas company purchases natural gas from an affiliate or produces natural gas from its own properties, the Commission may not disallow any portion of the cost thereof in the rate or charge made by such company which is not in excess of current prices paid for comparable gas to nonaffiliates."

"(f) Once a sale or delivery of natural gas in interstate commerce shall have been previously determined by the Commission to be just and reasonable and such determination has become final and no longer subject to judicial review, the Commission shall have no power to order thereafter a decrease in the rate or charge made."

SEC. 3. Section 2 of the Natural Gas Act is amended by adding at the end thereof the following:

"(10) 'affiliate' of another person means any person directly or indirectly controlling, controlled by, or under common control with such other person."

"(11) 'Producer' means a person who is engaged in the production, gathering, or processing of natural gas from wells or reserves in the U.S. and whose annual gross revenue for the operation of a pipeline for the transportation and sale for resale of natural gas in interstate commerce do not exceed 10% of its total annual gross revenues.

CONSUMERS WILL BENEFIT FROM DEREGULATION OF NATURAL GAS

Mr. TOWER. Mr. President, once again, Mr. President, I admonish those who support Federal regulation of natural gas at the wellhead to look at the facts surrounding this issue. Much too frequently only rhetoric on the preeminence of consumers is heard while factual analysis is slighted. Based upon the available evidence, it is my firm conviction that consumers are not served by continued control of the price of gas. The very regulation which is supposed to benefit consumers has produced severe shortages and made allocation of this vital scarce resource a political question to be decided by remote Washington bureaucrats instead of an economic choice to be made by individual consumers.

Let us look at some of the facts which lead me to the conclusion that consumers will benefit by deregulation.

In 1938 the Natural Gas Act was adopted by the Congress on the premise that interstate natural gas transmission should be regulated by the Federal Government. Since a large portion of the cost of home delivery of natural gas was devoted to paying for expensive capital investment, the consumers would be served by an orderly system of pipeline construction.

The Federal Power Commission was delegated the task of preventing duplicating systems carrying too little gas at very large costs to the public. Prudent thinking lead to the conclusion that gas transmission like electric, water and telephone service, required public involvement in licensing sellers of a service which required large capital resources. Congress therefore permitted only those firms meeting standards established in the Natural Gas Act as administered by the FPC to construct and operate natural gas pipelines.

After a lengthy court battle, the Supreme Court held in the 1954 Phillips decision that the Congress had not only intended to regulate interstate transmission of gas but also had intended to regulate the price of gas purchased by pipeline companies at the wellhead. On the basis of that decision the FPC in the 1960's established average-producer, cost-based rates for wellhead sales of gas in interstate commerce for literally thousands of producers. This was done much in the same manner as the Commission computed rates for the pipelines which today are approximately 100 in number.

The fatal flaw in this type of regulation, which has been practiced by the Federal Government since the creation of the Interstate Commerce Commission in the 19th century, is the total lack of analogy between natural gas producers and other regulated industries. Gas production is not in any manner similar to generating electricity or providing telephone service.

A pipeline is owned by a single corporation. In contrast a single gas well may be owned by tens or even hundreds of legal entities. Each of these interest owners has its own accounting methods, and the size of ownership shares are based upon particular drilling agreements. The producers receive no license to sell; they do not have a given market in which to operate; and the sale is certified but a rate of return is not guaranteed.

Cost-based rates cannot be legitimately applied to the gas industry. There is no fair cost-based method for determining the proper price for gas which, unlike other regulated industries, must compete against alternative fuels and is only one of many jointly produced products.

Because cost-based regulation cannot legitimately be applied to natural gas production, regulation has lead to today's supply shortages.

Artifically low prices have placed severe constraints on the ability of producers to explore and develop resources. Only the most promising wells have been drilled. With lower prices producers understandably drilled only when there was a very strong promise of finding gas. Now, the only remaining sources are the most expensive and risky ventures.

At the same time artificially low prices made gas an inexpensive fuel in relation to other fuels, lower prices encouraged consumers to buy gas, our most efficient and cleanest burning source of energy.

The effects of lower prices can be seen in the statistics on reserve additions which are the key to understanding just exactly what Federal regulatory policy has produced. I must report that regulation has had a serious negative impact on consumers.

Natural gas reserves for the lower 48 States declined by approximately 20 percent from 1963 to 1973. In this same 10-year period, reserves dedicated to the regulated interstate market declined by 30 percent.

Since 1968 artificially low prices set by the Government have been unable to induce sufficient supply. New reserve additions have declined for the last 6 years. If current policies continue, even smaller reserves can be expected. Today the Nation has only about 10 years worth of gas reserves remaining. This is about half the reserves enjoyed in 1968 when the Nation had reserves sufficient to meet requirements for 25 years.

I remind my colleagues that 10 years reserves is small in comparison with national needs. It takes about 3 to 5 years to locate and develop new gas reserves, and this lag time is increasing because

new reserves increasingly must be found at deeper depths and in expensive offshore locations.

It is already too late to correct the supply imbalance that is projected for the coming winter. The FPC has announced chilling prospects for gas deliveries this winter. Substantial curtailments are projected.

John Nassikas, Chairman of the Federal Power Commission, reported earlier this week to a House subcommittee that supply could fall short of demand by 2.9 trillion cubic feet of gas during this coming winter heating season. In order to compensate for this energy loss, the Nation would have to burn 516 million barrels of oil. If Americans were to purchase that much oil abroad, the consumer would have to pay $6.2 billion to foreign governments.

Remember that the total bill for all gas sold in interstate commerce is $3.1 billion. That is less than half the amount that would be paid for oil needed to replace gas lost because of projected curtailments this winter.

In addition to replacement costs, reduced supplies caused by attempts to apply cost-based, utility-type regulation entail other indirect costs as well. In direct contrast to the allegations by some Members of the Senate, regulation and lower prices can only continue insufficient supplies. Shortages themselves will in turn produce higher costs to consumers than the cost of deregulation. I have already mentioned the obvious consequences of plant closing on lost employment and earnings. There are many other hidden costs.

For example, lower supply means a higher per unit cost for transporting gas. Pipelines have invested huge sums in capital equipment to deliver gas. And these enormous investments remain intact and must be paid for by the consumer. As pipeline sales volumes decrease, operating cost must be spread over fewer units. Each unit, then, costs more to transport. A study conducted by Algonquin Gas Transmission Co. indicates that a 50 percent curtailment in gas supply could double the average transmission cost to the consumer.

Although price increases will not immediately eliminate gas shortages, accurate market pricing could greatly reduce supply and distribution problems caused by Government price controls. Furthermore, the removal of Government controls will not substantially escalate prices.

Market prices will only apply to newly discovered wells. The new price will be averaged in with old regulated prices. Five year from now in 1980, gas currently under contract would still account for 50 percent of interstate gas sales. In other words decontrolled prices would apply to a maximum of 50 percent of the gas sold for the next 5 years. And as in the past, the two other components which affect consumer gas bills—transportation, and distribution costs—will continue to be regulated.

Deregulation would be inexpensive in comparison to all available alternatives. With decontrol, the Federal Energy Administration estimates that the average annual residential gas bill will increase by only $10.21 in 1976, by $13.30 in 1977, and by $19.15 in 1978. Another study on the annual cost to consumers for gas as the result of deregulation concluded that annual gas bills would increase by an even small amount. Foster Associates, an independent consulting firm concluded that costs would only increase by $9.24 in 1976, $12.60 in 1977, and $13.08 in 1978 if price controls on new gas were removed.

A report prepared by H. Zinder & Associates Inc. estimates that removing price controls and the consequential increase in natural gas supplies could save consumers an estimated $8.6 billion in 1980 in comparison to the cost of securing alternative supplies of energy.

The high cost of continued Federal regulation of gas is unacceptable. Without additional supplies which will only be forthcoming under a market determined price, industrial plants will be forced to close, unemployment will be increased, and the Nation's balance of payments posture will be eroded as money is shipped abroad.

Dependence on foreign supplies is also unacceptable. This year we will import 40 percent of our oil needs. Eighteen months ago, before the oil embargo, the Nation imported only 33 percent of its oil needs. Continued regulation of gas can only lead to lower supplies and thus greater oil imports.

Economic independence and national security are directly linked to our ability to secure energy to run the world's largest economy. There is no more vital component in the Nation's energy supply than natural gas which provides one-third of our energy, cheaply, efficiently, and cleanly.

In deciding to deregulate gas in order to induce additional supplies, we are in effect deciding to continue to permit the consumers and the Nation as a whole to have the choice of continuing to enjoy a high standard of living. I, therefore, support deregulation as the only effective means not only for obtaining additional energy supplies but also of safeguarding national security and encouraging economic growth. Deregulation is the least expensive alternative available to the consumer.

NATURAL GAS POLICY

Mr. HELMS. Mr. President, I wish to compliment Senators participating in this colloquy for their excellent and important statements on this vital issue.

Mr. President, never in my experience with legislative matters has a highly controversial issue had as many facts and cogent arguments stacked on one side as does the debate on natural gas policy. We have experienced 21 years of Federal controls on the wellhead price of natural gas sold in interstate commerce. We have seen this premium fuel priced far below alternate fuels. We have seen the logical consequences of this pricing scheme: excessive demand for natural gas, a decline in coal development, solar development never getting off the ground, a rapid decline in exploration during the 1960's. In short, we have seen the logical consequences of illogical Government policy.

And yet the debate ranges back and forth. There are many who, when faced with today's serious shortage would offer, as an answer, S. 692 with its perpetuation of Federal controls and extension of Government regulation into more areas. There are those who still cling to the discredited notion that keeping the wellhead price of natural gas artifically low will protect the consumer. We know it cannot. We have known for years that artificially low natural gas prices would eventually create a shortage, loss of jobs and higher prices. That day has arrived, and more Federal controls will only exacerbate the problem.

The hearing record before the Commerce Committee is filled with facts on the causes of the natural gas shortage and sound solutions. Leading economists, industrial users of natural gas and others urge the removal of price controls as the essential first step toward increased natural gas supplies. The facts are clear from the record.

The July 14 statement of FPC Chairman John N. Nassikas before the Subcommittee on Oversight and Investigations of the House Interstate and Foreign Commerce Committee constitutes a presentation of up-to-date facts on natural gas.

In his statement, Chairman Nassikas carefully and logically paints a picture of the failure of Federal natural gas price controls. He shows the heavy burden of the shortage as the $6.2 billion cost of foreign oil to replace the 1975–76 curtailment of 2.9 trillion cubic feet is double the $3.1 billion paid producers in 1974 for all gas sold in interstate commerce.

Chairman Nassikas demonstrates how regulation has created a decline in natural gas reserves and production. He explains the role of cost disparity between natural gas and alternate fuels in creating shortages. And he marshals his facts to argue for an effective national energy policy which will mandate extensive development of domestic energy, especially natural gas.

We have reached the point of decision on natural gas. We are challenged to make a decision which will determine in large measure the direction our economy will take in future years. I believe the facts cry out for removal of Federal controls on the wellhead price of new natural gas, because this policy will stimulate exploration and increased supplies. The seriousness of this decision demands that it be based on facts, and I believe the testimony of Chairman Nassikas provides those facts.

Of course, this testimony is available to Senators from the record of the hearings. I urge that Senators take the time to secure copies of the Chairman's remarks and carefully review it.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPARKMAN (by request):

S. 2137. A bill to provide for the entry of nonregional members, and the Bahamas and Guyana, in the Inter-American Development Bank, and for other purposes. Referred to the Committee on Foreign Relations.

Mr. SPARKMAN. Mr. President, by request, I introduce, for appropriate reference, a bill to provide for the entry of nonregional members, and the Bahamas and Guyana, in the Inter-American Development Bank, and for other purposes.

The bill has been requested by the Department of the Treasury and I am introducing it in order that there may be a specific bill to which members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill and the comparative type showing changes proposed by the bill be printed in the RECORD at this point, together with the letter from the Secretary of the Treasury to the President of the Senate dated July 2, 1975.

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

S. 2137

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Inter-American Development Bank Act (22 U.S.C. 283 et seq.) is further amended as follows:

(1) By adding after section 22 the following new sections:

"SEC. 23. The United States Governor of the Bank is authorized to vote for three proposed resolutions of the Board of Governors entitled (a) 'Amendments to the Agreement Establishing the Bank with respect to the Creation of the Inter-regional Capital Stock of the Bank and to Related Matters', (b) 'General Rules Governing Admission of Nonregional Countries to Membership in the Bank', and (c) 'Increase in the Authorized Callable Ordinary Capital Stock and Subscriptions Thereto in Connection with the Admission of Nonregional Member Countries', which were submitted to the Board of Governors pursuant to a Resolution of the Board of Executive Directors approved on March 4, 1975.

"SEC. 24. The United States Governor of the Bank is authorized to agree to the amendments to Article II, Section 1(b) and Article IV, Section 3(b) of the Agreement Establishing the Bank, as proposed by the Board of Executive Directors, to provide for membership for the Bahamas and Guyana in the Bank at such times and in accordance with such terms as the Bank may determine."

"SEC. 25. The United States Governor of the Bank is authorized to agree to the amendments to article III, sections 1, 4 and 6(b) of the Agreement Establishing the Bank, as proposed by the Board of Executive Directors, to provide for lending to the Caribbean Development Bank."

(2) By inserting in the first sentence of section 5 after "article II, section 3" a comma and the words "or article IIA, section 2,"; and by inserting in the last sentence of section 5 after "article II, section 2" the words "or article IIA, section 1,".

(3) By deleting in the first sentence of section 11(a) the word "ordinary"; by inserting in section 11(a) after the words "article II, section 5," the words "and article IIA, section 4,"; and by inserting in section 11(a) after the words "article II, section 4 (a)(ii)," the words "or article IIA, section 3(c),".

SEC. 2. The amendments made by paragraphs (2) and (3) of the first section of this Act shall become effective upon approval by the Board of Governors of the Bank of the resolutions referred to in section 23 of the Inter-American Development Bank Act (22 U.S.C. 283 et seq.).

THE SECRETARY OF THE TREASURY,
Washington, D.C., July 2, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a draft bill "To provide for the entry of nonregional members, and the Bahamas and Guyana, in the Inter-American Development Bank, and for other purposes," together with a comparative type showing the changes that would be made in existing law by the bill.

The proposed legislation would authorize the United States Governor of the Bank to agree to three Resolutions of the Board of Governors of the Inter-American Development Bank (IDB) which would (1) amend the Agreement Establishing the Bank with respect to the creation of inter-regional capital and other related matters; (2) establish general rules to govern the admission of nonregional members to the Bank; and (3) permit an increase in the ordinary callable capital stock of the Bank. The bill would also make certain technical changes in existing provisions of the Inter-American Development Bank Act (Public Law 86-147, as amended) which are necessitated by the creation of inter-regional capital. These Resolutions were submitted to the Board of Governors pursuant to a Resolution of the Board of Executive Directors approved on March 4, 1975.

Finally, the proposed legislation would authorize the U.S. Governor of the Bank to approve a proposal for the entry of the Bahamas and Guyana to membership in the Bank and for lending to the Caribbean Development Bank.

This legislation is necessary because Section 5 of the Inter-American Development Bank Act provides that Congressional authorization must be obtained for the United States Governor to agree to amendments to the Articles of Agreement and to increases in the capital stock of the Bank and in the resources of the Fund for Special Operations.

The Inter-American Development Bank was established in 1959 for the purpose of providing leadership and funds for the advancement of Latin American economic and social development. At present, the Bank's membership includes the United States, Canada and 22 Latin American countries. In 1974, the Bank extended a record $1.1 billion in development loans, bringing the Bank's net cumulative lending to $7.4 billion by December 31, 1974.

It has been a United States objective for some time to increase the involvement of nations outside the Western Hemisphere in financing development in Latin America, particularly through combining their efforts with those of the countries of the region in multilateral institutions such as the IDB. In fact, the proposed entry into the Bank of the twelve nonregional countries will culminate five years of efforts begun in April 1970 when a Committee of the Board of Governors of the Bank was entrusted the task of examining ways to increase the flow of resources to the Bank from nonmember developed countries.

As a condition of entry into the Bank, the twelve new nonregional members are expected to contribute to the Bank approximately $746 million over a three-year period. This total would be divided equally between the Bank's hard loan and soft loan windows, providing $373 million to subscribed capital and another $373 million to the Fund for Special Operations. Thus, the entry of nonregional countries would result in an increase of about 6 percent in total hard loan resources and of about 9 percent in total soft loan resources. Total contributions of the nonregional members during the next three years would be over one-half of the contributions of the United States during the last three years.

In addition to the above-mentioned subscriptions by the twelve nonregional countries, there would be about $130 million in unassigned capital available for subscription by nonregional countries. Similarly, an additional unassigned $130 million would be available for contributions by nonregional countries to the Fund for Special Operations. No further Congressional action would be required for such subscriptions and contributions.

Of the twelve countries which have expressed an interest in joining the Bank, the largest contributors are expected to be Germany, Italy, Japan, Spain and the United Kingdom. Each of these five countries would take from 16 to 18 percent of the group's total contributions. The remaining share would be contributed by Austria, Belgium, Denmark, Israel, The Netherlands, Switzerland, and Yugoslavia. The new arrangements are expected to go into effect in 1976, after the Bank's regional members and the nonregional countries have obtained the necessary approval from their respective legislatures.

While the actual effect of the new membership on the United States voting power would be to reduce it from the present 40 percent to around 36 percent, the United States would continue to have the largest voting share of any member country and to maintain its important role in the Bank. In the Fund for Special Operations, this voting power would preserve the veto of the United States since decisions on such operations must be approved by a two-thirds majority. Moreover, one of the proposed amendments to the IDB Charter provides that the United States will have not less than a 34.5 percent voting share in the Bank as long as it wants such a share and that the regional developing member countries and Canada will have not less than 53.5 percent and 4 percent, respectively.

To accommodate the addition to the Bank's capital and membership, a number of amendments to the Bank's Articles of Agreement must be approved. The most important change in the Bank's financial structure involves the creation of a new series of capital stock to be designated as inter-regional capital stock. This new stock will be created as a means of avoiding certain limitations which are attached to ordinary capital borrowings. In the past, the Bank has included covenants in its bond issues which restrict the amount of borrowings backed by its ordinary capital resources to the callable capital of the United States available on demand. The existence of this covenant means that contributions to the callable ordinary capital of the Bank from countries other than the United States cannot serve the purpose of supporting additional borrowings. As of the beginning of the year, such covenants are no longer being included in the Bank's bond issues. However, since such covenants were included in previous bond issues, some of which will not mature until 1995, the holders of these bonds may enjoin the Bank from borrowing for its ordinary capital resources in excess of the

U.S. callable capital subscription until all these bonds have been retired or redeemed.

Any member country would have the option of contributing in whole or in part to either ordinary capital or inter-regional capital. For the purpose of computing voting power and pre-emptive rights, no distinction is made between ordinary and inter-regional capital. An eventual merger between ordinary and inter-regional capital is anticipated when bonds with the restrictive covenants mature or all outstanding issues with such a covenant can be retired.

Certain technical amendments to the Inter-American Development Bank Act are necessary in connection with the entry of the nonregional members. The amendments ensure that the provisions of the Act which apply to ordinary capital will also apply to inter-regional capital.

The proposed legislation also authorizes the U.S. Governor to approve a proposal to permit membership in the IDB for the Bahamas and Guyana. These countries have recently gained their independence, but since they are not members of the Organization of American States their admission to membership in the Bank requires an amendment to the Bank's Articles. The United States is interested in the economic development and political stability of the Bahamas and Guyana and believes that they should be accorded the same access to regional financial resources as other Latin American and Caribbean countries.

Finally, the legislation would amend the Agreement to permit the Bank to lend funds to the Caribbean Development Bank (CDB) for the purpose of relending to CDB member countries whether or not they are also members of the Inter-American Development Bank. The CDB is a well run development finance institution which has been operating since 1969 and is the most significant regional institution directed at providing development assistance to the less developed countries of the Caribbean. The CDB's leading capabilities will be effectively bolstered through this program, thereby allowing it to make available additional funds to the less developed mini-states, most of which have a per capita GNP below $300.

I urge the Congress to give the legislation its prompt approval. A Special Report of the National Advisory Council on International Monetary and Financial Policies discussing the proposal in detail will be transmitted separately to you and to the Speaker of the House of Representatives.

It will be appreciated if you will lay the enclosed draft bill before the Senate. An identical draft bill has been transmitted to the House of Representatives.

The Office of Management and Budget advises that there is no objection to the presentation of this legislation for the consideration of the Congress and that its enactment would be in accord with the President's program.

Sincerely,

WILLIAM E. SIMON.

COMPARATIVE TYPE SHOWING CHANGES WHICH WOULD BE MADE IN EXISTING LAW BY PROPOSED BILL

(Matter proposed to be omitted enclosed in brackets; new matter italic.)

Inter-American Development Bank Act (73 Stat. 299, 22 U.S.C. 283 et seq. (1959)).

SEC. 5. Unless Congress by law authorizes such action, neither the President nor any person or agency shall, on behalf of the United States, (a) subscribe to additional shares of stock under article II, section 3, *or article IIA, section 2,* of the agreement; (b) request or consent to any change in the quota of the United States under article IV, section 3, of the agreement; (c) accept any amendment under article XII of the agreement; or (d) make a loan or provide other financing to the Bank, except that loans or other financing may be provided to the Bank by a United States agency created pursuant to an Act of Congress which is authorized by law to make loans or provide other financing to international organizations. Unless Congress by law authorizes such action, no governor or alternate appointed to represent the United States shall vote for any increase of capital stock of the Bank under article II, section 2, *or article IIA, section 1,* of the agreement or any increase in the resources of the Fund for Special Operations under article IV, section 3(g) thereof.

SEC. 11. (a) Any securities issued by the Bank (including any guarantees by the Bank, whether or not limited in scope) in connection with raising of funds for including in the Bank's [ordinary] capital resources as defined in article II, section 5, *and article IIA, section 4,* of the agreement, and any securities guaranteed by the Bank as to both the principal and interest to which the commitment in article II, section 4(a)(ii), *or article IIA, section 3(c),* of the agreement is expressly applicable, shall be deemed to be exempted securities within the meaning of paragraph (a)(2) of section 3 of the Act of May 27, 1933, as amended (15 U.S.C. 77c), and paragraph (a)(12) of section 3 of the Act of June 6, 1934, as amended (15 U.S.C. 78c). The Bank shall file with the Securities and Exchange Commission such annual and other reports with regard to such securities as the Commission shall determine to be appropriate in view of the special character of the Bank and its operations and necessary in the public interest or for the protection of investors.

Sec. 23. The United States Governor of the Bank is authorized to vote for three proposed resolutions of the Board of Governors entitled (a) "Amendments to the Agreement Establishing the Bank with respect to the Creation of the Inter-regional Capital Stock of the Bank and to Related Matters", (b) "General Rules Governing Admission of Nonregional Countries to Membership in the Bank", and (c) "Increase in the Authorized Callable Ordinary Capital Stock and Subscriptions Thereto in Connection with the Admission of Nonregional Member Countries", which were submitted to the Board of Governors pursuant to a Resolution of the Board of Executive Directors approved on March 4, 1975.

Sec. 24. The United States Governor of the Bank is authorized to agree to the amendments to Article II, Section 1(b) and Article IV, Section 3(b) of the Agreement Establishing the Bank, as proposed by the Board of Executive Directors, to provide for membership for the Bahamas and Guyana in the Bank at such times and in accordance with such terms as the Bank may determine.

Sec. 25. The United States Governor of the Bank is authorized to agree to the amendments to Article III, Sections 1, 4 and 6(b) of the Agreement Establishing the Bank, as proposed by the Board of Executive Directors, to provide for lending to the Caribbean Development Bank.

By Mr. STEVENS:

S. 2138. A bill to amend the Shipping Act, 1916, in order to provide that a State, the District of Columbia, the Commonwealth of Puerto Rico, and a territory or possession of the United States shall be considered a citizen of the United States for the purposes of such act. Referred to the Committee on Commerce.

Mr. STEVENS. Mr. President, today I introduce a bill which would amend the Shipping Act of 1916 and the Merchant Marine Act of 1920 to add to the list of definitions included in the Shipping Act the following language:

The term "citizen of the United States" also includes a State, the District of Columbia, the Commonwealth of Puerto Rico, and a territory or possession of the United States.

The two acts, in various articles, confer exclusively upon citizens certain shipping and shipbuilding, including the right to obtain first lien on an American vessel. The intent of this aspect of the two acts is to prevent foreigners from exercising control over American shipping.

Unfortunately, although a State is not a foreigner, States are not explicitly included among those entities identified in the Shipping Act as citizens of the United States. Neither are they explicitly excluded. One consequence of this defect is that the State of Alaska is presently unable to obtain a first lien on a fisherman's vessel. Three years ago, Alaska instituted a revolving loan program for its fishermen. Since in most cases a fisherman's vessel is his only property which is of sufficient value to serve as collateral for these loans and which is not already mortgaged, the defect in the Shipping Act creates a serious and immediate problem in my home State which this amendment would eliminate.

The overall effect of my bill would be to clarify the ambiguity which presently exists in the two acts regarding the citizenship of States. When a bill identical to this one was introduced in the 93d Congress, it was not reported out of the Commerce Committee because of the uncertainty felt by several of the committee's members concerning the broad ramifications of the amendment on the lengthy shipping acts. No detailed analysis of the amendment had yet been made.

I recently obtained such an analysis from the General Counsel of the Department of Commerce. His assessment of the impact of the amendment was that either it did not affect a particular section or that it resolved an ambiguity in the language in such a way as advanced the purposes of the act. I ask that the text of this analysis be printed in the RECORD at the conclusion of my statement.

Mr. President, now that little question remains as to the beneficial impact of this amendment on the shipping acts which it affects, I urge prompt action on this bill.

Mr. President, I ask unanimous consent that the text of my bill, together with a letter from the General Counsel of the Department of Commerce, be printed in the RECORD.

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

S. 2138

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Shipping Act, 1916 (46 U.S.C. 801), is amended by adding the following definition: "The term 'citizen of the United States' also includes a State, the District of Columbia, the Commonwealth of Puerto Rico, and a territory or possession of the United States."

GENERAL COUNSEL OF
THE DEPARTMENT OF COMMERCE,
Washington, D.C., April 16, 1975.

Hon. TED STEVENS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STEVENS: This is in reply to your request for our views as to the impact a bill you propose to introduce in the 94th Congress to amend section 1 of the Shipping Act, 1916, would have on that Act, on the Merchant Marine Act, 1920 and on the Merchant Marine Act, 1936. The language of your proposed bill is identical to that of an amendment to H.R. 13296, 93rd Congress, which passed the Senate but which the Conferees did not accept, primarily because of doubt as to the impact the amendment would have on the foregoing statutes. This language is as follows:

Section 1 of the Shipping Act, 1916, as amended (46 U.S.C. 801) is amended by inserting after the introductory paragraph and prior to the paragraph that begins "The term 'common carrier by water in foreign commerce' the following new paragraph:

"The term 'citizen of the United States' means any State or political subdivision thereof, any individual who is a citizen of the United States by birth, by naturalization, or other legal judgment, or any corporation, partnership, or association organized under and maintained in accordance with section 2 of this Act and the laws of any State. As used in this paragraph, 'State' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, and the territories and possessions of the United States."

The term "citizen of the United States" is used in sections 9, 36, 37, and 40 of the Shipping Act, 1916, and in sections 1, 5, 7, 22, 23, 27, 30, and 37 of the Merchant Marine Act, 1920. Section 30 of the 1920 Act is the Ship Mortgage Act, 1920, and the term is used in subsections D(a)(5), O(d), O(e), and O(f) of that section. The term is also used in various sections of the Merchant Marine Act, 1936, but that Act would not be affected by the proposed amendment, because the definition of "citizen of the United States" incorporated in that Act by section 905(c) thereof is the definition in section 2 of the Shipping Act, 1916, and the proposed amendment would amend only section 1 of the 1916 Act.

THE SHIPPING ACT, 1916

Section 9 of the Shipping Act, 1916, provides that it is unlawful, without the consent of the Secretary of Commerce, to sell, mortgage, lease, charter, deliver or in any manner transfer, to any person not a citizen of the United States, or place under foreign registry, any vessel or any interest therein owned in whole or in part by a citizen of the United States and documented under the laws of the United States, or the last documentation of which was under the laws of the United States. The section further provides that the issuance, transfer or assignment, without the consent of the Secretary of Commerce, to a person not a citizen of the United States, of any bond, note or other evidence of indebtedness which is secured by a mortgage on a vessel of which a trustee is mortgagee, unless the Secretary of Commerce has approved the trustee, is unlawful. The statute provides that the Secretary shall approve the trustee if the trustee meets certain minimum requirements. The purpose of this section is to prevent citizens of foreign nations from obtaining control of our shipping in circumstances in which we would not want this to happen. Neither a State nor any of the other entities specified in your proposed amendment is a citizen of a foreign nation. We have therefore taken the view that the section is not applicable to transfers to such entities. Your proposed amendment would serve to affirm that view and to appropriately require that any transfer by a State or other entity specified would require approval under this section.

Section 36 provides that the Secretary of the Treasury is authorized to refuse clearance to any vessel destined for a foreign or offshore domestic port if he has satisfactory reason to believe the vessel refuses to accept cargo tendered for such port by any citizen of the United States unless the vessel has no space accommodations for such cargo, due regard being had for the proper loading of the vessel. There has been no litigation as to whether any of the entities specified in your proposed bill is a citizen for purposes of this section. It seems to us that such entities, as shippers, should be entitled to the benefits of this section. Your proposed amendment would clarify the section.

Section 37 provides that during any national emergency declared by the President, it is unlawful without the consent of the Secretary of Commerce:

(a) to transfer to foreign registry any vessel owned in whole or in part by a citizen of the United States or owned by a corporation organized under the laws of the United States.

(b) to sell, mortgage, lease, charter, deliver, or transfer in any manner, to any person not a citizen of the United States, (1) any such vessel or any interest therein, (2) any vessel documented under the laws of the United States or any interest therein, or (3) any shipyard, dry dock, shipbuilding or ship repairing facility, or any interest therein;

(c) to issue, transfer, or assign to a person who is not a citizen of the United States any bond, note or other evidence of indebtedness that is secured by a mortgage on a vessel or on a shipyard, dry dock, shipbuilding or ship repairing plant or facility, of which a trustee is mortgagee unless the Secretary of Commerce has approved the trustee, but if the trustee meets certain minimum requirements, the Secretary is required to approve;

(d) to enter into any contract to construct a vessel in the United States to be delivered to a person who is not a citizen of the United States without expressly stipulating that the construction shall not begin until after the emergency is over;

(e) to make any agreement whereby there is vested in a person not a citizen of the United States the controlling interest or a majority of the voting power in a corporation organized under the laws of the United States or of any State, District, Territory or possession thereof, and which owns any vessel, shipyard, dry dock, shipbuilding or ship repairing facility; or

(f) to cause any vessels constructed in the United States, which has never cleared for a foreign port, to depart from a port of the United States without being documented under the laws of the United States.

The United States has been in an emergency declared by the President since December 16, 1950. The purpose of this section is to prevent citizens of foreign nations from obtaining control of the facilities mentioned in the section in times of national emergency under circumstances in which we would not want this to happen. The entities specified in your proposed bill are not citizens of a foreign nation. We have therefore taken the view that the section is not applicable to transfers to such entities. Your proposed amendment would serve to affirm that view and to appropriately require that any transfer by a State or any other entity specified would require approval under this section.

Section 40 provides that whenever any bill of sale, mortgage, hypothecation, or conveyance of any vessel, or part thereof, is presented to any Collector of Customs, the vendee, mortgagee, or transferee shall file therewith a written declaration setting forth the facts with respect to his citizenship, and such other facts as the Secretary of Commerce requires, showing that the transaction does not involve a violation of sections 9 and 37.

Your proposed amendment would clarify the section.

The Merchant Marine Act, 1920, including the Ship Mortgage Act, 1920—

Section 37 of the Merchant Marine Act, 1920, provides that as used in that Act, the term "citizen of the United States" and certain other terms shall have the meaning assigned to them in sections 1 and 2 of the Shipping Act, 1916. There is at present no definition of "citizen of the United States" in section 1 of the 1916 Act.

Section 1 of the Merchant Marine Act, 1920, is a declaration of policy. The section states that it is necessary for its national defense and for the proper growth of its foreign and domestic commerce that the United States shall have a merchant marine of certain specified characteristics "ultimately to be owned and operated privately by citizens of the United States." Ownership and operation of vessels by one of the Governmental entities specified in your proposed amendment would not be private ownership and operation. Your proposed amendment, therefore, would not affect this section.

Section 5 authorizes the Secretary of Commerce to sell vessels to citizens of the United States, and section 6 authorizes the Secretary of Commerce to sell vessels to aliens. These two sections, however, are overridden by section 510(j) of the Merchant Marine Act, 1936, which provides that all of the Secretary's merchant vessels shall be placed in the national defense reserve fleet and may be sold only under certain specified provisions of the Merchant Marine Act, 1936. Your proposed amendment therefore would not affect either of these sections of the 1920 Act.

Section 7 directs the Secretary of Commerce to investigate and determine what steamship lines should be operated to promote the foreign and coastwise trade, to sell vessels to citizens of the United States to carry out this purpose and if a satisfactory sale cannot be arranged, to charter vessels to citizens of the United States who would be willing to carry out this purpose. Since the chartering authority is to be exercised only if a satisfactory sale cannot be made under the 1920 Act, and since the sales authority has been abrogated by section 510(j) of the 1936 Act, we believe the chartering authority under section 7 of the 1920 Act cannot now be exercised. Your proposed amendment therefore would not affect this section.

Section 22 provides that all foreign-built vessels admitted to American registry and owned by citizens of the United States on February 1, 1920, and all foreign-built vessels owned by the United States on June 5, 1920, when sold to and owned by citizens of the United States, may engage in the coastwise trade so long as they continue in such ownership. We understand that the Coast Guard will document United States-built vessels owned by the entities mentioned in your proposed bill for operation in the coastwise trade and that the United States Customs Service does not consider such operation to be in violation of the coastwise laws. We do not know what the views of those agencies would be with respect to the documentation and operation in the coastwise trade under existing law of the foreign-built vessels described in section 22 of the 1920 Act, if in fact there are any such vessels. Under your proposed bill, such vessels owned by the entities mentioned therein would be entitled to coastwise privileges.

Section 23 provides that for a period of ten years after June 5, 1920, any citizen of the United States who sells a vessel that was built prior to January 1, 1914, shall be exempt from income taxes on the proceeds of sale if such proceeds are used to construct new vessels in American shipyards. Since this ten year period has expired, your proposed amendment would not affect this section.

Section 27 provides that no merchandise shall be transported by water or by land and water, either directly or by a foreign port, between points in the United States embraced within the coastwise laws, in any vessel other than a vessel built in the United States, documented under the laws of the United States, and owned by citizens of the United States. Our understanding is that the Coast Guard will document a vessel owned by one of the entities mentioned in your proposed amendment for operation in the coastwise trade and that the United States Customs Service does not consider the operation of such a vessel in that trade to be a violation of section 27. Your proposed amendment therefore would not affect this section except to clarify it.

Section 30 is the Ship Mortgage Act, 1920. Subsection D(a)(5) of that section requires the mortgagee of a preferred ship mortgage on an American flag vessel to be a citizen of the United States. Subsection O(d) provides that no rights under a ship mortgage on an American flag vessel shall be transferred to a person not a citizen of the United States without the consent of the Secretary of Commerce. Subsection O(e) provides that no bond, or other evidence of indebtedness which is secured by a mortgage on an American flag vessel of which a trustee is mortgagee shall be issued, transferred, or assigned to a person not a citizen of the United States, without the consent of the Secretary of Commerce, unless the Secretary of Commerce has approved the trustee, and the Secretary of Commerce is required to approve the trustee if the trustee meets specified minimum requirements. Subsection O(f) provides that no American flag vessel shall be sold by order of a District Court of the United States in any suit in rem in admiralty to any person not a citizen of the United States. The way the issue whether the entities mentioned in your proposed amendment are citizens of the United States under this section would arise. . . .

* * * * *

By Mr. STEVENS:

S. 2139. A bill to authorize the Secretary of the Interior to convey certain property to Morris L. Porter, Seldovia, Alaska. Referred to the Committee on Interior and Insular Affairs.

Mr. STEVENS. Mr. President, the legislation which I introduce today would quiet title to 83.52 acres of land now in dispute between Morris L. Porter of Seldovia, Alaska, and five granddaughters of the late Anisum Alexanderoff.

In 1931, Anisum Alexanderoff was issued an Indian allotment which conveyed this land to him subject to the condition that it could not be alienated or sold without the approval of the Secretary of the Interior. In 1945, Mr. Alexanderoff died and Morris L. Porter purchased the subject property in good faith from the U.S. Commissioner who was administrator of Mr. Alexanderoff's estate. Mr. Porter moved onto the property and over the years has made several improvements.

In 1953, Mr. Porter discovered that the U.S. Commissioner had no authority over probating Mr. Alexanderoff's estate, since such authority was vested in the Secretary of the Interior. At that time Mr. Porter began his long, arduous attempt to obtain clear title. To complicate matters, in 1955 it was discovered that Mr. Alexanderoff had a surviving widow, Agnes Alexanderoff, who legally was the sole heir of Mr. Alexanderoff's estate and was entitled to the 83.52 acres.

In 1961, Agnes Alexanderoff died and in 1971 it appeared that this matter might finally be resolved. However, in 1972, it was discovered that Mrs. Alexanderoff had five daughters by a previous marriage and it was determined that each inherited an undivided share in her estate consisting of Anisum Alexanderoff's Native allotment of 83.52 acres of land.

Mr. President, Mr. Porter has been residing on this property since his original purchase in 1945. However, he has not been able to enjoy clear title to this land due to the interests of Mr. Alexanderoff's heirs and to the interest of the U.S. Government as trustee.

The bill which I offer today would resolve this matter once and for all. It would authorize the Secretary of the Interior to convey by quitclaim deed title in these 83.52 acres to Morris L. Porter. It would further authorize the Secretary of the Interior to acquire by purchase or exchange any interest in this property held by the heirs of Anisum Alexanderoff.

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

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

S. 2139

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized and directed to convey, by quitclaim deed, to Morris L. Porter, Seldovia, Alaska, all right, title, and interest of the United States in and to the property known as U.S. Survey No. 1811, containing 83.52 acres, more or less, according to the official plat thereof in the Seldovia Recording District, Third Judicial District, State of Alaska, including any right, title, or interest acquired pursuant to section 2 of this Act.

SEC. 2. The Secretary of the Interior is authorized to take such action as may be necessary to acquire, by purchase or exchange, any right, title, or interest in or to the property referred to in the first section of this Act which may be held by the heirs of Anisum Alexanderoff or Agnes Alexanderoff, both deceased, on the date immediately preceding the date of the enactment of this Act.

SEC. 3. There is authorized to be appropriated such sum, not to exceed $30,000, as may be necessary to carry out the provisions of this Act.

By Mr. HARTKE:

S. 2140. A bill to provide for the orderly and timely implementation of certain requirements of law concerning development of high-speed rail transportation in the Northeast Corridor. Referred to the Committee on Commerce.

CORRIDOR DEVELOPMENT ACT OF 1975

Mr. HARTKE. Mr. President, today I am introducing the Corridor Development Act of 1975. This legislative proposal would provide for the necessary implementation of the long overdue Northeast Corridor project, which is required by the Regional Rail Reorganization Act of 1973. It is intended to serve as a focus for discussion at hearings to be held on this portion of the final system plan on Friday, July 25. Legislation implementing the Northeast Corridor project will form one of the basic components of the necessary final system plan implementing legislation for the reorganization of the midwest and northeast railroads.

Mr. President, the Northeast Corridor contains 20 percent of the population of the United States and only 2 percent of the land area. The major standard metropolitan statistical areas in the corridor contain almost 38 million of the corridor's 44 million residents. Mr. President, $15 million of detailed studies by the Department of Transportation over the last decade have conclusively demonstrated that the most cost efficient, energy efficient, and ecologically compatible way of improving transportation in the Northeast Corridor is to improve rail service. A plan has been formulated by the Federal Railroad Administration to do that, and the Regional Rail Reorganization Act requires the U.S. Railway Association to include such a plan as part of the final system plan. The legislation I am introducing today will assure that that plan is implemented in a timely manner.

Mr. President, this legislative proposal is intended as a conceptual framework for hearings that will be held soon to determine the optimal legislative structure for the financing, operation, development and timing of improvements on the corridor properties. Once a conceptual framework is decided upon by the Commerce Committee, it will be incorporated in the final system plan implementing legislation and the necessary conforming amendments will be made in the Regional Rail Reorganization Act.

Mr. President, I ask unanimous consent that the text of the Corridor Development Act of 1975 be printed in the RECORD so that those who wish to may review it in time for hearings on this matter, on July 25.

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

S. 2140

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 "Corridor Development Act of 1975".

DECLARATION OF POLICY

SEC. 2. The Congress finds that special legislation is necessary to effectuate the orderly and timely implementation of improved high-speed rail passenger service in the Northeast Corridor, as required by Act of Congress in section 206(a)(3) of Public Law 93-236 (45 U.S.C. 716(a)(3)). The Congress further finds that such implementation is in the public interest and of the highest public importance to save money, to conserve energy, and to promote and enhance interstate commerce. It is therefore declared to be the purpose of Congress in this Act to establish a special and limited-life Corporation for the sole purpose of completing the required improvements on schedule, while assuring continuous rail service through the period of construction and improvement, and to direct that the Corps of Engineers, United States Army, function as construction manager for such Corporation.

CORRIDOR DEVELOPMENT CORPORATION

SEC. 3. (a) ESTABLISHMENT.—There is established, in accordance with the provisions of this section, an incorporated nonprofit association to be known as the Corridor Development Corporation (hereafter referred to as the "Corporation").

(b) ADMINISTRATION.—The Corporation shall be directed by a Board of Commissioners. The individuals designated, pursuant to subsection (d)(2) of this section, as the Government members of such Board shall be deemed the incorporators of the Corporation and shall take whatever steps are necessary to establish the Association. They shall take whatever steps are necessary (1) to establish the Corporation, including filing of articles of incorporation, and serving as an acting Board of Directors for a period of not more than 45 days after the date of incorporation of the Corporation; and (2) to terminate the Corporation upon certification by the construction manager for such Corporation and the Comptroller General of the United States that the goals of such Corporation have been achieved, including filing of articles of dissolution and distribution of any assets.

(c) STATUS.—The Corporation shall be a government corporation of the District of Columbia subject, to the extent not inconsistent with this Act, to the District of Columbia Nonprofit Corporation Act (D.C. Code, sec. 29–1001 et seq.). Except as otherwise provided, employees of the Corporation shall not be deemed employees of the Federal Government.

(d) BOARD OF COMMISSIONERS.—The Board of Commissioners of the Corporations shall consist of 15 individuals, as follows:

(1) the Chairman, a qualified individual who shall be apppointed by the President, by and with the advice and consent of the Senate;

(2) three Government members, who shall be the Secretary of Transportation; the President of the United States Railway Association, and the President of the National Railroad Passenger Corporation; and

(3) eleven nongovernment members, who shall be appointed by the President, by and with the advice and consent of the Senate, on the following basis—

(A) one to be selected from a list of qualified individuals recommended by the Association of American Railroads or its successor who are representatives of common carriers by railroad;

(B) one to be selected from a list of qualified individuals recommended by the American Federation of Labor and Congress of Industrial Organizations or its successor who are representative of railroad labor;

(C) one to be selected from a list of qualified individuals recommended by the Governor of the Commonwealth of Massachusetts;

(D) one to be selected from a list of qualified individuals recommended by the Governor of the State of Rhode Island and Providence Plantations;

(E) one to be selected from a list of qualified individuals recommended by the Governor of the State of Connecticut;

(F) one to be selected from a list of qualified individuals recommended by the Governor of the State of New York;

(G) one to be selected from a list of qualified individuals recommended by the Governor of the State of New Jersey;

(H) one to be selected from a list of qualified individuals recommended by the Governor of the Commonwealth of Pennsylvania;

(I) one to be selected from a list of qualified individuals recommended by the Governor of the State of Delaware;

(J) one to be selected from a list of qualified individuals recommended by the Governor of the State of Maryland;

(K) one to be selected from a list of qualified individuals recommended by the Mayor of the District of Columbia.

As used in this paragraph, a list of qualified individuals shall consist of not less than three individuals.

A member of the Board of Commissioners who is not otherwise an employee of the Federal Government may receive $150 per diem when engaged in the actual performance of his duties plus reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

(e) TERMS OF OFFICE.—The terms of office of the nongovernment members of the Board of Commissioners, except for the Commissioners appointed under paragraphs (3)(A) and (3)(B) of this section, shall expire 90 days after the expiration of the terms of office of the Governor or Mayor who recommended such appointment to the President. The terms of office of Commissioners appointed under such paragraphs (3)(A) and (3)(B) shall expire at the end of 3 years or upon termination of the Corporation, whichever occurs first. Successors to members of the Board of Commissioners shall be appointed in the same manner as the original members.

(f) QUORUM.—Beginning 45 days after the date of incorporation of the Corporation, six members of the Board of Commissioners shall constitute a quorum for the transaction of any function of the Corporation.

(g) GENERAL MANAGER.—The Board of Commissioners shall appoint a qualified individual to serve as the General Manager of the Corporation at the pleasure of the Board. The General Manager shall be compensated at a rate not to exceed the compensation paid to the President of the National Railroad Passenger Corporation.

(h) CONSTRUCTION MANAGER.—The Board of Commissioners shall appoint the Corps of Engineers, United States Army, to serve as the Construction Manager for the Corporation.

POWERS AND DUTIES OF THE CORPORATION

SEC. 4. (a) GENERAL.—To carry out the purpose of this Act, the Corporation is authorized to—

(1) have succession in its corporate name until the date of termination in accordance with section 3(b)(2) of this Act;

(2) adopt and use a corporate seal, which shall be judicially noticed;

(3) sue and be sued, complain and defend, in the name of the Corporation and through its own attorneys;

(4) adopt, amend, and repeal bylaws, rules, and regulations governing the manner in which its business may be conducted and its power exercised;

(5) enter into and implement such contracts and agreements as are necessary or appropriate in the conduct of its functions;

(6) determine the qualifications, appoint, assign the duties, fix the compensation, and oversee the effectiveness of such full-time and part-time employees as may be necessary for the conduct of its functions, without regard for the civil service laws of the United States;

(7) conduct its affairs, carry on operations, and maintain offices in the most cost-effective manner practicable;

(8) purchase or otherwise acquire the right to use railroad rights-of-way between Boston, Massachusetts and Washington, District of Columbia suitable for improved high-speed rail passenger service in the Northeast Corridor;

(9) purchase or otherwise acquire in the manner set forth in section 305(d)(1) of the Rail Passenger Service Act (45 U.S.C. 305 (d)(1)) any other lands and properties deemed by it to be necessary to improve such service, to the extent that funds are available therefor;

(10) acquire by purchase, lease, exchange, gift, condemnation, or otherwise, and hold, maintain, sell, lease, or otherwise dispose of such real or personal property, tangible and intangible, including rights to use railroad rights-of-way and interests therein, to the extent deemed necessary by the Board of Commissioners to carry out the functions of the Corporation and the purpose of this Act (including property necessary for the realignment of track, and for the installation, improvement, or operation of communications, power, or other facilities and equipment needed to provide improved high-speed rail passenger service in such Corridor);

(11) provide for the continuous maintenance of rail freight and rail passenger service in and through the jurisdictions involved pending the completion of the construction and improvement activities required by this Act;

(12) prepare and obtain specifications, designs, and prototypes, and obtain (by purchase, lease, or otherwise) sufficient rolling stock adequate for improved high-speed rail passenger service in such Corridor, taking account of the need for passenger comfort, energy-use minimization, and low operating cost;

(13) direct the implementation of such improvements in railroad rights of way in such Corridor as are necessary to achieve, as rapidly as practicable, the goal established by Congress in section 206(a)(3) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 716(a)(3));

(14) acquire, construct, improve, and install such terminal, communications, power, roadbed, public and private grade crossings and tunnels, and bridges, and other equipment and facilities over such rights of way as are appropriate to the providing of such improved high-speed rail passenger service for the largest number of persons at reasonable cost;

(15) enter into operating agreements with the National Railroad Passenger Corporation, the Consolidated Rail Corporation, regional and local transportation agencies, and other entities, to the extent necessary to assure that essential freight, intercity passenger, and commuter passenger rail services are continuously provide in and through such Corridor;

(16) adopt and amend as necessary an operating charter for rail operation within such Corridor;

(17) enter into an agreement with the National Railroad Passenger Corporation or other carrier for the operation of intercity rail passenger service over the rights of way acquired by the Corporation under this Act. Any such agreement shall include such terms and conditions as the Board of Commissioners consider necessary to enable the Corporation to recover, from total revenues received sufficient funds to meet all operating costs and to the extent possible to make payments of interest and principal on obligations issued under section 5 of this Act. The Corporation may enter into agreements for (A) the continuation of freight or other passenger service over such rights of way in return for adequate consideration from other railroads; (B) the maintenance of the rights-of-way; (C) the provision and operation of communications and related equipment needed for safe and efficient operations. The Corporation shall not be deemed a common carrier by railroad, within the meaning of the Interstate Commerce Act (49 U.S.C. 1 (3)), and it shall not be subject to any provision of that Act. With respect to operations over the rights-of-way acquired under this Act, neither the National Railroad Passenger Corporation nor any other passenger carrier with whom the Corporation contracts for service shall be subject to any provision of the Interstate Commerce Act (49 U.S.C. 1 et seq.);

(18) assist and cooperate fully with the Corporation's construction manager; and

(19) transfer all assets and liabilities, upon termination, to the National Railroad Passenger Corporation.

(b) DUTIES—In addition to its duties and responsibilities under other provisions of this Act, the Corporation shall—

(1) develop and apply an equitable formula for fully allocating all of the costs incurred by it in the discharge of its responsibilities under this Act, other than costs incurred prior to December 31, 1983 in accordance with sections 4 (a) (13) or (a) (14);

(2) implement the Corridor Development Plan as approved by the Construction Manager and the Board of Commissioners; and

(3) make available to the Secretary of Transportation such reports as he requests regarding implementation of the Corridor Development Plan.

(c) TAXATION.—Any real or personal property of the Corporation, including any improvements thereon, are expressly exempt from taxation in any form or manner by any State or political subdivision thereof or by the District of Columbia. The Corporation shall, however, make payments in lieu of property taxes: *Provided*, That such payments shall not be in excess of the amount of any nondiscriminatory taxes which would have been payable with respect to such property in the condition that it was in when acquired by the Corporation.

(d) ENVIRONMENTAL IMPACT.—No provision of the National Environment Policy Act of 1969 (42 U.S.C. 4332(2)(c)) shall apply to any action taken by or any activities of the Corporation.

FINANCING

SEC. 5. (a) GENERAL.—The Corporation is authorized to issue, with the approval of the Secretary of the Treasury as to terms and conditions, and to have outstanding at any time bonds and other obligations necessary for the purpose of acquiring Northeast Corridor properties necessary for the implementation of the purpose of this Act. Such obligations may have such maturities and bear such rate or rates of interest as may be determined by the Board of Commissioners and may be redeemed, at the option of such Board, prior to maturity in the manner stipulated therein. The aggregate amount of such obligations that may be issued and outstanding at any one time under this subsection shall not exceed $1,000,000,000.

(b) SHORT-TERM FINANCING.—The Corporation is authorized, with the prior approval of the Secretary of the Treasury, to borrow on short term notes to meet operating expenses.

(c) UPGRADING LOANS.—The Corporation shall receive sufficient revenues from the National Railroad Passenger Corporation, Consolidated Rail Corporation, and other operating entities to meet operating and maintenance costs The Corporation shall receive from the Secretary of Transportation sufficient funds (not to exceed $4,000,000) from the Secretary of Transportation, as financed by the Secretary of the Treasury, to meet capital requirements for upgrading the Corridor and making necessary improvements pursuant to the Corridor Development Plan.

(d) GRANTS TO LOCAL GOVERNMENTS.—The Corporation is authorized to provide grants to States in the Corridor and to political subdivisions of such States up to 80 percent of the total cost of projects to develop and renovate portions of stations and related properties, including parking facilities, that are not otherwise funded under this Act.

(a) SPECIAL FINANCING.—Whenever the moneys available to the Corporation are insufficient to satisfy the obligations issued by it under subsection (a) of this section, the Corporation shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities and subject to such terms and conditions as may be prescribed by such Secretary. Such notes or other obligations shall be redeemed by the Corporation from funds appropriated under section 6 of this Act. 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 thereof. Such Secretary may at any time sell any of the notes or other obligations 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.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 6. There are authorized to be appropriated out of any money in the Treasury not otherwise appropriated, to remain available until expended, such sums as are necessary for the administrative expenses of the Secretary of Transportation; for the administrative expenses in connection with the Corridor Development Project of the Secretary of the Army; for designing, engineering, and testing expenses associated with the acquisition of rolling stock and real property for such Corridor; and for those expenses incurred prior to the establishment of the Corporation. Such funds shall not exceed $50,000,000, and shall be in addition to funds authorized to carry out the Act of September 30, 1965, as amended (49 U.S.C. 1631 et seq.).

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

S. 2142. A bill to authorize the Secretary of Commerce to transfer the NS *Savannah* to Patriot's Point Development Authority, an agency of the State of South Carolina. Referred to the Committee on Commerce.

Mr. THURMOND. Mr. President, in the summer of 1972, the General Assembly of the State of South Carolina established a committee to determine if a naval museum should be established in South Carolina. The committee made a report to the Governor and General Assembly in January 1973, recommending that a museum be established in Charleston, on approximately 500 acres of land, bordering on Charleston Harbor, to be taken as Patriot's Point.

The committee also recommended that a State authority be established to build the museum and to develop the remainder of Patriot's Point. The General Assembly passed a bill creating the Patriot's Point Development Authority, and it was signed by Gov. John C. West in April 1973.

On February 28, 1975, the U.S. Senate passed Senate Concurrent Resolution 9, a resolution supporting the establishment of a Naval and Maritime Museum at Patriot's Point. This resolution is presently under consideration by the House Armed Services Committee, in the Subcommittee for Military Installations. It gives me great pleasure to report to the Senat that the Museum is progressing well as it nears its opening date on October 13, 1975, the 200th birthday of the U.S. Navy. The museum is to be comprised substantially of a series of decommissioned ships, the first of which is the aircraft carrier USS *Yorktown*, which was just recently berthed at Patriot's Point.

The NS *Savannah*, the world's first nuclear-powered merchant vessel, would be an important educational addition to the museum. In 1973, the city of Savannah, Ga., proposed to support the NS *Savannah* as an historic museum. Unfortunately, that city was unable to make the necessary legal and financial arrangements and the *Savannah* is scheduled to be transferred to the Reserve Merchant Fleet at Beaufort, Tex., in late August.

Mr. President, on behalf of the State of South Carolina and the Patriot's Point Development Authority, it is a pleasure for Senator HOLLINGS and myself to introduce a bill authorizing the Secretary of Commerce to transfer the NS *Savannah* to the Patriot's Point Naval and Maritime Museum.

I would like to point out that the laws governing the regulation and disposition of nuclear reactors require that the ship's reactor remain under control of the Government. Accordingly section 3 of the bill is a provision to permit appropriate agreements with the Nuclear Regulatory Commission to comply with those laws.

Mr. President, I ask unanimous consent that this bill be printed in the RECORD, and, in view of the *Savannah's* scheduled transfer to the Reserve Merchant Fleet, I urge my colleagues to give immediate and favorable consideration to this proposal.

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

S. 2142

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of section 510(j) of the Merchant Marine Act, 1936 (46 U.S.C. 1160(j)), the Secretary of Commerce is authorized, within one year after enactment of this Act, to transfer to Patriot's Point Development Authority, an agency of the State of South Carolina, the N.S. Savannah without monetary consideration, to be used as a museum ship and for other public purposes, but not for transportation, together with such of her fixtures, tackle, apparel, furnishings, and equipment as the Secretary of Commerce, in his discretion, determines.

SEC. 2. In connection with the transfer of the vessel authorized by section 1 of this Act, the Secretary of Commerce is authorized to pay the reasonable cost of towing the vessel to a site at Patriot's Point in Charleston harbor, South Carolina.

SEC. 3. Upon transfer of the vessel authorized by section 1 of this Act, the Nuclear Regulatory Commission is authorized to make appropriate agreements with agencies of the State of South Carolina to provide for control and disposition of the nuclear reactor materials remaining in the vessel, as required by law.

By Mr. CRANSTON (for himself, Mr. TUNNEY, Mr. BEALL, Mr. STONE, Mr. BUCKLEY, Mr. CHILES, Mr. FANNIN, Mr. FONG, Mr. PHILIP A. HART, Mr. HUMPHREY, Mr. INOUYE, Mr. JACKSON, Mr. MANSFIELD, Mr. MONDALE, Mr. MCCLELLAN, Mr. HUGH SCOTT, Mr. TAFT, Mr. WILLIAMS, and Mr. YOUNG):

S. 2145. A bill to provide Federal financial assistance to States in order to assist local educational agencies to pro-

vide public education to Vietnamese and Cambodian refugee children, and for other purposes. Referred to the Committee on Labor and Public Welfare.

INDOCHINA REFUGEE CHILDREN ASSISTANCE ACT OF 1975

Mr. CRANSTON. Mr. President, Senator TUNNEY and I introduce, for appropriate reference, the Indochina Refugee Children Assistance Act of 1975. The bill will reimburse public schools for the initial costs of educating Vietnamese and Cambodian refugee children.

We are pleased to be joined in this effort by the distinguished majority leader, the Senator from Montana (Mr. MANSFIELD) and the distinguished minority leader, the Senator from Pennsylvania (Mr. HUGH SCOTT) and 15 others.

This bipartisan measure arises from our deep concern that schools across the country—already in grave financial condition—will be unable to assume the sudden costs of educating additional children this fall, children whose presence in the schools was not anticipated at the time budgets for the coming school year were planned. If every school-age refugee child enters school this fall—and a substantial number will—the national cost—based on an average of $1,260 per student, plus $300 for special assistance programs—would reach some $71 million in the first year alone.

Mr. President, all States but Mississippi—and that one instance is under court challenge—have compulsory school attendance laws. Children must attend and schools must provide educational services, from teachers to textbooks, regardless of the financial condition of the school district.

In California, for example, the State must pay, to each local education agency, about $500 per child for each pupil enrolled at the start of school. The money must be paid, by State law, to the schools regardless of the number of children or their origin. Similarly, State law in California—as in other States—mandates that each school educate every school-age child. If either State or local education agencies do not have surplus funds to cover the additional students, then existing education programs must be cut back in order to absorb the extra casts.

At the same time, in their struggle to meet additional costs in the coming school year, schools will be looking to their tax base to provide additional revenues. Over 50 percent—in California 56.5 percent—of most school costs are paid by property owners under the property tax. That means that more than half the cost of educating each refugee child—unless Federal help is forthcoming—will fall on the shoulders of the property taxpayer, already by far the most overburdened tax group in the country.

Any assumption that the property taxpayer can, or will, write a blank check for additional burdens brought on directly by Federal policy—and the relocation program clearly is Federal policy—is incorrect, insensitive, and grossly unfair.

The provision of Federal funds to help meet the urgent potential scope of the refugee education program is essential for other reasons as well. On May 8, by a vote of 91 to 1, the Senate adopted a resolution of welcome to the refugees, authored by Senator JAMES B. ALLEN and me. Several days later, the Congress passed and sent to the President a bill authorizing $405 million in emergency moneys to aid in refugee relocation; $30 million of that total was designated for "bilingual and vocational training"—a term we later learned was interpreted by the Department of Health, Education, and Welfare as being primarily for the language and vocational training of refugee adults. No other moneys for education were provided under that bill.

During the Senate debate, I expressed to the distinguished chairman of the Foreign Relations Committee, Mr. SPARKMAN, my concern over the need for adequate provision of education funds for refugee children. In response, Senator SPARKMAN told me that the committee, during its consideration of the bill, "was very much aware of the potential refugee impact on schools," and he quoted from the committee report:

> The Committee anticipates that HEW will develop procedures to insure that local communities will not be adversely affected by resettlement of refugees.

I said at the time:

> If the federal government—specifically the Department of Health, Education, and Welfare—fails, in my judgment, to meet its responsibilities in full, I will introduce legislation . . . to assure that our already overburdened property taxpayers will not suffer under new, federally caused financial responsibilities.

Over the past 2 months I have monitored carefully the actions and plans of the Department toward provision of adequate education moneys and services. I have been very disappointed. On Wednesday, July 16, Senator TUNNEY and I met with Julia Taft, Director of the Interagency Task Force on Indochina, the administering agency for refugee programs. In this discussion, it became clear that we were in considerable disagreement over the refugee impact on schools. The administration sees just a scattering of refugee children throughout the schools. In areas of extreme impaction, HEW proposes a one-time payment of $300 per refugee child.

I believe this policy is neither realistic nor fair. It ignores the potential for significant numbers of refugee children to be present in the public schools this fall or later in the school year. It skirts the firm promise of the Federal Government to help avoid financial hardship in local communities. And it ignores cutbacks in school programs that may have to be made in order to accommodate additional children.

In House debate on the refugee assistance bill in May, Congresswoman PATSY MINK, speaking from her experience as representative of a State with substantial immigration each year, said:

> When we bring in a student from a foreign area who is completely unfamiliar with not only our language, but our ways, our culture, our government, and our school system, it is going to require a comprehensive program to make that child quickly a part of our community.

Mrs. MINK went on to say:

> I am sure that is the intention of this body, to make it possible for these young children to become integrated as soon as possible. This is going to require special attention, special education in bilingual programs and bicultural activities.

I could not agree more. And I believe every Member of Congress who has had experience with schools and school problems will recognize the truth of these words. I believe Members of Congress will also realize that projected administration policy, allowing no more than token reimbursement of the costs of educating school-age refugee children, carries the potential for grave financial hardship and community dissension when the real impact of educating refugee children hits home, and hits hard.

Therefore, in view of the urgency of the problem, Senator TUNNEY and I introduce the Indochina Refugee Children Assistance Act of 1975, and we urge its immediate and favorable consideration by the Congress.

Mr. TUNNEY. Mr. President, on May 6 of this year I introduced, along with Senator CRANSTON, S. 1661—a bill to amend the Migration and Refugee Assistance Act of 1962 to authorize resettlement assistance for Vietnamese and Cambodian refugees. In a floor statement subsequent to the introduction I expressed my concern that State and local governments in particular geographical areas of this country might be forced to bear a disproportionate share of an essentially Federal burden. Senator CRANSTON, too, expressed his concern in this regard. In response, we were both assured by Ambassador L. Dean Brown, the Indochina Task Force Director, that this would not be the case. Unfortunately, our fears have been borne out.

Last week the Department of Health, Education, and Welfare released its policy guidelines for reimbursement of States and localities in assisting refugee resettlement. Two aspects of that program merit support—medical assistance and financial aid—and I commend the Department for its initiative. Under those guidelines, the Federal Government would assume 100 percent of medical costs through the medical assistance program, and 100 percent of financial assistance based upon State AFDC standards.

There is one area where, however, the projected Federal assistance falls far short of estimated needs. This is in education. Under the Secretary's plan, the Federal Government would provide emergency educational assistance to school districts which were severely impacted—in other words, where the refugee student population exceeded either 100 students or 1 percent of the total student population—whichever is less.

If that minimum requirement is met, the school district would then qualify for grants of between $200 and $300 for each refugee pupil in excess of the minimum. HEW estimates that the total cost of this 1-year program would be between $6 and $10 million.

This past Wednesday, Senator CRANSTON and I met with Mrs. Julia Vadala Taft, Ambassador Brown's successor, to express our concern about the failure of the Federal Government to adequately support State and local educational

needs. Mrs. Taft and several HEW education officials who accompanied her indicated that HEW's position had not changed.

Mr. President, the current plan is clearly inadequate and if we let it stand it could precipitate a crisis of disastrous proportions in school districts where large numbers of refugees choose to resettle. In the Nation as a whole, it is estimated that it will take almost $1,600 per year per refugee pupil to provide an adequate education. Adopting the 100-student minimum, this would mean that a school district would have to spend over $160,000 for refugee student education before it even became eligible for Federal aid which would then only amount to one-fifth of the cost of educating those children. I am certain I do not have to explain what a shortfall of the magnitude of $160,000 would mean to the average school district in this country struggling to make ends meet.

The Federal Government simply cannot turn its back on State and local governments in their efforts to aid refugees. From the beginning I have supported efforts to ease the absorption of Vietnamese and Cambodians into this society.

But I continue to believe that this is essentially a Federal problem. Mr. President, I do not intend to sit idly by and watch as the Federal Government shifts a burden for which it is primarily responsible onto hard-pressed State and local school systems. If this Nation does, in fact, have a responsibility for these emigres—and I believe we do—then it is incumbent that we propose a workable program which recognizes the essentially national character of the problem and which minimizes the adverse economic impact on State and local governments.

Therefore, I am again joining my distinguished colleague Senator CRANSTON in introducing legislation to further amend the refugee assistance program. Under our bill, the Federal Government would fund 100 percent of the cost of refugee education in fiscal year 1976 and in the transition period 1977—for totals of $71 million and $18.25 million respectively. This authorization would decline to 50 percent or $36.25 million in fiscal 1977 as the refugees themselves become taxpaying citizens and the States become more able to finance the burden from their own revenues. Following fiscal year 1977 the program would be phased out. The total 2-year cost would be $125.5 million.

Under our measure, the grants to State and local education agencies would be based upon full funding for each refugee student between the ages of 5 and 17 inclusive at a rate commensurate with the per pupil cost of education in that State, declining according to the schedule above. The estimated authorizations are calculated from the average national per pupil cost of $1,260 per year plus the HEW estimate of $300 per year per pupil for special refugee education needs. The total number of refugee children between the ages of 5 and 17 inclusive was estimated as 45,000—also based upon HEW data.

I want to emphasize that this is not another open-ended impact aid program. This is a one-shot authorization designed to speed the assimilation of these refugees into our educational system while minimizing the dislocation to our local school systems. In my talks with local and State representatives I have been impressed with their willingness to do their fair share, to face a dilemma which could involve difficulties far beyond the mere financial cost of teaching the refugees and providing them with education facilities. But these officials are rightly concerned that the added financial burden will have a serious adverse impact on the education of all of these children—refugee and native alike—if funds to offset their increased costs are not forthcoming.

In conclusion, Mr. President, let us graciously accept these Vietnamese and Cambodians into our society. Let us do everything in our power to make them productive, concerned citizens. But let us also place the burden of these changes equitably on all Americans rather than on a few select local school systems. This is truly a national problem. Its solution must be no less national in scope.

I strongly urge my colleagues in the Senate to support this most important measure.

I ask unanimous consent that the tables submitted by Senator CRANSTON and myself in support of this measure, along with the text of the bill, and a summary, be printed in the RECORD immediately following our remarks.

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

S. 2145

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 "Indochina Refugee Children Assistance Act of 1975".

DEFINITIONS

SEC. 2. As used in this Act—

(1) The term "Commissioner" means the Commissioner of Education.

(2) The term "elementary school" means a day or residential school which provides elementary education, as determined under State law.

(3) The term "free public education" means education which is provided at public expense under public supervision and direction, and without tuition charge, and which is provided as elementary or secondary school education in the applicable State.

(4) The term "Indochinese refugee children" means children who are provided free public education by a local educational agency of the State and who are refugees within the meaning of the term as defined in section 3 of the Indochina Migration and Refugee Assistance Act of 1975.

(5) The term "average per pupil expenditure" for a State means the aggregate current expenditures during the second fiscal year preceding the fiscal year for which the determination is made (or if satisfactory data for that year are not available at the time of computation, then during the most recent preceding fiscal year for which satisfactory data are available, of all local educational agencies in the State) plus any direct current expenditures by the State for the operation of such agencies (without regard to the source of funds from which either of such expenditures is made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

(6) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(7) The term "secondary school" means a day or residential school which provides secondary education, as determined under State law.

(8) The term "State" includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(9) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

STATE ENTITLEMENTS FOR PUBLIC EDUCATION OF VIETNAMESE AND CAMBODIAN REFUGEE CHILDREN

SEC. 3. (a) The Commissioner shall in accordance with the provisions of this Act, make payments to State educational agencies for the fiscal year 1976 and for the succeeding fiscal year for the purposes set forth in section 4.

(b) (1) Except as provided in section 7, the maximum amount of the grant to which a State educational agency is entitled under this Act shall be equal to—

(A) the number of Indochinese refugee children aged 5 to 17, inclusive, who are in average daily attendance at the schools of the local educational agencies of that State and for whom any such agency provided free public education during the fiscal year for which the determination is made; multiplied by—

(B) the average per pupil expenditure for that State for the fiscal year for which the determination is made.

(2) For the purpose of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands and the Trust Territory of the Pacific Islands.

(c) (1) The jurisdictions to which this subsection applies are Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(2) Each jurisdiction to which this subsection applies shall be entitled to a grant for the purposes set forth in section 4 in an amount equal to an amount determined by the Commissioner in accordance with criteria established by him, except that the aggregate of the amount to which such jurisdictions are so entitled for any fiscal year shall not exceed an amount equal to one per centum of the aggregate of the amounts to which all States are entitled under subsection (b) of this section for that fiscal year. If the aggregate of the amounts, determined by the Commissioner pursuant to the preceding sentence, to be so needed for any fiscal year exceeds an amount equal to such one per centum limitation, the entitlement of each such jurisdiction shall be reduced proportionately until such aggregate does not exceed such one per centum limitation.

(d) Determinations with respect to the number of Indochinese refugee children by

the Commissioner under this section for any fiscal year shall be made, whenever actual satisfactory data are not available, on the basis of estimates. No such determination shall operate, because of an underestimate, to deprive any State educational agency of its entitlement to any payment, (or the amount thereof) under this section to which such agency would be entitled had such determination been made on the basis of accurate data.

USES OF FUNDS

SEC. 4. Payments made under this Act to any State may be used in accordance with applications approved under section 6 for educational programs, services, and activities for Indochinese refugee children in the schools of the local educational agencies of that State.

ALLOCATION OF APPROPRIATIONS

SEC. 5. (a) If the sums appropriated for any fiscal year for making the payments provided for in this Act are not sufficient to pay in full the total amounts which State educational agencies are entitled to receive under this Act for such year, the allocations to such State educational agencies shall be ratably reduced to the extent necessary to bring the aggregate of such allocations within the limits of the amount so appropriated.

(b) In the event that funds become available for making payments under this Act for any fiscal year after allocations have been made under subsection (a) for that year, the amounts reduced under subsection (a) shall be increased on the same basis as they were reduced.

APPLICATIONS

SEC. 6. (a) No State educational agency shall be entitled to any payment under this Act for any fiscal year unless that agency submits an application to the Commissioner at such time, in such manner, and containing or accompanied by such information, as the Commissioner may reasonably require. Each such application shall—

(1) provide that educational programs, services and activities for which payments under this Act are made will be administered by or under the supervision of the agency;

(2) provide that payments under this Act will be used for purposes set forth in section 4;

(3) provide assurances that such payments will be distributed among local educational agencies within that State in direct proportion to the number of Indochinese refugee children served by each such local educational agency, taking into consideration, to the extent feasible, the per pupil expenditure of each such agency;

(4) provide assurances that the State educational agency will not finally disapprove in whole or in part any application for funds received under this Act without first affording the local educational agency submitting an application for such funds reasonable notice and opportunity for a hearing; and

(5) provide for making periodic reports to the Commissioner evaluating the effectiveness of the payments made under this Act, and such other reports as the Commissioner may reasonably require to perform his functions under this Act.

(b) The Commissioner shall approve an application which meets the requirements of subsection (a). The Commissioner shall not finally disapprove an application of a State educational agency except after reasonable notice and opportunity for a hearing on the record to such agency.

SUPPLEMENTARY ASSISTANCE GRANTS

SEC. 7. (a) The Commissioner shall make a grant to any State educational agency which—

(1) has an application approved under section 6, and

(2) provides in the schools of the local educational agencies of that State for the unique educational needs of Indochinese refugee children who are aged 5 to 17, inclusive.

The amount of the payment for each fiscal year to which a State educational agency is entitled under this section shall be $300 for each such child in that State.

(b) Each State which—

(1) has an application approved under section 6, and

(2) desires to receive a payment under this section shall make an application to the Commissioner at such time, in such manner, and containing or accompanied by such information, as the Commissioner may reasonably require.

(c)(1) The Commissioner shall pay to each State having an application approved under subsection (b) of this section the amount to which the State educational agency is entitled under this section for use for the payment of excess costs incurred by local educational agencies of educational programs, services, and activities—

(A) which are designed to meet the unique educational needs of Indochinese refugee children who are aged 5 to 17 inclusive, and

(B) which the State educational agency determines are of sufficient size and scope as to give reasonable promise of substantial progress toward meeting such needs.

(2) For the purpose of this subsection, "educational programs, services, and activities" may include language training, bilingual education, and tutorial assistance.

(d) In addition to the sums necessary to pay entitlements under section 3, there are authorized to be appropriated $14,000,000 for fiscal year 1976, $3,750,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $7,250,000 for the fiscal year 1977.

PAYMENTS

SEC. 8. (a) The Commissioner shall pay to each State educational agency having an application approved under section 6 the amount which that State is entitled to receive under this Act.

(b) The Commissioner is authorized to pay to each State educational agency amounts equal to the amounts expended by it for the proper and efficient administration of its functions under this Act, except that the total of such payments for any fiscal year shall not exceed one per centum of the amounts to which that State educational agency is entitled to receive for that year under this Act.

WITHHOLDING

SEC. 9. Whenever the Commissioner after reasonable notice and opportunity for a hearing to any State educational agency, finds that there is a failure to meet the requirements of this Act, the Commissioner shall notify that agency that further payments will not be made to the agency under this Act, or in his discretion, that the State educational agency shall not make further payments under this Act to specified local educational agencies (whose actions cause or are involved in such failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, no further payment shall be made to the State educational agency under this Act or payments by the State educational agency under this Act shall be limited to local educational agencies whose actions did not cause or were not involved in the failure, as the case may be.

AUTHORIZATION OF APPROPRIATIONS

SEC. 10. There are authorized to be appropriated to make payments to which State educational agencies are entitled under this Act such sums, not to exceed $57,000,000 in fiscal year 1976, $14,500,000 for the period beginning January 1, 1976, and ending September 30, 1976, and $29,000,000 for fiscal year 1977.

SUMMARY—INDOCHINA REFUGEE CHILDREN ASSISTANCE ACT OF 1975

PURPOSE

To provide short-term federal financial assistance to states in order to assist local educational agencies in providing public education for Vietnamese and Cambodian refugee children.

RATIONALE

The federal government has a clear responsibility to furnish short-term, immediate financial relief to state and local education agencies who have financial burdens imposed upon them by the Southeast Asian refugee children who must be educated under our compulsory education laws. This should be provided only until such time as the refugees, as taxpayers, are capable of assuming their fair share of the costs of public education. For this reason, this program will conclude at the end of fiscal year 1977.

AUTHORIZATIONS

Fiscal year 1976, $71 million; 3-month interim period for fiscal year transition in 1976, $18.25 million; FY 1977, $36.25 million; Total authorization, $125.5 million.

DESCRIPTION OF PROGRAM

For this current fiscal year, the federal government would pay the average cost of providing the regular education program for each refugee child ($1260)* plus $300 per child to repay, in part, the excess costs of bilingual education, tutorial assistance and similar requirements. Funds would be allocated to the states based on the state average per-pupil expenditure, and the states would allocate them to local school districts based on the districts average per-pupil expenditures. The basic grants would be allocated on the basis of a simple count of eligible children; the excess cost grants would be distributed by the states on a per-pupil basis, or on the basis of applications specifying how local schools would meet the special educational needs of refugee children.

In FY 1977, 50% of the first year amount is authorized, and in FY 197T, 25% of the first year's amount is authorized.

STATE PARTICIPATION

States would gather and report to the Commissioner of Education figures on numbers of eligible children, and would establish arrangements for distribution of funds and necessary monitoring of the programs. Each state education agency could reserve up to 1% of its total grants for costs of state administration.

NUMBER OF VIETNAMESE/CAMBODIANS RESETTLED BY STATE—STATISTICS FURNISHED BY HEW-PUBLIC HEALTH, ATLANTA

Total: Since Day 1, 6/27.

Alabama	135
Alaska	35
Arizona	359
Arkansas	95
California	8304
Connecticut	147
Colorado	271
Delaware	25
District of Columbia	1217
Florida	990
Georgia	337
Hawaii	1141
Idaho	59
Illinois	554
Indiana	258
Iowa	105
Kansas	189
Kentucky	117
Louisiana	135

* The National Center for Educational Statistics, U.S. Department of Health, Education and Welfare, estimates that the national average per-pupil expenditure for the 1975–76 school year will be $1258.

Maine	52	North Carolina	316	Virginia	1673
Maryland	924	North Dakota	35	Washington	653
Massachusetts	463	Ohio	517	West Virginia	76
Michigan	317	Oklahoma	403	Wisconsin	240
Minnesota	174	Oregon	209	Wyoming	17
Mississippi	52	Pennsylvania	573	U.S. TERRITORIES AND POSSESSIONS	
Missouri	212	Rhode Island	31	Guam	10
Montana	24	South Carolina	170	Puerto Rico	4
Nebraska	67	South Dakota	19	Virgin Islands	10
Nevada	135	Tennessee	173		
New Hampshire	15	Texas	1274		
New Jersey	446	Utah	293		
New York	1616	Vermont	61		

The above figures are out of a total of 38,484 refugees released into the United States. The total number of refugees eligible for resettlement is approximately 130,000.

DEMOGRAPHIC DATA

Age	Male	Percent	Female	Percent	Total	Percent	Age	Male	Percent	Female	Percent	Total	Percent
0 to 5	9,243	7.9	8,424	7.2	17,667	15.1	45 to 62	5,134	4.4	4,450	3.8	9,884	8.2
6 to 11	9,828	8.4	8,775	7.5	18,603	15.9	63 and over	1,053	.9	1,521	1.3	2,570	2.2
12 to 17	9,360	8.0	8,190	7.0	17,550	15.0							
18 to 24	9,945	8.5	9,009	7.7	18,954	16.2	Total	61,074	52.2	55,926	47.8	117,106	100.0
25 to 44	16,511	14.1	15,665	13.3	32,176	27.4							

By Mr. HELMS:

S. 2146. A bill to amend title IX of the Education Amendments of 1972, and to preserve academic freedom. Referred to the Committee on Labor and Public Welfare.

Mr. HELMS. Mr. President, I am today introducing the Equal Educational Opportunity Amendments of 1975. This bill amends several sections of title IX of the Education Amendments of 1972 relating to nondiscrimination on the basis of sex in education programs and activities receiving Federal financial assistance.

BACKGROUND

In 1972, Congress enacted legislation for the purpose of insuring that members of both sexes are afforded an equal educational opportunity. Of course, I believe that every Member of the Senate favors that goal. However, in the House of Representatives, that legislation was made a part of the education amendments of that year in the full Education and Labor Committee, rather than the subcommittee, and it was not a product of adequate public hearings. In the Senate, that legislation was made a part of those amendments on the Senate floor, completely circumventing the committee and hearings process. Therefore, no adequate record of the legislative intent of title IX exists. Senators, Representatives, and bureaucrats alike must view and construe this legislation in a virtual vacuum.

That act provided that the Department of Health, Education, and Welfare should develop regulations implementing the law—title IX of the Education Amendments of 1972. On June 4, 1975, HEW published in the Federal Register its final regulations purporting to implement title IX. Those regulations are far in excess of the goal of insuring an equal educational opportunity for members of both sexes, and they go far beyond the intent of Congress as expressed in that legislation.

THE LAW

The primary active clause of title IX—the 1972 law—codified as 20 U.S.C. § 1681, et seq., provides as follows:

No person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance . . .

The meaning of this statutory language is clear. And, there being no significant legislative history, HEW has no license to expend its meaning beyond the natural and general connotations of the provision.

This clause, in its elemental divisions, may be viewed as follows:

(1) No person
(2) in the United States,
(3) shall, on the basis of sex
(4) be excluded from participation in, be denied the benefits of, or be subjected to discrimination under
(5) any education program or activity
(6) receiving Federal financial assistance.

Of course, it is a fundamental legal principle that all of the above elements must be present before a violation of the statute occurs.

HEW REGULATIONS

The regulations published by HEW, which purport to implement this law, are broad and sweeping in nature. Indeed, they bear little resemblance to title IX at all. Through overbroad interpretation inconsistent with the congressional enactment, HEW has extended the meaning of the term "education" to embrace programs, activities, and services which are not actually part of the educational curriculum, such as athletics, student housing, medical care, et cetera.

Additionally, HEW has effectively rewritten the law which pertains to education programs and activities "receiving Federal financial assistance." Under the HEW regulations, they cover such programs and activities "receiving or benefiting from Federal financial assistance." There are several problems with that "or benefiting from," but foremost is the fact that Congress did not say it. HEW said it.

These two gross excesses on the part of unelected bureaucrats, standing alone, are very significant. First, under the HEW use of the term "education," it applies very broadly to almost anything even remotely associated with a school or college. Second, by the insertion of the phrase "or benefiting from" in connection with Federal financial assistance, HEW brings within the coverage of its regulations activities which do not receive Federal financial assistance in any reasonable sense of the concept. Thus, the Department has made vague that which was precise, and with the nebulous legal environment that it has intentionally created, the Department now has the latitude to arbitrarily dictate "law" that will affect every schoolchild and student in America. And, this vast power is vested in a relatively small group of unelected bureaucrats who are not answerable to the people.

Of course, the list of HEW excesses goes on. But, the aforementioned concepts are fundamental to and underlie the problem. The practical manifestations of this distortion of the congressional enactment will, if allowed to stand, radically alter the structure, and eventually, the substance of all education throughout America. Such an alteration, effected by a small group of unelected individuals, will be forced upon countless thousands who do not want the brand of restrictive, debilitating so-called "equality" that limits freedom and inhibits traditional values.

A few examples of the application of the HEW regulations as they are transformed from the ivory tower of the HEW draftsmen to the real world of solid citizens attempting, often at great sacrifice, to provide an education and a better life for their children, illustrate the point. The regulations cover athletics and require generally that an educational institution "* * * which operates or sponsors interscholastic, intercollegiate, club, or intramural athletics shall provide equal athletic opportunity for members of both sexes." In determining whether equal opportunities are available, the Director of the HEW Office of Civil Rights will consider, among other factors—there follows a list of 10 items ranging from "whether the selection of sports and levels of competition effectively accommodate the interests and abilities of members of both sexes, to the scheduling of games and practices time," to "the provision of medical and training facilities and services," as well as "publicity." Of course, no one knows what the "other factors," that the Director of the Office of Civil Rights will consider, are. While unequal aggregate expenditures for athletics for members of each sex will not constitute per se noncompliance with the regulations, HEW will consider this as evidence bearing on the question of athletic opportunity. Therefore, it will

obviously become very relevant notwithstanding any HEW implications to the contrary.

Other examples are equally as illustrative of the bureaucratic excesses. With regard to student housing, educational institutions are not permitted to require women students to be in their dormitory by a certain hour at night unless the same rule applies to the men students. Mixed classes of boys and girls are required in every course of instruction except sex education and that portion of physical education programs involving body contact sports. The exception allowing separate sex education classes for boys and girls is available only on the elementary and secondary school level. Therefore, HEW requires that such classes on the college level be taught in mixed groups. This Senator would not presume to state whether such classes should be taught in mixed or separate groups on the college level. He does, however, believe that such a decision should be left to local college officials and the teachers.

Additionally, HEW prohibits educational institutions from establishing any policies relative to the marital status as well as the actual or potential parental status of any student. The regulations specifically provide that an educational institution "* * * shall not discriminate against any student, or exclude any student from its education program or activity, including class or extracurricular activity, on the basis of such student's pregnancy, childbirth, false pregnancy, termination of pregnancy or recovery therefrom, unless the student requests voluntarily to participate in a separate portion of the program or activity of the recipient—educational institution."

Of course, there can be no doubt that "termination of pregnancy" means abortion. Remembering that the regulations prohibit any distinction based upon marital status, the pregnancy and abortion provision applies to married and unmarried students. Thus, at every level of education, a school is required by HEW to allow unwed, pregnant students to continue to remain in class, unless the student asks to participate in the educational curriculum separately. Then, apparently, the school must provide separate classes for pregnant students.

Since the HEW regulations apply to teachers, as well as students, the same disregard for marriage and the same treatment of pregnancy and abortion is mandated by HEW for teachers also. Now, I have no wish to seem "holier than thou," or to deliver any sermons, but I do believe that the example of an unwed, pregnant schoolteacher is something less than what the vast majority of American parents want for their children's educational experience.

Additionally, HEW requires that in providing a medical, hospital, accident or life insurance, policy or plan to any of its students, a school shall not discriminate on the basis of sex. It has been suggested that this provision requires such benefits and services to cover student's pregnancy or abortion. The regulations specifically mention with favor a school's providing "family planning services" to students. Of course, that means providing such service to married or unmarried students. One wonders if the HEW draftsmen actually envision a school providing single students with family planning services at the taxpayers' expense. It would appear so.

While it was the obvious intent of the 1972 law—title IX—that it apply to those seeking an educational opportunity, the HEW regulations cover the employees of educational institutions, and elaborate, complex regulations have been developed regarding them. If for no other reason, the inclusion of employees of an educational institution within the regulations is inappropriate, because there is another agency of the Federal Government which has already been assigned that jurisdiction and authority.

Section 703 of the Civil Rights Act of 1964 as amended by the Equal Employment Opportunity Act of 1972 specifically provides that—

(I)t shall be an unlawful employment practice for an employer to fail or refuse to hire or to discharge any individual, or otherwise to discriminate against any individual with respect to his compensation, terms, conditions, or privileges of employment, because of such individual's . . . sex . . .

Section 705 of that act created the Equal Employment Opportunity Commission and section 706 empowered the Commission to prevent any person from engaging in any * * * "unlawful employment practice as set forth in section 703. * * * "

Clearly, the Equal Employment Opportunity Commission, not HEW, is the proper agency of the Federal Government to consider questions of possible discrimination on the basis of sex in employment. And, of course, its power and authority governs educational institutions as well as other employers. On April 5, 1972, the Commission published in the Federal Register regulations, or guidelines relative to discrimination because of sex. Those regulations are, of course, currently in effect.

In the light of the authority, jurisdiction, and work of the Equal Employment Opportunity Commission, it is suggested that the better reasoned view is that Congress did not intend title IX to be extended to cover employees of educational institutions. Rather, it is submitted that Congress intended the Equal Employment Opportunity Act of 1972, which was enacted in the same year as title IX to cover such matters. Frankly, it defies commonsense to conclude otherwise. Further, simple principles of good management and economy in Government require that competition among Federal agencies, at the taxpayers' expense, which has such a duplicative effect not be permitted.

Mr. President, the list of problems with the HEW regulations goes on. They require affirmative action programs to remedy the effects of so-called past discrimination, and thereby mandate inverse discrimination. They require, in effect, quotas, more burdensome redtape, expensive paper work, and the like.

On June 5, 1975, I submitted Senate Concurrent Resolution 46 to disapprove the HEW regulations. On July 8, 1975, I placed in the CONGRESSIONAL RECORD a copy of my memorandum in support of Senate Concurrent Resolution 46, which had previously been submitted to the chairman of the Senate Subcommittee on Education. The review period for the HEW regulations to which that resolution was addressed expires today. However, the bill that I am today introducing is addressed to the same concerns expressed in that memorandum, and the memorandum may be viewed as being equally supportive of this bill.

As Senators are aware, the Senate Committee on Labor and Public Welfare, to which Senate Concurrent Resolution 46 was very properly referred, met in executive session after conducting no public hearings and decided not to report the resolution to the full Senate. Of course, I was disappointed that this matter affecting every school child in America was not even presented for the consideration of the Senate. I do, however, understand that the distinguished Senator from New York (Mr. JAVITS), without agreeing to the resolution, did attempt to have it reported so that the full Senate could exercise its prerogatives. And, I certainly appreciate the Senator's consideration.

BILL

The bill that I am introducing addresses the concerns that I have expressed today as well as those contained in my memorandum in support of that resolution. The bill provides that title IX shall apply only to education programs and activities which directly receive Federal financial assistance and that such "education programs and activities" shall mean only those programs and activities which are an integral part of the required curriculum of an educational institution. Thus intercollegiate athletics and the like would be excluded from the coverage of title IX.

Additionally, HEW will be precluded from making any regulations pertaining to the actual or potential marital or parental status of any applicant or student, and mixed classes of members of both sexes will not be required but will be optional in the discretion of local school officials and teachers. Of course, the coverage of employees of an educational institution is left to the Equal Employment Opportunity Commission, not HEW.

Affirmative action programs, quotas and other such acts of inverse discrimination are prohibited. With regard to admissions and classifications within an institution, schools, and colleges are permitted to use tests, standards, and other criteria which are reasonably related to a proper educational purpose.

Thus, a more real equal educational opportunity will be insured to members of both sexes, and this goal will be achieved without unnecessarily restricting the freedom of anyone.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was

ordered to be printed in the RECORD, as follows:

S. 2146

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 "Equal Educational Opportunity Amendments of 1975".

SEC. 2. Title IX of the Education Amendments of 1972, relating to nondiscrimination on the basis of sex, is amended to read as follows:

(1) Subsections (b) and (c) of section 901 are redesignated as subsections (c) and (d), respectively, and the following new subsection is inserted immediately after subsection (a):

"(b) (1) Notwithstanding any other provisions of law, this section shall apply only to education programs and activities which directly receive financial assistance from the Federal Government. For purposes of this paragraph, 'education programs and activities' means only programs and activities which are an integral part of the required curriculum of an educational institution subject to this title.

"(2) Nothing in this section shall apply to any employees of any educational institution subject to this title.

"(3) Nothing in this section shall authorize any department or agency of the Federal Government to prepare, publish, or enforce, with respect to any educational institution or the programs or activities of any such institution, any regulations, rules, or orders relating to—

"(A) athletics, the participation in which is not a required part of the educational curriculum of such institution, or

"(B) the actual potential marital or parental status of any applicant or student at any such institution."

(2) Insert "(a)" after the section designation of section 902 and insert at the end of such section the following new subsection:

"(b) Regulations issued to carry out the provisions of this title shall be modified to conform with the provisions of the Equal Educational Opportunity Amendments of 1975. Such modified regulations shall be published in the Federal Register for public comment and shall become effective only upon the approval of the President. Any such modified regulations shall be subject to the provisions of section 431(d) of the General Education Provisions Act."

(3) (A) Insert "(a)" after the section designation of section 905 and add at the end of such section the following new subsections:

"(b) Notwithstanding anything to the contrary contained in this title, nothing contained herein shall be construed as to require the offering of any classes, courses of instruction, or other programs or activities in mixed groups of both sexes.

"(c) In the construction of the provisions of this title, general principles of statutory construction shall apply, and such provisions shall not be construed as remedial legislation. No department or agency of the Federal Government enforcing this title shall require any affirmative action program, nor shall any such department or agency require the imposition of any quotas.

"(d) (1) Notwithstanding anything to the contrary contained in this title, nothing contained herein shall be construed as prohibiting the adoption of any test, standard, or other criterion by any educational institution, or any administratively separate unit thereof, respecting admission to such institution, or administratively separate unit, or any education program or activity, or for classifications within such institution, unit, program, or activity: *Provided,* That such test, standard, or other criterion is reasonably related to a proper educational purpose. Upon a showing by an appropriate official of such institution, or administratively separate unit, that any such test, standard, or other criterion is generally accepted as being appropriate for a particular use, such use shall be presumed to be for a proper educational purpose and such test, standard, or other criterion shall be presumed to be reasonably related to such purpose.

"(2) In any proceeding pursuant to section 903, upon a showing of general acceptance as provided in paragraph (1) of this subsection the burden of proving that any such test, standard, or other criterion is not used for a proper educational purpose, or that such test, standard, or other criterion is not reasonably related to such educational purpose shall be upon the department or agency of the Federal Government seeking to enforce the provisions of this title. No such test, standard, or other criterion shall be held invalid without clear, cogent, and convincing evidence that such test, standard, or other criterion is not used for a proper educational purpose, or that they are not reasonably related to the educational purpose for which such test, standard, or other criterion is used."

(B) The heading of section 905 is amended to read as follows:

"EFFECT ON OTHER LAWS; CONSTRUCTION OF THIS TITLE".

By Mr. HOLLINGS:

S. 2147. A bill to amend the Communications Act of 1934 to provide that licenses for the operation of broadcasting stations may be issued and renewed for terms of 5 years, and for other purposes. Referred to the Committee on Commerce.

Mr. HOLLINGS. Mr. President, since coming to the Senate in 1966, I have been an author and supporter of legislation to improve the quality of broadcasting, so that the public will receive the best possible service with the minimum of bureaucracy. The bill which I am introducing today lays out certain criteria to be met for the renewal of broadcasting licenses, standards which a station must meet to qualify for renewal. These provisions are identical to those contained in H.R. 12993, as reported by the Senate Commerce Committee, and as passed by the Senate last year. This bill however, never went to conference because the House never appointed conferees.

The standards assure that a station applying for renewal has ascertained the problems, needs, and interests of residents within a station's service area and substantially met those needs with its program service during the preceding license term. Further, the station's operation must not have been characterized by serious deficiencies, which would include compliance with applicable laws and operating procedures.

It is my belief that when broadcasters are better informed of what standards they must meet in order to retain their licenses, they will then be better able to serve the public. By knowing what qualifications a station must maintain, it can plan its programing more effectively and therefore gain the stability to plan and operate efficiently. Further, once it has done its best and has met the criteria set forth, the station should have a reasonable assurance that its license will be renewed. Accordingly, the legislation provides that once the Commission finds compliance with the standards, a presumption in favor of renewal shall be established.

To give broadcasting stations an opportunity for greater efficiency, thereby insuring the public its best interests are being properly safeguarded, I have included in the bill a provision to lengthen the general license term from 3 to 5 years. The added 2 years will allow a station to better plan its programing, giving it a better opportunity to exercise its responsibility to meet the problems, needs, and interests of residents in its service area. This extension of time will in no way affect the FCC's power to suspend or revoke a license. Stations will continue to be subject to FCC rules and policies along with any new laws or rules established by Congress. Such laws, rules, or policies might specifically involve the areas of equal employment opportunity, political broadcasting, technical standards, or the fairness doctrine.

This extension provision was defeated during consideration of the bill last year, but I have always advocated this longer term, as a way of reducing the bureaucratic burdens on both the station and the Commission. Both sides are now spending too much time on the procedural aspects of renewal and too little on the quality of service. A longer license term, coupled with the strong performance standards of this bill, will substantially reduce the procedural burdens, while effectively and efficiently protecting and upgrading service.

Passage of this bill is definitely in the public interest, assuring higher quality broadcasting, and I urge its adoption. I ask unanimous consent that the bill be printed in the RECORD.

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

S. 2147

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 "Broadcast License Renewal Act."

TERM OF LICENSES

SEC. 2. Section 307(d) of the Communications Act of 1934 is amended by striking the first two sentences and inserting in lieu thereof the following: "No license granted for the operation of any class of station shall be for a longer term than five years and any license granted may be revoked as hereinafter provided. Upon the expiration of any license, upon application therefor, a renewal of such license may be granted from time to time for a term of not to exceed five years if the Commission finds that public interest, convenience, and necessity would be served thereby.".

CONSIDERATION OF PUBLIC PROBLEMS, NEEDS, AND INTERESTS

SEC. 3. (a) Section 309 of the Communications Act of 1934 is amended by adding at the end thereof the following new subsection:

"(i) The Commission shall by rule establish procedures to be followed by licensees of broadcasting stations to ascertain throughout the terms of their licenses the problems, needs, and interests of the residents of their service areas for purposes of their program service. Such rules may prescribe different procedures for different categories of broadcasting stations.".

(b) Section 309(a) of such Act is amended by adding at the end thereof the following:

"In determining if the public interest, convenience, and necessity would be served by the renewal of a broadcast license, the Commission shall consider (1) whether the licensee, during the preceding term of its license, followed applicable procedures prescribed by the Commission under section 309(i) for the ascertainment of the problems, needs, and interests of the residents of its service area, (2) whether the licensee in its program service during the preceding license term has substantially met those problems, needs, and interests, and (3) whether the operation of the station has not otherwise been characterized by serious deficiencies. If the Commission determines that the licensee has satisfied the requirements of clauses (1), (2), and (3), a presumption shall be established that the public interest, convenience, and necessity would be served by such renewal. The Commission shall give expeditious treatment to proceedings involving an application for renewal of a broadcasting license and shall provide that any hearing shall be structured so as to proceed as expeditiously as possible.".

STUDY OF REGULATION OF BROADCASTERS: ACTION ON FEDERAL COMMUNICATIONS COMMISSION DOCKET

SEC. 4. The Federal Communications Commission shall conduct a study to determine how it might expedite the elimination of those regulations of broadcast licensees required by the Communications Act of 1934 which do not serve the public interest and shall make annual reports of the results of such study (including any recommendations for legislation) to the Committee on Commerce of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives. The Commission shall include in its first annual report under this section its conclusions with respect to the differences among broadcast licensees on which are or may be based differentiation in their regulation under such Act.

By Mr. HARTKE:

S. 2148. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the New River, Va., as a component of the National Wild and Scenic Rivers System. Referred to the Committee on Interior and Insular Affairs.

Mr. HARTKE. Mr. President, in June 1962, the Appalachian Power Co. filed documents with the Federal Power Commission to build two dams on the New River in Virginia as part of the Appalachian Power Co.'s proposed Blue Ridge hydroelectric powerplant. Not until June of 1974 did the Federal Power Commission issue a license for the project with a delayed effective date of January 2, 1975.

The matter is not yet decided definitively and in light of the profound consequences that this decision will have on many people who live along the river, it appears to me that we should take a stand and resolve this question once and for all.

Fundamentally, we have two possible choices. On one hand, we can choose to give the go-ahead on the hydroelectric plant; or, on the other hand, we can rule the New River part of the National Scenic Rivers System. Based upon the evidence available, I am staunchly opposed to the construction of the plant and am today introducing legislation to preserve the New River by including it in the Scenic Rivers System.

The novelty of the New River is unquestioned. It is the oldest river in the United States and only the Nile is older than it. The New River is a remnant of the old preglacial Teays River, the largest river on the North American Continent. It is now a segment of the great Mississippi River system, flowing northwestward from North Carolina through Virginia into West Virginia. Most of its course is through forested and farming country with little industrial development.

The roots of the people in the area go back to before the Revolution. The New River is the only rapid river than can be canoed year round. The New's scenic value is attested to by the fact that it is eligible to be placed in the State and National Scenic Rivers System under a State management plan. If the river were placed within this System, the people of the area could continue leading productive lives undisturbed by an unnecessary project whose objectives can be realized in a more efficient manner.

If the proposed dams are constructed, the ensuing lakes would physically cover 43,009 acres and make inaccessible many more acres. These lands presently produce in excess of $13,520,000 in crop and livestock sales. But the impact of this project would cost more than this amount in terms of the area's economy. If we assume that 80 percent of the crop and livestock income is spent locally by the farmers, we can say that this land contributes $67.6 million to the total local income. Needless to say, a circumstance such as this could destroy not only the scenic value of the area but also the life styles of some 500 farming families as well as many local merchants.

The Appalachian Power Co. is advocating this project because it claims it is the most inexpensive of their powerplant alternatives. It would, once constructed at a cost of $276,711,000—September 1968 prices—require an annual input of $33,967,000. Its next least expensive method of power storage, the construction of coal-fixed steam generators, would have an annual cost of $37,112,000. This means that the APC would be saving $3,145,000 annually by constructing the Blue Ridge plant. Initially, this might seem like a significant sum but now let us look into the great costs of the Blue Ridge plant.

The APC claims that the coal-fixed steam generators would harm the air quality more than the Blue Ridge project would harm the area in question. This is not true. The coal used could be of proper proportions of sulfur and fly ash so as to minimize any possible damage to the atmosphere. Going one step further, the latest technological advances in emission control could be employed at the coal plants. The Environmental Protection Agency has argued that it would be less polluting for APC to build a new coal-fixed facility rather than pumping energy into the Blue Ridge dams.

Speaking quantitatively about energy, the APC wants to build this dam to alleviate the peaking problems that they have experienced. I believe that this problem can be solved by increasing prices of electricity during the peak hours, thus lowering the amounts of electricity used as a matter of convenience, rather than need. In fact, even the APC plans to reduce by one-half their utilization of the facility during the first 20 years of service as shown below:

Estimated project output in megawatt-hours

Year:	
1975	4,100,000
1995	1,800,000

One major advantage of placing new advanced technology coal fixed plants in the system, rather than pumped-storage facility, is that the new coal plants could be used in conjunction with peak load pricing. If the pricing scheme were successful in reducing the spread between peak and offpeak loads, then the coal-fixed units that were being used to meet peak loads could also be used in meeting a more even pattern of demand. A pumped-storage system, like Blue Ridge, could be used only to meet peak loads.

The APC claims that the recreational benefits of the lakes formed would offset any harm done to the status quo. Their figures for determining the income from recreation in the area are arbitrarily chosen and based upon falacious reasoning.

Mr. President, this is ample evidence that the construction of the powerplant would destroy the New River socially, economically, and environmentally. The facts clearly indicate that whatever benefit may be derived by the proposed plant would be completely outweighed by the tragic loss to the nation of this magnificent river. The Audubon Society, the National Wildlife Federation, and the Environmental Protection Agency have all indicated that they would support legislation to place the New River in the National Wild and Scenic Rivers System.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

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

S. 2148

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(a) of the Wild and Scenic Rivers Act, as amended (16 U.S.C. 1274(a)), is amended by adding at the end thereof the following:

"(11) New River, Virginia.—The segment located in the southern part of the Commonwealth of Virginia, to be administered by the Secretary of the Interior: *Provided,* That the Secretary of the Interior shall take such action as is provided for under subsection (b) of this section within the twelve month period following the date of the enactment of this paragraph: *Provided further,* That for the purposes of such segment, there are authorized to be appropriated such sums as may be necessary for the acquisition of lands and interests in lands and for development.".

By Mr. NELSON (for himself, Mr. BENTSEN, Mr. BROCK, Mr. DOLE, Mr. HUMPHREY, Mr. KENNEDY, Mr. MONDALE, Mr. NUNN, Mr. PELL, and Mr. WEICKER):

S. 2149. A bill to amend the Internal Revenue Code of 1954, and the Tax Reduction Act of 1974, to make permanent certain changes made by such act in the Internal Revenue Code which affect

small businesses. Referred to the Committee on Finance.

Mr. NELSON. Mr. President, on behalf of myself, Senator BENTSEN, Senator BROCK, Senator MONDALE, Senator KENNEDY, Senator WEICKER, Senator NUNN, Senator HUMPHREY, Senator DOLE, and Senator PELL, I introduce for appropriate reference a bill to continue in effect the three principal small business tax provisions contained in the emergency Tax Reduction Act of 1975:

First. The tax rate for corporations earning less than $25,000 would remain at 20 percent.

Second. The corporate surtax would continue to take effect at the $50,000 level; and

Third. A total of $100,000 worth of used equipment would be eligible for any future investment credit.

There is a compelling need for such a bill as this because the two small business tax rate provisions for small- and medium-sized corporations are scheduled to expire at the end of 1975; and the third measure on eligibility of used equipment for the investment credit will remain in effect only until the end of 1976. Our bill would maintain the current provisions until enactment by the Congress of general tax reform legislation which treats the business tax area in an overall manner.

STATUS OF TAX REFORM PROCEEDINGS

The Ways and Means Committee of the House is currently engaged in general hearings on tax reform. Phase I of these proceedings should be concluded about July 31. The time at which the tax reform legislation will reach final enactment, and the effective dates of the various provisions, are, of course, unknown at this time. But, there is a substantial possibility that this law will not reach the statute books by the expiration dates of the small business provisions which I have described.

These provisions were enacted by Congress to give small- and medium-sized independent businesses—which occupy a strategic position in the economy accounting for more than one-half of the private employment—an opportunity to boost the economy out of the recession.

Unemployment rates are presently about 9 percent, and there are gloomy predictions that it may remain between 8 and 9 percent for a year. The gross national product has declined 7.7 percent in the last five quarters. Since smaller businesses traditionally respond faster to changing economic conditions, they are most likely to be among the first to hire, or rehire, some of the 8.1 million unemployed—3½ million of whom have been laid off or joined the labor force within the past year. Traditionally, small enterprise is also in the vanguard of invention and new industry, which can provide expanding jobs for the future.

UNCERTAINTY WILL INHIBIT SMALL BUSINESS ACTIVITY

However, the plans of these millions of companies will be paralyzed by uncertainty if they face the prospect that taxes may increase substantially next year by reverting to pre-1975 levels.

The House of Representatives, which has the constitutional primacy in tax affairs, is now deliberating the great issues of tax reform. Later, they will be debated in the Senate, by the Finance Committee on which I am privileged to serve.

In the meantime, the Senate Small Business Committee, has entered into an indepth study of the structure of business taxes jointly with the Subcommittee on Financial Markets of the Senate Finance Committee under the chairmanship of the Senator from Texas (Mr. BENTSEN). We are attempting to shed some light on the highly complex and important questions of the relationship of taxes to employment, investment, productivity, and economic growth. We intend to deliver a preliminary report of our 3 days of June hearings to the Ways and Means Committee before the end of July, and we already are committed to holding these 3 additional days of hearings in September while our research goes forward on many fronts.

BILL WILL PERMIT DECISIONS AND ACTION TO COUNTER RECESSION

However, while this process is taking place, it is highly desirable for a stable tax situation to prevail for small- and medium-sized firms from this year to the next.

We are, therefore, introducing this measure with wide bipartisan cosponsorship and with the belief that early action by the House and Senate on such a measure will enable the small business community also to go ahead and take action to put people on the payroll, buy equipment, and advertise their products and services. In our view, this chain of events will have a very early and positive effect on employment and investment, and thus speed permanent and noninflationary economic recovery.

I ask unanimous consent that the bill be printed in the RECORD for the information of all concerned.

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

S. 2149

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 301(c)(2) of the Tax Reduction Act of 1975 (relating to effective date for increase from $50,000 to $100,000 of dollar limitation on used property) is amended by striking out ", and before January 1, 1977".

(b) Section 11(b) of the Internal Revenue Code of 1954 (relating to normal corporate tax rate) is amended—

(1) by striking out "or after December 31, 1975," in paragraph (1), and

(2) by striking out "and before January 1, 1976," in paragraph (2).

(c) Section 305(b)(1) of the Tex Reduction Act of 1975 (relating to expiration of increase in the surtax exemption) is amended by striking out the last sentence.

By Mr. RANDOLPH (for himself and Mr. GARY W. HART):

S. 2150. A bill to amend the Solid Waste Disposal Act to authorize State program and implementation grants, to provide incentives for the recovery of resources from solid wastes, to control the disposal of hazardous wastes, and for other purposes. Referred to the Committee on Public Works.

Mr. RANDOLPH. Mr. President, for many months the attention of the people of our Nation has been focused on our economic problems. Recession has brought about hardships for individual citizens and for our national institutions. We in the Congress have responded with legislation to ease the impact of the recession and to stimulate our lagging economy. While we have concentrated on the recession, many other urgent national problems remain to be solved. Among the foremost of these problems are the critical issues relating to solid waste management.

For more than a dozen years Members of our Committee on Public Works have been developing laws to protect the environment and to halt past abuses. Laws we wrote are being implemented with positive results in cutting down air and water pollution.

We must give the same attention to solid waste that we have to other pollutants. At a time when there seem to be general shortages, we should exert every effort to recover and reuse the millions of tons of valuable materials we once discarded.

Accordingly, I introduce the Solid Waste Utilization Act of 1975. I am joined in bringing these issues before the Senate by the able Senator from Colorado (Mr. HART), the chairman of our Panel on Materials Policy since the beginning of the 94th Congress. It was this panel which conducted extensive hearings last year on solid waste issues, hearings which are the basis for the legislation we introduce today.

This bill addresses a wide range of solid waste issues, and we bring it to the Senate so that these issues may be more fully explored and resolved. The Subcommittee on Environmental Pollution began marking up solid waste legislation last fall. We had hoped to continue this work early in 1975, but urgent matters intervened making it necessary to postpone consideration of this subject.

The bill introduced today is essentially the staff working paper developed this spring and has been available for comment since April 2. It incorporates decisions reached by the Committee last fall and includes language changes based on comments on the original draft, as well as reflecting some of the more recent comments. Senator HART and I do not consider the language of this bill to contain the final answers to the many and complex solid waste questions. Rather, we introduce it to raise these questions so that the Committee may develop and report its responses to the Senate. The inclusion of other relevant material in the final version is not precluded by the introduction of this bill.

To expedite this effort, it is our intention that this legislation be considered in conjunction with amendments to the Clean Air Act on which the Subcommittee on Environmental Pollution has already begun meeting.

The bill makes significant changes to broaden the scope of Federal activities in this field, facilitate the introduction

of resource recovery programs, and regulate disposal of hazardous wastes.

Solid waste management is essentially a local matter, and the problem mayors and city council members identify as the most serious one facing these cities. The bill authorizes grants to States and local governments to assist in the development and administration of solid waste programs. Based on favorable results from other programs, it is important to approach resource recovery on a regional basis. Solid waste management, like most other environmental activities, cannot realistically be confined by political boundaries. Our bill, therefore emphasizes the organization and operation of areawide solid waste management planning and programs.

All open dumping of solid waste would be prohibited under the provisions of this measure. In addition, smaller communities would be assisted in developing new approaches to solid waste disposal as a result of the ban on open dumping and air and water pollution control regulations.

Funds are authorized by the bill to assist in the preconstruction development and planning of solid waste management and recycling programs. This includes implementation grants to help public bodies with marketing assistance for recovered materials, technical assistance, the funding of relevant studies, and other assistance necessary to allow communities to develop solid waste management or resource recovery systems.

Resource recovery systems in many cases will require substantial capital outlays. The bill provides Federal loan guarantees so that local agencies can secure the funds they need for this purpose. Similar guarantees would also be available for facilities which utilize recovered resources from resource recovery systems. In addition, the bill provides grant and loan assistance for such utilization facilities, on the theory that the most valuable action or investment in resource recovery will be stimulation of markets for renewal resources.

The particular problems and needs of rural communities in conducting solid waste programs are recognized in the bill by the provision of special financial assistance.

If we are to be successful in stimulating the recovery and reuse of waste resources, the Federal Government must set an example. Our proposed legislation requires the Federal Government in its procurement practices to give preference to materials and energy made with recovered resources.

Strict controls over the handling and disposal of hazardous wastes also are essential and are included in the legislation. The bill bans the disposal of harmful quantities of hazardous wastes and provides for the issuance of permits for the handling or disposal of hazardous wastes in any amount.

These are the elements generally believed necessary to a realistic and workable solid waste bill.

The completion of this legislation and its enactment into law will give the Federal Government strong, progressive programs in all environmental areas.

Mr. President, our society generates 4.4 billion tons of solid waste annually. The principal sources are animal wastes, 1.7 billion tons; and agricultural wastes, 640 million tons. Industrial sources account for 140 million tons. Urban wastes amount to 230 million tons annually.

By the year 2000 the United States will have to cope with 12 billion tons annually if current unstructured materials policies are continued. To avoid an escalation of the current unsatisfactory situation, we must institute a comprehensive national materials policy which closes the present cycle of resource extraction, use, and discard to include reuse as a fundamental premise. We must eliminate the word "waste" from our vocabulary and substitute the word "conservation."

The need to change our habits is underlined by the fact that we may be unable to sustain our society unless we extend the conservation ethic to raw materials. We are committed to clean air and clean water. We must be equally committed to clean cities and clean countrysides and the repeated reuse of nonrenewable resources that are becoming more and more precious.

Solid wastes exemplify our wholesale depletion of renewable as well as nonrenewable resources. In 1971, packaging consumed 5 percent of U.S. industrial energy to generate over 40 million tons of solid waste that was thrown away at substantial public expense.

It is estimated that our nations will have to spend $500 billion or $600 billion in the next decade to achieve energy self-sufficiency. This entails a $5 billion or $6 billion expenditure for each percent increase in energy supply. Yet an investment of only $5 billion for energy recovery from municipal solid waste streams will produce an increase of 2.5 percent in the national energy supply. This is two and one half times more cost effective than developing new conventional energy sources.

It has been estimated that the United States in the next few years could face a minerals crisis, one even worse than the energy crisis. As the world's most prodigious consumer of materials, we must now turn to recycled materials to supply our industrial machines.

Significant achievements toward materials conservation are possible through programs which encourage the reduction in unnecessary use of materials, the reuse and repairability of products, and the extension of product lifetime.

We are in the early stages of the recycling era, however. We do not yet have enough practical experience on which to determine whether source reduction, such as the banning of non-returnable containers, is in the national interest.

In a sense, solid waste management was our first generation effort.

The second generation—recycling—has yet to be tested. This is so, even though the foundation for this approach was established in the 1970 Resource Recovery Act.

The third generation may be product design to improve the potential for materials reuse. We have yet to consider the wider range of options beyond ban-the-can proposals, choices such as modification or redesign of products to enhance their potential for recycling.

America has grown rich with use-and-discard attitudes made possible by what we thought was an inexhaustible supply of resources. Reality is now forcing us to adopt conservation attitudes and to develop the potential for reusing many materials formerly considered waste.

Mr. President, this bill is a basic proposal on which we intend to build a comprehensive solid waste program. I anticipate its early consideration by the Committee on Public Works so that it can be brought to the Senate in the near future.

By Mr. BENTSEN:

S. 2151. A bill to amend chapter 44, title 18, United States Code, to prohibit possession of a handgun by certain persons, and for other purposes. Referred to the Committee on the Judiciary.

CRIMINAL OFFENDER HANDGUN AMENDMENTS

Mr. BENTSEN. Mr. President, I am introducing legislation to amend chapter IV, section 922 of title 18, United States Code, the Omnibus Crime Control and Safe Streets Act, to make it an offense for anyone who has been indicted for or convicted of an offense involving the use of a firearm and punishable by imprisonment for a term of 1 year or more to receive or possess a handgun. The purpose of my amendment is to see to it that guns are taken out of the hands of felons without disturbing the right of honest citizens to possess or own a gun.

For in fact, Mr. President, today handguns have become more than merely an instrument of sport or self-protection for the average gun owner, they have become a tool of the trade for the average criminal as well. The great difficulty confronting the Congress has been to devise a scheme that will curtail the criminal elements who have turned the gun into an instrument of terror for their victims without infringing at the same time on the activities of those who use guns for the sport and security purposes that we all find acceptable.

My approach to this problem is twofold. First, stiff mandatory sentences for repeat offenders who use guns in the commission of crime should be imposed.

Second, a prohibition that will make the possession of a gun itself by a convicted or indicted felon whose crime involved the use of a firearm a punishable offense. Obviously, there are categories of offenders whose crimes would not require that they be barred for life from possessing a handgun and the Omnibus Crime Control and Safe Streets Act already provides a mechanism for their relief. The Secretary of the Treasury through the auspices of the Bureau of Alcohol, Tobacco, and Firearms is permitted to remove the disability of any convicted felon whose crime did not involve the use of a firearm.

My amendment would give enforcement authorities an extremely effective means of denying guns to those who are most apt to use them for crime. The test established by my amendment would be simple, if a convicted or indicted felon

who used a gun in his crime is found in possession of a gun he is guilty of a Federal offense and is subject to a mandatory 1-year sentence. This may be viewed by some as a hard approach but I believe that the chronic problem of crime in this country calls for such an approach.

No citizen is unaffected, no community is unscarred by the growth of crime in this country. It is estimated that crime had had an economic impact of nearly $90 billion for calendar year 1974 and that crime is on the increase in nearly every urban, suburban, and rural area in the country.

Violent crime has had a dramatic incease in the last 14 years—the rate of robberies is up 125 percent, forcible rape 143 percent, aggravated assaults up 153 percent, and murder a chilling 106 percent. These violent crimes increasingly involve the use of a gun and these criminals must be controlled.

It is further apparent that an increasing percentage of crimes are being committed by a relatively fewer number of career criminals and that a disturbingly large number of crimes are being committed by those who are out on bail for an earlier offsense.

Enforcement authorities must be given effective tools to deal with these habitual offenders and the amendment I propose will give them the help they need. In the hands of many indictees or convicts a gun is a threat of further crime and the authorities should be allowed to deal with that threat before, not after, another offense is committed.

It is my understanding that Federal authorities made significant progress in dealing with habitual criminals under similar provisions in section 1202 of the Omnibus Crime Act before that section was effectively invalidated by a 1971 Supreme Court decision—*United States* v. *Bass*, 404 U.S. 336—which read the statute narrowly and required that a direct relationship with interstate commerce had to be shown before conviction for possession of a gun by a felon could be sustained.

I believe my bill clearly shows that it is the express intention of Congress to regulate the possession of firearms and to do so by removing them from the hands of those who burden this country with their criminal conduct.

I hope that this proposal will receive a speedy congressional consideration and the active support of my colleagues.

By Mr. JAVITS (for himself and Mr. PERCY):

S. 2152. A bill to promote more effective management of certain law enforcement functions of the executive branch by transferring functions of the Secretary of the Treasury under the Gun Control Act of 1968 to the Attorney General, by consolidating certain law enforcement functions under that act in a Firearms Safety and Abuse Control Administration, in the Department of Justice, and for other purposes. Referred to the Committee on Government Operations.

S. 2153. A bill to amend the Intergovernmental Cooperation Act to prevent lawless and irresponsible use of handguns in selected areas with high crime rates, and for other purposes. Referred to the Committee on the Judiciary.

INTERGOVERNMENTAL LAW ENFORCEMENT COOPERATION AND REORGANIZATION ACT OF 1975 AND INTERGOVERNMENTAL HANDGUN CONTROL ACT

Mr. JAVITS. Mr. President, during my more than 25 years in Congress, I have been deeply concerned about the senseless stimulus to crime and violence directly attributable to our failure to act on the issue of handgun control.

That failure to act has been due in large part to an extraordinarily intense lobbying effort by the National Rifle Association, which in turn has created in Congress a distorted and totally inaccurate impression of American public opinion on this question. The Gallop poll published across the Nation earlier this month reported that 67 percent favor registration of firearms, and even 55 percent of gunowners favor such controls.

Since the 1968 Gun Control Act was passed—a law riddled with loopholes—we have not had a strong, meaningful gun control bill reported to the Senate floor—and I do not regard the passage of the 1972 Saturday night special bill as strong or meaningful.

It was with this in mind that I and other Members sought to develop a new comprehensive approach to gun control which would require also some departmental reorganization in order to give the Senate Government Operations Committee an opportunity to work in parallel with the Senate Judiciary Committee to develop a new legislative approach to gun control.

Accordingly, I am today breaking the proposal into two separate bills, one of which contains the reorganization and some intergovernmental aspects of the proposal, and the second contains amendments to the Intergovernmental Cooperation Act to strengthen and in some instances to initiate new controls on the sale and interstate shipment, and transportation of handguns.

Before getting into the details of the bills which I introduce on behalf of myself and Senator PERCY, the ranking minority member of the Government Operations Committee, I shall discuss in this statement as one comprehensive proposal, I should like to express my views on the problem of the "Saturday night special."

The much publicized "Saturday night special" bill which passed the Senate in 1972 would not reduce significantly the high level of handgun violence. That bill merely prohibits the future sale of certain handguns of extremely short barrel length by licensed dealers, manufacturers, and importers. It would not prevent anyone who presently owns a "Saturday night special" from owning or even selling it, and by its definition would exclude a large number of handguns not suitable for sporting purposes.

And even if it did effectively prohibit "Saturday night specials" that alone would not be enough because the Smith & Wesson would begin to replace the cheap import, and victims would encounter longer barreled guns instead of a 2- or 4-inch barrel.

The 1972 "Saturday night special" approach would have given us only the illusion of gun control, not its reality. While I have supported and cosponsored legislation to ban the manufacture of "Saturday night specials" with a barrel of 10 inches or less, that is only one step we must take to get this problem under control.

Congress and the media have been deeply concerned with the "Saturday night special," but statistics indicate that we must have a broader range of concerns. The office of the mayor of the city of New York has reported in a study entitled, "The Case of Federal Firearms Control," which I have already placed in the RECORD:

> In a 15-day period beginning Saturday, June 2, 1972, seven police officers were assaulted with handguns. . . . Three of the officers were killed, all with handguns. None of the handguns has yet been identified as a "Saturday night special."

The same study, in its chapter on "Suggested Federal Firearms Control Legislation," emphasized:

> . . . the experience in New York and elsewhere indicates that while these cheap handguns (Saturday night specials) are an important aspect of the handgun abuse problem faced by law-abiding citizens and police officers, eliminating them will not come close to fully eliminating the problem. Recent surveys conducted by the New York City Police Department of guns seized from arrested perpetrators determined that less than 30 per cent of the firearms seized were "Saturday Night Specials". Similarly, a survey of all handguns seized in the first six months of 1973 in the City's highest crime precinct found that even in this poverty neighborhood, approximately half of the classifiable handguns used by alleged perpetrators were high quality, expensive weapons.

The police departments of nine large cities around the country have reported that .22 or .25 caliber pistols—which account for most "Saturday night specials"—were responsible for only 43 percent of the handgun murders in those cities. Costlier and better crafted handguns, which would not be affected by the 1972 "Saturday night special" bill produced a majority of the homicides.

Measures geared solely to the "Saturday night special," in short, will not save a majority of the lives snuffed out by handguns. Moreover, in some ways Saturday Night Special legislation might be counter-productive. Robert Sherrill, in his book on the gun problem in the United States, was extremely suspicious of these proposals:

> . . . as a matter of fact, there is no proof that the Special is more a threat to society than a gun of superior quality . . . so why pick on the Special? Apparently those who do the most aggressive picking . . . are motivated by the fact that the cheapest Saturday night special increasingly became, after World War II, an irritating competition to the major gun manufacturers. . . . They (the makers of the specials) were taking trade away from the elite gun manufacturers, who, naturally, went to Congress to have the hole in their pocket sewed up.

The problem broadly stated is that existing controls on the manufacture, sale, possession, and use of handguns are inadequate, misunderstood, and ineffective. Strong enforcement of the 1968 act

itself is extremely difficult because of the inherent weaknesses in the law. I believe that this Nation's experience shows that gun control laws can work and that stringent control laws reduce homicides. We must therefore begin by strengthening the 1968 act in light of its demonstrated failure to control the distribution of handguns.

I am keenly aware of the strong feelings held by many in this body that some of the options proposed for the Federal control of handguns over the years may be simply unacceptable.

Licensing of owners, registration of handguns, outright national banning of all handguns, prohibiting sales, transfers or possession of handguns, and prohibitive tax provisions are among the alternatives which have long been debated here.

While I have long supported—and continue to believe—that a national system of Federal licensing and registration of handguns is the most reasonable way to get at this problem, I have set this approach aside in an effort to find a new proposal designed to get all who have a positive interest in some remedial action to look at it with a fresh perspective.

It is with this purpose in mind that Senator PERCY and I have cooperated to develop the Intergovernmental Law Enforcement Cooperation and Reorganization Act of 1975, which I have divided into two bills and now send to the desk for appropriate reference.

Following consultation with State and local law enforcement and other governmental officials, it has been determined that current law imposes disabilities of a most severe nature upon intergovernmental efforts to control illicit handgun traffic by Federal, State, and local agencies. The U.S. Conference of Mayors, bar associations, law enforcement officers, organized labor, and many other groups at the local level believe that an intergovernmental relations problem of substantial proportions exists as a result. Getting more effective controls is a complex task which will involve initiatives at all levels preceded by a much more thorough understanding of the problem.

On the Federal level alone there must be a greatly strengthened and more consolidated effort in handgun trafficking enforcement, and more Federal-State-city cooperative enforcement activities to reduce the dimensions of the problem. Examining and proposing solutions to large-scale intergovernmental problems has always been a main concern of the Government Operations Committee.

Representatives of several cities and States have said that while their jurisdictions have independently enacted handgun control laws—with some success in curbing gun deaths—they are nearly impossible to enforce because of the lack of intergovernmental cooperation and regional uniformity.

Only eight States require licenses for buying handguns. They are Hawaii, Illinois, Massachusetts, Michigan, Missouri, New Jersey, New York, and North Carolina, and most of these do not require licenses to own handguns. In only 29 States must a permit be obtained to carry a handgun.

Other laws prohibit gun sales to those "under the heat of passion"—Texas—or outlaw the carrying of guns for those who have the "intent" of assaulting someone—Minnestota and Vermont. Some States enforce a "cooling-off" period between the buying and delivery of the gun.

New York City has the strongest gun law in the land. An applicant for a handgun must show a legitimate need for it, his background is thoroughly investigated and he must be photographed and fingerprinted. There is a waiting period of several weeks between the request for the issuance and the license.

Philadelphia enacted a stringent law in 1965 which requires a permit for the purchase and transfer of all firearms and all applicants must have their fingerprints and photographs taken. San Francisco and Miami Beach require the registration of firearms of all kinds. Toledo enacted a law in 1968 which requires everyone who wants to buy a handgun to have a special ID that is not given out to certain undesirables. Statistics confirm that State and local laws have somewhat controlled homicide and accident rates. New York City has the second lowest murder rate of America's 10 largest cities.

But, unquestionably the worst problem confronting States and municipal laws is the easy access to out-of-State or area guns. By far, the majority of out-of-State guns coming into a strict State are illegally bought or stolen, and often illegally owned. Five hundred thousand guns are stolen every year, many going to organized criminals, and yet there are no national theft prevention and security standards imposed upon manufacturers, dealers, importers, and shippers of handguns.

Second, law enforcement agencies at the State and local level have stated that they now have no intergovernmental system for developing regional and national statistics on handguns which have been used in the commission of crimes, and that tracing such weapons is now extremely difficult, if not impossible.

Third, in the 42 States where no license is required to purchase a handgun, the only restriction on buying handguns is a provision in the Federal Gun Control Act of 1968 which requires that the purchaser fill out a form giving him name and declaring that he is not a minor, and has no history of alcoholism, mental disorder, or felony conviction. But this requirement is almost worthless since it mandates no verification—such as a police check—to substantiate the purchaser's identity and his assertions.

In addition, anyone under age or with a criminal record can easily buy or accept a gun from a nondealer. The Federal law does not prevent private individuals from transferring their own guns at will within their own States, and does not specify what credentials the receiver must have.

Specifically, our proposals seeks to improve Federal, State, and local law enforcement capabilities in this field by:

First, transferring all functions relating to the enforcement of the 1968 act and now vested in the Secretary of the Treasury to the Attorney General. They would be exercised by a new Firearms Safety and Abuse Control Administration which would have expanded handgun information gathering authority;

Second, requiring verification of personal identification information required to be submitted by a prospective purchaser prior to delivery or shipment of any firearm;

Third, covering sale and resale of firearms between private persons who are not dealers, manufacturers, and collectors as regards verification of eligibility;

Fourth, requiring the development and enforcement by the Attorney General of national theft prevention and security standards which would apply to all licensed dealers, manufacturers, importers, collectors, and common carriers;

Fifth, banning the sale or delivery to any one person of multiple handguns in excess of one in any 1 calendar year except to police and other governmental units; and developing adequate licensing standards to assure that Federal licenses to manufacture, import, or deal in firearms will be issued only to responsible persons legitimately engaged in such business.

Sixth, authorizing joint Federal-local task forces for handgun trafficking control;

Seventh, banning with proper exceptions the possession, sale, use, or importation of handguns in public or private in any standard metropolitan statistical area—SMSA—where the violent crime rate is 20 percent above the national average, or where it is 10 percent above the national rate and 5 percent above the prior year's local rate;

Eighth, banning the domestic manufacture, sale, transportation, or possession of Saturday night specials—barrel length up to 10 inches; and

Ninth, authorizing the Advisory Commission on Intergovernmental Relations to undertake a study of the effectiveness of the 1968 Gun Control Act, particularly with respect to strengthening the Federal licensing system.

Mr. President, one of the long term, major obstacles to the enactment of Federal gun control legislation has been the lack of an approach which would be tailored to areas or regions of the country where the abuse of handguns as reflected in violent crime rates is greatest. Traditional political opposition to such a selective gun control approach should be substantially reduced.

Recently, Attorney Gen. Edward H. Levi suggested such a system of triggered Federal controls. His proposal, which is not yet reduced to legislation would ban the possession of handguns in public—not private—in any standard metropolitan statistical area where the violent crime rate reaches a certain level above the national average.

The principal criticism of the Attorney General's suggestion, and a general disadvantage of a regional approach is one which has plagued attempts at localized gun control. It does not limit handguns in the uncontrolled surrounding areas from which the weapons may continue to flow. The criminal use of handguns is a national problem which exists to some

degree or another in every city and suburban area in the country. The programs that propose to deal with the problem on the local level or in isolated situations must if they are to have any real effect, confront and overcome the basic fact of handgun mobility.

First, our proposal—which amends the Intergovernmental Cooperation Act—adopts the basic Levi idea of banning possession of handguns in urban areas where the violent crime rate is 20 percent above the national, 10 percent above the previous year's local average. We then address the second side of the problem—illegal gunrunning into urban areas like New York City in violation of the 1968 act—by proposing several new laws as I have already indicated which are designed to develop the wherewithal for intergovernmental law enforcement authorities to do their job.

The standard metropolitan statistical area is established in our bill as the geographic areas for potential handgun control. Its ready availability and its use by the FBI in compiling violent crime statistics make it a useful classification. Of more importance is the fact that these areas all include a core city of 50,000 or more and therefore fall into the urban category. Moreover, they have been precisely defined in terms of their political boundaries, and the statistical bases developed for these areas provided a way to estimate the impact of the program proposed.

Under our proposal, once triggered, the controls would remain in force for a minimum period of 5 years, and would not be removed until the Attorney General published a finding based upon positive evidence that the high rates of crime have come down to the national or local levels, or that the pattern of illegal gun violations—for example, interstate gunrunning—had ceased. For 60 days following the triggering on of controls persons delivering handguns to depository agencies would be paid the market value of their weapons, although this could involve a considerable expense. Handguns could be surrendered voluntarily at any time thereafter without penalty.

I know that this is a complex, and in some respects perhaps an impractical approach to this problem, but I believe that it must be given the most careful consideration in Congress.

Mr. President, another major purpose of the bill is to ban the domestic output of cheap hand-held firearms known as Saturday night specials. As I have stated, the handgun's role in crime is disproportionate to its number in comparison with long guns, in the commission of homicide, aggravated assault, and armed robbery.

In an effort to further pinpoint ways in which we might improve Federal, State, and local capacity to deal with illicit handgun traffic, our proposal would authorize the Advisory Commission on Intergovernmental Relations to undertake a comprehensive study of the 1968 act, focusing on the adequacy of the Federal licensing system.

Mr. President, there are no simple solutions to the crime problem, no panaceas. The causes of crime and violence in our society are rooted in complex and stubborn forces which will not easily yield, except to comprehensive reform of our criminal justice system, but there are partial solutions—even though they might not be complete. There are actions which we can take to provide better protection for our shop keepers, our cab drivers, our police officers, and all of our people.

Protecting the lives, the property, and the rights of its citizens is the first purpose of government. The level and quality of public safety afforded by our governments is not adequate to our needs. It must be made so.

One action we must now undertake is to control the deadly interstate traffic in firearms.

Mr. President, I ask unanimous consent that the text of both bills be printed in the RECORD, together with a statement prepared by Senator PERCY.

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

STATEMENT OF SENATOR PERCY

Crime is something which affects all of us in the most direct fashion, as victims of either violence or intimidation and fear of violence. The sad fact of life is that we are often afraid to venture out on many of the streets of our cities at night, afraid to carry large amounts of money on our persons, afraid to leave our doors unlocked and our property unguarded, afraid of crime, and particularly crimes of violence.

Statistics demonstrate clearly that the handgun is a favorite tool among practitioners of street crime. Easy to carry, easy to conceal, and so effective, the handgun in the hands of a skillful criminal places the victim in a helpless situation. In the hands of a less-than-skillful criminal, the dangers are yet higher. Accidental shootings by youthful first offenders are as much a real cause of injury and death as the premeditated executions of the professional criminal.

I am pleased to join with my distinguished colleague from New York, Senator Javits, in introducing important legislation in the area of handgun control.

To assure that the greatest expertise and consideration will be accorded this legislation, two separate bills we are introducing, one relating to changes in the substantive criminal law, the other creating and strengthening governmental structures to deal with the substantive problem.

This first bill creates a means for keeping the handgun away from the proven criminal, the minor, and the mentally unstable. In those localities where crimes of violence have reached an unacceptable level, a general prohibition against possession of the handgun will take effect. Set off by a statistical triggering device, this method would assure that the greatest controls are brought to bear in those areas where crime is the most intense. Localities where crime is less of a problem will remain unaffected by the more stringent remedies of the legislation.

The second bill enhances the effectiveness of existing and new legislation in this area of handgun control by creating a unified governmental structure to deal with the problem under the aegis of the nation's chief law enforcement agency, the Department of Justice. Such an approach would allow for concentrated effort and policy making at the Federal level. The bill also creates an independent Advisory Commission which will draw from expertise at the Federal, state and local levels in exploring new and better methods for the control of the unlawful use of firearms.

While there are certainly legitimate purposes for the possession of a handgun which this legislation recognizes, the need for effective crime control is certainly the highest priority for the Congress at this juncture. The legislation Senator Javits is introducing today will make a strong contribution to effective yet fair control of the handgun, and, as a result, of street crime itself.

S. 2152

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 "Intergovernmental Law Enforcement Cooperation and Reorganization Act of 1975".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) the effectiveness of cooperative intergovernmental efforts to control illicit handgun traffic by Federal, State and local governmental agencies are hindered by a lack of coordination among each level of government and the failure to develop and share necessary statistical and criminal intelligence information;

(2) Federal, State and local governmental agencies have found it difficult to mobilize existing law enforcement resources to mount more effective efforts to control the illegal traffic in and use of handguns; and

(3) the increasing rate of illegal activities involving the use of handguns constitutes a threat to national public safety, health, and welfare and requires a more strengthened and consolidated effort at the Federal level.

(4) since the enactment of Public Law 90–351 there continues to be widespread traffic in handguns moving in or otherwise affecting commerce, and that existing Federal procedures and organizational structures do not adequately enable the States to control illicit handgun traffic within each State;

(5) annual sales of handguns in the United States have continued to rise since 1968, despite the provisions of the Gun Control Act of 1968;

(6) handguns continue to play a major role, and a role disproportionate to their number in comparison with long guns, in the commission of homicide, aggravated assault, armed robbery, and other crimes of violence;

(b) It is the purpose of this Act to provide (1) a new organizational structure for improved performance, coordination, and evaluation of firearms control functions at the Federal level, and (2) more effective coordination between Federal, State and local governmental agencies in an effort to assist States and localities in improving interstate and local regulation of illicit handgun traffic.

DEFINITIONS

SEC. 3. As used in this Act

(1) "Department" means the Department of Justice;

(2) "function" includes power and duty;

(3) "handgun" means any weapon designed or redesigned to be fired while held in one hand having a barrel less than 10 inches in length and designed or redesigned or made or remade to use the energy of an explosive to expel a projectile or projectiles through a smooth or rifled bore;

(4) "licensed dealer" means any dealer, and "licensed importer" means any importer, and "licensed manufacturer" means any manufacturer licensed under the provisions of the United States Code;

(5) "possess" means asserting ownership or having custody and control not subject to termination by another or after a fixed period of time.

(6) "sell" means give, bequeath, or otherwise transfer ownership or possession.

TITLE I—GUN CONTROL TRANSFERS

TRANSFER OF FUNCTIONS

SEC. 101 (a) There are transferred to the Attorney General, and the Attorney General

shall perform, all functions of the Secretary of the Treasury under the Gun Control Act of 1968.

(b) Within 180 days after the effective date of this section, the President may transfer to the Department any function of any other agency or office, or part of any agency or office, in the executive branch of the United States Government if the President determines that such function relates primarily to functions transferred to the Department by this section.

(c) Any reference in such Act to the "Secretary of the Treasury" is amended to read "the Attorney General".

ESTABLISHMENT OF THE FIREARMS SAFETY AND ABUSE CONTROL ADMINISTRATION

SEC. 102. (a) There is established within the Department the Firearms Safety and Abuse Control Administration. The Administration shall be headed by an Administrator appointed by the President, by and with the advice and consent of the Senate. The Administrator shall be under the supervision and direction of the Attorney General.

(b) The functions of the Attorney General under this Act shall be administered through the Administration.

ANNUAL REPORT

SEC. 103. (a) The Attorney General shall prepare and transmit to the Congress as part of the annual report of the Department of Justice a report on the activities of the Administration.

(b) Each such report shall include a description of the effective use of the resources of the Federal, State, and local law enforcement agencies in controlling illicit handgun traffic, the extent of intergovernmental cooperation in controlling such traffic, a detailed summary of the activities of the Administration, an assessment and evaluation of specific program of Federal, State, and local law enforcement agencies to reduce illicit handgun traffic, a description of the nature, extent, and effect of Federal, State and local law enforcement agency intelligence operations relating to illicit handgun traffic, and such recommendations, including recommendations for additional legislation, as the Attorney General deems appropriate.

TRANSFER OF OFFICES AND PERSONNEL

SEC. 104. (a) All personnel, liabilities, contracts, property, and records as are determined by the Director of the Office of Management and Budget to be employed, held, or used primarily in connection with any function transferred under the provisions of section 101, are transferred to the Attorney General.

(b) (1) Except as provided in paragraph (2) of this subsection, personnel engaged in functions transferred under this Act shall be transferred in accordance with applicable laws and regulations relating to transfer of functions.

(2) The transfer of personnel pursuant to subsection (a) shall be without reduction in classification or compensation for one year after such transfer.

SAVINGS PROVISIONS

SEC. 105. (a) All orders, determinations, rules, regulations, contracts, certificates, and privileges—

(1) which have been issued, made, granted, or allowed to become effective in the exercise of functions which are transferred under this title, by (A) any agency or office, or part thereof, any functions of which are transferred by this title, or (B) any court of competent jurisdiction, and

(2) which are in effect at the time this title takes effect,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Attorney General, by any court of competent jurisdiction, or by operation of law.

(b) The provisions of this title shall not affect any proceedings pending at the time this section takes effect before any agency or office, or part thereof, functions of which are transferred by this title; but such proceedings, to the extent that they relate to functions so transferred, shall be continued before the Department. Such proceedings, to the extent they do not relate to functions so transferred, shall be continued before the agency or office, or part thereof, before which they were pending at the time of such transfer. In either case orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this title had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or repealed by the Attorney General, by a court of competent jurisdiction, or by operation of law.

(c) (1) Except as provided in paragraph (2)—

(A) the provisions of this title shall not affect suits commenced prior to the date this section takes effect, and

(B) in all such suits proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this title had not been enacted.

No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any agency or office, or part thereof, functions of which are transferred by this title, shall abate by reason of the enactment of this title.

No cause of action by or against any agency or office, or part thereof, functions of which are transferred by this title, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this title. Causes of actions, suits, or other proceedings may be asserted by or against the United States or such official of the Department as may be appropriate and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(2) If before the date on which this title takes effect, any agency or office, or officer thereof in his official capacity, is a party to a suit, and under this title any function of such agency, office, or part thereof, or officer is transferred to the Attorney General, then such suit shall be continued by the Attorney General (except in the case of a suit not involving functions transferred to the Attorney General, in which case the suit shall be continued by the agency, office, or part thereof, or officer which was a party to the suit prior to the effective date of this title).

(d) With respect to any function transferred by this title and exercised after the effective date of this title, reference in any other Federal law to any agency, office, or part thereof, or officer so transferred or functions of which are so transferred shall be deemed to mean the Department or officer in which such function is vested pursuant to this title.

(e) Orders and actions of the Attorney General in the exercise of functions, transferred under this title shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the agency or office, or part thereof, exercising such functions, immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this title shall apply to the exercise of such function by the Attorney General.

(f) In the exercise of the functions transferred under this title, the Attorney General shall have the same authority as that vested in the agency or office, or part thereof, exercising such functions immediately preceding their transfer, and his actions in exercising such functions shall have the same force and effect as when exercised by such agency or office, or part thereof.

COMPENSATION OF ADMINISTRATOR

SEC. 106. Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(62) Administrator, Firearms Safety and Abuse Control Administration, Department of Justice.".

TITLE II—ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

STUDY OF EFFECTIVENESS OF PUBLIC LAW 90-351

SEC. 201. (a) The Act entitled "An Act to Establish an Advisory Commission on Intergovernmental Relations" approved September 24, 1959 (42 U.S.C. 4271 et. seq.) is amended by adding at the end thereof the following new section—

EVALUATION OF PUBLIC LAW 90-351

(a) The Commission in consultation with the U.S. Conference of Mayors and the National League of Cities, and representatives of federal, state and local law enforcement agencies shall investigate, analyze and report within 6 months of the enactment of the Act upon (1) intergovernmental problems involved in controlling illicit handgun traffic, and (2) effectiveness of Public Law 90-351, and particularly the requirements for licensing of manufacturers, importers and dealers.

S. 2153

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 "Intergovernmental Handgun Control Act."

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) the effectiveness of cooperative intergovernmental efforts to control illicit handgun traffic by Federal, State, and local governmental agencies are hindered by a lack of coordination among each level of government and the failure to develop and share necessary statistical and criminal intelligence information;

(2) Federal, State, and local governmental agencies have found it difficult to mobilize existing law enforcement resources to mount more effective efforts to control the illegal traffic in and use of handguns;

(3) the increasing rate of illegal activities involving the use of handguns constitutes a threat to national public safety, health, and welfare and requires a more strengthened and consolidated effort at the Federal level;

(4) since the enactment of Public Law 90-351 there continues to be widespread traffic in handguns moving in or otherwise affecting commerce, and that existing Federal procedures and organizational structures do not adequately enable the States to control illicit handgun traffic within each State;

(5) annual sales of handguns in the United States have continued to rise since 1968, despite the provisions of the Gun Control Act of 1968; and

(6) handguns continue to play a major role, and a role disproportionate to their number in comparison with long guns, in the commission of homicide, aggravated assault, armed robbery, and other crimes of violence;

(b) It is the purpose of this Act to provide (1) a new organizational structure for improved performance, coordination, and evaluation of firearms control functions at the Federal level, (2) more effective coordi-

nation between Federal, State, and local governmental agencies in an effort to assist States and localities in improving interstate and local regulation of illicit handgun traffic, (3) procedures for the prohibition of handguns in certain areas with high crime rates, without placing any undue Federal burden on law abiding citizens with respect to the use of firearms for sporting and other lawful purposes, and (4) for increase public safety by banning the manufacture, sale, importation, and possession of handguns not suitable for sporting or other lawful purposes.

TITLE I—INTERGOVERNMENTAL COOPERATION ACT AMENDMENTS

SEC. 101 (a). Title 42, United States Code, Chapter 52 is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER VI—TECHNICAL SERVICES FOR STATES AND LOCAL UNITS OF GOVERNMENT IN CONTROLLING ILLICIT HANDGUN TRAFFIC

"SEC 4245. National Handgun Statistics. (a) In order to provide for more effective, intergovernmental efforts in controlling illicit, interstate handgun traffic, the Attorney General is authorized and directed, subject to the provisions of 5 U.S.C. 552(a), "The Privacy Protection Act of 1974," to—

(1) establish and maintain a national handgun statistics office, which shall be responsible for identifying—

(A) the name, address, and social security or taxpayer identification number of any person in the United States possessing a handgun,

(B) the number, if any, of the handgun license required by the Sttae or locality of residence of the individual possessing a handgun,

(C) the name of the manufacture, the caliber or gauge, the model and type, and the serial number of each such handgun, and

(D) the importation, production, shipment, receipt, sale, or resale or any other disposition of any handgun

(2) establish procedures for the verification of the information collected under clause (1) of this subsection, and to analyze such information; and

(3) distribute, upon request, the Federal, State, and local law enforcement agencies information developed and maintained by the Office established by this subsection.

(b) notwithstanding any other provision of this Title, no information of any kind shall be collected, maintained, or disseminated concerning any shotgun, short barreled shotgun, rifle or short barreled rifle.

(c) In order to carry out the provisions of this section, each importer, manufacturer, dealer and collector

and each person who possesses a handgun on the effective date of this Act shall furnish to the Attorney General the information required by subsection (a) of this section in such form, at such time, and at such place, as the Attorney General may by regulation prescribed.

(d) In order to carry out the provisions of subsection (a) of this section each importer, manufacturer, dealer, collector and any person who and any federal, state, or local unit of government which owns or possesses a handgun after the effective date of this Act and—

(1) who has lost a handgun after such effective date, or

(2) who has had a handgun stolen after the effective date of this Act, shall report the loss or theft of the handgun to the Attorney General not later than 60 days after the discovery of the loss or theft, in such form, at such place, and containing such description of the circumstances of the loss or theft, as the Attorney General may by regulation prescribe.

"SEC. 4246. EXEMPTIONS; PENALTIES. (a) The provisions of section 4245 of this title shall not apply to any handgun or handgun ammunition suitable for use in a handgun sold or delivered to or possessed by the United States or any department or agency of the United States, or any State or any department or agency of a State, or any political subdivision of a State or any department or agency of a political subdivision of a State.

(b) Whoever fails to comply with the provisions of the subchapter or knowingly makes any false statement or representation with respect to any information required by the provisions of section 4245(a) or violates any provision of section 4245(b) or section 4245 (c) shall be fined not more than $5,000, or imprisoned not more than 5 years, or both.

"SEC. 4247. VERIFICATION OF DATA CONCERNING FIREARMS TRANSACTIONS.

(a) (1) It shall be unlawful for any licensed importer, licensed manufacturer, licensed dealer, or licensed collector to sell or otherwise dispose of any firearm or ammunition to any person (other than those exempted under section 4246 above and another licensed importer, manufacturer, dealer, or collector) until—

"(A) such importer, manufacturer, dealer, or collector has, prior to the shipment or delivery of the firearm, forwarded by registered or certified mail (return receipt requested) a card in such form as the Attorney General shall prescribe setting forth the name and address of the transferee and that the transferee—

"(i) is (is not) under indictment for, or has been (has not been) convicted in any court of a crime punishable by imprisonment for a term exceeding one year;

"(ii) is (is not) a fugitive from justice; to the Department of Justice, Washington, District of Columbia, and has received a return receipt evidencing delivery of the form by the Department; and

"(B) such importer, manufacturer, dealer, or collector has delayed shipment or delivery for a period of at least ten days after the receipt of the notification of the acceptance of the delivery of that form.

The Attorney General shall take whatever action is necessary promptly to process the forms to determine the relevant information with respect to the transferee named in the submitted form and return the form by the speediest means available to the appropriate importer, manufacturer, dealer, or collector. The contents of the form required under this paragraph shall not be divulged by any government official to any other person other than the appropriate importer, manufacturer, dealer, or collector and the appropriate law enforcement officials as prescribed pursuant to regulations prescribed by the Attorney General.

"(2) It shall be unlawful for any licensed imported, licensed manufacturer, licensed dealer, or licensed collector to sell or otherwise dispose of any firearm or ammunition to any person without first requiring the presentation of reasonable proof of such person's identity, and the fact that he or she is a bona fide resident of the state and of the standard metropolitan statistical area in which such sale or other disposition is to take place, and is over the age of 21 knowing or having reasonable cause to believe that such person—

"(A) is under indictment for, or has been convicted in any court of, a crime punishable by imprisonment for a term exceeding one year;

"(B) is a fugitive from justice;

"(C) is an abuser of any depressant or stimulant drug (as defined in section 201(v) of the Federal Food, Drug, and Cosmetic Act) or narcotic drug (as defined in section 4731 (a) of the Internal Revenue Code of 1954); or

"(D) has been adjudicated as a mental defective or has been committed to any mental institution.

"(3) This subsection shall not apply with respect to the sale or disposition of a firearm or ammunition to a licensed importer, licensed manufacturer, licensed dealer, or licensed collector who is not precluded from dealing in firearms or ammunition, or to a person who has been granted relief from disabilities pursuant to subsection (c) of such section of such chapter."

"(4) It shall be unlawful 120 days after the effective date of this Act for any licensed importer, manufacturer, dealer, or collector, or any other person to sell or otherwise dispose of a handgun or handgun ammunition to any resident of any standard metropolitan statistical area identified by the Attorney General pursuant to section 4253 of this title if he knows or has reasonable cause to know that such handgun or handgun ammunition will be transported into a standard metropolitan statistical area.

"SEC. 4248. REQUIREMENT UPON RESALE.

(a) It shall be unlawful for any licensed importer, licensed manufacturer, licensed dealer or licensed collector to sell or deliver any handgun or ammunition suitable for a handgun after the effective date of the Intergovernmental Law Enforcement Cooperations and Reorganization Act of 1975 unless such importer, manufacturer, dealer or collector has submitted to the Attorney General the information required by section 4245(a)(1)(A), (B), and (C) of such Act.

"(b) It shall be unlawful for any person to resell 60 days after the effective date of the Intergovernmental Law Enforcement Cooperation and Reorganization Act of 1975 any handgun unless such person has submitted to the Attorney General the information required by section 4245(a)(1) (A), (B), and (C) of such Act, and complied with the provisions of section 4250 of this Title.

"(2) It shall be unlawful for any importer, manufacturer, dealer, or collector to sell any handgun to any person except a licensed importer, manufacturer, dealer, or collector without first giving notice of the requirement of paragraph (b) of this subsection.

"(3) For the purpose of this subsection the term 'resell' means the sale, or offer for sale of any handgun after the first purchase of it in good faith for purposes other than resale, and includes any gift, devise, or other transfer of ownership of a handgun.

SEC. 4249. BAN ON SALE OF MULTIPLE HANDGUNS. It shall be unlawful for any person including an importer, manufacturer, dealer, or collector licensed under the provisions of federal law, to sell or deliver more than one handgun within one calendar year to any person except a licensed importer, manufacturer, dealer or collector or to persons and organizations exempt under section 4246 of this Subchapter.

"SEC. 4250. THEFT PREVENTION AND SECURITY STANDARDS REQUIRED.

(a) No application for a license to engage in business as a firearms or ammunition importer, manufacturer or dealer submitted pursuant to federal law shall be approved unless the applicant is in compliance with theft prevention and security standards prescribed under paragraph (b) of this section;

(b) The Attorney General shall within 90 days after the effective date of this Act prescribe standards for theft prevention and security requirements for importers, manufacturers, dealers, and common carriers who transfer handguns in interstate commerce who are licensed under the provisions of federal law. Such standards shall be promulgated in accordance with the provisions of chapter 5 of title 5, United States Code."

"SEC. 4251. AUTHORIZATION FOR JOINT FEDERAL-LOCAL TASK FORCES FOR HANDGUN TRAFFICKING CONTROL.

(a) The Attorney General is authorized to enter into agreements with states, cities, localities and other units of local government to establish temporary task forces comprised

of federal, state and local law enforcement personnel which shall—

(1) identify and trace handguns that have been transported interstate, illegally, and used in the commission of crimes, develop and exchange intelligence information regarding such illegal operations and assist in apprehending and prosecuting violators of the law; and

(2) collect, analyze and make available specific data on the amount, nature and flow of handguns in the interstate commerce.

(b) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

"SEC. 4251A. FEDERAL FIREARMS LICENSES STANDARDS REQUIRED.

(a) The Attorney General shall within 90 days after the effective date of this Act prescribe standards to assure that federal licenses to manufacture, import or deal in firearms will be issued only to persons determined to be responsible and legitimately engaged in the business for which the license is sought. Such standards shall be promulgated in accordance with the provisions of Chapter 5, United States Code.

SEC. 102. (a) Title 42, United States Code, Chapter 52, is amended further by adding at the end thereof the following new subchapter:

"SUBCHAPTER VII—EMERGENCY ASSISTANCE FOR CERTAIN LOCAL UNITS OF GOVERNMENT AND STANDARD METROPOLITAN STATISTICAL AREAS IN CONTROLLING ILLICIT HANDGUN TRAFFIC

"Sec.

"4252. Definitions.
"4253. Application.
"4254. Prohibition on possession of handguns.
"4255. Termination of applicability.
"4246. Exceptions.
"4247. Penalty.
"4248. Disposition of handguns; amnesty.
"4249. Rules and regulations; assistance to the Attorney General.

"SEC. 4252. DEFINITIONS

"As used in this chapter—

"(1) The term 'ammunition' means ammunition or cartridge cases, primers, bullets, or propellant powder designed for use in any handgun.

"(2) The term 'crime of violence' means any of the following crimes, or an attempt to commit any such crime: Murder, manslaughter, rape, mayhem, maliciously disfiguring another, abduction, kidnaping, burglary, robbery, housebreaking, larceny, any assault with intent to kill, commit or assault with intent to commit any offense punishable by imprisonment for a term exceeding one year.

"(3) The term 'handgun' means any weapon designed or redesigned to be fired while held in one hand; having a barrel less than ten inches in length and designed or redesigned or made or remade to use the energy or an explosive to expel a projectile or projectiles through smooth or rifled bore.

"(4) The term 'possess' means asserting ownership or having custody and control not subject to termination by another or after a fixed period of time.

"(5) The term 'standard metropolitan statistical area' means any areas as defined by the Director of the Office of Management and Budget having a city as one of its components with a populations of at least 50,000 residents.

"(6) The term 'sell' means give, bequeath, or otherwise transfer ownership.

SEC. 4253. APPLICATION

"(a) The provisions of this chapter shall apply to any political subdivision which is a component of a standard metropolitan statistical area with respect to which the Attorney General determines—

"(1) (A) the rate of crime for crimes of violence in that standard metropolitan statistical area is 120 percent of the rate of crime for crimes of violence for the United States, or

"(B) the rate of crime for crimes of violence in that standard metropolitan statistical area is 110 percent of the rate of crime for crimes of violence for the United States and is 105 percent of such rate for crimes of violence in that area for the year preceding the year for which the determination is made.

"(b) The provisions of this chapter shall also apply to any political subdivision which, within 90 days after the effective date of the Handgun Enforcement Reorganization Act of 1975 or within 60 days after the beginning of any calendar year beginning with the year after such date, notifies the Attorney General of the desire of such subdivision to be subject to the provisions of this chapter.

"(c) The Attorney General shall make the initial determination under subsection (a) of this section not later than 90 days after the effective date of this Act. Subsequent determinations for the applications of provisions of this chapter may be made not later than 60 days after the beginning of any calendar year beginning with the year after the year in which the initial determination was made. All determinations made under this section shall be based upon the most satisfactory recent data available to the Attorney General, and shall be published in the Federal Register.

"§ 4254. Prohibition against possession of handguns in high crime areas

"It shall be unlawful for any person, except as provided in section 4256 of this Act, 30 days after a determination has been made under section 932 of this chapter, who is a resident of any standard metropolitan statistical area subject to that determination to sell, deliver, possess, import, or to cause to be sold, delivered, possessed, or imported a handgun or ammunition suitable for use in a handgun.

"§ 4255. Termination of applicability of this chapter

"(a) Not earlier than 5 years after the year in which the determination under section 932 is made, the Attorney General may terminate the applicability of the provisions of this chapter with respect to any standard metropolitan statistical area if the Attorney General determines that—

"(1) (A) the rate of crime for crimes of violence in that standard metropolitan statistical area is 80 percent of the crime rate for crimes of violence for the United States, or

"(B) the rate of crime for crimes of violence in that standard metropolitan statistical area is 90 percent of the crime rate for crimes of violence for the United States and is 95 percent of such rate for crimes of violence in that area for the year preceding the year for which the determination is made;

"(2) that any pattern of illegal activity which showed evidence of danger to the residents of that area and which involved offenses committed with the use of handguns in violation of the laws of the United States has ceased to exist; and

"(3) the termination of the applicability of the provisions of this chapter to that standard metropolitan statistical area is not likely to result in a significant rise in the incidence of crimes of violence.

"(b) Any determination made under subsection (a) of this section shall be based upon the most satisfactory recent data available to the Attorney General, and shall be published in the Federal Register.

"§ 4256. Exceptions.

"(a) The provisions of this subchapter shall not apply to any handgun or ammunition suitable for use in a handgun sold or delivered to or possessed by the United States or any department or agency of the United States, or any State or any department or agency of the United States, or any State or any department or agency of a State, or any political subdivision of a State or any department or agency of a political subdivision of a State.

"(b) The provisions of this subchapter shall not apply to any handgun or ammunition suitable for use in a handgun sold or delivered to or possessed by any agency which furnishes security guard services if that agency is licensed by the State or a political subdivision of the State in which the handgun or the handgun ammunition is to be used and its employees are licensed and authorized to furnish such security service in the State or political subdivision concerned.

"SEC. 4257. PENALTIES.

"Whoever violates any provision of this chapter or knowingly makes any false statement or representation with respect to any information required by the provisions of this chapter shall be fined not more than $5,000, or imprisoned not more than 5 years, or both.

"SEC. 4258. DISPOSITION OF HANDGUNS TO THE ATTORNEY GENERAL; amnesty

"(a) (1) Any person who prior to a determination made under section 4254 of this chapter lawfully possessed a handgun or ammunition and who becomes ineligible to possess such handgun or ammunition by virtue of that provision, shall, if within 60 days after it becomes illegal for any such person to possess such handgun or hundgun ammunition, receive reasonable compensation for the handgun or the handgun ammunition or both upon its surrender to the Attorney General.

"(2) The Attorney General is authorized to pay reasonable value for handguns and handgun ammunition voluntarily reliquished to him under this section.

"(3) The Attorney General is authorized to take the action necessary to facilitate carrying out the provisions of this section including advertisement within the standard metropolitan statistical area concerned.

"(b) (1) The Attorney General may whenever he considers it will carry out the objectives of this chapter provide for periods of amnesty during which persons who voluntarily surrender handguns or handgun ammunition or both may be paid reasonable value for their surrender as provided in subsection (a) and shall be granted immunity from prosecution for unlawful possession of such handgun or handgun ammunition.

"(2) Nothing in this section shall be construed as granting immunity from prosecution by any court for any crime other than the unlawful possession of a handgun or handgun ammunition.

"§ 4259. RULES AND REGULATIONS; ASSISTANCE TO THE ATTORNEY GENERAL

"(a) The Attorney General may prescribe such rules and regulations as he deems reasonably necessary to carry out the provisions of this chapter.

"(b) When requested by the Attorney General the head of each department and agency of the Federal Government shall assist the Attorney General in the administration of the provisions of this chapter.

"SEC. 203. (a) Title 42, United States Code, chapter 52 is amended further by adding at the end thereof the following new subchapter:

"SUBCHAPTER VIII—INTERGOVERNMENTAL REDUCTIONS OF HANDGUN RELATED CRIMES

"§ 4260. PROHIBITION OF CERTAIN HANDGUNS

"(a) It shall be unlawful for any person to import manufacture, sell, buy, transfer, receive, transport, or possess any handgun which the Attorney General determines to be unsuitable for law enforcement, military

uses, hunting, sport shooting, and other lawful purposes based upon standards established by the Attorney General.

"(b)(A) The Attorney General may, consistent with public safety and necessity, exempt from the operations of paragraph (1) of this subsection such importation, manufacture, sale, purchase, transfer, receipt, transportation, or possession of handguns by importers, manufacturers, or dealers licensed under this chapter.

"(B) Such exemptions may take into consideration the needs of police officers, security guards, sportsmen, target shooters, firearm collectors, and other lawful uses.

"(C) For the purposes of this subsection the term 'handgun' means any weapon designed or redesigned and intended to be fired while held in one hand; having a barrel less than ten inches in length and designed, redesigned, made, or remade to use the energy of an explosive to expel a projectile or projectiles through a smooth or rifled bore.

"(c)(1) Any person who prior to a determination made under subsection (a) of this chapter lawfully possessed a handgun or handgun ammunition and who becomes ineligible to possess such handgun or ammunition and who becomes ineligible to possess such handgun or ammunition by virtue of that provision, shall, if within sixty days after it becomes illegal for any such person to possess such handgun or handgun ammunition, receive reasonable compensation for the handgun or the handgun ammunition or both upon its surrender to the Attorney General.

"(2) The Attorney General is authorized to pay reasonable value for handguns and handgun ammunition voluntarily relinquished to him under this section.

"(3) The Attorney General is authorized to take the action necessary to facilitate carrying out the provisions of this section including advertisement within the standard metropolitan statistical area concerned.

"(b)(1) The Attorney General may whenever he considers it will carry out the objectives of this chapter provide for periods of amnesty during which persons who voluntarily surrender handguns or handgun ammunition or both may be paid reasonable value for their surrender as provided in subsection (a) and shall be granted immunity from prosecution for unlawful possession of such handgun or handgun ammunition.

"(2) Nothing in this section shall be construed as granting immunity from prosecution by any court for any crime other than the unlawful possession of a handgun or handgun ammunition.

TITLE III—MISCELLANEOUS PROVISIONS

"SEC. 301. EFFECTIVE DATE

(a) Except as provided in subsection (b) and (c) of this section, the amendment made by this Act shall take effect on the first day of the third month after its enactment.

(b) The provisions of Title II, except the provisions of sections 4245 and 4246 take effect sixty days after the date of enactment of this Act, or on such prior date after enactment of this Act as the President shall prescribe and publish in the Federal Register.

(c) Notwithstanding subsections (a) or (b), the officer provided for in section 102 may be appointed in the manner provided for in this Act, at any time after the date of enactment of this Act. That officer shall be compensated from the date he first takes office, at the rate provided for in this Act. Such compensation and related expenses of his office shall be paid from funds available for the functions to be transferred to the Department pursuant to this Act.

By Mr. WILLIAMS (for himself, Mr. JAVITS, and Mr. SCHWEIKER):

S. 2154. A bill to amend the Railroad Unemployment Insurance Act to increase unemployment and sickness benefits and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. WILLIAMS. Mr. President, on June 13, 1975, I introduced S. 1939 which has for its purpose the updating of the obsolete unemployment insurance benefits covering the railroad industry. Today I am introducing for myself, Senator JAVITS, and Senator SCHWEIKER a bill which represents a modified version of S. 1939. Since the introduction of S. 1939, further consideration of these proposals has been undertaken by the parties whose rights would be affected by the legislation. That is, the representatives of employees who receive the benefits and the carriers who must pay for them through contributions to the trust fund.

As I explained in my remarks last month in introducing the earlier version of this bill, the unemployment and sickness insurance system for railroad employees was first established in 1938 when Congress enacted a national unemployment insurance program administered by the U.S. Railroad Retirement Board.

It has, of course, been necessary through the 35 year history of this Federal program for railroad employees to amend the act from time to time to adjust benefit levels, among other things, to correspond with changes in the wage structure in the railroad industry and to reflect the rapidly changing conditions in our economy. This has been particularly true during the post-World War II years. For example, the original act prescribed daily benefit rates from $1.75 to $3 per day. This maximum was raised to $4 per day in June of 1939 and throughout the years has been increased further to reflect changes in railroad wages until in 1968 the maximum benefit was increased from $10.20 per day to $12.70 per day, corresponding to approximately 50 percent of the average wage in the railroad industry at each point of correction.

Of course, the $12.70 maximum established 7 years ago was adequate for its day but, given the rapid inflation since that time, this level has become totally insufficient.

The bill which I am introducing today represents a compromise from the goals set forth in S. 1939. The interests of the workers who receive exceedingly low benefits at the present time require immediate legislation. Consequently, I hope and expect that S. 2154 will have the full support of the industry and labor organizations representing more than half a million employees.

The bill provides for an increase in the maximum for both unemployment and sickness compensation to $24 per day for the period beginning July 1, 1975, and ending June 30, 1976. Thereafter the maximum would be increased to $25 per day.

The unemployment and sickness benefit level remain at 60 percent of the daily rate of compensation for the railroad employees' last employment with a floor of $12.70. The maximum would be established for the current benefit year at $24, as I have stated, with the additional $1 increase to $25 to become effective for the benefit year beginning July 1, 1976.

The bill is of enormous importance to railroad employees throughout the United States. Unemployment in the railroad industry affects almost every State in the United States. Nationwide it has reached approximaely 40,000 railroad employees who have been furloughed and their families who are experiencing real hardship because of the substandard and outdated level of benefits in the existing law.

This bill provides that the changes in the benefit rate shall become effective retroactively beginning with July 1, 1975.

There are also other changes in the act.

Sickness benefits under present law are payable only after the claimant has had 7 or more days of sickness during one 14-day registration period in a given benefit year. Beginning July 1 of each year thereafter, sickness benefits, under existing law are, payable for any sickness in excess of 4 days during a subsequent registration period in the same benefit year.

The bill will reduce the waiting period from 7 days to 4 days during the first registration period. Sick benefits are to be payable for each day of sickness in a "period of continuing sickness" after the first 4 consecutive days of sickness in the registration period in which the "period of continuing sickness" began and each day of sickness in excess of 4 during subsequent 14-day registration periods in which the "period of continuing sickness" persists.

A rail employee must earn $1,000 in the previous calendar year to qualify for benefits. Present law limits the amount which can be counted in any single month toward meeting this requirement to $400. Thus the employee must work in excess of 2 full months in the base year to be eligible, regardless of how much he earns per month.

The law also provides that an unemployed worker cannot receive more in aggregate benefits than he received in covered wages in the previous year. In order to require the same period of employment to qualify for maximum aggregate benefits as is currently required, the amount of wages to be counted in any month toward meeting that requirement is raised from $400 to $775.

Another significant change is the provision in the bill which would provide an extended benefit period of 13 weeks for employees with less than 10 years of service in the railroad industry. Employees in this group are limited under the existing law to 26 weeks of benefits. In other years special Federal legislation was passed during periods of high unemployment to provide for an extended benefit period. The bill would make this a permanent feature of the system.

The 1959 amendments to the Railroad Unemployment Insurance Act provided extended benefits for employees with 10 or more years of service in the railroad industry.

This bill would provide extended benefits for those with less than 10 years of service who are likely to be the first workers laid off and remain laid off for longer periods of time.

The new extended benefit provisions are coordinated with the provisions of the Federal-State extended unemployment compensation program as amended in 1974. Thus, this bill provides that the extended benefits are available only during periods of high unemployment, with trigger provisions adapted from the Federal-State program. For example, extended benefits would become available to railroad employees with less than 10 years of service 20 days after either the national "on" indicator becomes effective or after a 3-consecutive-month period in which the rate of railroad unemployment equals or exceeds the level required for the national "on" trigger.

Similarly, the provisions for terminating the extended benefits are patterned after the method used in the Federal-State system.

The formula for employer contributions to the unemployment account will be changed so as to provide adequate funding to finance the upgrading of benefits.

Thus the employer will contribute each month a percentage of earnings, not to exceed one-twelfth of the earnings subject to taxation under social security and railroad retirement. As under present law $400 per month is subject to employer contribution; however, the rate of contribution is substantially increased. A sliding scale is established which would require a contribution of 8.0 percent of wages paid if the insurance account balance is less than $50 million; 7.0 percent if the balance in the account is between $50 million and $100 million; 5.5 percent if the balance in the account is between $100 million and $200 million; 4.0 percent if the balance in the account is between $200 million and $300 million; and one-half of 1 percent if the balance in the account is more than $300 million.

This bill will also increase the maximum period for which benefits can be paid from 26 weeks to 39 weeks. In addition the number of months which a new employee must have worked in the base year to be eligible for benefits is reduced from 7 months to 2 months.

Other changes in the act include an increase from $3 per day to $10 per day in the amount an employee can earn in part-time work without losing his eligibility for benefits. The bill permits an acceleration of the benefit year for employees with at least 5 years of service instead of the current requirement of 10 years' service. The bill also provides for an additional 7-day waiting period before unemployment benefits may be paid in the case of workers unemployed as a result of a strike.

Mr. President, this bill also has some technical amendments to the Railroad Retirement Act of 1974 and the Railroad Retirement Tax Act.

As I stated in introducing S. 1939, the need for a substantial revision in railroad unemployment insurance is apparent. Both in terms of traditional levels of unemployment benefits received by railroad workers and in terms of benefits now received by nonrailroad employees covered by State unemployment insurance laws, it is clear that railroad employees have the right to expect a major overhaul in benefit rates. Accordingly, I will urge speedy action on this measure.

Mr. JAVITS. Mr. President, I am pleased to join with Senator WILLIAMS and Senator SCHWEIKER in sponsoring legislation to reform the railroad unemployment insurance program. The bill that we are introducing today has been worked out in coordination with the parties directly affected by the RUIA program—the representatives of the employees who receive benefits, and the rail carriers who must pay for those benefits.

The RUIA program was established by Congress in 1938 to provide assistance to railroad workers who become unemployed, or are unable to work because of sickness. The program is administered by the Railroad Retirement Board.

Since its original enactment, the program has been amended several times to provide for an increase in benefits and make other changes in the program. When originally enacted, the program provided for a daily benefit maximum of $3 per day. The most recent amendments, adopted by the Congress in 1968 raised the daily maximum from $10.20 to $12.70 per day.

The bill we are introducing today would raise the maximum daily benefit from $12.70 to $24 per day retroactive to July 1 of this year. After July 1 of 1976, the maximum would be raised to $25. These increases are designed to compensate unemployed railroad workers for the inflationary erosion which has taken place since the program was last amended.

The basic benefit standard—60 percent of most recent wages—is retained in the program. The bill also provides for substantial increases in the tax rate which employers pay into the railroad unemployment insurance fund. These increases will permit the fund to maintain fiscal soundness in light of the increased benefit maximums.

This bill also provides, for the first time, for a program of extended unemployment compensation for railroad workers with less than 10 years of seniority. These workers are likely to be the first laid off, and the last rehired during periods of recession. The bill would provide these workers with 13 weeks of additional benefits if they have exhausted their entitlements under the regular railroad unemployment insurance program. This extended benefits program would be triggered "on" either when the Federal-State Extended Benefits program for nonrailroad employees is triggered "on," or when the rate of railroad unemployment equalled or exceeded the trigger levels provided for the regular Federal-State Extended Benefits program. Workers with over 10 years of seniority are already covered by a program of extended benefits.

The bill also makes a number of other changes to improve the program. Included in these are changes in base period wage calculations which reflect the increase in maximum entitlements. Also included is a provision which mandates an additional 7-day waiting period before unemployment benefits may be paid in the case of workers who are unemployed as a result of a strike.

In addition to the amendments to the railroad unemployment insurance program, the bill makes a number of technical changes in the Railroad Retirement Act of 1974 and the Railroad Retirement Tax Act.

Mr. President, there is a clear and urgent need to pass this legislation reforming the railroad unemployment insurance program in order to provide adequate compensation for railroad employees who become unemployed. The simple fact that benefit maximums have not been adjusted since 1968 requires that Congress focus its attention on this matter as quickly as possible. I hope that with the active support of all concerned parties, it will be possible to consider this legislation before Congress adjourns for the August recess.

By Mr. BEALL:

S.J. Res. 110. A bill authorizing the President to proclaim April 14 of each year as "John Hanson Day". Referred to the Committee on the Judiciary.

Mr. BEALL. Mr. President, I introduce a joint resolution which would, if enacted, authorize the President to proclaim April 14 of each year as "John Hanson Day." On April 14, 1971, Senator MATHIAS and I sponsored a public ceremony in the Capitol marking the 250th birthday of the man who was to serve as the first "President of the United States in Congress Assembled." On that same date, I introduced a similar resolution (S.J. Res. 85).

I would note, Mr. President, that there is some dispute about the actual birthday of John Hanson. In spite of this dispute, I believe that there is considerable evidence to substantiate April 24, 1721 as his actual birth date. But the significance of John Hanson lies not in the date of his birth but in the contributions he made to our Nation during its early formative years. Although other men had served as the presiding officer of the Continental Congress, John Hanson assumed the post under rather unique circumstances:

First. He was "The first President elected under and according to our first Constitution"—The Articles of Confederation.

Second. He became President just as America had won her struggle for independence.

Third. He was charged with the responsibility of laying a foundation upon which a nation would be built. This Nation would contain 13 semi-independent colony/ states with diverse interests and deep seated in rivalries.

Fourth. He had to organize a civil government to conduct the affairs of our young republic.

Fifth. He had to do all these things within the loose framework of the Articles of Confederation. The States, jealous of their own independence and still fearing the power of the King, granted very little authority to the national government.

Faced with what might appear to be insurmountable difficulties, the Continental Congress turned to this outstanding Marylander to provide the leadership needed to build a Nation. Fortunately John Hanson was a man ideally

suited, both in terms of intellect and temperment, for this task.

During his tenure as "President of the Congress of the Confederacy" Hanson laid the groundwork for our Cabinet, our Consular Service, our postal service, and our National judiciary. In addition to these achievements John Hanson established many of the precedents from which our Presidency evolved. This is especially significant in light of the fact that, in 1781, only one European state, Switzerland, had a Republican form of government.

President Hanson conscientiously and successfully sought to establish himself and his office as the Chief-of-State and head of the Government of the United States.

His success is reflected in the following quotes:

1. George Washington in a letter dated November 20, 1781, said ". . . I congratulate your excellency on your apointment to fill the most important seat in the United States."

2. In a document of the Continental Congress we read . . . "The President of the Congress being at the head of the Sovereignty of the United States takes precedence of all and every person in the United States."

Thus it might be said that our first constitutionally elected Chief Executive was a strong man in a weak position. But the personal strength of our first constitutionally elected Chief Executive gave strength, stability, and legitimacy to the Confederated Government which enabled it to guide us through the transition period from revoluntionary struggle to constitutional federalism. The achievements of the Confederated era are seldom discussed and rarely taught in our schools and colleges. The Articles of Confederation (1781–1789):

First, brought the States together in spite of their differences.

Second, provided continuity of leadership from the revolution era, to confederation, and on to our present constitutional government.

Third, unified foreign relations and established the United States of America as a Nation-State."

Fourth, enacted the ordinances of 1785 and 1787 (the ordinance of 1785—established policy for the distribution of Western lands—the Ordinance of 1787 established procedures for admitting new States which is still in use).

Fifth, provided the necessary governmental machinery for the transition from revolution to the Constitution of 1789.

In closing let me say that our interests should not be limited to recognizing John Hansen simply because he was our first President. Instead we should revive interest in him because he was a truly great American patriot and political leader who should be recognized as one of the founders of this great republic.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 521

At the request of Mr. JACKSON, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 521, the Energy Supply Act of 1975.

S. 1359

At the request of Mr. MUSKIE, the Senator from Connecticut (Mr. RIBICOFF), the Senator from Washington (Mr. JACKSON), and the Senator from Illinois (Mr. PERCY) were added as cosponsors of S. 1359, a bill to coordinate State and local government budget-related actions with Federal Government efforts to stimulate economic recovery by establishing a system of emergency support grants to State and local governments.

S. 1280

At the request of Mr. TUNNEY, the Senator from California (Mr. CRANSTON) was added as a cosponsor of S. 1280, a bill to authorize the President to appoint Captain Ferdinand Mendenhall, U.S. Navy Reserve Retired, to the grade of rear admiral on the Reserve retired list.

S. 1286 WITHDRAWAL

At the request of Mr. BEALL, the Senator from Washington (Mr. JACKSON) was withdrawn as a cosponsor of S. 1286, a bill to amend title II of the Social Security Act.

S. 1286

At the request of Mr. BEALL, the Senator from New York (Mr. JAVITS) was added as a cosponsor of S. 1286, supra.

S. 1469

At the request of Mr. STEVENS, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 1469, a bill to amend the Alaska Native Claims Settlement Act to continue the authority of the Joint Federal-State Land Use Planning Commission for Alaska until June 30, 1979.

S. 1479

At the request of Mr. WILLIAMS, the Senator from Montana (Mr. METCALF) was added as a cosponsor of S. 1479, a bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

S. 1501

At the request of Mr. GRAVEL, the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 1501, an act to extend the existence of the joint Federal-State land use planning commission for Alaska.

S. 1513

At the request of Mr. RANDOLPH, the Senator from New Mexico (Mr. MONTOYA), the Senator from West Virginia (Mr. ROBERT C. BYRD), and the Senator from Alabama (Mr. ALLEN) were added as cosponsors of S. 1513, a bill to extend the Appalachian Regional Development Act of 1965.

At the request of Mr. BAKER, the Senator from Vermont (Mr. STAFFORD) and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of S. 1513, supra.

S. 1607

At the request of Mr. RANDOLPH, the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 1607, a bill to authorize the employment of reading assistants for blind employees and interpreters for deaf employees.

S. 1711

At the request of Mr. CRANSTON, the Senator from Florida (Mr. STONE) and the Senator from Georgia (Mr. TALMADGE) were added as cosponsors of S. 1711, a bill to amend title 38, United States Code, to provide special pay and other improvements designed to enhance the recruitment and retention of physicians, dentists, nursing personnel, and other health care personnel in the Department of Medicine and Surgery of the Veterans' Administration, and for other purposes.

S. 1746

At the request of Mr. BELLMON, the Senator from South Dakota (Mr. ABOUREZK) was added as a cosponsor of S. 1746, a bill to provide additional credit facilities for farmers and other rural residents.

S. 1843—WITHDRAWAL

At the request of Mr. DOLE, the Senator from Illinois (Mr. STEVENSON) was withdrawn as a cosponsor of S. 1843, a bill to amend and clarify certain regulatory authorities of the Federal Government over work and activities in navigable waters.

S. 1906

At the request of Mr. CHURCH, the Senator from Mississippi (Mr. EASTLAND), the Senator from South Carolina (Mr. THURMOND), the Senator from Tennessee (Mr. BROCK), the Senator from Oregon (Mr. HATFIELD), the Senator from Rhode Island (Mr. PASTORE), and the Senator from New York (Mr. JAVITS) were added as cosponsors of S. 1906, a bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare programs.

S. 1926

At the request of Mr. SCHWEIKER, the Senator from New Hampshire (Mr. MCINTYRE) was added as a cosponsor of S. 1926, the Health Maintenance Organization Amendments of 1975.

S. 1961

At the request of Mr. BIDEN, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 1961, the Consumer Leasing Act of 1975.

S. 1989

At the request of Mr. STONE, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of S. 1989, a bill to direct the preparation and submission to the President information to assist in negotiations with oil-producing countries.

S. 2001

At the request of Mr. EAGLETON, the Senator from Montana (Mr. MANSFIELD), the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from South Dakota (Mr. MCGOVERN) were added as cosponsors of S. 2001, a bill to amend title II of the Social Security Act to reduce from 20 to 10 years the period of time a divorced woman's marriage to an individual must have lasted for her to qualify for wife's or widow's benefits on the basis of the wages and self-employment income of such individual.

S. 2007

At the request of Mr. THURMOND, the Senator from Utah (Mr. GARN) was added as a cosponsor of S. 2007, a bill to

amend the Internal Revenue Code of 1954 to provide a tax credit for wages paid in new jobs.

S. 2106

At the request of Mr. TOWER, the Senator from Wyoming (Mr. HANSEN) was added as a cosponsor of S. 2106, a bill to amend title IX of the Education Amendments of 1972.

SENATE RESOLUTION 214

At the request of Mr. HUGH SCOTT, the following Senators were added as cosponsors of S. Res. 214, expressing concern over attempts to expel Israel from the United Nations: Mr. ALLEN, Mr. BAKER, Mr. BAYH, Mr. BEALL, Mr. BROOKE, Mr. BUCKLEY, Mr. ROBERT C. BYRD, Mr. CASE, Mr. DOMENICI, Mr. EAGLETON, Mr. FONG, Mr. GARN, Mr. GRAVEL, Mr. HANSEN, Mr. PHILIP A HART, Mr. HARTKE, Mr. HATFIELD, Mr. HELMS, Mr. HRUSKA, Mr. INOUYE, Mr. JACKSON, Mr. JAVITS, Mr. MAGNUSON, Mr. MATHIAS, Mr. MCGOVERN, Mr. MCINTYRE, Mr. MONDALE, Mr. MOSS, Mr. PACKWOOD, Mr. RIBICOFF, Mr. SCHWEIKER, Mr. STAFFORD, Mr. STEVENS, Mr. STONE, Mr. TAFT, Mr. TALMADGE, Mr. THURMOND, Mr. WEICKER, and Mr. WILLIAMS.

SENATE CONCURRENT RESOLUTION 48

Mr. HOLLINGS. Mr. President, I ask unanimous consent that an up-to-date list of cosponsors of Senate Concurrent Resolution 48, inviting Alexandr Solzhenitsyn to address a joint session of the Congress, be printed in the CONGRESSIONAL RECORD.

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

LIST OF COSPONSORS

Mr. Allen; Mr. Bayh; Mr. Beall; Mr. Bellmon; Mr. Bentsen; Mr. Brooke; Mr. Buckley; Mr. Bumpers; Mr. Byrd of Virginia; Mr. Cranston; Mr. Culver; Mr. Domenici; Mr. Fannin; Mr. Hansen; Mr. Hart of Michigan; Mr. Helms; Mr. Humphrey; Mr. Laxalt; Mr. McClure; Mr. McIntyre; Mr. Metcalf; Mr. Mondale; Mr. Moss; Mr. Nunn; Mr. Stone; Mr. Taft; Mr. Thurmond; Mr. Weicker; and Mr. Williams.

SENATE CONCURRENT RESOLUTION 51

At the request of Mr. MCINTYRE, the Senator from Connecticut (Mr. WEICKER) and the Senator from Oregon (Mr. HATFIELD) were added as cosponsors of Senate Concurrent Resolution 51, providing for a conditional adjournment of the Senate.

SENATE JOINT RESOLUTION 90

At the request of Mr. DOMENICI), the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of Senate Joint Resolution 90, a joint resolution to authorize the President of the United States to designate "National Ski Week."

SENATE RESOLUTION 215—SUBMISSION OF A RESOLUTION REQUIRING VERBATIM ACCOUNTS IN CONGRESSIONAL RECORD

(Referred to the Committee on Rules and Administration)

CONGRESSIONAL RECORD REFORM

Mr. PACKWOOD. Mr. President, I am joined today by Senators BEALL, BROCK, CHILES, CLARK, DOMENICI, GARN, GOLDWATER, GRAVEL, HASKELL, PERCY, STAFFORD, and STEVENS, in the introduction of legislation which would make several changes in the method by which Senate debate is reported in the CONGRESSIONAL RECORD. A similar bill was introduced in the House of Representatives by Congressman WILLIAM STEIGER.

Since 1873, the CONGRESSIONAL RECORD has provided a continuous account of the daily legislative activity in the House and Senate Chambers. In his article, "The Congressional Record, Fact or Fiction of the Legislative Process," Prof. Howard Mantel assigns the value of the RECORD to two functions: First, as a source of information and political control, and second, as an historical record of congressional activity and intent. It is the latter that is of particular consequence in this discussion.

Professor Mantel underscores its importance, "In an Era of Increasing Federal Activity, the answer to the question, 'What Did Congress Mean,' becomes of vital significance, and the documentation reflecting congressional intent becomes a part of the living literature of our statutes." While this increasingly holds true for interpretation of the law by Federal agencies, it has traditionally been a function of our courts to "construe the language so as to give effect to the intent of Congress" (Mr. Justice Reed, *U.S.* v. *American Trucking Associations*, 310 U.S. 534 at 542 (1940).

Acknowledging the importance of congressional intent to the interpretation of our statutes, it would logically follow that the CONGRESSIONAL RECORD, as the chief primary resource for determining congressional intent at the time of passage of an amendment, bill, resolution, or treaty, must be an accurate representation of that intent. It is not.

Title 44, section 901 of the United States Code, states that:

> The CONGRESSIONAL RECORD shall be substantially a verbatim report of the proceedings . . . in the House and Senate Chambers.

The rather broad interpretation given to the word "substantially" over the years has been a cause of concern to a number of the readers of the RECORD, including lawyers, judges, and scholars. I believe that their concern is just.

On almost any day, speeches that were never given on the Senate floor are included in the body of the RECORD and are largely indistinguishable from those actually delivered. Only the most experienced reader of the RECORD, or someone who was present in the Senate Chamber is able to tell the difference. When we are debating legislation and attempting to establish the congressional intent, it is grossly misleading—not to mention confusing—to line up speeches submitted for the RECORD with those given by Senators participating in the actual debate. Certainly, the time element would require that some speeches must be submitted only for the RECORD, but that should be clear to those who go back to the RECORD for the legislative history of a bill. It should be clear to anyone who reads the CONGRESSIONAL RECORD. It is not.

Nor is it readily apparent that what is printed in the RECORD under a Senator's name may not be what was actually said on the floor. All Senators enjoy the privilege of revising their remarks and the practice of "correcting the RECORD" is a common and widely employed one.

Examples abound of the above discussed misrepresentations in the CONGRESSIONAL RECORD. One oft quoted instance is the speech in which—according to the RECORD—Representative Hale Boggs wished his fellow Congressmen a Merry Christmas, 2 days after he died in a plane crash in Alaska.

Another example occurred just this week during the Senate debate on the New Hampshire contest. The July 16, 1975, edition of the Washington Post quoted one Senator as having remarked that the narrow margin of the vote on issue 1 of Senate Resolution 166 "indicates there is no steamroller in operation." However, a close reading of the account of that day's proceedings in the CONGRESSIONAL RECORD failed to yield any such statement. Consequently, further remarks referring to a "steamroller" effect were confusing and seemingly non sequitur.

The resolution my colleagues and I are proposing today would establish guidelines for the printing of the CONGRESSIONAL RECORD and would limit any revisions of the RECORD to grammatical corrections.

Specifically, the proposal stipulates:

First. That the RECORD be an accurate and verbatim account of remarks in the order they were delivered on the Senate floor;

Second. That revisions be limited to corrections of grammar—not changes of substance; and

Third. That insertions have a distinctive type face from that used for verbatim remarks.

It is the hope of those Senators sponsoring this resolution that the above guidelines will be effective in achieving a more accurate RECORD.

Mr. President, our attempt to reform the RECORD is not without precedent. One champion of an accurate RECORD was a predecessor of mine in this body, Senator Richard L. Neuberger. In 1958, he offered a resolution to write into the rules of the Senate that "no changes of a substantive nature" could be made in the text of Senate debate as taken down by the corps of Senate shorthand reporters. He declared:

> The very masthead, "CONGRESSIONAL RECORD" ought to assure rigid fidelity to truth and circumstances. Why else should the Government spend approximately $1,700,000 a year to publish some 43,000 copies of the RECORD?

Mr. President, that statement was made 17 years ago and I am sure no one will be surprised to learn that the inflation in cost we all must deal with these days has not spared the CONGRESSIONAL RECORD. However, notwithstanding our expressions of concern for wasteful government spending, we continue to condone the expenditure of a large sum of money on the CONGRESSIONAL RECORD with highly questionable results.

The current estimate for the printing costs alone is $278 per page. Last year the CONGRESSIONAL RECORD ran nearly 43,000 pages, costing about $11,954,000 and, quite frankly, I think if we are going

to spend that kind of money, the result should at least be a document which is useful and accurate.

Mr. President, I would like to close my remarks today with a statement made by President Johnson, while he was still majority leader in the Senate. On one occasion, he remarked that:

There are few documents more important than the CONGRESSIONAL RECORD. Locked in its pages are the debates, the resolutions, the bills, the memorials, the petitions, and the legislative actions that are the reasons for the existence of the Senate. It is a document which affects our laws, our precedents, and our judicial decisions.

I agree.

Unfortunately, the inherent worth of the CONGRESSIONAL RECORD is sadly diminished by its inaccuracies. It should be a document of integrity and I believe that we have an obligation to make it one. I urge my colleagues to take this opportunity to do so.

Mr. President, I ask unanimous consent that the text of the resolution be printed in the RECORD.

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

S. RES. 215

Resolved, That the body of the Congressional Record for the Senate shall contain an accurate and verbatim account of remarks actually delivered on the floor of the Senate together with such permitted tables, statistics, and other supporting data directly relating to the subject matter under discussion. Such remarks and data shall appear in the order in which they were delivered.

SEC. 2. Extensions and revisions of remarks in the Congressional Record delivered on the floor of the Senate shall be limited to the correction of grammatical and typographical errors. Such corrections shall not make any change in the meaning, content, or substance of those remarks.

SEC. 3. Senators may, by unanimous consent, make insertions in the Congressional Record of remarks not actually delivered on the floor. Such insertions shall appear as may be appropriate, following the record of the entire debate to which they are germane and prior to the record of a vote except that such insertions shall be printed in a type face distinctively different from that used for verbatim remarks.

SEC. 4. The Secretary of the Senate shall transmit a copy of this resolution to the Public Printer.

SENATE RESOLUTION 216—SUBMISSION OF A RESOLUTION RELATING TO THE ERADICATION OF BRUCELLOSIS

(Referred to the Committee on Agriculture and Forestry.)

Mr. HUDDLESTON (for himself, Mr. ALLEN, Mr. BAKER, Mr. EASTLAND, Mr. FORD, Mr. STONE, and Mr. TALMADGE) submitted the following resolution:

S. RES. 216

Whereas approximately $12,000,000 a year in losses are suffered by farmers and ranchers in the United States as the result of the animal disease brucellosis;

Whereas approximately $53,500,000 will be expended on the brucellosis control program in fiscal year 1975, $28,500,000 of which will be Federal funds;

Whereas in the United States such disease most commonly infects cattle and in fiscal year 1975 resulted in more than 1.7 million head of cattle being quarantined;

Whereas most experts agree that an intensive 5 year program would completely eradicate the disease and result in substantial savings in the future: Now, therefore, be it

Resolved, That the Secretary of Agriculture is requested to formulate and submit to the Committee on Agriculture and Forestry of the Senate, within 90 days after the date on which this resolution is agreed to, a plan for the complete eradication of the animal disease brucellosis over a 5 year period, a feasibility study of such plan, and the estimated cost of implementing such plan.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the Secretary of Agriculture.

Mr. HUDDLESTON. Mr. President, today I am submitting a resolution which calls upon the Department of Agriculture to formulate a plan for the complete eradication of the animal disease brucellosis over a 5-year period. This resolution requests the Secretary of Agriculture to submit to the Senate Committee on Agriculture and Forestry the plan along with a feasibility study of the plan and the estimated cost of implementation within 90 days.

Brucellosis is not a problem in all States. The 11 southeastern States are endemic areas in that most of the brucellosis in the United States is centered in these States. Currently States surrounding the affected States are embargoing cattle from the infected areas by enforcing rigid quarantine regulations.

At the present time there are over 9,000 quarantined herds in the United States. This represents a quarantined cattle population of 1.7 million. There are over 3,000 quarantined herds in Texas; over 1,000 in Mississippi, and nearly 1,000 in Oklahoma. My State, Kentucky, is a border State regarding this disease. In the States to the north of Kentucky the disease is not prevalent. But Kentucky has over 250 quarantined herds.

The infection rate of brucellosis is alarming in some States. In Florida, for example, the infection rate is 21 herds per 1,000 herds. In Louisiana it is 19 herds per 1,000 herds and is nearly as high in Texas.

Brucellosis is an unpopular problem with cattlemen because there is no cure for infected animals and the control method is depopulation. No farmer enjoys the thought of having to dispose of his herd or select animals in the herd because they are infected. At the present time calfhood vaccination is only partially effective against the disease.

The USDA has had the authority to undertake a program to eradicate brucellosis for 31 years. Yet we are not much closer to eradication today than we were in 1944 when the authority to undertake eradication of the disease was given to the USDA by the Organic Act of 1944. I feel it is time to get on with the job at hand. It is an unpleasant task, so let us get it over with.

At present we are annually spending $28.5 million of Federal funds which are matched by $25 million of State funds to control the disease. It is estimated if the present control program were abandoned the losses would soar to $300 million yearly within 7 to 8 years from the $12 million now being suffered by farmers and ranchers. Most experts agree that an intensive 5-year program would totally eradicate the disease. This resolution asks the USDA to formulate such a program and report how difficult and how expensive it would be to implement it.

AMENDMENTS SUBMITTED FOR PRINTING

ROLE OF DEPOSITORY INSTITUTIONS—S. 1281

AMENDMENTS NOS. 699 THROUGH 702

(Ordered to be printed and to lie on the table.)

Mr. TAFT. Mr. President, today I am submitting several amendments to S. 1281, the bill which would require lenders to disclose the location by census tract of their mortgage loans.

Since coming to the Senate I have spent a great deal of time working on measures designed to improve general livability, and the housing specifically, in our older urban neighborhoods. I have done this because I believe that the fate of these neighborhoods will play a major role in the future of our cities. Responsible efforts to help preserve these neighborhoods are desirable from both an economic and a "people" standpoint.

These efforts on behalf of such neighborhoods and their residents have had mixed results at best. However, I am pleased that they have played a role in congressional decisions to change the national housing goal to emphasize the preservation of older housing, to require in the community development program that maximum feasible priority be given to efforts to prevent or eliminate slums and blight and to continue the 3 percent Federal housing rehabilitation loan program—section 312—at a $100 million authorization level for this fiscal year.

Thus, I am extremely interested in S. 1281, which has been advanced by its sponsors with a similar purpose in mind. The rationale most often advanced for this bill is that it will reduce the likelihood that financial institutions will engage in "redlining," or discriminating unjustly against entire neighborhoods in the provision of mortgage credit. The bill's sponsors hope that either through raising lenders' consciousness of the need to make a special effort to provide credit in our older neighborhoods, or through pressure brought by community groups as a result of the information disclosed, S. 1281 would help to increase the flow of credit into these neighborhoods. The legislation also has been justified on the grounds that all consumers, specifically depositors or potential depositors within a community, should have access to this type of information.

On the other hand, earlier this year I introduced the Inflation Impact Statement Act of 1975, the purpose of which was to insure that Congress considers fully the likely burden on private industry and thus the probable eventual cost

to consumers of the regulatory legislation it passes. I take that idea very seriously. With regard to this bill, it means that we must assess the likely usefulness of the disclosure requirement carefully against the probable burden upon and cost to the financial institutions of course, other possible problems with the disclosure approach, such as the borrower privacy issue, which has surfaced in the limited demonstrations of the approach thus far, also must be considered.

Unfortunately, I believe that to some extent, the national debate on urban home lending practices has not focused upon the real issues. The use of the emotional term "redlining" has polarized the debate. It has helped to cause some community groups to regard the financial institutions' actions as unrealistically sinister and some financial institutions to respond as if their business practices are virtually above subjection to public examination.

Contrary to the claims of some financial institutions, I believe that there are some serious problems with regard to there performance in providing credit to our older neighborhoods—in which many of them are located. However, unlike some community groups, I do not attribute these problems largely to any sinister intent.

There undoubtedly are instances where whole neighborhoods are discriminated against on racial grounds or similar grounds which are illegal under the Civil Rights Act of 1968, and financial institutions should be held accountable for such actions. Admittedly in most cases the credit "discrimination" probably results from a good-faith business judgment concerning the lending risks involved rather than blatant intentional discrimination as we usually use the term, the problem with lenders' credit practices in these neighborhoods is that they sometimes are far more conservative than appears to be necessary, based on actual credit experience. The financial institution may feel that it can afford to be extremely conservative because it has plenty of business in the suburbs or wealthier neighborhoods.

By these practices, the financial institution may be contributing to the decline of various neighborhoods, even though its actions are motivated by what it believes to be legitimate business considerations.

Thus, the redlining issue is not generally a simple question of intentional discrimination, but rather a more difficult one concerning the propriety of business judgments and the possibilities for changing them.

The fundamental confusion about the redlining issue is equaled or surpassed by the confused claims concerning the effects of this bill. I feel that the financial community's concerns that the bill will have such effects as creating "runs" on financial institutions are exaggerated. Along the same lines, I am not as concerned as they about the dangers that the disclosed data will be misleading or used in a misleading manner. The raw data might be misleading or not very revealing in some instances, but I apparently have more faith than the financial institutions themselves in their ability to defend themselves publicly against inaccurate charges and to make their case to the public.

For similar reasons, I am not overly concerned that disclosure will force the institutions into making unsound loans. I also cannot reject this bill on the grounds that it is a first step toward credit allocation. Congress would have to evaluate any such allocation proposal on its own merits and the considerations would be quite different than those involved in this debate.

On the other hand, I feel that some of the community groups supporting this bill may expect it to do too much. In some cases the data obtained through disclosure may be inaccurate to a significant degree and misleading or not too meaningful, because there are several reasons other than redlining that a neighborhood may not be receiving much home mortgage credit.

Much more importantly, those who hope that this bill will result in the extension of mortgage credit by lenders with no assessment of the credit risk posed by a neighborhood's condition will be disappointed. We cannot expect lenders to make unsound loans, nor do we want them to do so. We must face the fact that even if lenders make the realistic and unbiased assessment of credit risks for which we strive, the result will not necessarily be a great influx of conventional loan money into those older areas where properties truly pose additional lending risks.

For those reasons, I feel that this bill's effects are likely to be more limited than either its proponents or its opponents claim. On the plus side, just the act of loan disclosure by location may give lenders a new awareness of the need to serve more adequately our older neighborhoods. The information may also benefit or result in positive actions involving community groups and consumers in some cases. The bill's most serious negatives are its cost and aggravation to the financial institutions and the borrower privacy issue. The facts are not well developed on either problem, but it appears that the cost to the institutions and thus consumers would not be a major impediment.

These considerations lead me to the conclusion that some loan location disclosure program is likely to be beneficial, but that practical experience is needed to reach that conclusion more definitely or confidently to propose what design any national program should take. Frankly, I am not satisfied that either the committee bill or the minority amendment would proceed adequately along these lines. The committee's permanent bill seems premature and too broad, while the minority substitute may be too limited even to provide an adequate demonstration of the concept. Thus, the amendments I am offering are designed to provide an assessment period in which the concept would be given meaningful but limited application.

My first amendment would include home improvement loans in the information which financial institutions would have to disclose. The importance of these loans to a neighborhood's health and survival is obvious, particularly since many of the neighborhoods in question have a larger number of older homes in need of repair. The amendment is cosponsored by the Senator from Missouri (Mr. SYMINGTON).

My second amendment would strengthen the minority's comprehensive amendment in several important ways, so that it would provide for a fuller demonstration of a loan location disclosure requirement's effects. The first portion of the amendment would increase the number of standard metropolitan statistical areas involved from 20 to 35, which coincides incidentally with the number of SMSA's that have populations greater than 1 million. This change would be made so that the demonstration program could involve more different types of SMSA's and perhaps a test of variations in the disclosure requirements.

The second part of that amendment would mandate that in a significant number of the metropolitan areas selected, the demonstration would have to involve the disclosure of data by census tract. Thus, it insures that the demonstration would require disclosure by census tract on at least a widespread enough basis to give that method a full and fair trial.

The present minority amendment leaves the choice of ZIP code or census tract totally to the discretion of the Federal Reserve Board. However, the argument that each ZIP code simply covers too large a population to make the disclosed information meaningful on a neighborhood basis is an extremely important one. I feel that in view of this concern, the possibility of disclosure by census tract must be given a full trial despite the alleged difficulties with that approach. Unless this is the case, the demonstration program simply will not fulfill its purpose satisfactorily.

That part of the amendment I am submitting also allows the Federal Reserve Board to choose easily definable geographic units other than ZIP code or census tract in some metropolitan areas, if the Board feels that this would improve the demonstration.

The third provision of this amendment to the minority amendment would require that to the maximum extent consistent with the necessity to have a sound and comprehensive demonstration, the Federal Reserve Board should choose metropolitan areas in which discriminatory neighborhood lending practices of the financial institutions have been alleged to be a problem. I believe that this amendment is extremely important to help insure that the demonstration will include a heavy representation of cities where redlining is a live and difficult issue as opposed to areas where the disclosure program may not invoke much interest. For example, the extent to which redlining is an issue varies

drastically among the 14 metropolitan areas in my own State.

This amendment does not mean that all the SMSA's chosen should be problem areas, because that might limit the usefulness of the demonstration. However, a large number of such areas should be included.

I am prepared to offer these amendments to the minority amendment either in block as I am submitting them, or separately.

In the event the minority amendment fails, I will consider offering an amendment to the bill which limits its initial application to SMSA's with populations greater than 350,000. The committee debate concerning this bill centered almost completely around examples and testimony concerning very large SMSA's. The types of problems addressed may not exist to the same degree in smaller SMBA's. Furthermore, because fewer loans by institution and census tract may be involved, some of the data from smaller SMSA's may be less meaningful and involve more privacy problems.

According to the most recent figures I have, this amendment would leave 100 of the Nation's 253 SMSA's covered by the bill, in my own State, it would leave the eight most populous SMSA's covered, but exempt the Hamilton-Middletown, Lima, Lorian-Elyria, Mansfield, Springfield, and Steubenville SMSA's.

I also have had an amendment prepared which would make the bill's disclosure requirement prospective, rather than retaining the present requirement that lenders compile and disclose the location of all outstanding loans. This amendment would reduce the bill's cost to and burden upon the financial institutions considerably. However, the bill's effectiveness would not be undermined, because past lending decisions could not be affected by it in any event.

I understand that the bill's sponsors plan to offer such an amendment. Therefore, I am not introducing it formally today. However, I would be ready to offer it if necessary and I certainly will support an initiative of the sponsors on this issue.

Regardless of the fate of this bill, everyone should realize that it is at best only a small part of the answer to the problems of our older neighborhoods. In that regard, it is vitally important that cities provide the necessary level of services to such areas and that programs which can help, such as community development and section 312 rehabilitation loans, be allowed to proceed fully and effectively. With regard to the housing problem with which this bill deals most directly, the Government should help lenders share the risks involved. This can be done through the continuation and expansion of Government mortgage insurance programs. To avoid the unsound use of FHA insurance, to which community groups understandably have objected violently, coinsurance can be used so that lenders will retain a significant stake in the loans' soundness. I first proposed such a coinsurance strategy as part of housing legislation in 1973.

I intend to do all I can to see that these steps are carried out. Recently I introduced the Housing Preservation Alternatives Act, which would foster the development of several mechanisms designed to assist in the financing of improved housing for declining areas. That measure is certainly related to this bill's subject matter and should help put our debate on this bill in perspective. Therefore, I have submitted that act as an amendment to the bill. Although I do not expect to press for a vote, I do hope that the Bank, Housing and Urban Affairs Committee will be motivated to consider and act upon this measure promptly. I also expect to offer an amendment to the upcoming HUD appropriations bill to provide adequate funding for the section 312, housing rehabilitation loan program, if Senate committee action is insufficient.

Accordingly, I ask unanimous consent that the amendments I am submitting formally today be printed in the RECORD at this point. Following that material, I ask unanimous consent that a fact sheet on the Housing Preservation Alternatives Act—S. 1915—and a copy of my amendment consisting of the act itself be printed in the RECORD.

There being no objection, the amendments and fact sheet were ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 699

On page 9, line 9, after "area" insert "having a population of 350,000 or more".

AMENDMENT NO. 700

On page 8, line 22, after "1974" insert "and a home improvement loan".

On page 10, line 12, strike "and".

On page 10, line 16, strike the period and insert in lieu thereof the following: "; and

(3) the number and dollar amount of home improvement loans."

On page 14, line 18, strike "and home improvement".

AMENDMENT NO. 701

On page 2, line 17, strike out "twenty" and insert in lieu thereof "thirty-five".

On page 3, strike lines 8 and 9 and insert in lieu thereof the following:

"On page 9, line 23, after 'census tract' insert 'or by zip code or other easily definable geographic unit, as determined by the Board, except that the Board shall require itemization by census tract in a significant number of the areas selected' "

On page 3, between lines 17 and 18, insert the following:

"On page 10, between lines 4 and 5, insert the following: 'For the purpose of carrying out its study and demonstration, the Board shall, to the maximum extent consistent with the necessity to conduct such study and demonstration in a sound and comprehensive manner, select those standard metropolitan statistical areas in which mortgage lending practices have been alleged to be discriminatory by geographic location.' "

"On page 5, line 13, strike "twenty" and insert in lieu thereof "thirty-five".

AMENDMENT NO. 702

At the end of the bill add the following new title:

TITLE II—HOUSING PRESERVATION ALTERNATIVES ACT

SEC. 201. This Act may be cited as the "Housing Preservation Alternatives Act of 1975".

FINDINGS AND DECLARATIONS; PURPOSE

SEC. 202. (a) The Congress—

(1) reaffirms its finding that policies designed to contribute to the achievement of the national housing goal have not devoted sufficient attention and resources to the preservation of existing housing and neighborhoods;

(2) reaffirms its declaration that, if the national housing goal is to be achieved, a greater effort must be made to encourage the preservation of existing housing and neighborhoods; and

(3) declares that in view of this situation, promising alternative means of encouraging such preservation should be developed and assessed promptly.

(b) It is the purpose of this Act to authorize, the Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") to develop and implement alternative means of encouraging the preservation and rehabilitation of existing housing and neighborhoods, on a scale which is at least sufficient for assessment purposes but which does not involve an excessive amount of new Federal outlays, and to report his evaluations and recommendations for future housing and neighborhood preservation policy to the Congress.

LEVERAGING OF LOCAL FUNDS

SEC. 203. Section 2(a) of the National Housing Act is amended by inserting before the period at the end of the first paragraph the following: "(or 100 per centum of such loss if (A) such loan, advance of credit or purchase is accompanied by a subsidy or grant of at least $2,000 to the owner or lessee of such real property in conjunction with any applicable approved community development program under title I of the Housing and Community Development Act of 1974, for the purpose of enabling such owner or lessee to undertake housing repairs, improvements, or rehabilitation, and (B) the State or unit of general local government supplying such subsidy or grant agrees to reimburse the Secretary for an amount equal to 20 per centum of any such loss)".

DEMONSTRATION ASSISTANCE FOR HOME IMPROVEMENT LOANS

SEC. 204. Title I of the National Housing Act is amended by adding at the end thereof the following new section:

"DEMONSTRATION GRANT ASSISTANCE

"SEC. 10. (a) The Secretary is authorized to undertake a program to demonstrate the feasibility of making grants or advances in connection with private financing, in order to enable homeowners to finance housing repairs, improvements, or rehabilitation with private capital to the extent feasible and without paying an excessive percentage of their monthly incomes for housing expenses, as determined by the Secretary. For this purpose, the Secretary is authorized to make grants or advances in connection with property improvement loans covered by insurance under section 2 of this title, or in connection with other private financing of housing repairs, improvements, or rehabilitation (including financing insured pursuant to this Act) upon such terms and conditions as he may prescribe, subject to the limitations of this section.

"(b) The cost of repairs, improvements, rehabilitation facilitated by any grant or advance made under this section shall not exceed the maximum insurable amount for

a property improvement loan which is insured pursuant to section 2 of this title.

"(c) To the extent practicable, the Secretary shall carry out the provisions of this section through the financial institution which makes the loan in connection with which the grant or advance is made. The Secretary is authorized to utilize local public and private agencies where feasible to assist in the administration of this section.

"(d) Grants or advances under this section may not be made after March 31, 1978. For the purpose of making grants or advances pursuant to this section, there are authorized to be appropriated not to exceed $15,000,000 in any fiscal year.".

PORTFOLIO INSURANCE FOR REHABILITATION LOAN FUNDS

SEC. 205. Title I of the National Housing Act is further amended by adding at the end thereof the following new section:

"REHABILITATION FUND INSURANCE

"SEC. 11. (a) The Secretary is authorized upon such terms and conditions as he may prescribe to enter into contracts to insure revolving rehabilitation loan funds administered by State or local governments, or by public or private nonprofit agencies or organizations approved by the Secretary for purposes of this section, against part of the losses which such funds may sustain as a result of loans or advances of credit from the funds pursuant to loan programs which meet the requirements of this section. To the maximum extent practicable, the Secretary shall provide insurance pursuant to this section only in cases where he is satisfied that such insurance will result in a significantly larger rehabilitation program.

"(b) A loan program which meets the requirements of this section shall—

"(1) involve significant financial participation in the rehabilitation program by a State or local government;

"(2) involve loans to finance rehabilitation of predominantly residential property in a manner consistent with any approved community development plan under title I of the Housing and Community Development Act of 1974 for the community involved;

"(3) provide loans to persons who cannot obtain or afford private financing; and

"(4) meet such requirements concerning the nature of the loans involved, including requirements concerning the nature of the neighborhoods involved, as the Secretary determines necessary so that any guarantee pursuant to this section will be acceptable as a special risk.

"(c) The Secretary is authorized to establish and collect such insurance premiums or other fees or charges as he determines to be necessary in connection with the administration of this section. Any contract for insurance under this section shall be the obligation of the Special Risk Insurance Fund.

"(d) The aggregate amount of outstanding loans in revolving funds partially insured against losses under this section may not exceed $15,000,000, at the beginning of fiscal year 1977, and may not exceed $35,000,000, at the beginning of fiscal year 1978.".

LIMITATION ON INSURACE PROGRAM FOR EXISTING MULTIFAMILY PROJECTS

SEC. 206. The first sentence of section 223 (f) of the National Housing Act is amended by inserting before the period at the end thereof the following: ", except that a mortgage covering a project, the construction of which commenced after June 30, 1974, may not be insured prior to the expiration of 3 years after the completion of construction".

OTHER MEASURES TO FACILITATE HOUSING PRESERVATION

SEC. 207. The Secretary shall explore the feasibility and undertake demonstrations, where appropriate, of innovative measures by which the Federal Government can encourage the preservation of existing housing and neighborhoods other than the measures authorized by sections 3, 4, and 5 of this Act. Such measures shall include, but are not limited to—

(a) measures to develop a secondary market for home improvement and rehabilitation loans;

(b) the innovative use of mortgage insurance; and

(c) measures to render the refinancing of existing mortgages as a more economical means of housing preservation.

REPORT

SEC. 208. (a) Not later than March 31, 1978, the Secretary shall submit to Congress a report of the activities carried out pursuant to this Act. Such report shall include the Secretary's evaluation of such activities and of other demonstrations, programs, and measures designed to encourage the preservation of existing housing and neighborhoods (including tax measures, which the Secretary shall review in cooperation with the Secretary of the Treasury, and section 223 (f) of the National Housing Act), and the Secretary's recommendations concerning future Government policy for encouraging such preservation.

(b) No later than March 31, 1977, the Secretary shall submit to Congress an interim report which contains a description and evaluation, to the extent practicable, of the activities carried out pursuant to this Act.

FACTSHEET—HOUSING PRESERVATION ALTERNATIVES ACT OF 1975 (S. 1915)

Section 1—Title.

Section 2—Findings and Purpose—Reaffirms that our housing policy has not devoted enough attention and resources to preserving the housing we already have; purpose is to develop alternative means of fostering housing preservation at low Federal cost.

Section 3—Amends the FHA's unsubsidized home improvement loan insurance program to make it more attractive to financial institutions when used in connection with local government housing rehabilitation subsidies. Its purpose is to encourage local governments to work with their financial communities in obtaining private financing for this purpose at the lowest possible cost. Cost negligible.

Section 4—Authorizes up to $15 million annually for HUD to develop and to demonstrate ways in which government grants or advances could be combined with private financing for housing preservation purposes. Local governments could implement the results as they saw fit.

Section 5—Under certain conditions, authorizes HUD to give partial insurance to rehabilitation loan funds administered by State or local governments or approved private nonprofit groups. Federal red tape would be reduced by granting the insurance on an entire fund rather than loan-by-loan basis. Cost probably far less than $5 million.

Section 6—Alters a Taft-authorized provision of the National Housing Act (Section 223(f)) which authorizes FHA insurance of existing multifamily projects. Senator Taft had designed the provision as an aid for financing housing preservation and rehabilitation, but HUD is using it to help finance a large number of newly completed projects which did not have to meet the normal FHA requirements (environmental requirements, affirmative marketing, Davis-Bacon Act wage requirements, etc.) The amendment would limit section 223(f) in the future to its original intent, by requiring that except for projects which qualify for HUD's present program because construction was started prior to the June 30, 1974 deadline, insurance will only be available to projects at least three years old.

Section 7—Would authorize HUD to explore the feasibility, and undertake demonstations where appropriate, of other means of facilitating housing preservation such as the development of a secondary market for rehabilitation loans, means of making home refinancing more economical and the innovative use of mortgage insurance.

Section 8—Requires a report and recommendations to Congress in 3 years which evaluate this Act's provisions and all other programs designed to foster housing preservation.

NATURAL GAS ACT AMENDMENTS OF 1975—S. 692

AMENDMENT NO. 703

(Ordered to be printed and to lie on the table.)

Mr. FANNIN (for himself, Mr. HANSEN, Mr. BUCKLEY, Mr. DOLE, Mr. LAXALT, Mr. BARTLETT, Mr. CURTIS, Mr. BELLMON, Mr. WILLIAM L. SCOTT, Mr. TOWER, and Mr. GOLDWATER) submitted an amendment intended to be proposed by them jointly to the bill (S. 692) to regulate commerce to assure increased supplies of natural gas at reasonable prices for the consumer and for other purposes.

AMENDMENT NO. 722

(Ordered to be printed and to lie on the table.)

Mr. CLARK. Mr. President, during the consideration of S. 1281, the Home Mortgage Disclosure Act of 1975, I will be proposing an amendment that will bring rural areas under the provisions of the legislation, and I ask that the amendment which I now submit for printing be printed at this point in the RECORD.

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

AMENDMENT NO. 722

On page 10, between 4 and 5, insert the following:

(b)(1) Each depository institute which has its home office located outside any standard metropolitan statistical area shall compile and make available, in accordance with regulations of the Board, to the public for inspection and copying at each office of that institution the same information as is required to be compiled and made available under subsection (a)(1) by an institution referred to in subsection (a).

(2) The information required to be maintained and made available under paragraph (1) of this subsection shall also be itemized in order to clearly and conspicuously disclose the number and total dollar amount of mortgage loans by zip code.

On page 10, line 5, strike out "(b) and insert in lieu thereof "(c)".

On page 10, line 6, after "subsection (a)" insert "or (b)".

EXTENSION OF THE VOTING RIGHTS ACT—H.R. 6219

AMENDMENT NO. 704

(Ordered to be printed and to lie on the table.)

Mr. TALMADGE submitted an amendment intended to be proposed by him to the bill (H.R. 6219) to amend the Voting Rights Act of 1965 and to extend certain provisions for an additional 10 years, to make permanent the ban against certain prerequisites to voting, and for other purposes.

AMENDMENTS NOS. 708 THROUGH 710

(Ordered to be printed and to lie on the table.)

Mr. BELLMON (for himself and Mr. BARTLETT) submitted three amendments intended to be proposed by them jointly to the bill (H.R. 6219), supra.

AMENDMENT NO. 711

(Ordered to be printed and to lie on the table.)

Mr. STENNIS (for himself and Mr. EASTLAND) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 6219), supra.

AMENDMENTS NOS. 712 THROUGH 719

(Ordered to be printed and to lie on the table.)

Mr. WILLIAM L. SCOTT submitted eight amendments intended to be proposed by him to the bill (H.R. 6219), supra.

AMENDMENT NO. 720

(Ordered to be printed and to lie on the table.)

Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill (H.R. 6219), supra.

Mr. DOMENICI. Mr. President, racial discrimination at the polling place cannot be condoned in a truly democratic society. The Voting Rights Act has proven to be an effective and indispensable instrument to insure that no citizen will be hindered in the exercise of his right to vote. Wherever voter discrimination exists, it is the obligation of the Federal Government to intervene and assure the existence of a proper climate for the exercise of each citizen's right to vote. But wherever voter discrimination does not exist, it is the obligation of the Federal Government to decline to interfere with a State's orderly conduct of an election.

Application of the Voting Rights Act to States or political subdivisions to which voter discrimination is entirely foreign would serve no national interest and would not further the policy of the Act. It is senseless to require a State to submit to procedures such as preclearance with the Attorney General of the United States of legislative action in order to guarantee the elimination of a problem which does not exist. It is senseless to declare that a State is incapable of protecting its voters from violations of their rights if such violations have not occurred.

While the right to vote is truly basic, we must not forbid a voter's right to abstain where abstention is wholly voluntary and uncoerced. The Voting Rights Act is a mechanism ill conceived to dispel apathy. Triggering application of the act because of the use of a "test or device"—which could be the use of English-only election materials—and a voter turnout of less then 50 percent makes sense only if low turnout is a function of discrimination. Of course, subtle discrimination is often difficult to perceive and impossible to prove. Therefore, low voter turnout should create a presumption of discrimination. But there should be a mechanism in the act whereby a State or political subdivision can rebut this presumption. The standard to be met by the State must be extremely rigorous to prevent circumvention of the salutary purpose of the act.

The "bailout" provision I propose is stringent indeed. A State or political subdivision would be exempted from coverage by the Voting Rights Act if members of one minority group constituted at least 25 percent of the membership in each house of the State legislature or in the governing body of the political subdivision as of November 1, 1972—the significant date in the act's triggering provision. An exemption would also be merited if members of any minority groups constituted at least 30 percent of the membership in each house of the State legislature or in the governing body of the political subdivision as of November 1, 1972.

The act deals with the problem of racial discrimination at a low threshold, that is, intimidation at the polls. My "bailout" provision requires proof of the solution of the problem of discrimination at a very high threshold, that is, a large percentage of minority group members actually serving in elected offices. My proposal allows a State or political subdivision to "bailout" while it absolutely respects the goals of voting rights legislation.

Mr. President, I ask unanimous consent that my amendment be printed in the RECORD.

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

AMENDMENT NO. 720

On page 1, between lines 6 and 7, insert the following:

SEC. 102. The Voting Rights Act of 1965 is amended by inserting after section 4 the following new section:

"SEC. 4A. The provisions of sections 4, 5, and 203 of this Act shall not apply to any State or political subdivision in which—

"(1) any one minority group constitutes at least 25 per centum of the membership of each House of the legislature of such State or governing body of such political subdivision on November 1, 1972; or

"(2) the total minority group membership in each House of the legislature of such State or governing body of such political subdivision constitutes at least 30 per centum of the membership thereof on November 1, 1972."

On page 1, line 7, strike out "Sec. 102" and insert in lieu thereof "Sec. 103".

AMENDMENT NO. 721

(Ordered to be printed and to lie on the table.)

Mr. ROBERT C. BYRD submitted an amendment intended to be proposed by him to the bill (H.R. 6219), supra.

ENERGY CONSERVATION AND CONVERSION ACT OF 1975—H.R. 6860

AMENDMENT NO. 723

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

Mr. KENNEDY. Mr. President, I send to the desk an amendment to H.R. 6860, the House passed Energy Conservation and Conversion Act of 1975, and I ask that the amendment may be referred to the Finance Committee for its consideration.

H.R. 6860 is the major energy legislation which was passed by the House of Representatives last month and which is now pending in the Senate Finance Committee. Under the present tentative schedule, it appears that the bill will be reported to the full Senate in September, shortly after the August recess ends.

The purpose of the amendment I am introducing is to extend and increase the 1975 tax cuts for individuals and small business for another year. The amendment contains three principal provisions:

First, it extends through 1976 the $9.3 billion in tax cuts for individuals now due to expire on December 31 this year.

Second, it would increase the individual tax cuts for 1976 by an additional $4.5 billion, in order to permit withholding rates for individuals to remain constant in 1976 at their present level. Under the technical provisions of the 1975 tax cuts, withholding rates will go up next January 1, even if the cuts are extended, because the withholding rates were set last May to carry out the 1975 cut over only an 8-month period—the remainder of the year at the time the cuts were signed into law—rather than over the full 12-month period available in 1976. To avoid this artificial "tax increase" next January, the amount of the tax cut for 1976 must be increased by about 50 percent or $4.5 billion. The amendment I am introducing would accomplish this purpose by increasing the tax credit for personal exemptions from its present level of $30 in 1975 to $50 for 1976.

Third, the amendment would extend the $1.5 billion in 1975 tax cuts for small business through 1976. These tax cuts take the form of rate reductions and an increase in the so-called corporate surtax exemption. Large businesses were successful in writing 2-year benefits for themselves into the law last spring. Such benefits are already available to them for 1976, and no further action by Congress is necessary at this time. But it would be unfair to countless smaller enterprises in the Nation not to extend the provisions benefiting small business, at a time when Congress acts to extend the benefits for individuals.

Thus, the total amount of the 1976 tax cuts proposed in the amendment is $15 billion—$9.3 billion in extensions of the 1975 tax cuts for individuals; $4.5 billion in increased cuts for individuals to neutralize the need for higher withholding rates in 1976; and $1.5 billion in extension of the 1975 tax cuts for small business.

The goal of the amendment is to guarantee a vigorous recovery from the recession. In my view, extension of the 1975 tax cuts is essential to insure that the current anemic rebound from the recession develops into a full fledged economic recovery for the Nation. Congress should make its commitment to recovery clear, and the time for action is now, as part of H.R. 6860, the next major tax legislation due to reach the Senate floor.

The signs are everywhere that the administration is defaulting on its obligation to rescue the economy from the current deep recession. And so, Congress must keep the pressure for recovery on. It is not enough for economic signposts to be merely pointing up, if the country

is still close to the bottom of the pit in which the recession has dumped us.

True, the early signs of a recovery are now appearing. But the opinion of the experts is virtually unanimous that the recovery will be slow and sluggish. We cannot be lulled into complacency by a single quarter's better GNP results. We cannot neglect the sick economy because the illness is starting to abate.

We know the situation in which we find ourselves today—the economy at the bottom of the worst recession since World War II, unemployment at a record high since the Depression, drastic oil price shocks in the wings, and yet the slowest and most anemic recovery of any of our six postwar recessions.

The minimum effective action we should now take to insure a strong and continuing recovery is to extend the 1975 tax cuts for another year.

Approximately $11 billion in tax cuts for individuals and small business were enacted last March as part of the $23 billion Tax Reduction Act of 1975. But these tax cuts were enacted for 1 year only. Of this amount, $2.5 billion was in the form of increases in the so-called standard deductions; $5.3 billion was in the form of a new $30 tax credit for each personal exemption of the taxpayer; $1.5 billion was in the form of a 10 percent "work bonus" to offset social security taxes on low-income workers; and $1.5 billion was in the form of tax cuts for small business.

As the law now stands, each of these tax reductions is applicable only to the calendar year 1975. Each would be extended for an additional year under the proposal I am making.

In fact, if these cuts are not extended, the tax laws will have an unpleasant and unfair surprise in store for the economy and for millions of ordinary taxpayers on January 1, 1976—a tax increase that will occur automatically if the 1975 reductions are not extended. Such a tax increase would impose a sudden and unjustifiable new drag on the recovery, a drag the country cannot afford if we hope to escape the grip of the present recession.

A tax increase at this time would be totally inconsistent with sound economic policy. No responsible economist is advocating such a step today. Yet, if we would not impose a tax increase directly, how can we accept a tax increase by default, by failing to extend the tax cuts due to expire in December?

For essentially the same reasons, it is not enough merely to enact a simple extension of the 1975 tax cuts. Congress must also take the additional step of neutralizing the impact of the increased withholding rates that will occur on January 1, 1976, even if the tax cut is extended.

This issue arises because the individual tax cuts for 1975 were implemented by reductions in withholding designed to compress the full year's worth of 1975 tax cuts into an 8-month period—the period left in 1975 after the bill was enacted.

Therefore, if the 1975 tax cuts are extended at only the same level for 1976, the withholding rates for individuals will still rise next January, since the $9 billion in cuts for 1976 would be implemented through withholding rates set for the full 12 months of the year.

Consequently, the amount of withholding would go up next January. Take-home pay would decline. As a result, for all practical purposes, individuals subject to withholding would suffer the consequences of a tax increase. To avoid this technical effect—which is a de facto tax increase next January—the amount of the tax cut in 1976 should be increased by enough—approximately $4.5 billion—to maintain the withholding rates for 1976 at their current levels.

Just to stay in place, therefore, we need to take two immediate steps in fiscal policy. We must extend the tax cut for another year. And we must neutralize the potential withholding increase. In this way, we can keep consumers whole, keep the recovery going, drive unemployment down, and escape the recessionary pressures that will be felt next January if we fail to take this stitch in time today.

The $15 billion in tax cuts for 1976 would cause no substantial risk of renewed inflation. As the recent study of the Congressional Budget Office indicates, an immediate additional tax cut as high as $24 billion—over and above the extension of the 1975 cuts—would actually produce a slightly lower rate of inflation for the rest of 1975 and throughout 1976, because of productivity gains in the economy.

Finally, it is important to separate the issue of a tax cut to keep the present recovery going well, from the issue of whatever additional tax cuts may be necessary to offset future oil price increases—either by the OPEC nations or by the misguided price decontrol policy of the Ford Administration.

I believe that Congress should make a commitment now to offset any oil price "shocks" to the economy, independently of our decision to extend the 1975 tax cuts for individuals and small business.

Those tax cuts deserve to be extended in their own right now, as the cornerstone of our continuing antirecession policy, even if there is no increase in oil prices.

By separating the oil and economic issues, and acting to extend the 1975 tax cuts now, Congress can clear the deck to consider whatever additional tax cuts may be necessary to neutralize an oil price increase, in the event such an increase actually takes place.

In this way, we can unmask the administration's apparent present strategy, which is to oppose action on extending the tax cuts now, in the hope that later in the year the extension can be made to do "double duty"—by serving the additional purpose of offsetting an oil price increase, by rejecting this insidious strategy and separating the economic and oil issues at this time, we stand the best chance not only of keeping the present recovery strong, but also of acting in time to prevent any new energy price increase from plunging the economy downward into a new recession.

Mr. President, I ask unanimous consent that the amendment I am submitting be printed in the RECORD. I also ask unanimous consent that two tables may be printed in the RECORD, one showing the growth in real GNP in previous recessions and illustrating the comparative slowness of the recovery from the present recession, and the other showing the specific tax cuts involved in the amendment and the consequences of a failure to extend them.

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

At the end of the Act, add the following new title:

TITLE V—EXTENSION OF 1975 TAX REDUCTIONS FOR INDIVIDUALS AND SMALL BUSINESS

SEC. 501. (a) The last sentence of section 209(a) of the Tax Reduction Act of 1975 is amended by striking out "December 31, 1975", and inserting in lieu thereof "December 31, 1976".

(b) Section 209 (b) and (c) of such Act are each amended by striking out "January 1, 1976" and inserting in lieu thereof "January 1, 1977".

SEC. 502. (a) Section 42(a) of the Internal Revenue Code of 1954 (relating to a credit for personal exemptions) is amended by striking out "$30" and inserting in lieu thereof "$50".

(b) The amendment made by subsection (a) shall apply to taxable years ending after December 31, 1975. Such amendment shall cease to apply to taxable years ending after December 31, 1976.

SEC. 503. (a) Section 11(b) of the Internal Revenue Code of 1954 (relating to normal corporate tax rate) is amended—

(1) by striking out "December 31, 1975," in paragraph (1) and inserting in lieu thereof "December 31, 1976,", and

(2) by striking out "January 1, 1976," in paragraph (2) and inserting in lieu thereof "January 1, 1977,".

(b) Section 305(b)(1) of the Tax Reduction Act of 1975 is amended by striking out "December 31, 1975" and inserting in lieu thereof "December 31, 1976".

TABLE I.—*Growth in real GNP in prior recessions by quarter, beginning with the quarter in which the trough of the recession occurs*

[In percent]

1949.4	− 3.3
1950.1	+21.6
1950.2	+11.0
1950.3	+17.5
1950.4	+ 8.2
1954.2	− 0.8
1954.3	+ 5.2
1954.4	+ 8.5
1955.1	+12.4
1955.2	+ 7.2
1958.2	+ 1.8
1958.3	+10.6
1958.4	+10.0
1959.1	+ 6.2
1959.2	+10.0
1961.1	− 0.9
1961.2	+ 8.7
1961.3	+ 7.3
1961.4	+ 8.4
1962.1	+ 6.2
1970.4	− 4.3
1971.1	+10.1
1971.2	+ 2.8
1971.3	+ 2.8
1971.4	+ 6.5
1975.2	− 0.3
1975.3	?
1975.4	?
1976.1	?
1976.2	?

TABLE II.—1975 TAX CUTS FOR INDIVIDUALS AND SMALL BUSINESS

Provision	1975 level	1976 level if provision not extended	Amount of 1975 cut (billions)
Minimum standard deduction	$1,600 single person; $1,900 joint return	$1,300 for single person or joint return	$2.5
Maximum standard deduction	16 percent of adjusted gross income; maximum deduction of $2,300 for single person, $2,600 for joint return.	15 percent; $2,000 maximum	2.5
Tax credit for each personal exemption	$30	0	5.3
Earned income credit (work bonus)	10 percent of earned income; maximum credit of $400	0	1.5
Corporate surtax exemption	$50,000	$25,000	1.2
Tax on corporate income	20 percent on first $25,000; 22 percent on second $25,000; 48 percent on balance.	22 percent on first $50,000; 48 percent on balance	0.3

AMENDMENT NO. 724

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

Mr. HARTKE submitted an amendment intended to be proposed by him to the bill (H.R. 6860), supra.

VETERANS' INSURANCE AMENDMENTS ACT OF 1975—S. 1911

AMENDMENT NO. 725

(Ordered to be printed and referred to the Committee on Veterans' Affairs.)

Mr. HARTKE submitted an amendment intended to be proposed by him to the bill (S. 1911) to amend title 38, United States Code, to provide certain persons insured under Servicemen's Group Life Insurance—SGLI—with a choice of conversion to either an individual term or whole life insurance policy or Veterans' Group Life Insurance policy upon the expiration of their Servicemen's Group Life Insurance coverage, and for other purposes.

OUTER CONTINENTAL SHELF MANAGEMENT ACT—S. 521

AMENDMENT NO. 726

Mr. HASKELL (for himself and Mr. CRANSTON) submitted an amendment intended to be proposed by them jointly to the bill (S. 521) to increase the supply of energy in the United States from the Outer Continental Shelf; to amend the Outer Continental Shelf Lands Act; and for other purposes.

AMENDMENT NO. 727

(Ordered to be printed and to lie on the table.)

Mr. HOLLINGS (for himself, Mr. MAGNUSON, and Mr. STEVENS) submitted an amendment intended to be proposed by them jointly to the bill (S. 521), supra.

AMENDMENT NO. 728

(Ordered to be printed and to lie on the table.)

Mr. HOLLINGS (for himself, Mr. JACKSON, Mr. MAGNUSON, Mr. JOHNSTON, and Mr. STEVENS) submitted an amendment intended to be proposed by them jointly to the bill (S. 521), supra.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 689

At the request of Mr. KENNEDY, the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of amendment No. 689, intended to be proposed to the bill (S. 1517) to authorize appropriations for the administration of foreign affairs; international organizations, conferences, and commissions; information and cultural exchange; and for other purposes.

NOTICE OF HEARINGS: MAJOR SYSTEMS ACQUISITION REFORM

Mr. CHILES. Mr. President, I wish to announce the final schedule of witnesses for the Government Operations Subcommittee on Federal Spending Practices' reform effort in major systems acquisition programs.

We have held 5 days of hearings already—two devoted to a case investigation of the air combat fighter programs.

Support for our Procurement Commission reform package has been broad and heartening.

Now—next week—we will finally hear an administration position on commitments to move forward.

Witnesses scheduled are as follows:

TUESDAY, JULY 22, 1975

Hon. Elmer B. Staats, Comptroller General of the United States.

Hon. Hugh E. Will, Administrator, Office of Federal Procurement Policy, Office of Management and Budget.

Hon. William P. Clements, Jr., Deputy Secretary of Defense.

WEDNESDAY, JULY 23, 1975

R. G. Romatowski, Assistant Administrator for Administration, Energy Research and Development Administration, former Deputy Chief, Naval Materiel Command.

Hon. James C. Fletcher, Administrator, National Aeronautics and Space Administration.

Kenneth Woodfin, Assistant Administrator for Procurement, National Aeronautics and Space Administration.

William P. Davis, Deputy Assistant Secretary for Administration, Department of Transportation.

William E. Stoney, Acting Assistant Secretary for Systems, Department of Transportation.

THURSDAY, JULY 24, 1975

Adm. Joseph M. Lyle, president, National Security Industrial Association.

Karl G. Harr, Jr., president, Aerospace Industries Association.

V. J. Adduci, president, Electronic Industries Association.

David G. Soergel, DGS Associates.

Robert Perry, Economics Department, the Rand Corp.

All hearings are scheduled to begin at 10 a.m., room 3302, Dirksen Senate Office Building. Please contact the Subcommittee Chief Counsel, Mr. Les Fettig, 224–0211, for any further information.

NOTICE OF HEARING

Mr. MUSKIE. Mr. President, the Subcommittee on Intergovernmental Relations, Committee on Government Operations, will hold a hearing to receive the results of a General Accounting Office study of the impact of general revenue sharing in 26 selected jurisdictions on Wednesday, July 23, 1975 at 10 a.m. Room will be announced later.

ANNOUNCEMENT OF HEARING ON "TRANSPORTATION AND THE ELDERLY: PROBLEMS AND PROGRESS."

Mr. CHURCH. Mr. President, on Tuesday, July 29, the Special Committee on Aging will hold a hearing on the efforts of the Department of Transportation and the Administration on Aging to improve transportation services to older Americans. Testimony will center on the 16(b)(2) program under the Urban Mass Transportation Act of 1965 and the rural demonstration program authorized by section 147 of the Federal Aid Highway Act of 1973. The hearing will convene at 10 a.m. in room 6226, Dirksen Senate Office Building. Senator LAWTON CHILES will preside.

HEARINGS ON PRESIDENT'S LABOR-MANAGEMENT ADVISORY COMMITTEE CHANGED TO JULY 31

Mr. METCALF. Mr. President, on July 16, I announced hearings (S12698) by the Subcommittee on Reports, Accounting and Management regarding recommendations dealing with electric utilities made by the President's Labor-Management Committee. The hearings were originally scheduled for Tuesday, July 29. The date of the hearing has been changed, to accommodate the witnesses, to Thursday, July 31. They will begin at 10 a.m. The hearings will be held in room 1114 Dirksen Senate Office Building, rather than in the room previously announced.

The witnesses will include Secretary of Labor John Dunlop, who serves as the committee's coordinator, and Frank G. Zarb, Administrator of the Federal Energy Administration.

NOTICE OF HEARING

Mr. MUSKIE. The Subcommittee on Intergovernmental Relations will hold a hearing, Wednesday, July 23, 1975, at 10 a.m. in room 4200 Dirksen Senate Office Building. The purpose of the hearing will be to receive testimony from

Comptroller General Elmer B. Staats on the General Accounting Office case studies of revenue sharing in 26 local governments.

ANNOUNCEMENT OF HEARINGS ON PRESIDENTIAL PROTECTION ASSISTANCE ACT

Mr. NUNN. Mr. President, the Subcommittee on Oversight Procedures of the Committee on Government Operations will conduct a hearing Monday, July 28, 1975, on the Presidential Protection Assistance Act. The hearing will begin at 10 a.m. in room 3302 of the Dirksen Senate Office Building.

NOTICE OF PROCEEDINGS ON S. 2154: RAILROAD UNEMPLOYMENT INSURANCE AMENDMENTS

Mr. WILLIAMS. Mr. President, today I introduced, for myself, Senator JAVITS and Senator SCHWEIKER, a bill to raise the level of unemployment benefits for railway workers.

Although there are significant differences, the purpose of S. 2154 is similar to that of H.R. 4716, a bill introduced on March 12 in the House of Representatives. The House Committee on Interstate and Foreign Commerce conducted hearings on H.R. 4716 on April 23. Extensive testimony was heard from all interested parties including representatives of the Railroad Retirement Board, Railway Labor Executives Association, Brotherhood of Railway and Airline Clerks, the National Railway Labor Conference and the Association of American Railroads.

The issues regarding changes in the level of benefits and other important features of the Railway Unemployment Insurance Act were thoroughly explored at those hearings.

All interested parties are invited to submit to the Senate Labor and Public Welfare Committee any written comments and supporting data relating to S. 2154 for the record to Donald Elisburg, general counsel, Committee on Labor and Public Welfare, room 4230, Dirksen Senate Office Building, by Friday, July 25, 1975.

The Committee on Labor and Public Welfare will proceed with this record without further public hearings unless requested to do so by any of the interested parties.

ADDITIONAL STATEMENTS SUBMITTED JULY 21, 1975

PAEAN TO WOMEN

Mr. MATHIAS. Mr. President, in 1776, Abigail Adams wrote to John:

> If particular care and attention are not paid to the ladies we are determined to foment a rebellion and will not hold ourselves bound to obey any laws in which we have no voice or representation.

Two hundred years later, in our Bicentennial of freedom, historians are beginning to rethink our revolutionary history with a view toward the contributions of American women. They admit that history books have not done an adequate job describing the actual activities of women like Abigail Adams, Molly Pitcher, and in general, the women who were obviously involved in the Revolution through the mere fact of their numbers and their family influence. Judd Arnett in this morning's Baltimore Sun thinks it is an appropriate time to give credit to women's difficult and trying struggles of building a country, many times without their husbands or fathers or brothers. We can only agree. I am proud that the Maryland Bicentennial Commission has contracted with women historians to write the story of prominent feminine contributors to Maryland's history. More needs to be said and written as Mr. Arnett suggests, and I ask unanimous consent that his article be printed in the RECORD.

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

A PAEAN TO WOMEN, PAST AND PRESENT

(By Judd Arnett)

This is going to be about, and in favor of, the women of America, past and present, whether some of them like it or not. Quite often what a chauvinist curmudgeon admires in the opposite sex does not jibe with the pronouncements of the leaders of the so-called "liberation movement," and this inspires nasty rebuttals. So be it. One has learned to live with the slings and arrows of adversity even when he is convinced that he does not deserve them.

Alistair Cooke recently made a speech to the Writers Guild of America, West. Mr. Cooke, a naturalized citizen, is one of the blessings of immigration, perhaps the finest gift we have received from England since King George let go of his grip on the Colonies under extreme duress. His knowledge of our history puts most of us natives to shame, and it therefore follows that he is concerned about how we are going to celebrate the Bicentennial.

All that is "fatuous, gaudy, childish, frivolous, vulgar, idiotic has already been done," he told the Writers Guild, and then he listed some of the individuals and events worthy of the honor of reflection. Listen:

"I think of Mark Twain and Lincoln and Henry and William James and Tecumseh and Mr. Justice Holmes and Brandeis and Father Serra and Adlai Stevenson—what you might call the failed saints, the people who failed.

"And mostly I think—especially when I'm out in the middle of the country—of those numberless wives who, 100 years ago on the prairie, made a home against the Arctic winds and rancid summers and drunken husbands and disease and the steady winds and the ghastly loneliness. And I would like to think that we would write, without sentimentality, about these women, most of whom were deaf, and a great many of whom went mad from the wind. . . ."

Now that is a subject mighty enough to warrant Bicentennial favor—the story of the women, past and present, who held the home front together while their husbands, or lovers, or brothers, or fathers went galloping off in pursuit of adventure, or fortune, or glory, or whatever it was that motivated them. As to the prairies, it was the men who had the better part of the experience. And it is still that way in what we consider the age of enlightenment.

For the truth is that there is more freedom, or perhaps romance, in life for the average man than for the average woman. Even if the man goes off to a job which does not tax all of his capacities, there is the prospect that the day will provide at least a small change of pace.

Amidst the din and clangor, someone may tell a hilarious story. The foreman may semi-choke on his coffee. There will be the rumors and half-truths which punctuate the management of an industry. Women, talk of Sports. Something happens, although of slight consequence. There is variety. There is the sense of "being out in the world," of at least sharing in the fantasy of its rollings and tossings. You are there, if only on the outermost fringes. You are not alone.

Quite often this feeling of participation does not apply to the woman at home. She is isolated, left with countless small chores which do not change. And yet she must share the faceless fears of society. Will his job last? Will the bills be paid? Will the children prosper at school? Will everything come out in the wash, to torture an old expression? The winds of uncertainty may be as persistent as the century-old winds of the prairie, but too often she is the only one who recognizes their presence.

There is scarcely a family that does not have a heroic, albeit unsung, woman in its background. My mother embraced the children while my father railroaded as a near-pioneer throughout the South and Southwest. He was a romantic, in the sense that something better was bound to occur in Texas or Arkansas. So the family moved hither and yon, nomadics long before it became an American trend. Who has the adventure of it, the feel of participation? He did. It has always been so, no less in Michigan than in Nebraska or California. There is acquaintance with a family that has moved 13 times in 8 years.

Written history is grossly unfair simply because it does not record the monumental contribution of women to the winning of the Republic. Alistair Cooke says we should do something about this as part of the Bicentennial observance, and from this outpost there is the acknowledgement: It is about time.

EAST-WEST RELATIONS

Mr. BENTSEN. Mr. President, in the near future the heads of State of this Nation and some 30 others from both sides of the Atlantic will sit down in Helsinki, Finland, to approve an agreement resolving a broad range of political, military, economic, and social irritants in East-West relations.

Mr. President, the approaching summit of the Conference on Security and Cooperation in Europe will be an effort to strengthen détente by broadening East-West cooperation in a number of areas. But the harmony resulting from that conference will be marred by the turmoil and acrimony produced by recent developments in Portugal.

Democratic elements in that nation are struggling to overcome the forces of extremism on both right and left. The United States, indeed the whole of Europe, has significant political, strategic, and psychological interests in seeing democracy take firm root in Portugal, an integral part of NATO and the Atlantic community.

But democracy will not be allowed to take firm root in Portugal if charges by the press and by academic experts on Europe, of Kremlin interference in Portugal, are true. The Soviet Union is reportedly supplying the Portuguese Communists with millions of dollars a month to support their efforts to destroy the fledgling democracy in that nation.

If true, then Soviet leaders are not only violating Portuguese law but also making a mockery of efforts at the Euro-

pean Security Conference to affirm the principle of nonintervention and noninterference in the internal affairs of other nations.

I have been in contact with the Department of State to determine whether these reports are true, but they have no solid information on the matter, only unconfirmed "allegations" that it might amount to $2 million a month.

The CIA estimates differ from that provided by the State Department. Although the CIA said they have no conclusive evidence, a spokesman told me the level of aid may well exceed $10 million a month. The CIA also said that, in all likelihood, the level of aid to Portuguese Communists is far in excess of the aid Russia provides Communist Parties in other countries of Western Europe.

I find it incredible that the State Department seems willing to proceed with plans to have our President sit down with Soviet leaders to discuss nonintervention when they have so little information on what appears to be massive Soviet intervention in the affairs of Portugal. The issue of Soviet meddling in Portugal and the questions it raises of Soviet intentions to comply with the Helsinki agreement should be resolved before President Ford attends the summit conference. If these reports are true he should be prepared to decline to participate or insist that the issue be aired in full debate.

Mr. President, I support efforts to resolve the irritants that continue to plague East-West relations. To the extent these efforts succeed, they strengthen détente. As Secretary Kissinger has pointed out, what alternative is there to a policy of easing relations with former adversaries? I am convinced the American people do not wish to return to a period of sterile cold war confrontation. A policy of seeking realistic agreements with former adversaries is certainly far more in the interests of U.S. national security.

But I believe that we must approach détente with caution. We must remember that significant differences in strategic, political, economic, and moral values still exist between the United States and its former adversaries. They will not be easily contained or resolved.

World peace hangs in the balance and there must be mutual efforts to address them. I say, "mutual," for we must insist that détente be a two-way street. It must be mutually advantageous. I support efforts to strengthen détente as long as those efforts are matched by concessions from the other side. We have far more to lose from a crumbling of détente that from a strengthening of it, but I believe we should stop and take a good, hard, long look at how we are going about pursuing the goal of détente.

Meaningful détente will be built on positive accomplishments. The Russian wheat deal in 1972 is a good example of what détente should not be. The frantic efforts to negotiate a second-stage disengagement agreement in the Middle East recall the Russian failure to advise us, as they agreed to, of the impending Arab attack on Israel in 1973.

And I do not need to remind this Chamber of the administration's efforts to provide hundreds of millions of dollars' worth of loans to the Soviet Union at low interest rates when the average American citizen was paying interest rates twice as high as those the Soviets were paying.

Mr. President, there have been and will be, I trust, important achievements as a result of our policy of détente. But the Congress and the American people should be aware of the appearance of détente; that is, a policy of détente which is not accompanied by positive steps toward a relaxation of tensions and mutual cooperation; a policy in which there is no quid pro quo, a policy which is not matched by concessions from the other side.

A YOUNG LADY WRITES TO PRESIDENT FORD ABOUT COMMUNISM

Mr. HELMS. Mr. President, a letter came to me one day last week that, in an ironic sort of way, gave me encouragement. Actually, it is a copy of a letter written to the President of the United States by Miss Sarah Simms, of Alexandria, Va.

Miss Simms was born in Raleigh, N.C., and lived there until a year or so ago when her parents moved to Alexandria. She is a brilliant and charming young lady. She is an active Christian. In September, she will return to Duke University to continue her graduate work. She also will be doing some teaching at Duke University.

And that, Mr. President, is the encouraging part of it. The academic world needs more students and teachers with the awareness and forthrightness of Miss Simms. There are too few of her kind. Somehow, it has become fashionable to lead our young people to believe that communism is "just another political system," and that détente is a great and wonderful thing, and that communism is "mellowing" and, therefore, no longer a threat to the freedoms of mankind.

It may be that earlier in her educational process, Miss Simms was subjected to that sort of nonsense. It may even be that she accepted it, to some degree, without questioning its validity. But the important thing, Mr. President, is that Miss Simms now knows better. During the past year, she has been in confrontation with Communists; she has witnessed how they operate; she has examined their warped, twisted techniques. She is alarmed at what she has seen.

She discusses this, Mr. President, in her letter to President Ford. For that reason, I want to share her letter with my colleagues, and with others who read the CONGRESSIONAL RECORD.

Therefore, I ask unanimous consent that the letter written by Miss Sarah Simms to President Ford be printed in the RECORD.

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

JULY 13, 1975.

Hon. GERALD R. FORD,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am writing with regard to your refusal to see Alexander Solzhenitsyn. This was a decision for which I, on my part, can find absolutely no understanding. I believe firmly that you were horribly ill-advised on this matter.

This past year I was a student at the Free University in Berlin, West Germany. During this time, I was in daily contact with Communist propaganda through personal association with Communist students. It was an eye-opening experience, and one which I would prescribe for every citizen of the free world.

Communists are dedicated to nothing less than the total destruction of personal freedom, of the individual pursuit of happiness, and of all those rights which we hold to be inalienable. Anyone who does not support the Communist line is termed, by the Communists, not merely uneducated or unenlightened, but in fact is degraded to the status of an animal whose slaughter is justified.

The Communist goal, Mr. President, is world conquest—not detente. If detente were indeed uppermost in the minds of Communist leaders, why do they still brainwash their young members in a discipline and rhetoric which is geared for all-out confrontation and destruction?

Mr. President, these people cannot be swayed from their task. They are totally possessed and caught up in their roles as the "vanguards of the Communist revolution"—a revolution which is still being waged.

It is an ominous occasion when the leader of the free world refuses to recognize a man who was and is willing to risk his reputation and life to defend freedom and expose Communism. Why is it, Mr. President, that Lenin said confidently that the bourgeoisie will supply the rope with which to hang itself?

Sincerely,

Miss SARAH SIMMS.

S. 66—THE HEALTH BILL

Mr. CANNON. Mr. President, Congress has recently approved the conference report on the health bill, S. 66, and sent it to the President. Earlier legislation to provide for these health programs was vetoed. I hope that will not be the case again. I am concerned about the possible decline of health services.

Title IX of S. 66, for example, extends Federal support for nursing schools and students.

Last year, Nevada received $714,000 in funds under the Nurse Training Act. Many fine programs could go by the wayside if this bill is not enacted.

One such program is COGEN—which stands for cooperative graduate education in nursing. It involves 12 schools, 10 in California and 2 in Nevada, that share faculties and facilities to promote regional development of graduate education in nursing. Programs like COGEN help to reduce the severe shortage of nurses prepared to teach, administer, research, and practice in more isolated areas such as rural areas in Nevada. Such programs also make the most efficient and effective use of facilities. Many innovative projects of this kind have been fostered under the Nurse Training Act. Yet many programs of this kind would have to be terminated—let alone start-

ing any new ones—if this Federal support is discontinued.

Another program vital to Nevada is the rural nurse practitioner program. The purpose of the RNP program is to improve the delivery and accessibility of health care to rural residents—a program of inestimable value to a State such as Nevada.

The program directs three qualified faculty members from the Orvis School of Nursing to spend time in such places as Elko, Wells, Winnemucca, and Carson City. The response from nurses wishing to enroll in the course has been overwhelming.

Federal funds through the Nurse Training Act in Nevada are also being directed toward attracting disadvantaged or ethnic minority students to the field of nursing. Currently, the Orvis School of Nursing has submitted a 1-year feasibility study to HEW to develop a curriculum study that would allow such students to complete an academic program at a decelerated rate. This same study would seek to establish a curriculum which will assist registered nurses to return to school to pursue a bachelor of science degree in a baccalaureate program.

The end result of these programs is better nursing care for people, and I am sure the benefits in Nevada are being duplicated in other States.

The funding authorizations in S. 66 have been considerably reduced from those in the legislation which the President vetoed. I think it is a realistic bill and I think it is a needed bill. I urge the President to sign it.

MOTHER CLARKE

Mr. MATHIAS. Mr. President, on Saturday, July 26, the Edwin C. Creeger, Jr., Post 168 of the American Legion in Thurmont, Md., will honor one of Maryland's most outstanding citizens. Mrs. Ambrosia E. Clarke, known to all as Mother Clarke, will be feted on her 80th birthday at a dinner that also commemorates her 32 years of devoted service to hospitalized service personnel from World War II, Korea, and Vietnam.

Mother Clarke is truly a noteworthy woman. A native of Maryland, she raised 24 children. She was Frederick County's first blood donor, and over the years she has given 59 pints of blood to help others. And her efforts to brighten the lives of hospitalized servicemen and women have brought her the love and respect of countless persons who have been the beneficiaries of her kindness.

As Mother Clarke's family, friends, and admirers prepare to honor her, I know my colleagues in the Senate join me in a tribute to this outstanding Maryland lady. One of Mother Clarke's children, Paul A. Clarke, wrote some years ago, while he was in the military service himself, of his mother's rich life. I ask unanimous consent that his article be printed in the RECORD.

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

A MODERN MOTHER OF MERCY

(By Paul A. Clarke)

A mother of 24 children who has donated 47 pints of blood dedicates her life to help our hospitalized veterans

The quiet gentle lady stopped at the bedside of the hospitalized serviceman. A few reassuring words, the flash of a kind smile wreathed by silvered hair, and she was off to the next bed. Beside the patient lay a gaily wrapped gift box, and in his heart was a feeling of warmth and happiness.

This thoughtful lady, "Mother" Clarke, makes giving her business. As a modern Florence Nightingale since 1942 she has worked tirelessly to cheer the lives of thousands of hospitalized servicemen and veterans she calls "her boys".

The advent of World War II convinced Mrs. Clarke that everyone should do something to help his country. She was to be no exception. Each morning she brought sandwiches and hot soup and coffee to the soldiers who guarded the long convoys that streamed endlessly by her home.

The boys got to know her well. They called her "Mother" Clarke.

She still receives visits and letters from the boys she befriended and likes to show you what a typical letter of thanks from a serviceman's mother looks like. It would read something like this: "May I thank you for the kindness shown to my son. It is so nice to know that someone was kind to him when he was so far from home."

This one-woman USO did not stop here. She decided that she still was not doing enough for "our boys" and started a personal crusade to acquire needed blood plasma for our wounded servicemen. She became her county's first blood donor during World War II. When the county blood chapter was closed, Mrs. Clarke began twice-monthly 78-mile pilgrimages to a Baltimore hospital to make her contributions.

Mother Clarke has a personal reason for maintaining her blood record. "I have my own sons in the service," she says, "and anyone of them could need blood sometime. I pray God not!"

It was on one of her trips to Fort Howard Veterans Hospital in Baltimore, Maryland that this amazing woman began another one of her tireless feats which has won her recognition all over the country. She says, "I could not get over how many of our boys were lying wounded in the hospital. I had to help them—someway."

On her next visit to the hospital, Mrs. Clark brought a number of gifts, and passed them out in the wards. Since that visit in 1942, she has been a self-appointed "mother" to ill and wounded veterans in hospitals throughout the country. "I could not help seeing how happy my gifts made the boys and I decided then and there to make regular visits to the hospitals bringing gifts and cheering them up," she explains.

"My biggest worry is that there is so much to do and so little to do it with. There are so many boys and so few gifts. I remember when I ran out of gifts in the middle of a ward one day. I had to cry when I told the boy in the next bed that I did not have any presents left."

Where do her gifts come from? "I had plenty of faith in the good will of others," explains this remarkable woman, "and I began to comb my home town of Thurmont asking for donations of gifts for my boys. Not wanting to ask the same people for gifts all the time, I began going into Frederick, Baltimore, and Washington to ask for help."

In later years as her gift collecting increased, she started writing letters to hundreds of companies asking for help in her work. Her gifts became so numerous that the various hospital authorities sent a car for her to help carry the cartons of presents she would accumulate between each visit.

It is only through the generosity of the kind-hearted people, says Mother Clarke, that she is able to bring happiness to the boys when she presents these gifts. "I wish you were along to see the boys—how they jump up and sit in bed. They wait for that visit. If they can smile when handed a gift I will walk miles and write hours for more such gifts for them. That smile is worth thousands of times more to me than the miles I walk or the hours I write."

This lady of mercy reminisced on her experience as a mother of two dozen children, 12 of whom are living. "I have had a lot of trouble," she says, smiling, "but I would not have had it any other way. I have always prayed and burned a candle. God has always answered my prayers."

The high cost of living was no joke when her 12 children were living at home. Cooking potatoes by the peck and serving breakfast on an assembly-line system was routine housework for her. She measured her laundry by the bushel basket—ten baskets was a normal washday in those days.

A typical day for Mrs. Clarke would not be complete without her ten-minute walk to Our Lady of Mt. Carmel church in Thurmont for daily Mass. "Rain, snow, or shine, my day begins with my visit to the Lord. He has been so good to me."

Many honors have come to Mother Clarke since her mission of mercy began in 1942. She treasures many different awards and certificates, all of which she uses in her campaign for gifts for her "adopted" boys. Asked about her citations she says, "I would rather have gifts for the boys than any citations."

Mother Clarke is Mrs. Ambrosia Clarke Sr. of Thurmont, Maryland. She is the mother of 24 children of whom 12 are living. She has donated 47 pints of her blood to soldiers and ex-soldiers. Four of her sons are in the service.

This "Mother of Mercy" was born Ambrosia Derwart, daughter of Mr. and Mrs. Michael Derwart, in Baltimore, Maryland. She attended Our Lady of Good Counsel and Holy Cross Schools there and in 1917 became the bride of Charles H. Clarke Sr., who died in 1954 at the age of 72. She and her husband settled in the attractive Frederick County town of Thurmont, Maryland, and it was there that Mother Clarke bore her 24 children before she began "adopting" servicemen in the hospitals.

In 1948 she traveled to Hollywood, California, to be chosen "Honorary Queen for a Day" on Jack Bailey's "Queen for a Day" program. Fort Howard Veterans Hospital, Baltimore, Maryland, not to be outdone by Jack Bailey, declared Mrs. Clarke "Fort Howard's Queen for a Day" and presented her with a loving cup which holds the inscription: "To Mother Clarke in appreciation from the boys."

The Second Army's Certificate of Achievement, highest honor given to a civilian, was awarded to her "for unselfish and outstanding service rendered to former members of the armed forces in the Veterans Administration Hospital, Fort Howard, Maryland." Harold Russell and the AMVETS awarded a certificate of merit to her "for outstanding service to the organization and to the welfare of our Nation."

In 1949, Thomas D'Alesandro, Mayor of the City of Baltimore, Maryland, presented Mother Clarke with a certificate and award of merit. The Catholic War Veterans of Maryland and Illinois duplicated this honor by awarding two certificates of merit to her "for your many acts of kindness rendered our veterans and members of our armed forces."

NBC's "Portia Faces Life" honored this mother as "Mother of the Year" on May 9, 1951 as star Lucille Ball had this to say about her: "Your tenderness and devotion to your family are a wonderful thing, but showing love to all the "human" family typifies the true meaning of motherhood."

Bob Hope, star of NBC's Radio Network, presented her with the Bob Hope "Woman of the Week" Citation on May 22, 1953 "for outstanding citizenship and individual achievement for home and community."

It was in 1951 that His Eminence Cardinal Spellman of New York summoned Mother Clarke to his residence and presented her with the Francis Cardinal Spellman Medal. This was in recognition of her fine work in bringing joy to the various veterans hospitals. As she knelt to kiss his ring, His Eminence said to her, "Stand up, Mother. I should kneel to you."

One commendation Mother Clarke treasures is a scroll and prayer awarded her by Pope Pius XII. She has also received a medal from the Pope. "My life would be complete," she says, "if I could only go to Rome and get the blessing of the Holy Father."

Mother Clarke expresses her faith in God to answer her prayers in this simple manner. "There is nothing that God won't do to help us. Don't expect His Help in the way you always look for it. God acts in strange and mysterious ways. I had to pray 14 years before He gave me twins."

Mrs. Clarke's repute as a "Mother of Mercy" has spread. She has appeared at different times on radio and television programs in New York City, Baltimore, Washington, Hollywood, Chicago, and other cities in behalf of her wounded servicemen. Various firms and factories continue to send her a wide variety of articles—bedside radios, toilet sets, fountain pens, mechanical pencils, stationery, chocolates and candy bars, book, cigarettes, handkerchiefs, harmonicas, clothes, souveniers—and with each such gift she hands over to a hospitalized serviceman goes cheering words based on her own experience as a mother.

Father Edward A. Curran, an United States Army chaplain at Walter Reed Hospital, Washington, D.C., wrote a letter to the editor of this mother's hometown paper. "What a noble spirit, what a real American citizen!" the latter exclaimed. "Truly she has fulfilled the command, 'Love thy neighbor as thyself'!"

What of Mother Clarke's spare time? Housework and the numerous letters she writes to various firms take up most of her free time. Last Christmas she sent out 200 letters and acknowledged their gifts with a same amount of thank-you letters. Every letter is written in her own handwriting since she says, "I write as I feel and that is why I have been so successful."

"The boys are my work and I hope that they will always think of me as their adopted mother. But even if they do not always remember me," she adds, "they are still my boys and I will keep on working for them because God has made this the happiness in my life."

And that is how it goes with Mother Clarke—a solid citizen with a heart for giving. Certainly the hospitals are more cheerful places because she came . . . and cared.

INFLATION REPORT NO. 3: HIGH CAR PRICES INCREASE UNEMPLOYMENT

Mr. HUMPHREY. Mr. President, in the past few weeks I have addressed this Chamber several times about a subject the administration would like to think is its pet domain of activity: inflation. But instead of saying, as the administration has been, that the cure to rising prices is to limit people's purchasing power and keep them from finding jobs, I have examined specific instances of price increases and offered plausible, widely accepted reasons why they have occurred. In no case has the working man or woman been to blame. In no case has Government's fiscal efforts to end the recession been to blame. What has been to blame is profit-push and cost-push price increases.

Today, in a continuing attempt to spread light on this subject, I would like to look at what is happening to automobile prices.

One of those layout quirks which often conveys its own message occurred recently in the Wall Street Journal. On page 4 a story was headlined, "New Car Sales Fell 5 Percent in June From 1974 Level," and on page 5 there was another entitled, "GM Signals '76 Model Pricing Intentions by Setting up to 6 Percent Rise for Fleet Buyers."

It makes one wonder. Did not the old Econ 101 professor tell us that when demand falls, so should prices? But then the real world seldom works like simple models, hard experience has taught us.

The auto industry is down if not quite out. Chrysler, for example, has permanently reduced its salaried work force by 30 percent. Only recently have some worker recalls suggested an effort to support inventories, but this is only due to tenuous and risky guesses about future market conditions. And for the laid off, supplemental unemployment benefits, SUB, have been running low. June volume of U.S.-made auto sales was down 11 percent from a year earlier, the worst performance in 13 years.

Then why the price rise? The classical case of decreasing demand during a recession has hit the auto industry and, in this worst of all recessions, it has been hit harder than the rest of the economy. But despite this, recent price history has been, quite bluntly, a very dismal story.

Rebates earlier this year were temporary palliatives to correct previous extravagant price jumps, and liquidate bloated and expensive inventories. But now with inventories down, the target pricers are at it again. For 1974 models, price rose an average $500 per car; the price increase for 1975 models was another $450, or almost 9 percent. And today we are talking about another 6 percent for 1976 models.

We all recognize that auto companies, like other businesses, face the continued anomaly of inflated costs, along with decreased demand, but the extent of these price increases should raise at least a few eyebrows. The Wall Street Journal cited one Detroit record keeper who noted that "rises of that magnitude have been imposed only twice in the 15 years prior to the introduction of the 1974 models."

Each percentage of price increase, according to the Journal, represents an addition to auto company revenue of $360 million—but only if they do not create another consumer revolt with further disastrous results for the industry, the work force, and the consuming public. Albert Sindlinger, the pollster was quoted in the Journal as saying:

If inflation is abating as we're being told, consumers don't understand why new-car prices aren't coming down.

Frankly, neither do I.

Perhaps most disturbing, much of the increase is likely to be in disguised forms: Increases in shipping charges not itemized on the bill of sale, and increased wholesale costs to dealers. Wholesale price changes will be passed through to the customer by changes in the discount off list price typically agreed to in new car deals.

Mr. President, if the indications of forthcoming price hikes in automobiles are emerging correctly, they foreshadow untold detrimental consequences to the economy. I do not hesitate to say I am worried; the news is not good.

Inflation is a generalized increase in prices. It is indeed ironic that when demand is at an all-time low since the Depression, the Ford administration should blame the Federal Government's attempt to pick up the slack and keep the country moving for inflation. While this could happen with unwise deficit spending under very different economic circumstances, it is clearly not happening now.

Rather, we find much of today's inflation resulting from cost-induced price increases, and administered prices as I have related here in the case of the auto industry. Is this not where our attention should be drawn?

I have written Dr. Albert Rees, Director of the Wage and Price Stability Council. In my letter, I strongly urged him to seriously investigate the automobile price situation, and take all necessary steps, including public hearings, to inform the public and prevent any unjustified price boosts.

Mr. President, I ask unanimous consent that a copy of my letter to Mr. Rees be printed in the RECORD.

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

JOINT ECONOMIC COMMITTEE,
July 16, 1975.

HON. ALBERT REES,
Director, Council on Wage and Price Stability, New Executive Office Building, Washington, D.C.

DEAR MR. REES: Many factors contribute to today's inflation, and the control of this economic ill requires remedies from several directions. The Council on Wage and Price Stability is charged with the responsibility to administer the Government's wage and price program and to develop anti-inflation policies. Even with the rate of inflation dramatically lower than six months ago, it is still unreasonably high, and it is therefore important to vigorously pursue efforts to prevent unjustified increases in prices or wages. This approach is especially vital at a time when an alternative "cure" for inflation calls upon the Federal Government to perpetuate unacceptably high unemployment.

Therefore, in light of new information concerning the imminent pricing intentions of the automobile industry, I am asking you to seriously investigate the underlying justification for price increases in automobiles for the 1976 model year. As Chairman

of the Joint Economic Committee of Congress, this developing situation greatly concerns me because I believe it will aggravate inflation and impede economic recovery.

The first announcement suggesting suspiciously high auto price increases came from General Motors on July 6, when they boosted prices to fleet buyers 6%. This may serve as a precursor of events to come, and it worries me, as well as the millions who hope to purchase cars this year.

I urge you to investigate these price increases and schedule hearings on this matter to determine why a severely depressed industry is now charging more for its output instead of reducing prices to stimulate buying. The public deserves an answer. And if it should be found that the price increases are not justified, the stage will be properly prepared for correcting the problem.

I also notice with interest and special concern the fact that farm machinery prices have increased 22% from May of last year. My State of Minnesota is a farm state. Farmers are good capitalists and believe in free enterprise. But they have so often in recent history operated at such incredibly narrow margins that other businessmen must wonder why they keep at it. A huge increase in the cost of their major capital equipment is a harbinger of more hard times for farmers. Consequently, as soon as the data from manufacturers is summarized, I would like you to forward a copy of it to the Joint Economic Committee staff, attention Jerry Jasinowski, for internal study.

Thank you for your cooperation.

Sincerely,

HUBERT H. HUMPHREY,
Chairman.

MANY OF VIRGINIA'S LEADERS ARE ACTIVE IN MASONRY

Mr. HELMS. Mr. President, I have at hand the text of a splendid address delivered on June 16, 1975, by the distinguished Lieutenant Governor of the Commonwealth of Virginia, the Honorable John Dalton.

Governor Dalton addressed the George Wright Masonic Lodge No. 346 at Chesapeake, Va. Mr. Dalton himself is a distinguished Mason; he is Chief Rabban of Kazim Temple, AAONMS, Roanoke, Va.

In his address, Governor Dalton made the point that many leaders of Virginia are Masons, including our two distinguished colleagues from Virginia, Senator HARRY F. BYRD, Jr., and Senator WILLIAM L. SCOTT; also the distinguished Governor of Virginia, Mills Godwin.

Mr. President, many Members of the Senate are Masons, and I feel that they, and others, will be immediately interested in the address by Mr. Dalton. For that reason, I ask unanimous consent that it be printed in the RECORD.

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

REMARKS OF HON. JOHN DALTON

Among the leadership of Virginia today, I meet so many brother Masons. Men from every part of Virginia who are carrying the principles of Masonry into the service of their Commonwealth and their state.

Both Governor Godwin and Senator Scott are 33 degree Masons. Senator Harry Byrd is a Mason and a Shriner. His father, Harry Flood Byrd, Sr., was a 33 degree Mason, a Grand Cross and a Shriner.

The leadership of Virginia today are the heirs of an historic tradition, an illustrious line of Virginia Masons who have led our Commonwealth and the nation through the past two centuries.

In March, I attended the Mid Atlantic Shrine Association meeting at Roanoke. George Stringfellow made a wonderful speech on the contributions of Virginia Masons to American government and to American freedom. Senator Harry Byrd was greatly impressed by that speech as we all were. He asked that it be printed in the Congressional Record and he sent me a copy of those remarks.

George Stringfellow has done an impressive job of scholarship in showing Masonic contributions to the founding of our country, and I would like to share some of his scholarship with you tonight, because it is something that every Mason in Virginia can take pride in and be inspired by.

I believe that one of the most inspiring periods in American history is the years immediately following our War for Independence. That is the time when we were trying to keep the victory that we had won. We were trying to show the world that representative, free government could be made to work. The first four Grand Masters of Virginia each played a part in the founding of the American system of government.

John Blair, Virginia's first Grand Master, became an associate justice of the Supreme Court of the United States.

James Mercer, our second Grand Master, was a member of Congress under the Articles of Confederation.

Virginia's third Grand Master was Edmund Randolph, and he was not only a member of Virginia's Constitutional Convention but he was the first Attorney General of the United States and also served as Secretary of State under George Washington.

Virginia's fourth Grand Master was the greatest Chief Justice in the history of our country, John Marshall.

George Washington himself was the first of many Presidents who were Masons. He was initiated into Masonry in Fredericksburg Lodge No. 4 on November 4, 1752 and he later became Master of his lodge in Alexandria.

George Washington's courage, his love of his country and of freedom, were surely strengthened by the fellowship of his brother Masons. For there were many of them in the outnumbered, badly equipped, often hungry army which drove back the greatest military power of the 18th Century and established a truly American nation upon this continent.

Surely one of the most brilliant of Washington's commanders was "Lighthorse" Harry Lee, a Virginia Mason whose name is in every American history book as a symbol of military courage and daring. His cousin, also a Mason, was Francis Lightfoot Lee, a Delegate to the Continental Congress and a signer of the Declaration of Independence.

We do not know when some of the early Masonic Lodges were founded in Virginia, but one of the earliest of them was the Royal Exchange Lodge of Norfolk, chartered on December 22, 1733.

The oldest building in the United States erected for and used by Masons for Masonic purposes is in Richmond.

While we were building lodges, we were also serving our fellow Virginians. The first school for deaf children was sponsored by Virginia Masons, by Manchester Lodge No. 14 in Richmond.

We have a great heritage as Virginia Masons and great challenges to meet in the coming years. Among the great contemporary Masons, certainly George Stringfellow is outstanding for his service. He is a Virginian who moved to New Jersey in his younger days. He once worked as an assistant to Thomas Edison. He later became Imperial Potentate of the Shrine of North America and is a past Chairman of the Board of Directors of the Shriners Hospital for Crippled Children. After an outstanding career, George Stringfellow has come home to Virginia and is living in Arlington, and I know the Masons of Virginia are delighted to have him back home with us.

I would hope that we would look at the inspiring record of Virginia Masons over the past 200 years as a challenge to us also to do our best and give our best to our communities, to this Commonwealth and this nation.

I want to see every citizen take part in our great system of government, by voting, by working in one of our two political parties, by being informed citizens. But I have a particular reason for wanting the Masons to be involved. Masonry represents a great cross section of our people: Many kinds of businesses and professions, many skills, many political views, much experience in leadership. Masons do not all hold the same political view, but hey do share the view that citizenship is a high privilege and serious responsibility.

There are many special interest groups who get in politics these days. These special interest groups get involved in the political process because they want government to do some particular thing for them. There is nothing wrong with that in itself, so long as we have a counter balance to special interests. The nation and this Commonwealth need people who just want fair, honest, responsible government and no special favors for themselves. I hope you will always be counted among those people.

90 years ago James Russell Lowell, the great American poet, was asked: "How long will the American Republic endure?" Mr. Lowell answered: "Only so long as the ideals of the men who established it continue to be dominant in each succeeding generation."

Now more than ever before we need people of high ideals and strong character who will come forward and accept the responsibilities of leading this Commonwealth and this nation. I would say to each of you that you have a part to play in that future. You have a gift to give to our country: that is to keep our ideals alive as we seek to meet the challenges of the 1970s and 80s and beyond.

Those of us who have chosen careers in public service will always be grateful for the strength which comes from your fellowship and your example.

GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, today I intend to continue by examination of arguments in opposition to the Genocide Convention.

As originally drafted, the Genocide Convention included "political groups" as well as "national, ethical, racial and religious groups" in article II, but this inclusion was deleted during negotiations of the treaty. Many opponents of the convention claim that the omission was a "major concession" to the Communists and the convention had lost its effectiveness as a result.

Ernest A. Gross, a U.S. Representative in 1949, rebuffs this claim:

It is exceedingly difficult to understand the legal, political or moral justification for the contention that an exclusion of political groups from the scope of the Convention renders the Convention useless. Surely the physical extermination of human groups by killing members of the group by reason of race, religion, or culture, should be defined as a crime under International Law. Recent history surely has not so completely faded from the mind and conscience of civilized mankind that one could rationally characterize as a "useless piece of paper" a Convention aimed at outlawing the type of conduct exemplified by Nazi savagery.

With this clarification, I urge the U.S. Senate to ratify the Genocide Convention immediately.

NATIONAL SCIENCE LEADERSHIP

Mr. MATHIAS. Mr. President, the dramatic joint space venture of Apollo and Soyuz demonstrates once again the capabilities of technology. While activity in space is a spectacular display and result of great technological effort, it really is but one example of what can be achieved. Across this country and around the world, in laboratories, libraries, classrooms, hospitals, offices—wherever men and women dedicate themselves to the task—research and technological advancement are underway in virtually every area of endeavor known to man. Much of it is done quietly, out of the public view. On occasion, as with our space missions and certain modern medical breakthroughs, the results of this work are brought to our attention.

Research and technological development are in our best national interests. Last year, I introduced legislation in the Senate to stimulate a new high-level governmental interest in a national science effort by establishing a Science and Technology Board as an independent mechanism in the executive branch. I have renewed my proposal in the current Congress.

This proposal was developed from an address that Dr. Robert Sarnoff, chairman and chief executive officer of the RCA Corp., gave in February 1974 at the Johns Hopkins University in Baltimore. Dr. Sarnoff, a man of great distinction and accomplishment, must rank as one of our country's foremost authorities on activities in research and technology.

Dr. Sarnoff addressed himself again to this subject in a commencement day address that he delivered June 5 at the University of Southern California. His comments should receive attention beyond the academic community in which they were offered, and I ask unanimous consent that his address be printed in the RECORD.

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

REMARKS BY ROBERT W. SARNOFF

I greatly appreciate the honor you do me today, both in awarding this degree and in giving me the opportunity to address this distinguished gathering. Almost by definition, a commencement is an occasion for looking ahead. There can be no better vantage point than California, which is not only a state but a forward-looking state of mind. Many Americans believe that as California goes, so goes the future. It is probably no accident that one of the country's finest institutions for research on the future flourishes on this campus.

Like it or not—today's accelerated pace of change makes all of us futurists. If we hope to influence the future, we must work at it, because nothing else is catching up with us so fast. A philosopher once noted that the "future is a dangerous business." I would only add that I see no acceptable alternative.

Our nation in particular is looking to the future these days with special concern. This post-Vietnam period is a time of soul-searching examination of our place in the global community. To be sure, it is a time to review our commitments and our priorities. But it is also a time to reflect on the deepest roots of our strength as a nation, and to act vigorously to nourish those roots. That is the best way to renew our own confidence and the respect of other nations for our strong role as a good neighbor in a stable and prosperous world.

The sources of our greatness are woven together. Our land has been blessed by an abundance of natural resources, including talented, venturesome people from all parts of the world drawn by the opportunities inherent in our climate of freedom. At the same time, our economic system has provided the incentive and the capital to develop these resources.

No less indispensable has been our ability to create and manage modern technology. This ability has enabled us—in a relatively short time to raise the quality of life for the mass of our people to the highest level in human history. It has also enabled us to build awesome defenses for ourselves and our friends. Our technology and our "know-how" are eagerly sought by both industrial and underdeveloped nations—by the free world, the socialist world, and the Third World.

To a vital degree, what this nation becomes in the future rests on the attitudes we hold and the policies we implement to advance science and technology. Despite the enormous changes now taking place in the world—indeed, because of such changes—we must remain committed to this wellspring of our greatness.

Yet for all our scientific and technological achievements, and the promise of significant advances ahead, there is a lingering skepticism, even hostility, toward technology, scientific research, and even the discipline of rational thinking itself. Ironically, much of this mistrust has stemmed from the campus and from young people. Although there are hopeful signs that this attitude is now changing, there are still those who would reject the era into which they were born.

Fear and distrust of science, of course, go back a long way. Goethe is supposed to have distrusted Newton's optics on the ground that the microscope and telescope distorted the human scale and confused the mind. Our literature is replete with images of dangerous men of science, from Dr. Faustus to Dr. Frankenstein to Dr. Strangelove. The benign vision of a technological utopia has been replaced by the nightmares of Orwell and Huxley.

Such attitudes toward science and technology have also been shaped by more modern influences. Among them are the environmental and consumer movements. In focusing increased attention on the problems of pollution and product safety, they have sometimes created hostility toward modern technology. And the military application of technology in Southeast Asia has done much to influence in the views of an entire generation.

Clearly, we can and should manage our technology better to fulfill social needs and serve human ends. But beware of those who would discard not just the dirty bath water, but the very plumbing as well. It has been fashionable for quite a while for some self-styled philosophers to set a rather low value on plumbing in the total scheme of things. I can offer them no wiser counsel than the words of John Gardner:

"The society which scorns excellence in plumbing because plumbing is a humble activity and tolerates shoddiness in philosophy because it is an exalted activity will have neither good plumbing nor good philosophy. Neither its pipes nor its theories will hold water."

While some individuals may seek a personal salvation free of the real or imagined abuses of technology, those concerned with the continuing health of society cannot afford the luxury of such withdrawal. We are not talking about utopia, or even growth, but rather about survival.

C. P. Snow put it plainly enough some years back when he pointed out that the scientific revolution is the only method by which most people can gain the primal things—years of life, freedom from hunger, survival for children. These are the very things many of us now take for granted, having had our own scientific revolution.

Today, thanks to technological breakthroughs, we are witnessing significant innovations in such fields as education, communication, transportation, health care, and natural resources—innovation that will help solve social and economic problems and enrich the lives of millions of individuals. Let me cite several examples from my own area of interest—electronics.

A major development—of particular importance to the underdeveloped nations—is the use of satellite technology. Information transmitted from satellites in space to computers on the ground can reveal valuable data enabling us to monitor the growth and condition of crops, disclose the existence of water sources and mineral deposits, and predict world-wide weather patterns. This technology gives us an indispensable tool in planning for the future.

Satellites will also make possible direct telephone and television transmission to remote villages in underdeveloped areas, thus leapfrogging the need for a costly infrastructure of conventional communications. These techniques open an effective means of bringing information and education to people now beyond the range of existing communication facilities.

Technological innovation is making great progress in another important area—energy conservation. Through a tiny solid-state electronic device called a microprocessor, we will be able to achieve substantial fuel economies in our automobiles, homes, offices, and factories. This device, which acts as the heart of a miniature computer, will have a multitude of other applications. In fact, it holds promise of becoming a universal tool of the future.

The filed of health care is also benefitting increasingly from electronics. The use of lasers for both diagnostic and surgical purposes has resulted in significant advances. Body scanners, many time more sensitive than X-rays, can take detailed pictures of all types of body tissue and reproduce them in minutes. Electronic devices, long established as aids to hearing, are being developed to help the blind by bringing images directly to the brain, bypassing the eye.

Rather than determining our destiny, technology is increasing our ability to master it. It is giving us the means to shape our future, and the capacity—if not always the will—to act, not merely react.

The issue, as I see it, is whether our nation, with such opportunities and responsibilities, is willing to neglect our hard-won position in technology and permit our leadership to pass to others. Whatever the reasons—and they range from the attitudes of a narrow-minded coterie to a lack of public awareness to sheer drift on the part of our government officials—there is some highly disquieting evidence of slippage in our position.

America's national expenditure—Federal and private—for basic scientific research declined by 10 per cent in constant dollars during the period 1970–1974. During the same five years, outlays for basic research by the Federal government alone decreased by 15 per cent in constant dollars. Our national expenditure for applied research also declined, although to a somewhat lesser degree. Taking all of our research and development spending as a percentage of gross national product, we have witnessed a decline

from 3 per cent in 1965 to 2.2 per cent last year.

While this slippage has been taking place, other nations have been moving ahead—and these trends go back to the Sixties. It is disturbing, yet instructive, to compare research and development spending over that period for non-military and space purposes by different countries as a ratio of their gross national product.

By that yardstick, the United States commitment was only 80 per cent of Japan or the Common Market nations, and only 60 per cent as great as the United Kingdom. By another yardstick—the number of professionals employed in these research and development programs—our effort was almost 30 per cent smaller than the Common Market countries, less than half the United Kingdom and only about 35 per cent of the comparable program in Japan.

Take still another index of creativity in science and technology—the number of foreign applications for U.S. patents. Representing about 20 per cent of the total number back in 1961, it rose to almost 36 per cent in 1973. Meanwhile, the share of U.S. patents actually awarded to foreign investors has been climbing steadily from about 17 per cent in 1961 to 30 per cent in 1973.

Despite these trends, our technology still leads the world. But in failing to provide continuing and steady support for our basic and applied research and development programs, we may be crippling our ability to maintain this leadership. If current trends are permitted to continue, the United States will face a serious technology gap in the critical years ahead.

To prevent such an alarming eventuality, our research and development efforts need not only funding, but also an adequate supply of skilled manpower. Although reductions in our space program have eliminated employment of many highly-trained scientists, we may see serious shortages of specialized professionals in other fields.

One critical area involves the national effort to meet our vital energy needs. It is now estimated that the Federal Government's program alone for energy research and development will eventually require about 40,000 scientists, engineers, and technicians. The manpower requirements of the private sector are even greater. It is anticipated that by 1985 industry will need more than 80,000 scientists to develop our domestic fuel sources. The number of engineers—electrical, mechanical, and chemical—needed in this field will reach 225,000 over the next ten years. The latest available head-count suggests that we will have to double our existing supply of these skilled specialists to meet all these projected needs.

Increased support for research and development and an adequate supply of trained scientists and engineers will be of little consequence unless what happens in the laboratories can be implemented in factories and transplanted into actual goods and services. That entails raising vast amounts of capital to expand and renew our industrial plant.

Here again, the signs are troubling. For the past fifteen years our nation has been allocating only about 15 to 18 per cent of our gross national product to capital investment, a percentage substantialy smaller than those of Japan, West Germany or France. One result of our failure to put enough money into modernizing our industrial plant has been an erosion of American productivtiy in recent years.

Our capital needs through 1985 have been estimated at about $4.5 trillion, a staggering sum to be sure, but one closely linked to more comprehensible matters such as jobs, inflation, and a high standard of living. Unless appropriate economic and tax measures are instituted to enable business to accumulate the vast sums required to improve industrial capability, we may witness a continuing decline in productivity, with serious consequences to our domestic well-being and our competitive position overseas.

From laboratory to factory to ultimate use, the tack of effectively employing science and technology in achieving our national goals is so complex and difficult that it requires a degree of comprehensive planning that simply does not exist today. Last year, speaking at another great university, Johns Hopkins, I recommended the establishment of a U.S. Science and Technology Board. I urged its creation as the focal point for planning and coordinating the broad variety of governmental activities in this field into a unified policy framework based on long-term national needs. A number of bills are now pending in the Congress, including an excellent one by Senator Charles Mathias of Maryland, that would implement this proposal.

Two weeks ago, President Ford announced that he is requesting Congress to establish a White House Office of Science and Technology much like the one dismantled in 1973 by the previous Administration. Congressional hearings on the President's proposal are to begin soon. They offer a much-needed opportunity to consider the whole range of pending legislation in this area. I hope that whatever bill emerges will be broad and effective enough to help the nation move more urgently to replenish a major source of our national power.

If our future performance in science and technology is to be equal to our expanding requirements, at home and abroad, we face an enormous task—one that will take the dedicated efforts of government, the private sector, and the academic community. We must act to increase our support of public and private research and development programs; we must insure that we will have an adequate supply of skilled scientists and engineers in those fields in which they are needed; we must allocate sufficient sums of money to modernize our industrial plant and guarantee its future health, and finally, we must institute effective planning mechanisms at the highest Federal level to coordinate this massive effort.

Alfred North Whitehead once pointed out that the business of philosophers, students, and practical men is to recreate and reenact a vision of the world, a vision penetrated through and through with unflinching rationality. I deeply hope that there are enough rational visionaries out there to help us meet the future head-on, and to make it our own.

RELIVING VIETNAM

Mr. CLARK. Mr. President, in reassessing U.S. foreign policy following the Vietnam war, it is important that we also try to relive that experience. Vietnam was, after all, an important event in the personal lives of most Americans—policymakers and citizens alike. The changes it brought in national morale reflected changes in individuals' perceptions of government and of this country's role in the world. The divisions it created in the society reflected divisions within families and among friends. The questions it poses about future American international commitments are questions that are being asked by millions of Americans as taxpayers, voters, and contributors to private international relief agencies.

In their recent article, "Coming of age through Vietnam," Antonia and Anthony Lake have made an invaluable contribution to American understanding of the Vietnam war and of the questions it poses for future U.S. foreign policy. The Lakes were closer to the Vietnam involvement than most Americans, arriving in Vietnam shortly before the first Buddhist priest burned himself in protest against the Diem regime, and Anthony being assigned to the National Security Council as an aide to Henry Kissinger until his resignation over the invasion of Cambodia. Yet what they saw first-hand was seen through the media by all Americans. The unavoidable facts of U.S. involvement in the Vietnam war—the high human costs, the deceptive reports by the Government that the war was being won when the situation on the ground clearly indicated otherwise, the reality that the United States could not force reform on a foreign country, the fact that "only the Vietnamese could fight their war"—these were brought home to every American in newspaper, radio, and television reports. And public opinion reflected many of the same responses to these realities that the Lakes have expressed in their article: An initial conviction that the United States was a positive, constructive force in the world; growing disillusionment and cynicism not only about U.S. policy but also about policymakers; an increasing awareness of the human suffering involved in the Vietnam war and at the same time of governmental insensitivity to this human dimension; realization that Vietnam and the United States were not working together but using each other and frustration that this country could not bring about reform in Vietnam; and finally questioning if it would be possible for the United States after Vietnam to be a constructive force in the world.

In sharing their "dialog" on Vietnam, the Lakes have provided a model for the kind of serious rethinking and reliving of that experience that must be the foundation for charting American foreign policy for the future.

Mr. President, I ask unanimous consent that the article by Antonia and Anthony Lake, "Coming of age through Vietnam," from the New York Times Magazine, July 20, be printed in the RECORD.

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

COMING OF AGE THROUGH VIETNAM

(By Antonia and Anthony Lake)

Anthony Lake is a former Foreign Service officer who spent part of the early nineteen-sixties in Vietnam, returned to the State Department in Washington to work on Far Eastern affairs, became a White House aide to Henry Kissinger and, eventually, resigned over the U.S. invasion of Cambodia. His wife, Antonia, went to Vietnam with him and was, in many ways, as caught up in the war as he. Today, he is director of the International Voluntary Services, a private agency in Washington that sends technicians to the less developed countries; she is a photographer; they have three children. They wrote the following dialogue at the request of this Magazine.

ANTONIA. In the past weeks, we have spent a lot of time in thought and conversation about Vietnam, our part in it and its part in our lives. Sometimes I am overwhelmed by feelings of anguish, grief and guilt; at other times, I feel only relief that it is over.

Certainly, you and I have not always agreed on the experience. At times it has been a very divisive issue for us. At other times,

it has been a strong bond between us. Our perceptions and our reactions have been influenced by differences in sex, situation and temperament. But for 13 years the war dominated our life together, just as it has dominated the life of America.

Our first years together—the end of college, my first job, your fellowship at Cambridge University, our wedding—are very vivid still. How we felt we could learn and do everything! Remember the letters you wrote the year before we were married, about service, adventure and the chance to change things in the world? I was not nearly as political or as activists as you were. Yet I shared all your goals and wanted to learn with you. The things I was doing, and enjoying, I was quite willing to put aside. I was not a bit liberated in the meaning of the word today. Yes, I had had a very good education; yes, I had worked and planned to have a career. But, although we had attended college together, it never occurred to me that my "career" was not something to be fitted in when it did not interrupt yours. I wanted to join you on an adventure in life; my role in it I never really thought through.

ANTHONY. I find it difficult to recall how readily I, too, assumed that my professional career was more important. I wrote you constantly from Cambridge about what career I might pursue, but the decision was mine. Why did I decide, during that year of study in England (1961–1962) that I wanted to join the Foreign Service and go, specifically, to Vietnam? I knew next to nothing about the country, and my reasons had little to do with Vietnam itself.

Partly, I suppose, it was ambition—the Foreign Service seemed an interesting and rewarding career. But more, it offered a chance to serve, to take part in an exciting national effort. In 1960, I had stood briefly next to Senator Kennedy's open car as it forced its way through the election-eve crowds in Boston. His confident smile and the almost hysterical adulation of the people (which I shared) produced an incredible sense of power—and the feeling that it could be harnessed to serve great purposes. As the car moved off, I desperately wanted to follow it.

I wrote home that I wanted to concentrate on Asia because that was where the human problems were most intense, and I hoped to contribute in a small way to their alleviation. If I was confronted with the draft, I would join the Marines. I saw no contradiction in this: All the strands of American foreign policy seemed then to be joined, and service in the Marines would serve the same vision of a powerful, active, constructive America.

At the Foreign Service Institute, in 1962, our "Basic Foreign Service Officers Course" taught us, in addition to "social usage in the Foreign Service" and other subjects, something called "counterinsurgency tactics." (It included one afternoon session in "Counterinsurgency Tactics: The Peace Corp.") As a training exercise, we put on a skit representing subversive Communist guerrilla planners and the American "country team" that would foil their plots through military action and economic progress. An odd bit of official guerrilla theater, it was called "Modernizing at the Mekong." It was revealing that the skit had no role for a representative of the Government or the people we were saving.

If "modernization" would not provide a solution in Vietnam, military force would. Bernard Fall, the most impressive writer on Indochina at the time, gave a lecture at the institute. He had recently been in North Vietnam, and was impressed with how fearful its leaders were of American bombing. Even a serious threat of bombing, he said, would have a tremendous impact.

ANTONIA We arrived in Saigon on a steamy night in April, 1963. I remember the drive from the airport through the silent and tree-lined streets, looking for Vietcong. I was afraid. The next morning, with you gone for your first day at the embassy, I sat on the musty bed in our room in the old Hotel Majestique watching the heat and glare seeping through the shuttered windows, the slowly revolving ceiling fans, the red and white patterned tile floor. Finally, in the afternoon, I ventured out, to be startled by the bustle and everydayness of a scene I had thought so threatening.

For me the early days in Saigon passed with getting settled, learning the city, and adjusting my Vietnamese from the classroom to the real thing. We moved to our permanent quarters, a beautiful, white French villa with a romantic tropical garden. We had two enormous rooms on the ground floor—high ceilings, tall, shuttered windows and the same red and white, cool tile floors.

The memories of that green and open city, those early days when the smells, the colors and sounds were so new and intense, are very strong. We used to drive down to the Saigon docks at night and watch the ships unload—the heat and humidity muted by the darkness, the smell of charcoal, fish sauce, and diesel, the half-naked dockworkers scurrying by pushing carts or guiding the netloads of cargo off the ships. We spent long evenings in little restaurants, French, Vietnamese or Chinese, and in smoky, steamy nightclubs where Vietnamese chanteuses crooned. We visited the Saigon zoo where our puppy played with a 4-month-old baby lion and the setting for the veterinarian's office looked like something out of "Green Mansions." We drove around seeking evidences of Vietnamese history and ancient Buddhist culture.

But there were disturbing elements even to our early days there. We were issued a booklet called "Bend With the Wind," with instructions for dealing with emergencies, evacuations and the like. Shortly after our arrival the Buddhists began their protest against Diem and the first bonze burned himself.

There were many contradictions in my letters home. There was so much that was new, strange and conflicting. There was a new culture, a new language, a war and an explosive local situation. I was frequently bewildered, so most of the time I went along. I went along because I believed our Government told the truth and had high ideals. I went along because I had been brought up to be against Communism. I went along because I was newly married and wanted to believe that what my husband was doing was right.

And there was an enemy and he was real. He killed Vietnamese and Americans. The threat of death kept me from being neutral. Once I walked within 10 feet of a can filled with plastique in front of the American Embassy. Another time I was in the central market when a bomb exploded. Friends were killed and badly injured in the bombing of the embassy in March, 1965. After we moved to a ground-floor apartment in Hue, I would lie in bed at night and think how easily a grenade could be thrown through our unbarred, unshuttered bedroom windows. The day-to-day fear and uncertainty grew with time. After we had been in Saigon a year, I went to the gate of our garden to admit a cycle driver. In his hand I saw a round object, with a pin protruding from it. I fled, screaming hysterically. It was the only time I lost control. The object was his pipe.

There was another aspect to my reactions to Vietnam in that first year. It was the fact that I had no role there—no role that had anything to do with what I thought important. Our marriage had begun with the idea that we were going to go through life together, working toward our goals and our ideals together, or at least side by side. But it was clear that this was not going to happen from the very first day, when you left for the embassy and I remained behind in the hotel. I became the Foreign Service wife, teaching English and third grade at the American School. Dinner parties and receptions, whether all-American or diplomatic dos, were tedious and frustrating. Women were routinely and automatically excluded from shop talk—which for every man there was the war. Female opinions were never sought, and certainly not considered if offered, because we were not involved.

In the end, I found refuge in a very natural place—motherhood. What an irony to have a baby in a hospital where my obstetrician was a captive—under house arrest for alleged corruption as Minister of Health for Ngo Dinh Diem. What irony also to feel safe and secure in this Vietnamese hospital for three weeks (with you also sleeping there, à la the Vietnamese) as terrorist attacks on Americans occurred almost nightly.

Increasingly, my letters home were concerned with domestic matters—our baby, our dog and her nine puppies, my singing and music. Less and less did I try to analyze and interpret the events that were occurring with staggering intensity around me.

ANTHONY. It was often a frightening place to be. The evenings in Saigon during a particularly bad period of terrorism, hearing occasional, muffled thumps of *plastique* explosions . . . constant rumors about new terrorist teams in the city . . . reports of imminent attacks, during field trips, on the military compounds in which I was staying . . . the shooting nearby . . . the incredibly lonely drives through contested areas.

But, in truth, it was exhilarating as well. Driving at high speed along a road on which there had been ambushes, vaguely secure in the knowledge that they were nonetheless rare, one felt a heightened sense of being alive.

I found myself responding in ways I did not understand. Once, in a jeep with some military men in an ambush area, I was handed a carbine. With the gun came the hope that someone would fire at us from the clumps of trees lining the road, so I could fire back. Usually doubtful that I could shoot another person, at that moment I was emotionally prepared to do so.

There was also the exhilaration of being present at great events, watching men make decisions that were reported in the newspapers, or, more glamorous still, that were hidden carefully from reporters. And it was the only place in the world where Foreign Service officers in their early 20's could gain real responsibility. Two were placed in charge of all American civilian-aid programs for whole provinces. A few years later, as Parkinson's Law added its own force to the American build-up, these jobs were held by men 20 or 30 years their senior. I enjoyed my own work—first in the consular section, then as the Ambassador's staff assistant, and finally as a vice consul in Hue, reporting on events in three provinces.

With relatively unusual responsibility for junior officers came career advancement. We won awards and promotions. We met the high officials who streamed through Saigon; we were occasionally "noticed." We learned how to suggest to our superiors that things were not going as well as others were telling them—while neither appearing to doubt the importance of the American effort nor giving the impression that we were not on the team. It was heady stuff. But, increasingly, the reality of the war intruded on the romance.

A few months after our arrival, you and I saw what the war could mean to the people caught in its crossfire. During the coup against Ngo Dinh Diem on Nov. 1, 1963, much of the fighting took place around our house, a few doors from the Presidential Guard barracks. We spent 12 hours in a closet. Occasionally, I would crawl to a win-

dow to see what was happening and report to the embassy. The noise was deafening, the house was hit by a stray bullet and shrapnel. We were shaken by the experience. It made us think, as we wrote home, "of the poor people in the countryside who may go through this at any moment on any night all through the year." And we got some idea of what it meant for the soldiers who had to fight the war.

I was once invited to visit a battlefield outside Hue on which a Government armored unit had just destroyed an enemy platoon. The entrance to the scene was marked by two chalky-faced bodies in their undershirts lying by the side of Route 1, south of the city. Crowds of people from Hue streamed across the half mile of hilly battlefield criss-crossed with the treadmarks of the Government's armored personnel carriers. They seemed to be enjoying the sight of little clusters of fallen soldiers of the National Liberation Front. Someone had put a lighted cigarette between the lips of one; another, badly burned, had a vegetable placed between his legs to replace a charred organ.

An old woman sat on her haunches next to one body, without expression on her face, staring at the people walking by. She was still there half an hour later, as I left.

I walked on, horrified but fascinated, to the centerpiece of the show: a ditch where eight or nine soldiers had almost made it to the safety of a river. They had been ripped apart by .50-caliber machine guns mounted on an armored personnel carrier. All but one had died facing the end of the ditch at which the carrier had appeared. At the other end was a young man, almost around a bend that would have saved him, his back to the guns. His thin, scholarly face seemed terribly out of place in the bloody mud of that ditch. He seemed about my age.

Just as the human reality of the war became more apparent during our two years in Vietnam, so did the reality of how the war was going. At first there was incredibly naive optimism. One of our first evenings in Saigon was spent with a neighbor who had been working with AID in Vietnam for a year or so. Inevitably we discussed the terrorism in Saigon. We hadn't seen anything yet, our neighbor warned. Wait until we really had the Vietcong on the ropes. In the final spasm of their defeat they would lash out in a rage of *plastique* against the American victors. I found myself hoping we wouldn't win too suddenly.

It took a while in Vietnam before the nagging signs of failure had as strong a psychological effect as the constant official optimism and reports of success. How, logically, could we be "destroying" the same enemy unit over and over again, as the military were reporting. Why was it becoming more difficult to drive over roads in areas that were becoming "more secure"? One afternoon in early 1964, the point was rammed home. A military report from the Delta crossed my desk outside the Ambassador's office—an enemy battalion had been smashed by South Vietnamese fighter bombers after a bitter firefight with a Government unit. Within a few hours, Neil Sheehan, then a U.P.I. reporter, appeared for an interview with the Ambassador. He had just returned from the scene of the fight, and the interview became a briefing by Sheehan on what had actually happened. After ambushing and mauling the Government troops, the N.L.F. soldiers had disappeared into a wooded area. The planes had dumped their bombs on these woods. There was no "body count" to confirm the claimed casualties.

I became increasingly suspicious, then cynical, about claims of progress. But I could never quite believe then that to persist was wrong. For that would have meant admitting that we were wrong, and everything in Vietnam emphasized this sense of being part of an American effort. No matter how cynical I became about that effort, it enveloped me. It also enveloped visitors from Washington. Combined with the fact that they were only able to see "secure areas," it meant that such visitors became, almost without exception, more hawkish during their stays in the country. The most accurate of all official analysts of the situation, Louis Sarris in the State Department's Bureau of Intelligence and Research, made a point of never going to Vietnam.

My own sense of foreignness in Vietnam came not only from the actions of the enemy, but my difficulty in understanding our allies. So many encounters with Vietnamese I thought I knew still frustrate or embarrass me. One had been a Vietminh in the late nineteen-forties, briefly a Diem supporter and then a non-Communist opponent in the fifties, and had then been jailed by Diem in 1963.

In the course of this career he had been tortured by assorted captors. When he admitted to me that he had also done his share of torturing, I asked why there was so much torture when everyone on all sides suffered by it. He paused, smiled and said, "Bad habit, I guess." I couldn't think how to respond.

Another was a Government official in Hue who showed extraordinary bravery in working, alone, in insecure areas. I asked him why he took such risks. "Because we will win," he said. "If things get still worse, the Americans will come in and drive the Communists away." And there were the students who came to dinner at our house the same day that they had burned the U.S. Information Agency library in Hue, and had thrown rocks at me when I tried, in an excess of zeal and anger, to put the fire out.

I felt close to some Vietnamese, but, always, the war defined the context of our relations; it made them the more Vietnamese and me the more American. We were trapped in the roles our nations were playing, and I never broke out of that pattern.

I watched other Americans suffer the same defeats. Often, they did not know that they were being used just as we were using the Vietnamese. In my first assignment as a consular officer, I certified the weddings of a number of young American soldiers to older Vietnamese women near the end of their careers. The women were clearly leaping at the chance to find security. One couple had never had a real conversation, the husband admitted, until I acted as an interpreter for them at their wedding.

Secretary of Defense McNamara made a triumphal tour of Vietnam in the spring of 1964. A huge crowd gathered for his departure at Tan Son Nhut airport. I had arrived early, to work on some arrangements, and watched the Saigon Government's cheer leaders take their positions throughout the crowd. The Secretary's speech was constantly applauded. I don't know if he noticed that the organized cheers came at the intervals before his remarks were translated into Vietnamese.

ANTONIA. The move to Hue in August, 1964, was, for me, both a happy one and an influential one. Here in that lovely city with wide streets lined by paddy fields and frequented by bicycling schoolgirls in white *ao dais* or boys sitting on grazing water buffaloes, I found Vietnamese who became my friends and a life that was peaceful and productive. Pushing Timothy in a stroller, I walked all over, exploring the old, decaying but spectacular imperial Citadel. I taught English to a group of medical students who were likeable, intelligent and strongly political. I also taught in a school for Montagnards and learned about their threatened traditions. The diplomatic life was informal. At first it seemed as if we'd rediscovered the old city of the Vietnamese mandarins with its culture and charm.

But even here the war and the political situation could not be forgotten. I began to study the *dan tran*, the traditional 16-string Vietnamese instrument, at the Hue Conservatory of Music. Once or twice a week I would go over to the Citadel, where the conservatory was located, for my lesson. I was making good progress until the Hue students, strongly protesting the American-supported regime in Saigon, forced the university to close. My music teacher was clearly afraid to continue teaching an American. First he proposed coming to our house, but after one visit it was obvious that I could not ask him to come again.

Shortly after this, the situation in Hue became very tense. Much of the time at the consulate was spent worrying about how the local people would express their disapproval of American "interference." At one point we 30 or so American civilians in Hue were the object of a demonstration of 20,000 people. Our house was guarded by a Vietnamese soldier and for a few weeks I never left it without taking our son and our dog with me for fear I might be unable to go home again. It was a relief to both of us when President Johnson ordered the evacuation of all dependents from South Vietnam.

Although uneasiness, uncertainty and doubt had set in some time before, the timing and fact of my evacuation in February, 1965, were the major turning point in my feelings about Americans and the Vietnam war. The incidents in the last weeks in Hue made me feel that something was surely awry in the American role there. I still believed, as I said when interviewed for the "Today" show as the first evacuee to arrive in New York, that "the problem in Vietnam is the Vietcong." At first I felt very defensive before critical liberal Americans who questioned me closely. But as increasing numbers of American troops were sent, I became very disturbed. I did not believe that direct American military involvement was right or had a chance of success. I had written home a year and a half before that I thought only the Vietnamese could fight their war. My student friends had recently plastered Hue with signs reading, "Vietnam for the Vietnamese to solve." I believed they were right. And as I myself was no longer involved in the day-to-day threat from an "enemy," I felt this more and more strongly. We were creating an enemy which was not really ours. And we were forcing Vietnamese to choose sides among their own people.

The years that followed our return to Washington in June, 1965, were difficult ones for us both. I was very much tied to home with two small children and isolated from friends and contemporaries by your long and constant working hours. Increasingly appalled by the killing and the lying, I put a ban on the television evening news; the horrors shown there nightly were too painful for me and certainly for our 3-year-old son who had no way of understanding what kind of reality he was seeing.

The workings of our Government, which formerly I had trusted, were now the object of distrust and disillusionment. Your loyalty to the Department of State in the face of inhuman working hours and inhuman policies increased the strain. And your work seemed consistently to have precedence over personal and family matters. So my resistance to the Vietnam involvement became one of personal resentment as well as one based on convictions.

What did I do about this resistance? Less and less did I try to hide my true feelings as a Foreign Service wife should. Gradually, I became outspoken, even with your colleagues and superiors. At length I became openly a dove.

I never became an antiwar activist, but I did begin by 1967 to go to some demonstrations. On Oct. 1, 1969, I marched with a

friend around the White House. A guard did not believe me when I told him you were inside, working for Henry Kissinger. A photographer followed us for about a block. I suppose my picture is in some official file.

But I never felt comfortable with the anti-war people. I admired most of what they were doing and agreed with their aims. But I did not completely share their certainty, and the occasional violence frightened me. Some of the scenes of demonstration confrontations reminded me only too vividly of the Vietnamese crowds I had seen armed with knives, clubs, and stones to fight their Buddhist vs. Catholic battles or to burn down the house of an unpopular official. The Vietnam issue could not be a simple one for me. I knew Vietnamese who were sincerely on the Government side. I knew it was not only the Americans who killed and maimed. And for a long time you had been working on Vietnam policy.

ANTHONY. My two years (1965–1967) of intense staff work on Vietnam in the State Department, as a staff assistant in the Far Eastern bureau and then for the Under Secretary of State, did nothing to clarify my own confusions, similar to yours and shaped also by the fact that I was caught up in loyalties to the Government and the men for whom I was working. Doubtful of claims of progress, and enjoying ironic jokes with friends in the department about the excesses of the arguments used to justify the war, I still quite unambiguously pulled for Secretary Rusk in his televised encounters with Senator Fulbright. After all, I had worked on the Secretary's briefing books.

My father shocked me by raising his voice in a restaurant to announce, during a discussion on Vietnam, that I sounded "like Dean Rusk." Others tell me that I used to fall back at such moments into a superior silence, sometimes with a reference to official information I could not share. I do not remember this; I am sure it happened. I only recall the intense, defensive discomfort of such moments. Occasionally, I would reveal my doubts to friends or others outside the Government, but only occasionally. Usually I was evasive, argumentative or silent in conversations on the subject.

At the same time, I was increasingly open in stating my cynicism to other officials. After an argumentative lunch with a Navy captain assigned to the State Department, I received a letter from him stating that I had sounded "like Senator Fulbright." The President and Secretary of State knew more than we did; didn't I owe them my complete loyalty?

My growing despair about the war was undoubtedly fueled by the way it dominated personal relationships, literally separating me from you and the children as work dominated my life, figuratively separating me from the friends whose views on politics and foreign policy I generally shared. But, also, I was increasingly bothered by the gap between the Vietnam I remembered and the Vietnam that was treated as an abstract object of American interest and debate. In Washington, we lost sight of Vietnam as a real place, with real people.

Occasionally a human incident would surface, to sink again in the welter of generalized reporting. A report reached the Vietnam desk of the State Department that American troops had blown up the entrance to a cave, entombing a group of Vietnamese civilians. Enemy soldiers inside the cave had barred entrance by our troops, and tear gas had failed to force them out. It was a kind of Vietnamese Masada, writ small. Some of us on the Vietnam desk were disturbed. I believe one of my superiors complained to the Defense Department. But the event was quickly put behind us as we turned again to the daily flood of paper. It would have seemed hysterical and therefore ineffective for anyone to have pursued the case, to have used it as an example of why the war was wrong.

Like the great majority of Americans and their politicians, few in the bureaucracy argued that we should accept defeat and get out. The game then, for most bureaucratic doves, was to argue tactics, to oppose sending more troops, to show senior officials that we were not winning and could not win on the course we were pursuing and must find some other. We desperately sought a way either to win the war through different methods or to get out of it without losing.

In 1966, three of us went to a senior official at his house, to argue for more aggressive American efforts to make the Vietnamese reform. If only the honest young Vietnamese majors and colonels could be brought to the top; if only the Vietnamese bureaucracy could be purged; if only competent Vietnamese sergeants without much education could be made officers; if only . . . The senior official, himself critical of American policy, was not impressed. Perhaps he knew what we did not realize, that we could not impose nationalistic reform on a foreign society. The more we meddled and spent, the more we made it impossible for honest non-Communist Vietnamese nationalists to emerge. Some of the best American newsmen and advisers, from David Halberstam in the early and mid-nineteen-sixties to John Paul Vann until his death in 1972, were trapped in the illusion that counterinsurgency through American-style reform could work.

Many of us believed that bombing could not force Hanoi to give up. And it was becoming apparent by the late sixties that the American Government would not, could not force reform on the Vietnamese. How, then, to get out without losing? The answer for some of us, as for many liberal Congressmen, was through negotiations. I was one of a group of five or so officials who met occasionally for dinner, in 1966–67, to discuss informally proposals the United States might make that would serve this end. The American negotiating position at the time was clearly unacceptable to Hanoi. It called, in effect, for their surrender. The dinners were fun, and we talked and talked among ourselves. But we never found a magic alternative formula that we could sell to our superiors. The goals of Saigon and Hanoi were irreconcilable; Hanoi was stronger than Saigon; there was no way we could make concessions and withdraw from Vietnam that would not leave Saigon to defeat.

Our two years of academic leave at Princeton (1967–69) took me out of this trap. In the State Department, the conventional wisdom was that the war was right, even if, to some, we were fighting it the wrong way. At Princeton, the wrongness of the war was the pervasive assumption. I found the ease with which my fellow students accepted this assumption irritating. But in this totally new atmosphere and encouraged by my conversations with you, I came to accept the view that the war was fundamentally in error.

The Tet offensive in 1968 and the months thereafter also had a tremendous impact on my thinking. For many, it came as proof we could not win. Already convinced of that, I took it as a sign that the war would never end. Enemy troops everywhere, the country in flames: surely the two sides would be so drained that peace would come. But, again, more war. And television, which blows up a particular event until it looks like a general condition, made the human suffering I could recall from my own experiences still less tolerable.

Thus, in 1969, when I was assigned to the office of Henry Kissinger in the White House, I was sick of a war that defied termination. Believing this, how could I become his Special Assistant, working intensively on Vietnam as well as other issues? Partly, of course, it was the fascination and potential career rewards of such a job. Partly, the hope that a new Administration and, especially, Kissinger himself could cut the Vietnam knot. And, largely, because you and friends agreed that I might be able to have some measure of influence.

I decided that I would have to change my approach. Just before I joined the National Security Council staff, a friend told me of a remark by one of my former superiors in the State Department. "Tony Lake," he had said, "had his doubts. But he was a good soldier." Clearly, my harping on tactics had merely reinforced this man's confidence. He could take satisfaction in his broadmindedness in having someone with doubts on his staff, and yet my arguments had not suggested a re-examination of his assumptions. So with Kissinger I argued premises: We could not win; the human costs were terribly high; the stakes involved had been created by the United States itself; it was wrong. We should get whatever concessions we could through secret talks, get out, and let the war end. It would end badly for us and our friends, but perpetual bloodshed was worse.

Kissinger never shut me off. He had me off. He had me work with him on the secret negotiations with the North Vietnamese, and listened to my suggestions. But they had no effect. Considering his own assumptions about the dangers in the world, Kissinger could never agree. A few days before the invasion of Cambodia, in late April, 1970, he told me, after I and others had pleaded against such a move, that he knew what I was going to say. If so, what point was there in saying it any more? The invasion would extend the war and demonstrated a continuing refusal to give the pointless agony of Vietnamese and Americans priority over abstract notions of national prestige. Tired, unhappy with the atmosphere and policies of the White House, and planning to leave in a year or less in any case, I could not go on working on speeches for the President attacking critics with whom I agreed. It was surprisingly easy to turn in a letter of resignation on the morning of the invasion.

Leaving the Forest Service was harder than leaving the White House. It meant abandoning the ideal I held of Government service. I was angry and depressed that the adventure I had sought in 1962 had ended so bitterly.

The three of us who resigned decided, after much discussion, not to try to make a public splash. Weeks later, as it came out that we were leaving, we were frank in telling reporters that it was because of policy disagreements. (The Times reported our resignations on the obituary page.) But we were inhibited by our fears and hopes. We were afraid of appearing publicity-conscious or too emotional (a cardinal sin in the Government), afraid of unnecessarily hurting Kissinger, to whom we still felt some personal loyalty; and we hoped that by going quietly but openly we could make a last effort at affecting Kissinger's views.

One day, before my resignation took effect, I went out between the parked buses encircling the White House and joined you and friends at a demonstration protesting the invasion. As we sat listening to the songs and speeches, an AID acquaintance who had, apparently, been arguing with protesters, came bustling through the crowd. "I'm not getting through to them," he complained. "How are you doing?" I told him I was doing all right.

It took me over a year to bring myself to write publicly about Vietnam. I wrote and pushed for speeches on Vietnam while working in Senator Muskie's campaign for the Presidency, but found it hard, at first, to put in writing under my own name what I had been willing to say directly to Kissinger. This

changed, as my anger grew during the five years that the war continued after the invasion of Cambodia.

To the end, American policy denied the reality of events in Indochina. To the end, the war colored my attitude toward American foreign policy by souring my attitude toward its makers. To the end, the Administration labeled anyone who wrote or spoke against the war a "neoisolationist." To be against propping up the Saigon Government any longer was to be against American commitments everywhere. The Administration thus encouraged Americans to equate the mess in Vietnam with our commitments in the rest of the world. What could encourage isolatism more?

Now, so many years after you and I went to Vietnam in 1963, the war is over. I am not sure yet of all the ways the experience changed me.

Most important, I have begun to learn a great deal about our life together, about living.

And like you, like most, I hope I have learned something about the limits of American power. As much as a feeling of omnipotence, I think, it was a sense of omniresponsibility—a fear that if anything went wrong anywhere in the world it was somehow our fault—that drove us into Vietnam. We need a national debate now, not on how to abandon our dream of a better world, but on the limits of our responsibilities, so we can build support again for those that make sense and are within our capabilities.

But that is almost a technical question. More generally, I come away from Vietnam with an intense feeling that our principal mistake was to lose touch with reality: the actual consequences of the war for human beings in Vietnam and the United States. The gulf between Washington where personally decent men made policy about people as if they were merely playing chess, and Vietnam, where so many Americans and Vietnamese died their individual deaths, still upsets me. In foreign as well as domestic policy, the only purpose and measure is the effect on people's lives. Different approaches may be called for by different situations, but that fact remains constant.

I was trained to think of foreign policy as a bloodless, intellectual exercise. Identify national interests, formulate policies to serve them, manage them. Find the Aristotelian mean between extreme alternatives. The smartest official will do his best. I still find such kinds of analysis interesting, and am attracted instinctively to "middle" options." But I am as interested now, in the values held by our foreign policy makers as I am in how intelligent they are.

The world is besieged by human crisis—in food, energy, the environment and too many other areas. I retain the belief that I found so attractive in the Kennedy years, that problems created by man can at least be ameliorated by man, and that we must try. But this can happen only if the United States plays a progressive role, and thus only if our leaders have values that will lead them, and us, in that direction.

ANTONIA. I am more doubtful about the future, both because of the war and from our personal experience. During those years after our return to the States, the conflicts about what was most important to me were at times almost beyond bearing. You encouraged me to express my convictions about the war and to protest and demonstrate. I think you saw in my doing so one outlet for your own misgivings. But my uncertainty about antiwar protest, my loyalty to you and my question about whether we, as a couple, could withstand these contradictions were not easy to live with. It was all very well for me to know that you were as angry and discouraged as I was, but it was much harder to explain that to friends who thought of you as part of Vietnam policymaking. It was hard even to persuade myself when I hardly saw you, when work and (I often felt) prestige came before me and your children.

As my views about Vietnam changed, so did my views about myself. As I gained the confidence to accept my own reactions about our Government and Vietnam, so I gained the confidence to accept myself as having a role in life independent of and as important as yours. My interests in education and my work with schools have resumed. My photography work gives me enormous personal satisfaction and fulfillment (as well as an acceptable answer these days when asked that irritating dinner party question—by men and women—"Do you do anything?"). And I enjoy and value my family as I know you do.

There is no question that I have been scarred by the last 15 years, and by Vietnam. My faith in our country and her leaders—which may have been too naive to begin with—has turned to distrust and skepticism. I have always been an optimist about people. But I am not an optimist about the ability of people to handle the kind of power that is possible in America today.

This is where I think we still differ. I am fearful of power even when it is used with the best of intentions, with the highest of moral values. We went to Vietnam with great idealism, and yet we now know how misguided we were, how easily led by the currents of the times. I don't feel that the question is so much what is our responsibility in the world, as it is, how much is our business? The assumption that we can deal with or even ameliorate the crises of the world when we have so much division among ourselves, is wrong to me.

I wish I had your faith. But I am skeptical about the possibility of a progressive American role. We Americans do not know ourselves. We don't know or agree on what we should do ourselves; so how can we begin to show others? Vietnam has numbed us and divided us, and divided us without making us wiser.

I have a 77-year-old aunt, a dear gentle lady who has been a pacifist all her life. In January, 1973, she came to Washington to demonstrate with the Friends and many others against the Christmas bombing of Hanoi. I went with her. We marched and we sang and we grieved over the devastation of the city and its people. We nearly got arrested as we demanded to be seen and heard by Senator Hugh Scott. We knew what we had to do and we knew we were right.

This January, my aunt returned to Washington to "celebrate" the second anniversary of the signing of the Paris accords and to make protest against the sending of more aid to Vietnam. Again I joined her. On the following day we were to meet for another rally on the steps of the Capitol. But when I arrived I found I was too early. Instead of the American anti-aid group, I watched an emotional group of South Vietnamese, standing and pleading for a chance for their people to continue fighting, to save their children. The cynics around me said they were students who wanted to keep their visas. There was perhaps some truth in this.

Nearby, also, was another group: Americans who were demonstrating for continued aid, for the restoration of America's "credibility" in the eyes of the world. There was no communication between these two groups.

Something in the atmosphere, in my mood and in the situation left me shaken. I still believed that American aid should cease, as it would only prolong the killing on both sides. But I could not stay and watch these people, to be followed by another group of Americans who would also be sure they knew what was right.

I left. My aunt, in her clearer convictions, had to demonstrate alone that day.

THE MARIANA ISLANDS

Mr. GARY W. HART. Mr. President, on the anniversary of our independence, the Rocky Mountain Daily News published a column by Don Graff commenting on the fact that "Manifest Destiny, the irresistible force that devoured a continent," is "alive and twitching out there in the Pacific." The point at issue is the White House's plan to take over the Mariana Islands as a new territory of the United States.

Perhaps our almost two hundred years of national experience has taught us that conquest is not the best way to absorb foreign lands. Lands once conquered are now mostly given over to their citizens, but we are now beginning a new type territorial acquisition. We do not plan to gather in the Marianas through force or even purchase. Instead, the administration has decided it best to buy the population of the islands with promises of U.S. taxpayer-financed prosperity.

While this approach cannot be faulted as particularly unethical, it can and should be criticized because the White House has already made all the arrangements for absorbing the Marianas without consulting the American people or their elected representatives. Only now will Congress be asked what it thinks of the principles and the costs involved. Unfortunately, we may be given very little choice apart from rubberstamping what the President's men have done. We will be told, no doubt, that we now have a commitment that must be honored.

Perhaps in the matter of Marianas acquisition Congress will do the thorough analysis of military diplomatic and economic factors such a drastic change of policy requires. If it does not, once more the White House will be using Congress instead of recognizing it as a partner in policymaking as the Constitution provides.

I ask unanimous consent that the Rocky Mountain News article on the Marianas be printed in the RECORD.

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

"MANIFEST DESTINY" IN THE WESTERN PACIFIC

(By Don Graff)

With most of us not even looking, the United States is in the process of picking up a few additional square miles.

Not many—246, to be exact. And these divided among 14 islands stretching across 500 miles of open Western Pacific.

They are the Northern Marianas, since World War II a United Nations Trust Territory under U.S. administration whose voters—4,000-plus of them—have now opted in a plebiscite for commonwealth status "in political union with the United States."

The Marianas people may have spoken, but the vote is only a first step in what could still be a lengthy and complicated process of ratification. Next must come presidential and congressional approval and, eventually, U.N. Security Council agreement to dissolution of the trusteeship and transfer of full sovereignty to the U.S. When and if all this comes to pass, around 1980 as expected, it will mark the first major U.S. territorial acquisition since purchase of the Virgin Islands in 1917.

A glance at the state of the islands today might raise questions as to why the Marianas would want closer association. Claimed

by Magellan for Spain in 1521, the Marianas (with the exception of Guam, a U.S. possession since the Spanish-American war) were held successively by Germany and Japan before passing to the U.S. through conquest in the closing months of the Pacific war.

The names of the major islands—Saipan, taken by storm in 1944, and Tinian, base for the saturation bombing of Japan—still evoke the island-hopping course of that conflict.

Liberation, U.S. style, has turned out to be something less than happiness ever after for the 14,000 Marianans, however. Under previous rulers, the islands at least had a functioning if primitive economy, based on sugar cane and copra. Under U.S. administration, agriculture has deteriorated and the economy is fueled primarily by $10-million-plus that Washington pumps into the islands annually. Saipan has been described by some resident Americans as "an island slum."

Washington's pump-priming is probably what most voters had in mind in favoring commonwealth. Once legally inside the Union, the islands will be eligible for a full range of federal aid programs from Medicaid to mortgage insurance. Direct U.S. expenditure in the islands is also expected to go up to $14 million annually, a clear dollars-and-cents gain for the Marianans. On paper, at least.

This raises the question, however, of why the U.S. should want to shell out even more on an existing economic liability. The answer is geography. Five thousand miles from California, the Marianas are only 1,500 miles from the coast of Asia. Tinian, already openly earmarked for major troop facilities and potentially an air base, would replace Okinawa and various U.S. footholds in allied countries on Asia's fringe. There would be no question of a host government changing heart and policy and kindly asking U.S. forces to depart.

The military advantages are cheap at many times the price in Pentagon eyes. They are also obvious to other eyes. Which may make Security Council acquiescence, necessarily including the Soviet Union and the People's Republic of China, something more than an automatic formality.

Nevertheless, with the prize in question already firmly under U.S. control, opposition is unlikely to develop into an immovable object.

And if anyone should ask whatever became of Manifest Destiny, the irresistible force that once devoured a continent, it seems to be alive and twitching out there in the far Pacific.

THE MARIANAS TAKEOVER

Mr. GARY W. HART. Mr. President, although the White House and a selected circle of its friends in Congress have hoped to conceal from the American people the significance of plans to dismember our Trust Territory in the Pacific and to create an expensive military colony in the Mariana Islands, the nation's press has done its jobs of alerting us to the real problems we face.

Yet another example of responsible journalism on the subject of the possible pitfalls awaiting the taxpayer appeared on the editorial page of the New York Times on Sunday, June 29, 1975. The commentary contains a warning that the Congress should not be stampeded into allowing the White House and the Pentagon to make new Pacific policies. If Congress is serious about its Constitutional responsibilities, the Marianas takeover is a perfect opportunity to ask the questions that should have been asked in respect to the many worldwide "commitments" this and earlier administrations have made in our name and at our expense but without our participation.

I trust that the Senate will accept its Constitutional responsibilities and carefully examine the military, diplomatic, and economic aspects of Micronesian dismemberment in the appropriate committees.

I ask unanimous consent that the Times editorial be printed in the RECORD.

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

PLANTING THE FLAG

The United States is poised on the verge of a questionable new economic and military commitment thousands of miles overseas, without as yet even a semblance of serious Congressional consideration.

By executive branch decision and planning, the Mariana Island chain of the western Pacific has been offered commonwealth status under the formal sovereignty of the United States. If carried through, this would become the first territorial annexation by this country since 1925.

Even if such a historic transaction were straightforward and without controversy, it would have seemed proper for the Congress to be consulted and involved from the early planning stages. As it happens, the proposed annexation of the Marianas is far from straightforward and it is surrounded by controversy.

The United States may already be in defiance of the United Nations in drawing a political separation between the Northern Marianas and the broader Micronesia Trust Territory, which the U.N. assigned as a single unit to United States administration in 1948. As local authorities across Micronesia began to agitate for eventual independence, the United States singled out the more docile Marianas for special treatment. American negotiators agreed to provide some $140 million in development funds annually for seven years, announced plans for a lucrative new naval base and presented the islands' 15,000 residents with a take-it-or-leave-it choice. A plebiscite this month produced the expected result, a vote of nearly 80 per cent in favor of commonwealth status and the prospect of becoming United States citizens.

The strategic reasons for extending United States sovereignty deep into the Pacific, 3,300 miles west of Hawaii and alongside the established base at Guam, may have merit—but this may well be vitiated by the increased responsibilities and exposure. That is a decision which the Pentagon or the White House cannot be allowed to make on their own.

When all the relevant decisions are finally submitted to Congress, as President Ford said they will be soon, legislators need feel no obligation to give the rubber-stamp approval that is apparently expected of them. Here is one opportunity for the Congress to consider carefully a possible new American commitment in all its implications—political, economic and military—before discovering a *fait accompli*.

DISSENTING VOICES FROM THE MARIANAS

Mr. GARY W. HART. Mr. President, it has been reported in the press on Saipan and Guam that President Ford's special Ambassador, Hayden Williams, who negotiated the acquisition of the Marianas by the United States with a hand-picked group of islanders, has said both before and after last month's plebiscite that the covenant, basically a list of commitments for money to be put up by the American taxpayer, cannot and will not be changed. Of course, Ambassador Williams' comments can be taken as evidence of his belief that Congress will act as a rubberstamp for another White House arrangement, but they are disturbing for other reasons.

I have been receiving complaints from Marianas citizens who value their traditions and who hope for their independence that Mr. Williams' no-change promise should not be uncritically accepted by Congress. Some point out that the plebiscite on the covenant was a rush job, that the "education campaign" paid for by the American people was far from impartial and that many islanders have no idea of what their acquisition as an American colony will mean to them and their children.

One example of the type of letter I have been receiving from the Marianas is from Egredino M. Jones, a member of the Saipan Municipal Council. I 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:

TWENTY-FIFTH SAIPAN
MUNICIPAL COUNCIL,
Saipan, Mariana Islands, June 30, 1975.

Senator GARY W. HART,
U.S. Congress,
Washington, D.C.

DEAR SENATOR HART: As a concerned elected leader from the Northern Marianas District I take this opportunity to discuss the signed Covenant which took place on February 15, 1975. It establishes the political relationship between the Northern Marianas District and the United States. A plebiscite was conducted four (4) months later following the signing of the Covenant. The result reveals that 78.9% of the total votes cast voted in favor of the Covenant.

The plebiscite was conducted in a very rush manner giving us very limited time to conduct a good and impartial political education. In addition, the provisions of the Covenant are very technical in view of the level of education which very few of us are readily equipped to understand the terms and their implications.

In spite of the plebiscite's result there are indications from our younger generation that renegotiation should take place. Such major concerns for renegotiation are Articles I, II, IV, and VIII in the signed and approved Covenant.

Many of us here don't see any reason at all why should there be no renegotiation as stated by Ambassador Franklin Hayden Williams and the Marianas Political Status Commission over the news media here prior to the plebiscite on June 17. We agree to what many of your constituents there indicated in their letters to me that "In order to establish a good political relationship between the Northern Marianas District and the U.S. the door for renegotiation should never be closed."

My constituents joined me in respectfully requesting that you kindly and favorably consider our request for a renegotiation on the signed Covenant.

In conclusion, my constituents joined me in extending a big appreciation for your time you provide us today. I appreciate very much any reply at your earliest convenience.

Sincerely yours,

EGREDINO M. JONES.

EDITOR RETURNS REBATE CHECKS TO UNCLE SAM

Mr. HELMS. Mr. President, my friend, David Dear, is a citizen who understands arithmetic, economics, and sound business practices. Therefore, he knows the folly of the Federal deficit financing which, during the past 4 decades, has pushed the Federal debt far beyond the half-trillion-dollar mark.

Mr. Dear is president of Dear Publication & Radio, Inc., which owns and operates eight newspapers around the country, two of which are in my State. They are the Elizabeth City, N.C., Daily Advance and the Hartford, N.C., Perquimans Weekly.

The other day, Mr. Dear sent me a copy of a column, written by Mr. Alex H. Washburn, entitled "Our Daily Bread" in the Hope, Ark., Star. When Senators read Mr. Washburn's column, many of us will join in saluting him.

I ask unanimous consent, Mr. President, that Mr. Washburn's comments be printed in the RECORD.

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

EDITOR RETURNS REBATE CHECKS TO UNCLE SAM

I am taking a long last look at two U.S. Treasury checks in my name totaling $163.67. One is for $113.67, being the rebate on my income tax; the other is the $50 special payment to citizens drawing Social Security (I am 75).

I am taking a last look at these checks because today I am returning them to the Internal Revenue Service at Austin, Texas, along with a copy of this editorial.

Call it conscience if you will, but having flayed our prodigal and immoral federal government ever since the second F. D. Roosevelt administration for running up a monstrous public debt, I feel that to accept these checks would make me a party to an impending bankruptcy of America.

My gesture may be a futile one. But I stand on the same principle that caused me, more than a decade ago, to attack, and circulate a petition against the construction of Hope's $400,000 federal building and post office. I held up construction for a year, but the federals finally built it anyway—and America still owes the $400,000.

If mine be a study in futility, then let it be said that I told the truth to our people when the truth was harsh and unpopular.

Today the Congress is preparing to raise the debt limit to $577 billion. Congress has to do this, because otherwise the limit would revert to its permanent level of $400 billion—and the public debt is already far above that.

To spend money—particularly government money—is popular. But the so-called "liberals" who are running up a big debt are actually selling out our country to the rich.

Who holds the big portion of the public debt? Why the rich of course. Who else has that kind of money to lend when government comes a-borrowing?

Therefore, as a spokesman for the forgotten middle class of our nation I am returning to government the ill-gotten loot they sent me—a reminder that in our United States there are still some citizens who can't be "bought."

THE WORLD FUTURE SOCIETY CONFERENCE

Mr. HUMPHREY. Mr. President, I report today the highlights of a conference held recently in Washington at which 3,000 people gathered to discuss, probe, analyze, and argue about the future, more specifically, the last quarter of this century. The forum was the Second General Assembly of the World Future Society, an organization which has grown in the 9 years to over 16,000 members.

Part of the reason for this rapid growth in membership and attendance at the assembly—the first assembly in 1971 drew only 7 people—was summed up by Edward Cornish, the Society's President:

> This shows that people are becoming increasingly aware that we must deal with the future in a serious, thoughtful and creative way. We cannot go on letting the future just happen to us.

I like that statement. It captures the spirit in which I introduced with Senator JAVITS the Balanced Growth and National Economic Planning Act of 1975. People today are aware that many rapidly changing trends and forces directly affect their lives, forces whose consequences need to be analyzed and better anticipated so that plans can be made to avoid recurring crises. This is why I applaud the work of the World Future Society which was established to support the work of those whose life's work is both forecasting future trends and discussing the implications, as well as those helping to establish the specific ways in which this can better be done.

One point was made dramatically clear at the assembly: there is no lack of ideas on what the future will be like or what it should be like. Some may view this as the inevitable result when a society attempts to peer into the future and conclude: "What's the use of doing this when so many conflicting viewpoints result?" I do not take this attitude. I view the diversity of opinions and forecasts as a healthy and necessary first step in the emerging debate on the future of the United States. In a country so historically diverse as ours, one would not expect to find unanimity in views on future developments.

This diversity will come through quite strongly as I point out some of the major points raised at the conference. I am presenting these so that my colleagues in the Congress and others may be informed of some viewpoints which are quite challenging in their portrayal of a future much different than the last quarter century. With an assembly that had more than 300 speakers, obviously all, not even most, views can be represented. My apologies go to those whose views are not adequately captured in the following summary.

The opening plenary session consisted of a panel of leading futurists. Certainly among the most well-known futurists is Herman Kahn, director of the Hudson Institute. Kahn expounded his well-known optimistic view of the future. Being known as an optimist myself, I share many of his opinions. However, I do take exception with his economic perspective. He dismisses the present economic situation as not being a "murderous" recession and claims that "10 others have been worse." His support, he says, is that the American people by a 3 to 1 margin feel that inflation is worse than recession.

He did admit that there were two exceptions to his optimistic world view: nuclear war and misunderstood technology. He quickly accentuated the positive, however, by saying that we could get through a random list of 50 problems simply by our enormous surplus of technology and money. This is, of course, an area of great debate and one which the Joint Economic Committee is carefully studying.

Willis Harman, the director of the Social Policy Research Center at the Stanford Research Institute, presented quite a different perspective. He first cited three fundamental characteristics of industrial society: the industrialization process itself; the interconnections between science, knowledge, and technology; and the fact that the future is unplanned. These characteristics have led to five conditions of present American society: First, a new scarcity—of space, water, habitable land, and the environment's assimilative capacity, and so forth; second, we no longer need full employment for production because production needs can be met by such a small percentage of the work force; third, a dependence on institutions instead of the family or the individual—with a major consequence being the impotence of the poor; and fifth, alienation. Because of these conditions, he said that two basic principles of future research which must be followed are that we must view society as a whole organism, and that goals must be established and subjected to dilemma resolution.

Daniel Bell, the Harvard sociologist and author of the very popular book "The Coming of Post-Industrial Society," stated at the very outset of his talk that society is not an organism or whole system. Rather, society should be viewed as a composite of different realms, each with different rhythms of change. Three principal realms he cited are the technical-economic, the political, and the cultural.

The changeover to a postindustrial society he said, takes place in the first of these. For example, the changes involved in moving from a railway age to an auto age to a telecommunications age are not changes in all of society, but in this realm. The emphasis here is on organizational forms which stem from what he terms the "axial principles" of efficiency and maximization. The main constraint to these principles are the demographic resource ratios.

After briefly mentioning the realm of culture, he addressed the political realm where he claimed a very fundamental change had taken place. His thesis, which is quite provocative but important enough to be subject to carefully reasoned debate, is that we have experienced the end to American exceptionalism. This included the notion that the United States was different from other past major powers because we had ushered in a "new order of the ages," which by the way is printed on the back of our dollar bill. He went on to cite three areas which had set the United States apart, but are now gone: our insulation by space from

other countries, our unique political system and our powerful economic machine. I trust that these three areas, and their implications to the extent they are true, will be closely examined.

Roy Amara, president of Institute for the Future took a more global perspective, which again was quite challenging to traditional thought. He stated that there would arise three new groupings of countries. One is the "haves," which will be quite independent and therefore conservative in drawing back into their nests, so to speak. Included in this group are such countries as the United States, the Union of Soviet Socialist Republics, Australia, Canada and Brazil.

The second group are the "have-somes." They will be characterized by interdependence and could join in many economic alliances. They will have an increasing world influence as they exploit efficiencies from economies of scale and specialization. Amara includes in this group such countries as Iran, France, Germany, Japan, Nigeria, the West African states, Venezuela, Peru, Chile, et cetera.

The final group is the "have littles." These countries, poor in resources and experiencing rapid population growth, are the most unstable and the countries where the most drastic changes are likely to occur. Such countries as Bangladesh, Pakistan, Ethiopia, Uganda and Chad fit into this category.

John McHale, sometimes referred to as the futurists' futurist, and director of the Center for Integrative Studies at the State University of New York at Binghamton, had as an essential theme that human constraints could prove to be more influential than physical constraints. Human arrangements rather than physical means will be important in meeting the major crisis we will be facing in the area of distribution and equity. Thus, our overall new future crisis will be an institutional crisis.

The plenary session on the second day followed up on these "prospects for humanity during the next quarter century" by examining the theme: "strategies for achieving a desirable future." Leonard Lecht, the director of the Special Projects Research for The Conference Board, said that all problems ultimately raise the question of priorities and that there has been a shift in our priorities with three major developments: first, areas concerned with our international posture are receiving less emphasis; second, we are moving backward in our urban development; and third, social services are escalating rapidly. I was glad to hear that he pointed out that the area of priorities raises the question of national planning and the need to focus on a national agenda for the future. Important components of such an agenda would be a look at what resources are likely to be, what the gaps are, what we can afford to do that we did not think we could and finally, where bottlenecks exist to prevent action.

Another of the six speakers during this session was Hazel Henderson, a free-lance author and social critic. Her talk, which received the only standing ovation, was a focal point of the conference for it reflected the deep, underlying feelings of many of the delegates. These feelings were in reaction to the facets of the conference structure, which was criticized for being dominated by American, white, male experts who told the delegates their thoughts with little direct interaction. The result of this viewpoint was the formation of an alternative plenary session the following day which focused on incorporating human values into futures research and which utilized small group participation to obtain the delegates' opinions.

I view this dissent and resulting action as a healthy sign, first that many individuals are deeply concerned about how human values will shape our future, and second, that the conference was flexible enough to allow this alternative development to occur in the midst of the assembly. The fundamental contention that technocrats must not be allowed to direct our future is a critical one that must be critically addressed during the upcoming debate on national economic planning. Certainly we need the work of the experts, but the limits on their role must be carefully prescribed.

A key speaker at the final plenary session was Alvin Toffler, author of "Future Shock" and other works. He said that in his travels, he has noticed two fundamental shifts occurring. One is that Americans are tired of "lurching" into the future, sometimes referred to as management by crisis. He felt that there was a definite shift taking place from anti-planning to proplanning and that in this area, the people were ahead of the politicians.

The second shift is the emergence of a profound dissatisfaction stemming from the fact that people do not feel in control of the major institutions and more basically, feel quite alienated from them. Certainly, those in government are well aware of this lack of confidence, but it is also true in many cases for big businesses and even big labor unions.

These shifts would not lead to the breakdown of capitalism, but are part of the "general crisis of industrial society." By this he means that the structure we now have for stabilizing the economy is outdated, for it was designed at a time when such things as Eurodollars and multinational corporations did not exist and when traditions were more uniform. A fundamental feature of the crisis is the shift from industrialized standardization and homogeneity to superindustrial diversity and heterogeneity.

Toffler's principal answer is that we need planning, but of a radically different nature. Rather than an emphasis on national planning, we need to look more closely at subnational planning which would allow for much greater participation, as well as providing for transnational inputs into the process in an increasingly interdependent world. Second, he feels that planning should not be just economic planning, for economics is not an airtight discipline. This does not mean we do not need experts, simply more peripheral vision. This would involve a shift from bureaucratic, pyramidal forms into a network system which he calls "anticipatory democracy."

I am sure that the spirit of diversity which characterized the conference has by now been adequately conveyed. Many of the viewpoints given have been quite provocative and I certainly do not subscribe to all of them. However, I do feel that some of the trends cited above do contain important elements of truth and that some of the prophecies cited will come to pass. Thus, it is very important that the task of analyzing and debating these points quite carefully continue and that policymakers become increasingly aware of the long-term implications of their policies and how these can be guided to better serve future generations.

NEW U.S. STRATEGY FOR NUCLEAR WAR

Mr. GRAVEL. Mr. President, on Sunday, July 20, 1975, an article appeared in the Washington Post concerning the changing nature of U.S. strategy with regard to nuclear war. George C. Wilson, the well-respected and informative author, notes that the shift in U.S. military strategy may very well bring the likelihood of nuclear war closer to reality. The article raises serious questions as to the current direction of U.S. foreign policy and defense planning.

I commend it to the attention of my colleagues, 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:

NEW U.S. STRATEGY FOR NUCLEAR WAR

(By George C. Wilson)

The Congressman from Michigan took the floor of the House on Jan. 19, 1951, to demand that the White House and State Department let the U.S. Air Force bomb deep inside China to help American troops "pressed to the breaking point" in Korea.

"First and foremost," he said, "we ust bomb the Chinese Communist supply bases in China itself . . . The fallacy of fighting the hordes of Asia on the ground is obvious. We are bleeding ourselves to death, which is just what Stalin wants us to do. It is utter stupidity to continue such a policy when we are not fighting with both fists."

Back then, in 1951, he was Rep. Gerald R. Ford, an obscure Republican from Grand Rapids, Mich. Today he is President Ford—commander-in-chief of military forces that could incinerate the world in half an hour. He talked about Korea and the use of American power again, as President, just a few weeks ago.

"Mr. President," a reporter asked him at his June 25 press conference, "let me just ask you this question point blank: If North Korea attacked South Korea, would you use nuclear weapons to stop that?"

After some verbal fencing, the President responded: "I am not either confirming it or denying it. I am saying we have the forces and they will be used in our national interest, as they should be."

While Congressman Ford in the 1950s was complaining about restraints on American power, a Harvard professor was calling for more imaginative use of our A-bombs and H-bombs. In 1957, the professor set down his thoughts in a book entitled "Nuclear Weapons and Foreign Policy." He argued that nuclear weapons could be used without crossing the firebreak separating little wars from world holocaust.

"With proper tactics, nuclear war need not be as destructive as it appears when we think of it in terms of traditional warfare," he wrote.

"Without damage to our interest," he argued, "we could announce that Soviet aggression would be resisted with nuclear weapons if necessary; that in resisting we would not use more than 500 kilotons explosive power unless the enemy used them first; that we would use 'clean' bombs with minimal fallout effects for any larger explosive equivalent unless the enemy violated the understanding; that we would not attack the enemy retaliatory force or enemy cities located more than a certain distance behind the battle zone . . .

"A limited nuclear war does not guarantee success by itself," he wrote, "but it would use the sociological, technological and psychological advantages of the United States to best effect . . ."

Back then, in 1957, he was Prof. Henry A. Kissinger, executive director of the Harvard International Seminar and a strategist confined to consulting the government. Today he is Secretary of State Kissinger, maker and implementer of government policy, staff boss of the President's National Security Council. In those jobs, he has signed off on changes in American nuclear war strategy—with some concepts reminiscent of the ideas he set down in his 1957 book and amended in a subsequent study.

Another college professor—this one an associate professor of economics at the University of Virginia—joined Kissinger in the 1950s in theorizing about how America could use its power in the world more effectively.

"We have not reconciled ourselves emotionally to the need for the continual exercise of power to protect our interests," this professor wrote in a book published in 1960 and entitled "The Political Economy of National Security."

He contended that "we must become adjusted to the heavy costs of limited warfare as a condition of life . . ."

This same professor later devoted full time to analyzing military strategy as director of strategic studies of the Rand Corp. from 1963 to 1969. He never served in any military service himself and thus was denied the chance to see what happens to many theories in actual combat.

Today he is Secretary of Defense James R. Schlesinger—civilian head of the world's mightiest military establishment and adviser to President Ford, both as defense secretary and member of the National Security Council.

Mr. Ford, Kissinger and Schlesinger—who came together by a series of political accidents—are now this nation's civilian triad for making military policy. Their past statements portray them as hawks, believers in using American military power forcefully—including setting off nuclear weapons on a battlefield, under some circumstances, in the common belief this would not necessarily lead to uncontrolled incineration of the world.

THINKING THE UNTHINKABLE

The extraordinary willingness of these three top government executives to think and talk about the unthinkable—nuclear war, including firing the first "nuke"—has aroused concern among arms control specialists in this country and drawn fire from Soviet spokesmen over the last several weeks.

The public perception has been that nuclear weapons would be used only if everything else had failed—the American or NATO cause appeared almost lost or Russia had hit us first. But the Ford-Kissinger-Schlesinger willingness to consider nuclear war controllable has resurrected some of the old scenarios about using nukes like conventional artillery on the battlefield. Army theoreticians—to the disgust of some battle-hardened officers who know that actual combat is often mass confusion—are holding secret meetings in the Pentagon these days, for example, to sing the praises of the new nukes that destroy only the target—nothing else. "Zero collateral damage" is one of the buzz phrases used by this once "out" group that now finds itself "in."

Strategic Air Command bomber crews, to cite another reaction to this "nuclear was can be small" theory, are being trained to swing their sights to smaller targets in Russia, such as a single refinery or factory, rather than a big target like an airfield or missile base or city.

The first question one might ask about all this is whether there is anything really new in what our government's hawkish triad is saying and doing about American nuclear strategy? Secondly, if there are changes being made in long-standing American strategy, are they anything to worry about? The main source for the answer to the first question is Schlesinger, whom President Ford has let explain administration policy in this area.

There is indeed something new—as Schlesinger himself has said publicly on a number of recent occasions. These are a few of his specific statements on this first question of newness and change, listed in chronological order:

"There has taken place . . . a change in the strategies of the United States with regard to hypothetical employment of central strategy as it were . . ." Jan. 10, 1974, before the Overseas Writers Association.

"The main point of this change in strategic doctrine is to introduce flexibility and options for the national command authorities so they may deal with a set of events without being forced by prior planning to make a decision that would bring about a degree of devastation that neither the Soviet Union nor the United States, nor our allies around the world, would find palatable . . ." April 4, 1974, before two subcommittees of the Senate Foreign Relations Committee.

"The change in targeting doctrine is, of course, both broader and more limited than counterforce attacks." (Counterforce is the term for weapons shot at the other side's missiles and bombers—his military force as distinguished from his cities.) ". . . The purpose of our changing our targeting doctrine has been to enhance deterrence . . . A major change which results from the change in targeting doctrine is that we are paying much more attention than previously to planning for the possibility of these kinds of selective strikes we have been talking about . . ." Sept. 11, 1974, before the Senate Foreign Relations Arms Control subcommittee.

So we have Schlesinger's own word that there is something new in American nuclear doctrine—that there have been changes made, even though some Pentagon officials are still reluctant to admit it.

TO WOUND, NOT KILL

The basic objective of the changes is to let the President aim for the enemy's ear lobe, leg or arm with the nation's nuclear gun—not just the heart or other vitals. The President under this changed strategy could merely wound his adversary—not necessarily kill him.

This option to wound rather than kill could mean that in a war the President would give an Army colonel permission to set off nuclear mines to stop Soviet troops marching toward West Germany; order a B-52 bomber pilot to fire one of his SRAM nuclear-tipped missiles at a single Russian refinery or factory; radio a submarine skipper to shoot a missile at a Soviet airfield; approve the launch of a few Minuteman ICBMs to knock out the communications center for Soviet rocket forces without hitting cities in the process.

Without such an option to wound, Schlesinger argues that the American President might be afraid to fire the nuclear gun at all. Schlesinger has made that point in the complex phrases of the nuclear strategist—a specialist sometimes hard to understand:

"The point is that we should deter nuclear attacks on the United States across the spectrum" by preparing for a limited nuclear conflict as well as an all-out war. "If an opponent were to decide that we would be self-deterred because the President of the United States lacked adequate response options, and if an opponent were a risk taker, then such a selective nuclear attack becomes conceivable."

Having sold this strategy to President Ford, with the help of Kissinger or at least his compliance, the defense secretary is now trying to give America's nuclear forces more of a wounding capability than they have had in the past as well as a killing one. For the moment, this requires tinkering with the missiles and bombers we already have rather than building new ones. The idea is to make these weapons more selective, more accurate and more responsive to the President's commands.

For example, before Schlesinger started to implement the changes, it would take up to 24 hours to go inside a Minuteman III long-range missile targeted on Russia and tinker with its brain—a computer—so it would shoot at a different target than the one previously programmed. The Air Force is now installing what it calls a command data buffer system so the missile's mechanical brain can be washed of its old targets and reinstructed within 36 minutes to hit new ones. The men making the change would no longer have to go inside the missile silo itself.

Such tinkering and research on ways to make our nuclear weapons more surgical will cost about $300 million in this year's Pentagon budget, but that is just the beginning unless the United States and Soviet Union find a way to call off this pursuit of precision.

The second question, about whether changes in American nuclear strategy are anything to worry about, is the tougher and more important one. Certainly, respected members of the arms control community and of Congress are worried about the changes, even if Ford, Kissinger and Schlesinger are not.

THE KING'S NOSE

Critics of the new targeting doctrine recall the age-old warning about never hitting a king in the nose unless you intend to kill him. They contend that there is no such thing as a little nuclear war—that once either the United States or Russia hits the other's homeland with a nuke there will be no way to control the nuclear incineration. Schlesinger escalated their concern by recently asserting that the United States might fire a nuclear-tipped Trident submarine missile at Russia before the Soviet Union had resorted to nukes in a war in Europe. This willingness to threaten "first use" of a big strategic missile like Trident—as distinguished from smaller battlefield nuclear missiles like mines or short-ranged missiles which would not reach Russia from Germany—is considered provocative by some arms control specialists.

Sen. Stuart Symington (D-Mo.), a former Air Force secretary and member of the Senate Armed Services, Foreign Relations and Joint Congressional Atomic Energy Committees heard Schlesinger explain the new targeting strategy in top secret briefings and came to this conclusion:

"The new targeting program lowers the nuclear threshhold and increases the possibility of the beginning of nuclear weapons use in war . . . The more you lower the kilotonnage of these weapons, the more you disperse them around the world, the more

you make them common practice for utilization of our services and those of our allies, the greater the chance of their going off and the world blowing up."

Sen. Edmund Muskie (D-Maine), chairman of the Senate Foreign Relations Arms Control Subcommittee, is worried that the unthinkable idea of using nuclear weapons has already become thinkable by virtue of officials in the United States and Soviet Union portraying them as legitimate arms for battle. Said Muskie to Schlesinger:

"Whether or not this new strategy is designed to lower the nuclear threshold, it seems to me at the very least to reflect the fact that perhaps the nuclear threshold has already been lowered; that both sides now are less horrified by the prospect of nuclear war; that both sides are now more willing to consider the use of tactical nuclear weapons."

"What concerns me," Muskie said in another exchange with Schlesinger, "is that in building these limited responses we cloak the possibility of massive exchanges" of H-bombs and thus erode the deterrent value of "massive retaliation" which has kept the United States out of a nuclear war so far.

"If we add evidence to our doubts upon our willingness to go the full route," Muskie argued, "it seems to me that we add assurance to the other side's belief that we will be self-deterred. Therefore, you encourage the development of limited war as an acceptable kind of conventional military involvement. And when you escalate the possibilities to that level, it seems to me you escalate the possibility for ultimate nuclear war."

In rebuttal of such fears, Schlesinger has cited the desires of earlier Presidents to have something besides "an all or nothing at all" option; stressed that the United States would only fire nukes in response to aggression, and that even then it would be an agonizing decision; said filling in the gaps in our nuclear deterrence, while strengthening conventional forces, will make nuclear war less—not more—likely.

Schlesinger has translated his theory about the possibility of selective nuclear warfare into a Soviet missile attack on the Whiteman Air Force base outside St. Louis, Symington's hometown. Whiteman is a big launching pad for Minuteman missiles targeted on Russia and thus might be selected by Kremlin leaders trying to hit military targets instead of cities—a so-called "selective" strike.

If Russia, said the Pentagon, hit each of the 150 Minuteman II silos at Whiteman with two, big dirty nukes and attacked Strategic Air Command bomber bases as well, as many as 750,000 people in St. Louis would die and another 210,000 would be injured by the radioactive fallout carried to the city by the wind after what the Pentagon called a "worst case comprehensive counterforce attack." Russia would not aim at cities in such a counterforce attack, but at American missiles and bombers.

The Pentagon said it figured those casualties on the basis of the average fallout protection in U.S. metropolitan areas. It did another calculation figuring the shelter St. Louis itself actually has available, estimating the fallout casualties from the "dirty" attack would be 51,000 deaths, and 540,000 injuries.

If the Kremlin's leaders concentrated on precision and aimed a single "clean" one-megaton bomb at each of Whiteman's missiles, the casualties from fallout would be much less in St. Louis but still not comforting. The Pentagon figured 26,000 people in St. Louis would die from fallout coming from a selective, clean attack and 130,000 would be injured—using the national average of fallout protection. With what the Pentagon called "effective" use of shelter available in St. Louis, the Pentagon said deaths in St. Louis from fallout might be brought under 1,000 and injuries would go down to about 3,000.

If the wind were blowing from east to west, said the Pentagon, the fallout from such a precision attack on Whiteman would hit Kansas City—killing 216,000 and injuring 477,000 people there, using the national average of city protection. Those figures would be lowered to 1,500 deaths and 8,000 injuries if Kansas City's shelters were used effectively, the Pentagon added.

Thus, if the Ford administration pursues this new selective targeting doctrine to its logical conclusion, it will have to re-issue the politically unpopular call for spending more money on fallout shelters.

With rhetoric which Hollywood might put into a Dr. Strangelove movie, the Pentagon has put together a slide show on the new targeting doctrine to help congressmen and others understand it. Slide 17, for example, makes the argument this way:

"The Soviets have a capability to conduct limited nuclear strikes on U.S. military targets. The country attacks will be by their nature be limited in the foreseeable future.

"Although the probability of nuclear war is extremely remote, a limited strike scenario—as contrasted with a full exchange scenario with the Soviet Union—may be the more likely way a nuclear war could start.

"By: Developing pre-planned options for less than SIOP (Single Integrated Operation Plan)—level strikes. Investing in C3 (command, control and communications) and retargeting flexibility to provide improved ad hoc response capability.

"We can contribute to deterrence of such attacks by improving our capability to deny the hypothetical attacker his objectives.

"To do otherwise would result in unacceptable alternatives in the face of such an attack—no response or holocaust.

"The likelihood of limited nuclear attacks cannot be challenged on the assumption that massive civilian fatalities and injuries would result."

KEEPING UP WITH MOSCOW

In plain language, the Pentagon is arguing that the Soviet Union is pushing ahead with nuclear weapons that could be used for selective as well as all-out attacks; that the United States must keep up with Russia in this endeavor unless both sides agree to call off the development and fielding of more precise nuclear weapons.

But how will such neat theories about nuclear warfare stand up if they ever have to be tested in battle? The Vietnam experience is hardly comforting in this regard. Before that war got out of hand and required the presence on the ground of a 500,000-man American expeditionary force, the theorists were talking about keeping the war manageable through a strategy of graduated response—tit-for-tat.

Ironically, Kissinger himself—despite his support of the new targeting doctrine today—warned against expecting limited nuclear war to remain limited. In his 1960 book, entitled "The Necessity for Choice," he wrote the following:

"While it is feasible to design a theoretical model for limited nuclear war, the fact remains that 15 years after the beginning of the nuclear age no such model has ever won general agreement. It would be next to impossible to obtain a coherent description of what is understood by 'limited nuclear war' from our military establishment.

"The Air Force thinks of it as control over a defined air space. The Army considers it vital to destroy tactical targets which can affect ground operations, including centers of communications. The Navy is primarily concerned with eliminating port installations.

"Even within a given service, a detailed, coherent strategy is often lacking. The Strategic Air Command and the Tactical Air Force almost surely interpret the nature of limited war differently.

"Since disputes about targets are usually settled by addition—by permitting each service to destroy what it considers essential to its mission—a limited nuclear war fought in this manner may well become indistinguishable from all-out war."

A CALL FOR GOVERNMENTAL ACTION

Mr. HOLLINGS. Mr. President, I have received what I think to be a resolution which is indicative of the feelings of every American. It comes from the city council in Gaffney, S.C. and expresses concern over the possibility of another winter of energy shortage, more unemployment, and even higher prices. It further urges governmental action be taken to provide relief in these distressing areas.

I know that every one of my distinguished colleagues here today have received similar statements of alarm and join with me in the fight to enact forceful and conclusive legislation to deal with these problems.

I therefore ask unanimous consent that this resolution sent by the city of Gaffney be printed in the RECORD.

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

RESOLUTION

Whereas, the Nation is faced with a critical natural gas shortage; and

Whereas, the Piedmont Section of South Carolina, and especially the City of Gaffney in Cherokee County, South Carolina, faces a natural gas shortage that could cause curtailment and possible closing of industrial plants; and

Whereas, this curtailment and/or closing would cause grave economic and unemployment conditions that would further depress our City and its citizens; and

Whereas, a strong Energy Bill that would contain some relief from this situation would be desirable;

Now therefore be it resolved by the City Council that the South Carolina Congressional Delegation immediately support any Energy Legislation that would give an increase in natural gas allocation to residential, commercial and industrial users in Gaffney and Cherokee County, South Carolina and support other measures of a Bill that would provide relief to an already existing depressed economic and unemployment situation.

Be it further resolved that a copy of this Resolution be furnished to each member of the South Carolina Congressional Delegation representing Gaffney and Cherokee County.

BILLY GRAHAM PRESENTED "MAN OF THE SOUTH" AWARD

Mr. TALMADGE. Mr. President, Dixie Business magazine, published by Hubert Lee of Decatur, Ga., each year confers a "Man of the South" award in recognition of outstanding service and leadership.

This year, the award went to the Rev. Dr. Billy Graham, one of the Nation's, and indeed the world's, most outstanding spiritual leaders. The award was presented in Charlotte, N.C. by William H. Barnhardt, also a recipient of a "Man of the South" award.

I ask unanimous consent that there be printed in the RECORD the article from Dixie Business magazine on these awards.

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

BILLY GRAHAM PRESENTED "MAN OF THE SOUTH" AWARD BY WM. H. BARNHARDT IN CHARLOTTE AS 105,000 WATCH

(By Hubert F. Lee)

William H. Barnhardt, the 28th "Man of the South," made history in Charlotte May 20th when he presented the 29th "Man of the South" award to Billy Graham before a multitude of 105,000 who had come to Freedom Park to hear Billy Graham and President Gerald Ford as part of the three day Bicentennial Celebration of the Mecklenburg Declaration of Independence.

Barnhardt has attended Billy Graham Crusades in Peru, Dallas and Charlotte and has been a contributor of time and money to his Crusades.

Barnhardt attended the "Man of the South" dinners for Reuben B. Robertson in Asheville in 1950—25 years ago—the dinner at the Charlotte Country Club for David Ovens in 1951 and for Norman Cocke in 1959 and is one of the Architects of the "Flowers for the Living" program.

Others given the "Man of the South" awards from North Carolina were: Louis V. Raleigh, 1966; Luther H. Hodges, Raleigh, 1969.

WORSHIP OF GOD

Billy Graham's address climaxed the Worship of God services, participated in by Charles Hunter, The Rev. Joseph S. Showfety, Bishop Herbert Spaugh, Rev. Phaethon Constantinides, Rev. Bryant Clancey, Rev. Henry Crouch, Rabbi Richard Rocklin, Billy Graham, William H. Barnhardt, Rev. Jim Gilland, Robert Stigall, Joyce Helms and Rev. Robert Freeman.

On the platform were Grady and T. W. Wilson, of Charlotte, members of the Billy Graham team for 40-years, who have been named to the South's "Hall of Fame for the Living," the honor group, limited to 200 living leaders, from which the Man of the South is named each year.

BILLY GRAHAM THRILLS 205,000

Billy Graham thrilled the 205,000 patriotic citizens when he called for the dedication to the "principles and religious faith for which our forefathers lived . . ."

"It is a great privilege to be here today because I came from the Sharon community of Charlotte, and especially to be a native of Charlotte and Mecklenburg County as we observe one of the most memorable events in the land and proud history of Charlotte-Mecklenburg.

"The story of the Mecklenburg Declaration is a high-water mark in American history," Billy Graham declared.

"The history of Mecklenburg County needs no distortion to make it sound better than it actually was.

"The fact that several presidents have participated in these celebrations, and that the President is here today, is indicative that America has always taken seriously the symbol of the Mecklenburg Declaration of Independence, whether it was fact or fiction.

"The signers were a tough minded and independent people.

"They were Scotch-Irish for the most part . . . they believed in personal freedom.

"I feel a real kinship with William Graham, who was born in Ulster, Ireland, one of the founders of the Hopewell Presbyterian Church, father of 9 sons . . . and a kinship with all of the signers of the Declaration.

"Fourteen of the signers were elders of their churches, and two were clergy. In their declaration they proclaimed their intentions of becoming a sovereign and self-governing people under the power of God.

"The bible was their blueprint of freedom, their charter of liberty.

"When they fought, they fought to win.

"Pointing to the flag behind the vast crowd, Billy Graham exclaimed: I would die for my faith in God and I would die for that flag there.

"The real significance of what we do here today is that we rededicate ourselves to the principles for which our forefathers died . . .

"God Bless Mecklenburg.

"God Bless Charlotte.

"God Bless North Carolina.

"God Bless America."

"MAN OF THE SOUTH" AWARD

William H. Barnhardt, chairman of Barnhardt Brothers Company and a dozen other companies, an elder of Meyers Park Presbyterian Church and one of the finest Christian laymen I have ever known, presented the "Man of the South" award to Billy Graham.

Mr. Barnhardt was introduced by Ty Boyd, Master of Ceremonies for the May 20th Celebration, who said:

"May I present Mr. William H. Barnhardt, the recipient of the 'Man of the South' award for 1973."

RELIGION GREATEST BUSINESS

Mr. Barnhardt said in presenting the award to Billy Graham:

"Each year for the past 29 years Dixie Business magazine, which is published in Atlanta, Ga. by Colonel Hubert F. Lee, has conducted a poll among their readers to vote for their choice for the "Man of the South."

"Now this is a business magazine and you may say:

Why would a business magazine choose Billy Graham as the "Man of the South" for 1974?

"Well, the answer is obvious.

"Religion is the Greatest business in the South and in the world, and not only is it the greatest business . . . it is the most important business . . . . and I think it is most appropriate that this honor is presented to our native son on this occasion who . . . and his team . . . have carried the gospel to the far corners of the earth and we are grateful to Almighty God for his team and for Billy Graham.

"And, Billy will you come forward, please.

"On behalf of the people of the South, we are honored to show you that a Prophet Is With Honor in his own country.

Applause. "We love you, and God Bless You.

CHARLOTTE OBSERVER REPORTS

The Charlotte Observer, in a story reported by Jerry Shinn, Bobby Calhoun and Bob Hodierne, and written by Shinn, reported:

After the religious services, a Charlotte textile executive, Wm. H. Barnardt, gave Graham the annual "Man of the South" award, given by "Dixie Business" a magazine published in Georgia. Barnhardt was last year's recipient.

Barnhardt called the award appropriate because "religion is the greatest business in the South.

BAND SHELL DEDICATED

After Billy Graham had received the "Man of the South" award and responded, the band shell was dedicated in memory and honor of Alan Newcomb, anoted Charlotte leader and executive with WBTV.

Mrs. Alan Newcomb responded, saying how proud she and her family were that the name of her late husband was being given to the Alan Newcomb Band Shell in Freedom Park.

WBTV went all out in covering the speeches delivered with the Alan Newcomb Band Shell in Freedom Park.

WSOC-TV covered intermittently until President Gerald Ford arrived.

PRESIDENT FORD SPEAKS

At 12:30, the Independence High School Band played "Ruffles and Flourishes" and Ty Boyd shouted:

"Ladies and Gentlemen, the President of the United States, and A. Grant Whitney."

Grant Whitney, executive vice president of Belk Stores Insurance Reciprocal, is chairman of the Bicentennial and the man who made the historical event a grand success.

The band played "Hail to the Chief" and swung into "Nothing Could Be Finer than to be in Carolina, In The Morning," as the President and Grant Whitney marched down the hill between rows of flag-bearing Eagle Scouts.

Grant Whitney introduced John Belk, the "Merchant Prince" who heads Belk's and has served three terms as Mayor of Charlotte. Belk is a direct descendent of John McNitt Alexander, one of the 27 signers of the Mecklenburg Declaration.

"The Good Lord has taken care of the weather and such fine people," Mayor Belk said, beaming with pride.

DIGNITARIES SPEAK

Brief remarks were made by Mrs. Liz Hair, chairman of the board of Commissioners; Capt. John Dobbs, of North Ireland, grandson of Arthur Dobbs, a colonial governor of North Carolina; Gov. John E. Holshouser, Jr. and U.S. Senators Robert Morgan and Jesse Helms.

Rep. Jim Martin introduced Ford.

President Ford, an Eagle Scout, who beat Georgia Tech in the only game the Wolverines won in 1934, has played in the Kemper Open Pro-Am Golf Tournament at Charlotte's Quail Hollow Country Club for the past four years.

William H. Barnhardt is a founder of famed Quail Hollow Country Club, where he plays golf with Billy Graham from time to time.

"I am delighted to be in Charlotte today to enjoy the spirit of this unique observation of the nation's bicentennial," Ford declared.

"I congratulate Mecklenburg County and all of North Carolina on the Bicentennial enthusiasm demonstrated here.

"I see this gathering (105,000) as a symbol of pride of Americans in their community, in their state and in their nation.

"Our destiny in this year of our Bicentennial is to emerge as an even greater republic.

"When the United States celebrated its first 100 years in 1876, the South was still recovering from the tragic war Between the States.

"This was America's most terrible ordeal. Yet America—and the South—have risen again.

"North Carolina is a showcase of a state that reveres the values of the past while leading the way toward a progressive future.

"This state, and the rest of the South, knows at first hand the changes of which I speak.

"I am proud of the great breakthroughs in education and industry in the South, a region which today numbers more than 67 million people, nearly a third of the American population.

"This is an area where family income has increased more in the past quarter of a century than in any other part of the United States.

"Today, personal income is rising more rapidly here than in the rest of the country.

"Southerners—including Tar Heels—must be doing something right.

"I join in working with all Southerners, and all Americans, to build a better tomorrow.

"Together we can do it."

Applause and Cheers from the crowd.

BILLY GRAHAM CALLED ON

Ty Boyd, the Master of Ceremonies called on Billy Graham, saying:

"One of our country's most distinguished citizens and a person known throughout the

world. Charlotte's own Dr. Billy Graham will lead us in the benediction.

GRAHAM GIVES BENEDICTION

"Shall we pray?

"Our father, we thank you for this historic occasion and the challenge that our President has brought us.

"We pray that Americans will always love freedom and hate tyranny as those early Mecklenburgers did 200 years ago.

"Once again we need to believe in ourselves as a nation.

"Once again we need the courage and the dedication of those brave men who dared revolt against tyranny and injustice.

"Once again we need to believe in freedom as much as they did, so that we would be willing to die as they did for it.

"Once again we need the faith in God that inspired, gave courage to, and helped those revolutionaries whose brave deeds we remember today.

"Bless our President, we pray thee.

"Give him courage, wisdom, strength and faith.

"Bless all of those in authority and may this be a moment of rededication for us all.

God Bless America, we pray in the name of our Lord and Savior, Jesus Christ. Amen."

FORD FOURTH PRESIDENT

President Ford was the fourth President to help celebrate the Mecklenburg Declaration of Independence. President Howard Taft was rained out on May 20, 1909.

President Woodrow Wilson had only a few minutes left to speak on May 20, 1916 when Charlotte's Mayor T. L. Kirkpatrick took an hour to introduce Governor Locke Craig.

When President Dwight D. Eisenhower came May 20, 1954, he had with him Dr. Norman Vincent Peale and Fred Waring.

AWARD TO WILLIAM H. BARNHARDT

One of the most unique and colorful "Man of the South" ceremonies since 1946 marked the "Man of the South" award presentation to William H. Barnhardt on Sunday afternoon May 18, 1975 in the beautiful Barnhardt Chapel at Boy Scout Camp John J. Barnhardt overlooking Lake Badin at New London, North Carolina.

Camp John J. Barnhardt, named for William H. Barnhardt's deceased brother, became the World's Most Memorable Boy Scout Camp when the Elbeetian Legion of old-timer Lone Scouts selected it as the site for the Lone Scouts Memory Lodge, so that the Boy Scouts in future years can perpetuate it as a shining light of Scouting Through Eternity.

The Lone Scout Memory Lodge is located near the Barnhardt Chapel.

May 18th was rally day for the Catawaba Tribe of old-timer Lone Scouts.

As Mr. Barnhardt was to present the 29th "Man of the South" to Billy Graham in Charlotte on May 20th, the officers and members invited Mr. Barnhardt to receive his 28th "Man of the South" award at Camp Barnhardt.

Scout Executive John J. Bush, dynamic scout leader, praised Mr. Barnhardt and his family for all they have done for scouting and for their generous financial support.

"Miss Maggie Barnhardt, Mr. Barnhardt's 90-year-old sister from Concord is here today, Scouter Bush exclaimed with pride.

"It seems that God has halted the rain so that she can be here at the place she loves and where she is loved by scouters for her devotion and her work for scouting.

Bush succeeded Scout Executive Joe Woodall, who did so much to help build the Lone Scout Memory Lodge.

Charles J. Little, president of Little Cotton Mfg. Co., Wadesboro, N.C. Chairman of Investments of the North Carolina Central NC Council, praised Mr. Barnhardt for his great leadership in raising money for the camp and Barnhardt Chapel and unselfish service over a lifetime.

Frank Liske, of Concord, Vice-President of the Central NC Council, told of his pride in knowing Barnhardt for many years and related some of his work for scouting, colleges, backing Billy Graham and as a Christian Layman, who went about doing good. "We are proud of all his family who have done much for scouting."

"MAN OF THE SOUTH"

William H. Barnhardt had a heart attack last year so he was to ill for his friends to give him a "Man of the South" for 1973 dinner at the Charlotte Country Club, as planned.

As scouting has been one of his chief interests and since I was a Lone Scout and a Boy Scout in my own youth, I suggested that we do something different and present the "Man of the South" award at Camp John J. Barnhardt, named for his deceased brother.

He agreed and liked the idea.

The rain was pouring down most of the way to New London.

The rain stopped and the sun came out and was shining when William M. Barnhardt drove into Camp Barnhardt.

He drove to the W. D. Boyce Building, which houses the Lone Scout Memory Lodge. We all got out and visited with the old-timer Lone Scouts and the Boy Scout leaders.

Then we drove over to the Great Ampitheater, where hundreds of Boy Scouts hold worship services.

Barnhardt Chapel stands at the foot of the hill on the shore of Lake Badin.

It reminds me of the Alan Newcomb Band Shell in Freedom Park. Mr. Barnhardt helped raise the money to buy the land for Freedom Park.

I was introduced by Lone Scout Hank (Henry G.) Goforth, trustee, who said I joined the Lone Scouts in 1915, wrote an article for Lone Scout magazine in 1917 and had made a 650 mile hike as Patrol Leader of Boy Scout Troop 31 in 1918 and each year present the W. D. Boyce award "For Distinguished Service to Scouting."

HONORING ONE TO HONOR MANY

In presenting the 28th "Man of the South" award to Bill Barnhardt, I outlined some of the history of the "Flowers for the Living" program whereby One Man is Honored each Year to honor many.

I have known Bill Barnhardt since 1950, when he attended the dinner in Asheville honoring Reuben B. Robertson as the "Man of the South."

He attended the dinner at the Charlotte County Club honoring David Ovens as the "Man of the South" for 1951 and again when Norman Cocke was given the 1959 award.

Bill Barnhardt has been an inspiration to me over the years, just as he has been to Billy Graham, whom he nominated for "Man of the South" 1974.

Billy Graham says Bill Barnhardt "must be among the most wonderful friends God gave me."

I reprinted Mr. Barnhardt's sketch from "Who's Who in America in my report on as "Man of the South," as he has done so much for others, headed so many campaigns to raise money for so many good causes, headed so many successful businesses that it would take a book to list them all.

One of his sons, William M. Barnhardt, who drove us over from Charlotte, served as General Chairman of the successful drive to raise $1,500,999 for a Boy Scout Camp near Charlotte. Mayor John Belk served as the Chairman of the Fund Steering Committee.

Charlotte is one of the Great Cities of America and its future is in good hands with young leaders as John Belk and William M. Barnhardt.

FOUR EAGLE SCOUTS

Bill is regional commissioner of the Boy Scouts, member advisory Council Mecklenburg Council and has received the Silver Beaver Award, 1947, the Silver Antelope award, 49, and the W. D. Boyce award "For Distinguished Service to Scouting" in 1970 the year the Lone Scouts Memory Lodge was dedicated.

Bill Barnhardt is proud that he has four grand sons who are Eagle Scouts.

He shares this enthusiasm with President Ford who earned his Eagle Scout Award in 1927 . . . says.

So, Mr. Barnhardt, on behalf of the past 'Men of the South' since 1946, the South's "Hall of Fame Council, the readers and editors of Dixie Business, I take pleasure in presenting to you the "Man of the South" award for 1973.

You have been the kind of a man I wish the Youth of America would pattern their lives after.

May God Bless you and yours.

REED GOLD MINE

On the drive back to Charlotte, Mr. Barnhardt wanted to stop by the nation's first gold mine—the John Reed Gold Mine in Cabarrus County, then part of Mecklenburg, that Conrad Reed, the 12 year old son of John Reed discovered in 1799 while fishing one Sunday morning.

The Reed Gold Mine was once owned by Mr. Barnhardt's great grandfather, Colonel George Barnhardt, according to the Winter 1975 issue of The N.C. Historical Review.

Next to agriculture, gold mining became the major industry.

So much gold was produced that in December 1837, the first branch of the U.S. Mint was opened in Charlotte.

The 830 acre site of the Reed Gold Mine was acquired by the State in 1971 and is being turned into a State Park. It will be open in 1976.

Because of the heavy rains, we did not risk driving to the old mining operations, but listened as Mr. Barnhardt talked with the young engineer in charge of the operations.

GARDEN OF EDEN

Bill and Mrs. Barnhardt live on a five acre "Garden of Eden" on Queen Road West that is a showplace of Charlotte.

"Given to hospitality, they are two of best liked and gracious people I have ever known.

They have adventured together in more than a hundred countries over the world . . having a wonderful time.

They brought back souvenirs, pictures, books and memories for years of happy memories.

Behind their large two-story home much of the five acres is used for their beautiful flower garden, with a cross of roses to make it the delight of flower lovers.

Every day, Mr. Barnhardt cut a new rose bud for my lapel.

One of the gardners has been with him for 37-years and is looked upon and treated as a friend.

It is one of the finest farms anywhere, with no commercial fertilizer used.

Bill gets his manure from Melvin Graham, the farming brother of Billy Graham, and duck manure from his brother who raises ducks in Virginia.

It has been a long time since I have seen so many farm tools, tractors and equipment.

They get vegetables the year around.

Most of the five acre estate has been donated to Queens College for use when he and Mrs. Barnhardt no longer wish to live there.

Mr. Barnhardt has been trustee, member of the executive committee and chairman of the investment committee of Queens College for more than 25 years.

In 1953, Queens College presented him with the Algernon Sydney Sullivan award and one of the dormitories is named Barnhardt Hall.

On the Alan Newcomb Band Stand on May 20th Bill Barnhardt introduced me to Bishop Herbert Spaugh who gave me a

Bishop's Dollar, inscribed on one side—verse side—"God Loves Us—Let Us Love One Another."

Later Bill Barnhardt gave me an autographed copy of Barbara Harding's biography, "The Boy, The Man, and The Bishop."

Billy Graham, in the Forward, wrote:

"Bishop Herbert Spaugh has been a blessing, influence and counselor to me since my conversion to Christ and in my entire ministry. I am glad Barbara Harding has written this biography of Bishop Herbert Spaugh, distinguished and dedicated Moravian Bishop, who by the grace of God, became a legend in his own time.

Bishop Spaugh has been named to the South's "Hall of Fame for the Living," taking the place made vacant by the death of Bishop Arthur Moore, the "Man of the South" for 54.

On the band stand, Bill Barnhardt introduced me to the fabulous James Edgar Broyhill, furniture manufacturer of Lenoir, N.C.

Later, Bill sent me a copy of the biography of Ed Broyhill, "Anvil of Adversity," by William Stevens.

I sent Mr. Broyhill a page from my October 1931 issue of Dixie Business featuring an article by the late J. J. Haverty, "Haverty Making Furniture History" and how he opened a 25-foot store in Atlanta in 1885, etc.

"I started Lenoir Chair Co., from which our business has expanded, in November 1926," Mr. Broyhill wrote. "It was nothing like the building that Haverty and Rhodes started out with." "It was a Blacksmith Shop, And I borrowed $5,000 on my house, which was about the full value, to start the business. I was determined to make good and it took hard work to survive the '30's.

The editors of Dixie Business are adding Ed Broyhill to the South's "Hall of Fame for the Living."

At the dinner for the Grahams that evening at the Quail Hollow Country Club, I met the great Rev. W. Cameron Townsend, who founded the Wycliffe Bible Translators in 1918.

More than 3,000 Christians are at work translating the bible into many languages that have no bibles.

Bill Barnhardt gave me a book telling of a couple who went to Peru and translated the bible for a tribe. It was the exciting "God's City in the Jungle," with Foreward by Billy Graham.

The University of N.C. at Charlotte has started a course teaching how to translate the bible.

Uncle "Cam" Townsend is being named to the South's "Hall of Fame for the Living," along with Grady and T. W. Wilson, member of Billy Graham's Team, and Bishop Herbert Spaugh all of whom attended the dinner.

Others named to the honor group will include Rawson Haverty, Haverty's, Atlanta; Col. Ted R. Osborn, president of Kiwanis International, Lexington, Ky.; Don Carter, president and publisher of the Lexington (Ky) Herald Leader; Spurgeon P. Gaskin, retiring Southeastern Regional Director, Boy Scouts of America, Atlanta, and O. B. "Country" Gorman, retired Boy Scout Executive, Atanta.

Also Leighton Ford, of Billy Graham Team, and Gene Bracewell, Imperial Outer Guard, Imperial Shrine Divan, and P. P. of my Yaarab Temple, Atlanta.

INTERIOR OFFICIAL WARNS DEEP SEA BED MINERALS COULD BE CONTROLLED BY INTERNATIONAL CARTEL

Mr. METCALF. Mr. President, among the concerns of those Members of Congress, who seek to assure that these United States will continue to have minerals basic to our economy, is that out of the United Nations Law of the Sea Conference will come a treaty which would deny us access to minerals which we need and can find and recover under existing international law.

Until recently, this was a concern not shared by the executive branch of our Government.

The situation changed with the creation within the Department of the Interior of the Ocean Mining Administration.

The Administrator of that Agency, Mr. Leigh S. Ratiner, also is the U.S. negotiator for deep seabed minerals issues.

In the recent past, he has been testifying before congressional committees on progress, or lack of it, toward international agreement in the United Nations. His office has issued a press release on his appearance before the Senate Committee on Foreign Relations.

I commend that release to my colleagues, and ask unanimous consent that it be printed in the RECORD.

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

INTERIOR OFFICIAL WARNS THAT DEEP SEA BED MINERALS COULD BE CONTROLLED BY INTERNATIONAL CARTEL

Raw materials, including nickel, copper, cobalt and manganese mined from the deep seabed beyond the limits of national jurisdiction, could fall under the control of an international organization with power to deny the United States access to the minerals and regulate the amount of mineral production from the seabed, if poorer nations have their way at the Law of the Sea Conference. That warning was sounded today in testimony submitted to the Senate Foreign Relations Committee by the Administrator of the Ocean Mining Administration (OMA), a part of the Department of the Interior.

Leigh S. Ratiner, OMA Administrator who also is United States negotiator for deep seabed minerals issues, reported to the Senate Foreign Relations Committee on the recently concluded Geneva Session of the Conference which, he said, made progress on many aspects relating to seabed mineral resources but could not compromise on basic politico-economic issues.

Ratiner set forth three areas of fundamental disagreement between developed and developing countries. He noted that spokesmen for developing countries insist that the International Authority must have power to exploit the seabed resources, even to the exclusion of States and private companies. They support ultimate policy decision-making in a one-nation, one-vote U.N. General Assembly-style forum. They demand power to dictate the terms and conditions of any exploitation contracts.

Ratiner told the Committee that in certain major areas the negotiations were moving ahead in a constructive manner. Support from developed and developing countries appears forthcoming on such questions as:

Early entry into force of a treaty, allowing ocean mining to proceed without delay;

Investment protection for companies that have commenced mining activity;

An international Tribunal for settlement of disputes;

Adequate representation for highly industrialized countries on a policy-making council within the proposed International Authority; and

A treaty guarantee of security of tenure of operators.

According to Ratiner, "Industrialized countries are acutely aware of the dependence on raw materials supply and cannot be expected to agree that—in an area comprising two-thirds of the earth's surface— . . . they will surrender rights of access . . . by agreeing to a system in which an International Authority could limit or exclude their access."

Although noting that the developing countries have yet to show willingness to accommodate industrialized country interests in the resources of the seabed, Ratiner referred to the so-called "banking system" proposal by the United States in which nations or private companies can get a contract to mine an area if they donate another equivalent area to the seabed Authority for negotiated exploitation contracts, as a serious effort to bridge the gap and find a final compromise. He urged development and developing countries to seek solutions that do not jeopardize access to resources for industrial nations but, at the same time, address developing country problems with development and use of raw materials.

BUREAUCRACY AT WORK

Mr. FANNIN. Mr. President, many of us applaud the dedication of the President to unshackling America's economy and relieving America's business of unnecessary regulatory restrictions so that it can produce more, provide more job opportunities, and improve the quality of life for our people. He is taking positive steps in that direction by calling for an appraisal of current regulatory practices of all departments and agencies of the Federal Government.

But, Mr. President, a recent editorial in the Wall Street Journal revealed the difficulty that he faces in undertaking this task. This article points out that the President's recent policy statements on regulatory reform have failed to slow down the momentum of the bureaucracy at HEW in planning another layer of regulations for the drug industry, which places HEW in the position of not only policing drug quality but also controlling drug prices. Although these regulations would apply only in the case of drugs purchased under a Federal program, the lessons of the past several decades indicate that once a bureaucracy establishes a footing in a category of business, its authority begins gradually to spread like thorny weeds overtaking a flower garden.

The Wall Street Journal has made a strong case raising questions about the so-called maximum allowable cost regulations and its article deserves the attention of the Senate and the President. Therefore, Mr. President, 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:

BUREAUCRACY AT WORK

We really don't have anything personal against bureaucrats, pointy-headed or otherwise. It's not the people but the system, which is currently on display in the Food and Drug Administration's recent proposal to test the quality of generic drugs.

It's not that there ever has been a particularly serious problem with the quality of generic drugs, which are the chemical equivalents of brand-name drugs. Brand names are given to a drug by the company that develops and patents it. Naturally, the patent protection allows a company to establish its drug as standard. After the patent protection runs out, other firms are free to

bring out generic versions. But doctors have tended to continue to prescribe by brand name. They knew what they were getting, and somehow the quality of generic drugs never arose as an issue.

The FDA has discovered, however, that a problem with the quality of generic drugs is now upon us. The problem is caused by the FDA's parent bureaucracy, the Department of Health, Education and Welfare, which frowns on brand-name prescriptions, The brand-name drugs typically cost more than the generic-name equivalents, and HEW is setting out to protect the consumer with something called Maximum Allowable Cost. In brief, under Medicare and Medicaid, it will reimburse for the cost of generic drugs, not for brand ones.

HEW estimated that its new rules would save $88.8 million of the $1.2 billion spent for drugs under federal programs. But it turns out that this includes savings from other proposals, such as limiting the retail markup. The substitution of generic for brand-name drugs will save, it says, $48 million. This is about 4% of the federal drug bill.

Now, lo and behold, the FDA announces that, just as brand-name manufacturers have always contended, generic drugs are not necessarily the same as brand-name ones. The active ingredients are the same, but sometimes the binders and fillers do make a difference. So the FDA will require makers of generic drugs to demonstrate that their versions are as effective as the "reference" (read "brand-name") drugs. In some cases the FDA will accept laboratory tests on dissolution rates, but for about half of the 137 drugs immediately involved it will require human tests to measure the concentration of drugs in the blood stream.

We do not recall noticing how much this new FDA program will cost, but we assume it is well under $48 million, since the entire FDA payroll is some $200 million. Of course, the generic drug manufacturers will have to pay for extra testing, thus somewhat cutting the $48 million savings. The real catch is that the FDA has yet to face the big problem, which is not fillers and binders, but quality control in the factories.

When HEW campaigns against brand-name prescriptions, it in effect takes upon itself the responsibility for quality control formerly exercised by prescribing physicians. If the source of the drug is decided not by the physician but by a pharmacist officially encouraged to use the lowest-cost source, someone has to worry about the quality of drugs made in every chemical shop in the nation capable of cooking up a recipe already spelled out in an expired patent. This implies an army of government inspectors, all devoted to solving a problem the doctors formerly handled with a stroke of a pen.

And for what? Any true saving for the consumer is hightly problematical. The drug companies need to get enough return to justify their research, and if they cannot get it through market position after patents expire they will have to get it through higher prices while the patents apply. New tests for generic drugs will represent additional costs, which someone has to pay. And if the FDA gets deeply into quality control, as it almost certainly must, most of any envisioned savings would merely be shifted from the consumer's drug bill to his taxes, over which he has even less control.

The likelihood is that the drug companies will maintain their profits, and that the salaries of extra bureaucrats will represent merely an increase in the total cost to the consumer. But assume for a moment that the consumer breaks even, that the bureaucrats' salaries are offset by lower drug company profits. What have you then done? You have taken money that would go into drug research and other capital investments, and paid it instead to bureaucrats hired to solve a problem that didn't exist until the bureaucrats caused it.

CRISIS ON CYPRUS: ONE YEAR AFTER THE INVASION

Mr. KENNEDY. Mr. President, yesterday was the first anniversary of the Turkish invasion of Cyprus—a military action which has had both a profound repercussion at the international level and, even more, a devastating impact upon the population of the island.

Since Turkey's invasion and occupation of Cyprus 1 year ago, tragically little has changed for the beleaguered people of the island. A year later, a third of the population—mostly Greek Cypriots—remain in need of humanitarian assistance as refugees, as people in distress or as families torn apart by the effects of war and partition.

The cruel, unchanging facts of life on Cyprus are made clear in a report prepared for the Subcommittee on Refugees, which I serve as chairman, and which was released today.

Among other things, the report to the subcommittee reminds us again of the continuing humanitarian needs among the 200,000 Greek refugees—none of whom have yet been able to return to their lands, their homes, or their sources of livelihood since July-August last year.

The report also documents the continuing intransigence of the Turkish Government in negotiations, and notes a series of fait accomplis by Turkey to consolidate its position and partition of the island. The report notes as well persistent reports over a strengthened Turkish military presence on Cyprus, and the increasing settlement of mainland Turks on the island.

Mr. President, I believe this report is timely, not only because it serves to remind us forcefully of the continuing humanitarian crisis on Cyprus, but also because Congress is still considering the issue of renewed military assistance to Turkey.

I strongly believe that the United States should not resume military aid to Turkey unless progress is made simultaneously toward resolving the plight of 200,000 Greek refugees. Our national leadership cannot sweep aside the desperate plight of these refugees when making its case for lifting the embargo on military assistance to Turkey.

This humanitarian crisis, created by Turkey's invasion of Cyprus a year ago, was—and remains—the fundamental cause which led to the arms ban by Congress. Turkey and the administration can make no valid claim to a resumption of military aid at the expense of the people of Cyprus.

Mr. President, I ask unanimous consent that the Subcommittee on Refugees report's recommendations on Cyprus, 1 year after the invasion, be printed in the RECORD, together with my preface to the report.

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

PREFACE BY SENATOR EDWARD M. KENNEDY, CHAIRMAN

Since Turkey's invasion and occupation of Cyprus one year ago, tragically little has changed for the beleaguered people of the island—politically, diplomatically, and most importantly, in human terms. One year after the invasion of Cyprus, over 200,000 people—a third of the population—mostly Greek Cypriots, remain in need of humanitarian assistance as refugees, as people in distress or as families torn apart by the effects of war and partition.

The purpose of this report is to up-date the findings and recommendations of a Subcommittee Study Mission dispatched to the region last autumn to assess, first hand, the human and political tragedy created by the Turkish invasion and occupation of the island. It is sad proof of the total lack of progress over the Cyprus issue, as well as a tragic comment on the failure of American diplomacy, to note—one year later—that the essential findings of the Study Mission's report stand as true and as real today as they did when they were written many months ago. It is hoped that this up-dated report will serve as another reminder to the Congress and the American people as to how little things have really changed for the unfortunate people of Cyprus.

As I wrote in the preface to the Study Mission's report last October:

"The Turkish invasion turned the island into shambles. In political terms, it violated the integrity of an independent state. In economic terms, it shattered the island's flourishing economy. And in human terms, it brought personal tragedy to thousands of families—and turned half the population into refugees, detainees, or beleaguered people caught behind ceasefire lines.

"In too many quarters—including our own Government—the human dimensions of the Cyprus crisis, and the plight of Cypriot civilians, has taken second place to the political and military issues at stake—and to the special interests of those who have much to lose or to gain by the outcome of the conflict. But the civilians of Cyprus—both Greeks and Turks—also have interests. And for hundreds of thousands, recent weeks have been a nightmare of death and tragedy and grief."

Regrettably, during the many months since these words were written, the plight of the Cypriot people continues to take second place to political and military issues. Once again, the President is asking Congress to provide more military aid to Turkey, rather than asking for the return of refugees to their homes. Once again we are being asked to "compromise" with Turkey, despite the recognized lack of progress in negotiations, and despite any sign of goodwill or flexibility from Turkey in responding to basic humanitarian issues—such as allowing the free movement of people—let alone the resettlement of refugees to their homes. Indeed, senior officials at the Department of State continue to admit that nothing has really changed on Cyprus one year later.

Despite the continuing and almost total absence of progress toward reaching a settlement, we have repeatedly, over the past many months, been assured by Department of State spokesmen of optimistic signs for "moving the parties involved on Cyprus to early negotiations." Those were, for example, the words written in a letter to me by the Department on November 22, 1974. Several weeks later, on January 6th, Secretary Kissinger echoed similar optimism in a letter responding to an inquiry by four members of the Refugee Subcommittee. The Secretary stated: "Fortunately, some progress has been made in recent weeks toward getting substantive negotiations underway."

Yet, today, on the first anniversary of the Turkish invasion, we have yet to see any

meaningful negotiating posture on the part of Turkey nor any new developments in the field to match the continuing optimism of Administration spokesmen. If "progress" means the shuttling of our diplomats around the globe, the occasional meeting of Turkish and Greek and Cypriot diplomats, or even the regular contacts of the two Cypriot communities in Nicosia and Vienna—then such "progress" is hollow, since it has not brought positive developments in the field, such as the return of some refugees to their homes as the beginning of a return to economic normalcy. These are the true indicators of progress—not more talk that leads nowhere. And these indicators of progress on Cyprus, must also be our benchmarks in assessing whether military assistance to Turkey should be resumed.

Instead, we no longer hear but incidental reference made by the highest leaders of our nation to the problems on Cyprus. In fact, we rarely hear Cyprus mentioned at all in the context of the renewed debate over our nation's policy toward Turkey—as if the crisis on Cyprus had no relationship to the original action of Congress, or to the original concern of the American people.

We no longer hear reference made to over two hundred thousand refugees and others displaced from their lands, their homes, or their sources of livelihood, many of whom lack employment and subsist on government hand-outs.

We no longer hear much concern over the restoration of the full independence and sovereignty and territorial integrity of Cyprus.

We no longer find Administration spokesmen speaking of the need for "gestures of goodwill" on the part of Turkey.

We no longer see much effort to secure the implementation of United Nations resolutions on Cyprus—resolutions supported and voted for by our government.

In fact, we rarely hear the President, the Secretary of State, or other high Administration officials speak of the problems on Cyprus—much less about the urgent plight of tens of thousands of Cypriot refugees. Rather, we hear only about Turkey—of U.S. bases, of strategic concerns in the Eastern Mediterranean, and about Turkish sensitivities.

These strategic concerns are clearly important, as are our relations with Turkey. But what of our relations with our other NATO ally in the Eastern Mediterranean—Greece? And what of the plight of homeless people? And what about respect for law and our nation's long-standing opposition to military intervention and blatant aggression?

Are we to condone the invasion and occupation of Cyprus by simply forgetting about it? Are we to condone the nibbling away of an independent state simply by no longer speaking of it? Are we to condone the human tragedy brought about by the illegal use of American supplied weapons by sending more? And are we to stand silent in the face of our continued failure to condemn the Turkish invasion, unrelenting occupation, and de facto partition of an independent nation?

I believe the American people expect better of their government, and this is clearly reflected in the renewed debate in Congress. The time is long overdue for the President and members of the Administration to show greater evidence of concern and action over the human and political tragedy of Cyprus.

The people and nation of Cyprus—and, indeed, of Greece and Turkey—still remain on the brink of new conflict and even greater tragedy. Our government's policy bears a special responsibility. This is so not only because of past omissions in our diplomacy, and our consistent support of the Turkish position, but also because of the President's insistence on maintaining a business-as-usual attitude toward military shipments to Turkey. It is so because we have let our diplomacy ignore the urgent and legitimate right of refugees to return to their homes in safety, and in peace.

There is still time for us to rescue our foreign policy from a course that is disastrous to our best traditions and interests in the Eastern Mediterranean—if only we are to act.

RECOMMENDATIONS

Over the coming weeks and months—as they have since the beginning of the Cyprus crisis—the Chairman and members of the Subcommittee will continue to be as tenacious in their concern and suggestions for action as they feel the important situation on Cyprus warrants.

For the purposes of this report, however, the Chairman makes the following recommendations, relating to humanitarian needs on Cyprus, and diplomatic and political problems.

1. Restoring the full independence and sovereignty and territorial integrity of Cyprus:

Despite the continuing occupation of Cyprus by Turkish forces and the pronounced drift toward *de facto* partition, restoring the full independence and sovereignty and territorial integrity of Cyprus must be a clearly understood and primary objective of American policy and diplomacy over the island. Numerous United Nations Resolutions over the past year clearly point the way toward accomplishing this end, and no other goal better satisfies justice or the bringing of peace and relief to the people of Cyprus.

However, there can be little doubt today that the Turkish invasion and occupation of the island—and Ankara's series of *fait accomplis* to consolidate its position and partition of the island over the past year—have forever destroyed the past political structure and the present constitutional framework of the Government of Cyprus. Given a negotiated settlement of the Cyprus problem, the future clearly includes new arrangements and governmental structures within an independent and sovereign state.

Responding to Cypriot aspirations for maintaining a free and independent country should be central to the policies and actions of all parties concerned. New guarantees for the future independence and territorial integrity of a free Cyprus must be achieved through the early resumption of the U.N. sponsored negotiations in Vienna, or appropriate alternative arrangements.

2. U.N. resolutions and the Geneva declaration on withdrawal of foreign troops:

The United States Government, and all parties concerned, must renew active support for the repeated calls by the United Nations—as well as the Geneva Declaration of July 30, 1974, agreed to by Greece and Turkey—for the orderly reduction and withdrawal of foreign troops from Cyprus. As events over the past year suggest, a viable solution to the Cyprus problem, much less peace on the island, cannot be imposed by the force of arms. Steps must be taken to disarm Cyprus—especially in light of persistent, but unofficial, reports of Turkey's strengthened military presence on the island.

3. Return of refugees to their homes:

The plight and fate of the refugees is central to the Cyprus issue, and to any meaningful negotiations over the future of the island. A viable solution to the Cyprus problem, much less peace for all people on the island, will not be accomplished unless and until a substantial number of Greek Cypriot refugees are permitted to return safely—under U.N. auspices—to their lands and homes in areas currently occupied by Turkish forces.

Over the past year, the issue of returning Greek Cypriot refugees to their lands and homes has been seriously complicated by the mass movement of Turkish Cypriots to the occupied areas in the north. Many of these Turkish Cypriots have moved into houses formerly occupied by Greek Cypriots who fled to the south following the Turkish invasion.

This thorny issue is further complicated by the increasing settlement in the occupied areas of Cyprus by Turks from mainland Turkey. This movement from Turkey threatens to alter dramatically the demographic patterns of Cyprus, and gravely compounds the problem of seeking a solution to the Cyprus issue.

In this regard, over the past year, the national policy of the United States has been remiss in its responsibilities toward the people of Cyprus. Strong representations must be made to Ankara over the movement of Turkish nationals to the island.

More generally, the President must finally use our country's important influences and good offices with Turkey to persuade Ankara of the need for accommodations which include the withdrawal of occupation forces and the orderly return of refugees to their homes.

4. Continued humanitarian relief and rehabilitation needs on Cyprus:

Our government—both the Executive Branch and the Congress—must continue his efforts on behalf of the relief and rehabilitation of refugees and others in need on Cyprus.

Over the past year, the United States has responded commendably to international appeals from the International Committee of the Red Cross (ICRC) and the United Nations High Commissioner for Refugees (UNHCR). We must sustain this record of assistance.

However, with the passage of time, requests for humanitarian assistance from Cypriot authorities have increasingly included measures and proposals to assist displaced persons in regaining a degree of economic self-sufficiency, as well as to provide support for on-going relief activities. The shattering effect the invasion and occupation have had on the economy of Cyprus is well documented, and so too are its needs for budgetary and economic support.

Although the UNHCR remains available to facilitate the channeling of such assistance from the international community, given its traditional mandate for acting in emergency situations, there is discussion in some quarters over the winding down of UNHCR activities and finding alternative arrangements for channeling international assistance to Cyprus.

In this connection, particular attention should be paid to: Shifting the UNHCR's on-going relief activities to U.N. Secretary General Waldheim's Special Representative on Cyprus; involving the U.N. Development Program or the World Bank in programs to reactivate the Cypriot economy; and concluding bilateral agreements for rehabilitation and development purposes with the Government of Cyprus.

U.S. funds allocated for relief and rehabilitation purposes on Cyprus should reflect the changing patterns of need on the island, and should be used flexibly to assist people of Cyprus.

5. Military aid to Turkey and progress on Cyprus:

Turkey's strategic position and her armed forces are important for western security interests. But such considerations alone cannot obscure or condone her massive invasion and occupation of nearly half of Cyprus—in violation of U.S. laws regarding the supply of military equipment—which has turned a third of the population of that island into refugees. It is evident that our diplomacy should attempt to move Turkey toward making some major accommodations in order to permit the creation of conditions allowing

for a return to stability and normality on Cyprus. To make a valid claim to a resumption of military aid, Turkey and the Administration should indicate a clear willingness to contribute to the settlement of this central humanitarian problem. The compelling need is to establish a framework that would include both progress over Cyprus and the resumption of arms aid to Turkey.

6. Cyprus issue and other problems in Greek-Turkey relations:

There is an increasing tendency in many quarters to "link" the problem of Cyprus with negotiations over problem areas in Greek-Turkish relations. However, there is a grave danger that in doing so, the issue of Cyprus—of people in need—will be lost in the rush of other concerns, both political and economic.

Tens of thousands of refugees cannot be allowed to sit homeless on Cyprus, because of unrelated bi-lateral problems between Turkey and Greece. Every effort must be made in our diplomacy to separate the thorny problems of the Aegean Sea, oil rights and related issues from the quest for a solution on Cyprus and the restoration of its independence, sovereignty and territorial integrity.

S. 1800—ART AND ARTIFACTS INDEMNITY ACT

Mr. JAVITS. Mr. President, today the Committee on Labor and Public Welfare, of which I am the ranking minority member, filed its report on S. 1800, the Arts and Artifacts Indemnity Act. I commend this legislation to my colleagues. Recognition should first be given to the distinguished Senator from Rhode Island, Senator PELL, the chairman of the Arts and Humanities Subcommittee, for his leadership. Senator PELL and I had the pleasure of cosponsoring S. 1800.

As reported to the Senate, S. 1800 includes only those sections dealing with indemnity of exhibits in the United States of foreign art and artifacts. Other provisions of S. 1800 as originally introduced will remain before the Arts and Humanities Subcommittee for consideration later this year.

EXPAND AVAILABILITY

The Arts and Artifacts Indemnity Act of 1975 will expand opportunities for citizens throughout our country to enjoy foreign art in the United States. Specifically, the indemnity authority will provide insurance coverage against damage of such generally priceless art treasures. Without such indemnity provided by the Federal Government with its full faith and credit, insurance premium costs have prohibited many of such exhibits. This act will be particularly meaningful to smaller museums which do not have the resources to acquire on loan and display foreign art objects which appropriately demand full insurance coverage or indemnity as a prerequisite to their being loaned by foreign museums.

Often in the past, major art treasures were available for view only by persons who could afford international travel, or those living in a major metropolitan center. It is these large cities which traditionally have been the site for such exhibits. This circumstance has often meant that Americans living in smaller communities or rural areas were deprived of this opportunity for cultural enrichment.

Previous statutory authority for indemnity of foreign exhibitions has been by ad hoc statutes which authorized Federal indemnity for a single exhibit. S. 1800 will create a permanent authority which will grant indemnity for those exhibitions which are certified by the Department of State to be in the national interest. A usual prerequisite for granting of this indemnity will be that nations which are sending their art objects to the United States will provide reciprocal coverage for exchange American art visiting their countries. While it may be possible that unusual circumstances could prohibit such reciprocal indemnity, this would be a very unusual case. The British and Australian Governments have shown leadership in this field of indemnifying for damage to foreign art, and much of the research supporting our bill has been based on their experience. With permanent legislation in place permitting an American indemnity, nations not yet having such programs will be encouraged to do so.

LIMITED PURPOSES

I would like to stress that S. 1800 is a very limited bill and will not involve any cost to the Federal Government aside from small administrative costs unless major damage occurs to an indemnified object. The tight application of this authority is assured by the following:

First. The Department of State must certify that an exhibit is in the national interest of the United States.

Second. The first $25,000 worth of damage is not covered, and indemnity on a single exhibition is limited to $25 million. Thus a role for private insurers is preserved both for amounts over $25 million and amounts less than $25,000.

Third. Actual experience shows that damage to art treasures is very rare, due to highly developed procedures of packing and security for art treasures during shipment.

Fourth. Because American items being shipped overseas are not covered, but rather rely on encouragement for reciprocal indemnity, cost again is limited in terms of Federal liability for indemnity.

To cite a specific example of the narrow liability incurred by the Federal Government by this authority, the experience of the New York Metropolitan Museum of Art is useful. Since 1970, nine major international exhibits with an aggregate value of $261.8 million have been exchanged for exhibition at the Metropolitan Museum of Art. Insurance for these exhibits totaled $818,000, but no major loss has ever occurred. Thus, not a single claim has ever been made by "the Met" on this large expense of insurance premium cost. Under S. 1800, those foreign exhibits which are certified to be in the national interest will not have to pay these insurance premium costs, and consequently the number of such exhibits and their geographic distribution should be increased. As Federal, State, and local governments often support directly the cost of exhibits, including insurance premiums, it is likely that S. 1800 will result in an overall cost saving by Government.

Mr. President, S. 1800 is a limited purpose bill which will expand the availability of foreign art exhibits to all Americans. Only those exhibits which are certified by the Department of State to be in the national interest will be covered. The appropriate participation of private insurance companies is preserved, and a permanent piece of legislation replaces the need for individual acts of Congress to provide indemnity for specific exhibits. I believe this is sound legislation which will bring benefits to all Americans throughout the Nation by advancing their knowledge of foreign cultures. I am hopeful that the Senate will act promptly to enact this important legislation.

BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

Mr. PELL. Mr. President, the recent resignation of Dr. Dixy Lee Ray, after having served only 5 months as Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs, has created widespread concern over the role of the Bureau she headed. As chairman of the Subcommittee on Oceans and International Environment, I have written Secretary Kissinger expressing my deep concern over the status of the new Bureau.

Established in October 1973, by section 9 of the Department of State Appropriations Authorization Act of 1973 (Public Law 93-126), the Bureau was assigned the task of developing an overall American policy in the fields of oceans, international environmental and scientific affairs. In addition, it was intended that the Bureau advise the Secretary of State in the formulation of foreign policy, besides coordinating policy between the State Department and other agencies.

Yet, as testimony by Dr. Ray before the Foreign Relations Subcommittee on Oceans and International Environment on June 26, 1975, indicated, the Bureau's role as mandated by Congress has not been realized. The Bureau appears to have hardly been advised of foreign policy initiatives, much less consulted prior to policy formulation. Moreover, the Bureau has been woefully understaffed, and consequently unable to fulfill its functions adequately.

It is essential that this situation be rectified by the State Department, and the Bureau of Oceans be permitted to fulfill its congressionally assigned place in foreign policymaking. Additional positions are required, while decisionmaking must be rearranged to include the Bureau's perspective. Furthermore, high priority should be given to the task of finding a strong and qualified individual to succeed Dr. Ray. There is little time for delay in these reforms, for the Bureau's input is urgently required as the United States increasingly finds itself involved both bilaterally and multilaterally in issues falling within its purview.

The National Advisory Committee on Oceans and Atmosphere, or NACOA, has written the Secretary of State stressing the need for additional positions so the Bureau can perform its vital functions. I ask unanimous consent that the NACOA letter to Secretary Kissinger, dated June 26, 1975, be printed in the RECORD.

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

NATIONAL ADVISORY COMMITTEE
ON OCEANS AND ATMOSPHERE,
Washington, D.C., June 26, 1975.

Hon. HENRY A. KISSINGER,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: For some time the National Adivsory Committee on Oceans and Atmosphere (NACOA), which is a presidentially appointed group, has been concerned about the adequacy of staffing of the office now under Dr. Dixy Lee Ray, which deals with ocean affairs. This office, before the recent reorganization, reported directly to your office. According to information available to us, it was understaffed to the extent, according to its former director, that the quality of its work was affected thus adversely affecting U.S. ocean interests.

With the reorganization called for by Congress, a number of offices within the Department of State were combined and the well-known and respected former chairman of the Atomic Energy Commission, Dr. Dixy Lee Ray, was named Assistant Secretary for the Bureau of Oceans, Atmosphere and Science. Professor Thomas Clingan, an expert on law of the sea and ocean matters was named Deputy Assistant Secretary for the Oceans and is very well qualified for that position.

This Committee views with favor the reorganization made within the Department of State, but as has been remarked above, we are greatly disturbed by the failure of the Department to adequately staff the important component dealing with fish, wildlife, and the oceans. This functional unit within State must negotiate all disputes relating to foreign fishing off our coasts and disputes arising from our fishermen fishing off the coasts of other countries. In addition, with some 23 bilateral and multilateral agreements in which the U.S. is involved, with major responsibilities in the fisheries and other areas of the Law of the Sea, and with obligations of a major nation for overview of ocean activities of specialized agencies of the UN, such as FAO, UNESCO, IMCO, and others, as well as important international wildlife problems such as marine mammals and endangered species of plants and animals, it is small wonder that the small staff of this unit is overworked and incapable of keeping up with the many tasks.

We wish to remind you that the tasks of your department in the field of the oceans and fisheries, especially, are bound to increase as we and other nations accept increased jurisdiction over resources and areas lying off our respective coasts, and as the world turns increasingly to the sea for food, energy, minerals, and as an avenue of convenience. It is imperative that our nation and its government be prepared to meet the challenge with competent and adequate professional expertise. Furthermore, the Law of the Sea efforts are likely to continue for some time and the Committee believes it is now time to consider the integration of this function into the Office of Oceans and Fisheries Affairs.

Congress obviously saw this crisis appearing when it set up the ocean bureau within the Department of State. However, it has been about two years since that action and as yet the Department has not responded, to the best of our knowledge, to increase the staff of the oceans department to a point where it can adequately cope with its increasing tasks.

We have been observing carefully the activities of this unit since its formation, and it is our considered opinion that it is so greatly understaffed for the tasks assigned it to a point where it cannot effectively protect the U.S. interest in fisheries and ocean affairs.

Our Committee recommends that, in view of the increasing possibilities for conflict among nations over the use of ocean space and ocean resources, and the tremendous increase in value of goods and services from ocean use within the past decade, that the Department reorder its priorities so as to staff the oceans and fisheries unit so that it can effectively carry out its responsibilities.

To fail to do so, in our view, means that to a large degree the reorganization of the resource and services of your Department will not be effective in protecting the U.S. interests in the oceans and will place the U.S. in an increasingly less favorable position to develop, with other nations, rational management plans for the use of the oceans and its resources.

Sincerely,
WILLIAM J. HARGIS, Jr.,
Chairman.

EUROPEAN SECURITY

Mr. ROTH. Mr. President, just before and after the Second World War, the Soviet Union forced Poland, Czechoslavakia, Romania, and Finland to cede it large chunks of their territories. The three small Baltic nations—Estonia, Latvia, and Lithuania—were entirely absorbed, and the German territory of East Prussia was divided between the Soviet Union and what remained of Poland. These acquisitions were accompanied by policies to Russify the conquered lands by expelling many of the original inhabitants and settling Russian people in their place. The victims were, of course, in no position to protest, nor are they today.

At the end of this month, the summit meeting of the Conference on Security and Cooperation in Europe will issue a document endorsing the principle of the "inviolability of frontiers." As the New York Times pointed out editorially today, this meeting will symbolically ratify the present territorial status quo and will undoubtedly be used by Soviet propagandists to the maximum advantage. What the West is getting in return is very meagre indeed.

Like the Times, I would have preferred that the United States had participated at a lower level or demanded more. In any event I hope that the President will use this occasion for a very strong endorsement of America's continued interest in the plight of those in the Communist lands of Eastern Europe and a very clear warning to the Soviet Union not to meddle in the domestic affairs of Portugal or any of the other nations of non-Communist Europe.

Mr. President, I ask unanimous consent that the New York Times editorial be printed in the RECORD.

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

EUROPEAN "SECURITY" . . .

The 35-nation Conference on Security and Cooperation in Europe, now nearing its climax after 32 months of semantic quibbling, should not have happened. Never have so many struggled for so long over so little as the conference's 100-page declaration of good intentions in East-West relations. So little, and yet so much.

So little, because after hundreds of diplomats drafted this document, they specified that it will not be legally binding on anyone. So much, because it commits the United States, Canada and 33 nations of Europe to the "inviolability of frontiers," symbolically ratifying the territorial status quo, including the division of Germany and Europe and the Soviet Union's huge annexations of East European territory, including all three independent Baltic states plus large chunks of Poland, Czechoslovakia and Rumania.

What the West gets out of the C.S.C.E. declaration is a reference to the possibility of border changes by peaceful agreement—meaningless except to protect the West German Government from its domestic critics—and some vague Soviet pledges to permit freer movement of persons and information.

The only military item in what originally was to be an all-European security treaty is a promise by the Russians (and everyone else) to give three weeks notice, and to admit observers, for military maneuvers that involve more than 25,000 men within some 150 miles of their frontiers. But it does not cover other military movements such as a reinforcing move or an actual invasion of Eastern or Western Europe!

If this document now were to be signed by the diplomats who negotiated it, or even by foreign ministers, and then consigned to history as an effort to humor a Soviet propaganda exercise, the damage might be modest. The problem is that Soviet leader Leonid Brezhnev has maneuvered all the major leaders of the Western world one by one into the commitment to sign the C.S.C.E. declaration at a euphoric 35-nation summit conference in Helsinki, now tentatively scheduled for July 30, less than ten days away.

. . . AND REAL DÉTENTE

It is true, as Secretary Kissinger has just repeated, that there is no alternative to coexistence of East and West in the nuclear era and that détente—real rather than illusory—must be pursued. But the Helsinki carnival, like the Soviet-American handclasp in space, could mislead many into believing that peace already has arrived. Very limited forms of arms control and East-West cooperation are still accompanied by intensified repression within the U.S.S.R. heightened Soviet rivalry with the West in the Middle East, South Asia and the Indian Ocean and little real sign of progress in strategic or conventional arms reduction talks.

If it is too late to call off the Helsinki summit—or even to delay it for a more propitious moment—every effort must be made there, publicly as well as privately, to prevent euphoria in the West. Equally important the Soviet Union must be put on notice that a Communist takeover by force or subversion of Portugal's democratic revolution will not be accepted by the Western world even if the West may now have acknowledged Soviet domination of its immediate Eastern neighbors.

CALIFORNIA'S STATE OFFICE ON AGING'S NEW DIRECTOR

Mr. TUNNEY. Mr. President, one of the prime-movers in establishing California's State Office on Aging has recently taken her place as director of that office. I am delighted that Janet J. Levy,

one of the strongest proponents of senior citizen rights, and a former consultant to the California State Legislature's Joint Committee on Aging, has been nominated by Gov. Jerry Brown to assume the crucial job as director, to coordinate the State's efforts on behalf of older Californians.

Always concerned about the plight of those beyond the retirement years, Ms. Levy has demonstrated a marked facility for pioneering legislative priorities in behalf of senior citizens. As a consultant to the State Legislature, she informed assemblymen and senators and the people of California as a whole about those legislative requisites to ameliorate much of the suffering felt by senior citizens in my home State.

Today, I understand that in her new capacity, she is working hard, often long into the night, to whip the State office's budget and spending priorities into shape for the new fiscal year. Despite long hours, she still finds time to hear about new and inventive programs being developed in the State, and to seek funding avenues for these programs. She brings a warmth and compassion to the directorship—a caring all too often lost at the higher echelons of State and Federal bureaucracies.

I commend Ms. Levy for her untiring efforts in behalf of California's senior citizens, and wish her continued success in her new and challenging position as the voice of California's senior citizens.

I ask unanimous consent that Ms. Levy's biographical sketch and résumé be printed in the RECORD.

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

BIOGRAPHICAL SKETCH OF JANET J. LEVY

A native Californian, born and educated in Oakland and the bay area, Janet Levy attended and graduated from Oakland High School, Sacramento State College and received her B.A. and M.S. at San Francisco State University. Post graduate work in rehabilitation and gerontology at Columbia and New York Universities.

Following the death of her 8½ year old daughter of a then fatal kidney disease, Ms. Levy concentrated her efforts on legislation providing fiscal assistance for kidney disease victims, and the field of aging from 1955 to 1959.

In 1960 Janet Levy was assigned by the California Citizens Advisory Committee on Aging to complete a study of state programs for the aging in preparation for the first White House Conference on Aging in 1961.

In September, 1962 she left state service to become the Executive Director of the Little House Senior Activity Center in Menlo Park in order to expand her experience and knowledge of the needs and potential of older men and women.

Following two years at Little House, Janet Levy was consultant and later Executive Director of the State Commission on Aging until 1968. From 1968 to 1971 she served as Assistant Director of the California Association of Homes for the Aging, the non-profit association of residential care facilities.

When the Joint Committee on Aging was established by the Legislature in 1971, Ms. Levy was selected by Assemblyman Leo McCarthy to be the Chief Consultant for that committee.

Ms. Levy lives in Sacramento with her mother, Mrs. Jessie A. Jacobs, also a native of California born and educated in Merced County. A brother, Herbert A. Jacobs of San Rafael, his wife Marie and four daughters, completes Ms. Levy's immediate family.

BIOGRAPHICAL RÉSUMÉ OF MRS. JANET J. LEVY

Present position June, 1975 from November 1, 1971.—Consultant to the Joint Legislative Committee on Aging to provide specific legislative source of study, evaluation and support or opposition to programs and services affecting the later years of development of hearings, studies, committee participation, legislative bulletins, publications and the provision of a major referral point for legislative suggestions, community requests and general information.

July, 1971–November, 1971.—Employed by the Sacramento Housing Authority to establish Senior Service Centers located in new public housing facilities for aging, disabled and blind residents. Established programs in education, preventive health care, retirement planning, leadership training and volunteer services for both residents and non-residents in the community. Served on various boards and community councils.

May, 1968–June, 1971.—Assistant to the Executive Director of the California Association of Homes for the Aging with responsibilities for: the development of community service programs supported, or cosponsored, by member-Homes of the Association throughout California; assistance in communities with the development of local Committees on Aging and their related activities and services; assistance with the compilation and editing of the bimonthly publication of the Association; responsibility for comprehensive planning with state agencies working with programs for the aging; assisted the Executive Director in whatever areas of responsibility he was unable to attend or be involved with.

March, 1967–April, 1968.—Special Consultant on Staff of California Commission on Aging with responsibilities for: comprehensive planning with community public and nonprofit resources for the development and expansion of programs and services designed to improve the later years of all older men and women in California. The areas of concern included adult education; economic security; employment opportunities; health care; housing and living arrangements; social services; recreation and transportation. In fulfilling her responsibilities, Janet Levy provided consultant services to local activities for the aging; cooperated with other state agencies to conduct studies; compiled data and assisted in the provision of information when requested by individuals, agencies and organizations serving older people.

1965–1967.—Executive Director of the Citizens Advisory Committee on Aging during which time, as the only professional staff member, Mrs. Levy was responsible for the publications, a survey, an inventory and reports; the development and implementation of a State Plan; legislation which changed the Citizens Advisory Committee on Aging to the California Commission on Aging, thereby authorizing the Commission as the administrative agency for the Community Grants (Title III) under the Older Americans Act; a budget formula which included a Southern California regional office, 5 new consultant and 2 new clerical positions; and 2 public hearings.

October, 1962–1965.—Special Consultant on staff of the Citizens Advisory Committee on Aging, during which period Mrs. Levy wrote materials for publications; was responsible for public hearings on "Community Services," and "Leisure-Time Activities for Older Persons"; acted as consultant to the projects under the state matching grants program, "Community Service for Older Persons," enacted by the 1961 State Legislature; and participated in Inter-Departmental Activities for the Aging.

October, 1960–1962.—Executive Director of the Little House Senior Activity Center, Menlo Park, which is the most successful and innovative center of its kind in the nation. With the full cooperation of the sponsoring Peninsula Volunteers, Inc., and the 1700 membership of older adults, Mrs. Levy initiated a visiting program of senior volunteers to the geriatric ward at Agnes State Hospital; a foster grandparent program in conjunction with a nursery school; a noonday "dinner" for center members prepared and served by members under the direction of a professional chef; a cooperative lip-reading class for the deaf and hard-of-hearing, conducted by Stanford graduate students; an annual Easter Egg Hunt and party given by the center members for the physically handicapped and mentally retarded children; and developed employment counseling and placement services for older workers in conjunction with the state employment services.

January, 1960–October, 1960.—Special Consultant to the California Citizens Advisory Committee on Aging, a position created by a $15,000 Congressional grant for the purpose of conducting a statewide survey for a publication to be presented at the White House Conference on Aging in January, 1961. During the ten months as a consultant, Janet Levy visited unlimited numbers of individuals, agencies and resources in 58 counties to gather information for publication. While collecting this data, Mrs. Levy worked with local public and nonprofit agencies and organizations to stimulate and support the development of all types of programs and services for older residents.

July, 1959–December, 1959.—A tour and study of European countries to observe and evaluate programs in social security, housing, health services, education and employment for their older citizens.

1957–1959.—Completed academic training, internship and thesis for a Master's Degree in the field of Rehabilitation (M.S.) with a focus on Gerontology and Community Organization. During this period, Mrs. Levy also attended summer sessions at Columbia University, New York University, and the Institute for the Crippled, Disabled and Aged. Field work in San Francisco included practice counseling at the Vocational Rehabilitation Center, the Little House Senior Activity Center in Menlo Park, and Crystal Springs Rehabilitation Center, San Mateo.

1955–1957.—Completed undergraduate studies in economics, government, psychology and social work, thereby obtaining a B.A. degree. Field work in community organization and group work resulted in the development of community group activities in newly developed areas of the San Mateo County coast, and the successful enactment of social and medical legislation relating to kidney disease.

PUBLICATIONS AND REPORTS

"California's Legislature Acts for the Aging," *Congressional Record* (Washington, September 26, 1974, No. 145b).

"California's Legislature Acts for the Aging," *Perspective on Aging*, National Council on the Aging, Vol. III, No. 4 (July–August 1974).

"Social Action for the Aging," Presented at Mayor Tom Bradley's Council on Aging (Los Angeles, July 1974).

"California Legislation in Behalf of the Older American," Presented at San Mateo County Mayor's Conference on Older Americans, (February 14, 1974).

"Aging and Social Action," Presented to Senior Citizens Protective League, Inc. (Seal Beach, November 6, 1972).

"Changing Needs and Interests of Older Adults," Presentation to the Western Region Jewish Welfare Institute (May 1970).

"Nonprofit Homes Respond to Community Needs: A Network of Person-Centered Pro-

grams," California Association of Homes for the Aging (Sacramento, March 1969).

Editor, *Maturity*, quarterly publication, Citizens Advisory Committee on Aging (1965–67 Sacramento).

"Ten Years of Progress for Older Californians," California Commission on Aging (1956–66 Sacramento).

"Directory of Senior Centers and Special Services for Senior Californians," California Commission on Aging (June 1965).

"Federally Financed Retirement Housing in California," In Response to Senate Resolution 26, 1963.

"Community Leisure-Time Activities for Older Persons," Presented to 1961 White House Conference on Aging.

"The Employment of the Older Worker," California State University, (San Francisco, 1959).

AFFILIATIONS

Allied Senior Clubs, Inc.
American Association of Retired Persons.
American Kidney Foundation.
California Specialists on Aging.
Easter Seal Society for Crippled Children & Adults.
International Senior Citizens Association, Inc.—Board Member.
Gerontological Society, Inc.
Meals-a-la-Car Inc.—Board Member.
National Council on the Aging.
National Council of Senior Citizens.
Western Gerontological Society, Inc.
Sacramento Commission on Aging—Vice-Chairman.

ZERO GOVERNMENT GROWTH

Mr. FANNIN. Mr. President, recently, Young Americans for Freedom published a series of interesting articles concerning the threat posed to America's system of individual liberty and free enterprise by Government planners, regulators and Big-Brother bureaucrats. These articles appeared in the June issue of the publication New Guard under the general title "Zero Government Growth."

The "ZGG" project includes a series of brief, but penetrating analyses of Government overregulation written by several of the Nation's most emminent scholars in the fields of economics, education, business and politics. To summarize the purpose and content of these articles, I quote the New Guard editors:

Zero Government Growth is more than a slogan for a YAF project: it represents a sincere and ongoing critique of the ominous threat to the individual which sprawling government poses. While local and state governments are not to be dismissed, it is at the federal level that our concern is greatest. Here, the decisions of as little as five men can affect the lives and fortunes of millions of Americans.

Americans are waking up to the fact that more and more areas of their private lives are susceptible to review and restriction, from the mandatory seatbelts fiasco to the proposed sterilization of women who have had two or more children. Judges decide where children shall attend school, outlaw public prayer, and legalize abortion. Legislators would prohibit citizens from possessing the constitutional right to bear arms; the same legislators seek to impose compulsory socialized medicine, child "development," wage and price controls, and intrude themselves into the process of dying via such campaigns as Death with Dignity. Bureaucrats strangle small businesses with OSHA regulations, fund research projects that explore everything from the perspiration of aborigines to the sex lives of college students, and effectively decide the fate of the nation's transportation systems.

These are but an indication of the overweening power and insatiable reach of the federal government. There is some degree of security in the system of checks and balances ingeniously implemented by the Framers of the Constitution as applied to the three branches, although the carefully constructed system of dispersed power is becoming increasingly undermined. But this fourth branch of government, the bureaucracy, constitutes the most severe threat. Members of this branch are not elected, and thus are responsible, not to an electorate but to their bureau chief or department head. Their interest is in preserving their job; or if they are idealogues, with furthering the role and authority of government in the lives of the citizens. Either way, the nation and the people lose.

The primary control which can be exercised over these groups within the bureaucracy is budgetary; since Congress, in most cases, still possesses the power of the purse, it can refuse to authorize or appropriate the funds necessary to the functioning of a particular program or department. The option, then, to ever more interference lies with a Congress and President willing to brave the wrath of the fourth branch, willing to expose the labyrinth of programs for the boondoggles and/or intolerable threats that they are.

Mr. President, it has long been my contention that the primary responsibility for overhaul of our regulatory system lies with the Congress which established and oversees that system. I recommend this ZGG series of essays in the June 1975 New Guard to my Senate colleagues who share by interest in regulatory reform.

In particular, I call attention to two articles—"The Consequences of Economic Regulation" by Yale Brozen, the University of Chicago economist, and "The Crisis of Regulation" by Hal C. Gordon of the U.S. Industrial Council.

Critics of Government regulation contend that the regulatory agencies have become subservient to the industries and special interest groups that they are supposed to regulate, to the detriment of the general public. Professor Brozen analyzes the cozy relationship between big labor and big business, specifically the airlines and trucking industries. Dr. Brozen observes:

As long as entry to industry is barred by the regulatory authorities and competition with the industry is regulated, unions in the industry can have a field day.

He goes on to argue that bureaucratic restrictions on entry into the regulated industries have been "one of the great bars to the flowering of minority entrepreneurs."

Professor Brozen's conclusion:

What black entrepreneurs and other minority entrepreneurs need is not subsidized low interest loans or grants from the federal government. What they need is freedom—freedom from government interference and from government blockades to entry into a business.

Mr. Gordon shows how regulation has generated unfortunate consequences for both consumers and businessmen. He states:

Established corporations are allowed to grow smug and lethargic, innovation and progress are discouraged and, most importantly, the public is denied the price-cutting benefits which would accrue from a truly competitive, open market situation. Insofar as it is posible to put a price tag on these things, the National Committee on Productivity has estimated that the total cost to consumers of the anti-competitive practices now condoned by the ICC, the CAB, and the Federal Maritime Commission is somewhere between $8 billion and $16 billion a year. And this, of course, represents only part of the total picture.

But there are many ways in which regulation causes higher prices. . . . Ironically enough, the enforcement of many of the proportedly "consumerist" legislation enacted in recent years has been a major factor in pushing up prices. Unreasonable and often unnecessary standards demanded by overzealous bureaucrats have ended up costing the consumer literally billions of dollars with few apparent benefits resulting from the expense.

The remedy for our regulatory ills, in the opinion of these two commentators, is a healthy dose of deregulation. As Professor Brozen points out, deregulation has worked well already in certain U.S. industries and in other countries. In addition, repeal of outmoded regulatory agencies may, in some instances, be the most appropriate solution.

As Mr. Gordon indicates, regulatory reform will be difficult to achieve since "some regulated industries fear the loss of protection, and all bureaucrats fear the loss of power." If, however, the people are made aware of how much regulation costs them, perhaps they will pressure the Congress into action. The signs are already encouraging; let us hope that the rhetoric will soon give way to meaningful positive reform.

Mr. President, New Guard should be commended for publishing these timely articles. It is hoped that YAF will continue this worthwhile project on "Zero Government Growth" and will provide us with additional studies on the practical problems, economic and social issues, and fundamental principles associated with regulatory reform.

Mr. President, I ask unanimous consent that the articles by Yale Brozen and H. C. Gordon to which I have referred be printed in the RECORD.

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

THE CONSEQUENCES OF ECONOMIC REGULATION

(By Yale Brozen)

This seems to be the year that we are finally mobilizing to lynch some of our regulators. The slaves are rebelling. Economists are retreating from their old standard textbook position that preventing monopolists from extracting their pound of flesh is the raison d'etre for regulation.[1]

Fifty years after we passed an act giving the Interstate Commerce Commission the powe.' to set minimum prices, economists began waking up to the fact that this is hardly consistent with the notion that this agency was designed to prevent greedy, rapacious, monopolistic railroads from overcharging. Sixty years after we began granting utilities the exclusive right to serve certain territories or certain groups of buyers and barring would-be competitors from bidding for their business on the grounds that it is inefficient to have more than one firm providing certain services, economists dimly began perceiving the fact that we do not need to use the force of government to bar less efficient firms from

Footnotes at end of article.

competing with more efficient firms to obtain the economies of large scale efficiency.[3] Free markets have always resulted in the more efficient winning the market without the aid of monopoly franchises from government.[3]

Of course, when more efficient, large scale firms win a large share of the market without the aid of government, we then attack these firms under the antitrust laws for giving buyers such bargains that these firms succeed in winning large amounts of business.[4] It is no wonder that schizophrenia is as prevalent as it is when we erect it into a national policy in our economic regulation.

We are now launching governmental studies of regulation to find the consequences that dozens of studies have already found.[5] The Senate Commerce Committee is spending $150,000 for studies of the ICC, the CAB, and the FMC (Federal Maritime Commission). The National Science Foundation is about to parcel out grants "to evaluate the effects of regulation on productivity and other aspects of performance."

Some past studies have produced a few changes in regulation under the urgent press of recent problems. In 1973, I did a back-of-the-envelope calculation of the amount of waste in gasoline and diesel fuel consumption caused by ICC regulation of the trucking industry. I managed to track down an annual waste of more than 1,000,000,000 gallons of gasoline and diesel fuel resulting from ICC gateway and commodity restrictions plus the prohibition of the solicitation of traffic by non-common-carrier trucks to fill empty backhauls. As a result of the publication of my findings by a nationally syndicated columnist and pressure from other sources, the ICC moved to allow some relaxation of gateway and route restrictions. This relaxation, it now says, has saved 300,000,000 gallons of gasoline.

For those of you not familiar with gateway restrictions, this is the instance where a trucker has a certificate that allows him to operate, let us say between Philadelphia and Pittsburgh. He has another certificate, let us say, which allows him to operate from Pittsburgh to Washington. If he gets a load to be shipped from Philadelphia to Washington, he cannot go directly between the two. He must first haul the load from Philadelphia to his Pittsburgh gateway, then from Pittsburgh to Washington—hardly the most direct route.

Last year, the ICC began allowing truckers to petition for the removal of such gateway restrictions in order to shorten routes—provided the route shortening did not decrease mileage by more than 20 percent. The ICC now allows truckers some flexibility in routing if it saves a little gasoline or diesel fuel, but not if it saves a lot. It still retains commodity restrictions which prevent some truckers from obtaining full loads to fill their trucks. The ICC continues to prop the OPEC oil cartel by maintaining an unnecessary and uneconomic demand for oil.

I could also go through a description of how the Federal Power Commission, the Civil Aeronautics Board, the Federal Energy Administration, and the Environmental Protection Agency also help prop up the OPEC oil cartel through their regulation,[6] but I want to take the rest of my time to direct your attention to a neglected area in the studies that have been done of the economic consequences of regulation. It is an area that continues to be neglected in all the governmentally financed studies that have been proposed.

LABOR AND REGULATED INDUSTRIES

The effect of economic regulation on which I propose to dwell is that on labor relations and labor costs in the regulated industries. One of the major asymmetries of regulation is that regulatory agencies restrict the rate of return to the providers of capital—presumably to prevent investors from collecting monopoly prices from those purchasing the regulated service—but they do not restrict the return collected by the providers of labor services to prevent the collection of monopoly prices. The net consequence is that monopoly prices *are* exacted from the buyers of the services of most of our regulated industries. What portion of this monopoly exaction—which would be imposible to extract without the regulation which prevents competition[7]—is not dissipated in inefficiency goes to the providers of labor services.

Airline pilots' average pay is at least 60 percent higher than it would be if the CAB did not operate a cartel in the airline industry. And fares on some routes are as much as 70 percent higher than they would be if we abolished the CAB.[8] To give one example, PSA operating between Los Angeles and San Francisco, thus managing to escape the motherly clutches of the CAB by not crossing any state lines, charged $16 for this intrastate flight while CAB regulated interstate airlines charged $27 for the same service on the same route when the ticket was purchased as a leg of an interstate flight. With the help of the CAB, 747 pilots will soon be collecting $100,000 a year for a 70 hour month under current labor agreements. And I should tell you that an hour on a 747 is not 60 minutes. It is 54 minutes. No wonder TWA is selling its 747's to Iran.

The average annual pay of air transportation personnel—including clerks, baggage handlers, sweepers, etc., in the average—is the *highest* of any industry in the United States. And very close behind is the average pay in the highway freight and warehousing industry. Air transportation personnel pay is 56 percent higher than the average rate of pay in all private industry. The motor freight average rate of pay is 53 percent higher.[9] Add to this list of providers of labor services collecting monopoly returns the average railroad worker whose pay is 52 percent above the average pay rate in all private industry (see Table 1). Part of the reason the Penn Central is bankrupt is the labor agreement its foolish management signed with unions whose overpaid and underutilized members continue to get increases in pay, some for performing no work, while its creditors' assets are being wasted away and taxpayers are called upon to subsidize the road.

Table I—Average annual earnings per full time employee

[By industry in industries exceeding $12,000—1973]

All private industries	$8,900
Air transportation	13,936
Motor freight and warehousing	13,594
Railroad transportation	13,526
Motor vehicles and equipment	13,479
Petroleum refining	13,084
Pipeline transportation	13,063
Federal government civilians	12,984
Water transportation	12,292

Source: *Survey of Current Business*, July 1974, p. 37.

Now what does economic regulation have to do with the monopoly returns extracted from users of transportation services by providers of labor services? Let's begin with the fact that no one can enter the interstate airline industry or interstate non-agriculture commodity trucking without a certificate of public convenience and necessity from the CAB or the ICC. The CAB has not issued a certificate in continental U.S. since the day of its founding in 1938. The only airlines permitted to fly continental U.S. are those which had grandfather rights. Petitioners for CAB certificates with FAA certificated pilots and equipment equal to those of the certificated airlines have clamored in vain for the right to carry passengers in interstate carriage.[10]

Essentially, this has meant that the Airline Pilots Association can demand and get almost any price it wants for pilots. It knows that as it forces up the cost of operation, the airlines will get from the CAB a rise in the floor for fares to cover the increased cost of pilots. The airlines have little reason to resist mightily since they know the CAB will not only raise the minimum charge for fares and prevent any maverick regulated carrier from charging less or offering more by way of a piano lounge but will also prevent any new entrant with non-union pilots from coming into the industry to undercut them.

As a matter of fact, the CAB even brings pressure on airlines to accede to union demands. Southern Airways continued to fly for nine months while its pilots were on strike. Despite a no-accident record, the CAB finally dropped a hint that operation under such conditions appeared unsafe. That hint to Southern Airways led to a settlement the following week.

As long as entry to an industry is barred by the regulatory authorities and competition within the industry is regulated, unions in the industry can have a field day. ALPA is probably the most successful monopolist in U.S. history—because of all the power granted to it by the U.S. government. Like any monopolist, ALPA discriminates in pricing its wares. A DC–3 pilot, who has the toughest job in the industry putting in twice as many duty hours as a 747 pilot with four or five times as many nerve straining landings and takeoffs on air fields frequently lacking instruments or ground crews to assist him is paid a quarter of what a 747 pilot gets. The job is priced no higher by ALPA because any higher rate of pay would price DC–3s right out of the air. If there are qualified men with the skills required to operate a DC–3 willing to take this very tough job at $20,000 a year, we can get as many highly qualified and responsible pilots as anybody could wish for for a great deal less than the $80 to $100,000 per year that we are and will be paying 747 bus drivers.

TRUCKING INDUSTRY

The Teamsters show the same sort of behavior in the trucking industry as ALPA in the airline industry and are successful for the same reasons. With these overpaid drivers and high freight rates, a great many people would like to get into the trucking industry. Some petition the ICC for certificates. If they prove that they will provide a service that no certificated trucker is now providing and will compete with no ICC client, the ICC will grant a certificate. But if they simply offer to provide better service or a lower price than is already being offered, the certificate will be denied. The ICC sees no reason why shippers should get better service or lower prices.[11]

The Teamsters have won bigger wage increases than any unions other than the Rail Brotherhoods and ALPA because their employees know that no one will be allowed to compete using lower cost drivers and that any wage increase is a sufficient excuse to get an increase in the *minimum* rate from the ICC. The only restraint is that they lose business because some firms find it less expensive to buy their own trucks and hire their own drivers, even though the trucks have to return empty after an outbound haul since the ICC prevents private carriers from soliciting freight to fill the empty backhaul. So most over-the-road drivers are paid only about 30 percent more than they would get absent regulation, their union not having as much monopoly power as ALPA.

What would happen without regulation in trucking, for example, is an improvement in service and a reduction in rates. This was demonstrated in 1952 when the courts ruled that frozen chickens came under the exemption from regulation of the carriage of agricultural goods written into the Motor Trans-

Footnotes at end of article.

portation Act of 1935. That provision was written in because farmers learn from experience. They were strong supporters of the Act to Regulate Interstate Commerce of 1887. They thought they were being gouged by railroads, whose average freight rate had dropped only 50 percent in the decade before the act was passed, and they were going to stop the gouging. Their experience with the ICC demonstrated to them that with a friend like a regulatory agency, they needed no enemies. So they opted out in 1935 from the regulation of the providers of the truck services they purchased.

But to come back to the 1952 experience with frozen chickens—when carriage of frozen chickens was deregulated, rates dropped by 30 percent. Processors who had been complaining about the quality of service they had been getting found that service improved greatly with the removal of regulation along with the drop in the cost of the service.[12]

Similar experiences occurred in Australia when regulation of trucking was abolished.[13] Rates dropped, service improved, and efficiency improved so greatly, that truck operators were just as profitable after deregulation with lower rates as they had been before under regulation with higher rates. That same experience was repeated in Britain when trucking was deregulated there.[14] Nothing but good came out of abolishing regulation in both countries. It is about time we permitted ourselves the same luxury by repealing the Motor Transportation Act of 1935—and the Act to Regulate Interstate Commerce of 1887.

Incidentally, if the Office of Minority Enterprise wants to really do something for minority entrepreneurs, it should join in this endeavor. One of the great bars to the flowering of minority entrepreneurs is the restrictions on entry into the regulated industries by the regulatory agencies. I was struck by this very forcibly when Dan Walker was elected governor of Illinois with the support of the Teamsters and the Truckers Association. To pay off these supporters, Dan Walker assigned state troopers to set up road blocks to enforce Illinois Commerce Commission certification requirements. On the first day at a road block outside Chicago, 57 truckers were arrested for lacking Illinois Commerce Association certificates for their operations. Of the 57, the majority were black entrepreneurs operating their own trucks.

What black entrepreneurs and other minority entrepreneurs need is not subsidized low interest loans or grants from the federal government. What they need is freedom—freedom from government interference and from government blockades to entry into a business.

FOOTNOTES

*Presented before the ACU-YAF Conference, Washington, D.C., Feb. 15, 1975.

[1] The new conventional—if those words can be combined in a phrase—wisdom is displayed in Chapter 5 of the 1975 Annual Report of the Council of Economic Advisers in *Economic Report of the President, February 1975* (Washington: U.S. Government Printing Office, 1975).

[2] Harold Demsetz, "Why Regulate Utilities?," *Journal of Law and Economics* (1968); John Haldi, *Postal Monopoly* (Washington: American Enterprise Institute for Public Policy Research, 1974).

[3] The monopoly franchises granted by government have not only been unnecessary to insure efficient operation; they have prevented efficiency by barring more efficient firms from entering the market. George Hilton and Ross Eckert, "The Jitneys," *Journal of Law & Economics* (October 1972).

[4] Yale Brozen, "Antitrust Out of Hand," 11 *Conference Board Record* 14 (March 1974).

[5] See Thomas G. Moore, *Freight Transportation Regulation* (Washington: American Enterprise Institute for Public Policy Research, 1972) and the references provided therein.

[6] See Edward J. Mitchell, *U.S. Energy Policy: A Primer* (Washington: American Enterprise Institute for Public Policy Research, 1974); Robert B. Helms, *Natural Gas Regulation: An Evaluation of FPC Price Controls* (Washington: American Enterprise Institute, 1974).

[7] Paul W. MacAvoy, *Economic Effects of Regulation: The Trunk-Line Railroad Cartels and the ICC before 1900* (Cambridge: MIT Press, 1965).

[8] T. E. Keeler, "Airline Regulation," 3 *Bell Journal of Economics and Management Science* 399 (Autumn 1972); W. A. Jordan, *Airline Regulation in America* (Baltimore: Johns Hopkins Press, 1970).

[9] Both the air and motor transportation industry annual earnings figures include the non-regulated portions of these industries, reducing the apparent impact of regulation. If we look at average annual earnings in scheduled domestic airline operation in 1973, it is over $15,000, more than $1,000 higher than the average for all air transportation. Regulated domestic air transportation employees earn nearly 70 percent more annually than the average private employee.

[10] Sam Peltzman, "CAB: Freedom from Competition," *New Individualist Review* (Spring 1963).

[11] The ICC did finally acknowledge that services to shippers were poor and something should be done in Ex Parte MC–77, which "admonishes" carries to operate to the full extent of their authority. ICC chairman George Stafford, at a February 1975 trucker's meeting, said, in effect, that the ICC was getting concerned about service because if it does not improve, Congress might "do . . . something . . . drastic."

[12] George Hilton, *The Transportation Act of 1958*

[13] Stewart Joy, "Unregulated Road Haulage: The Australian Experience," 16 *Oxford Economic Papers* 275 (July 1964).

[14] Thomas G. Moore, *Transportation Regulation Abroad* (Washington: American Enterprise Institute, forthcoming).

THE CRISIS OF REGULATION

(By H. C. Gordon)

Perhaps, in general, it would be better if Government meddled no farther with trade than to protect it, and let it take its course. Most of the statutes, or acts, edicts and placards of Parliaments, princes, and states for regulating and directing of trade, have, we think, been either political blunders or jobs obtained by artful men for private advantage under the pretense of public good.

Benjamin Franklin
Principles of Trade

The economic crisis confronting this country today is in large measure a crisis of regulation. After decades of relentless government expansion—the proliferation of alphabet soup agencies, the widening network of official controls, and the growing power of non-elected bureaucrats—the cumulative results are finally being thumped home to the American people in the form of inflation, stunted economic development and diminished consumer sovereignty.

Considering the gravity of our present circumstances, it is no exaggeration to say that we now stand at a crossroads: if we continue to move in the direction of big government, we shall shortly witness the perversion of a once free economy into a socialist one by the simple process of expanding state power. If, however, we are able to reverse the trend and restore a measure of competition and economic freedom, we will be able to breathe new life into our free enterprise system and bring about a return to prosperity.

Reform of our regulatory apparatus is the first esential step toward this end. Whatever motives may have impelled the creation of the regulatory agencies, however fondly it may have been expected that the restriction of private enterprise would somehow promote the public welfare, experience has proved rather the opposite.

Increasingly, the effects of regulation are being perceived as counter-productive. In some cases, it has resulted in government price fixing and suppression of competition. In others, it has directly increased the price of good and interfered with consumer preferences. In still others, it has decreased the efficiency and raised the operating costs of businesses through the imposition of arbitrary controls, blizzards of nonessential paperwork and other forms of harassment. In short, no matter what the presumed benefits of regulation may be, they would appear to be more than outweighed by its drawbacks.

To begin with the anticompetitive aspects of regulation: these are due partly to the cosy relationships that have developed between certain agencies and the industries that they are supposed to regulate, and partly to federal policies committed to preventing "predatory" price cutting "unwarranted" expansions of service and other so-called "destructive" aspects of competition. The idea that aggressive competition can benefit the consumer by encouraging lower prices and better service does not seem to have occurred to those regulators who, it seems, are more or less programmed with a view toward maintaining the status quo.

As might be expected, this state of affairs naturally tends to favor the established "fat cats" of an industry at the expense of emerging challengers and the public. Not only is it common for some agencies to shield entrenched firms from competition, but the regulatory process is itself frequently used as a device to circumvent the antitrust laws. Such illegal practices as price fixing, division of markets, and exclusion of competitors may be indulged in with impunity if carried on behind the facade of regulation.

Examples of such abuses are commonplace and tend to prevail in precisely those areas where the regulatory machinery has been longest in operation. Not surprisingly, the worst offenses are to be found in the transportation field where federal regulation began with the establishment of the Interstate Commerce Commission in 1887. The ICC, it will be remembered, was set up in response to Populist demands for protection from the great railroad trusts. With the rise of alternative transport systems—notably interstate trucking—and the corresponding decline of the threat of railroad monopoly, one might think that the ICC has outlived whatever usefulness it may have originally had and that it should be abolished as superfluous. Nevertheless, it continues to function even though its primary role at present appears to be protecting the railroads and the now-dominant trucking industry from the abrasive effects of real competition.

An amusing incident will serve here to illustrate the point. A few years ago, an enterprising trucker applied to the ICC for permission to transport large quantities of yak fat from Omaha to Chicago at a rate of 45 cents per 100 pounds. Ultimately, of course, the trucker in question admitted that his request had been a hoax—but only after major railroads throughout the Midwest had protested that the rate was too low and the ICC had solemnly denied the application on that account.

Much the same conditions are to be found in the related maritime and aviation industries—particularly the latter. Indeed, the abuse by the Civil Aeronautics Board of its power to determine commercial air routes, rates, and market entry has assumed the pro-

portions of a major scandal. In a recent speech, Lewis A. Engman, Chairman of the Federal Trade Commission, wittily expounded on the shortcomings of the CAB as a prime example of federal regulation gone haywire:

[F]or all intents and purposes, there is no competition at all. Competition, where it exists, is concentrated on the one unregulated aspect of the airline activity—customer service. That is why the average airline commercial looks like an ad for a combination bawdy house and dinner theatre.

Certainly no interstate carrier need be excessively concerned about new competition. The CAB has not approved the entry of a new trunk carrier to the market since 1938. And just last month, the CAB rejected an application by Laker Airways, a privately owned British airline, to fly regularly scheduled New York/London flights for $125 each way. That price, by the way, is little more than one third of the economy fare charged now by Pan Am, TWA and the other members of the international rate-fixing cartel. Levity aside, there is nothing funny about the consequences of such goings-on. Established corporations are allowed to grow smug and lethargic, innovation and progress are discouraged and, most importantly, the public is denied the price-cutting benefits which would accrue from a truly competitive, open market situation. Insofar as it is possible to put a price tag on these things, the National Committee on Productivity has estimated that the total cost to consumers of the anticompetitive practices now condoned by the ICC, the CAB, and the Federal Maritime Commission is somewhere between $8 billion and $16 billion a year. And this, of course, represents only part of the total picture.

REGULATIONS AND HIGHER PRICES

But there are many ways in which regulations causes higher prices. In the circumstances outlined above, it maintains them at artificially high levels; under different circumstances it gives them a boost. Ironically enough, the enforcement of much of the purportedly "consumerist" legislation enacted in recent years has been a major factor in pushing up prices. Unreasonable and often unnecessary standards demanded by overzealous bureaucrats have ended up costing the consumer literally billions of dollars with few apparent benefits resulting from the expense.

A current publication by the American Enterprise Institute is most revealing in this respect. In Government-Mandated Price Increases—A Neglected Aspect of Inflation, Murray Weidenbaum, a Washington University economist, takes a critical look at the cost of excessive government regulation and uncovers a number of startling examples. The following, from his chapter on the Consumer Product Safety Commission, is typical:

The first suit filed in St. Louis by the Consumer Product Safety Commission in January 1974 may indicate the extent of the "overkill" in the commission's approach to safeguarding the consumers from potential hazards. The offending items were 1,494, container of windshield washer solvent which were without child-proof caps and were not labeled with the required statement, "Cannot be made nonpoisonous." What remedy did the commission seek? That the caps be changed and the necessary four words of bureaucratese be posted on each of the bottles? Hardly. Instead it ordered that each and every one of the 1,494 containers of windshield washing material be destroyed—thereby no doubt contributing to the nation's pollution problem. And those of us who use that kind of solvent in our cars (and drink more conventional fluids) of course wind up paying the higher price that results from this federally mandated waste.

Given their druthers, most consumers would doubtless be willing to dispense with such fanatical safety measures in exchange for lower prices—even at the risk of assuming greater personal responsibility for their own health and well being. Unfortunately, it would appear that consumer preferences are carrying little weight these days with the new regulatory guardians of the public welfare.

The most notorious indications of this are of course to be found in the areas of automotive safety and pollution control. The mandatory seatbelt-interlock system—a government-imposed nuisance which the consumer didn't want and yet was obliged to pay for—was a clear abomination which a massive public outcry succeeded in eliminating.

However, not all the regulatory boomerangs have been that obvious. The catalytic converter, for instance, which the environmentalists so ardently championed as a means of controlling automobile emissions, may turn out to be a real sleeper. After requiring that the auto industry adopt this costly "improvement," the Environmental Protection Agency has belatedly discovered that its pet device can in fact contribute to air pollution by releasing platinum and sulphuric acid mists into the air. (The EPA incidently, is now spending $6 million of the taxpayers' money to study the adverse environmental impact of its own hasty decision.)

In all, Mr. Weidenbaum calculates that federally mandated costs increased the price of 1974 passenger vehicles on an average of $320 a car. Given the 9 million new car purchases for that year, the total cost of government-imposed price increases was $3 billion.

That figure, however, is small potatoes compared with the effects of government paperwork and bureaucratic harassment of private enterprise. These problems have grown alarmingly more acute in recent years and are becoming the subject of widespread comment and concern.

Recently, the Senate Select Committee on Small Business warned Congress that this country's 10,000,000 small businesses are drowning "in a sea of red ink imposed by a mountain of red tape." The committee has estimated that businesses must cope with over 5,000 federal forms each year—not counting the 64 different tax forms presently used by the Internal Revenue Service.

The cost of this paperwork has been put at $30 billion a year. As may be easily imagined, the time and expense involved in filling out federal forms not only makes for sharp increases in the operating costs of the larger concerns but can literally force many of the smaller ones to go out of business entirely.

Bureaucratic harassment in the shape of arbitrary directives, investigations and penalties has the same effect. Although (as has already been discussed) some of the older agencies have tended to cultivate relations with the businesses they regulate, the newer agencies—particularly those set up within the past few years—have tended to be militantly anti-business both in concept and in operation. Such agencies include the aforementioned: Consumer Product Safety Commission, the Environmental Protection Agency, the Equal Employment Opportunity Commission, and the Occupational Safety and Health Administration.

Armed with sweeping powers and wide latitude in their application, these agencies have become a scourge to private enterprise and even a threat to basic constitutional liberties. This is especially true in the case of the Occupational Safety and Health Administration, whose inspectors are authorized to enter any business establishment in the country—unannounced and without a search warrant—to demand access to corporate files and records, to conduct investigations and to issue on-the-spot penalties for alleged violations.

Inasmuch as the OSHA orders and regulations are unbelievably detailed and comprehensive, (amounting to thousands of pages of technical language in small print and extending to such minutiae as the proper style and maintenance of cuspidors) and inasmuch as OSHA officials are not permitted to assist businessmen in complying with them before inspections, is is scarcely possible to avoid some sort of violation. The total effect, therefore, can only be described as Kafkaesque.

But if the more high-handed tactics of the federal agencies may be questioned on constitutional grounds, the sheer volume of abuses makes it impossible to challenge all of them. Even the largets corporations are incapable of parrying all threats at once and, since it is usually cheaper to comply with federal directives than to fight them, there is little incentive to do so. There thus exists the very real possibility that expanding bureaucratic power may lead—almost by default—to some form of state socialism.

SOLUTIONS

In summing up, it must be admitted that this discussion has scarcely been adequate to convey even a general idea of the total problem, much less to allow for consideration of specific solutions. Nevertheless, it would seem clear that if excessive government regulation has been the source of so many chronic difficulties, the obvious answer surely lies in an appropriate measure of deregulation.

In some instances, this would probably mean the outright abolition of certain agencies. That is in fact the very solution which such diverse individuals as Ronald Reagan, Ralph Nader and Senator William Proxmire have recommended for the ICC, and it would appear equally sound in the case of the CAB and other similarly outmoded regulatory bodies.

For the rest, it would seem only logical to eliminate those wasteful and expensive forms and procedures that serve no significant purpose, and only prudent to curtail the sweeping powers which the federal agencies now have to interfere both in the legitimate operation of private enterprise and the essential directing function of our economy. In a free society, the proper decision-makers are the consumers, expressing their preferences through their own individual economic choices. To restrict that right of choice, for whatever reason, confers no real benefit.

To be sure, regulatory reform will not be easy to achieve. Some regulated industries fear the loss of protection, and all bureaucrats fear the loss of power. Nevertheless, if the public can be made to realize just how much regulation is costing us in so many respects, there will exist a real possibility for meaningful reform.

President Ford has already proposed the establishment of a National Commission on Regulatory Reform; it only remains to galvanize Congress into acting on the President's proposal.

Nearly seventy years ago, during what were perhaps his better days, a professor of government named Woodrow Wilson had this to say of our first steps toward federal regulation: Regulation by commission is not regulation by law, but control according to the discretion of government officials. Such methods of regulation, it may be safely predicted, will sooner or later be completely discredited by experience.

For once, at least, it would appear as if Mr. Wilson has been proved to be an extraordinarily reliable prophet. It is to be sincerely hoped, for the sake of our national liberty and prosperity, that his prescience will not be lost on his countrymen of today.

REGIONALIZATION OF MILITARY DISCHARGE REVIEW BOARDS

Mr. McGOVERN. Mr. President, in response to a recent announcement by the

Department of Defense that the military discharge review system is being expanded to include geographical areas outside Washington, D.C., I issued a joint statement with Representative ED KOCH, Democrat of New York, commending the Department for this action. However, I wish to point out now, as I did in that statement, that this is only a first step—and that the Department of Defense still has a long way to go in their efforts to significantly improve the discharge review system.

On March 20 of this year, I introduced legislation, S. 1254, designed to improve the appeal procedure for the thousands of young veterans who were released without honorable discharges. This proposal was similar to one introduced in the House by Congressman KOCH earlier this year and to companion legislation which we introduced during the first session of the 93d Congress.

One of the provisions of our legislation is to set up a number of regionalized boards across the country to make it more convenient for veterans to appear personally before the boards. In addition, the legislation would give these panels the ability to travel to and conduct hearings in other areas where a review board is not permanently located. While the Department of Defense plans to expand the boards to some areas, other regions of the country will still be completely ignored. For instance, the closest Air Force Discharge Review Board to my home State of South Dakota will be located in St. Louis. Navy veterans in Florida will have to travel all the way to Louisiana. And ex-servicemen in New England will still have to come to Washington if they wish to appear before any of the boards. So while some effort is being made to remedy the situation, the problem of transportation costs will not be solved.

Furthermore, with the exception of the Army panels, none of the expansion boards will be permanent. The Navy and Air Force will send representatives from their Washington, D.C., boards to the newly assigned areas to hold hearings at only certain times of the year. It seems to me that this plan stops short of offering a complete remedy to the problem of non-accessibility. I would like to see more boards headquartered in sites which would better serve all areas of the United States.

In addition, I hope that this one minor reform will not be used to warrant a refusal to deal with other problems of the existing discharge review procedure. There are several other areas in need of change.

For example, my bill would provide peer representation, insuring that at least one member of each board would be equal in age or experience to most of the veterans applying for review. Also, it would provide a much needed measure of consistency between the boards and services by setting out specific standards and circumstances which would be considered by all boards in determining whether discharges should be upgraded. It would also make sure that whenever one board makes a decision on a case, that ruling would be published and made available to other boards and counsels so that it could be applied to other cases.

Another important feature of S. 1254 is that it insures that any applicant unable to afford counsel of his choice will have military counsel made available to him for assistance in presenting his case. Under the existing system, the applicant has to pay not only the cost of traveling to the hearing, but all the expenses connected with the hearing, including the fees of private counsel. It is true that the applicant is offered the aid and services of a representative of an accredited veterans' organization. However, this is often misleading because the application itself refers to such representatives as "counsel." And while these representatives may have significant experience in these matters, they are not lawyers and cannot offer the expert legal advice the veteran may require.

So there is much room left for improvement in the discharge review procedure beyond this one step just announced by the Department of Defense. It is ironic to note that in a letter written by an assistant secretary of defense to Representative KOCH in October 1973, the Army opposed regionalization of review boards because it would mean inequities and inconsistencies in decisions and results of review and because it would raise problems regarding the use of counsel outside Washington, D.C. Now DOD has reversed their position on expansion of boards, but without offering remedies to any of the problems they themselves foresaw just a short time ago. To me, it seems even more necessary now to enact the measures that Representative KOCH and I and other concerned individuals have recommended.

Mr. President, I ask unanimous consent that my bill, S. 1254, the Department of Defense letter to Congressman KOCH, and the article appearing on the first page of the July 17 issue of "Stars and Stripes" be printed in the RECORD.

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

S. 1254

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1553 of title 10, United States Code, is amended to read as follows:

"§1553. Review of discharge or dismissal

"Establishment and Organization of Discharge Review Boards

"(a)(1) The Secretary of Defense shall establish a number of boards of review (hereinafter in this section referred to as 'review boards'). The headquarters of review boards shall be located, for administrative purposes only, in the Department of Defense.

"(2) The Secretary of Defense shall have authority—

"(A) to determine the number of review boards in session at any time;

"(B) to determine the locations where the review boards shall conduct their business, such locations to be geographically disbursed on the basis of population concentrations of discharge applicants; and

"(C) to convene or dissolve review boards in accordance with the number of discharge and dismissal applications pending at any time.

In any area in which a review board is not permanently located and a substantial number of applications for review are filed from such area, a review board shall conduct hearings in such area from time to time for the convenience of the applicants.

"(3) Each review board shall be composed of five members to be appointed by the Secretary of Defense. The term of office for members shall be three years, except that the terms of office of members first appointed to any review board shall expire, as designated by the Secretary of Defense at the time of appointment, two at the end of three years and three at the end of four years. The terms of office of all successors shall be for three years, but any person appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed may be appointed only for the unexpired term of his predecessor. At least one member of each review board shall be a veteran of the Vietnam era only (as defined in section 101 (29) of title 38) and who was a noncommissioned officer during his period of active service. For the purposes of maintaining a board of five members at all times, as many additional members as are deemed necessary may be appointed by the Secretary of Defense to the board to serve as deputy members and to participate in the board's proceedings during the absence of a regular member. In any proceeding before the board, a regular member or deputy member who has not been present at a prior session of the board may participate thereafter if that member has read or has read to him the record of proceedings held during his absence or prior to his participation.

"(4) Each review board shall meet at least four times during each calendar year, unless a majority of such board determines that fewer sessions will be adequate for the expeditious performance of its duties.

"(5) Members of review boards appointed from private life shall receive compensation at a rate comparable to that received by the military members of the board, and shall be reimbursed for travel expenses, including per diem in lieu of subsistence, as authorized by law for persons in Government service who are employed intermittently. Members of review boards who are officers or employees of the United States or who are entitled to retired pay from 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 official duties of the review boards.

"(6) A vacancy in a review board shall not affect its powers, and shall be filled in the same manner as the original appointment.

"(7) The Secretary of Defense shall appoint a President for each review board and shall fix his compensation at a level not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of title 5, United States Code. The president of each review board, with the approval of the board, may—

"(A) employ and fix the compensation of such additional personnel as may be necessary to carry out the functions of the review board, but no individual so appointed may receive compensation in excess of the maximum rate for GS–17 of the General Schedule under section 5332 of title 5, United States Code,

"(B) procure temporary and intermittent services to the same extent authorized by section 3109 of title 5, but at rates for individuals not to exceed $75 per diem.

"(8) The head of any executive department or agency of the Federal Government may detail, on a reimbursable basis, any of its personnel to assist review boards in carrying out their work.

"Duties of Discharge Review Boards

"(b)(1) Notwithstanding any other provision of this title and regardless of any decision previously made by any board for the

correction of military records, the review boards shall, upon application filed in accordance with regulations prescribed by the Secretary of Defense, review any discharge of dismissal from the armed forces granted under less than honorable conditions to any person who served on active duty as a member of the armed forces. In reviewing the discharge or dismissal of any former member of the armed forces, a review board shall determine whether such discharge was fair and equitable, taking into consideration all of the circumstances of the case. In making such determination a review board shall specifically consider as mitigating circumstances—

"(A) the applicant's inability to know and understand, because of a lack of education or otherwise, his rights and obligations under the law;

"(B) personal or family hardship that may have contributed to the grounds on which the less than honorable discharge or dismissal was issued;

"(C) any mental or physical illness that may have contributed to the grounds on which the less than honorable discharge or dismissal was issued;

"(D) any service-connected disability of the applicant, any injury or disease incurred in combat, any special decorations or commendations received by the applicant while in military service;

"(E) any tour of service in a combat zone, including any meritorious and faithful performance of hazardous duty assignments;

"(F) any substantial evidence of personal or procedural unfairness which may have contributed to the decision to grant a less than honorable discharge or dismissal;

"(G) the denial, on procedural, technical, or improper grounds or on grounds which subsequently have been held by the courts to be unlawful, of a valid claim or request made under military law, regulation, or custom for a hardship discharge, compassionate reassignment, emergency leave, or other relief;

"(H) any evidence that the applicant acted as a matter of conscience and not for selfish or manipulative reasons;

"(I) the applicant's voluntary submission to authorities;

"(J) behavior which reflects or reflected physical or mental stress caused by combat or hazardous duty or inability to cope with military life;

"(K) volunteering for combat duty or voluntary extension of service in a combat zone;

"(L) any evidence that the applicant was discharged or dismissed from service because of sexual preference, sexual orientation, or homosexual behavior;

"(M) any evidence that the applicant was discharged or dismissed from service because of possession or use of a narcotic drug or marijuana, or for dependency on a narcotic drug;

"(N) successful completion of alternative service and receipt of clemency or pardon under a presidential clemency program, without regard to the offense or offenses for which the clemency or pardon was granted; and

"(O) any other facts, circumstances, or information the review board deems appropriate to consider.

"(2) A review board may, subject to review by the Secretary of Defense, change a discharge or dismissal, or issue a new discharge, to reflect its findings.

"Procedures and Conduct of Hearings

"(c)(1) A review board may review the discharge or dismissal of any former member of an armed force upon its own motion or upon the written request of the former member, or if the former member is dead, his surviving spouse, next of kin, or legal representative. A motion or request for review must be made within fifteen years after the date of the discharge or dismissal. Applications for review must be submitted in accordance with such rules and regulations as the Secretary of Defense may prescribe.

"(2) After an application has been submitted to a review board for the review of a discharge or dismissal, the review board shall notify the applicant in writing, as soon as practicable, of the date and place of the hearing to be conducted in connection with the requested review.

"(3) In any case in which the applicant requests an opportunity to appear in person before a review board, the board shall do everything practicable to insure the applicant such opportunity. However, an applicant who requests a personal appearance before the board and fails to appear at the appointed time and place, without previous satisfactory arrangement with the board, shall be considered to have waived his right to a personal appearance and his case shall be reviewed on the evidence contained in his military records and such other evidence as may be presented on behalf of the applicant.

"(4) An applicant may appear before a review board in his own behalf or may be represented by counsel of his choice or by an accredited representative of a veterans' organization recognized by the Administrator of Veterans' Affairs under chapter 59 of title 38. Applicant may be represented by a judge advocate (as defined in section 801 (13) of this title) of the military department of which the person whose discharge or dismissal is being reviewed was a member if the Secretary concerned determines a judge advocate is reasonably available for such purposes.

"(5) An applicant and his counsel shall be given access to all records relating to the case. The testimony of witnesses may be presented either in person, by deposition, or by sworn affidavits. If a witness testifies in person he shall be subject to examination by members of the review board.

"(6) A review board may continue a hearing on its own motion. A request for continuance by or on behalf of an applicant may be granted, at the discretion of a review board, if a continuance appears necessary to insure a full and fair hearing.

"(7) An applicant may withdraw his request for a review under this section at any time without prejudice.

"(8) After all testimony and evidence has been received by a review board in any case it may assemble in private to make its findings and recommendations. Cases in which no request was made for a personal appearance by the applicant shall be decided on the basis of all documentary evidence presented to the board of review. The board shall make a determination whether the nature of the discharge or dismissal under review should be changed or a new discharge issued. Such determination together with such findings and recommendations as the review board deems appropriate, shall be submitted to the Secretary of Defense for his review and approved or disapproved in whole or in part.

"(9) A review board shall promptly notify the applicant with respect to the decision in his case after the board has received the decision of the Secretary of Defense.

"(10) Whenever a review board has reviewed the discharge or dismissal of any person as provided in this section and its recommendations have been approved or disapproved by the Secretary of Defense, no rehearing shall be granted unless the basis of the request is the availability of material evidence that was not reasonably available at the time of the regular hearing and such evidence would likely result in a decision contrary to the one reached at the original hearing, or unless the review board determines there was a legal error which would likely change the decision reached at the original hearing.

"Effect of Decisions on Other Cases

"(d)(1) Whenever a decision by a review board (as approved by the Secretary of Defense) is of such a nature that the board feels it will have general application to other cases identical to the one in which the decision was reached, it shall notify the Secretary of Defense to that effect and, if approved by the Secretary, shall apply the ruling to all other such cases on its own motion or to any specific case at the request of an appropriate party.

"(2) The review board concerned in any ruling referred to in paragraph (1) shall take all appropriate action to notify former members of the armed forces who would be affected by such ruling.

"General Powers of Review Boards

"(e) Review boards shall have the power to—

"(1) administer oaths;

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

"(3) in the case of disobedience to a subpena or order issued under this subsection, invoke the aid of any district court of the United States to require compliance with such subpena or order;

"(4) order testimony to be taken by deposition before any person who they may designate for that purpose and who has the power to administer oaths, and in such instances to compel testimony and the production of testimony in the same manner as authorized under paragraphs (2) and (3) of this subsection;

"(5) require directly from the head of any executive department or agency of the Federal Government available information which the board deems useful in the discharge of its duties, and all such departments and agencies shall cooperate with the review boards and furnish relevant information to the extent permitted by law; and

"(6) prescribe such regulations and procedures as may be necessary to carry out the purposes of this section.

"Enforcement of Subpena

"(f) Any district court of the United States with requisite jurisdiction may, in case of a refusal to obey a subpena or order of any review board issued under this section, issue an order requiring compliance therewith, and any failure to obey the order of the court may be punished by the court as contempt thereof.

"Finality of Decision

"(g) A decision under this section is final and is not subject to further administrative or judicial review, with the exception of the provisions established under 10 U.S.C. 1552."

SEC. 2. The Secretary of Defense shall formulate and carry out a public information program designed to inform former members of the armed forces of the new discharge review program provided for in the amendment made by this Act. In formulating and carrying out such program the Secretary shall consult with the Administrator of Veterans' Affairs. The Administrator shall utilize the personnel, services, and facilities of the Veterans' Administration to assist the Secretary of Defense in contacting veterans' service organizations, former members of the armed forces, and other persons and organizations that would have an interest in such new program.

EFFECTIVE DATE

SEC. 3. The amendment made by section 2 of this Act shall become effective ninety days after date of enactment. Any cases pending before any board of review under section 1553 of title 10, United States Code, prior to such effective date shall be transferred by the Secretary of Defense to a new review board established under such section as amended by this Act.

ASSISTANT SECRETARY OF DEFENSE,
MANPOWER AND RESERVE AFFAIRS,
Washington, D.C., October 4, 1973.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: This is in reply to your letter of 25 September to Secretary Schlesinger concerning the operation of Discharge Review and Correction Boards.

The suggestion that the Military Departments establish regional Discharge Review Boards has been considered on several prior occasions. The establishment of such Boards would require legislation inasmuch as Section 1553, title 10, United States Code, provides for the creation of a single board of five members for each Military Department. The Secretaries of the Military Departments could establish additional Boards for the Correction of Military Records under existing legislation, but the problems of securing adequate staff, and administrative and logistic support at a variety of regional locations are substantial. In addition, the creation of geographically separated boards would result in a complete decentralization of administrative control and also raises the possibility of an inequitable variance in the results of reviews conducted in the separate regions. The regional concept is not presently viewed as an equitable, practical or efficient approach.

It is believed to be more appropriate to concentrate our efforts on measures designed to increase the efficiency of existing procedures rather than take steps which would be both costly and lead to a diffusion of effort. This is particularly true in view of current efforts to reduce defense manpower expenditures.

The case loads before the various Boards are heavy and the processing time is lengthy. Nevertheless, over the past year, we have increased the number of personnel supporting the Boards, and have increased emphasis on the importance of these procedures. These actions have resulted in the completion of more cases, a reduction in average processing time, and a reduction in backlog, despite a substantial increase in the number of new applications for review. The average processing time before the Discharge Review Board is 11½ months in the Army, 4 months in the Navy, and 3 months in the Air Force.

The increase in applications coupled with a 90-day shutdown in normal operations at the National Personnel Records Center due to the fire at the facility in July of this year may temporarily suspend the trend toward reduced processing time. It is expected, however, that improvements will continue. As a result of a recent review of Board procedures, we are presently considering the need to increase the staff of the Boards further, and to establish processing time goals for each of the Boards.

I trust that the information provided will be of assistance to you. Your continuing interest in matters pertaining to the Military Services is appreciated.

Sincerely,

LEO E. BENADE,
Lieutenant General, USA, Deputy Assistant Secretary of Defense.

[From the Stars and Stripes, July 17, 1975]

REVIEW BOARDS TO BE EXPANDED

DOD TO REGIONALIZE DISCHARGE REVIEW BOARDS: M'GOVERN-KOCH

Senator George McGovern (D–SD) and Congressman Edward I. Koch (D/L-NY) both sponsors of legislation to improve the military's discharge review procedure, today commended the Department of Defense for taking significant action to help thousands of Vietnam veterans who have been discharged from the Armed Forces with non-punitive, less-than-honorable discharges and are applying to have them upgraded. McGovern and Koch issued their statements in response to today's announcement of a DoD plan to expand the Discharge Review Boards to be effective November 1, 1975.

Under the existing system, service men who receive less than honorable discharges—except those resulting from general court martials—may file applications before the appropriate service's review boards to have their discharges upgraded. At present, the Boards are all located in Washington, DC, which makes it extremely difficult for veterans from other parts of the country to plead their own cases. Regional review panels will make the procedure more accessible.

While he commended this step, Senator McGovern argued that the Defense Department has still not gone far enough. He said DoD should provide peer representation on the panels and establish new standards for determining the equitability of these discharges and dismissals.

Rep. Koch said, "I'm delighted that one small measure which will alleviate great hardships and which should have been put into effect a long time ago will now be implemented by the first of November. There are so many more things that the Pentagon should be doing—changing the entire discharge system, allowing court review of denied veterans' claims, and changing their policy on the automatic discharge of homosexuals."

The two legislators introduced companion legislation in 1973 calling for the establishment of regional review boards and again this year seeking these and other changes in the review procedure.

The four Army boards will be located at Fort McPherson, GA, Fort Benjamin Harrison, IN; Ft. Carson, CO and The Presidio of San Francisco. The three Navy boards will be at Great Lakes, IL; New Orleans, LA and Treasure Island, San Francisco. The Air Force boards will be located at the Veterans' Administration facilities in St. Louis, MO; Houston, TX; and San Francisco, CA.

CAPTIVE NATIONS

Mr. HRUSKA. Mr. President, last week marked the 17th observance of Captive Nations Week. This year's observance was a particularly bitter one for those of us in the free world. As the American people prepare for the celebration of the 200th anniversary of the founding of our great Republic, two more countries, South Vietnam and Cambodia, have fallen under the oppressive rule of communism.

As a direct result of that disaster in Southeast Asia, it is now questionable how long Laos and Thailand will remain as free nations. Furthermore, South Korea, one of our closest allies, is increasingly threatened with invasion by the brutal forces of North Korea. In the meantime, half way around the world and much closer to the American mainland, Portugal, a NATO ally, is in immediate danger of falling into the Communist camp. Such an event would constitute a severe blow to NATO and the security of the free world.

These tragic events clearly demonstrate that today the forces of communism are as dangerous to our own well-being as they were in 1959, when the first Captive Nations Week was observed. The only difference between then and now is that countless millions of additional people are now forced to live under this evil ideology.

The lessons of the past year shows that while "détente" is a desirable policy if it leads to a relaxation of tensions, it must not be used as an excuse to allow the Communists to gobble up the remaining weak but free nations of the world.

As the elected representatives of the most powerful nation in the world, the Members of Congress have a moral obligation to work for the preservation of freedom. This is not to say that the United States should be the world's policemen, but neither should it refuse assistance to countries under attack *simply* because their system of government is not entirely to our liking. An imperfect democracy is far more preferable than a Communist dictatorship. For those who doubt this fact, I offer the following advice: I say go to Czechoslovakia, go to Hungary, go to the Ukraine, go to the Baltic States, go to Berlin, go and see how people live in the "workers' paradise."

Mr. President, despite the losses suffered in the last year the struggle for man's freedom has not been lost. The Communists will never win that struggle as long as the captive peoples whom they rule maintain the hope of their future freedom. This is a fact which the Communists fully understand. Therefore, it is critical that the United States at the European Security Conference not agree to permanent Russian hegemony over Eastern Europe. We must not break faith with the countless millions who look to the United States as the leader of the free world for their ultimate salvation.

PROPOSED SALE OF ARMS TO JORDAN

Mr. MONDALE. Mr. President, in light of the administration's proposal to sell a $350 million system of mobile Hawk and Vulcan antiaircraft weaponry to Jordan, I call the Senate's attention to George Will's editorial in this morning's Washington Post. Mr. Will's article, entitled "Selling Arms to Jordan," points out that the transfer of this weaponry would allow King Hussein to participate in a joint Jordanian-Syrian war against Israel. Coming shortly after the formation of a Syrian-Jordanian military command, the present proposal can only serve to destabilize further the military balance in the Middle East. If approved, therefore, the sale would make the prospects for conclusion of an Arab-Israeli peace agreement more remote.

The scale of the proposed transfer of arms to Jordan is excessive. I am not opposing consideration of whether the United States should supply King Hussein with adequate weapons for the defense of his kingdom. However, the presently proposed sale is of a size and nature as to provide Jordan with a new level of offensive capability. It is my understanding that the United States also intends to sell Jordan so-called Redeye shoulder-fired anti-aircraft missiles. Should they fall into the hands of terrorists, such missiles pose the greatest imaginable threat to civil aviation. Congress must carefully consider the implications of such a sale.

Senator CASE has introduced Senate

Concurrent Resolution 50 disapproving the sale to Jordan of 14 batteries of Hawk missiles and a considerable quantity of Vulcan radar-directed antiaircraft guns. A similar resolution has been introduced by Congressman BINGHAM. I support both resolutions.

Mr. President, I ask unanimous consent that the article by George Will be printed in the RECORD.

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

SELLING ARMS TO JORDAN

(By George F. Will)

Congress, pursuant to its constitutional duty to keep the Executive branch on a short leash, has given itself power to veto, within 20 days of notification, any arms sale exceeding $25 million. It has until July 30 to veto the administration's proposal to sell Jordan a $350 million anti-aircraft missile system.

Jordan's King Hussein has said that one reason Jordan refused to join the Arab war against Israel in October 1973 was that Jordan lacked an air defense system. The proposed arms sale would eliminate that inhibition, and would enhance Hussein's offensive capability against Israel.

Hussein has told a Beirut magazine that he wants the weapons so he can help Syria in any future war against Israel. Equally alarming, the administration's proposal has about it a certain deviousness which, considering the lameness of administration arguments for the proposal, compels this suspicion: one purpose of the sale may be to make Israel more vulnerable.

The administration, which has been fanning war fears, may believe, contrary to experience and reason, that Israel will become more compliant to Arab (and U.S.) pressures as it becomes more vulnerable to Arab weapons.

In May the administration indicated that the sale would involve only three Hawk missile batteries and 36 Vulcan units. The Vulcan is a radar-guided anti-aircraft gun designed to cope with aircraft flying low enough to elude Hawks.

Even a three-battery system might have the destabilizing effect of diminishing the inhibitions Jordan felt in October 1973. But a three-battery system could be considered merely defensive: It could defend Amman, Jordan's capital, and could not be moved toward Israel without denuding Amman.

Now the administration wants to sell Jordan 14 Hawk batteries with 532 missile (about the number of Israel aircraft) and 100 Vulcans. Such a system would be useful to Hussein in the contingency for which he says he wants it—a joint Jordanian-Syrian war effect against Israel.

Israel, unable to match her enemies man-for-man or tank-for-tank, relies on air power. Fourteen anti-aircraft batteries on the east bank of the Jordan River could provide cover for Jordanian and Syrian ground forces advancing 22 miles into Israeli territory. And the batteries can be moved quickly with advancing forces.

The 1973 war revealed a fragile modus vivendi between Israel and Jordan. Evidently Israel will not attack Jordan unless Jordan first attacks Israel, which Jordan is only apt to do if it has the sort of anti-aircraft system the administration suddenly wants to sell.

The administration's primary argument for the sale is, predictably, that if the U.S. doesn't sell Jordan the anti-aircraft system, Jordan will get an equivalent system from the Soviet Union. This argument is implausible, and it is inharmonious with the administration's secondary argument, which is that Hussein is moderate and pro-Western but the weapons sale is necessary to keep him that way.

In fact, Hussein is not anxious to change his reliance on U.S. arms, in part, no doubt, because he is not anxious to receive the Soviet technicians who would come with any comparable Soviet missile system.

If Hussein is as moderate as advocates of the arms sale say he is, then he does not mean what he says about wanting the missiles for a joint war effort with Syria. In that case Israel will not strike at Jordan, and Hussein will not need 14 anti-aircraft batteries. If Hussein is not that moderate, he cannot be trusted with the offensive advantage 14 batteries would give him.

Anyway, why does Jordan need 14 batteries of the newest version of the Hawk to defend itself against Israel, while Israel has only 10 batteries of an older version of the Hawk to defend itself against all its Arab enemies?

Unfortunately, it is possible that the proposed sale of anti-aircraft weapons to Jordan, and the current delays of aircraft and other weapons to Israel, are aspects of the same policy. It is a reckless and ignoble policy of U.S. pressure designed to achieve a Mideast settlement by extorting endless concessions from Israel.

Fortunately, Congress can veto this folly at no risk other than that of an admittedly tedious but otherwise unimportant recurrence of Secretary Kissinger's laments about congressional incursions into process of government.

THE BUSINESS OF THE NUCLEAR REGULATORY COMMISSION IS REGULATION

Mr. RIBICOFF. Mr. President, last week I wrote a letter to William A. Anders, Chairman of the Nuclear Regulatory Commission, to make clear that the legislative intent of last year's Energy Reorganization Act was "to separate the regulatory and developmental responsibilities of the AEC and to give NRC exclusive and separate jurisdiction over nuclear regulation."

The letter was in response to a memorandum submitted to members of the Nuclear Regulatory Commission by former Representative Craig Hosmer, now president of the American Nuclear Energy Reorganization Act as requiring the Commission to be as concerned with the "development, use, and control of atomic energy" as with regulation in the interest of public health and safety, safeguards and environmental protection.

I stress in my letter to Chairman Anders that—

The Commission should not be insensitive to the national need for the development of a strong, reliable nuclear industry in the United States.

At the same time, however, I thought it is important, speaking from the perspective of having been the Senate manager of the Energy Reorganization Act, to make clear in my letter that the NRC was intended to be a "truly independent regulatory agency that would place public health, safety, and security considerations above the developmental needs of the nuclear industry." I also noted that—

Responsibility for the continued development of the nuclear industry rests with the Energy Research and Development Administration, as provided in the Reorganization Act.

Mr. Hosmer, in his memorandum to the Commission, is mistaken as to how the word "regulatory" appeared in the title of the Nuclear Regulatory Commission. He states that the House version of the Energy Reorganization Act called it the Nuclear Safety and Licensing Commission, while the Senate terminology was Nuclear Energy Commission.

In fact, the reverse was true. It was the Senate bill that called for the establishment of a Nuclear Safety and Licensing Commission, to emphasize the regulatory responsibilities of the new Agency. The compromise of the Senate-House conference designated the agency as the Nuclear Regulatory Commission at the insistence of the Senate conferees that the regulatory role of the Agency be emphasized in its title. Therefore, Mr. Hosmer is not correct in stating that the title of the Agency "was hardly a compromise on substance," but rather was "plainly the choice of NRC as a more euphonius acronym than NSLC or NEC."

I wish to emphasize that the choice of "regulatory" in Nuclear Regulatory Commission was substantive, not euphonius.

I ask unanimous consent that my letter to Chairman Anders, Mr. Hosmer's memorandum to the Commission, and an article in the July 3 issue of Nucleonics Week describing Mr. Hosmer's memorandum all be printed in the RECORD.

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

July 15, 1975.

WILLIAM A. ANDERS,
Chairman, Nuclear Regulatory Commission, Washington, D.C.

DEAR CHAIRMAN ANDERS: I noted with interest an item in the July 3 issue of *Nucleonics Week* reporting that Craig Hosmer, President of the American Nuclear Energy Council, has sent a letter to you and other members of the Commission, interpreting the intent of the Energy Reorganization Act of 1974 as giving NRC as much responsibility for the development, use and control of atomic energy as for regulatory control in the interest of public health and safety, safeguards and environmental protection.

I think it would be useful to make clear that it was our intent in drafting and managing the Energy Reorganization Act, to separate the regulatory and developmental responsibilities of the AEC and to give NRC exclusive and separate jurisdiction over nuclear regulation. I can find nothing in Section 103 of the Atomic Energy Act that "clearly indicates" that the NRC's licensing function shall effectuate the "development," "use," and "control responsibilities" set forth in the first chapter of the Atomic Energy Act, as Mr. Hosmer contends.

Rather, I find the following paramount provision in Section 103 of the Atomic Energy Act: "In any event, no license may be issued to any person within the United States if, in the opinion of the Commission, the issuance of a license to such person would be inimical to the common defense and security or to the health and safety of the public." This provision appears to place health, safety and security considerations above those of development, use and control of atomic energy, so far as the regulatory responsibility of the Commission is concerned.

I am sure you agree the Commission should not be insensitive to the national need for the development of a strong, reliable nuclear industry in the United States. But the question raised by Mr. Hosmer's letter is one of balance and priority.

In that context, I can state unequivocally that the intent of the Energy Reorganization Act was to establish a truly independent regulatory agency that would place public health, safety and security considerations

above the developmental needs of the nuclear industry. Responsibility for the continued development of the nuclear industry rests with the Energy Research and Development Administration, as provided in the reorganization act.

While obviously the Act provides for appropriate relationships between NRC and ERDA—even to the extent that NRC is now authorized to license certain ERDA facilities—the Act clearly intends to keep regulation and development of nuclear power separate and distinct. This was made clear in the purposes section of the Act (Section 2 (c)) in which Congress found that "it is in the public interest that the licensing and related regulatory functions of the Atomic Energy Commission be separated from the performance of the other functions of the Commission . . ."

I hope this information is useful. I will be pleased to provide any further information you may request on the intent of the Act.

Sincerely,

ABE RIBICOFF.

HOSMER TELLS NRC IT IS RESPONSIBLE FOR NUCLEAR POWER "DEVELOPMENT"

The NRC's conception of its own role as being primarily regulatory may be a bit narrower than what Congress intended, Craig Hosmer, a former member of the Joint Committee on Atomic Energy, told the commission this week. Communicating with NRC for the first time since becoming president of the recently formed American Nuclear Energy Council, Hosmer told each of the five commissioners that a little legislative research had produced fairly substantial evidence that the Energy Reorganization Act did in fact give NRC just as much responsibility for the development, use and control of atomic energy as for public health, safety, safeguards, and environmental protection.

The basis for this interpretation, he said, is to be found in a memorandum prepared by the former AEC office of general counsel on the applicability of various provisions of the original Atomic Energy Act to both Erda and NRC. The memorandum, which subsequently was cited in both the House and Senate reports on the Energy Reorganization Act, says that those portions of the Atomic Energy Act that deal with licensing clearly apply to NRC's activities. Since section 103 of the Atomic Energy Act "clearly indicates that the licensing function shall effectuate the purpose of the Atomic Energy Act," Hosmer concludes that NRC is fully responsible for the "development," "use," and "control" duties set forth in the first chapter of that act.

"This language should not be confused with 'promoting' atomic energy, the separation of which from licensing and regulation everyone understands was a purpose of the Energy Reorganization Act," Hosmer says. "Rather," he continues, "it is to be read as establishing the priority to be accorded the subject by those in government who deal with it in whatever way. The development, use, and control of atomic energy is accorded a paramountcy not given for the four other functions routinely ascribed as primary charges of the Nuclear Regulatory Commission. Thus it is that this function ought to be regarded as no less than the first amongst equals."

In a separate, but related vein, Hosmer told the commissioners not to neglect their equally great responsibility to reflect national energy policies in their actions: ". . . a commission established by the Congress to deal with a particular subject area ought also to take cognizance of basic policies of the government relating to that subject area. This commission does not exist as an abstraction. Government policies are part of the real world in which and for which it functions. Therefore, it seems compelling that energy policies enunciated by the Government of which NRC is part, as a matter of course, ought to be taken into account by NRC in arriving at its judgments. One of the most explicit of these policies is that the United States shall achieve energy independence at the earliest possible date."

In a covering letter that was sent to each of the five commissioners, Hosmer said that his memorandum "places a perspective on the NRC's duties and responsibilities somewhat larger than some of its critics have seen. Realizing that during the early months of its existence the commission has had some rather pressing matters of first concern, and therefore first emphasis, I have tried to lay out reasons why it is possible that first reactions by some in industry may not do full justice to the full body of NRC concerns," the letter says. Hosmer concludes: "Whether or not you agree that the commission occupies as wide a window as possibly the memo implies, I hope it will contribute constructively to a fair and enlightening discussion of the subject."

NUCLEAR REGULATORY COMMISSION—DUTIES AND RESPONSIBILITIES

Commissioner Edward A. Mason has declared that the establishing legislation "makes it clear that the business of the Nuclear Regulatory Commission is regulation only." He adds that NRC "must maintain a posture of strict impartiality and not permit itself to be either an apologist for or an antagonist of nuclear power." [1] NRC Chairman William A. Anders states that his commissioners should function as "tough but fair judges or referees of nuclear issues" and that their "primary charge is public health and safety, safeguards, environmental protection, and anti-trust".[2]

This narrow emphasis has raised criticism, that the Commission embraces a timid, detached from the real world, concept of its responsibilities, and assumes an ivory tower viewpoint of its functions. Industry unhappiness over some Commission decisions (and with the fact that others have not been made) also play a part in these harsh assessments. But they may be premature and unwarranted.

The four basic statutes that direct the NRC are the Energy Reorganization Act,[3] Atomic Energy Act,[4] National Environmental Policy Act[5] and the Administrative Procedures Act.[6] The Chairman and his colleagues early felt an understandable need to forge a public image of "credible regulation" based on "independent, open, effective and efficient implementation of these laws that direct us".[7] This thrust—for that purpose—could temporarily delay unfolding of a wider concept of NRC's role. Already the Commission has gone far toward establishing its integrity and impartiality. Once the several statutes that govern it are reconciled and matters of judicial notice taken fully into account, a richer NRC role seems likely to emerge.

It is unlikely that the Commission considers the word "regulatory" in its title to confine its business to "regulation only." The House version of the Energy Reorganization Act called it the Nuclear Safety and Licensing Commission. The Senate terminology was Nuclear Energy Commission. The name last emerging from the Joint House-Senate Conference on differing versions of the bills was hardly a compromise on substance. It was plainly the choice of NRC as a more euphonious acronym than NSLC or NEC.

The House and Senate Reports accompanying these bills[8] help identify the NRC responsibilities laid down by the Reorganization Act. Both cite and reprint a memorandum by the Office of General Counsel, Atomic Energy Commission, specifying the applicability of various provisions of the Atomic Energy Act to ERDA, to NRC, or to both.

Provisions applicable to NRC include Chapter 10 of the Atomic Energy Act covering atomic energy licenses. Thus whether, incorporated in the word "regulation" or a subject deserving distinctive characterization, atomic energy licensing is very much the business of the new Nuclear Regulatory Commission and it is actively going about it.

Section 103 of the Atomic Energy Act governing NRC's licensing business requires the issuance of commercial licenses subject to such conditions as the Commission may by rule or regulation establish to effectuate the purposes of that Act. As a matter of practice, the license itself is in the nature of a rule. Section 103 clearly indicates that the licensing function shall effectuate the purposes of the Atomic Energy Act. These purposes are set forth in Chapter One of the Act which the General Counsel's memorandum also cites as applicable to NRC. This Chapter is in three sections.

Section 1 declares it the policy of the United States that the development, use and control of atomic energy shall be directed—

a. so as, subject to the paramount objective of making the maximum contribution to the common defense and security, to make the maximum contribution to the general welfare; and

b. so as to promote world peace, improve the general welfare, increase the standards of living and strengthen free competition.

Section 2 makes the Congressional finding that development, utilization, and control of atomic energy for military and for all other purposes are vital to the common defense and security.

Section 3 recites that it is the purpose of the Act "to effectuate the policies set forth above by Government control of the possession, use and production of atomic energy and special nuclear materials" and other programs.

Thus, according to the statutory law governing NRC, the "development, use and control of atomic energy" is as much its function as "public health and safety," "safeguards", "environmental protection", or "antitrust". The Commissioners are bound by their oath to carry forward all five functions so as, amongst other things—

To make the maximum contribution to the common defense and security;

To make the maximum contribution to the general welfare;

To promote world peace; and

To increase the standard of living.

The language of Chapter One is not precatory language. It lays upon servants of the Government, whether they be operators, regulators, or licensors, a clear, clean policy guideline for the execution of responsibilities. Their specific duty in relation to atomic energy may be its "development" or "use" or "control" but they are obliged to carry forward the "development, utilization and control of atomic energy" in the context that for all purposes it is vital to the United States.

This language should not be confused with "promoting" atomic energy, the separation of which from licensing and regulation everyone understands was a purpose of the Energy Reorganization Act. Rather, it is to be read as establishing the priority to be accorded the subject by those in government who deal with it in whatever way. The development, use and control of atomic energy is accorded a paramountcy not given the four other functions routinely ascribed as primary charges of the Nuclear Regulatory Commission. Thus it is that this function ought to be regarded as no less than first amongst equals.

There are, of course, considerations other than those of statute law which the Commission will take into account in arriving at its judgements. These are all other matters

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Footnotes at end of article.

of which courts take judicial notice in arriving at their decisions. This is because Commissioners of the Nuclear Regulatory Commission, no less than Federal judges, are part of the real world they govern and regulate.

That being the case, it follows that a commission established by Congress to deal with a particular subject area ought also to take cognizance of basic policies of the Government relating to that subject area. This commission does not exist as an abstraction. Government policies are part of the real world in which and for which it functions.

Therefore, it seems compelling that energy policies enunciated by the Government, of which NRC is part, as a matter of course ought to be taken into account by NRC in arriving at its judgments. One of the most explicit of these policies is that the United States shall achieve energy independence at the earliest possible date.

The motivation for any government action—judicial, quasi-judicial, regulatory, legislative or executive—is not remote or ethereal. It relates to wants and needs and preferences of living people. It is to resolve practical issues, to weigh costs versus benefits and risks versus rewards. It is to compromise competing values fairly. It is to achieve justice and equity in those situations which are beyond the capabilities of people by themselves to achieve them.

These are the purposes of the Nuclear Regulatory Commission. It is believed that NRC has set about to achieve them. And, with respect to the specific nature of its licensing responsibility, testimony of Dean David F. Cavers to the Joint Committee on Atomic Energy in 1962 hearings on the regulatory process is instructive. The Harvard Law School savant described it this way:

"Essential to a judgment concerning the most suitable machinery and process for reaching a decision in these licensing proceedings is a recognition of the problem the decisionmaker has to resolve. As I see it, the basic question the decisionmaker has to answer is this: Is the proposed reactor design, or the completed reactor itself, so safe that, given the national interest in the development of atomic power, the Government is justified in exposing the communities near the reactor site to the residual hazards that cannot be eliminated whenever a power or test reactor is built and operated?"[9]

FOOTNOTES

[1] Edward A. Mason, address to Northeastern Section, American Nuclear Society Boston, Mass., May 22, 1975. NRC S–7–75.

[2] William A. Anders, address to 43rd Convention, Edison Electric Institute, Denver, Colorado, June 4, 1975. NRC S–8–75.

[3] Energy Reorganization Act of 1974. 88 Stat. 1233.

[4] Atomic Energy Act of 1964, as amended, 42 USC 2001, et seq.

[5] National Environmental Policy Act of 1970, as amended, 42 USC 4321, et seq.

[6] Administrative Procedure Act of 1966, as amended, 5 USC 551 et seq.

[7] See footnote [2].

[8] House Report 93–707 to accompany H.R. 11510, Energy Reorganization Act of 1973, December 7, 1973, pp. 25–28; Senate Report 93–980 to accompany S. 2744, Energy Reorganization Act of 1974, June 27, 1974, pp. 34, 82–85.

[9] Hearings of the Joint Committee on Atomic Energy Subcommittee on Legislation, "Atomic Energy Commission Regulatory Problems" (H.R. 12336 and S. 3491) April 17, 1962, p. 40.

ENERGY: BAD MATH AND BAD ADVICE

Mr. MUSKIE. Mr. President, last Thursday the Federal Energy Administration released a report entitled "The Economic Impact of the President's Proposed Program of Phased Decontrol."

The report was disturbing on two accounts.

First of all, it failed to provide a full and accurate assessment of the overall impact of the President's decontrol plan. Not only did it underestimate the adverse economic consequences on inflation, on jobs and on the Nation's chances for recovery, but it overestimated the positive aspects of the program for conservation and increased energy production.

A second, and equally disturbing, aspect of the report is what this gross deficiency in economic analysis says about the competence of those currently advising the President in the whole energy and economic policymaking area.

The FEA report considerably underestimates the burden to be placed on the average household, not only by the oil price increase itself but by the indirect impact this price increase would have on the cost of other energy sources, particularly coal and natural gas.

The FEA maintains that decontrol of "old" oil would raise the annual energy cost of the average American household by $114. An objective look at the data would suggest a figure twice that amount when controls were removed.

The FEA figure of $114 assumes that the Nation's 70 million households would pay a total of $8 billion in higher energy costs as a result of decontrol. Such a figure, however, accounts for only half of the total price impact. What we are talking about here is an annual volume of some 2 billion barrels rising from a controlled price of $5.25 to an international market price, which is now $13.50—$16 billion all together. Where is the additional $8 billion in increased energy cost to be absorbed if not by consumers?

The FEA's assumptions concerning the impact of oil price decontrol on the cost of other energy sources is equally questionable. It maintains that increased oil prices will result in a decrease in coal prices of some 1.2 percent. Why, then, we might ask, have coal prices more than doubled during the past 2 years, the same period that has witnessed a major increase in the price of crude petroleum? Oil and coal are substitutes for each other. Raising the price of one of these fuel commodities increases the price which producers of the others can charge. Rather than reducing the price of coal by 1.2 percent, oil decontrol would likely cause an increase of 30 to 50 percent.

The impact on gas prices would be in the same range. Rather than leaving the price of natural gas unaffected as the FEA report has suggested, oil decontrol is more likely to increase the cost of uncontrolled natural gas by at least one-third.

In addition to underestimating the adverse impacts of the President's decontrol policy, the FEA has failed totally to demonstrate its positive results in terms of increased production. Arguing that phased increases in "old" oil prices will serve as an incentive for greater levels of production, FEA ignores the likelihood that the phased decontrol plan will itself serve as an incentive actually to withhold crude petroleum from the market. Yet this is what the logic would indicate. Assuming that OPEC increases its price by $3 per barrel over the next 30 months, and the President retains the $2 tariff, the price of imported oil could be $17.50 by February of 1978, the time that the phased decontrol plan has run its course. At that time domestic oil producers will be able to take advantage of a world crude petroleum price of $17.50 per barrel. Why pump more now when it will be worth more later?

In addition to the gross deficiencies in its economic assumptions, the FEA compared the President's 30-month phased decontrol program with a 60-month decontrol plan rather than comparing it with continued controls. This comparison was apparently made as a result of sheer error—asking the computer the wrong questions and getting an answer with no relevance to the issue at hand.

The combined impact of the FEA report's unreasonable assumptions and inappropriate simulations has been a gross underestimation of the adverse economic consequences of the President's phased decontrol policy. The FEA maintains that such a policy would increase the unemployment rate by only 0.1 percent, the inflation rate by only 0.5 percent. A recent study by the Congressional Budget Office, however, estimates a similar program would have an employment and inflationary impact five times as great next year and more thereafter.

FEA's evaluation simply does not square with the facts of the energy situation. For this reason, its analysis, like the President's program which it is based upon, is simply wrong. This week the Budget Committee continues hearings on energy-related economic subjects at which competent economists will attempt to determine what careful analysis suggests is the likely result of alternative energy programs.

I strongly suggest that the Congress reject the President's decontrol program, and that the President sign the bill to extend the current controls for another 6 months. Certainly the economy and energy situation require prompt action by the Congress and the administration, but not programs developed in bewildered haste and sold on the basis of suspect information.

THE GROWING COMPLEXITY AND DANGER OF NUCLEAR PROLIFERATION

Mr. RIBICOFF. Mr. President, in recent days three articles have appeared which point up the growing complexity and danger of global nuclear proliferation.

In the current issue of Science magazine, Robert Gillette reports that an American company, the Bechtel Power Corp., was secretly seeking to sell a uranium enrichment process to the Brazilian Government at the same time our State Department negotiators were trying to talk the West Germans out of their plans to export such a process to Brazil.

Our efforts were unsuccessful, and West Germany has announced that it

will export an entire nuclear fuel cycle—that is, facilities for enriching uranium and producing plutonium as well as reactors for generating electricity—to Brazil, which is not a party to the nuclear nonproliferation treaty.

Although safeguards of the International Atomic Energy Agency will apply to the facilities exported by West Germany to Brazil, Brazil will be free to copy this technology and build its own facilities, outside of IAEA safeguards, to produce nuclear weapons materials.

The article makes clear that neither the State Department nor the Arms Control and Disarmament Agency—ACDA—were aware of Bechtel's efforts to sell a rival uranium-enrichment process to Brazil. The article states:

The timing of Bechtel's gambit, State Department officials say, lent itself to the interpretation that the U.S. government spoke with forked tongue—encouraging American industry in a last resort effort to recapture the Brazilian nuclear market with its own fuel facilities as "sweetenners" while, at the same time, urging Bonn to stop the sale of fuel technology in the interest of international security.

The article also makes clear that there is a growing split within the State Department and other Federal agencies as to whether the United States ought to engage in the same dangerous nuclear trade that such competitors as France and West Germany are now involved in, or whether we ought to exercise leadership in banning nuclear exports that would give recipient nations nuclear weapons capability.

It appears, for example, that Dixy Lee Ray, who recently resigned as Assistant Secretary of State for Oceans, International Environmental and Scientific Affairs, supported Bechtel's plans to sell a uranium enrichment facility to Brazil, while others in the State Department opposed it. It is still unclear, however, whether former Assistant Secretary Ray was aware of Bechtel's involvement in Brazil before our State Department negotiators in Bonn learned of it from the West Germans.

The article concludes:

Perhaps the fairest assessment would be to say that it pointed up poor coordination within government, and between government and industry, in a critical area of foreign policy.

This very problem has been a matter of concern to the Government Operations Committee in considering a bill, S. 1439, the Export Reorganization Act of 1975, which was introduced by Senator PERCY to establish better interagency coordination in the executive branch with respect to controlling nuclear and other strategically sensitive exports.

The proliferation problems addressed in the bill was the subject of another article which appeared in the July 20 issue of Parade magazine in the Sunday Washington Post and other newspapers across the country. The article "Intelligence Report" by Lloyd Shearer, notes:

The world's nuclear sales market is growing rapidly out of control. There are fewer restrictions attached to what recipient nations can and cannot do with their nuclear hardware.

The article also quotes from a floor statement of mine last month in which I note:

There is an urgent need to require entire fuel-cycle safeguards as a condition of nuclear sales. There is also an urgent need to ban the export of reprocessing plants in order to prevent non-weapons states from gaining the individual capability to produce material for nuclear explosives.

The question of how to control nuclear exports in such a way that prevents nonnuclear weapons countries from obtaining the capability to develop their own nuclear explosives is the central problem discussed in another article which appeared in the Sunday, July 20, 1975 New York Times, "A Nuclear Peace-Profit Motive" by Paul Lewis, Washington correspondent for the Financial Times of London.

The article discusses U.S. diplomatic efforts to arrive at an agreement on export controls with other nuclear suppliers at a conference which began last spring and will be continued in the fall in London. It also discusses the Ford administration's proposal to end the Government monopoly over the secret process of uranium enrichment and permit private companies to develop facilities that will provide enriched uranium fuel for power reactors in the United States and around the world.

The article explores the need for placing nuclear fuel facilities under international control to prevent non-nuclear weapons nations from developing their own stockpiles of nuclear explosives, and whether the Ford administration plan to place uranium enrichment under private control would help or hinder that effort.

Some formula must be found at the suppliers conference to establish international control over uranium enrichment and plutonium reprocessing while permitting individual nations to import power reactors as a cheap, reliable source of energy.

I ask unanimous consent that the above-cited articles from Science magazine, Parade magazine and the New York Times be printed in the RECORD.

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

[From Science Magazine, July 1975]

NUCLEAR EXPORTS: A U.S. FIRM'S TROUBLESOME FLIRTATION WITH BRAZIL

(By Robert Gillette)

The American failure to stop West Germany from selling sensitive nuclear technology to Brazil may have been inevitable even under the best of circumstances. For Washington to suggest that Bonn withdraw its unprecedented offer of uranium enrichment and plutonium processing technology to Brazil was, from the German point of view, a bit like General Motors asking Volkswagen to steer clear of South America. The predictable German response was that the Americans were suffering from sour grapes, and the deal was signed on 27 June.

The State Department's difficult task of convincing Bonn that the paramount U.S. concern was nuclear proliferation—not the protection of American commercial interests—was complicated, moreover, by an odd episode in Brazil last March involving an American corporation in the uranium enrichment business. The episode, repercussions of which continued in mid-April, seems to have resulted from poor communications between government and industry, as well as within the government, in the sensitive area of nuclear export policy.

The company in question is the Bechtel Power Corporation, a subsidiary of the huge Bechtel engineering and construction firm and a major builder of nuclear power plants. The parent firm is also one of about 20 U.S. companies to which the Energy Research and Development Administration (ERDA) has granted access to classified enrichment technology in the hope of bringing private enterprise into the enrichment business.

According to State Department sources, a sales representative of Bechtel Power held discussions last March with Brazilian government officials that left the clear impression the United States might allow construction of an enrichment plant in Brazil, one that Bechtel Power could build. In fact, the advisability of building enrichment plants in foreign countries—even without actually sharing classified details of the technology—is still under debate in the Ford Administration.

As it happened, Bechtel's gambit came just as Brazil and West Germany were moving into final negotiations on the sale of some $5 billion to $8 billion worth of nuclear reactors and fuel facilities—a deal that the Westinghouse Corporation had sought and lost. The timing of Bechtel's gambit, State Department officials saw, lent itself to the interpretation that the U.S. government spoke with forked tongue—encouraging American industry in a last resort effort to recapture the Brazilian nuclear market with its own fuel facilities as "sweeteners" while, at the same time, urging Bonn to stop the sale of fuel technology in the interest of international security.

To make matters worse, German officials may have had an inkling of the Bechtel approach (though how accurate an inkling is hard to tell) weeks before such key elements of the State Department as the Arms Control and Disarmament Agency (ACDA) learned of it. Moreover, a four-man delegation the State Department sent to Bonn on 8 April to convey official American concern is said to have heard about the flap only after returning; the last of several clarifying cables sent to U.S. embassies in Bonn and Brasilia did not go out until 17 April.

Not surprisingly, some arms control officials were deeply angered at what appeared to be an American company's blunder into a foreign policy issue of extreme sensitivity. One official, still smoldering, described Bechtel's Brazilian maneuver as "totally unauthorized" and "way out of line." Asked whether it contributed to German intransigence in the matter, he replied brusquely: "Draw your own conclusions."

Another State Department official familiar with the affair said, however, that no one seriously regarded the Bechtel matter as "decisive" in influencing the Germans to conclude their deal with Brazil. Rather, he said, it played into German hands as a piece of "hard evidence" to support a predictable claim that U.S. criticism of the deal stemmed from commercial interests. By this view, the episode was more embarrassing than damaging.

PROGRESSIVE MISUNDERSTANDING?

The prevailing view among State Department officials familiar with the Bechtel episode is that it arose from a gradual misunderstanding of U.S. enrichment policy as that policy trickled down the corporate chain of command, ending with an overzealous salesman in Brazil. This explanation, however, is not entirely consistent with others.

The misunderstanding may have begun with a 28 January briefing ERDA held for

companies with access to enrichment technology; the companies were told they could hold general discussions with potential foreign investment partners as long as they divulged no classified information. According to an official of the State Department's bureau of oceans, environment, and scientific affairs—the office formerly headed by Dixy Lee Ray—a Bechtel salesman "apparently got wind of this second- or third-hand, and seeing the nuclear deal slipping away to the Germans, pulled things out of context and essentially offered Brazil an enrichment plant."

This official added that no restricted information was disclosed and that he believed Bechtel headquarters, in San Francisco, was "honest" in saying that it had no prior knowledge of the salesman's offer: "They probably would have had the political sensitivity to check with us before proceeding."

THE VIEW FROM BECHTEL

This explanation, however, conflicts with that of a Bechtel corporation official in California who watched the controversy develop. The official, who asked not to be named, said the company's "offer" consisted of a proposal to study the feasibility of building a uranium enrichment plant in the northern Amazon basin, where enormous hydroelectric power potential exists far from Brazil's major industrial area of São Paulo. To avoid having to string transmission lines 2500 miles across the trackless Amazonian forest, Bechtel proposed to study the possibility of using the power on the spot in an enrichment plant and shipping the uranium fuel to nuclear power plants near the populous coastal cities.

"That's a little different from saying we're going to come in next week or next year and build a plant," the Bechtel man said, although he conceded that the proposal could have been interpreted as a first step in that direction.

He also dismissed as implausible the idea that one of the company's salesmen acted without the knowledge of the San Francisco headquarters. "These guys aren't selling used cars, you know. They're very, very cautious." In this case, he said, Bechtel headquarters was kept fully informed. He added that "I'm sure the State Department knew what we were doing every step of the way. . . My impression is that Dixy Lee Ray was kept apprised, totally."

Reached by telephone at her home on Fox Island in Puget Sound, Ray said her bureau had been generally aware of Bechtel's uranium enrichment activities but that she recalled nothing about the company's proposed feasibility study in Brazil. She added, however, that it didn't seem like the sort of thing a company would necessarily feel obliged to tell the government about.

Ray also had some harsh words for the basic approach to nuclear technology export policy taken by the arms control agency and by Secretary Kissinger's policy planning group, and she said this philosophical disagreement—which intensified with the debate over the West German-Brazilian deal—was one of the "last straws" that led to her resignation in June. Her position was that it ought to be possible for U.S. companies to build an enrichment plant in Brazil while preserving the secrecy of essential technology. She denied, however, encouraging Bechtel to propose such an arrangement: "They don't need to be told how to run their business."

Ray also contended that ACDA simply doesn't belong in the field of nuclear export policy. "They're meddling in areas where they don't belong, and they've made a real mess of things. They're trying to cover up their ineffectiveness in controlling conventional arms. It's conventional arms that are killing people, not nuclear exports."

Basically, the State Department has been trying quietly for the past year—ever since India's first nuclear explosion—to persuade other exporter nations to place more stringent conditions on the uses of all nuclear exports and to prevent the unilateral export of such sensitive technology as uranium enrichment and plutonium processing. In effect, the State Department seeks to establish a cartel-like arrangement, not to control price but to ensure the peaceful application of nuclear know-how.

Some progress has been made. According to William O. Doub and Joseph M. Dukert, writing in the July issue of *Foreign Affairs*, the United States, the Soviet Union, and 8 other supplier nations filed letters with the International Atomic Energy Agency last August agreeing to tighten controls on nuclear exports to nations that are not parties to the Non-Proliferation Treaty (NPT). The suppliers agreed to require that receiving countries accept IAEA safeguards, provide assurances that fuel and equipment provided will not be used to make nuclear explosives, and agree not to re-export such items so as to evade the NPT. West German officials say that such assurances were obtained from Brazil. While the State Department considers this an "important step," arms control analysts still believe that enrichment and plutonium technology should under no circumstances be exported unilaterally, although they do favor multinational nuclear fuel centers under international control and serving an entire region such as South America. In the meantime, in the hope of setting an example, the State Department has discouraged companies from exporting fuel facilities and technology, whereas the United States' chief competitors in the world nuclear market, West Germany and France, have not.

Ray, like many in the nuclear industry, regards this policy as "simplistic" and self-defeating. "They're trying to bottle up nuclear technology and make every new nuclear program out to be the beginning of a military operation." The United States has turned aside entreaties, for example, from Zaire, which is looking for enrichment technology. As for Brazil, Ray noted that last summer, when she was still chairman of the Atomic Energy Commission, the AEC had received clear indications that Brazil was looking for a supplier of enrichment technology and was growing impatient with U.S. reluctance to provide it. Far from preventing the West German deal, Ray said, "we drove the Brazilians into it. I blame ACDA."

NECESSARY SACRIFICE

State Department officials say her point of view is legitimate but short-sighted. "We may have to sacrifice a sale or two along the way," one official said. "But what we're trying to do is create a climate of responsibility." Another official compared the nuclear export problem to that of the conventional arms trade: "You get the same arguments, but there the industry has largely prevailed. And there are essentially no controls."

The practical effect of this debate last spring seems to have been poor communication between Ray's bureau and arms control officials concerned with the impending West German-Brazilian deal. As Ray puts it, "They knew my position and they made every effort to keep me and my bureau out of it."

Perhaps the fairest assessment would be to say that it pointed up poor coordination within government, and between government and industry, in a critical area of foreign policy. Seemingly with this in mind, Fred C. Iklé, the director of ACDA and still a dominant voice in the setting of nuclear export policy, has spoken recently with officials of U.S. supplier companies and with ERDA administrator Robert C. Seamans, Jr., in an effort to clarify the government's position and improve communications. "More will be done," Iklé said in a brief interview. "U.S. companies are entitled to be kept fully informed of the constraints on nuclear technology exports."

[From Parade magazine, July 20, 1975]

NUCLEAR POWDER KEG

(By Lloyd Shearer)

The world's nuclear sales market is growing rapidly out of control. There are fewer restrictions attached to what recipient nations can and cannot do with their nuclear hardware.

Do you remember how deeply much of the World was shocked in May, 1974, when India detonated an atom bomb? From which country did India get its nuclear plant and know-how? From Canada.

The U.S. has sold South Korea a nuclear power plant. South Korea claims it has nuclear bomb knowhow.

The Soviet Union has reportedly agreed to sell Libya a nuclear power plant. Suppose Libya tests an atomic bomb someday? How far can the world be from nuclear holocaust?

In 1968 when the Nuclear Non-Proliferation Treaty was signed, its critical flaw was that it did not bar nuclear trade between non-NPT nations. As a result such non-NPT states are free to build or generate nuclear materials outside the supervision of the International Atomic Energy Agency (IAEA).

Of the 25 countries which at this writing possess nuclear technology, only 15 have signed the Nuclear Non-Proliferation Treaty. And even some of those who have signed are selling nuclear technology without requiring a full nuclear fuel cycle to be placed under IAEA safeguards.

"There is an urgent need," insists Sen. Abraham Ribicoff (D., Conn.), "to require entire fuel-cycle safeguards as a condition of nuclear sales. There is also an urgent need to ban the export of reprocessing plants in order to prevent non-weapons states from gaining the individual capability to produce material for nuclear explosives."

This business of unconditional nuclear sales stands a very good chance of eventually blowing up the whole world.

[From the New York Times, July 20, 1975]

A NUCLEAR PEACE-PROFIT MOTIVE

(By Paul Lewis)

WASHINGTON.—It's not every day that the United States can strike a blow for world peace and consolidate a commercial advantage at the same time. But President Ford is trying at least, with his recent moves on nuclear energy.

Last month, the White House disclosed its plans to step up American uranium enrichment capacity to help meet the world's growing demand for nuclear reactor fuel. But almost simultaneously there came authoritative word of a secret American initiative to prevent the spread of this technology to other countries, lest the technology lead to spreading ability to make nuclear explosives.

In April and again in June, the world's principal exporters of nuclear equipment—the United States, Britain, West Germany, Canada, France and the Soviet Union—met behind closed doors in London. Another session is planned for September. The aim of the talks is to limit sales to other countries of both enrichment plants and plants for reprocessing spent reactor fuel, which yields explosive plutonium.

If an accord is reached, the world may well become a safer place. But at the same time, the members of the London group would be reinforcing their present virtual monopoly of the enrichment trade—and the

new capacity President Ford wants to see built should ensure that the United States retains its dominant, although recently eroded, position among them.

The Administration has made no bones about the commercial advantages of sharply stepping up domestic enrichment capacity. Last year enriched uranium exports brought in some $421-million and in the 1980's some estimates suggest they could reach $5-billion, as the increased cost of oil makes nuclear reactors more attractive as a source of electrical power.

But there is the shortage of capacity. The United States has been unable to accept (future supply) contracts since June, 1974. And although the European Economic Community countries still get 80 per cent of their enriched materials from America, they are increasingly turning to the Soviet Union as they wait for their own newly planned capacity to come into production in the 1980's.

To make sure it does hang onto a big slice of the reactor fuel market, the Administration has made three broad proposals. The main one is to end the Federal Government's traditional monopoly on uranium enrichment by allowing private companies to construct three plants by 1983 (there are three existing Government-owned ones). By the end of the century more than 10 new plants may be needed—all privately run.

But the Administration doubts whether private industry would be willing or able to shoulder the risks of working with hitherto secret Government technology involving huge outlays (each plant costs about $3.5-billion) without some guarantee against unexpected trouble.

So it is asking Congress to give it the right to buy back the first three plants at least, should problems develop paying the constructors up to $8-billion in compensation if the fault is not their own.

Finally, the Administration is seeking to put the whole enrichment process on a more commercial basis. The technology is to remain secret and be confined to American hands. And the Government is to make sure all sales are for peaceful purposes. But foreign interests would be able to invest in the new plants and pricing policies would be freed up.

If Congress agrees to these suggestions, then the Administration believes that Uranium Enrichment Associates (a consortium of the Bechtel Corporation and Goodyear Tire and Rubber) will build the first of the three new plants at Dothan, Ala., using the gaseous diffusion method.

Other groups, including Centar (Exxon Nuclear and the Garrett Corporation) have shown interest in the newer centrifuge technique, which is likely to be used in all subsequent plants.

Environmentalists are expected to attack the Administration's enrichment plans as unsafe. But in Congress the major battle is likely to be over the wisdom of allowing private interests to enter the enrichment industry.

Security is bound to be one concern. Senator Abraham A. Ribicoff, Democrat of Connecticut has just introduced a bill, for example, that would further tighten export controls on enriched materials.

The main question, however, is, whether the Government would be better advised to itself reap the benefits of an enrichment technology developed at vast public expense, rather than hand it over to private industry and even throw in a guarantee against unexpected problems.

At the moment, the three functioning United States Government enrichment plants are all run under contract by private companies. Goodyear Aerospace is responsible for the plants at Portsmouth, Ohio and Paducah, Ky. Union Carbide runs the plant at Oak Ridge, Tenn.

The technology was originally devised at Government expense largely for military purposes, but today the plants' main customers are civilian—private utility companies in the United States, and foreign reactor owners. The Administration therefore believes that any further capacity would be more appropriately built by private interests than by the Government.

It also argues that the total cost of its recommended program—an estimated $30-billion during the remainder of the century—is too high for the public purse. Also, there are assertions that foreign purchasers would feel more secure dealing with a private supplier than with Washington, whose attitude might be influenced by political factors.

In contrast with the ambitious enrichment plans, the Administration remains uncertain about the outlook for the reprocessing of spent reactor fuels—although the London group is particularly concerned about the spread of this technology since it provides an easy source of plutonium that can be used for weaponry.

At the moment, commercial reprocessing is still in its infancy, both from the technical point of view and because no one is yet sure how to dispose of reactor waste products, which stay radioactive for centuries.

The Government has no functioning commercial reprocessing plant at the moment. General Electric has run into serious technical problems with its plant at Morris, Ill., and Nuclear Fuel Services, Inc. (a subsidiary of the Getty and Skelly Oil companies has closed its facility for modifications and will not be back in business for another year or so.

If the London talks produce a ban on the export of enrichment and reprocessing technology from any of the countries involved, these countries may well reserve themselves a large slice of the market—but they would not have a complete monopoly.

Brazil, for one, has just bought enrichment and reprocessing plants from West Germany and India and China have developed their own technology.

The members of the London group might also deliberately undercut their own reprocessing industries by fostering a worldwide chain of regional plants under international supervision. The United States has suggested this as one way of stopping the spread of national owned plants without appearing to discriminate against small reactor-owning countries.

But until this becomes economically feasible, an alternative approach is for reactor-exporting countries to undertake the reprocessing of spent fuel themselves.

An effective agreement will not come easily.

Nations like France and Russia are traditionally suspicious of international cooperation in this field and there is a general determination not to allow the United States to monopolize the trade in the name of nuclear-nonproliferation.

Finally, the participating countries are embarrassed that they might appear to be forming an energy cartel on the lines of the Organization of Petroleum Exporting Countries.

MEMORANDUM OF UNDERSTANDING ON MISSOURI RIVER

Mr. McGOVERN. Mr. President, there is considerable confusion over the impact of the Memorandum of Understanding between the Department of the Army and the Department of Interior in relation to marketing of water stored in the main stem reservoirs of the Missouri River.

For that reason, I was pleased that the Subcommittee on Energy Research and Water Resources of the Senate Committee on Interior and Insular Affairs has held hearings on this matter and is continuing to look into the various ramifications of the agreement.

Mr. President, I ask unanimous consent that my statement and that of South Dakota Gov. Richard F. Kneip to the subcommittee be printed in the RECORD.

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

STATEMENT OF SENATOR GEORGE MCGOVERN

Mr. Chairman. I am pleased that you have called these hearings to take testimony in relation to the "Memorandum of Understanding" that was signed by the Secretary of the Army and the Secretary of the Interior earlier this year for the purpose of marketing water for industrial purposes from six main stem reservoirs of the Corps of Engineers on the Missouri River.

It seems to me that the central issue that must be resolved is whether the Congress should continue to exercise control over the disposition of these waters or if that authority should now reside in the Executive Branch through devices such as this "Memorandum of Understanding".

Although this agreement was under consideration by the Department of Army and Interior for several years, no information was provided to the South Dakota Congressional Delegation in relation to it until after the agreement was executed. We had no opportunity for comments, no administrative hearings were held, the people of our State were not asked for recommendations and the entire matter was handled in such a way that the interests, wishes and opinions of the citizens of South Dakota and their elected representatives were never solicited.

We assumed, quite rightfully, I believe, that the mandate of the Congress and the pledge of successive national Administrations under the Pick-Sloan Act of 1944, as amended, in relation to Missouri River waters would be implemented.

That legislation was supported by upper Midwestern Congressional Delegations because it met the specific needs of the entire area. Essentially, the large dams on the Missouri were constructed to prevent downstream flood damage which amounted to billions of dollars over the years and to provide those associated with the Bureau of Reclamation's grid system with a source of hydro-electric power generation. Those promises have been kept.

In exchange for giving up substantial amounts of land for reservoir use, the upstream water storage states were promised that the waters behind the great Missouri River impoundments would be utilized for beneficial purposes within the states themselves. These included irrigation, municipal and industrial water use and recreation.

South Dakota relinquished over 500,000 acres of rich river bottom land and wildlife habitat for the Missouri Reservoirs. We did so in recognition of the pledge of the federal government that we could use the water.

At the present time, the Oahe Irrigation Project, which envisions the irrigation of some 600,000 acres of land, is under construction. A pipeline in the northern portion of Lake Oahe to provide water supplies for the counties of Walworth, Edmunds and Brown is under study, a pipeline from Lake Francis Case running east to serve the City of Sioux Falls and intermediate municipalities along the route is now the subject of a feasibility study. A pipeline running west from Lake Francis Case to the Black Hills of

South Dakota to provide water and possible use for a Wyoming coal/slurry operation is under consideration. Various smaller irrigation districts and rural water systems are being developed. Municipal governments, chiefly in the James Riven Basin, are relying on Missouri River water to stabilize and improve their supplies.

All of this activity is predicated on the continuing pledge of the federal government that South Dakota would have the full use of this water. It is important to note that at this point in these developments we do not know—the federal government does not know—and there are no realistically reliable estimates—of the full extent to which these projects will require water from the Missouri mainstream reservoirs.

The "Memorandum of Understanding" seeks to market "surplus water" from the Missouri throughout a nine-state area for industrial purposes. It should be noted that at this critical time of energy shortage, the memorandum proposes that the industrial marketing of water "should take precedence over hydro-electric power generation".

At this point, we do not know the full extent of what "surplus" water may be available. The Memorandum has a declared life of two years, but the Memorandum states that "contracts executed pursuant to this ... shall not be affected by such termination". It is not realistic that any official would commit public or private funds to construct water access, storage and transport facilities without the guarantee of a long term contract under the terms of the memorandum.

It is my view that this Memorandum is premature. That it has not been prefaced with sufficient consultation with the Congress or with officials in the States most directly concerned. Certainly, we in South Dakota recognize that federal tax dollars were used to construct these reservoirs and that, to a degree, there is a national claim on this water. But the pledge and the commitment of the federal government to South Dakota and other upstream water storage states is clear.

Let us, therefore, determine through orderly, open and public procedures, approved by the Congress, the extent of any water that may be surplus to the needs of the water storage states in accordance with the long-standing commitment of the federal government. Such surplus water can then be marketed by the federal government in an effort to recover part of the costs of the impoundment construction and as envisioned under the Pick-Sloan Act of 1944. But let us not by some covert agreement among executive agencies attempt to sell off water that may be required to meet legitimate needs previously committed.

Mr. Chairman, I am requesting that the Subcommittee take appropriate action to set aside this "Memorandum of Understanding" and to call upon the agencies concerned to submit to the Congress such documentation as may be necessary to account for the water in the Missouri main stem reservoirs and then permit the Congress to determine what allocation shall be made.

STATEMENT OF GOV. RICHARD F. KNEIP OF SOUTH DAKOTA

Mr. Chairman and Members of the Committee, I thank you for the opportunity to appear before you today and speak to an issue which I believe is of concern to all of us.

I hereby submit to you this statement expressing extreme reservations about the current memorandum of understanding between the Departments of Army and Interior regarding marketing of water for industrial uses from the six main stem Missouri River reservoirs. I would like to explain my concerns and doubts about the memorandum. Further, I hope to explain why this important and complex issue of allocation and use of Missouri River water is of such concern and interest to the State of South Dakota.

SOUTH DAKOTA'S CONCERN

Inasmuch as four of the main stem Missouri River dams are located in South Dakota and some 32 million acre feet of storage are behind these dams, the State is vitally concerned with the management and use of this water. I am told that at the 1970 level of depletions, some 21.8 million acre feet of water annually flows through the State. This is a tremendous volume of water for a dry state such as South Dakota. The management and future use of this great resource will directly affect each and every person in South Dakota. The people of my State, as throughout the upper Missouri River Basin, are very sensitive to any moves that may affect the development and use of water from the Missouri River. Thus we are quite concerned upon learning of unilateral moves on the part of administrative departments in the Executive Branch of the federal government to significantly control and manage the use of Missouri River water without consulting the states or requesting Congressional authorization.

PRIOR ACTIONS

In order to understand our concern, one must recall some of the prior actions on the part of the federal government and state government concerning development of the Missouri River. In the early 1940's Congress directed the Corps of Engineers and the Bureau of Reclamation to prepare comprehensive plans for the development of water and related resources in the Missouri River Basin. Out of this planning came what is known as the Pick-Sloan Missouri Basin Program. The basic plans for the main stem reservoirs and for the use of water for irrigation, for power generation, for downstream navigation, and to reduce downstream floods was authorized in the 1944 Flood Control Act.

Anyone who has studied the records in developing the 1944 Flood Control Act recognizes the extreme conflicts between upstream and downstream states. In addition, there existed an extreme conflict between states' interests and federal interests as was defined at that time. As a result of these conflicts, the Congress drafted special sections into the 1944 Flood Control Act that provided protection for the use of water for future beneficial consumptive use to those states lying wholly or partly west of the 98th meridian. This would include South Dakota. The western governors and legislative leaders at that time were quite insistent upon retaining the right to use and control water in accordance with state interests and rights. These early leaders were farsighted enough to recognize that the future of many of the states of the Missouri River basin would depend upon the beneficial use of water. That same dependence exists today, and even more so.

In 1944 the major consumptive use was anticipated to be irrigation. As the main stem reservoirs were constructed through the 50's and early 60's, agriculture production increased at such a rate that crop surpluses became the norm. As a result, irrigation as was promised to the upstream states in the 1944 Flood Control Act was not pursued as vigorously as anticipated. It is my opinion that now and in the next few years the agriculture crunch will hit this nation as it has hit other parts of the world. Increasing agricultural production, in my state as throughout much of the upper Missouri River Basin, will occur in large part through increased irrigation. At the same time the need for increased energy production has hit the nation. The Northern Great Plains area has a tremendous quantity of coal resources. In order to develop these energy resources, water will be necessary.

It is my belief that the region itself, speaking through its local elected officials must determine how the conflict between water for energy and water for agriculture will be resolved.

As industry moves into the area, demands for the necessary water supplies have been created. This is evidenced in the requests and applications that have come before state and federal officials for the use of Missouri River water. The federal agencies, primarily the Corps of Engineers and Bureau of Reclamation, were uncertain as to how to handle these major industrial water requests. Thus a year and a half ago, the Department of Army and Department of Interior officials in Washington requested that an "Ad Hoc Committee on Water Marketing" be established in the region to explore these issues. A special Ad Hoc Committee composed of the Chairman of the Basin Commission, the Army Corps of Engineers representative, the Department of Interior representative, and the Vice-Chairman of the Basin Commission was established. Unfortunately, the questions addressed to the Ad Hoc Committee were insufficient in meeting the total issue. The Ad Hoc Committee tried to develop adequate answers and make recommendations on issues involving municipal and industrial water marketing from the six main stem federal reservoirs on the Missouri River.

In developing these recommendations, the wishes of the states were not, in my opinion, adequately considered. Therefore, I wish to bring to the attention of this committee a list of six points prepared by representatives of each of the ten basin states on June 5, 1974, which were submitted to the Ad Hoc Committee.

Some of these points were included in the recommendations of the Ad Hoc Committee but not necessarily all. Also several important sub-issues were not resolved in the Ad Hoc Committee's report. Among these sub-issues were the designation of a marketing agent; the specification of the marketing authority; and the exact water charges that would be made for industrial purposes. The important point here is that agreement could not be reached on what authority the federal government was exercising in approaching the marketing issue nor what agency could take the lead.

Subsequently, and over eight months later, the Secretary of Army and the Secretary of Interior unilaterally agreed in a memorandum of understanding dated February 24, 1974, that the Department of Interior would be the marketing agency for a two-year period. I am sure each of the Committee Members have seen the memorandum of understanding and will recognize that the memorandum goes far beyond the matter of designating a marketing agency.

The memorandum states that the Secretary of Interior shall determine how much water from the main stem reservoirs that had been allocated to irrigation is in excess of that needed for present irrigation and for the probable extent of future irrigation. In addition, the Secretary of Army shall determine how much of the water determined by the Secretary of Interior to be excess to present irrigation needs can be made available for industrial uses. Note that in these two instances the states are completely ignored with regard to making this determination. In view of the states' interests and rights in water utilization and control for beneficial consumptive use as guaranteed by the 1944 Flood Control Act, it seems strange that the Secretary of Interior and the Secretary of Army can arbitrarily make these decisions. It also appears strange that in view of the several recommendations coming out of the Missouri River Basin Ad Hoc Committee which included deliberations by the ten Missouri River Bason states, that these

decisions would be made unilaterally by the federal agencies without state input or Congressional authorization.

MODIFICATION OF MEMORANDUM

It is believed Congress, acting through this or other Committees, should direct the Department of Interior and Department of Army to modify the memorandum of agreement in order to meet clearly the needs of the states in the Missouri River Basin. While it is recognized that assignment of responsibility in issues of this magnitude is desirable, I would certainly urge that such assignment be on a more formal basis and that such assignment be on an extended period of time rather than the limited two-year period.

It is also recommended that any modification of the memorandum should recognize other recommendations of the Ad Hoc Committee and should recognize the needs and the desires of the affected states. In determining the extent of allocations of water necessary should be carried out through the Missouri River Basin Commission. South Dakota, like many of the Upper Basin States, is currently working on identifying its needs for agriculture, municipal, and industrial uses in view of changing conditions.

The Missouri River Basin Commission carries all of the necessary authorities and responsibilities in reaching a concensus position on these matters. The states' destiny must be recognized in matters as important as the basic allocation and use of water supplies of its area.

I would hereby call upon the Executive Branch to modify the current memorandum of understanding to reflect the following:

(1) Constrain the agreement to heavy industrial water uses only;

(2) Include consultation with the several states involved in determining the amounts of water available for heavy industrial uses;

(3) That use of water for industrial purposes shall follow state law and obtain the necessary state water permits;

(4) That a pricing policy be adopted that reflects the necessity to compensate the basin's account for revenue foregone due to reduced power generation in downstream power plants; and

(5) Allow the states to determine the ultimate user charges to reflect the states interest.

If we are to have meaningful federal, state, local relationships in planning and developing the water for the good of our people and of our nation, then the needs and desires of the states and of the local people must be taken into consideration.

I respectfully request the Members of this Committee to review this matter very closely and to develop the necessary policies and actions that will allow the states to meet the needs now and in the future for our area of the nation.

Again, I thank you for the opportunity to appear before you and I wish you success in your deliberations in these matters.

PROPOSED AMENDMENT TO VOTING RIGHTS ACT OF 1965

Mr. STONE. Mr. President, I wish to alert the Senate as to my intention to join the senior Senator from Florida (Mr. CHILES) in offering two amendments to H.R. 6219, an act to amend the Voting Rights Act of 1965. Senator CHILES and I intend to discuss these amendments in detail at the appropriate time, but for the moment I merely want to state that our amendments are designed to remove certain Florida counties which would otherwise be brought within the coverage of the new proposed provisions.

H.R. 6219, as passed by the House of Representatives, would extend the Federal Government's authority as outlined in the present Voting Rights Act to States and political subdivisions which are alleged to have engaged in discrimination in registration or voting with respect to language minorities. This extension is brought about through application of a formula which includes not only States and political subdivisions with respect to which there have been serious allegations of discrimination against language minorities, but also includes a number of counties and political subdivisions for which there is absolutely no evidence of such discrimination.

Because the Senate does not have the benefit of the Senate Judiciary Committee's review of the rather complicated formula which the House has adopted in H.R. 6219, it is difficult for the Senator from Florida to know exactly how many and which Florida counties may be brought within the coverage of H.R. 6219. However, it is my understanding that at least five, and possibly seven Florida counties—Collier, Dade, Glades, Hardee, Hendry, Hillsborough, and Monroe—would be covered by title II and title III of H.R. 6219.

Mr. President, I respectfully submit that there is absolutely no basis for applying the Voting Rights Act to Florida or to any of its counties. Neither the House nor Senate Judiciary Committees have collected one scintilla of evidence or even allegations of discrimination by Florida or any of its counties against language minorities. The U.S. Commission on Civil Rights in its most recent and exhaustive report on discrimination in voting makes no reference whatsoever to Florida or to its political subdivisions in this connection. My office has received not one letter or complaint of any kind alleging discrimination against language minorities in registering or voting in Florida. Yet H.R. 6219, as passed by the House of Representatives, would impose the legislative presumption of discrimination and apply the sanctions of the Voting Rights Act to five to seven Florida counties.

This would not be wise policy. The bill in its present form would not be justified by its legislative factfinding. Indeed, to apply the Voting Rights Act to jurisdictions with respect to which there is no evidence of discrimination would be to undermine the effectiveness of a law which has been widely praised as contributing to the right of Americans regardless of race to participate in our political process.

Mr. President, both Senators from Florida have already voted for cloture on this bill and therefore shown ourselves to be without desire to delay its consideration. We hope for adoption of our amendments in the best interests of the legislative intent of the bill.

ANNOUNCEMENT OF POSITION ON VOTES

Mr. STEVENS. Mr. President, while necessarily absent from my Senatorial duties on Friday and Saturday, June 20 and 21, I was unable to participate in the rollcall votes on Senate Resolution 166, the New Hampshire Senatorial election contest, and H.R. 6900, unemployment compensation. For the RECORD, I hereby indicate how I would have voted had I been present:

VOTES ON S. RES. 166, NEW HAMPSHIRE SENATORIAL CONTEST

Vote No. 234—Helms unnumbered amendment, yea.

Vote No. 235—Weicker unnumbered amendment, yea.

Vote No. 241—Bartlett unnumbered amendment, yea.

Vote No. 242—Motion to table Brock amendment No. 603, nay.

Vote No. 243—Weicker unnumbered amendment, yea.

VOTES ON H.R. 6900, UNEMPLOYMENT COMPENSATION

Vote No. 236—Curtis unnumbered amendment, nay.

Vote No. 237—Motion to table Chiles unnumbered amendment, nay.

Vote No. 238—Chiles unnumbered amendment, yea.

Vote No. 239—Long unnumbered amendment, yea.

Vote No. 240—Final passage of H.R. 6900, unemployment compensation, yea.

RECESS UNTIL 11 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 recess until 11 o'clock tomorrow morning.

The motion was agreed to; and at 7:22 p.m. the Senate recessed until tomorrow, Tuesday, July 22, 1975, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate July 21, 1975:

IN THE MARINE CORPS

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

Donnelly, Thomas E.

The following-named (Naval Reserve Officer Training Corps) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Blehm, Michael R.
Reuter, James M.

IN THE NAVY

The following named officers of the U.S. Navy for temporary promotion to the grade of chief warrant officer, W-3, subject to qualification therefor as provided by law:

Abbruzzese, William Charles
Abele, Robert
Adams, James Paul, Jr.
Adams, Orland Irving
Adkins, Edward James
Albertin, James Marcellus, Jr.
Allen, Charles Edward
Allen, Duke Duane
Allum, Arthur Eugene
Alston, Moses Donald
Altman, Kenneth Bruce, Jr.
Amber, Lawrence Wayne
Anderson, Charles Leroy
Anderson, David Jarvis
Anderson, Edward William

Anderson, Jeffrey Lee
Anderson, Robert Kirby
Angel, Russell Bennie
Anisko, Stanley Ronald
Armstrong, Thomas Lee
Arnold, Charles David
Arnold, David William
Asbury, Virgil Wayne
Ascione, Raymond Armond
Atchison, Laurence Joseph H.
Attebury, Ervel Earl
Aultman, William Ronald
Axelrod, William Harold
Ayers, David George
Azzole, Peter Joseph
Baca, Eduardo Flavio
Bacon, William Fritz
Bailey, Bruce
Bailey, Dallam
Baker, Charles Samuel
Baker, Raleigh Duncan, Jr.
Bakken, Merle Wesley
Baldwin, John Bernard
Baldwin, Robert Earl
Balkit, Edwin Francis
Bargelski, Michael Joseph
Barker, Loyd Nolan
Barnett, Otis
Barrick, Ronald Eugene
Barry, Michael James
Bates, William Arthur, Jr.
Baylor, Edward Kirk
Bean, Wilfred James
Beatty, Ralph Lewis
Beck, Donald Dean
Beck, Harold Robert
Becker, William Elliott
Beckman, John Walter
Bell, Dennis Edward
Bellflower, James Alvin
Bellflower, Robert Jerome
Benacci, John Louis
Berkheimer, Thomas Eugene
Best, Jackie Howard
Betancourt, Alberto Lino
Bigelow, Jerry Blaine
Bigelow, Johnathan Michael
Biles, Richard Carey
Bissonnette, John Raymond
Blackmore, Thomas Orlin
Blackstone, Franklin Arthur
Blair, Richard
Blake, Ronald Joseph
Bliss, Robert Eugene
Boatright, Thomas Eugene
Boehl, Richard William
Boggs, Donald George
Bolton, Frederick A.
Bookwalter, James Monroe
Boon, Gene Roland
Booz, Charles Glacken, Jr.
Boozel, Lee Hall
Borner, Wesley Francis
Borno, Louis Michael, Jr.
Bottorff, Jerry L.
Botwright, Richard Edward
Boycourt, Ivon George, Jr.
Boyd, Woody Don
Boyden, John Parker
Boyles, Ronald Edward
Braddy, James Roger
Bradley, Frederick Charles
Brady, William Elliott, Jr.
Bragg, Noel Warren
Brandon, George Aaron
Branson, Jack Randall
Brant, James Lee
Braswell, Macarthur Delano
Breslin, Joseph James, III
Brice, Gerald Thomas
Briggs, Frederick Lane
Briggs, L. J.
Briley, Earl D.
Brink, John Heath
Brissette, Richard James, Jr.
Brittain, William Gordon, Jr.
Brittingham, Robert Peter
Brooks, James Alden
Brooks, Richard Darnell
Brown, Gregory Francis
Brown, Leroy Allen
Brown, Lynn Boyce
Brown, Richard Earl
Brown, Tommy Albert
Brownhill, Lloyd Douglas
Bryant, Harold Wayne
Buckhold, Fred, Jr.
Bunosso, Anthony Thomas
Burgess, Thomas Charles
Burns, John Francis
Burns, Joseph Henry
Burr, Eugene Watson
Burris, William Andrew
Burrows, Gerald Eugene
Buzzell, Ralph Coley
Byrne, Paul Michael
Cage, Benjamin Leroy
Cahoon, Doyle Edwin
Calabrese, Geoffrey James
Calhoun, Michael Alan
Cameron, Robert Ellis
Campbell, David Miles, II
Campbell, John Joseph, Jr.
Campbell, John Robert, Jr.
Campbell, Keith
Campo, Milton Peter
Cantrell, Eddie Jay
Carlson, Morris Edward
Carlson, Murl Norman
Carnes, David Franklin
Carpenter, Jeffery Robert
Carpenter, Robert Wayne
Carpenter, Russell Raleigh
Carter, Lee Deforest
Casey, Paul John
Cass, Arthley Delbert
Cassoutt, James Melvin
Catchpole, Frederick Ray
Cavanaugh, Thomas William J.
Cearley, Virgil Richard
Chandler, Susan Adair
Chartier, John Henry
Chase, Bruce Lane
Chase, Gilbert Paul
Chauddin, Thomas Joseph
Cheatham, Grady Kelvin
Chelgren, Karl Wood
Chesla, Frank John
Childress, G. H.
Chisholm, Van Edward
Christensen, Bo Gunnar
Christensen, Erick Thomas
Christnot, Edward Franklin
Clark, James Hamilton
Clark, William Phil, Jr.
Clayborne, Earl Kenneth
Cockrell, James Edward
Coleman, Richard Lyle
Coley, Anthony Allen
Collins, Jerry Ivan
Combs, Charles Richard
Combs, Russell Wayne
Concepcion, Apolinario T.
Conger, Cary Alan
Conklin, Kenneth Joseph
Conner, Roger Allan
Conners, Edwin James, Jr.
Connors, Daniel
Cook, Richard Dennis
Cooper, Charles Tarleton
Cooper, Charles Winford
Cope, Nathan James, Jr.
Corradi, Edward Bruno
Cox, Evan Duane
Cox, Travis Brian
Cozzolino, Andrew
Craigie, George Seater, Jr.
Crawford, Michael Wayne
Crowder, Joseph Henry
Crowl, Edward Allen
Cumings, Kenneth Wilfred, Jr.
Curtis, Harold Roger
Curtis, Ronald Warren
Dalton, Merrill Albert
Daly, James
Daugherty, Duane Lee
Davidson, Richard Charles
Davis, Francis Peter
Davis, Gerald Holt
Davis, Joseph Charlton
Davis, Levi
Davis, William George
Davis, William Harry
Dean, Thomas Derald
Delaney, Darrel Dwayne
Demarco, Jimmy Wayne
Dempsey, James Patrick
Denam, Harvey Elbert
Deneen, Brian Michael
Detmer, Charles Anthony, Jr.
Devlin, Donald Francis
Dewald, Bruce Frederick
Dickherber, Irby Joseph
Dickinson, Bruce Rae
Dickson, Lee Alan
Dillingham, John Morgan
Dinnel, David Lee
Dixon, James Wiley
Dixon, Loren Kenneth
Doan, Carl Edwin
Dodson, Doyle Wayne
Doherty, Patrick Dennis
Donnawell, Denis Joseph
Donnelly, John Patrick
Dooling, Franklin Joseph
Doran, Frank Edward, Jr.
Dote, Michael Kenneth
Dougherty, Patrick Joseph
Dove, Henry Frank, Jr.
Dowty, Bobby Leon
Doyle, David Michael
Dozier, Carroll Dean
Drane, Robert Louis
Driscoll, Michael Brian
Duff, William Harold
Dukes, Donald Carl
Duncan, Danny Ray
Dunn, Jerry Allen
Dunn, John Paul
Eccleston, John Milton
Edmonds, Franklin Andrew
Eighmey, Louis Wayne
Ekdahl, Matthew Michael
Elfry, George Gordon
Emerick, Donald Neal
Engdahl, Craig Albert
Engelman, Robert H.
Englebracht, Frank James
English, James Truman
Eno, James Michael
Enos, Russell William, Jr.
Erickson, Alvin Bernard
Erickson, Edwin Edgar
Eshleman, Joe Kenneth
Eubanks, Vernon Ray
Evans, David John, Sr.
Evans, Gary Wayne
Evans, James Marvin
Fahner, Richard Byron
Faircloth, John B.
Fairweather, Bruce Arthur
Faltisek, Dale Wallace
Farley, David Edward
Faulk, Robert Leon
Ferguson, James Henry, Jr.
Fichte, Siegfried
Fichter, Paul Harold
Field, Philip Howard
Fisher, Charles Jonah, III
Fisher, Roy Francis
Fitzhugh, Gary Lowell
Flaherty, Gerry Allen
Fleet, George Barry
Flores, Pablo Jimenez
Fluck, John Denton
Foley, James Robert, Jr.
Ford, Terrance Jay
Formby, Roy Gene
Fortier, Charles Henry
Fox, Ronald Gene
Fraker, Jackie Paul
Frederick, Herbert Edward
Frese, David John
Fuller, James Russell
Fuller, William James
Furst, David Eugene
Gaffey, John Anthony Arthur
Gaffrey, James Thomas
Gailes, Thomas James
Gaines, Eugene
Gancel, John Edward
Garon, Norman Gordon
Gates, Franklin Charles

Gay, Vurgel Isham
Gee, James Truft
Genin, Louis Paul
Gentry, Ronald Earl
German, William Edgar
Gestalter, Rolf Jurgen
Gibson, Leighton Scott, II
Gibson, Walter
Giersch, John Lloyd
Gilbert, Jon Charles
Glidden, Eric Stanley
Glow, Dennis Norbert
Golden, Larry Frederick
Golden, Richard Ford D.
Golembiowski, Ronald Francis
Gonzalez, James
Good, Steve Harold
Goodner, William Fleming
Goodnough, David Gene
Goracke, Mickiel Richard
Gorday, Vivian Wyndell, Jr.
Gordon, Harry Jay, III
Gott, William Truman
Gracia, Javier
Graham, Thomas Hugh
Grant, John Donald
Greer, Arthur Wesley
Greve, Kenneth Rudolph
Griemsmann, Robert Richard
Grutta, Frank Terrence
Guest, Lyman Hinckley
Gullixson, Dean Richard
Gundersen, Edward Merlees
Gustin, Bruce Albert, III
Hafer, Larry Ernest
Hale, John Frederick
Hall, Allen Eugene
Hall, Jackie Ray
Hall, Richard Thomas
Hall, Terry Allen
Hamler, Walter Earl
Hammontree, James Don
Hanson, Peter J.
Haraldson, Ronald Frank
Harless, Larry James
Harris, Gerald Wesley
Harris, Robert Ray
Harrison, Paul Walker
Hart, Ronald Lee
Hartman, Keith Eugene
Harvey, Fred Seldon, Jr.
Haskell, Brian Stillman
Haskell, Charles Warren, Jr.
Haskins, James Harold
Hasting, Robert Thomas
Hatch, John Michael
Hawk, Billy Wayne
Haynes, Arthur Dean
Haywood, Louis Frank
Hearn, George Henry
Hedelund, Richard Donald
Henderson, Harold Dean
Henry, Eldon Paul, Jr.
Herron, Delmar Clarence, Jr.
Hieber, Raymond Arthur
Highlander, Lucian P., Jr.
Hinen, Norman Leo
Hines, William Joseph
Phipps, Frank Patrick
Hitchcock, James Oran
Holland, Richard Aaron
Holloway, Wilmer Wayne
Honer, John Garland
Hood, Sam Otis
Hoover, Adrian Edgar
Howard, John Allen
Howard, John Leon
Hudek, Franklin Robert
Huffman, Arthur Earl
Hughes, Arthur Francis, Jr.
Hulse, Reynold Nelson
Hunsinger, Arnold Lee
Hunt, Douglas Leon
Hunt, Roy Lee
Hunter, Thomas Dorsey
Hussey, George Owen
Hutchins, George Ralph
Hutchins, Robert Thomas
Hyster, David Robert
Ingram, John Edward, Jr.
Innella, Michael James
Ireland, John Alfred, Jr.
Jacks, Curtis Dana
Jackson, Bernard Thomas
Jackson, Charles Richard
Jackson, Daniel Franklin
Jackson, Robert Dennis
Jacobs, Harold Lawrence
James, Joseph David
Jennings, Gary Harold
Johnson, Jack Monroe
Johnson, James Daniel
Johnson, Lester
Johnson, Patrick Henry
Johnson, Paul Roald, Jr.
Johnson, Troy Rollen
Johnson, William Stanley
Johnston, Larry Sherman
Jones, Arthur Hunt
Jones, Buck Perry
Jones, Howard Lee
Jones, Preston Leon
Jones, Thomas Edward
Joriman, Michael Louis
Joyce, Richard Caleb
Joye, Jerry Harris
Judisch, Carl Winchester
Julian, Thurman J.
Justet, Patrick Kelly
Juszkiewicz, Walter
Kaye, Donald D.
Kea, John William
Keawf, John Kealohapoinaole
Keesling, Robert Alfred
Kempa, Aloysius Francis
Kennedy, John Patrick
Kern, Phillip Edward
Kerns, Harold Earl, Jr.
Killen, Leo John
Kirby, James Colin, Jr.
Kirby, Wayne Edward
Kirkland, James Robert
Kirkland, Ronald Eugene
Kisslinger, John Lawrence, Jr.
Klinehoffer, Larry Bruce
Knapp, Frank Charles, Jr.
Knight, Cletius Delaine
Knueppel, Wolfgang Werner
Koch, Harry George
Koder, Thomas James
Koehler, Gerald Dean
Kowalski, James Anthony
Kraft, Michael Joseph
Krauss, Donald Juan
Kroeger, Daniel Robert
Kruger, Frederick Leo, II
Kuenzinger, James Robert
Lacambra, Joseph Louis
Lachance, Dennis Robert
Lafleur, William John
Laib, Duwaine Leroy
Lambert, Carlton Dewey
Lambing, Edward Wagner
Lambky, Max Oliver
Lancharic, James Vincent
Lane, Jerry Paul
Lane, Robert Thomas, Jr.
Lanzner, Richard Charles
Laporte, Charles Richard
Larson, Jerome Gilbert
Lathrop, Bobby Gerald
Lavigne, David Edgar
Law, George Louis
Lawler, Glenn Hamilton
Lawrence, Thomas Michael
Leach, John Walter
Lebert, David Lewis
Lemcool, Richard Joseph
Lemere, Dean Joseph
Lemley, John Irby
Ligon, Thomas Michael
Lindholm, Glenn Roger
Llewellyn, Ronald Alexander
Locke, Edward Stephen
Loftus, William Michael
Logan, Howard Lucas
Long, Gary Allen
Long, Tommy, Sr.
Look, Richard John, Jr.
Lord, James Marion
Love, James Joseph
Lovejoy, Paul Gordon
Lovering, George Randall
Lovett, Joel Dyane
Lovett, Woodrow Wilson, Jr.
Luce, Loran Loraine
Lucey, James William
Lukens, Frank Alan
Lunt, Robert Thomas
Luper, Kenneth Dale
Luther, Edward Morris, Jr.
Lynch, Ronald
Mack, James Elmer, Jr.
Mack, Judson Claude
Madson, Jerome William
Maguire, Thomas Francis
Mahoney, John Michael
Malin, Leslie William
Malone, Henry Billy
Maney, Timothy Joseph
Mangrum, Willie Ray
Manley, John Joseph, Jr.
Manogue, Edward M.
Maples, Dero Matthew, Jr.
Marchi, Joseph Arthur
Marinacci, Charles Rudolph
Marquis, Wesley Holmes
Marshall, Robert George
Matula, Melvin George
Maurer, Paul Michael
May, Robert Allen
McAilister, Archibald A.
McCarstle, Richard Wayne
McCarthy, Edward Joseph
McClendon, Edward Earl
McCluskey, Arthur Pete
McClymonds, Samuel Lyman, Jr.
McCollum, James Wayne
McConville, Brian Sean
McDaniel, Eldon Leroy, Jr.
McDermott, Kenneth Robin
McElhinney, William James
McGlothen, James Benjamin
McKay, Conlon Gabriel
McKenzie, Thomas Harrison
McKinney, George Richard
McManus, Floyd Lanier
McManus, Michael Paul
McManus, Roger Thomas
McMullen, John William
McNabb, Donald George
McWilliams, George Randolph
Meadows, John Randolph
Meeks, John Dennis
Mercy, Richard Alton
Mergen, William Lynnwood
Merriman, Gerald Eugene
Merritt, Ronald James
Messer, Mitchell Franklin
Messinger, Joseph Leo
Metcalf, Robert William
Metzger, Ronald Earl
Miles, David
Millard, Ronald Eugene
Miller, Earl Yonts
Miller, Edward Lee
Miller, Harry Francis, Jr.
Miller, Paul Elliott
Miller, Richard Edwin
Millwood, William
Minnick, Hubert Wayne
Minnis, Jessie Clifford, Jr.
Mixson, Frank Lee
Moilanen, Thomas Edward
Monday, James Arthur
Montoya, Kenneth Edward
Mooney, Jerry Dale
Moore, Donald Ray
Moore, Gilbert Jennings
Moore, Johnnie Clifton, Jr.
Moore, Richard Allen
Morris, Erwin Carl, Jr.
Morris, Louis Everett
Morris, Thomas William
Morrison, James Samuel
Morrison, Ronald Gene
Mosher, Robert Dean
Moss, Curtis
Mow, Warren Charles
Mowery, Kenneth Lee
Muir, John Charles
Mullinax, Roger George
Mundy, Charles Thomas, Jr.

Murphy, Patrick Joseph
Mutch, John Russell
Nagy, Francis
Nance, Roger Allan
Naugle, Herbert
Navarro, Ernest Lee
Neal, Robert Allan
Neeley, Carl Eugene
Neil, Robert Howard
New, R. E., Jr.
Nicholson, Jerry David
Nocon, Wenceslad Ordonez, Jr.
Noonan, John Jefferson
Norman, Carl Glenn
Nuti, Fred Tony
Oakes, Robert Paul
O'Connor, Gerald John
Odom, Phillip Marshall
Olivieri, Carl Michael
Olsen, Harvey Edward, Jr.
Olszewski, Richard Ted
O'Neil, James Roger
Opseth, Don Everet
Orr, Wayne Kenneth
O'Sullivan, John
Otto, Willmer Jerome
Ovsak, Gary Anthony
Owen, Harry Wilbert
Owens, Earl Virgil, Jr.
Owens, Richard Andy
Page, Mitchael Barry
Palmer, William Russell
Parker, Kenyon Brent
Parsons, Robert Mebane
Parsons, Walter Paschall
Patterson, Dale Francis, Jr.
Paulikonis, John Felix
Paulis, Foster William, Jr.
Paulsen, Howard Nicklas
Pavlidis, Jackie Anesty
Payne, Ronald Leroy
Pearce, Johnny Lee
Pearson, Richard Andrew
Peay, Larry Gene
Pedersen, James Nelson
Pennington, Tyrone Paul
Perry, William Furman
Petersen, John Steven
Peterson, Leon Cordell
Petska, Lyle Raymond
Petty, Marion Alfred
Peadenhauer, John Joseph, Jr.
Pfranger, Delavan Emmert
Pfuhl, John Francis
Phillips, Frankie Lenair
Phillips, Thomas Russell
Piccini, Peter Guy
Piccirillo, John Frank
Piepenhagen, Ulrich Guenthe
Pierce, Billie Joe
Pierce, James Arnold
Pierce, Lomes Lee
Pierson, Robert Gene
Pimm, Bruce Bernard
Pisano, Angelo Joseph
Pittman, Adrain Ray
Poch, Richard Roger, Sr.
Porter, Donald Lee
Poston, Charles Bernal
Potts, James Ellington
Powell, Wendell Samuel
Power, Jerry Ruel
Prewitt, Choyce Aulton, Jr.
Pribesh, John William
Proctor, Danny Lee
Puckett, Roy Donald
Querry, Calvin Harvadean
Rader, Samuel Walter
Ramsey, John Clifford
Ramsey, John Olan
Rand, Larry Lee
Randall, Bobby Lee
Randolph, George Harrison
Ratliff, Ruben Mitchel
Ray, David George
Rea, Jerry Ford
Reeves, Thomas Earl
Rehfield, Rooney Overton
Reilley, Miles Lee
Reilly, William Vincent, Jr.
Reitz, Richard David
Remer, James Wesley
Reynolds, Herbert Arlin
Rhine, Russell Leroy
Rhodes, John Albert
Rickard, Wayne Ellicott
Richards, Daniel Robinson
Richards, Jack, Jr.
Richards, Jerry Roger
Richards, Walter Dale
Riggs, Marvin James
Rivera, Edmond Roger
Roach, Frank Ellis, Jr.
Roberts, Donald Rae
Robinson, James Edward
Robinson, Robert Lenard
Rodeffer, Ronnie Lee
Rogers, Russell Edward
Roe, Paul Joseph
Rosenberg, Leo Charles
Roskoph, James Edward
Ross, Steven Scott
Rossfield, William Lloyd
Rotruck, Robert Rhett
Rouse, James William, Jr.
Rowe, James Frederick
Rowell, William Howard
Royster, David Michael
Rucker, Steven Warren
Ruddy, Charles Louis, Jr.
Rundgren, Conrad Leonard
Russell, Robert Donald
Ruston, Chuck Norman
Rutledge, Samuel C., III
Ruvbal, George Nifi
Rylander, Jon Leslie
Salavejus, James Leroy
Salka, Michael Stephen
Sanders, Thomas Allan
Saunders, Charles Michael
Sawyer, Thomas Eugene
Schander, Lawrence Elwin
Scheiner, Edward Charles
Schlomer, Gary Lee
Schmidt, William Allen
Schmitt, Geral William
Schneider, Charles Vaughn
Schneider, Richard Clarence
Schneider, Robert Thom
Schoenberg, William David
Schroeder, Kenneth Richard
Schropp, John Truman
Schuhl, Peter Charles
Schultz, Edward Joseph
Schultz, William Louis
Scott, Charles Byron
Seal, Warren George
Seaman, James Richard
Seaman, Kenneth John
Seitz, Gary Lee
Sewell, William John, Jr.
Seymour, Lyle Mark
Sgueglia, Alphonse Michael
Shank, John
Shappee Rudolph Terry
Sharkey, Edward Richard
Sharpe, Larry Robert
Shaw, Donald Francis
Sheffield, Robert Colton
Sheridan, Dennis Duane
Shermer, Thomas Gray
Shipley, Thomas Edward
Shoaf, Charles Wayne
Shuck, Ronald Glenn
Siar, Richard Kenneth, Jr.
Sides, John Elvin
Siedschlag, John Arthur
Siguenza, Emmanuel Steele
Simmons, James Arthur
Simpson, Halley Lee
Sirmans, Lance David
Slack, Robert Hazeltine
Sloan, Robert Crafton
Smallwood, James Victor
Smeltzer, Lowell Lamar
Smith, Danny Francis
Smith, Don Phillip
Smith, Donald Murl
Smith, Harold J. Frank
Smith, Henry Benjamin
Smith, Jeffrie Herman
Smith, Jerry Clifton
Smith, Randall Charles
Smith, Thomas Phillip
Smothers, Curtis Jerry
Snyder, Howard Robert
Snyder, Jerry Marvin
Solomon, Robert
Sontag, Alvin Jack
Sooy, Richard Allen
Sorensen, Ralph Milton
Spangler, Ralph Graham
Spann, Robert Westley
Spencer, Saundra Kay
Stahl, David Marfield
Stanbridge, Robert Edward
States, Michael Lloyd
Stauffenberg, Alfred W., Jr.
Stearns, Wesley Emory
Stefle, Terry Scott
Stegeman, Ronald Adam
Stephan, Herbert Adam
Stephenson, Van Carl
Stevenson, Billy Wayne
Stewart, William James
Stimpson, Gerald Neil
Stokes, Jerry Varnold
Stomboli, James Ralph
Storms, Richard Cole
Stout, Chester Henry
Stricklen, James Olen
Stuntz, Richard Lewis
Suchland, Everett Burdett J.
Sullivan, Mickey Don
Sulman, Bernard Ira
Svensson, Ike Lennart
Swagert, Lee
Swanlund, Donald Frederick
Swarner, David Miles
Swartz, Clinton Carl
Swayne, Richard Eugene, Jr.
Swepston, Carl Eugene
Szydlowski, Chester Peter
Talley, James Arthur, Jr.
Tanner, Richard Frederick
Taskoski, Joseph Leon
Taylor, Robert Eugene
Tewey, Lawrence Leo
Tharp, Burton Pollard
Thaxter, John Gordon
Thomas, Edmund K.
Thomas, Richard Tugh
Thompson, Clarence Elmer
Thompson, Danny Kent
Thompson, Robert Allen, Jr.
Thrift, Henry Samuel, Jr.
Thurman, Curtis Wayne
Tidd, Thomas Joseph
Timmermann, Arthur Leroy
Tindell, Joseph Thomas
Todd, Jerry Lee
Tomlinson, Johnny Stephen
Tompkins, Donald Noyes
Towkach, Paul
Trammel, David Grounds
Treubel, Craig Richard
Treziok, Walter Carl
Trimble, Charles Joe
Trimmer, Thomas Arthur
Truelove, Joseph Anton
Truitt, Benjamin
Tuckler, Mack Henry
Urben, Bruch Leroy
Vaden, Don Reese
Vannoy, Richard Thomas, II
Vasta, Alfio Joseph
Veatch, Otis Marshall
Vecek, Ralph Marlen
Vonfuchs, Stephen Herman
Vongehr, Kurt Joachim
Wagner, Michael Jerome
Walker, John Mont
Walloch, Adam Stanley
Walsworth, Danny Lee
Walter, Mervyn David
Wardean, John Francis
Warner, Douglas Eugene
Weatrowski, William John

Weaver, Lloyd Peter
Weavil, Richard Lawrence
Webb, John Allen
Webster, Charles Clayton
Weckerle, Richard Steven
Weeder, Courtland Craig
Welsh, Kenneth Henry
Werbiskis, James Joseph
West, Louis Frederick
West, Spencer Thomas, Jr.
Westphal, Warren Russell
Wetmore, Walter Gilbert
Wheelbarger, William Leon
White, Allen Eugene
White, Frank Charles
White, Kenneth Dewan
White, Ronald Gordon
Whiteley, Ronald Richard
Whittle, Ralph Duane
Wickham, Larry Ross
Wicks, Richard Harry
Widerburg, Oliver Leroy
Wiggins, James Dennis
Wilcox, William Lee
Wiley, John Edward
Wilhelm, Wallace Wayne
Willard, Jimmy Wayne
Williams, George Bruce
Williams, Luray Merle
Williams, Stephen Parker
Williams, Terrell Winston
Williams, Thomas Edward
Wilson, Harold Kirk
Wilson, James Harold
Wilson, John Edward
Wilson, Larry Lavon
Wise, Carlton Jerry
Wise, Herbert Frankferd
Wither, Mark Huntington
Wolff, Albert George
Wolford, Earl Lee
Wolstenholme, Albert Hayes
Wood, Albert Wayne
Wood, Donald Eugene
Wood, Kenneth Harold
Woodbury, John Searles
Woodring, Kenneth Duane
Woods, Ronald Wayne
Woodward, William Cleve
Woolnough, William Clark
Wright, James Homer
Wysocki, Ronald John
Yano, Laurence Akira
Yeatman, Richard Walter
York, Gerald Wayne
Young, Billy Darrell
Young, Donald Ray
Yount, Richart Fulton
Zabielski, Robert Allen
Zakrajsek, Michael Jerome
Zimmerman, Ralph Kendall
Zumbaugh, Charles Arthur

The following named officers of the United States Navy for temporary promotion to the grade of chief warrant officer, W–4 subject to qualification therefor as provided by law:

Abretski, Paul Robert
Acre, Clifton Harold
Adams, George Manley
Adams, James Leo
Alderman, Charles David
Allen, Benjamin Franklin
Allen, James David
Anderson, Charles Edward
Anderson, Charles William
Anderson, Merlin Francis
Arion, Ellsworth Eugene
Armour, Warren Thomas
Arnold, Arlen Elmo
Ashlock, Edward Lee
Avenson, Jerome Harvey
Backus, Irving Daniel
Bailey, Robert Chalmers
Baker, Clyde Ernest
Ball, Gary Edward
Banister, Robert Lee
Barber, James Walter
Barger, William Ray
Bargy, Philip Mason
Barnett, Francis Eugene
Barnhart, Edward Eugene
Barrett, Haskell Paul, Jr.
Barrows, Ray Lee
Bartley, James Arnold
Beabout, Robert Franklin
Beagle, Charles Blaine
Beck, Allen Earl
Becker, John David
Becker, Raymond Herbert
Beckley, Charles Dan
Berry, Thomas Monroe
Bertelsen, Duane Leland
Biernesser, James Carr, Jr.
Black, James Douglas
Black, Montie Duane
Board, George Robert
Bolton, Harold Leslie, Jr.
Bondurant, Curtis Charnell
Booker, Robert Sylvester
Boor, Leo John
Boorom, Robert Francis
Booth, Robert Walter
Boring, George Thomas
Boswell, William Stanley, Jr.
Bowers, William Edward
Boyd, Henry Lee
Brackett, John Woodburry
Brackett, Vincent George
Brantly, John Paul
Brasil, Robert Frank
Brisby, Richard Lee
Brooks, George Edward
Brophy, John Richard
Brown, Donald Claudean
Brown, Leonard Harrison, Jr.
Brown, William David, Jr.
Bryden, Kenneth Chester
Bucher, Hugh Alan
Buist, Andrew Robertson
Bureker, Robert Joseph
Busseno, Henry William
Butler, James Daniel
Byrd, Alwyn Millard
Cameron, Robert Murdoch
Capodilupo, Chester
Carlson, Robert Stanley
Carlton, Norman Lee
Carnell, John, Jr.
Carson, Allison Ledford, Jr.
Carter, Arthur Edward
Carter, Harry McClain
Carter, John George
Caspary, Kenneth Allen
Catter, Peter Baldwin
Chalmers, James Douglas
Chavez, Angelo Enrique
Chernegie, Michael Alexande
Chisholm, Leonard Marby
Clark, Harry Eugene
Cloutier, Lawrence Paul, Jr.
Coats, Daniel Michael
Cobb, Dwight Leroy
Cohl, Duane Edward
Comeau, Thomas Anthony
Converse, Charles Albert
Cook, Thomas Morriss
Cooper, James Oliver
Courtney, Walter Edward
Cousins, Jack William
Crawford, Charles Henry
Creel, Cecil Doyle
Culver, Louis Jean, Jr.
Curry, Samuel Grayson, II
Dailey, Leroy
Dallman, Roger Anthony, Sr.
Dame, Joseph Thomas, Sr.
Darr, Sammy Lee
Daughton, Gary Lee
Davenport, Eugene
Davis, Claude Wesley, Jr.
Davis, Edward Lyle
Davis, Robert Lee
Deal, Robert Edford
Dean, David Bennett
Deese, David Shannon
Deffenbaugh, Dale Chester
Detwiler, Donald Vernon
Deutsch, Joseph King
Dionne, Roger William
Doerrer, William, Jr.
Dominicci, Felix Blanco
Downie, Donald Arnold
Duchesneau, Robert Edward
Duke, Arnold Lowell
Edwards, Raymond Lewis
Ellenfield, Richard Lee
Enevoldsen, Jack
Ensminger, Gerald David
Epley, Ernest Hugh
Erskine, Robert Sageley
Escajdea, Ruben
Fawcett, Peter Formanek
Fetter, Norman Leonard
Finch, Herbert
Finfrock, Patrick
Flahiff, Daniel Edward
Forbes, Clarence
Ford, John Robert
Forde, Clifford William
Foutch, Argyle Wayne
Frame, Daniel Alva
Freeman, Bobby Jack
Freeman, George
Frial, Ernesto Fabillon
Gackenback, Henry August
Gann, Virgil Eugene
Gardiner, John Peter
Garnett, Claude, Jr.
Garrett, Charles Edward
Garrison, Rolland Roy
Gaudreau, Valmore Ernest
Gault, Harry Stewart, Jr.
Gay, Billy Thomas
Genford, Richard Donald
Gerhard, John Robert
Germany, Charles Joseph
Gibson, Bernard Edward
Gillespie, Lindsay Moore
Glaser, Leland Leonard
Glover, Thomas James
Goode, Eugene Francis
Goodrich, Boyd Larry
Goodrum, Daniel Joseph
Graham, Dennis Loring
Graves, Harold Wade
Green, Marion Wendell
Greenberger, David
Greer, James Nelson
Greeson, Gordon Van
Grigsby, Leon Thomas
Guerra, Manuel William, Jr.
Guevarra, Larry Nocon
Gunhouse, Ramon Francis
Hagenbruch, Robert Henry
Halsten, Fennie Carlton
Hall, Charlie Hermond
Hall, Clifford Richard
Haller, Bernard Joseph
Halpern, Herbert
Hambley, James Gilbert
Hamilton, Jerry Allen
Hamm, Walter Nolan
Hammock, Charles Raymond, Jr.
Hand, John Milton
Harder, Thomas John C.
Hardin, Larry Kenneth
Harold, Charles Paul
Harper, James Edward
Harris, Bobby Lynn
Harris, Wendell, Jr.
Harrison, Robert Leroy
Hartman, David Lee
Harvey, Julian Tobey
Haus, David Stauffer
Havner, Jerry Glen
Hayes, James Patrick
Hearn, James Robert
Heidecker, William August
Helvie, Lawrence Eugene
Hennegan, Dennis Stephen
Henry, Joseph Edward
Hermann, Albert Joseph
Herning, Robert Eugene
Hickey, Raymond John, Jr.
Hinson, William Phillip
Holden, Hugh Frederick
Holder, J D
Holiway, Weldon Yvonne
Holliday, Donald Ainsley
Hollinger, Gerald Spickler
Holzendorf, William Frank
Hornby, Joseph George

Howard, Jimmy Earl
Howell, Robert Dale, Sr.
Howery, Ronald Edwin
Hubert, David Leroy
Hudson, James E.
Humphreys, Leslie Charles
Huston, Kenneth Dale
James, Charles Rayburn
James, Edwin Clarence
Jefferies, William Pettit, Jr.
Joel, Noble Fred, Jr.
Johns, George Kenneth
Johnson, Clara Belle
Johnson, Horace Albert
Johnston, Darrell Edwin
Johnstone, Robert James
Joiner, Charles William
Jones, Carl Melvin
Jones, David Lee
Jones, Isaiah John
Jones, Rodney Richard
Joyner, James Adron
Kanaski, Richard Stephen
Kay, Raymond Erwin
Kearns, Thomas Owen
Keaton, William Creath
Keeth, Edward Wayne
Keisel, William Arthur
Keith, Donald Rae
Keith, William Brett, Jr.
King, Robert Otto
Kirst, Gordon, Jr.
Kundtzon, George Norman
Kornman, Jerald Stephen
Kuginskie, Joseph, Jr.
Kuzel, Norman Emil
Laing, Thomas Walter
Lardner, Thomas Paul
Larson, Marvin Leigh
Lauerman, James Don
Lemaster, Joe Henry
Long, Beauford Aldon
Long, Thomas Pressly
Loranger, Richard George
Lord, Don
Loria, Louis Charles
Losui, Gerald Grant
Lovett, Cecil W., Jr.
Lowe, Michael Baxter
Lowe, William Richard
Luce, Robert Emmett
Lutrario, Albert
Lutze, Robert Gerald
Mackin, Thomas James
Maddock, James Fairweather
Maiden, Jesse Joe
Malmborg, Charles Leroy
Manahan, Fred Verlin
Mango, Albert Francis
Mann, Elmer Heath
Marino, Raffaele
Marr, William Leonard
Marshall, Raymond Lee
Masler, John George, Jr.
Matthews, Billie Joe
Mauro, Richard Fay
May, Harlin Conrad
McCowan, Kenneth Edwin
McDaniel, John Oliver
McElhaney, Paul Raymond
McGee, Carl Edwin
McGowan, Eugene Edward
McKay, Roy Curtis
McKinzie, Joe Edward
McLean, Angus Laughton, Jr.
McMaster, Timothy Richard
McNutt, Jerry Wayne
Mercer, Laurie Wayne
Merrill, Wayne Rucker
Meuchel, Frank Tony
Miller, John Edwards, Jr.
Miller, Kenneth Ray
Miller, Lapel
Miller, Phillip Edson
Milroy, Donald Eugene
Minzenmayer, Hiram Carl
Mitchell, Jimmy Lee
Mitchell, William Newton
Moaney, Phillip Bernard
Moon, William Monroe, Jr.
Morales, Vicente
Morris, Phillip Gail
Morris, Robert Allen
Moschette, Charles John
Mueller, John William
Mullen, Joseph Michael
Mulligan, Charles Howard
Mundy, William Edward
Murphy, John Thomas
Naples, Thomas Joseph
Nash, Ronald Edwin
Nichols, Joseph Franklin
Nicholson, Gerald Norman
Nitschke, Karl William
Njaa, John Roger
Nolon, Robert
Normandin, Raymond Henry
Nowicki, Marvin Ernest
Nyman, Keith Oscar
Oehler, James Christ
Ohlman, Douglas Herman
Ohm, Robert Lee
Olander, Raymond Edward
Olsson, John Phillip, Jr.
Onfal, Floyd Wendell
Oneal, Jim Franklin
Oshell, Robert Lewis
Ottesen, James Joseph
Otts, Ralph Haston
Owens, Richard Lee
Oxrider, James Penfield
Oyler, John Matthew
Padgett, Ralph Wayne
Paquin, Joseph Russell
Parkhurst, Lyman Edward
Parsons, Robert Eugene
Parsons, William Gilbert
Payton, John Dewfy
Pearrell, Larry William
Perkins, David Eugene
Pettigrew, Charles Sumner, Jr.
Pflieckl, Paul Joseph
Piper, Leon Tracy
Pirozzoli, David Paul
Pletcher, Thomas Ray
Pokrywka, James Michael
Pond, Louis Valentine
Popikas, Charles Frederick
Porter, Joel
Potter, Leroy Irving
Poynter, Charles Ray
Prather, Luverne
Price, Earl Junior
Prinz, Gerald Henry
Prothero, Glen, Jr.
Raggo, Charles Joseph
Rawls, Robert Sherwood
Raymond, James Burr
Reardon, Robert Joseph
Reese, Robert Wayne
Reeves, Donald Ray
Reid, Louis Lee
Renwick, David
Reuter, Kenneth Earl
Rezabek, Richard Joseph
Rhoden, Lawrence Bernard
Richardson, Billy Earl
Ridener, Linville Lee
Ritchie, Coy Doyle, Jr.
Rizek, Paul Herman
Robbins, Donald Dean
Robbins, Robert Justin
Roberts, Robert Edward
Rodgers, William Kenneth
Roe, James Paul
Romas, Gregory George
Romito, Vincent Anthony
Rooks, John T.
Rule, George Gilbert
Rumer, William Harry
Ruryk, Mirian Eugene
Russell, Richard Leon
Ryder, Gene Burnett
Sauls, Aubrey Plowden
Sauls, Herbert Mitchell
Saunders, Frankie Noel
Scaringella, Charles Thomas
Scherzer, James David
Schley, Ramon Monroe
Schwaeble, Harry Miester
Scott, Leroy
Scott, Wayne Alexander
Scott, William Edward
Sharp, Robert Leroy
Shaul, Michael C.
Shaw, Richard Alan
Sheehan, Donald Francis
Shelton, Lynn Dale
Sherman, Richard Floyd
Shields, Joseph Carl
Shumpert, Harold Corbett
Siegel, Allan Ray
Siverly, John Edward
Sliger, Ronald Wilburn
Smith, Floyd Harold
Smith, Walter Junior
Snipes, Carl Landon
Snyder Ray Lewis, Jr.
Sockell, Edward Joseph
Sokol, Richard
Southerland, Macy James
Sprey, Douglas
Stafford, Jimmy Dale
Stephenson, Thomas Richard
Stevens, William David
Stone, Ernest Ralph, Jr.
Stout, Arling George, Jr.
Stowe, Dorothy Jean
Sturgill, Cleveland Henry
Sturm, Jackie Lee
Stutler, Frank Otley, Jr.
Sullivan, Joseph Edward
Sutton, Morris Lee
Sweet, John Lawrence
Tarvin, William Byrd
Taylor, Stanley Carl
Thames, Charles Melvin
Thomas, David Owen
Thomas, Eugene
Thomason, William Rex
Thums, Robert Ferdinand
Toon, Norbert Leo
Tourigny, Leonard Robert
Tucker, Claude Thomas, Jr.
Tudor, Tommy Neal
Turk, Joseph
Turnbow, Grady William, Jr.
Turner, Jack Eugene
Turpin, Thomas Richard
Tyler, Warner Russell
Vandyne, Leroy Thomas
Vanhoose, Ronald
Vollbrecht, Melville W., Jr.
Vsetecka, Leonard John
Wales, Richard Allan
Walker, Joe Bryon
Wall, Liberty Roy
Walsh, Myles Edward
Wall, Lee Lucas
Watford, Qube Gene
Watson, Jimmy David
Watson, Tannis Robert
Webb, Rufus Willis
Wells, Cecil Eugene
Wells, Harold Adolph
Werling, Robert
Westcott, John Henry
Westhoff, Dennis Anthony
Wheeler, Sidney Wayne
Wilkerson, Garland Warren
Will, George Frederick
Williams, David
Williams, Richard Wallace, Jr.
Williamson, Harry Rittenhou
Wilson, Jerrold Bradley
Wilson, Millard Joseph
Wilson, Philip Barry
Wolchko, David Michael
Woodiel, James Claude
Woods, Gerald Bishop
Woody, Guy Willard
Worley, Robert Allen
Wray, Donald Milford
Ymzon, Ramon Almeda
Young, Donald Edgar
Young, Neal Ronald
Youngblood, Jimmy Bramlitt
Zakrajsek, Henry Joseph
Zeigler, Hagood Atticus
Zerbe, Alton Richard
Zoglmann, Paul Samuel

IN THE NAVY

The following-named naval enlisted scientific educational program candidates to be permanent ensigns in the line or staff corps of the Navy, subject to the qualifications therefor as provided by law:

William R. Adams
Michael H. Allen
John D. Anderson
Robert W. Aniba
Donald L. Avery
John W. Ball
Daniel A. Bath
Albert E. Bathel
James G. Bohon
Douglas M. Bolton
Gary L. Boyce
Jerry W. Boykin
Don D. Bradley
George A. Bratton
Jerry L. Brock
David L. Brueck
Dennis M. Bryant
Scott F. Buck
Kevin J. Burke
Steven W. Callahan
Michael P. Casey
William E. Cashman
Ronald E. Causey
Larry A. Chmiel
Vincent Ciarlante
Ramsey C. Clark
Robert L. Clark
John F. Cole
Terry L. Colton
William R. Conaway
John W. Conner
Walter F. Corliss
Edward M. Covney
Michael D. Crocker
Thomas W. Curry
William L. Dale
Frederick Davenport
Lester M. Davis
Carl J. Drucker
Mark H. Dye
Jon B. Eggers
Richard D. Elgart
Lawrence A. Elliott
Todd A. Erickson
John T. Etheridge
Alan R. Fedele
Gerald P. Fields
John C. Fletcher
Daniel L. Forkel
Barry A. Frew
Leon V. Galecki
Larry M. Gant
John R. Gary
Stephen M. Grey
Steven Guzy
Bernard Hamm
Larry T. Hanson
Randall G. Harmon
Michael C. Harper
John G. Hegeman
Alex S. Hill
Chris A. Hilliard
Roger C. Hine
Walter T. Hoch
John S. Hoefel
Dale S. Hollen
Charles K. Hopkins
Earl C. Hughes
James M. Hunn
Michael L. Hunt
Vlademar Johnson
Charles A. Jones
Dennis W. Jones
Steven N. Jurey
Ralph E. Kahn
Douglas L. Kelleigh
Joseph L. Kendrick
Paul A. Kershner
Mark I. Kimball
Stephen T. Knouse
Stephen J. Kolek
John E. Lampas
Richard M. Larsen
Stephen E. Larson
Patrick E. Little
Kenneth A. Lively
Carey J. Logan
Roy M. Lowecthal
Lloyd Luallin
Chester J. Malins
Lynn A. Matoush
Robert B. Maufroy
Edward L. McCutcheon
Steven J. Mead
Blaise L. Merchlewitz
Posey E. Miller
Max E. Mills
Arthur P. Minar
Anthony G. Miranda
Michael R. Mittleider
Van E. Moir
William M. Moore
James C. Moreland
Robert W. Morris
Jonathon P. Muir
Don F. Murray
Charles R. Newman
Claude R. Newton
Donald L. Nitzel
George A. Nuttleman
Daniel B. Oakey
Lee L. Oliphant
James D. Pace
Allan L. Paddack
David A. Pate
Kenneth C. Pavic
August F. Pellin
Lane A. Phillips
Jorge T. Pizarro
Tony L. Porter
Richard Prendergast
Robert A. Reese
Roger Reichel
Donald Rich
Kenneth C. Riesz
Leslie F. Romano
Rene Ruesch
Steven Schuh
George V. Scott
Storm Shearon
William D. Shelton
Charles F. Shultheis
Gregory A. Simmons
Neal F. Smith
Robert M. Smith
Timothy Spence
David A. Stark
John V. Stivers
Paul H. Stoeberl
Robert C. Stolle
Arthur I. Strong
Gary P. Stussie
Kevin W. Sullivan
Dennis H. Taylor
Ronald P. Testa
Tommy Thigpen
John R. Thomas
Michael R. Tillery
Julius W. Tomaski
James M. Tucker
William C. Tucker
William R. Tucker
Edward R. Turner
William S. Ullom
Stephen W. Vandenbosk
George M. Vermillion
Charles M. Vining
Carl A. Wales
Sheldon M. Walgren
George D. Walker
Michael N. Ward
Robert S. Warner
Danny L. Waterman
Harry Watkins
James E. Watson
Gary L. Werner
Lawrence A. Wessing
Charles Williams
Richard D. Willson
John S. Witherspoon
John B. Woodbury
William S. Woody
Randolph D. Wooley
Samuel B. Word
William D. Wornick
William L. Wright
John C. Yeakley
Benjamin H. Youell
Harry Zellman

Jerry L. Manthei, U.S. Air Force Cadet, to be a permanent ensign in the line of the U.S. Navy, subject to the qualifications therefor as provided by law.

John L. Meisenheimer, U.S. Navy officer, to be reappointed from the temporary disability retired list as a permanent commander in the line of the U.S. Navy, subject to the qualifications therefor as provided by law.

Carlton J. Wise, a chief warrant officer to be a lieutenant (jg) in the Navy, limited duty, for temporary service, in the classification (Deck) and as a permanent chief warrant officer, subject to the qualifications therefor as provided by law.

Kenneth C. Castor, Jr. (Naval Reserve officer) to be appointed a temporary lieutenant commander in the medical corps of the U.S. Navy, subject to the qualifications therefor as provided by law.

C. Victor Romano (civilian college graduate) to be appointed a permanent commander in the medical corps in the reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

Robert D. Caney and David G. Harper (civilian college graduates) to be appointed temporary commanders in the medical corps in the reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

John M. Casey and Marshall W. White, Jr. (U.S. Navy officers) to be appointed temporary commanders in the medical corps in the reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

Martin R. Plaut (Naval Reserve officer) to be appointed a permanent captain in the medical corps of the U.S. Navy, subject to the qualifications therefor as provided by law.

Craig K. Wallace (Naval Reserve officer) to be appointed a permanent commander and temporary captain in the medical corps of the U.S. Navy, subject to the qualifications therefor as provided by law.

The following-named (Naval Reserve officers) to be appointed permanent lieutenants and temporary lieutenant commanders in the medical corps of the U.S. Navy, subject to the qualifications therefor as provided by law.

Paul A. Bostrom
Ivan D. Franklin
John J. Geren
James R. Milne
Edward D. Thalman

Brian G. McCaughey and August L. Reader, III (Naval Reserve officers) to be appointed permanent lieutenants in the medical corps of the U.S. Navy, subject to the qualifications therefor as provided by law.

The following-named (Naval Reserve officers) to be appointed permanent lieutenants (jg) and temporary lieutenants in the medical corps of the U.S. Navy, subject to the qualifications therefor as provided by law:

Charles W. Everhart, Jr.
Fred E. Patrick, III
John E. Seibel, Jr.

Stevan K. Forney and Dennis D. Woofter (Naval Reserve officers) to be appointed permanent lieutenants in the dental corps of the U.S. Navy, subject to the qualification therefor as provided by law.

Donald E. Boye (ex-USNR officer) to be appointed a permanent commander in the medical corps in the reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

Allan J. Rosenberg (ex-Air Force officer) to be appointed a temporary commander in the medical corps in the reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

Alfonso A. Mannarelli (civilian college graduate) to be apppointed a permanent captain in the medical corps in the reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

Steven J. Summers (Naval Reserve Officers Training Corps candidate) to be a permanent ensign in the line or staff corps of the Navy, subject to the qualifications therefor as provided by law.

IN THE AIR FORCE

The following-named officers for promotion in the Regular Air Force, under the appropriate provisions of chapter 835, Title 10, United States Code, as amended. All officers are subject to physical examination required by law:

LINE OF THE AIR FORCE

Lieutenant colonel to colonel

Acker, William P., xxx-xx-xxxx
Adams, Christropher S., Jr., xxx-xx-xxxx
Adams, William R., xxx-xx-xxxx
Agre, Oscar W., Jr., xxx-xx-xxxx
Aikman, James H., xxx-xx-xxxx
Akers, George S., xxx-xx-xxxx
Albritton, James P., xxx-xx-xxxx
Alcorn, Troy G., xxx-xx-xxxx
Aldrich, Theodore B., xxx-xx-xxxx
Allison, James M., xxx-xx-xxxx
Amodt, Paul W., xxx-xx-xxxx
Anderson, Melvin H., Jr., xxx-xx-xxxx
Anderson, Raymond E., xxx-xx-xxxx
Anderson, Robert D., xxx-xx-xxxx
Andrews, Stuart M., xxx-xx-xxxx
Ardisana, Bernard, xxx-xx-xxxx
Austin, Joseph C., xxx-xx-xxxx
Baggett, William D., xxx-xx-xxxx
Baily, Carl G., xxx-xx-xxxx
Baker, Merton W., xxx-xx-xxxx
Balcer, Raymond L., xxx-xx-xxxx
Banaszak, Merle E., xxx-xx-xxxx
Barnes, Fred D., xxx-xx-xxxx
Barnett, Earl S., III, xxx-xx-xxxx
Barry, Robert P., xxx-xx-xxxx
Bauman, Wendall C., xxx-xx-xxxx
Beaudoin, David K., xxx-xx-xxxx
Beaver, Charles R., xxx-xx-xxxx
Beavers, Shirley D., xxx-xx-xxxx
Becker, Richard B., xxx-xx-xxxx
Bena, Ronald A., xxx-xx-xxxx
Benjamin, George D., xxx-xx-xxxx
Benvenuti, John R. D., xxx-xx-xxxx
Benziger, Alfred S., xxx-xx-xxxx
Berkman, William W., xxx-xx-xxxx
Bernier, Francis W., xxx-xx-xxxx
Berns, Robert J., xxx-xx-xxxx
Beverly, Chester A., Jr., xxx-xx-xxxx
Bird, Ronald A., xxx-xx-xxxx
Blais, David E., xxx-xx-xxxx
Blankenship, James R., xxx-xx-xxxx
Blanton, Charles C., xxx-xx-xxxx
Boaz, Wilson J., xxx-xx-xxxx
Boettcher, Hulbert L., xxx-xx-xxxx
Bollinger, William H., xxx-xx-xxxx
Bond, Robert M., xxx-xx-xxxx
Bosler, Robert J., xxx-xx-xxxx
Bowles, Lamar D., xxx-xx-xxxx
Boyd, Warren J., xxx-xx-xxxx
Branch, Alva G., xxx-xx-xxxx
Breckenridge, Lacy W., xxx-xx-xxxx
Brenner, Douglas D., xxx-xx-xxxx
Breton, George E., xxx-xx-xxxx
Brett, Walter R., xxx-xx-xxxx
Brickel, James R., xxx-xx-xxxx
Broadwater, Theodore D., xxx-xx-xxxx
Brown, Bruce K., xxx-xx-xxxx
Brown, Buddy L., xxx-xx-xxxx
Brown, Harry L., xxx-xx-xxxx
Browning, George M., Jr., xxx-xx-xxxx
Broz, Alfons L., xxx-xx-xxxx
Bruenner, William, xxx-xx-xxxx
Brunzell, Bryan W., xxx-xx-xxxx
Bryan, Austin R., xxx-xx-xxxx
Bryant, Lucius G., Jr., xxx-xx-xxxx
Buhrow, Robert F., xxx-xx-xxxx

Bullers, Joseph W., Jr., xxx-xx-xxxx
Bullock, Robert M., Jr., xxx-xx-xxxx
Burdan, John W., Jr., xxx-xx-xxxx
Burke, Kelly H., xxx-xx-xxxx
Burklund, John S., xxx-xx-xxxx
Burney, George D., xxx-xx-xxxx
Burns, Donald R., xxx-xx-xxxx
Burroughs, Lorenzo W., xxx-xx-xxxx
Byrne, Ronald E., Jr., xxx-xx-xxxx
Cadou, John E., xxx-xx-xxxx
Cale, Charles T., xxx-xx-xxxx
Calhoun, Caryl W., xxx-xx-xxxx
Cameron, Lyle W., xxx-xx-xxxx
Cameron, Theodore D., xxx-xx-xxxx
Campbell, Louis D., xxx-xx-xxxx
Campbell, William E., xxx-xx-xxxx
Campfield, William Jr., xxx-xx-xxxx
Carey, Gerald J., Jr., xxx-xx-xxxx
Carlson, Eric W., xxx-xx-xxxx
Carmichael, Douglas W., xxx-xx-xxxx
Carpenter, James O., xxx-xx-xxxx
Carpenter, John A., xxx-xx-xxxx
Carr, James L., xxx-xx-xxxx
Carson, John C., III, xxx-xx-xxxx
Carter, Robert A., xxx-xx-xxxx
Case, Ted K., xxx-xx-xxxx
Castleman, Floyd D., xxx-xx-xxxx
Cheatham, Daniel W., Jr., xxx-xx-xxxx
Cherry, Fred V., xxx-xx-xxxx
Clark, Norman J., xxx-xx-xxxx
Clay, Ted N., xxx-xx-xxxx
Clouser, Robert F., xxx-xx-xxxx
Cobb, Truman E., xxx-xx-xxxx
Coburn, Harry L., xxx-xx-xxxx
Coffin, Grange S., Jr., xxx-xx-xxxx
Cooney, James P., xxx-xx-xxxx
Cosner, Wendell E., xxx-xx-xxxx
Coverdale, Robert F., xxx-xx-xxxx
Covington, James D., xxx-xx-xxxx
Cragin, John R., xxx-xx-xxxx
Craine, Robert L., xxx-xx-xxxx
Creighton, Arthur F., Jr., xxx-xx-xxxx
Dahler, Donald L., xxx-xx-xxxx
Daigle, Joseph G., xxx-xx-xxxx
Daily, Paul J., xxx-xx-xxxx
Darcangelo, Arcangelo M., xxx-xx-xxxx
Daugherty, Robert G., Jr., xxx-xx-xxxx
Davidson, William H., xxx-xx-xxxx
Davis, Jake C., xxx-xx-xxxx
Davis, James P., xxx-xx-xxxx
Delisio, Louis C., xxx-xx-xxxx
Deluca, Jerry J., xxx-xx-xxxx
Demasie, Riley D., xxx-xx-xxxx
Denfeld, Richard E., xxx-xx-xxxx
Diamond, Hubert S., xxx-xx-xxxx
Dickey, Roy S., xxx-xx-xxxx
Diddle, James A., xxx-xx-xxxx
Dimauro, Vincent A., xxx-xx-xxxx
Ditch, Robert A., xxx-xx-xxxx
Dominguez, Luis F., xxx-xx-xxxx
Donnelly, Charles L., Jr., xxx-xx-xxxx
Donoho, John A., xxx-xx-xxxx
Dorris, Theodore E., xxx-xx-xxxx
Dougherty, Andrew J., xxx-xx-xxxx
Douglas, John W., xxx-xx-xxxx
Dresser, Ralph C., xxx-xx-xxxx
Dunn, William W., xxx-xx-xxxx
Dupree, Forist G., xxx-xx-xxxx
Durden, Gene R., xxx-xx-xxxx
Dutton, Richard A., xxx-xx-xxxx
Eaton, Elbridge P., Jr., xxx-xx-xxxx
Eaton, Frederick C., xxx-xx-xxxx
Edge, Robert E., xxx-xx-xxxx
Edwards, George A., Jr., xxx-xx-xxxx
Edwards, Kenneth W., xxx-xx-xxxx
Eklund, Lester E., xxx-xx-xxxx
Elkins, Robert W., xxx-xx-xxxx
Elliott, John M., xxx-xx-xxxx
Emanuel, Herbert L., xxx-xx-xxxx
Erlinger, Charles R., xxx-xx-xxxx
Ertel, Kenneth E., xxx-xx-xxxx
Evans, Lucius O., xxx-xx-xxxx
Everhart, Leon E., xxx-xx-xxxx
Fabro, Frank P., Jr., xxx-xx-xxxx
Falgoust, Jean B., xxx-xx-xxxx
Ferguson, Alonzo L., xxx-xx-xxxx
Filliman, Michael G., xxx-xx-xxxx
Fischer, George F., xxx-xx-xxxx
Fisher, Ralph E., xxx-xx-xxxx
Fix, Oliver W., xxx-xx-xxxx
Flanigin, William E., xxx-xx-xxxx
Fleenor, Kenneth R., xxx-xx-xxxx
Flippo, Charles W., xxx-xx-xxxx
Follis, Elmer K., Jr., xxx-xx-xxxx
Fondren, John H., xxx-xx-xxxx
Ford, William, xxx-xx-xxxx
Forsman, Billy B., xxx-xx-xxxx
Foster, William B., xxx-xx-xxxx
Freeman, Robert F., xxx-xx-xxxx
Fridley, Howard E., Jr., xxx-xx-xxxx
Fronzuto, Charles M., xxx-xx-xxxx
Fulcher, Martin C., xxx-xx-xxxx
Fulgham, Dan D., xxx-xx-xxxx
Gale, Mark D., xxx-xx-xxxx
Gardner, Robert E., xxx-xx-xxxx
Gargiulo, Alphonse, Jr., xxx-xx-xxxx
Garner, Clyde H., xxx-xx-xxxx
Garrison, Lawrence D., xxx-xx-xxxx
Gast, Philip C., xxx-xx-xxxx
Gibbs, Richard F., xxx-xx-xxxx
Gifford, Robert N., xxx-xx-xxxx
Giles, John K., xxx-xx-xxxx
Gilk, Frank F., xxx-xx-xxxx
Girard, Raymond F., Jr., xxx-xx-xxxx
Gooch, David N., xxx-xx-xxxx
Gottuso, Robert M., xxx-xx-xxxx
Gower, Perrin W., Jr., xxx-xx-xxxx
Granger, James I., xxx-xx-xxxx
Gray, Roger C., xxx-xx-xxxx
Grazier, Raymond C., xxx-xx-xxxx
Greynolds, Orville L., xxx-xx-xxxx
Gunter, Virginia L., xxx-xx-xxxx
Hackley, William A., xxx-xx-xxxx
Haggard, Gordon M., xxx-xx-xxxx
Haley, Robert D., xxx-xx-xxxx
Hall, Titus C., xxx-xx-xxxx
Hamilton, Frcell C., Jr., xxx-xx-xxxx
Hardy, Alton D., xxx-xx-xxxx
Harper, Jack H., Jr., xxx-xx-xxxx
Harris, William M., IV., xxx-xx-xxxx
Harrison, James W., Jr., xxx-xx-xxxx
Hartman, William B., xxx-xx-xxxx
Hartney, James C., xxx-xx-xxxx
Hartwig, Robert D., xxx-xx-xxxx
Hastler, Russell C., Jr., xxx-xx-xxxx
Haymaker, Ralph W., xxx-xx-xxxx
Heinlf, Leon C., xxx-xx-xxxx
Henderson, William S., Jr., xxx-xx-xxxx
Henkel, Francis B., xxx-xx-xxxx
Hense, Frank F. E., Jr., xxx-xx-xxxx
Herhold, Kenneth J., xxx-xx-xxxx
Hester, Harold H., xxx-xx-xxxx
Hilden, Jack G., xxx-xx-xxxx
Hildreth, James R., xxx-xx-xxxx
Hill, Rex A., xxx-xx-xxxx
Hilland, Carl R., xxx-xx-xxxx
Hillebrandt, Leonard G., Jr., xxx-xx-xxxx
Hocken, Robert W., xxx-xx-xxxx
Hodges, Paul H., xxx-xx-xxxx
Hoenniger, Frederick B., xxx-xx-xxxx
Holmberg, John B., xxx-xx-xxxx
Holmes, Herbert H., xxx-xx-xxxx
Hopkins, Charles E., xxx-xx-xxxx
Horne, Richard G., xxx-xx-xxxx
Howley, Joseph, xxx-xx-xxxx
Howley, Thomas A., xxx-xx-xxxx
Hoyt, Norman W., xxx-xx-xxxx
Hubell, Robert E., xxx-xx-xxxx
Hughes, Edward J., xxx-xx-xxxx
Huhn, Arthur E., xxx-xx-xxxx
Hull, Rolland G., xxx-xx-xxxx
Hunt, Warren J., xxx-xx-xxxx
Hyslop, Jack L., xxx-xx-xxxx
Jacobsmeyer, John H., Jr., xxx-xx-xxxx
Janca, Robert D., xxx-xx-xxxx
Jasper, Curtis N., xxx-xx-xxxx
Jensen, John R., xxx-xx-xxxx
Johnson Donald D, Jr., xxx-xx-xxxx
Johnson, Julian C., Jr., xxx-xx-xxxx
Johnson, Robert S., xxx-xx-xxxx
Johnson, Roger W., xxx-xx-xxxx
Johnston, Robert F., II, xxx-xx-xxxx
Jolly, Samuel B., Jr., xxx-xx-xxxx
Jonkers, Roy K., xxx-xx-xxxx
Julian, Thomas A., xxx-xx-xxxx
Kaehn, Albert J., Jr., xxx-xx-xxxx
Kahler, Richard E., xxx-xx-xxxx
Kallighan, Martin T., xxx-xx-xxxx
Kawanami, George M., xxx-xx-xxxx
Kelley, Robert H., xxx-xx-xxxx
Kendall, Joe F., xxx-xx-xxxx
Kendall, Robert B., xxx-xx-xxxx
Killebrew, James B., xxx-xx-xxxx
Kilty, John F., xxx-xx-xxxx
King, Robert B., Jr., xxx-xx-xxxx
Kitchens, Ralph L., xxx-xx-xxxx
Klesert, William M., xxx-xx-xxxx
Klingenberg, Irvin L., Jr., xxx-xx-xxxx
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EXTENSIONS OF REMARKS

BEARING THE COSTS OF GOVERNMENT

Hon. Theodore M. (Ted) Risenhoover

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. RISENHOOVER. Mr. Speaker, the problems of a representative democracy continually confront Members of this body. I am pleased that, judging from the self-evident successes of our country, we have a rich history of somehow making this system of self-government succeed.

But the challenges remain. It is our daily responsibility to solve our country's troubles as well as to prudently take the action to make our institution—the U.S. House of Representatives—more functional.

Our distinguished colleague from Ohio (Mr. HAYS), chairman of the House Administration Committee, has taken bold actions to bridge some of our shortcomings.

In an article in the July 19 issue of the Washington Post, our colleague most adroitly addresses these issues. I ask unanimous consent that the article be included in the RECORD.

BEARING THE COSTS OF GOVERNMENT

(By Wayne L. Hays)

The auto industry has better resources to determine whether a new compact car will sell than the House of Representatives has when deciding on a declaration of war.

If the auto industry wants to find a new color scheme to capture the youth market, it has unlimited resources to call upon. Corporate executives commission expensive marketing surveys. The top brass fly to a secluded resort on the company's fleet of planes for a week of high level meetings until the proper decision is made. The entire extravaganza is at industry expense, which is, of course, passed on to consumers.

When General Motors makes the wrong decision, only money is lost. But if the Congress fails, it can cost millions of lives.

A congressman is confronting issues that affect the well-being of the entire nation, yet in his effort to arrive at the proper decision, his resources are limited.

Recent news accounts about the members' allowance system have been misleading at best. The average reader is led to believe that a member of Congress has a vast wealth of material assets. Yet, there are members of Congress who are forced to pay communication, travel and office expenses from their own pockets because the allowance system is inadequate for their needs.

News accounts have portrayed the allowance system as being personally beneficial to individual members of Congress, yet there are congressmen who cannot do as complete a job of serving the public as they would like because they lack financial resources.

The president of a major cosmetics firm earned enough in salary last year to pay the basic allowance for five congressmen.

The entire House of Representatives runs on an annual budget that is just slightly more than the $233 million Proctor and Gamble spent on radio, television, newspaper and magazine advertising during 1973.

While there has been a lot of information bandied about lately concerning the expense of running Congress, the fact is that it costs a mere $1.25 per man, woman and child in this country to operate the House of Representatives for a year.

Taken in proper perspective, the price tag is less than one tenth of one per cent of the entire federal budget.

At the same time, the responsibilities of the Congress have grown. The workload has increased markedly over the past few years. In addition to overseeing an enormous federal bureaucracy, a member of Congress is often the only person that half a million constituents back home can turn to for help.

In its battle to make the executive branch of government more responsive, the Congress remains at a disadvantage. A bureaucrat in any federal agency can call every city in the nation without cost. A member of Congress has limited telephone time.

The executive branch of government operates more than 6,000 computers, while the House of Representatives owns just three.

President Ford requested a staff budget increase of $2.2 million for the coming fiscal year, while a congressman can receive an additional $22,500 for his employees.

On an average day recently, no fewer than 70 congressional committees or subcommittees scheduled meetings on issues ranging from oversight of the National Aeronautics and Space Administration's budget to an investigation of Arab pressure on American businessmen.

The legislative calendar for a typical week will range from the complicated foreign aid appropriations bill to intricate and often confusing tax proposals.

At the same time, a member of Congress is called upon to travel back home and meet with local groups, advise cities on how to obtain federal grants, or assist an elderly constituent in retrieving a lost Social Security check.

It is vital that members of Congress have the tools to be effective legislators and representatives.

There are two schools of thought on how a member of Congress can go about serving his constituency.

The first holds that a congressman bear the full cost of representing his district himself. That is, he must be wealthy enough to pay for his office equipment, stationery, telephone service, trips between the district and Washington, staff and communications with constituents. Or, if he is not of the wealthy class and aspires to be in Congress, he must solicit private contributions to pay for these expenses.

The trouble with requiring a member of Congress to pay personally, however, is that it would surely pave the way for an exclusive club of rich representatives, or worse, open the door for rampant corruption.

The second school of thought, to which I subscribe, holds that the people ought to bear the cost of representative government.

NOT ONE DIME FOR HANOI

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. ABDNOR. Mr. Speaker, there are indications that serious attention might be paid to providing reconstruction assistance from this country to North Vietnam. A view which I think is prevalent among the people in South Dakota is contained in an editorial from the Sioux Falls Argus-Leader. I am pleased to bring it to the attention of my colleagues.

The article follows:

NOT ONE DIME IN AID TO HANOI

Once again the North Vietnamese have linked their cooperation in looking for Americans listed as missing in action in Vietnam to aid for reconstruction.

Premier Pham Van Dong wrote a letter to 21 U.S. congressmen and said the matter of American missing persons should be resolved as soon as possible. The letter was read in a broadcast of Radio Hanoi monitored in Bangkok.

Pham said in the letter that there must be a total end to what he said was American "interference into the internal affairs of South Vietnam" and the contribution to the postwar reconstruction. Pham said such action by the United States would open the door for reestablishment of normal relations between North Vietnam and the U.S.

If the congressmen ever get their letters, they should turn them over to the State Department.

It is regrettable that the North Vietnamese have again put the families of Americans missing in action through the emotional trauma of hope that they will be provided information about their loved ones. This is blackmail. The United States should not rush to recognize the North Vietnamese.

As for reconstruction aid, not one dime! The North Vietnamese won the war. Let them do the reconstruction.

HUMANE METHODS OF SLAUGHTER ACT OF 1975

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. BROWN of California. Mr. Speaker, I am introducing legislation today that clarifies and strengthens the Humane Slaughter Act of 1958 by imposing penalties on domestic livestock slaughterers that use inhumane slaughter and preslaughter tactics and by amending the Federal Meat Inspection Act to include humane slaughter as a prerequisite for importing foreign meat.

The Humane Slaughter Act of 1958 encouraged most of our domestic slaughterhouses to switch over to the designated humane methods of handling and killing animals, the cost of which is nominal, but there are still a few federally inspected plants that slaughter livestock with inhumane methods. It is not difficult, nor expensive, for a slaughtering house to change its methods to the ones designated by the Secretary of Agriculture as humane. It entails the use of either a simple, electrical stunning instrument, carbon dioxide, or gunshot, and proper care in handling the animals so they remain as calm as possible.

My purpose in imposing a fine of $1,000 for those violating the Humane Slaughter Act, as amended by this bill, is to encourage the remaining federally inspected slaughterhouses that do not use humane methods to do so within 90 days of enactment of this act. This will not penalize any slaughterhouse involved in intrastate commerce.

In the area of foreign meat imports, there has been little incentive offered by our Government to prompt foreign slaughterhouses to conduct this simple change to humane methods of handling and slaughtering livestock. My legislation would provide that U.S. overseas meat inspectors must include humane slaughter and preslaughter methods as a requirement for certification. If a plant does not use such humane techniques, their meat will not be certified, and if it is sent to the United States it will be stopped at Customs inspection and returned to the country. The meat inspection service has indicated that this procedure would be simple to comply with. The number of meatpacking plants this would affect is small.

At the present time, all foreign meatpacking plants that conduct business with us are equipped with the necessary humane stunning equipment, except in the case of sheep in some plants in Australia and New Zealand. All commercial plants in Denmark, Holland, and Yugoslavia, as well as in northern Europe generally, already use humane slaughter methods. This bill would affect those plants that slaughter sheep with inhumane methods, and would insure humane handling of livestock during the slaughtering process.

Many people across the country are distressed over the use of inhumane slaughter practices in a few plants here in the United States and in the foreign plants I have referred to above. They are justifiably distressed over the terror and pain that these animals experience and I feel that we should end these inhumane practices entirely.

I cannot take complete credit for this bill. Dr. Frederick L. Thomsen, president of the National Association for Humane Legislation and president of Humane Information Services, made me realize the need for such a bill and gave me the encouragement and information I required. Dr. Thomsen has witnessed the horror of inhumane slaughter methods and consequently has dedicated his time to eliminating such procedures. His knowledge of the subject, and of agriculture in general, is sizable for he spent many years in the USDA as head of the Division of Marketing and Transportation Research, as associate head of the Division of Statistical Research, and as Director of the Marketing Research Branch. After such a life of service to the furtherance of agricultural efficiency and dedication to principles of humanity, I feel it is time for this Congress to reward his efforts by passing the "Humane Methods of Slaughter Act of 1975."

COUNCIL GROVE, KANS., CELEBRATES SIGNING OF TREATY IN 1825 THAT OPENED SANTA FE TRAIL

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. RHODES. Mr. Speaker, in the history of the old West the Santa Fe Trail has been preserved in song and legend. As we approach our Bicentennial year and Americans everywhere are rekindling their pride in our Nation's great heritage, the observance of this anniversary is a stirring reminder of the sacrifices, courage, and indomitable spirit that settled America.

I am especially proud that my hometown, Council Grove, Kans., was the site of the signing of the treaty, August 10, 1825, between our Government and the chiefs of the Great and Little Osage Nations. This pact opened the West to settlement, and made Council Grove an important stopover as the pioneers made their way toward the setting Sun, new horizons, and new lives. They came, saw, and stayed, and the West became a part of a growing nation. It is fitting that we pay tribute to their accomplishments. It is also important that we remember that independent, self-sufficient spirit that motivated them and carried them through the hardships and challenges of pioneering a new land.

I am proud to have this opportunity to join my friends and neighbors in Council Grove in commemorating a significant event in our country's history—the signing 150 years ago of a treaty that began the glorious saga of the Santa Fe Trail.

OIL PRICES AND THE PRESIDENT'S PROPOSAL

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. FISH. Mr. Speaker, few issues ever presented for congressional consideration posed more complex questions than the present energy dilemma. Consequently, it is not surprising that there has been no consensus reached between the legislative and executive branches as to the best approach to this problem. The result is an impasse between the Congress and President Ford which this country can ill afford.

Obviously, a compromise must be reached or the results will be catastrophic for the American people. This necessity for compromise is cogently explained in today's Washington Post editorial page, which I have included in the RECORD for the benefit of my colleagues. The article follows:

[From the Washington Post]

THE OIL PRICE IMPASSE

The President and Congress are riding off in opposite directions in a wild search for a solution to the high price of oil, and to the threat of far higher prices in the fall. It is a recklessly irresponsible way for grownups to govern—although it does seem to us that more than half of the blame for the extraordinary divergency in the U.S. government's current approach to the oil crisis belongs with Congress. The situation is roughly as follows: The existing law granting authority for a $5.25 a barrel ceiling on that part of our oil which is subject to controls is due to expire Aug. 31. Congress itself is due to expire for a month-long summer recess on Aug. 1, which means that it has less than two weeks to do something about extending oil price control authority beyond the expiration date. Congress' preference, obviously, is not only to extend the controls, but to toughen them considerably, with an eye to rolling back prices. Legislation to do just that was sent to the White House last week. On Saturday the President announced he will veto this bill. His preference is to phase out controls, allowing gradual, step-by-step increases in the ceilings over a period of 30 months. But his proposal for doing this, which went to Congress on Thursday, is subject to a congressional "veto" by a majority vote of either chamber within five working days. This is also considered a certainty. What appears to be in the offing, in other words, is an impasse.

And yet it does not seem possible that the President and the legislative leaders can afford to leave it at that, because the consequences would be unacceptable to both parties to this dispute—and to both political parties. The consequences, if price controls are simply allowed to expire, could be a staggering increase in oil prices during the period from Sept. 1 to Christmas, and a stunning blow to prospects for economic recovery just as these prospects are beginning to brighten. As things now stand, about two-fifths of our oil is under price controls. Another fifth, derived from domestic production, is not under controls and tends to match the rising price of imported oil, which makes up the remaining two-fifths of our supplies and now costs something in excess of $13 a barrel (with the President's $2 barrel tariff included). This works out to an average price of $9.75 a barrel for all the oil this country consumes.

But the average price per barrel is not likely to stay at that level for the reason that the oil producers cannot be counted on not to raise prices still further. A decision by OPEC to increase its prices by another $2 a barrel would not be surprising. If such an increase were accompanied by a lifting of controls, all domestic prices would swiftly rise toward an imported oil price level which would have reached $15 a barrel. In short, there would be something close to a 50 per cent increase in the average price of oil in this country this fall and winter, and the crippling impact of this on industrial consumers alone—leaving aside the impact on gasoline prices—would inevitably slow production, seriously aggravate unemployment, and fuel inflation.

Plainly, the situation cries out for compromise. Just as plainly, it is difficult to see exactly how a compromise can be struck between two parties so diametrically opposed in their approach, with one wishing to tighten oil price controls and one wishing to loosen them. In our view, the President has the best of this particular argument. While seeking to soften the impact of further increases in the price of oil, he would adhere to some discipline in consumption of oil in furtherance of a sensible, long-range effort to free this country from a dangerous over-dependence on foreign suppliers. By contrast, the Democrats in Congress are offering a permissive quick fix in the form of temporary relief from higher prices for oil products at the cost of heightening consumption and thus increasing American reliance on the whim of foreign oil producers.

The Democrats do not have to accept the President's formula. But they should seek a compromise on this question within the framework of his general approach. The President, for his part, is going to have to take into account congressional concern over the assorted economic ill-affects of even modest, gradual increases in domestic oil prices as a result of easing off the controls. In short, the best way to find room for compromise is to widen the area of the negotiation beyond the narrow question of oil

prices. When the issue is seen in broader economic terms it becomes possible to visualize a trade-off that would permit the President to slack off oil price controls but require him to come forward with positive measures, centering on tax relief of one form or another, in order to cushion the economic shock of more expensive oil. There is probably no perfect formula that will entirely satisfy either side. Without some urgent and constructive efforts to find some accommodation, however, inexorable events will make the decision for both Congress and the President and the predictable consequences of that could be calamitous for both.

A TIME TO DEMAND TRUTH

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. HARRINGTON. Mr. Speaker, one of the major reasons why our intelligence agencies have gotten so out of control is that Congress has shown a remarkable willingness to put up with administration lying, even when spokesmen have testified under oath and in secret session. Anthony Lewis put his finger on the problem last week in two very fine articles in the New York Times. With intentions of pursuing this matter in the days ahead, I commend Mr. Lewis' timely observations to the attention of my colleagues.

The articles follow:

LYING IN STATE: I

(By Anthony Lewis)

In 1972 Cambridge Survey Research, public opinon analysts, asked people whether they agreed with this statement: "Over the last few years this country's leaders have consistently lied to the American people." Of those asked, 38 per cent agreed. A similar poll was taken in 1974, and 55 per cent agreed with the statement. This spring, 68 per cent agreed.

Those figures illuminate the obvious: To a dangerous degree, Americans have lost confidence in the word of their government. Such distrust may be endemic in other countries, but it is a relatively new phenomenon in the United States, and a corrupting one. Moreover, it persists after the replacement of a President who made lying a way of life by one thought of as candid.

It is not hard to find reasons for the public feeling. One is that high officials who are caught out in crude deceptions so seldom pay any penalty. On the contrary, they remain in office and continue to be treated by much of official Washington as if they deserved respect.

An outstanding example of survival by deceivers is that of Richard Helms, the former director of Central Intelligence, now United States Ambassador to Iran. Reading back over some of the things Mr. Helms has said over the years arouses a feeling of awe for such mastery of the misleading.

On Feb. 7, 1973, Mr. Helms appeared before a closed session of the Senate Foreign Relations Committee for a hearing on his nomination as Ambassador. The transcript, subsequently published, includes the following exchanges with Senator Stuart Symington of Missouri.

Symington: "Did you try in the Central Intelligence Agency to overthrow the government of Chile?"

Helms: No sir."

Symington: "Did you have any money passed to the opponents of Allende?"

Helms: "No sir."

Since the testimony, it has become known that the Nixon Administration authorized the C.I.A. to spend more than $5 million on covert activities in Chile between Allende's election as president in 1970 and his fall in 1973. The cash went to anti-Allende civic groups, newspapers, radio stations and others, with the aim of making it impossible for Allende to govern.

Mr. Helms has explained that he took Senator Symington's second question to refer to Allende's two actual "opponents" in the 1970 election—and the C.I.A. gave them no money. That is a strained argument, to put it mildly, since the first question was so clearly about the post-election period. And in any event, the C.I.A. did give $500,000 to opposition party personnel during the 1970 election.

In the confirmation hearings, Senator Clifford Case of New Jersey mentioned the known use of Army intelligence to report on the anti-war movement. This exchange followed:

Case: "Do you know anything about any activity on the part of the C.I.A. in that connection? Was it asked to be involved?"

Helms: "I don't recall whether we were asked, but we were not involved because it seemed to me that was a clear violation of what our charter was."

The Rockefeller Commission has just reported that the C.I.A. under Mr. Helms set up a Special Operations Group to "collect information on dissident Americans." It ran Operation Chaos, infiltrating the anti-war movement and collecting on a computerized index "the names of more than 300,000 persons and organizations." Even by recent standards of official untruth, Mr. Helms's "not involved" must set a record.

In the confirmation hearings Mr. Helms was also asked about any C.I.A. connection with E. Howard Hunt and G. Gordon Liddy, the convicted Watergate burglars. He said there had been no connection since Hunt retired from the agency in 1970. Later it was learned that the C.I.A. had supplied Hunt and Liddy with equipment for their burglary of Daniel Ellsberg's psychiatrist in 1971. Mr. Helms explained that he thought the questions had related only to the Watergate break-in.

No one has called Mr. Helms effectively to account for his testimony. The Senate Foreign Relations Committee, the immediate victim of his deception, recalled him but asked unfocused and deferential questions. The Rockefeller Commission, comprehensive as its report was, said nothing about the lies that had allowed all those illegalities it found to flourish.

As for President Ford, at whose pleasure ambassadors serve, he has not been heard to murmur a critical word about Mr. Helms. The Government's failure to bring a particular perjury case may always be explained by technical or evidentiary problems. But anyone who wonders why Americans have grown cynical about those who govern them might think about this question: Why does Richard Helms still hold the rank of ambassador?

LYING IN STATE: II

Ron Nessen, the President's press secretary, complained recently that the White House press was not treating his word with due respect. Some reporters had even accused him of lying. President Ford had been in office for ten months, he said, and it was time for an end to "this blind, mindless, irrational cynicism and distrust."

If Mr. Nessen sincerely wants, as they say, to know the reasons for cynicism and mistrust of what he says, he might consider a single episode. That was the disclosure last April that President Nixon had made secret commitments in writing to Saigon at the time the Vietnam peace agreement was signed in 1973.

A one-time assistant to President Thieu of South Vietnam disclosed a number of letters from Nixon to Thieu. In one, dated Jan. 5, 1973, Mr. Nixon wrote: "You have my assurance . . . that we will respond with full force should the settlement be violated by North Vietnam."

Now what did Mr. Nixon have to say about that startling disclosure of a secret commitment to military intervention? He said it was old stuff; it did not go beyond what had been said publicly at the time. Was it really possible that we had forgotten such a thing? No, it was not. When checked, the 1973 public statements turned out to have been vague generalities of support for our noble ally.

Anyone who dealt as Mr. Nessen did with that episode has forfeited the right to have his word taken seriously. To tell us that when direct American involvement in the Vietnam war ended in 1973 we all knew of a solemn pledge to re-enter it, insulted the public intelligence. One must be a fool or a knave to say such things. Or a hireling, carrying out orders from above.

The last is really the point about Ron Nessen. He did not invent that particular feeble evasion of the truth. President Ford said about the same thing when he was asked about the secret Nixon commitment. And the original falsifier in this case, as in so many others over the last six years, was Secretary of State Kissinger.

In March, 1974, Mr. Kissinger was asked by Senator Edward Kennedy to state American commitments to South Vietnam. He replied by letter of March 25: "The U.S. has no bilateral written commitment to the Government of the Republic of Vietnam." When he wrote that, he of course knew all about the Nixon promise to Thieu; Mr. Kissinger had probably drafted it.

The example of the Nixon letter makes clear that official concealment and deception do damage to more than moral sensibilities or an abstract concern for truth. They profoundly injure the premises of democracy. The Constitution made Congress an equal partner in the Federal Government, but how can it be effective if the basic facts of policy are withheld from it or covered over with lies? And our system assumes not only an effective legislature but an informed public.

Official falsehood has become so serious a problem, so corrupting of our constitutional process, that there are now numerous proposals for corrective legislation. An interesting one is set out in a recent paper by Peter D. W. Heberling, a law student at Columbia University and researcher at the Center for Policy Research in New York, and Amitai Etzioni, professor of sociology at Columbia and director of the Center.

This proposal is for a statute making it a felony for any employe of the executive branch to make "a materially false statement" to Congress or one of its committees. The law would also apply to an employe who orders another to falsify. And the plea that one was told by a superior to testify falsely would not be a defense.

The Heberling-Etzioni draft, like others, would give a permanent Special Prosecutor responsibility for enforcing the law. He would be chosen by Congress.

Clarifying the difficult existing statutes on perjury and false statements in a law focused squarely on Government officials is an idea worth exploring. The principle that obeying superior orders is no excuse for official crimes was followed in the Watergate trials but could usefully be re-emphasized in a statute. Congress may need a new mechanism to help enforce its right to truthful information, whether or not it is a Special Prosecutor.

The criminal law, when it is enforced, is a power engine for making respectable people comply with a society's standards. If just one high-ranking official of the many who have lied to Congress in recent years was prosecuted and convicted, attitudes in the executive branch would be very different.

But we need not wait for reform of the law to begin rebuilding public faith in the word of Government. A Congressional committee that expressed its outrage at a deceptive witness and forced his resignation would do wonders. And of course we might also have a President who detested official untruth and made his outrage felt.

EDWIN RAY WILLIAMS RETIRES FROM SOCIAL SECURITY ADMINISTRATION

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues the dedicated effort and step-by-step achievement of a constituent in my congressional district in California in the field of social security administration.

Mr. Edwin R. Williams is retiring from a continuous career in the SSA, beginning after his honorable discharge from the Army of the United States in 1944, and service in the active reserve as Warrant Officer, Junior Grade, in the Army from January 1944 to December 1945. His first appointment in the SSA was as a clerk in the San Francisco office—the city of his birth—in January 1941. In 1948 he was promoted to Field Assistant in the Oakland office and from that time on ladder promotions took him to the cities of Stockton and San Diego, finally concluding in a transfer to Santa Barbara where he has since resided and worked.

In the administration of my congressional office in Santa Barbara County, many constituents present problems which relate to the Social Security Administration and, naturally, much contact is necessary with the local office where Mr. Williams served as assistant district manager. His knowledge of the various facets of his office was vast. Since his transfer to Santa Barbara, many additional services have been added to SSA through legislation and he is aware of the facts and quick to act on any problem presented to him by my office. My staff and I have many reasons to be indebted to him for his cooperativeness and facility in finalizing pending matters in his field, and wish to express our appreciation.

His plans for the future will include travel which he and Mrs. Williams have enjoyed worldwide. Locally, he plans to keep busy in the community, possibly with activities such as Red Cross counseling and other civic interests.

Mr. Speaker, Mr. Williams deserves commendation by this House for his fine work in a branch of the Federal Government devoted to service to the people of the United States.

JULY 20, 1974: ANOTHER DAY OF INFAMY

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. PATTEN. Mr. Speaker, it is my understanding that this week, a vote will be taken on whether to restore U.S. military aid to Turkey. I hope the bill is defeated, for such restoration would give the world the impression that America wants to reward aggression.

Based on press reports, the Ford administration is supporting the compromise bill passed by the House Committee on International Relations—a compromise I believe is ridiculous and insulting. As one who several months ago cosponsored a House resolution that cut off military aid to Turkey after its troops ruthlessly invaded Cyprus, I believe that the so-called compromise is pathetic.

Because of that outrageous and uncivilized invasion, the present armed forces of Turkey control about 40 percent of Cyprus, even though the Turkish population on the island is only an estimated 18 percent. In addition 5,000 Greek Cypriots were killed, 15,000 were wounded, and 200,000 persons are homeless. I am greatly concerned about the refugee problem and the apparent lack of interest Turkey has in resolving it.

Mr. Speaker, Turkey's invasion of July 20, 1974, violated the Foreign Assistance Act, which specifies that military equipment supplied by the United States could be used only for self-defense or for internal security—but not for aggression. Turkey deliberately violated this law—and violated it with impunity. How incredible.

Turkey has also broken its word to Washington that poppies would not be produced there for 2 years, despite the United States-Turkish agreement that poppies would not be grown. The United States has paid Turkey $35.7 million not to grow poppies in order to try and reduce the supply of heroin, which kills hundreds of young Americans every year.

It is obvious that Turkey is using blackmail tactics to try and pressure the United States into accepting the "compromise" measure—that if Congress does not accept it, the Turks will close NATO bases in Turkey. I do not want to see America yield to this naked blackmail, so I strongly hope that the restoration bill is defeated. What I would like to see is military aid to Turkey cut off by the United States—until Turkish troops leave Cyprus and the 200,000 refugees are returned to their homes.

Mr. Speaker, not only is justice at stake in the coming restoration vote. So is the honor of the United States. July 20, 1975, marked the first anniversary of the invasion of Cyprus by Turkish armed forces, and will be remembered as another "day of infamy." It is a sad and bitter memory, not only for the people of Cyprus, but for all people who cherish freedom, peace and reason.

Lord Byron was one of the world's greatest poets—and he loved Greece, because it was devoted to freedom. In one of his finest works, he wrote:

"The mountains look on Marathon—
And Marathon looks on the sea;
And musing there an hour alone,
I dream'd that Greece might still be free."

Mr. Speaker, I dream and hope that Cyprus "might still be free," but it will never regain its lost freedom unless the U.S. House of Representatives takes action this week that will prove that America is really "the land of the free and the home of the brave." It is easy to talk about freedom and courage, but it is hard to practice it. I hope with all my heart that our deeds will match our words, for the world will be watching us carefully.

One of the most interesting and enlightening weekly newspapers I read—the Hellenic Times of New York City—recently published a moving editorial on the Cyprus tragedy. I hereby insert it, because it covered the Cyprus problem with clarity and with eloquence.

The article follows:

JULY 20, 1974: ANOTHER DAY OF INFAMY

Cyprus is an American problem. It is not simply a Greek-Turkish dispute over Cyprus.

Key issues involved are:

(1) The Rule of Law. Turkey massively violated our laws—the Foreign Military Sales and Assistance Acts—and agreements under those laws, including a specific agreement not to use U.S. military arms on Cyprus, by its brutal aggression on July 20, 1974, against Cyprus, a small defenseless island nation. Kissinger and the Executive Branch, in a shocking example of an "international Watergate" also violated these laws and agreements by refusing to "immediately" stop military sales and aid to Turkey as required by these laws and agreements.

The Administration's failure to enforce the Foreign Military Sales and Assistance Acts and our bilateral agreements with Turkey under those laws shows contempt for the rule of law and shows:

that the United States does not consider other nations bound by bilateral agreements with us,

that the United States does not consider itself bound by its laws or its bilateral agreements, and

that aggression pays and all defenseless and weak nations are at the mercy of stronger ones.

Turkey's aggression against Cyprus also violated the U.N. Charter, the NATO Charter, the London-Zurich Agreements and basic international law.

(2) Opposition to Aggression. Even if Turkey had not used U.S. arms in its brutal aggression against Cyprus, it is a basic principle of U.S. foreign policy to oppose aggression. Resuming arms sales and aid to Turkey would make our nation an open co-aggressor with Turkey. Incredibly, Kissinger's policy seeks to overturn fundamental U.S. foreign policy against aggression and the basic moral position of the U.S. in world affairs.

The Secretary of State agrees with Ankara and has cast his lot in favor of restoring arms to Attila. The Kissinger bill seeks to reward the Turkish militarists and war criminals. This, after the brutal invasion last year of Cyprus, an independent, defenseless island republic half the size of New Jersey; this after 5,500 Greek Cypriots were murdered and 15,000 wounded by napalm bombs, machine guns, armored vehicles and airplanes made in the United States; this while 2,500 Greek Cypriots are missing in the Turkish and unacknowledged by Turkish authorities;

this while 200,000 Greek Cypriots remain refugees in their own country; this while Turkey continues to occupy 40 per cent of Cyprus with 42,000 troops.

We cannot have a double standard—one for our opponents and another for our alleged friends.

(3) The Role of Congress. The role of Congress in foreign affairs is at stake in this issue. Congress has a clear constitutional role in the formulation of U.S. foreign policy and has oversight responsibility to see to it that congressional policy is carried out. The cut-off of arms to Turkey was required under existing law, however, the Executive Branch's continuing violation of these laws, and agreements under these laws, forced Congress to enact a specific prohibition against arms to the Turkish aggressor.

The Congress acted as the conscience of the nation and met its constitutional foreign policy-making and oversight roles. Kissinger is trying to remove the Congress from foreign policy. It is now up to the House of Representatives to preserve and strengthen Congress' role in foreign affairs by defeating the Administration's bill to resume illegal military sales and aid to Turkey.

(4) Support of the Greek Democracy—The strategic key to the Eastern Mediterranean and the only Democracy in Eastern Europe.

General James A. Van Fleet strongly opposes resumption of military sales or aid to the Turkish aggressor and has strongly urged the Congress and the Executive Branch to reject Turkey's blackmail threats. General Van Fleet points out that "Greece is the strategic key to the Eastern Mediterranean and clearly more important than Turkey to the strategic interests of the U.S. and NATO," and urged the House of Representatives to "stick by its guns and not allow an erosion of its position in upholding the rule of law;" and that "the U.S. and NATO must stand against aggression whether by friend or foe or we renounce the very essence of our foreign policy and basic beliefs."

INFLATION—A 5-CENT CUP OF COFFEE—AND WELCOME TO SOUTH DAKOTA

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. ABDNOR. Mr. Speaker, as we move into the final 10 days or so of congressional activity before the August recess when we return to our home States for meetings with our constituents, I would like to mention an item which may encourage some of you to make South Dakota a stopping place on your way home. Or for those of you east of South Dakota who may be looking for a pleasant place to spend some time, I also bring this to your attention.

We are, of course, in the midst of high inflation. Prices have shot up to unbelievable margins. But one price in one place has not increased.

That is the price of a cup of coffee. It still is 5 cents at the Wall Drug in South Dakota. And for a real bargain, ask for a glass of ice water to go with the coffee. The ice water is free which is what made Wall Drug what it is today, a highly popular tourist haven of which we have many in South Dakota.

During the dry 1930's, Ted and Dorothy Hustead hit on the idea of advertising free ice water for the dusty traveler going across western South Dakota. The idea was a real lightning strike, resulting in a tremendously successful tourist business.

The imagination and enterprise that made this venture successful continues to prosper in South Dakota, not only at Wall Drug, but across our State.

So when the Congress recesses, if you are heading west, we welcome you to South Dakota, for a 5-cent cup of coffee, and most of all, a genuinely delightful vacation among friendly people.

RESUMPTION OF ARMS TO TURKEY

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. JOHN L. BURTON. Mr. Speaker, the House will soon consider legislation to resume the shipment of arms to Turkey.

In view of the importance of this matter, I would like to call the attention of all Members to a letter written by Mr. George Christopher, former mayor of San Francisco. In addition, I would like to insert in the extention of remarks copies of two newspaper editorials that deal with this situation.

The text of the material follows:

CYPRUS RELIEF FUND OF AMERICA, INC.,
New York, N.Y., July 18, 1975.

DEAR CONGRESSMAN: The writer is the former Mayor of San Francisco and presently serves as National Chairman of the Greek Orthodox Archdiocese Cyprus Relief Fund, representing 3,000,000 American Citizens of Greek origin.

We respectfully ask that you vote against any resumption of arms to Turkey—by sales or otherwise—until that country removes its invasion forces from Cyprus and allows the 200,000 refugees to return to their homes. America must not become a partner in this continued aggression.

Enclosed are editorials from the St. Petersburg Times and the New York Post which are a sampling of opinion throughout the country and tell the story well. In the interest of the rule of law, America's international integrity and justice, please vote against Kissinger's so-called "compromise" bill—and against all shipments of arms to Turkey until it honors international laws and our laws and bilateral agreements with the United States.

Thanking you, I am
Very truly yours,
GEORGE CHRISTOPHER,
National Chairman, Greek Orthodox Archdiocese, Cyprus Relief Fund.

Enclosures.

[From the New York Post, July 11, 1975]

FRENZY OVER TURKEY

To each Administration its own obsession, but what is there in Henry Kissinger's and Gerald Ford's deep dark pasts—otherwise so dissimilar—that gives them this "thing" about Turkey?

It's as if the sun rose and set on the necessity of restoring the flow of American armaments to that not notably kindly country. Worse, as if the sun should not be *allowed* to set until a foolish, feckless U.S. Congress reverses the cut-off of arms it instituted during last year's primitive Turkish "solution" to the Cyprus problem.

Lyndon Johnson in his prime never twisted so many elbows at one sitting as President Ford did when he had 140 members of the House in to breakfast the other day—while Mr. Kissinger was separately cozening 100 others. (The vote of Dec. 11 they are seeking to be upset was a whopping 297 to 98.) It is the Secretary of State's apparent if unspoken thesis—or blackmail, to use a plainer word for it—that peace for the Middle East can only be bought at the price of hold-your-nose-and-vote-for-palship with our poppy-growing ally at the far end of the Mediterranean.

On the table now is a "compromise," lifting the arms embargo while reaffirming friendly U.S. relations with both Greece and Turkey and requiring bimonthly White House progress reports on an equitable settlement for Cyprus. Will it wash? Not according to Rep. John Brademas (D-Ind.), who believes he speaks for his 3 million fellow Greek-Americans—and many other citizens—in calling the deal "fraudulent."

Brademas has perhaps special personal provocation. He was not invited to the President's breakfast. While enemies lists may be things of the past, heavy-handedness isn't. The tilt toward Turkey is becoming an absurd spectacle.

[From the St. Petersburg Times, July 12, 1975]

FAULTY COMPROMISE

The trouble with the compromise proposal that President Ford now accepts to allow renewed shipments of United States arms to Turkey is that what appears to be most compromised is U.S. integrity.

Congress closed the weapons pipeline to Turkey last year after the Turks violated their obligation not to use offensively against allies arms intended solely for defense. Turkey attacked Greek troops—NATO allies—in the Turkish invasion of Cyprus.

Although almost no progress has been made on the Cyprus conflict, Mr. Ford first urged an unconditional lifting of the arms ban. Congress balked. This week, he agreed to a plan drafted by key lawmakers that would let $78-million worth of arms already paid for by Turkey be released, that would free Turkey to buy more American military goods but not be eligible for grants of military aid, and would require the President to report to Congress every 60 days on arms sales to Turkey and on progress toward a Cyprus settlement.

That would fulfill this country's obligations to Turkey, the plan's backers say. But it wouldn't require Turkey to fulfill its obligations to obey the law under which it received the arms. It wouldn't fulfill U.S. obligations to enforce its own laws. It wouldn't fulfill U.S. obligations to other allies that they can count on Washington not to tolerate abuses of U.S.-supplied weapons.

Administration officials argue that a continued arms ban will create new tension and unrest in that part of the Mediterranean, and that the U.S. needs its intelligence-gathering bases near the Soviet border in Turkey.

But Turkey created tension and unrest in the Mediterranean by violating the arms agreement and invading Cyprus. Spy satellites can assume much of the intelligence gathering that is necessary, should Turkey expel U.S. forces. That, however, is questionable; it seems clear Turkey needs this country as much as the U.S. needs Turkey.

The House International Relations Committee voted 16 to 11 yesterday to release arms already arranged by Turkey, but to continue the ban on new aid at least for several months. Congress might approve the arms compromise in the next few weeks. But to do so will tell the world that our own laws don't mean much to us, that anyone buying arms from us can use them as they

wish, and that when pressed on even important principles, we are willing to compromise.

PETER BENT BRIGHAM HOSPITAL SAYS ADMINISTRATION OF KIDNEY DISEASE MEDICARE PROGRAM MUST BE IMPROVED

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. VANIK. Mr. Speaker, on June 24, the Oversight Subcommittee of House Ways and Means Committee held the first in a number of hearings into the administration of section 299I of the Public Law 92-603, the end-stage renal disease benefits program. The subcommittee is concerned about the increasing cost of this program—soon to be a billion dollars per year—as well as the failure of this provision to provide truly catastrophic health care coverage.

In an effort to obtain advice from hospitals and clinics which are involved in kidney transplants and renal dialysis, in early June, I sent a survey to some 700 kidney disease treatment facilities. The answers to that survey—which are available to interested parties in the subcommittee's offices—reveal deep concern about the administration of this program by the Social Security Administration.

Among the most extensive comments which the subcommittee received was a letter from the world-famous Peter Bent Brigham Hospital in Boston, a teaching hospital of the Harvard Medical School. I was particularly pleased to receive the benefit of the expert knowledge of this facility, since the hospital has had the lengthiest experience of any hospital in the world in the treatment of end-stage renal disease. The world's first successful dialysis treatment was performed at the hospital in 1949. The hospital also undertook the world's first kidney transplant between identical twins and the first transplant between unrelated individuals.

Basically, the kidney disease treatment staff at the hospital feel that the "Bureau of Health Insurance has simply not been up to the task of effectively administering this somewhat awkward law. I would suggest, therefore, that our unhappy experience with this program be seriously considered before embarking on the 10,000-fold larger program of National Health Insurance." Benjamin C. Locke, technical and administrative director, renal division, department of medicine.

Following are some of the hospital's responses to my questionnaire. First, despite the many problems involved in the kidney program, the mortality from this disease has shown a dramatic decline:

Question: Approximately what is the mortality rate percentage from this disease among your patients?

a. All kidney diseases 4.8 percent in 1974.

b. ESRD on dialysis 8 percent first year, 6 percent thereafter.

c. ESRD on transplantation:

1. Living related donor transplant, first year, 5 percent.

2. Cadaver donor transplant, first year, 20 percent.

3. After the first year, the combined mortality of transplant patients is about 3-5 percent per year.

Approximately what was the mortality rate five years ago?

a. All kidney diseases data not available.*

b. ESRD on dialysis 15 percent first year, 10 percent thereafter.

c. ESRD on transplantation:

1. Between 1968-1973, living related transplant first year mortality was about 10 percent and each subsequent year was about 6 percent.

2. Between 1968 and 1973, cadaver transplant first-year mortality was about 28 percent, and for each subsequent year was about 8 percent.

Mr. Speaker, we should remember that despite the 299I program not all of our citizens are covered by the social security program:

Question: Why do some people with end-stage renal disease not receive assistance under the program?

a. Medical reasons only if not suitable because of co-existing diseases (e.g. certain terminal cancers).

b. Gaps in coverage under Medicare?

Most Federal, State and Municipal employees, many of the self-employed and unemployed are not eligible.

Also, certain medical supplies and pharmaceuticals, which are necessary for dialysis, as well as the 20% co-insurance requirement for home and center dialysis costs, physicians fees and all other Part B costs, can add up to a considerable expense to the patient. Immunosuppressive drugs used regularly by transplant patients to prevent rejection are particularly expensive.

In addition, there are limitations on when dialysis coverage begins for a patient and there is a termination date for coverage of transplant patients. Neither limitation has any medical basis and in fact both can create enormous hardships on the patient:

The three month waiting period is the most difficult and inequitable way of rendering acute renal failure patients ineligible for benefits. It is not difficult, medically, to separate chronic, or end-stage, renal failure patients from the acute patients, or to specify adequate norms, standards, and criteria for effective peer review of such diagnostic classifications.

There is really no valid or even optional cut-off point. All transplant recipients need to be monitored and/or treated for life. Even identical twin transplanted kidneys have been lost (due to recurrence of the original disease). At 2 years after transplantation, costs (which are still considerable) may begin to approximate those of any other chronic disease, but should rejection occur or dialysis be necessary, costs would immediately become catastrophic again.

There should at least be no second three-month pre-eligibility waiting period after the one year post-transplant limit has occurred, and it would be much better if the one year limit were eliminated also.

The Hospital's experts were particularly critical of local and national administration of the program:

Question: Are local medical providers and local Social Security offices adequately aware of the program?

Tremendous ignorance exists at the local Bureau of Health Insurance and local intermediaries and carriers, and little timely support from Baltimore seems available to them.

Question: From the beneficiary's point of view, what is the single most important step the Congress could take to improve the End-stage Renal Disease Program?

Ease the red tape, and end the 'pre-and post-' eligibility limits. These limits cause incredible amounts of paperwork, and necessitate extraordinarily cumbersome bookkeeping methods. The problems created by a kidney for transportation becoming available during the preeligibility period are particularly horrendous. In addition, the 20% co-insurance requirements of Medicare Part B cause unnecessary hardship to home and center dialysis patients, and tremendously complicate the preparations for transplantation. In fact, the 20% co-insurance requirement for home dialysis costs may well discourage significant numbers of patients from opting for this more difficult but far less expensive (overall) mode of therapy.

In addition, Medicare has implemented a reimbursement classification scheme which is almost totally at variance with that used by Blue Cross/Blue Shield, Medicaid, and commercial insurers, making coordination of benefits and co-insurance assistance profoundly difficult, resulting in considerable delays by these payors, and an extraordinary administrative effort on our part to educate these third parties. SSA should provide support for such training of other third parties, if they are going to take so radically different attack."

Question: What is the most important step the Congress could take to hold down costs in the program?

Much paperwork could be eliminated through effective peer review and post-audit mechanisms. That is, instead of trying to control costs through complex reimbursement regulations, costs could be controlled much more cheaply through effective peer review of the necessity and adequacy of services, and through thorough post-audits of costs.

Mr. Speaker, the comments which the subcommittee received from Peter Bent Brigham Hospital were repeated by facilities throughout the Nation. It is obvious that the end stage rental disease program is facing a number of serious problems. The Oversight Subcommittee intends to continue to examine this issue until there is an improvement in what will soon be a billion dollar a year program.

*Among the general public during the period 1950 to 1969, mortality for most kidney diseases has gone from 16.6 to 3.9 deaths per 100,000 population (age adjusted), or down 76.5 percent (according to the National Center for Health Statistics), due presumably to the artificial kidney machine and transplantation.

FORD VETO HANGS OVER NURSE BILL

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. DINGELL. Mr. Speaker, pursuant to permission previously granted I submit the following article as it appeared in the State Journal, Tuesday, July 8, 1975:

[From the State Journal, July 8, 1975]

FORD VETO HANGS OVER NURSE BILL

Local and state nurses groups say Michigan stands to lose about $4.6 million in federal revenue, if the federal Nurse Training Act is vetoed.

President Ford last December vetoed similar legislation, and nurses organizations are worried he will do the same with the latest bill, which is now awaiting final Congressional action.

Shortages of professional nurses in hospitals, nursing homes and other health agencies exist now in Michigan, and the loss of federal funding would aggravate the situation, the Capitol District Nurses Association said.

Michigan now ranks in the lower 40 per cent of all states in the number of registered nurses (RNs) to population. The most recent statistics available to show Michigan has 277 RNs per 100,000 population compared to the national average of 313 per 100,000 population.

The Nurse Training Act would provide grants, loans and scholarships for students, and fellowships and trainee programs.

THE REALITIES OF THE GASOLINE PRICE INCREASES

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. JONES of Oklahoma. Mr. Speaker, during the July 4 recess, I was back in Oklahoma with my constituents. It was during this time that the price of gasoline increased 3 cents per gallon. I share the concern of my constituents, and my colleagues over the amount and the timing of these increases.

However the knee-jerk reactions of many individuals blur the realities resulting from a more indepth analysis.

I believe the blame for the amount and the timing can be laid to rest at the doorstep of the Federal Government.

The first reason is the $2 per barrel tariff on imported oil that the President has put in place. This tariff has not only affected the price of imported oil, but it has also increased the market price of new domestic oil by $2 per barrel.

The second reason is the Federal Energy Administration. The regulations imposed by FEA, not to mention the paperwork burden and the redtape, have grievously affected competition and pricing. I would like to call to the attention of my colleagues the July 15 lead editorial of the Wall Street Journal, which shatters the myth of a great gasoline conspiracy:

[From The Wall Street Journal, July 15, 1975]

THE GREAT GASOLINE CONSPIRACY

The sudden sharp rise in the demand for gasoline, plus the decline in gasoline stocks, plus the almost simultaneous announcement of gasoline price boosts by most refiners on July 1—all this adds up, in the minds of some Washington politicos, to a great gasoline conspiracy. Senator Henry Jackson, who wants to be President, and Senator Adlai Stevenson, who wants to be President, have announced Senate subcommittee investigations to find out what's going on.

Before they've heard the first witness, though, both gentlemen have announced their findings. Senator Jackson says, "Clearly the oil companies have manufactured a shortage." Senator Stevenson says this is "a classic study in the power of the major oil companies to reverse the normal rules of supply and demand." The prejudgments are a pity, for if the Senators could blot them out of their minds, their hearings would surely prove illuminating and educational.

Take the first question: Why were the price boosts simultaneous? Because under FEA regulations companies can increase prices to pass through costs, but "non-product" costs may be recovered only in the month following the one in which they are incurred. Unlike the cost of crude oil, they cannot be "banked" for recovery in future months when market conditions may be more favorable. In fact recently the companies have been having trouble making price increases stick, so if they are to have any chance to recover non-product costs they have to start as soon as possible. They need no collusion to arrive at the first of the month as the date to post increases. In short, the answer to question one is: The FEA.

On to question two: Why have gasoline stocks dropped so suddenly? Well, the FEA has an obscure rule that requires an oil company to charge everyone in a "class" of customers the same price regardless of geographical location. Before formation of the FEA, a company short on gasoline in California would call other companies and try to buy some, or perhaps swap some for fuel oil. For the right price, a company long in gasoline would sell some to the company that was short.

This no longer happens, because if the second company sold California gasoline at a premium price, it would have to raise its price to similar customers nation-wide. This would mean a loss of market share in other areas, and the premium sale is not worthwhile. So the telephone calls have stopped. It was in these calls, when someone started to find that no one else was long on gasoline, that oil men got the first warning of an impending shortage. Without the calls, the shortage can come as a surprise. So to question two, the answer is: The FEA.

On to question three: Why aren't the nation's refiners, who are operating at less than 90% of capacity, importing more crude oil to make more gasoline? Well, imported crude costs $13, and the FEA will not allow refiners to pass along this cost until the next month. If the refiner is making gasoline from a mix of $5.25 price-controlled oil and $13 imported oil, more imported oil will push up unit costs without any immediate increase in the selling price. Perhaps it would be able to "recover" these costs by higher prices later, but then again maybe not. So the answer to question three is: The FEA.

Now, to give credit where it's due, the FEA runs around frantically writing new regulations trying to undo the damage its past regulations have done. Last week, for example, FEA head Frank Zarb was talking about allowing geographical differentials. But by now, we should be learning that the next regulation will only do something else, that the oil industry cannot be run from Washington without benefit of price signals. That the way to have the oil industry produce gasoline most efficiently, which is to say at the lowest price, is for the government to get out of its way.

Senators Jackson and Stevenson will find, if they conduct fair and honest hearings, that the spot gasoline shortages the nation now faces result not from conspiracy, but from the very controls they and their congressional colleagues created. Once they make this discovery, there no doubt will be public apologies all around to the oil companies and no further attempt to extend controls past the August 31 expiration date. The great gasoline conspiracy was unwittingly concocted on Capitol Hill.

AN ASSESSMENT OF OUR PETROLEUM SITUATION

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. ARCHER. Mr. Speaker, I recently read an article in the Philadelphia Inquirer which I thought was one of the best I have read on our petroleum situation. My colleagues in Congress, I believe, should read it carefully.

The article follows:

JACKSON'S OIL PROFITS PITCH

(By John D. Lofton, Jr.)

WASHINGTON.—From time to time over the past several months, I have received a packet of news clips from Sen Henry Jackson's office detailing the progress of his Presidential campaign. The material usually includes such things as polls showing how he is rapidly gaining ground on Milton Shapp; or surveys indicating that the percentage of his fellow Democrats who would like to see him in the White House now almost outnumbers those who would prefer "all others."

But the other day, I received a letter directly from Sen. Jackson himself. And since he asks for my "personal views about some tough current issues," I am more than happy to oblige.

What I would really like to see you do, Scoop, since you are an expert in the field of energy, is talk some sense to the American people and quit grandstanding on the subject of oil company profits.

I notice in your fund-raising appeal to me you denounce the blackmail of foreign oil, saying, however: "I will not stand for our nation being bled while oil companies grow rich beyond belief."

Now the fact is that the oil companies are not doing all that great profit-wise. The Chase Manhattan Bank's "Petroleum Situation" report notes that the profits of a representative group of oil companies declined an average of 38 percent in the first quarter of this year, compared to the year-earlier period. For example, Gulf's profits are down 32.8 percent; Standard of Indiana declined 33.2 percent; and Texaco dropped 66 percent.

"The combined profits of the group of companies in the first quarter amounted to $2.7 billion—$1.6 billion less than the same period last year," the Chase Bank's report says. "Since the group's ability to invest was reduced by the loss of the depletion allowance as well as by the decline in profits, the impact is particularly severe."

Because of the capital intensive nature of the oil industry and the worldwide scope of its operations, the report continues, its capital and other essential financial needs are enormous. Furthermore, they are rapidly becoming larger because of the world's growing petroleum requirements and also as a result of continuing inflation. "A decline in profits," says Chase, "is a very serious matter."

Indeed it is, senator, and you know this.

It is ironic that unless we have larger oil company profits—which you deplore—to produce more petroleum domestically, we are going to be even more vulnerable to that foreign oil blackmail, which you also attack.

The only way to reduce the 37 percent of our oil and petroleum products which we now import from those extortionists you so rightly criticize is to encourage our oil companies to amass the capital they need to sharply increase production.

If you feel it would simply be too damaging politically for you to level with the American people about the real way to solve our energy

problems, Scoop, then so be it. But could you at least stop saying all those things that aren't so?

Sorry to be so blunt, but this subject is one of those "tough current issues" you asked for a comment on. I'd just like to see you face up to it.

THE SS "CATALINA," A SPECIAL SHIP FOR A SPECIAL TRIP

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. ANDERSON of California. Mr. Speaker, there are a few places in our country whose names conjure up an image of sunshine and happy times. Say the word "Catalina" and you can be transported to a "Magic Isle."

If you are lucky enough to go in reality, not just in your imagination, you can go on the SS *Catalina*. And getting there is at least half the fun.

Santa Catalina, San Clemente, and San Nicolas islands off the coast of Los Angeles County were called "Mountain Ranges that are in the Sea" by the ancient, peaceful Indians who lived there so long ago. The sea otters and black seals that were once plentiful lured many early hunters to the islands. San Clemente and San Nicolas are now military property, and Santa Catalina is the only one which has been developed into a vacation and recreation area. The islands remained sparsely settled until 1919 when William Wrigley, Jr., bought Santa Catalina Island with plans to develop it into a vacation and recreation area.

In order to implement his plans, Mr. Wrigley bought the *Virginia* in Boston and had it brought through the new Panama Canal to the West coast, and began service as business boomed on the "Magic Isle." Soon the need for a new ship became evident. Mr. Wrigley commissioned the building of a boat especially for service between San Pedro and Avalon Bay.

And so the S.S. *Catalina*, was created. A very special ship was designed by Bruce Newby, and built by the Los Angeles Shipbuilding and Drydock Co. in Wilmington. She was pure white from her waterline to the bridge, except for the guards which presented a fine black stripe almost her full length. The two tall, graceful masts and the huge funnel were a smart buff with black trim, and there was a large melodious steam whistle of gleaming brass that emitted an endearing tone, along with clouds of billowing steam. The latest in navigating equipment was included, along with a powerful wireless radio transmitter and receiver. The passenger accommodadations were particularly spacious and included a lunch counter with a completely equipped galley and a ballroom with a live orchestra. The middle deck was the parlor, called the "Saloon Deck," although it was the time of prohibition, and it contained luxurious leather upholstered settees and chairs. On the Promenade Deck was a deluxe stateroom fitted out for Wrigley's exclusive use when he traveled to and from his impressive Mt. Ada mansion overlooking Avalon.

The outward appearance of the ship was just as impressive and unusual as the interior. Originally designed to carry 1,950 passengers and a crew of 71 on her three passenger decks, the *Catalina* is over 301 feet long and 52 feet wide. To carry her across the 26 miles of ocean between San Pedro Bay and Avalon Bay, she was equipped with two massive steam engines, the steam provided by four oil-fueled boilers. The huge steel rudder was turned by a steam engine controlled by the helmsman. It was a majestic sight to see her pull away from the dock and head out into the open sea.

The SS *Catalina* made her first voyage on June 30, 1924, with 600 guests and officials enjoying the music of the orchestra on board while receiving the salutes of all the ships in the harbor. She was called the "Million Dollar Ferryship to Fairyland."

In those days, travelers from southern California, and indeed, the whole country, flocked to Catalina for weekends and vacations. The historical "Red Car Line" provided quick access to the new Catalina Terminal in Wilmington. In 1929, Wrigley built the famous circular Casino in Avalon, adding another attraction to the already fabulous island.

The depression had its effect on the numbers of people who were to travel across the sea to Santa Catalina. But the lure was great, and the price was small, and so, with the first easing of the slump, traffic again increased and the island remained a favorite tourist attraction. The SS *Catalina* sailed proudly with a full complement of passengers.

The shock of events on December 7, 1941, had an immediate impact on the ships that sailed out of San Pedro Bay. It was considered too great a risk to allow tourists to continue across the channel, where there was a constant danger of enemy action. Furthermore, the island of Catalina was closed to the public and became a training area during the war. With a great need for ships in the San Francisco Bay, which was the major West coast staging area, the *Catalina* was requisitioned by the War Department and innumerable troops sailed on her decks while being ferried between docks and ships on their way to the war zone. Painted a standard gray, and stripped of her luxurious furnishings, the proud ship served her country well in its years of war.

The veteran ship was welcomed back to southern California in 1946, where she was fully restored to her gleaming white and buff glory. Once again, she traveled the blue Pacific with her happy load. However, things had changed. Tourists now found other places to go, and other ways to travel. What were boom years for the airlines became "bust" years for the water transportation business. The fabulous SS *Catalina* was sold to another operator and sailed only in the summer months. There are many loyal travelers who continue to sail the channel on the *Catalina* each summer, but the number of passengers who answer her welcoming whistle and board her bright white decks has severely declined from the exciting days of the twenties and thirties.

The future always brings change, and the SS *Catalina* may enter a new era of grandeur for the historians and steamship buffs who travel from all over the world to experience the thrill of sailing to the "Magic Isle" on the proud old lady, *Catalina*.

GRADUAL DECONTROL BEST ENERGY POLICY

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. GRADISON. Mr. Speaker, in the continuing debate over national energy policy, a considerable controversy has arisen over the potential effect of decontrol of oil prices. I believe the current price control system has seriously disrupted the oil industry by promoting imports and discouraging development of domestic sources. A review of the basic facts of this issue will show the effects of price controls.

The detrimental impact of this system is clear. From a high of 9.6 million barrels per day in May 1972, domestic production has declined to 8.5 million barrels. As a result, crude oil imports have nearly doubled from 2.16 million barrels per day to 4.06 million barrels per day.

Finally, domestic demand for oil, which has been reduced during the oil embargo and immediately after, has begun to rise again to over 17 million barrels per day. Therefore, we are faced with decreasing domestic supplies and increasing reliance on foreign sources as a result of the pricing system.

Under the current controls, "old" oil which comes from properties producing at or below 1972 levels, is fixed at $5.25. New domestic oil and imported oil are not regulated and sell for more than twice the price of old oil.

Phased decontrol of old oil would reconcile the price disparity by releasing a portion of the old oil from controls every month, until all old oil is decontrolled. This decontrol plan must be coupled with a windfall profits tax to prevent excessive profits by producers. Adding a tax credit provision for plowing back these profits into exploration and production will provide a powerful incentive to producers to increase our domestic supplies of oil. The Federal Energy Administration has estimated that domestic oil production will be increased by 1.4 million barrels per day due to the incentives provided by decontrol.

If we are serious as a nation about developing our energy sources and avoiding undue reliance upon foreign supplies, decontrol of old oil is an urgently needed action.

Gradual decontrol over a period of time minimize the immediate impact. Indeed, recent studies have concluded that the increase will be considerably less than previously projected. My colleague, CLARENCE BROWN of Ohio, has calculated that in a 4-year decontrol plan the per

gallon increase for gasoline will be 6.7 or 1.7 cent per year. The FEA has estimated that the President's 30-month decontrol plan will result in a 1 cent per gallon increase this year with a total increase of 7 cents.

The reason for this small incremental increase is the mix of old oil with new domestic and imported oil. Old oil constitutes only 36 percent of the total consumed last year. Thus releasing old oil from controls actually increases the price of a little over a third of our crude oil demand.

While phased decontrol will reduce the immediate impact of higher oil prices, its primary effect will be to assure an adequate domestic supply of oil. Continuation of price controls and allocation schemes will only legislate shortages and do nothing to decrease dependence on foreign oil.

Indeed, any rollback of new oil prices fails to recognize the actual costs of producing a barrel of new oil. Economist Robert Nathan has calculated the cost of producing a barrel of new oil in 1974 to be $12.73, which even exceeds the market price of domestic new oil, currently around $12.60.

Decontrol will allow producers to make the substantial capital investment necessary to develop our domestic reserves. Developing American sources will ultimately reduce OPEC's ability to dictate the market price of oil.

I believe it is time for the Congress to take a positive step to promote the development of our energy resources, rather than continue indefinite price controls which do nothing to solve the energy crisis, but merely cover it up.

THE GREAT GRAIN ROBBERY II

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. ROSENTHAL. Mr. Speaker, first there was "Godfather II," then "French Connection II"—now the biggest ripoff spectacular of them all is in the making: The Great Grain Robbery II.

This weighty spectacular is being produced by the same folks who brought us the 1972 disaster epic, the U.S. Department of Agriculture and the international grain dealers.

If we are to avoid witnessing another round of excessive inflation and enormous increases in U.S. food prices, the administration must immediately clamp a ceiling on the amount of wheat and other U.S. grains to be sold to the Soviet Union this year.

Since rumors began in early July that the Soviets were in the market for U.S. wheat, the price of that grain alone has gone up nearly 25 percent. It's only a matter of time before this will be reflected in the price of retail bread, milk, meat, and nearly every other food we eat.

Agriculture Secretary Earl Butz, who tragically underestimated the impact of the 1972 Soviet grain deal, now says the 1975 grain sales will have a negligible impact on U.S. food prices. All the evidence, however, shows he is wrong again.

Between July 1 and 16, prices of major commodities on the Kansas City grain market have all posted big increases as a result of rumors and uncertainty over the magnitude of Soviet and other foreign purchsaes. In addition to wheat, flour is up 16.1 percent, soy beans up 14.4 percent, soybean meal up 7.3 percent, soybean oil 19.4 percent, corn 8 percent, milo 7.6 percent, and sugar, which had just begun coming down, was up 21.2 percent.

It the administration establishes a ceiling on foreign grain sales, it will discourage the kind of speculation that causes soaring prices and inflation. American consumers are choking on the Butz brand of détente. They are tired of subsidizing bread on Soviet tables while seeing their own grocery bills soar as a result.

The Soviets already have bought about 3.5 million tons of U.S. wheat costing about half a billion dollars. They are expected to buy about 15 million tons of grain, and probably much more, on international markets this year, most of it from the United States. And they are not the only one. India is expected to buy 6 million metric tons of wheat abroad this year. Japan and our other regular customers also will be buying.

The danger lies in the fact that the United States crop is not in yet, and we do not really know how much we will have available for foreign sales. We had better know what we are doing before we empty the pantry. Bad weather or other unexpected events could drastically cut the size of the crop and send domestic prices soaring to unheard of levels. This is a classic case of counting chickens before they are hatched, or counting grain before it is harvested.

Making matters worse is the fact that the present U.S. stock of wheat is only 8 million tons, which is considerably lower than at the beginning of 1972. World inventories of wheat and other grains are at their lowest levels in years.

The United States needs a strategic grain reserve, but these sales will give us a zero inventory. Any kind of sizable crop shortage due to bad weather, insect infestation, or disease would bring us face to face with disaster.

In 1972 the Soviets purchased 19 million tons of U.S. grains. This caused dramatic increases in all domestic food prices, the impact of which is still being felt. Wheat went from $1.62 a bushel in early 1972 to $5.08 on November 4, 1974. It was down to nearly $3 at the beginning of this month when the news of the new Soviet purchase started it climbing again. It was over $3.80 by July 16, 1975.

STRATEGIC ISLAND OF GUAM

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. RHODES. Mr. Speaker, on the global map of the world, the island of Guam appears as a tiny dot in the South Pacific. For the people of the United States it is an outpost of freedom and evokes memories of the great conflict that raged across this broad ocean during World War II.

As the largest of the Marianas, located 5,000 miles from our shores, Guam has had a colorful history. It has flourished during the 25 years it has been a territory of the United States, and its native population of Chamorros became American citizens.

Discovered by Magellan in 1521, it has seen colonization originally by the Spanish. It was ceded to the United States in 1898, and finally became a territory on August 1, 1950. It had been seized in 1941 by the Japanese, and liberated in 1944 by U.S. forces. Today it is a strategic military base for the Navy and Air Force.

Guam is more than a strategic island. It is an example of a republic at work. In 1970 the people there began electing their own Governor. He had previously been appointed. In 1972 Guam elected a Representative to the U.S. Congress, our colleague ANTONIO B. WON PAT. Under self-rule, Guam is making rapid progress in education and economically.

It is with great pleasure that I join my colleagues in the House in saluting Guam on its quarter of a century as a part of the United States—a partner in progress and self-determination.

ZARB SPEAKS ON NUCLEAR ENERGY

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. HORTON. Mr. Speaker, I wish to bring to the attention of my colleagues an excellent address delivered by Frank Zarb, Administrator of the Federal Energy Administration, before the Commonwealth Club of California on July 11.

Mr. Zarb's statement concerning our present energy dilemma is, in my view, "must" reading for everyone responsible for doing something to help solve the problem.

Mr. Zarb very orderly lists the contradictory suggestions he receives as solutions to our energy problem, depending on who makes them. Mr. Zarb makes the plea for a balanced approach between our energy and environmental needs and for going ahead and exercising the limited realistic choices we have to get control of the energy problem.

The failure to recognize our limited choices and the failure to make the decision to make maximum use of them is confusing the public. The recent report to Congress by the Administrator of ERDA on a plan for energy development I am convinced is adding to the confusion Nearly everything that has a modicum of a potential as an energy source is recommended as an objective. This cannot be true. To solve any real problem,

choices must be made and priorities set. We have a real problem and time and resources are limited.

I also highly commend Mr. Zarb's statement to my colleagues for the excellent review he presents concerning the long period of effort this nation has carried out to put us in a position of having a nuclear option.

Mr. Zarb's address follows:

NUCLEAR POWER—A TIME FOR DECISION

Thank you for inviting me to speak to you today.

Not long ago I gave a speech before the National Coal Association in which I argued for a balanced approach to energy decisions. After describing the truly staggering economic impact of continued dependence on imported oil, I related a succession of personal experiences that illustrated the problem of achieving that approach.

First, I have been told by some people that we should avoid accelerated development of the Outer Continental Shelf, and instead rely on coal, the Naval Petroleum Reserves and Nuclear Energy.

Then, during a congressional hearing I was told that we should avoid accelerated coal development, and instead rely on the Outer Continental Shelf.

And then I was told by other members of Congress that we should avoid developing the Naval Petroleum Reserves now, and instead rely on nuclear energy, the Outer Continental Shelf and coal.

This explains why it is so hard to put together a balanced energy program that provides enough energy to reduce our dependence on imported oil. Everybody tends to approach the problem from his own viewpoint.

Industry people become locked into the belief that their industry alone can assure the Nation's energy salvation. People with sincere environmental concerns get locked into a stance in opposition to development of a particular resource, be it coal, nuclear power, or offshore oil, because of concern that insufficient measures will be taken to safeguard public health and the environment.

The answer has got to be balance: between our energy and our environmental needs; between efforts to conserve energy and efforts to develop new supplies; and, finally, between the various, abundant sources that the Nation has at its disposal.

The United States possesses extensive resources of fossil fuels—oil, natural gas and coal—and each must contribute to our energy needs in the years and decades ahead.

When our proved and potential reserves of crude oil and natural gas are added together, estimates compiled recently by the U.S. Geological Survey for FEA indicate that we have from 35 to 50 years' supply of gas and from 19 to 32 years' supply of oil—at current consumption rates.

We must provide adequate incentives to maintain and hopefully to increase domestic production. At the same time, increasingly, we must turn to coal and nuclear power, the fuels we have in most abundance.

Estimates by the U.S. Bureau of Mines indicate that we have 434 billion tons of coal—enough to maintain current coal production for well over 700 years. And, even if we achieve our aim of doubling coal production by 1985, we would still have more than 350 years' supply.

But, although we can use more coal for many purposes, it alone can't fill our needs.

Fortunately, our energy resources of uranium are largely untapped, so we have yet another major energy source to help fill future demand. In fact, assuming successful implementation of breeder reactors, these reserves are at least ten times as great as the energy available from coal.

Tapping these resources—both coal and uranium—requires that we solve the many problems that are now hampering their use.

This afternoon, I would like to focus on one of those two resources—nuclear power. Nuclear power can be and should be one of the major keystones of our energy supply strategy in the years to come. At the same time, it must be one of our safest and cleanest sources of energy.

The debate between advocates and opponents of increased development of nuclear power appears, in some respects, to be even more emotional, even more heated, than debates on other energy sources, such as coal and offshore oil. Perhaps this is because the potential hazard in the case of nuclear power—namely, radiation—is newer to us and less tangible than the hazards of air and water pollution from coal and oil.

Certainly it's true that, for more than a quarter of a century, nuclear energy has been most closely associated in the public mind with two devastating bomb blasts that brought World War II to an end and opened the door to the so-called nuclear age. And it's true that, in the years of atmospheric testing and political uncertainty that followed, the nuclear age, for most people, meant, simply, the threat of nuclear war. So, from the outset nuclear energy has been laden with popular emotion.

But we can't base our energy policy on emotion—we must base it on hard facts. And these are the facts:

One—the risk-to-benefit ratio of nuclear power in regard to public health is favorable, and like other forms of advanced technology will be publicly viewed as such, as we go forward with its development.

Two—there is *no* way we can continue to provide the electricity needed by our Nation in the coming years without the responsible expansion of our nuclear resources; and

Three—electricity from nuclear power is a bargain compared to other sources of electricity, even with *all* costs included, such as insurance and *safe* disposal of radioactive waste.

Today—in the second year of the energy crisis—the second year of buying foreign oil at an annual rate of more than 25 billion dollars—it is high time to set aside emotion and examine rationally these and the other facts of energy life. Based on those facts, in regard to nuclear power, we should determine to get on with the job of utilizing this vital, clean and abundant energy resource.

In short, it's time for reasonable and competent people to work out any remaining questions in the development of nuclear power and get on with its productive use.

Now, some people argue that the question of nuclear power is beyond the comprehension of the average citizen—that we should leave consideration of it to the scientists who understand and deal with its technicalities. Yet these same people then seem to want only a minority of scientists to be heard. This is the argument of many proponents of nuclear delay.

These proposals would halt construction of new nuclear plants while various committees of scientists and other experts study and debate and draft reports for another two to five years, and then, presumably, educate the rest of us so that we could then make a responsible decision.

This approach ignores two basic facts. *First*, that we already have *behind us* 20 years of successful experience, demonstrating that civilian nuclear power is safe, clean, and represents an important and vital dimension of this nation's energy future.

And, *second*, we have *in place today* one of the most comprehensive sets of laws and regulations to assure that nuclear power continues to be one of our safest, cleanest and most reliable sources of energy; and the recent separation of the regulatory and developmental functions of the Atomic Energy Commission and establishment of the independent Nuclear Regulatory Commission should asure continued and effective enforcement of these laws and regulations.

I think a judgment on these matters *is* within the understanding of the average citizen, and further that it can be made now—without waiting 2 to 5 more years. A decision to *stop* further development—to go through more studies, debates and reports—is a decision to ignore these facts, to turn the clock back two decades, and to start all over again where we were 20 years ago.

In my opinion, the U.S. Govrenment's program to develop nuclear power has been one of the greatest technological achievements ever fostered by the American system—under both Democratic and Republican Administrations. Some of the milestones are worth considering:

The Truman Administration's basic decision in 1945 placed development of atomic energy under civilian control with a charter to make its benefits available for peaceful use.

The Eisenhower Administration's policies led to the succesful construction of the world's first commercial nuclear plant at Shippingport, sponsored jointly by the Federal Government and private industry.

The Kennedy and Johnson Administrations' policies helped to develop, in cooperation with industry, more advanced reactor concepts. As you know this has been continued by succeeding Administrations.

And most recently, the Ford Administration's decisions can be cited: to set a goal of at least 200 nuclear power plants on line by 1985; to encourage the production of enriched uranium by private industry, and to endorse recommendations made by the President's Labor-Management Committee aimed at accelerating the construction of both coal and nuclear power plants, encouraging research and development to improve the reliability and availability of plants.

During all of this 30-year period, the laws regulating the use of civilian nuclear power have been continually strengthened and improved—by both the executive and legislative branches of government—so that we now have one of the safest and most thoroughly regulated technologies ever. And we are continuing to improve it.

Let's look for a minute at the question of nuclear plant safety and try to put it in perspective. Despite the tremendous amount of adverse publicity given to hypothesized accidents and their potential consequences for the health and safety of the public, the safety of the nuclear power industry is without parallel.

No radiation injury or death has resulted from the operation of any licensed U.S. nuclear power plant.

The unprecedented safety record of the nuclear industry—covering many types and designs of nuclear facilities dispersed among many organizations throughout America—was not achieved by chance.

From the start, we recognized and faced up to the high level of standards for working with nuclear power. As a result, the nuclear industry is one of the safest in the world to be employed in.

Achievement of this safety record depended on formal and rigorous regulatory and public surveillance programs that are without parallel in the history of any technology.

There are more assessments involving safety—more factual data on actual and potential problems—in the nuclear industry than in any other energy industry. Nuclear hazards are far better understood than those of thousands of widely used chemical and biological agents.

Each year a United States citizen is exposed to an average of 182 units of radiation. Natural radiation—both cosmic and terrestrial—accounts for 109 units. Another 73

units come from medical x-rays and therapeutic radiation. As of today, the operation of all of our nuclear powerplants—55 operating installations—and all of their supporting activities add less than one-tenth of a single radiation unit to that average.

Of all pollutants our society introduces into the environment, none is so thoroughly monitored—nor are the consequences of any so well understood—as radiation.

The environment is being observed and checked constantly and extensively to guarantee that our food, air, soil and water are kept free of harmful radioactive contamination. The results of these surveys are published monthly by the Environmental Protection Agency.

In all nuclear facilities, people with potential exposure to radiation wear exposure-measuring devices to assure that their cumulative exposure is limited to permissible levels. From its inception, the nuclear industry in this country has maintained exposure records for every person who has worked in a nuclear facility—the equivalent of a record of the number of cigarettes smoked by every smoker in the nation, or a record of all the carbon monoxide, carbon dioxide and sulfur every American has breathed over the past quarter of a century.

Not only do we have better records of our exposure to radiation than to other pollutants, but our knowledge of radiation's biological effects probably exceeds that of almost every chemical or physical agent. And that knowledge is constantly expanding—with a Federal research budget of some $90 million per year.

All this is not to suggest that we should rest on our laurels. We must continue to be vigilant so that the procedures and methods that have been so effective in the past will be equally successful in the future. The likelihood of serious reactor accidents is very small and will continue to decrease as the benefits of design standardization, improving quality assurance, and continuing safety research are realized.

Despite this record and these facts, popular doubt persists about nuclear power—doubt fed by criticisms that, though generally sincere and well-intentioned, are all too frequently ill-founded in substance and hysterical in tone.

In other words, the obstacles to a rational public dialogue on nuclear power are difficult to overcome. But dialogue *must* proceed, and it requires that we deal with those aspects of nuclear power that have become focal points of concern, such as disposal of waste products from nuclear powerplants.

Again, the fact—as opposed to the fiction—is reassuring. There is much confusion in the public mind on this point. The *spent fuel* discharge from reactors is not waste—it is chemically processed to extract the uranium and plutonium, which represent a large energy resource. The *waste* remaining from the chemical separation is extremely small. A single aspirin tablet has the same volume as the waste produced in generating seven thousand kilowatt hours—which is about one person's share of the country's electric output for an entire year.

Compared to large quantities of other harmful materials, the volume of nuclear waste is minuscule. Of course, we must guarantee that this waste is safely and responsibly stored, over extended periods of time.

Some people argue that we must have an ultimate means of waste disposal before proceeding to build any more plants. But the record of the past twenty years shows that nuclear wastes can be handled with an excellent record of public health and safety.

Right now, the Energy Research and Development Administration, has a major program underway to determine even more permanent ways to store it.

Improved waste disposal methods utilizing waste concentration and solidification are in use today. And still better processes are under development and expected to be in commercial use in the 1980's. The important thing is that we have adequate, safe storage methods that meet reasonable requirements, while we explore the best means for ultimate disposal of wastes.

Another subject that has recently moved up on the nuclear "worry list" is plutonium safeguards.

Although adequate safeguards are certainly necessary for more widespread use of nuclear power, they've still been the subject of a lot of misinformation.

During the past 30 years, thousands of pounds of plutonium and highly enriched uranium have been in widespread use in research reactors, experimental facilities, nuclear powerplants and weapons programs. It has been produced, shipped, fabricated, processed and stored safely without diversion.

Still, in view of the increased frequency of terrorist activities and the proliferation of nuclear weapons capability among the nations of the world, public concern is understandably aroused. The Nuclear Regulatory Commission and ERDA are conducting a comprehensive study of current safeguards and of possible changes to improve their effectiveness for the future. Obviously, such improvements will be pursued and implemented.

However, this does *not* mean we should stand still while even more effective systems of safeguards are being studied.

Providing proper safeguards has major international implications. Large quantities of plutonium already are deployed throughout the world in nuclear weapons, and increasing quantities are coming into commercial use. A ban on plutonium recycling within the United States would not guarantee us protection against its illicit use, because the material could be obtained abroad.

Another aspect of safeguards that concerns some people is the medical hazards of plutonium. Now there is no doubt that plutonium, because of its radioactivity, must be handled with great care, as must other hazardous substances such as arsenic and mercury. However, the evidence of more than 30 years of plutonium processing in U.S. civilian and military facilities convinces us that the need for care in handling should not prevent us from extracting the enormous energy in plutonium.

Indeed, when one hears the frequent claim that "plutonium is the most toxic substance known to man," he ought to ask: "How many recorded deaths are attributable to the toxic nature of plutonium?" The answer is: *none*.

I've been talking up until now primarily about the risks of nuclear power, as compared to other risks. Let's spend a few minutes on its *benefits*.

The basic benefit, of course, is that it uses a largely untapped domestic fuel resources and hence helps free us from dependence on foreign imports. A second benefit, especially important in these times of rising prices, is that electricity generated by nuclear power is cheaper than that generated by burning coal, oil or gas.

In 1974, Northeast Utilities in New England reported $140 million in savings to its customers from operation of its nuclear powerplants. Commonwealth Edison in the Chicago area reported a $100 million saving, and Florida Light and Power a $140 million saving. The Atomic Industrial Forum reports that, in 1974, nuclear power saved the American consumer more than $800 million in electric bills.

Some critics claim that nuclear powerplants are unreliable, and are out of service so much of the time that customers are paying for a lot of idle capacity. Nuclear plants, in fact, are not as productive as had been expected, but they will become more productive with experience, improved quality control and design standardization. It is important to note that the majority of downtime of nuclear power plants has been due to problems primarily in the non-nuclear parts of their systems.

A Federal Energy Administration study of nuclear and fossil powerplant productivity has identified many actions that can be taken by industry and government to improve productivity of both nuclear and fossil plants.

One of our top priority programs at FEA is to implement these actions on a timely basis so that utilities and their customers will reap the benefits of improved productivity in this decade. However, even if *no* improvement were made in nuclear plant productivity, nuclear power would still be a bargain for the consumers.

We must continue to resolve public issues in a manner that preserves our essential freedoms. The issues involved in nuclear power are vital to this Nation, and they must be resolved. But there is a real danger that we will wind up studying them to death—that by direct or indirect action, or inaction, we will wind up with an unnecessary and counterproductive moratorium on building nuclear powerplants.

In our judgment, a moratorium, despite intentions to limit it to a brief span of years, could well weaken the country's capacity to produce nuclear powerplants to the extent that nuclear power would be foreclosed as a major energy option in this century.

The effect of such a course on our overall energy situation and on the economy—on employment, on our level of oil imports, on balance of payments and so forth—could be devastating.

And we should be mindful that, regardless of the course we choose to take in the United States, other members of the world community will move ahead in their increasing use of nuclear power. Given this fact, can we afford not to proceed ourselves? And would our own best interests not be served, in the increasingly nuclear-powered world of the future, by maintaining the technological lead which other nations will follow?

We are satisfied that the excellent public health record of nuclear power in America reinforces the decision taken by this Administration to move forward promptly—*but with care and control*—toward an expanded use of nuclear power.

We have, after all, only a few practical options in our lifetime for sustaining essential supplies of reliable, economic and clean energy, even for the most urgent of our needs. Elimination of grossly wasteful energy consumption practices and employment of maximum conservation efforts will help, but we still must satisfy almost all of our energy needs from oil, gas, coal and nuclear sources.

Unfortunately, less than 5% of our total energy comes from the 55 nuclear plants that are now operating, although nearly 188 others are being built or have been planned.

Despite the vital need, many new plants have been delayed or cancelled outright by the utilities over the past two years, primarily because of shortage of capital and uncertainty as to projected load growth and the energy policies of the State and Federal governments.

The President and leaders of both labor and industry have urged that immediate steps be taken to expedite completion of these nuclear plants. They know that each plant represents a *real savings* equal to *12 million barrels* of oil a year—or, at current rates, about $144 million of imports.

They know that the price of those imports is American jobs and American productivity and American security from another, more devastating embargo.

Beyond this, they know that the ready

availability of domestic energy at reasonable costs is necessary if the United States is to realize its great goals for the last quarter of the Twentieth Century: to seek full employment, to sustain and improve our standard of living, to extend the benefits of a productive Nation to its less fortunate citizens, to preserve our finite resources for their most useful purposes, and to restore, sustain and enhance our environment.

And they know that attaining those goals—or even making meaningful progress toward them—requires commitment to the continued development of the nuclear power industry.

That commitment must be made by all segments of American society—by business leaders, by labor leaders and by public officials at every level. We in the Federal Government must demonstrate *our* commitment to this goal by developing a coherent and coordinated *national* policy for the safe, clean use of nuclear power. In a recent speech before the Edison Electric Institute in Denver, Colorado, Bill Anders, Chairman of the Nuclear Regulatory Commission called for the establishment of a focal point for all Federal efforts in this regard.

We at the FEA anticipate that, in conjunction with the Commission and the Energy Research and Development Administration, we will provide such a focal point—assuring the policy analysis and coordination necessary at the federal level to see that nuclear power plays its proper role in our energy future.

But ultimately, if that role is to be realized, the commitment to the use of nuclear power must engage the American people as a whole.

By rigorously applying tough health and safety standards and by fostering technological developments that will enable us to meet ever rising standards, government must guarantee the public that nuclear power remains the safe source of energy that it has proven to be thus far in its history.

Our national commitment on nuclear power cannot coexist with the myths of fear that have too often surrounded questions of nuclear energy in the past. Rather, it depends upon an accurate perception of the *facts* of nuclear power and a clear-sighted view of the contribution it can, and *must*, make to this Nation's future.

It will be a vital part of our job in government to see to it that those myths are *rightly* dispelled and that the true facts of nuclear power fully justify the role we envision for it in the years ahead.

Thank you.

CAPTIVE NATIONS WEEK

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 16, 1975

Mr. DOMINICK V. DANIELS. Mr. Speaker, last week marked the 17th annual commemoration of Captive Nations Week. Every year at this time, we pause to reflect upon the plight of the millions of people still living under the yoke of Communist oppression. Yet, despite all the eloquent statements that have been made in the Congress condemning this oppression, it still exists as a grim reality. And, I fear that many Americans have been lulled into a sense of false security about the Soviets by the illusion of détente. I find it almost ironic that the joint United States-Soviet space mission was timed to coincide with the Captive Nations Week commemoration. Perhaps this is merely coincidental, or perhaps it has an underlying secondary purpose of diverting our attention away from the official remembrance of Soviet brutality.

The juxtaposition of détente and the ever-present reality of Soviet oppression is disturbing to me. How can we possibly, as moral men, reconcile these two divergent factors? How can we hold out the hand of friendship to those who imprison, torture, and, indeed, even kill, those who dare to speak out against totalitarian brutality?

Modern-day political realities demand that this Nation maintain an open line of communication with the Soviets. However, this does not mean that we should mask our sense of outrage when they trample upon the most basic human values—the use of right versus wrong. Nor does it mean that we should lend any economic support that allows them to perpetuate the oppression of those millions enslaved under their rule.

Alexandr Solzhenitsyn recently delivered an eloquent and moving speech in New York at the invitation of the AFL–CIO which underscores my own views on the subjpect of détente. Let us continue to negotiate with the Soviets, but let us also bear in mind the very relevant comments of one who personally suffered under their oppression, as do the millions of people in captive nations that we remember this week.

Mr. Speaker, I include Mr. Solzhenitsyn's speech at this point in my remarks:

SOLZHENITSYN REPLIES TO HIS CRITICS

(Alexandr Solzhenitsyn, in a speech at New York delivered at the invitation of the AFL-CIO:)

Communism is as crude an attempt to explain society and the individual as if a surgeon were to perform his delicate operations with a meat-axe. All that is subtle in human psychology and in the structure of society (which is even more delicate), all of this is reduced to crude economic processes. This whole created being—man—is reduced to matter. It's characteristic that communism is so devoid of arguments that it has none to advance against its opponents in our Communist countries. It lacks arguments and hence there is the club, the prison, the concentration camp, and insance asylums with forced confinement. . . .

Communism has never concealed the fact that it rejects all absolute concepts of morality. It scoffs at any consideration of "good" and "evil" as indisputable categories. . . . Communism has managed to instill in all of us that these concepts are old-fashioned concepts and laughable. But if we are to be deprived of the concepts of good and evil, what will be left? Nothing but the manipulation of one another. We will decline to the status of animals.

Both the theory and practice of communism are completely inhuman for that reason. There is a word very commonly used these days: "anti-communism." It's a very stupid word, badly put together. It makes it appear as though communism were something original, something basic, something fundamental. Therefore, it is taken as the point of departure, and anti-communism is defined in relation to communism.

Here is why I say that this word was poorly selected, that it was put together by people who do not understand etymology: the primary, the eternal concept is humanity. And communism is anti-humanity. Whoever says "anti-communism" is saying, in effect, anti-anti-humanity. A poor construction. . . .

Not to accept, to reject this inhuman Communist ideology is simply to be a human being. It isn't being a member of a party. It's a protest of our souls against those who tell us to forget the concepts of good and evil.

After my first address, as always, there were some superficial comments in the newspapers, which did not really get to the essence. One of them was as follows: that I came here with an appeal to the United States to liberate us from communism. Anyone who has at all followed what I have said and written these many years, first in the Soviet Union and now in the West, will know that I've always said the exact opposite. I have appealed to my own countrymen—those whose courage has failed at difficult moments, and who have looked imploringly to the West—and urged them: "Don't wait for assistance, and don't ask for it. We must stand on our own feet. . . ."

I said the last time that two processes are occurring in the world today. One is a process of spiritual liberation in the U.S.S.R. and in the other Communist countries. The second is the assistance being extended by the West to the Communist rulers, a process of concessions, of detente, of yielding whole countries. And I only said: "Remember, we have to pull ourselves up—but if you defend us, you also defend your own future. . . ."

In my last address I only requested one thing, and I make the same request now: When they bury us in the ground alive (I compared the forthcoming European agreement with a mass grave for all the countries of East Europe)—as you know, this is a very unpleasant sensation: your mouth gets filled with earth while you're still alive—please do not send them shovels. Please do not send them the most modern earth-moving equipment.

I said in my last address and would like to repeat it again, that we have to look at every event from the other point of view—from the point of view of the Soviet Union. Our country is taking your assistance, but in the schools they're teaching and in the newspapers they are writing and in lectures they are saying, "Look at the Western world, it's beginning to rot. Look at the economy of the Western world, it's coming to an end. The great predictions of Marx, Engels and Lenin are coming true. Captalism is breathing its last. It's already dead. And our socialist economy is flourishing. It has demonstrated once and for all the triumph of communism."

I think, gentlemen, and I particularly address those of you who have a socialist outlook, that we should at last permit this socialist economy to prove its superiority. Let's allow it to show that it is advanced, that it is omnipotent, that it has defeated you, that it has overtaken you. Let us not interfere with it. Let us stop selling to it and giving it loans. If it's all that powerful, then let it stand on its own feet for 10 or 15 years. Then we will see what it looks like.

I can tell you what it will look like. I am being quite serious now. When the Soviet economy will no longer be able to deal with everything, it will have to reduce its military preparations. It will have to abandon the useless space effort, and it will have to feed and clothe its own people. And the system will be forced to relax. . . .

Another distortion appeared in your press with respect to my last address. Someone wrote that "one more advocate of the Cold War has come here. One more person has arrived to call on us to resume the Cold war." That is a misunderstanding. The Cold War—the war of hatred—is still going on, but only on the Communist side.

What is the Cold War? It's a war of abuse, and they still abuse you. . . . In sources which you can read, and even more in those which are unavailable to you, and which you don't hear of, in the depths of the Soviet Union,

the Cold War has never stopped. It hasn't stopped for one second. . . .

Do I call upon you to return to the Cold War? By no means, Lord forbid! What for? The only thing I'm asking you to do is to give the Soviet economy a chance to develop. Do not bury us in the ground, just let the Soviet economy develop, and then let's see. . . .

Relations between the Soviet Union and the United States of America should be such that there would be no deceit in the question of armaments, that there would be no concentration camps, no phychiatric wards for healthy people. Relations should be such that the throats of our women would no longer be constricted with tears, that there would be an end to the incessant ideological warfare waged against you, and that an address such as mine today would in no way be an exception.

QUESTIONNAIRE RESULTS

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. BONKER. Mr. Speaker, the results of my recent opinion poll have been tabulated, giving me views on energy, economic, and fiscal policies from a broad range of my constituents in Washington State's Third Congressional District.

Among the most interesting statistics produced was an apparent quandray regarding Federal spending. Program-cutting to balance the budget proved vastly more popular as a general concept than it did when reduced to choices involving specific programs.

Only with foreign military aid and foreign economic aid were the percentages favoring cuts equal to at least half the percentage urging "cut programs to balance the budget."

Unfortunately, for those who expect major budget savings through foreign aid cuts, the projected outlay for international affairs—after a $1.4 billion congressional reduction—is $4.9 billion, which is only about 1.3 percent of the overall budget. In every other specific spending priority, however, clear majorities favored expenditures equal to or greater than current levels.

An analysis of the responses also indicated particularly strong support for:

Income tax reform that will benefit low- and middle-income taxpayers.

Energy conservation and expanded development of omestic oil reserves to reduce our growing dependence on foreign oil.

A strong shift in federal spending priorities by decreasing foreign military and economic aid and increasing funds for domestic needs, especially aid to the elderly an energy development.

The results of the poll follow:

WHAT FEATURES SHOULD FEDERAL ECONOMIC POLICY INCLUDE?

[In percent]

	Yes	No	No response
Close tax loopholes	94.0	3.8	2.2
Low- and middle-income tax relief	73.6	18.2	8.2
Cut programs to balance the budget	78.2	14.6	7.2
Control wages profits and prices	49.2	43.3	7.5
Expand public works jobs	48.1	41.4	10.5
Raise taxes to balance the budget	11.6	79.1	9.3
Aid economy via deficit spending	15.9	68.0	16.1

WHAT DO YOU THINK FEDERAL SPENDING PRIORITIES SHOULD BE?

[In percent]

	More	Same	Less	No response
Foreign military aid	1.7	7.1	87.5	3.7
Foreign economic aid	1.9	9.3	84.5	4.3
Energy Development	74.1	14.2	6.2	5.5
Aid to the elderly	61.3	31.1	3.5	4.0
Public transportation	54.2	22.3	18.0	5.5
Roads and highways	14.5	42.0	38.1	5.4
Health services	48.9	32.1	14.2	4.8
Job programs	47.3	24.4	21.7	6.6
Natural resources	44.5	37.0	9.2	9.3
Housing	38.1	33.4	21.9	6.6
Aid to the poor	30.2	36.9	26.4	6.5
Education	28.6	39.0	26.6	5.8
Environmental quality	26.3	31.0	34.6	8.1
Military	25.3	34.1	34.8	5.8
Revenue sharing	26.4	33.8	26.6	13.2

WHAT POLICIES SHOULD BE PART OF A FEDERAL ENERGY PROGRAM?

[In percent]

	Yes	No	No response
Develop Alaska oil reserves	88.5	5.9	5.6
Expand off-shore oil drilling	77.2	16.4	6.4
Develop other U.S. oil reserves	87.4	7.1	5.5
Promote energy conservation	80.6	9.4	10.0
Restrict oil imports	44.4	40.5	15.1
Relax air quality standards	44.5	45.8	9.7
Ration gasoline	31.5	58.2	10.3
Raise oil products taxes	20.1	65.7	14.2

Some respondents noted that the options offered by the poll were too limited or too restrictive to reflect fully their views. Significant numbers, for example, wrote that solar, wind, geothermal, and other alternative energy sources must be an energy option for the future. Many also opposed further promotion of nuclear energy. Severe space limitations forced some restrictions on the poll format. Future polls will attempt to explore various issues in greater detail. And every effort will be made to provide spaces for at least two sets of responses in households that have more than one respondent.

QUINN–TESSENCE OF DEMOCRACY

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. RINALDO. Mr. Speaker, I would like to call my colleagues' attention to an editorial appearing in a New Jersey newspaper, The Courier-News, on July 11, 1975.

This editorial comments on a series of articles written by John C. Quinn, vice president-news of The Gannett Co., relating to a visit he made to China with a group of fellow members of The American Society of Newspaper Editors.

It underscores a point I have been making frequently—the point that advancing technology and burgeoning government must not be allowed to impinge on basic rights of the people.

The editorial reads:

SOME VIEWS ABOUT CHINA—AND FREEDOM

The China unveiled recently to 20 members of the American Society of Newspaper Editors is a society struggling—and apparently succeeding—to catch up with the highly developed industrial democracies.

Although the industrial goals are essentially the same in both political and economic systems, the means used to achieve these goals are vastly different.

The approaches of China and the United States, for example, to petroleum self-sufficiency offer striking contrasts, as shown in articles in this week's Courier-News by John C. Quinn, vice president-news of Gannett Co., Inc., and a member of the ASNE group.

In the United States, attempts to achieve energy self-sufficiency through a partnership of government and industry have been limited and of modest achievement. In China, however, the search for oil became a top priority in 1960, and just three years later Premier Chou En-lai proclaimed that China was self-sufficient in petroleum. Today, the country looms as a major exporter of oil.

But China's success was achieved through methods that would not even be considered, much less tolerated, in a democratic society. One cannot imagine construction of the Alaskan pipeline taking place in the paramilitary atmosphere of China's Taching oil field, where the great leap forward in production was accomplished in the '60s, and where doctrine and discipline are the watchwords.

As Quinn pointed out, doctrine and discipline extend well beyond China's petroleum industry to maintain much of the government's all-encompassing ideological control over the masses.

China's concept of its press as an arm of the government and the ruling Communist party is totally alien to American principles. The use of the press as a prime force to carry out the government's plans and policies and to achieve Communist goals must be repugnant to all those who value individual freedom.

As one Chinese official told the American editors, "The policy of the party is a very important matter to us, and we feel it is important news that the people of the whole country and of the world would like to know. In our view, it is hard to distinguish between news and propaganda."

Equally chilling to readers of a free press is the observation that in China "newspapers and the press are all tools of class struggle and all serve a political entity."

It's indeed chilling to see how closely those words and ideas parallel those of some critics of the press in this country who oppose exposure of government problems and errors because they endanger the image of that government in the eyes of the public or of the world.

The Chinese government and the Communist party are not content, however, with exerting ideological control through the press. Thought control is augmented through an all-pervasive barrage of propaganda: booklets, slogans, loudspeakers, billboards and posters continually exhort the Chinese people to achieve production and revolutionary goals mandated by government and party.

The American oil industry, the American press and indeed the country certainly are not without fault.

But even such a fleeting and largely controlled look inside a China ruled by its own brand of communism helps us all realize the benefits that no statistical chart or propaganda blast can conceal—the meaning of freedom. Coping with our own imperfection is often hard. But even with the economic gains apparent there over recent years, our way appears far preferable to that mind-stifling regime.

The editorial serves as a timely reminder, Mr. Speaker, that the basic freedoms of a democracy like ours need to be valued and protected.

With modern technology encouraging

data bank growth and data bank sharing, there has been a disturbing tendency toward improper Government access to, and use of, personal records. Electronic eavesdropping by governmental agencies has also been a cause for concern.

At the same time there has been a tendency in some Government quarters to restrict public access to public records and to affairs of Government. Even the judicial branch of Government and some law enforcement agencies have been at fault in this respect.

Government interference in the public right-to-know, improper suppression of public information, governmental attempts to manipulate public thinking, and governmental snooping in the private domain are dangerous and deplorable activities.

Fortunately they are not prevalent. But they exist, and need to be stamped out wherever and whenever they surface.

Government, Mr. Speaker, must learn to trust the people. Only in this way can Government expect the trust of the people.

THE ADMINISTRATION HELPS TO ESCALATE THE MIDDLE EAST ARMS RACE—THE HAWK SALE TO JORDAN

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. SOLARZ. Mr. Speaker, earlier this month the administration notified the Congress of its intention to sell a rather sophisticated antiaircraft weapons system to Jordan. Although the sale itself had been anticipated for several weeks, the size and scope of the deal was completely unexpected and has sweeping ramifications for the future of the very delicate balance in the Middle East.

According to news reports which have yet to be denied by the administration, the sale to Jordan will involve 14 batteries of the Hawk missile and 100 Vulcan antiaircraft guns, amounting to some $350 million. In addition, the administration intends to sell a sizable quantity of the Redeye shoulder-fired, heat-seeking missile as well.

This sale has significant strategic implications and will result in an important qualitative change in the Middle East balance of military power. It is a well-known fact that Jordan refrained from opening a third front against Israel in 1973 because it lacked air cover and an effective air defense against Israel. With this very sophisticated weapons system King Hussein will no longer have any excuse for failing to open another front should open warfare again occur in the Middle East. Furthermore, efforts are reportedly underway to create a joint military command between Syrian and Jordanian forces and this additional equipment will give Syria a military superiority which it has not previously possessed.

Clearly this sale will needlessly exacerbate tensions in the Middle East and place Israel in a much more difficult negotiating position. While Jordan has a right to make purchases of military arms and materiel from the United States, the sale currently pending before the Congress is entirely out of proportion to Jordan's needs and to the interests of a meaningful peace in the Middle East. Accordingly, I have worked with my two distinguished colleagues from New York—JONATHAN BINGHAM and BENJAMIN ROSENTHAL—in spearheading the effort to disapprove these sales.

Mr. George Will has written a very timely and perceptive article on the proposed sale to Jordan. Appearing in this morning's Washington Post, the article raises some very valid questions about the administration's motives in supporting this sale. Arguing against the sale, Mr. Will aptly observes that:

It is a reckless and ignoble policy of U.S. pressure designed to achieve a Mideast settlement by extorting endless concessions from Israel.

Mr. Speaker, I believe that Mr. Will's article gets to the very heart of the issue and I commend it to our colleagues' attention. I insert the article herewith for inclusion in the RECORD:

[From the Washington Post, July 21, 1975]

SELLING ARMS TO JORDAN

(By George F. Will)

Congress, pursuant to its constitutional duty to keep the Executive branch on a short leash, has given itself power to veto, within 20 days of notification, any arms sale exceeding $25 million. It has until July 30 to veto the administration's proposal to sell Jordan a $350 million anti-aircraft missile system.

Jordan's King Hussein has said that one reason Jordan refused to join the Arab war against Israel in October 1973 was that Jordan lacked an air defense system. The proposed arms sale would eliminate that inhibition, and would enhance Hussein's offensive capability against Israel.

Hussein has told a Beirut magazine that he wants the weapons so he can help Syria in any future war against Israel. Equally alarming, the administration's proposal has about it a certain deviousness which, considering the lameness of administration arguments for the proposal, compels this suspicion: one purpose of the sale may be to make Israel more vulnerable.

The administration, which has been fanning war fears, may believe, contrary to experience and reason, that Israel will become more compliant to Arab (and U.S.) pressures as it becomes more vulnerable to Arab weapons.

In May the administration indicated that the sale would involve only three Hawk missile batteries and 36 Vulcan units. The Vulcan is a radar-guided anti-aircraft gun designed to cope with aircraft flying low enough to elude Hawks.

Even a three-battery system might have the destabilizing effect of diminishing the inhibitions Jordan felt in October 1973. But a three-battery system could be considered merely defensive: It could defend Amman, Jordan's capital, and could not be moved toward Israel without denuding Amman.

Now the administration wants to sell Jordan 14 Hawk batteries with 532 missiles (about the number of Israeli aircraft) and 100 Vulcans. Such a system would be useful to Hussein in the contingency for which he says he wants it—a joint Jordanian-Syrian war effort against Israel.

Israel, unable to match her enemies man-for-man or tank-for-tank, relies on air power. Fourteen anti-aircraft batteries on the east bank of the Jordan River could provide cover for Jordanian and Syrian ground forces advancing 22 miles into Israeli territory. And the batteries can be moved quickly with advancing forces.

The 1973 war revealed a fragile modus vivendi between Israel and Jordan. Evidently Israel will not attack Jordan unless Jordan first attacks Israel, which Jordan is only apt to do if it has the sort of anti-aircraft system the administration suddenly wants to sell.

The administration's primary argument for the sale is, predictably, that if the U.S. doesn't sell Jordan the anti-aircraft system, Jordan will get an equivalent system from the Soviet Union. This argument is implausible, and it is inharmonious with the administration's secondary argument, which is that Hussein is moderate and pro-Western but the weapons sale is necessary to keep him that way.

In fact, Hussein is not anxious to change his reliance on U.S. arms, in part no doubt, because he is not anxious to receive the Soviet technicians who would come with any comparable Soviet missile system.

If Hussein is as moderate as advocates of the arms sale say he is, then he does not mean what he says about wanting the missiles for a joint war effort with Syria. In that case Israel will not strike at Jordan, and Hussein will not need 14 anti-aircraft batteries. If Hussein is not that moderate, he cannot be trusted with the offensive advantage 14 batteries would give him.

Anyway, why does Jordan need 14 batteries of the newest version of the Hawk to defend itself against Israel, while Israel has only 10 batteries of an older version of the Hawk to defend itself against all its Arab enemies?

Unfortunately, it is possible that the proposed sale of anti-aircraft weapons to Jordan, and the current delays of aircraft and other weapons to Israel, are aspects and ignoble policy of U.S. pressure designed to achieve a Mideast settlement by extorting endless concessions from Israel.

Fortunately, Congress can veto this folly at no risk than that of an admittedly tedious but otherwise unimportant recurrence of Secretary Kissinger's laments about congressional incursions into process of government.

PUBLIC ASSISTANCE FOR PRIVATE COLLEGES AND UNIVERSITIES

HON. JOEL PRITCHARD

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. PRITCHARD. Mr. Speaker, private colleges and universities have had a profound influence on our Nation's history and have often been the creative leaders in the development of American higher education.

Today many of these outstanding institutions are being threatened with closure or loss of excellence as declining birth rates lead to declining enrollments and economic problems plague the educational community.

It is my opinion that we must assist private colleges and universities to remain open. In this respect I wish to bring to the attention of my colleagues an address delivered to the Seattle Rotary Club, June 25, by Edmund G. Ryan, S.J., president of Seattle University.

The article follows:

SPEECH GIVEN BY EDMUND G. RYAN, S.J.

Thank you. I am very happy to be here today. I feel at home in Seattle, in the Northwest, in Rotary.

As the United States moves towards its Bicentennial, I, from the East coast, can see many of our revolutionary ideals alive in the Northwest, especially in Rotary, where your motto is "Service Above Self." As a Jesuit priest my vocation is to live your motto, which is a summary of the Christian ethic that we take from Christ, our Lord, in his life which he summed up at the Last Supper on the night before he died: "I stand in the midst of you as one who serves." In his death, which was summed up "Greater love than this no man hath that He lay down his life for his friends."

As an educator, especially as the President of a University, Seattle University, I can say that in the 1970's and beyond, the University must serve is constituencies—the State, the Church and the local neighborhood. The University must be a place where these constituencies "do their thinking." A place from which comes creative change and adaptation giving continued life to organisms and organizations.

My pledge as President of Seattle University is that Seattle University will become in the Northwest, THE foremost private university in the public service. It is a great challenge, but one that calls for an even greater response.

Paradoxically, this State of Washington in 1975 is 86 years old. Seattle University is 84 years old. Rotary is 70 years old. I am happy to accept the four-way test of Rotary as a test to judge the continuation of Seattle University and of other private colleges and universities in the United States. Those four questions are: (one) Is it the truth? ; (two) Is it fair to all concerned?; (three) Will it build good will and will it better friendship?; (four) Will it be beneficial to all concerned?

Today, here at Rotary in Seattle, we will apply the test of those four questions to the proposition: American History has shown that private colleges and universities have aided the United States in most important ways and their continuation in existence is a priority for this nation as we enter our bicentennial. This is the wisdom of the dualistic system of higher education.

We apply the four question test to that proposition fully cognizant of the problems facing private higher education in the United States. Our biggest problems are: the dropping birth-rate and the consequent shrinkage of the 18- to 22-year old age group that usually went on to college; the falling enrollments in our institutions; extreme financial pressures due to inflation and our unused spaces.

Some History: Most of you can name the nine colleges and universities that existed prior to July 4, 1776 on the North American continent within the land mass that today comprises the United States of America. Harvard, William and Mary, Yale, Princeton, Columbia, The University of Pennsylvania, Brown, Rutgers and Dartmouth. They shared two characteristics: (one) They were formed as jointly-shared social enterprises between private or church-related groups and the colonial governments, and (two) They met a need perceived in the colonies for the education of ministers for the churches and of leaders for business and government.

If you examine those facts, you will not be surprised to see that after the Treaty of Paris in 1789 and the adoption of the United States Constitution, public funds and assets went to these private colleges and universities as they did prior to 1776. They received grants of money and of land. In 1863 the Morrill Act—or the land-grant college act—continued this policy. It is not surprising to learn that Cornell, a private university, was named a land-grant university and still is such in 1975.

Nor should we be surprised that private colleges and universities in 1975 are recipients of contracts and grants paid from the public treasury. Of course, among the prime recipients of these contracts and grants are some of the nine institutions mentioned earlier. Some have remained private institutions; others became public institutions. You recognize their prestige and influence.

The second characteristic and fact deduced from a study of the origin of colleges prior to the American Revolution is that colonial legislatures chartered them to meet the needs of the people. My friends from Harvard might smile were we to examine the relationship between the Old Satan Deluder Act of the Massachusetts Bay Colony and John Harvard's decision to open a school for ministers in 1636. Benjamin Franklin's own temperament and interests led him to admire the dissenting academies and the new scientific schools of Europe. As a man of action, Franklin campaigned for funds to open a new type of school that would replace Latin and Greek with practical—dare we say, 'vocational'—subjects such as bookkeeping and would concentrate on courses in the natural sciences and mathematics.

The College of Philadelphia, which we know today as the University of Pennsylvania, admitted its first students in 1755. I wonder whether we have any of Franklin's revolutionaries and innovators in the audience today. The Dartmouth graduates among us can fill us in on how the New Hampshire legislature chartered their institution in 1769 to educate the local Indian tribes. The interplay of progressive ideas and community needs generated these first institutions of higher learning in the United States.

History shows that our state and federal legislatures followed colonial legislatures in not making a complete precision between public and private colleges and universities. Institutions under either sponsorship play the same essential role and engage in similar activities—teaching, research and service to the community. They admit students from every state in the Union. Their funds for operating expenses originate from a mixture of student fees, private gifts and tax money. The weight of factors in the mix varies according to the institution's sponsorship by a governmental or non-governmental group. But the citizens see and acknowledge that both kinds of institutions provide benefits to the public and respond to public needs.

As a person born, brought up and educated on the East coast and in the mid-West, this concept of a duality of types of institutions in the United States serving this nation doesn't startle me. On the Eastern seaboard, and particularly in the Northeast, private institutions of higher education antedated public ones and enrolled more students than the public sector up until the 1960's. Your experience on the West coast of course is different. These states are newer—California came into the Union in 1850 and Washington gained statehood as late as 1889.

The younger states didn't have the history of institutions opened before the American Revolution. The territories or states usually answered the educational needs of their citizens by opening a state college or university. But private institutions also opened to respond to those needs. Thus the University of San Francisco and the University of California at Berkeley serve the residents of the Bay area and the University of Washington and Seattle University offer education to persons in Seattle. The graduates of both types of institutions become doctors, lawyers, nurses, businessmen, legislators and teachers and serve their fellow citizens in these and other professional and business occupations.

A closer look at the history of American higher education might provide some surprises for you, even as members of Seattle Rotary. At the mid-point in this twentieth century, in the year 1950, the percentage of enrollment of students in the private and public colleges and universities was divided equally—50% in each sector. By 1960, the percentage was 59% in the public institutions and 41% in private ones. The percentage changed to 73% and 27% in 1970 and in 1974 to 78% in public and 22% in private institutions. The dramatic shifts are attributable to a great increase in the number of persons seeking higher education—a fourfold increase since 1950—and the establishment of state systems of public higher education, especially through the proliferation of junior and community colleges.

Until the 1960's many Eastern states such as Massachusetts, New York, New Jersey and Pennsylvania had no public system of higher education. The creation of that system in the Eastern states and an expansion of the state system in the mid-West and South did open places in higher education for many millions—enrollments today are almost 10 million as against 2 million in 1950. At a time of a rising birth-rate all institutions experienced enrollment increases. But in planning for classes the norm for traditional college-going students is to add 18 to the year of birth. The birth-rate in the United States has dropped every year since 1961. That means that by 1979 fewer 18-year olds will be available for higher education than in the 1960's. Our data allows us to predict that the downward spiral will continue through 1992—the last full year, 1974, showed the continued downturn of births.

As an educator, I wonder out loud today what will happen to private higher education in the years ahead and how will future events affect public higher education and our nation? My views are not idle speculation, but have a basis in fact. The erosion of the percentage of enrollments in private colleges and universities will continue, and to such an extent that some pessimists predict that by the end of this century, private institutions will enroll about 5% of all students in post-secondary education. The dropping birth-rate is one determinant. The other factor is the cost differential to the student. Most studies have shown that it costs about the same or even less to educate a student at a public or private four-year college or a public or private law school. The biggest difference is how much of that cost is passed on to the student by way of tuition and fees.

In 1927–28 the rate of tuition at private institutions was three times that at public ones. In 1951 tuitions at public institutions averaged $150 and private institutions averaged $450. The dollar gap was $300. By 1961 it was $218 to $906; private institutions charged 4.2 times greater tuition, and the dollar gap increased to $688. By 1971 it was $367 to $1,781, a differential of 4.9 times and a dollar gap of $1,414. By 1975 it is estimated to be $400 at public institutions; $2,025 at private ones; a differential of 5 times and a dollar gap of $1,625. Economists foresee no abatement in this escalation of tuition and the progressive widening of the dollar gap.

Let me pose the problem that gives nightmares to administrators of private colleges and universities. Will the prospective students in the 1970's and 1980's and 1990's be able financially to choose to enroll at our institutions? Inflation and regular cost increases push up the cost of education at colleges and universities. Public educators go to the legislature for increased subsidies to meet the cost increases.

But what costs do the taxpayers cover at public colleges and universities? John Silber, the President of Boston University, recently published a fascinating article in the *Atlantic Monthly* magazine entitled "Paying the Bill for College." His research has shown that in terms of the cost of education—all costs except interest and amortization on facilities—the 50 states on an average pay $2,625 per student in a public college or university. (The cost varies from $1,500 at a Community College to $16,000 at a Medical School.) Interestingly enough, that is $600 more than

the average tuition at private colleges and universities. But the actual costs are even higher. How much is the cost, if the cost to the state for amortizing facilities (buildings and equipment) is added to the cost of education?

Dr. Silber uses the new campus of the University of Massachusetts in Boston as a case in point. The new campus was built for 6,000 students at a cost of $135 million. The annual interest and amortization is over $11 million. Priced and divided among 6,000 students, the average cost of covering the debt service is $1,850 per student. Add $1,850 to $2,625 and you see that the average cost is nearly $5,000 per student. Yet the student in a state college or university is paying on the average only $400—the taxpayer is subsidizing each student to the extent of $4,600 annually. It is also necessary to recall that the average tuition at private colleges and universities is $2,025.

Let me conclude this section and introduce the next section by quoting from a recent report of the prestigious Carnegie Commission on Higher Education. The report notes: The special contributions and problems of private institutions must be seen in the light of their role as an essential component of a diverse, complex, diffuse, and yet highly responsive system of higher education, a system whose value to the nation has been amply demonstrated. In this context, private institutions appear in private perspective as a precious set of "assets in being." They help to promote freedom, diversity and excellence. If their effectiveness is impaired, American higher education as a whole will suffer.

Let me now apply Rotary's four questions to my proposition: American History has shown that private colleges and universities have aided the United States in most important ways and their continuation is a priority for this nation as we enter our bicentennial. This is the wisdom of the dualistic system of higher education.

One—Is it the Truth? Let's look at the record. There are over 1,500 private colleges and universities in the United States. They have contributed greatly to U.S. history. Look at their alumni, their research and their public service. They enroll over 2,100,000 students. They vary in size from New York University's 30,000 to Fort Wright College in Spokane with 374 students. They include a spectrum of institutions from simple liberal arts colleges such as Earlham and Holy Cross to complex universities such as Stanford, Georgetown, Chicago and Texas Christian. They vary from commuter colleges such as the University of Scranton to international campuses such as Princeton and Johns Hopkins. They have existed since 1636—predating our American revolution and educating our founding fathers. There were no public colleges and universities prior to 1790. They are an important asset of the United States. That is the truth.

Two—Is it fair to all concerned? Fairness forces us to consider the subsidy issue. The states are subsidizing each student in a public college or university to the extent of $4,600 annually. In fact that figure is a combination of the annual subsidy for the cost of education, $2,625, and the annual cost of amortizing the buildings and equipment on State or public campuses. Perhaps in the question period following my talk you might want to discuss how subsidies to public colleges and universities vary from about $2,000 at a community college to $25,000 annually per student at a public medical school (about $15,000 for the cost of education and $10,000 for the cost of amortization), or you may want to discuss how much the cost of education subsidy is at our military service academies (in the neighborhood of $15,000 annually per student). My proposal and that of presidents of other private colleges and universities is two-fold:

First, contract with us for students to fill our empty spaces. Don't build new public campuses. We have the facilities and will amortize them without charging you. We do expect to charge you for the cost of education. This contract arrangement will save the states hundreds of millions of dollars.

Second, give some tuition-offset grants to students in private colleges and universities and thereby increase our enrollment. By tuition offset, I mean a percentage of the annual subsidy for the cost of education that is given for every student in a public college or university. Not a 100% subsidy—students should pay from their own resources to come to private colleges and universities—75%, 50% or 25%. Realize that the average tuition at public colleges and universities is $400. The subsidy for the cost of education in the same institutions is $2,225. Our students in private colleges and universities are paying $2,025. We propose a tuition-offset voucher, either at 75% (or in round figures, $1,650), 50% (in round figures, $1,110), or 25% (in round figures, $550).

Let the taxpayer and the voters decide; at a time of financial stringency, the 25% offset, or $550 annually, would probably be chosen.

CONTRACTS AND TUITION-OFFSET VOUCHERS ARE FAIR TO ALL CONCERNED

Three—Will it build good will and better friendship? Private higher education has fostered excellence and diversity in the United States; they have produced good will and good citizens. What would this nation be without the scholarship and research of Harvard, Stanford, Yale, Princeton, Johns Hopkins, Chicago, Duke, Baylor, Rice, Vanderbilt and other prestigious private universities? The Universities of Washington, Michigan, Minnesota, Wisconsin, California, New York and other great state universities need these complementing private universities to protect their own academic freedom and to be challenged by the results of their research.

Independent colleges and universities have the freedom to offer innovative curriculum changes such as shortening the time requirement needed for a student to complete work on a baccalaureate degree. Seattle University has just received word of a large grant from a prominent, prestigious foundation, to be announced on July 1st, as funding for Matteo Ricci College, which will award a baccalaureate degree to students only six years after completion of the eighth grade. Independent Universities are free to innovate.

I don't make the claim that every private college and university is of the highest academic quality. They range from the highest excellence to a level so poor as to embarrass us, as colleagues. But it should be noted that public institutions fall into the same grid.

In the question period I could touch on the question of academic freedom and how the quality—public and private institutions—in the United States fosters academic freedom which is an absolute prerequisite to American education and political philosophy.

In the question period also I could share with you my personal experiences regarding Soviet and Czech higher education and why in my opinion our dualistic system of higher education in the United States proves that non-political education, free of government control, is an attainable ideal. Why? In the U.S. we have already achieved it.

The existence of a dualistic system of higher education in the United States—public and private; two-year, four-year, university; technical schools—does build good will and foster friendship. It produces good persons, good alumni, men of good will.

Four—Will it be beneficial to all concerned? The dualistic system of higher education is beneficial to public colleges and universities because it represents a protection of academic freedom.

A good case to cite from my personal experience is the case, in 1966, of Professor Genovese from Rutgers University, a professor of U.S. History. During the New Jersey gubernatorial election in that Vietnam year, Governor Richard Hughes was 15 percentage points ahead of State Senator Wayne Dumont. Professor Genovese attacked the U.S. involvement in Vietnam on television and accused the White House and the Pentagon of lying. In a subsequent interview, he admitted that he was a professed Marxist and that he taught U.S. History from a Marxist viewpoint. Dumont grabbed this as his single campaign issue during the last two weeks of the campaign. He favored dismissing Prof. Genovese from Rutgers, and many legislators jumped on the bandwagon. Gov. Hughes and Rutgers President, Mason Gross, defended the right to speak and to hold a point of view, as academic freedom. Other state college and university presidents remained silent. Educators in the 16 private colleges and universities issued joint statements in support of Dr. Gross. Administrators at State and Community Colleges remained silent because they feared that legislators on the appropriations committees who had attacked Prof. Genovese and Dr. Gross would use their influence to slash the budgets of any public institutions whose administrators defended Dr. Gross and Prof. Genovese. Administrators at private institutions whose budgets are not controlled by the state did not fear that hostile reaction would jeopardize their budgets. Academic freedom is vigorous in the United States and our dualistic system provides at least one protection that colleges and universities in other countries that have only state-supported institutions of higher education do not have. In fact, education free of political control is possible in the United States. Why? Because we have it. Incidentally Governor Hughes was re-elected and academic freedom was defended by the voters of New Jersey in the subsequent election. Senator Dumont remained the head of the education committee in the state senate and was one of the principal backers of a plan to give aid to independent institutions of higher education and to the students attending them.

Don't build new facilities. Use the existing ones. Private colleges are already built—"Assets in-being" or "Assets-in-place." We are amortizing them. Why should the state build additional facilities from 1975-to-1980, knowing full well that from 1970 onward fewer and fewer 18-year olds will be available to fill the seats constructed at these new facilities? The state would only be adding unneeded facilities and increasing its debt service.

The dualistic system is beneficial to students. Tuition offsets give students, the young traditional student and the older new student appearing in colleges and universities today, a needed ingredient to the exercise of their freedom of choice. Five-hundred and fifty dollars, or come, so that they can afford the higher tuition at private colleges and universities that we charge because we receive no subsidy from the State treasury . . .

The use of contracts by the state to secure educational services at private colleges and universities is beneficial to all concerned.

ARMY JUDGE ADVOCATE GENERAL'S CORPS OBSERVES BICENTENNIAL ANNIVERSARY

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. EVINS of Tennessee. Mr. Speaker, the American Bar Association Journal in its current issue contains an excellent

article highlighting the 200th anniversary of the Judge Advocate General's Corps of the U.S. Army.

Certainly it is fitting and appropriate to honor this distinguished corps during the Bicentennial observance of the American Revolution.

It is significant to note that the Office of the Judge Advocate General Corps was authorized July 29, 1775, by the Continental Congress—a year before the Declaration of Independence was signed.

It was on July 29, 1775, that the first Judge Advocate General, William Tudor, was elected. He was the first in a succession of able, outstanding and distinguished Judge Advocates—an office which became known as Judge Advocate General.

It was my honored privilege to serve in World War II in the Judge Advocate General's Corps under Maj. Gen. Myron C. Cramer.

It has been said of the Corps that a defendant who was guilty was more sure of conviction than in civilian courts—and that a man who was innocent was more likely to be found innocent in a court of military justice than in a civilian court.

In any event, the Judge Advocate General's Corps of the U.S. Army has a long and historic record of assuring justice for servicemen through the years—and I am pleased to join in commending and congratulating Maj. Gen. George S. Prugh, the present Judge Advocate General, and his staff during this Bicentennial anniversary month.

Because of the interest of my colleagues and the American people, I place in the RECORD herewith the article from the American Bar Association Journal.

The article follows:

JUDGE ADVOCATE GENERAL'S CORPS IS 200 YEARS OLD

Saturday, July 29, 1775, was a sultry summer day as the delegates to the Continental Congress filed into Philadelphia's Carpenter Hall to resume business. The first item was the issue of pay for the Continental Army. As they sat perspiring in the hot meeting room, spokesmen had to raise their voices above the noise of carts clattering through the cobblestone streets outside. When the question of pay was settled, the delegates turned to matters of military law. And, as recorded by Charles Thomson, who kept the journals of the congress, "William Tudor, Esq., was elected Judge Advocate of the army." Thus marked the beginning of the 200-year history of the Judge Advocate General's Corps, United States Army.

The following day—July 30—George Washington issued a general order from his Cambridge headquarters noting the appointment of John Adams's former Boston law pupil as judge advocate of the Continental Army. General Washington ordered that Mr. Tudor was "in all things relative to his office to be acknowledged and obey'd as such.'

The office of judge advocate, later known as judge advocate general, was the first legal position to be established under the authority of what was to become the United States government, predating the offices of chief justice and attorney general. Since those early days thousands of army lawyers of the Judge Advocate General's Corps have given proud service to their country. Their ranks have included such noteworthy lawyers as Chief Justice John Marshall, Prof. Henry Wheaton, Prof. John Chipman Gray, Justice Felix Frankfurter, Prof. Edmund M. Morgan, Dean John H. Wigmore, House Speaker Carl Albert, and Leon Jaworski.

Military law has grown in scope and intensity since the early beginnings of the corps. Today's judge advocate officer must be skilled in the law of nations, environmental law, federal labor-management relations, and contracts as much as in the law of military criminal justice. He also must be prepared to render advice on the legal problems involving military installations, personnel administration, patent and tax matters, and claims by and against the government, as well as to provide legal assistance to individual service members.

As part of its bicentennial observances, the Army's Judge Advocate General's Corps has programed a special 200-year history of the corps in book form and a compilation of important military legal writing to appear in a commemorative edition of its *Military Law Review*. Local bicentennial programs by staff judge advocate offices at the various army field installations also are planned. Scheduled in Washington, D.C., for July 29 is a dining-in, a formal military dinner of British regimental custom and a fitting reminder of the corps' own English ancestry. During Law Day observances, Great Britain's director of Army Legal Services, Maj. Gen. John C. Robertson, visited the United States as part of a bicentennial speaker exchange program, touring the United States Military and Naval academies and the Army's Judge Advocate General's School.

OBJECTIONS TO H.R. 7217

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. RHODES. Mr. Speaker, I have today received a letter from the Secretary of Health, Education, and Welfare indicating his objections to portions of H.R. 7217, the Education for All Handicapped Children Act of 1975.

For the information and enlightenment of my colleagues, I am inserting the text of the letter from Secretary Weinberger at this point in the record:

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., July 14, 1975.

HON. JOHN J. RHODES,
Minority Leader,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. RHODES: As the House of Representatives moves toward consideration of H.R. 7217, the "Education for All Handicapped Children Act of 1975," I would like to share with you the Administration's views concerning this measure.

As you know, the Federal effect in improving educational services to the handicapped has increased rapidly in the past decade. Not only has the obligation level risen over ten times, but the scope of programs has broadened considerably. From a narrow program in 1964 spending $20 million on traditional education, primarily for the blind and deaf, Office of Education programs for the handicapped have grown to a level of more that $338 million in fiscal 1976.

Office of Education funds currently support a broad measure of activities directly related to education of the handicapped, including training for teachers and administrators; demonstration and dissemination of exemplary programs; identification and diagnosis of handicapped, deaf-blind, and children in State institutions.

In addition, the Office of Education distributed $100 million in FY 1975 under the provisions of Part B of Education of the Handicapped Act, as amended in 1974 by P.L. 93-380. This provision, popularly known as the "Mathias Amendment," offers funds to States for the initiation, expansion and improvement of *their own* special education programs.

Historically, the responsibility for the education of children has rested with the States. A substantial body of litigation continues to clarify the State role in the financing and administration of education, including the education of the handicapped. Accordingly, it is clear to us that the ultimate responsibility for education rests with the States, not the Federal government.

There appears to be every evidence to indicate that States are currently planning to meet that responsibility. State plans received by the Office of Education indicate that the majority of States have established a goal of providing full educational opportunities for handicapped children by 1980 or earlier.

While the Federal role in *financing* the education of the nation's children remains secondary, prohibiting discrimination against handicapped children in education is a specific Federal responsibility. Legislation passed by the Congress in the past two years gives the Executive Branch authority to enforce both the elimination of all discrimination against the handicapped in Federally assisted programs and activities (Section 504 of the Vocational Rehabilitation Act of 1973) and specific requirements for approving State plans to provide special education (Sections 612 and 615 of the Education Amendments of 1974).

I want to emphasize that both the Department and the Office of Education are taking these responsibilities seriously. Regulations to ensure State compliance with these statutes will be issued in the near future.

H.R. 7217 would extend the Federal government's responsibilities for the education of handicapped children far beyond the current areas of capacity building and insurance of equality of opportunity. The authorization for State "entitlements" under H.R. 7217 for FY 1977 is estimated to be about $680 million; this figure could increase to $3.9 billion in FY 1978.

As I noted above, the FY 1975 appropriation level for Part B of the Education of the Handicapped Act was $100 million. To hold out the promise of "entitlements" which are many times as great as the current appropriation level is simply unrealistic and will falsely raise the expectations of the parents of millions of handicapped children.

In addition, funding formulas which are based on the number of handicapped children served, while creating incentives for States to attempt to serve more children, may also encourage States to classify many children as handicapped too freely in order to qualify for funding. While this problem is partially met by the 12 percent ceiling on the number of children in any State who may be counted for the purposes of the formula contained in the bill, there may well be local education agencies which will too liberally identify children if they happen to have less than 12 percent who are handicapped. Previous reports of widespread mislabeling of (and consequent damage to) disadvantaged and bilingual children by labeling them as mentally retarded or emotionally disturbed must be carefully weighed in judging the merits of this approach to increased funding.

Our objections to H.R. 7217 as reported by the Education and Labor Committee are not limited to the possible new burden on the Federal Treasury.

This bill would impose major new administrative burdens on Federal, State, and local education officials which might create a situation where a significant percentage of any increased allocation may go, not to handicapped children, but to meet the administrative demands built into the proposal.

For example, while we certainly favor meetings between teachers, parents, and

children, when appropriate, to discuss objectives and the process of education, this legislation as revised would still *order* the development of as many as eight million individualized education programs, complete with evaluation procedures. These conferences would be required for all handicapped children, although there is little evidence to indicate that these sessions are the most effective way to provide services to handicapped children. The cost of conducting and recording these conferences will inevitably be great and will reduce the funds otherwise available to provide educational services.

Similarly, while we agree that evaluation is critical to the long-term success of any education program, H.R. 7217 calls for the Commissioner to review this program on the basis of data which are difficult to obtain. Not only would a uniform accounting procedure for special education (necessary to compute excess costs as required by this law) be an unwelcome Federal intrusion, it would be difficult to implement and may cost several billion dollars before it is operative. In any case, at least three years' lead time would be necessary in order for local education agencies to compile and verify such data.

Further, since Federal funds can only be spent on excess costs, it is essential to define this term precisely. Does the total cost of a Braille textbook fit into the excess category or just that portion of the cost above that of a normal text? Should the Federal government pay the cost of the additional physical education instructor needed to adequately serve a small number of handicapped children? As presently constructed, we believe that the excess cost provisions of H.R. 7217 would be exceedingly hard, if not impossible, to audit.

In addition, H.R. 7217 proposes to solve problems in the area of special education with remedies which have not yet been proven successful for all children. For example, the assumption that mainstreaming children always represents the most effective means of educating handicapped children has not yet been shown, and so care must be used in insisting that progress means more placements in regular education programs.

These are our specific objections to H.R. 7217. I want to be clear, however, on the question of our continuing commitment to the education of the handicapped. Our argument with H.R. 7217 is one related to the respective roles of Federal, State, and local government.

We believe that the provisions of Part B of the EHA, which became effective on July 1 of this year, properly set out the responsibilities of the Federal government in this area.

Sincerely,

CASPAR W. WEINBERGER,
Secretary.

BOOTH MOONEY ON THE LBJ LIBRARY

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. PICKLE. Mr. Speaker, in a recent article in the Washington Post, Mr. Booth Mooney presented a vivid portrait of the institution which President Lyndon Johnson created to enable scholars for years to come to fathom the great events of his many, many years of public service.

The L.B.J. Presidential Library is meant to be a living place where scholars can learn of the past and all visitors can find inspiration for the future.

I would like to share Booth Mooney's article with my colleagues by placing it in the CONGRESSIONAL RECORD as follows:

[From the Washington Post, July 13, 1975]

A LARGER-THAN-LIFE MEMORIAL TO LBJ AND THE GREAT SOCIETY

(By Booth Mooney)

Lyndon B. Johnson has been characterized as "larger than life," which he was, and the term applies with full force to the monumental presidential library bearing his name.

Located on 14 acres of the University of Texas campus in Austin, just across the way from a stadium that can seat 80,000, the Lyndon Baines Johnson Library, outside and in, accurately reflects the personality of the 36th President. It speaks to the visitor with more than a hint of the hyperbole with which LBJ frequently expressed himself.

The eight-story building, which some unkind observers have said resembles an Egyptian Pharoah's tomb, stands upon a promontory-like podium projecting forward from a sloping hillside. Two parallel concrete and stone walls—200 feet long, 65 feet high and 90 feet apart—define the main mass of the structure. The walls, as well as the podium upon which the building stands, are faced in travertine. They curve inward and upward from a base thickness of eight feet, their tapering shape delineating the vertical cantilevered thrust of the closely spaced columns they enclose. On one side of the building is an attractive campus setting of fountains, lawns, flowers, shrubs and trees. On the other side is a farflung paved parking lot.

Officials underestimated public interest in the library. They expected 250,000 visitors in 1971, the first year it was open, but the facility has had more than 2½ million visitors over the first four years.

Inside, show-and-tell museum exhibits are featured on the first two floors. Bemused visitors can view a stunningly variegated collection of documents, photographs, art objects and memorabilia, surrounding the presidency. There is a wall mural of LBJ etched in metal (sure enough, larger than life and in five different poses); short film showings present summaries of his Great Society programs.

On the second floor is, naturally, a Great Hall with a ceiling four stories high. The archives housing the widely advertised 31,000,000 documents in the library are visible behind glass on the four floors. The papers are stored in 36,000 boxes, 4,200 of which can be seen from the Great Hall. Each of the bright red buckram-covered boxes on the front row is embossed with a gold presidential seal, which Mr. Johnson was fond of having placed on everything from cigarette lighters to cowboy boots. These ornate boxes cost about $5 each, according to library officials, but the remaining, out-of-sight boxes, are standard archival issue and considerably less expensive.

The matter of the 31,000,000 papers requires some clarification. Many of them can be called presidential papers only through an excess of courtesy. A large number of the copies of letters so painstakingly tucked away begin something like this: "The President has asked me to thank you for your recent letter recommending . . ." And apparently every letter or note which one presidential assistant wrote to another or to Mr. Johnson made its way into the White House files.

Says Charles E. Corkran, chief archivist of the library, "I don't think they ever threw anything away."

Furthermore, copies of materials customarily were placed in several White House files for cross-reference purposes. So there are not truly 31,000,000 separate letters, reports and memos available or to become available to scholarly researchers. What the library has is 31,000,000 pages or approximately that many, no one having troubled to count them individually.

Few scholars and historians have taken a look at any of these pages. So far, only 397 persons have registered as researchers, which must be done in order to gain access to the archival materials. Most of them were connected with academic institutions, although such a connection is not a requirement for getting into the library files.

Prior to the opening of the library Dean John A. Gronouski of the adjacent Johnson School of Public Affairs predicted that his students would "mine the LBJ Library for the historic background on development of government programs." That has not happened. Only a handful of students have come from the school, which prides itself on producing practitioners, not academics. Its functional purpose is to move the students into direct contact with current government officials, not to have them pore over accounts of what officials have done in the past.

Subjects studied by researchers who have visited the library range from the infinitely complex to the quite simple. A British professor gave as his topic "Origins, Establishment and Implementation of Poverty Programs 1964–69 and Implications for the Political System with Special Reference to Presidential Power." A University of Texas student wrote that he was there to study urban renewal. A Russian registered to bone up on civil rights in the United States, and the official historian for the National Aeronautics and Space Administration came from Washington to dig into the library's files on the space program.

Most of the materials housed in the library are not yet open to researchers. After three years of operation, none but the archivists themselves was privileged to study more than 10 per cent of the presidential papers. This situation does not result from a secrecy syndrome. Everybody on the staff is eager to open up the remaining 90 per cent to the public.

Before all the papers can be thrown open they must be reviewed by an archivist, arranged in logical sequence, and cataloged. It is a time-consuming procedure.

"We're a bureaucracy," concedes chief archivist Cockran, who formerly was an archivist with the Herbert Hoover Presidential Library in West Branch, Iowa, "and we have to operate like one."

Presidential papers are here, nevertheless, and the story of the Johnson career is told by them.

The staff of 15 archivists is concentrating now on reviewing the papers that came from the White House central files. After that task is completed attention will be turned to processing the non-presidential files, including 1,675,000 documents from the years LBJ served in the Senate. Priority is at present given in both groups to materials pertaining to education and civil rights.

One element of the review process is studying the documents to make sure that public access to them would not violate Mr. Johnson's deed of gift. His 1965 letter of intent to deposit the papers in the library placed a "seal of restriction" on three categories of materials: (1) those containing statements which might be used "to injure, embarrass or harass any person"; (2) anything which would be prejudicial to the foreign relations of the United States; and, (3) statements made "by or to me in confidence."

Before anything is held back for reasons of personal embarrassment or injury, five or six persons, including Cockran and in some cases Library Director Harry Middleton, must agree to the restriction. The embarrassing pages are then removed and a pink form alluding briefly to their contents is placed in the file to note their absence. It is anticipated that time eventually will eliminate the need for the restriction and the potentially offending pages then will be returned to the file.

The locked-up National Security File contains 1,500,000 pages of documents. Stamped "Secret" and "Top Secret," most of them have not yet been cataloged and likely will become available for public use slowly and on a piecemeal basis. This is the case even though an executive order signed by President Nixon in May 1972 was designed, at least in theory, to reduce secrecy in government.

Mr. Johnson himself, according to Middleton, was working at the time of his death to have secret government papers on the Vietnam war made public. In 1972 he told Middleton, who had been on the White House staff for two years, that he wanted all the documents relating to Vietnam to be opened as soon as possible. The library director started preparing a plan for their declassification not only in the Johnson Library but also in the Kennedy Presidential Library.

Middleton pursued the plan after Mr. Johnson's death, meeting in 1973 with several White House officials, including H. R. (Bob) Haldeman, then Nixon's chief of staff. White House approval of the plan was essential inasmuch as it would have involved a number of federal departments and agencies.

The library director thought he was making some headway until, he says delicately, "Everybody in the White House whose name I knew left." So the project is in limbo for the present, but the situation could change.

To one who knew Mr. Johnson and saw him plan, the oral history collection in the library holds unending fascination. Friends and foes alike were interviewed, in a project which began when LBJ still occupied the White House. They remembered and told many things that had never been put in writing about the 36th President, his programs and his personality.

A total of 933 tapes record interviews with 555 persons, including Cabinet members, senators and representatives, governors and other public officials, newsmen, former employees, longtime friends and old political enemies.

LBJ was a man who liked to have the last word and he has it in his library. On the eighth floor is a reproduction of the Oval Office in the White House, scaled down only one-eighth in size. It contains Mr. Johnson's old desk from the Senate, paintings and photographs from the Oval Office as it was when he worked there, his many-buttoned telephone console, and the three-screen television set on which he could view all network programs simultaneously. And by pushing a button on the wall the visitor activates a recording:

"Most people come into this office with great dreams and they leave it with many satisfactions and some disappointments—and I am no exception," the familiar Texas voice intones. "But I am so grateful and so proud that I had my chance."

The Johnson Library, all of it, is most impressive, even overpowering. Recently, some third-graders being shown through the building on a guided tour were obviously impressed. One turned to another halfway through the tour and asked in an awed tone. "What is a President, anyway?" His schoolmate replied without hesitation, "Why, he's the principal of the whole world."

LBJ probably would not have quibbled at that definition. It was what he wished to be.

The writer, who worked six years for Lyndon Baines Johnson when he was Senate Majority Leader, is an author and free-lance writer. He lives in Maryland.

FOR A FULL EMPLOYMENT ACT BY 1976

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1975

Mr. HAWKINS. Mr. Speaker, the attached article written by Mr. Leon H. Keyserling, chairman of the Council of Economic Advisers under President Truman, astutely traces the long-term retreat from full employment and full production in the United States over the past two decades.

Emphasizing the imperative need for economic planning, Mr. Keyserling provides us with a clear picture of how this country can move from its present State of economic stagnation to full employment and full production by the end of 1976. I believe Mr. Keyserling's article deserves the attention of every Member of Congress and at this point I would like to insert a copy of the text in the RECORD:

FOR A FULL EMPLOYMENT ACT BY 1976

(By Leon H. Keyserling)

It's time we ended our twenty-year retreat from full employment. Passage of the Hawkins-Humphrey bill can open the gate to planning for the full economy.

The current efforts, most recently through massive tax reduction, to lift us out of the worst economic recession by far since the Great Crash, are inadequate in size, deficient in composition, and substantially improvised and disconnected. This is especially true when account is also taken of the President's declaration of intent with respect to new federal spending. What is now in the works will, in due course, but probably too slowly, check the decline and spark an upward movement. But the clear prospect under these "tries" is that the forthcoming "recovery," like the four previous "recoveries" from recessions since 1953, will leave us at its peak with more unused manpower and other productive resources than at the peak of the immediately previous recovery, and on the way toward another stagnation and then another recession. The fact is that for about twenty-two years we have been engaged in a long-term retreat from full employment.

Indeed, we have never been within hailing distance of full employment or full production since early 1953. In May 1975, we were about 225 billion 1974 dollars and about 6.7 million jobs short, and we would need to lift GNP by about 395 billion in 1974 dollars and increase employment by about 9.2 million by 1977 as a whole to achieve a full economy by the end of 1977. We have almost continually witnessed a tragic neglect of the most urgent of our domestic needs requiring public outlays. We have not achieved the degree of improvement in the distribution of income which is essential on both economic and social grounds; in the most recent years, this distribution has worsened. We have suffered a degree of inflation that is intolerable in its effects upon the most vulnerable groups. This has not been because employment and production have been too high (the common theory). It has been because stagnations and recessions, with unemployment too high and production too low, deliberately brought on by national policies designed to "fight inflation," have actually caused much more inflation than normally occurs in a healthy economy.

From the start of 1953 through the end of 1974, the long-term retreat from full employment and full production caused us to forfeit more than 2.6 trillion dollars (measured in 1974 dollars) of total output and enjoyment of goods and services; under the present tax structure we have forfeited enough public revenues at all levels of government to enable us to make an additional 760 billion of public outlays to service the starved priorities of our domestic public needs; and we have lost more than 54 million man-years of employment opportunity. If the larger economy performs no better from now through 1980—and nothing more seems in prospect without vast changes in national economic policies and programs under planning—we will forfeit during 1975–80 more than another 1.2 trillion 1974 dollars of total output and another 460 billion of needed public outlays, and forfeit 16.5 million man-years of employment opportunity.

THE IMPERATIVE NEED FOR PLANNING

Instead of muddling through the current economic crisis toward such results, we must remedy the errors of commission and omission that have prevailed, in varying degree to be sure, during the entire period under review. We must analyze, as we have not, the essentially similar disequilibrating causes of the four previous recessions, instead of designating the latest downturn as "novel" or even "insoluble." We must discard forever the recurrent application of national policies which have done so much damage on all scores in a misdirected and unsuccessful effort to overcome inflation.

And when we start to do these things, we will at once perceive the feasibility and necessity of attaining a reasonably full economy by the end of 1977, and the immense and dangerous costs of not doing so.

To improve our performance as much as we should and can, we need at once to develop an increased reliance upon short-range and long-range planning for the public good; planning by democratic rather than totalitarian means; planning which substitutes cooperation for conflict, unity for discord, and coherent and integrated policies for disconnected and conflicting policies; and which promotes the harmonious and complementary efforts of responsible free government and responsible free enterprise.

This course is not at all inconsistent with what we need to do at once to work our way out of the current economic troubles more satisfactorily than we are now doing. Entirely to the contrary, every element in this effort is of immediate and primary importance in overcoming these current difficulties on a fuller and more enduring basis than at any time in the past. "Short-range" and "long-range" problems merge in their entirety; our shortfalls to date result from short-range thought and action only.

The Hawkins-Humphrey Equal Opportunity and Full Employment bill, a most comprehensive planning proposal, was introduced last year, with many other sponsors in the Senate and the House. Hearings have commenced on the House side on a greatly improved and much broader bill, and there are excellent prospects for hearings soon on the Senate side.

The main elements in this planning measure, HR 50, which is rapidly gaining important support, are the following.

EMPLOYMENT GOALS

1. The measure, if enacted, would write into law the responsibility of our federal government to create an economic environment in which, with private enterprise, voluntary associations, and state and local governments doing their full share, the federal government would recognize its bedrock and ultimate responsibility to guarantee the right to useful employment at appropriate pay for all those able and willing to work, plus those who can be brought up to this level. The President, under the Employment Act of 1946, would be mandated to bring forth and send to the Congress immediate policies and programs (allowing for nonfederal efforts) to reduce full-time unemployment as officially measured to 3 percent—less than 3 million—within eighteen to twenty months after enactment of the legislation, and much more later on. (We reduced unemployment to 1 percent in 1944.) The measure also provides that immediate efforts be started, through supplementary reservoirs of private and public employment projects, to help all others to whom the guarantee of the right to work would apply, even when unemployment has reached the 3 percent level. Scarcity of workers is better than scarcity of jobs.

DISTRIBUTIVE GOALS

2. The President would also be required under the Employment Act to transmit to the Congress from year to year an updated set of policies and programs as part of a Full Employment and National Purposes Budget. In addition to specified quantitative goals for full employment, production, and purchasing power, the Purposes Budget would include goals for the composition and distribution of income and output conducive to sustained full employment, production, and purchasing power. To date, this equilibrium analysis has been grossly neglected and, without it, national policies and programs are flying blind.

3. A salient defect in action under the Employment Act of 1946 has been excessive concentration upon general or aggressive fiscal policies, as well as upon the same kinds of monetary policies. This approach has severely neglected, at the individual or structural level, the wide range of priority programs which, under the impact of technological trends, are absolutely essential to sustained full employment, production, and purchasing power. They are equally essential to the extirpation of poverty and other excessively low incomes, to the servicing of urgent national needs, and to the attainment of distributive and social justice. And this oversight has usually been accompanied by the refrain that such programs "cannot be afforded" and are not of major concern to economists serving under the Employment Act. The Hawkins-Humphrey bill mandates that such priority programs be budgeted and proposed to the Congress under the Purposes Budget.

The Purposes Budget would therefore include short-range and long-range goals for conservation and development of natural resources and raw materials and energy supply; decent housing for all; improvement of the environment; adequate medical care for all; full educational opportunity for all, accompanied by adequate day care and nursery and kindergarten facilities; mass transportation; a full-economy production level of food and fibers; nationwide equalization efforts with respect to incomes and public services; development of basic and applied science; artistic, aesthetic, cultural, and recreational activities; federal aid to state and local governments for needed public goods and services; virtual liquidation of poverty, substandard wages, and substandard conditions of employment in the United States, and substantial income progress among low-income families above the poverty level who still live in deprivation; needed increases in income transfer expenditures and related services for those unable to work and their dependents; promotion of small business and competitive enterprise; and action against practices by businesses of any size which are clearly inimical to the public interest; appropriate national defense, space exploration, international cooperation, and aid to the underdeveloped countries; and substitute activities to facilitate or adjust for reductions in military and other industrial activities.

Obviously, all of these goals, on both a short-range and a long-range basis, would be integrated and balanced in terms of our growing needs and capabilities. This is the hallmark of planning. Clearly, the measure does not define the desirable size of most of these programs; that is left to the President and the Congress to specify and help to achieve under a continuous planning process at the highest levels of public responsibility.

4. The practice of national policy under the Employment Act has not only been to neglect these priority programs grievously in the long run, but also to restrain them first and foremost whenever the economy is deemed (usually erroneously) to be "under too much pressure." This restraint exists even today, when the economy is suffering from tremendous slack. The Hawkins-Humphrey measure would mandate that these priority programs be budgeted continuously at the appropriate level of our full employment and production capabilities. When the economy is very slack, such action would also have powerful restorative effects. When the economy is too tight—which is unlikely in the foreseeable future—these priorities should not be sacrificed; instead, progressive tax policies should be used to cut back on superfluous or deferrable demand elsewhere in the economy. This is how Keynesian economics should really be applied.

FEDERAL BUDGET POLICIES AND CONTROL OF INFLATION

5. HR 50 also proposes a legislative finding that attempts to balance the federal budget at the expense of the national economy and the people, and are sure to result in stupendous federal deficits. The stated objective is to balance the budget at full employment, or even to have a "full-employment surplus" budget.

6. In addition to primary reliance upon reasonably full resource use to restrain inflation, this "full-employment surplus" budget would be used as the primary weapon against classical or excess-demand inflation, and the measure prohibits contrived unemployment and economic slack in the effort to curb inflation. However, the bill specifies certain counter-inflation devices, including controls when needed, to deal with other, more usual manifestations of inflation, such as those in "administered price" areas.

MONETARY POLICY

7. Since 1953, the policies of the "independent" Federal Reserve Board have brought on recurrent recessions, have stunted priority programs, and have redistributed more than 800 billion dollars regressively through excessively high interest rates. The Hawkins-Humphrey measure provides means whereby FRB policies would be brought into accord with the purposes of the bill, including enlarged congressional and presidential participation in monetary policy. It is a strange anachronism for our central banking system to be entirely "independent."

RESERVOIRS OF EMPLOYMENT PROJECTS

8. To supplement the overall program for full employment and priorities as defined above, the Hawkins-Humphrey measure would assure full employment to all eligible and willing to work through a nationwide and reasonably decentralized reservoir of public and private employment projects, carefully integrated with the priority public investments referred to above. This would utilize such instrumentalities as a new U.S. Full Employment Service (expanding the responsibilities of the U.S. Employment Service), a Job Guarantee Office, and a Standby Job Corps, plus enlarged use of local planning councils. However, the Purposes Budget would serve to guide the preponderance of public investment toward high priority programs of enduring value which reflect long-range needs. The increased success of action under the Purposes Budget would guard against the proliferation of hastily devised supplementary employment programs.

ORGANIZATION FOR THE EFFORT

9. The Hawkins-Humphrey bill would fix concentrated responsibility with the President, under the Employment Act, to perform the tasks set forth above, including recommendations to the Congress. We need, I believe, mandated purposes and programs under a planned effort more than we need additional federal agencies. However, the working relationships between a properly restaffed Council of Economic Advisers and the specialized federal agencies of large size are broadened and specifically defined, so that these agencies may effectively perform their share of the required tasks. Correspondingly, the measure would enlarge the responsibilities of the Joint Economic Committee in the Congress, so that it may be restored to its originally intended function of providing guidelines to the Congress at large and to the various legislative and budget committees with respect to national action under the Hawkins-Humphrey measure. A broadly representative Advisory Council on Full Employment and National Purposes would be established, with a membership not limited to economists, to meet and consult with the President and the Council of Economic Advisers. For the purpose of annual conferences, an appropriately constituted advisory group would be attached to the Joint Economic Committee as well. This group would be mandated to hold public hearings in various labor market areas.

We must start at once to lift the floor of "political feasibility" to the level of what we must do to prosper and live in domestic tranquillity. If those dedicated to this course play their part in a nationwide educational effort, many of us believe that the Hawkins-Humphrey bill, further improved, can become law before the end of 1976. And this would be a splendid way to increase the meaningfulness of celebrating our 200 years as a great and aspiring nation and people.