

milk support prices; and by continuing to import milk from other countries, competing with his herd and driving down prices.

JACKSON. How do you feel, Clifford?

GREENWOOD. Not worth a damn. If you really want to know, I could bawl.

JACKSON. If you had it to do over again, would you go back into the dairy business?

GREENWOOD. Never. Not on your life, my life, or anybody else's. You work your life to buy a herd of cows, then give 'em away. What I'd like to see is just everybody just quit farming, then we'll see what city folks think about high priced feed—food—and where they're gonna get it from.

JACKSON. Clifford Greenwood thinks he and other dairymen have been taken for granted. And now—by going out of business and not

producing milk—he says he hopes to get even. Mike Jackson, NBC News, Bertha, Minnesota.

Mr. OBEY. Mr. Speaker, we can thank a number of people for the plight that farmers like Clifford Greenwood find themselves in. We can thank the House of Representatives for refusing by 20 votes to include in the farm bill passed last March 20 the provision increasing dairy support prices to 85 percent. But most of all, we can thank Secretary Butz for providing the misleading information about the consumer cost of the dairy section of the bill which many urban Members of Congress mistakenly be-

lieved when they voted to strike the dairy section from the bill. And even more importantly, we can thank the Secretary and the President for their opposition to dairy support increases in general and their insistence upon vetoing even the watered down farm bill sent to them by Congress on May 1.

I hope this Government has sense enough to change its position the next time we have a farm bill before us. It will not help Clifford Greenwood but it might help a lot of other people and in the process it might also help to keep the United States self-sufficient in dairy products.

SENATE—Saturday, July 26, 1975

(Legislative day of Monday, July 21, 1975)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by Hon. RICHARD STONE, a Senator from the State of Florida.

PRAYER

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

O God, our Father, ever near to all who call upon Thee, teach us how to pray not only in the reverent and solemn moment of public ceremony, but while we work and wait. May every day be a National Day of Prayer in this Chamber. Strengthen our weakness. Sharpen our thinking. Quiet our fretting. Keep us patient and kind amid little irritations, and major confrontations. For extra duties and prolonged sessions impart to us added grace and strength. And may we ever be guided by Him who is the Light of the World. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 26, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. RICHARD STONE, a Senator from the State of Florida, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

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

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Friday, July 25, 1975, be approved.

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

CXXI—1579—Part 19

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. I ask unanimous consent that the Senate turn to the consideration of the certain measures on the calendar beginning with Calendar No. 295 and concluding with Calendar No. 315.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. HANSEN. Reserving the right to object, Mr. President, is the distinguished majority leader asking for approval on everything between Calendar No. 295 and 315?

Mr. MANSFIELD. No, we have three "overs."

Mr. HANSEN. I have not even seen them.

Mr. MANSFIELD. No, but I talked to the assistant Republican leader, and they have been cleared with everyone, all but three. If the Senator has any objection, I will be glad to withdraw consideration of them all.

Mr. HANSEN. I was not trying to object, Mr. President, I am simply trying to find out what the bills are about. I understood that there was a possibility we might be taking up some of the energy bills, and I have not even read through them.

Mr. MANSFIELD. No, these are out of the Committee on Rules and they have to do with financing committees.

Mr. HANSEN. I have no objection, Mr. President.

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

COMMITTEE ON AERONAUTICS AND SPACE SCIENCES

The Senate proceeded to consider the resolution (S. Res. 37) authorizing additional expenditures by the Committee on Aeronautical and Space Sciences for inquiries and investigations which had been reported from the Committee on Rules and Administration with amendments as follows:

On page 1, in line 8, strike out "February 28, 1975" and insert "February 29, 1976".

On page 2, in line 15, strike out "February 28, 1976" and insert "February 29, 1976".

On page 2, in line 18, strike out "committee" and insert "committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate".

The amendments were agreed to: The resolution, as amended, was agreed to, as follows:

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Aeronautical and Space Sciences, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

Sec. 2. The expenses of the committee under this resolution shall not exceed \$57,000, of which amount not to exceed \$1,000 shall be available for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202 (1) of the Legislative Reorganization Act of 1946, as amended).

Sec. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1976.

Sec. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON AGRICULTURE AND FORESTRY

The Senate proceeded to consider the resolution (S. Res. 15) authorizing additional expenditures by the Committee on Agriculture and Forestry for inquiries and investigations, which had been reported from the Committee on Rules and Administration with amendments as follows:

On page 2, in line 6, strike out "\$250,000" and insert "\$335,000".

On page 2, in line 17, strike out "committee" and insert "committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate".

The amendments were agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Agriculture and Forestry, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

Sec. 2. The expenses of the committee under this resolution shall not exceed \$335,000, of which amount not to exceed \$11,201 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202 (1) of the Legislative Reorganization Act of 1946, as amended).

Sec. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1976.

Sec. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON ARMED SERVICES

The Senate proceeded to consider the resolution (S. Res. 87) authorizing additional expenditures by the Committee on Armed Services for inquiries and investigations, which had been reported from the Committee on Rules and Administration with amendments as follows:

On page 2, in line 17, strike out "\$605,000" and insert "\$493,300".

On page 2, in line 23, strike out "\$487,000" and insert "\$428,300".

On page 3, in line 23, strike out "\$118,000" and insert "\$65,000".

On page 4, in line 10, strike out "\$645,000" and insert "\$533,300".

The amendments were agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Armed Services, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, for the purposes stated and within the limitations imposed by the fol-

lowing sections, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel or any such department or agency.

Sec. 2. The Committee on Armed Services is authorized from March 1, 1975, through February 29, 1976, to expend not to exceed \$40,000 for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

Sec. 3. The Committee on Armed Services, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, to expend not to exceed \$493,300, to examine, investigate, and make a complete study of any and all matters pertaining to each of the subjects set forth below in succeeding sections of this resolution, said funds to be allocated to the respective specific inquiries in accordance with such succeeding sections of this resolution.

Sec. 4. Not to exceed \$428,300 shall be available for a general study or investigation of—

- (1) the common defense generally;
- (2) the Department of Defense, the Department of the Army, the Department of the Navy, and the Department of the Air Force generally;
- (3) soldiers' and sailors' homes;
- (4) pay, promotion, retirement, and other benefits and privileges of members of the Armed Forces;
- (5) selective service;
- (6) the size and composition of the Army, Navy, and Air Force;
- (7) forts, arsenals, military reservations, and navy yards;
- (8) ammunition depots;
- (9) the maintenance and operation of the Panama Canal; including the administration, sanitation, and government of the Canal Zone;
- (10) conservation, development, and use of naval petroleum and oil shale reserves;
- (11) strategic and critical materials necessary for the common defense; and
- (12) aeronautical and space activities peculiar to or primarily associated with the development of weapons systems or military operations.

Sec. 5. Not to exceed \$65,000 shall be available for studies and investigations pertaining to military readiness and preparedness for the common defense generally.

Sec. 6. The committee shall report its findings, together with such recommendations for legislation as it deems advisable with respect to each study or investigation for which expenditure is authorized by this resolution, to the Senate at the earliest practicable date, but not later than February 29, 1976.

Sec. 7. Expenses of the committee under this resolution, which shall not exceed in the aggregate \$533,300, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

The Senate proceeded to consider the resolution (S. Res. 57) authorizing additional expenditures by the Committee on Banking, Housing and Urban Affairs for inquiries and investigations, which had been reported from the Committee

on Rules and Administration with amendments as follows:

On page 2, in line 10, strike out "\$890,000" and insert "\$762,200".

On page 2, in line 16, strike out "\$415,000" and insert "\$388,500".

On page 3, in line 6, strike out "\$145,000" and insert "\$140,200".

On page 3, beginning with line 12, strike out:

Sec. 6. Not to exceed \$90,000 shall be available for oversight activities pertaining to all matters over which the committee has jurisdiction under rule XXV 1(e).

On page 3, in line 15, strike out "7" and insert "6".

On page 3, in line 20, strike out "February 28, 1976" and insert "February 29, 1976".

On page 3, in line 21, strike out "8" and insert "7".

On page 3, in line 23, strike out "committee" and insert "committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate".

The amendments were agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Banking, Housing and Urban Affairs, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, for the purposes stated and within the limitations imposed by the following sections, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

Sec. 2. The Committee on Banking, Housing and Urban Affairs, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, to expend not to exceed \$762,200 to examine, investigate, and make a complete study of any and all matters pertaining to each of the subjects set forth below in succeeding sections of this resolution, said funds to be allocated to the respective specific inquiries in accordance with such succeeding sections of this resolution.

Sec. 3. Not to exceed \$388,500 shall be available for a study or investigation of—

- (1) banking and currency generally;
- (2) financial aid to commerce and industry;
- (3) deposit insurance;
- (4) the Federal Reserve System, including monetary and credit policies;
- (5) economic stabilization, production, and mobilization;
- (6) valuation and revaluation of the dollar;
- (7) prices of commodities, rents, and services;
- (8) securities and exchange regulations;
- (9) credit problems of small business; and
- (10) international finance through agencies within legislative jurisdiction of the committee.

Sec. 4. Not to exceed \$233,500 shall be available for a study or investigation of public and private housing and urban affairs generally.

Sec. 5. Not to exceed \$140,200 shall be available for an inquiry and investigation pertaining to the securities industry.

Sec. 6. The committee shall report its find-

ings, together with such recommendations for legislation as it deems advisable with respect to each study or investigation for which expenditure is authorized by this resolution, to the Senate at the earliest practicable date, but not later than February 29, 1976.

Sec. 7. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON THE BUDGET

The Senate proceeded to consider the resolution (S. Res. 50) authorizing additional expenditures by the Committee on the Budget for inquiries and investigations, which had been reported from the Committee on Rules and Administration with amendments as follows:

On page 2, in line 6, strike out "\$1,892,000" and insert "\$1,681,400".

On page 2, in line 7, strike out "\$133,500" and insert "\$198,500".

On page 2, in line 17, strike out "committee" and insert "committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate".

The amendments were agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on the Budget, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

Sec. 2. The expenses of the committee under this resolution shall not exceed \$1,681,400, of which amount not to exceed \$198,500 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

Sec. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1976.

Sec. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

RESOLUTION PASSED OVER

The resolution (S. Res. 63), authorizing additional expenditures by the Committee on Commerce for inquiries and investigations, was announced as next in order.

Mr. MANSFIELD. Over.

The ACTING PRESIDENT pro tempore. The resolution will be passed over.

STUDY OF CERTAIN FEDERAL AGENCIES

The Senate proceeded to consider the resolution (S. Res. 71) authorizing a study of the purpose and current effectiveness of certain Federal agencies, which had been reported from the Committee on Rules and Administration with amendments as follows:

On page 9, in line 4, strike out "chairmen of the".

On page 9, in line 6, strike out "Commerce, acting jointly with the ranking minority members of both committees," and insert "Commerce".

On page 9, in line 8, strike out "July 1, 1976, to" and insert "February 29, 1976".

On page 9, in line 14, strike out "consent to" and insert "request".

On page 9, in line 14, strike out "assignment" and insert "transfer".

On page 9, in line 22, strike out "July 1, 1976," and insert "February 29, 1976,".

On page 10, beginning with line 6, strike out:

Sec. 5. For the purpose of this resolution, the Committee on Commerce is authorized to expend, from the contingent fund of the Senate, from March 1, 1975, through September 1, 1976, not to exceed \$375,000, upon vouchers signed by the chairman of that committee, with the approval of the ranking minority member. For the purpose of this resolution, the Committee on Government Operations is authorized to expend, from the contingent fund of the Senate, from March 1, 1975, through September 1, 1976, not to exceed \$375,000, upon vouchers signed by the chairman of that committee with the approval of the ranking minority member.

And insert:

Sec. 5. (a) The expenses of the Committee on Government Operations under this resolution shall not exceed \$250,000, of which amount not to exceed \$166,700 may be expended for the procurement of the services of individual consultants or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

(b) Expenses of the Committee on Government Operations under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

Sec. 6. (a) The expenses of the Committee on Commerce under this resolution shall not exceed \$216,700, of which amount not to exceed \$208,000 may be expended for the procurement of the services of individual consultants or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

(b) Expenses of the Committee on Commerce under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

The amendments were agreed to.

The resolution, as amended, was agreed to.

The preamble was agreed to.

The resolution, as amended, with its preamble, reads as follows:

Whereas there are a large number of Federal and State agencies which regulate in significant ways various aspects of the Nation's economy;

Whereas the proliferation of such agencies over a long period of time, and under a variety of circumstances, has resulted in overlapping regulatory jurisdictions, conflicting mandates, and procedures that have affected the efficient operation of the Government and the economy;

Whereas to consider certain reforms in Federal and State regulatory policies and in the operations and organization of the agencies, a Senate committee study is indicated to review the effectiveness of the agencies and consider any necessary legislation: Now, therefore, be it

Resolved, That the Senate Committee on Government Operations and the Senate Committee on Commerce are authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with their jurisdiction specified in rule XXV of the Standing Rules of the Senate to conduct a cooperative study of instrumentalities in the Federal and State governments with substantial economic, health, or safety regulatory authority, activities of which affect the growth or efficiency of the economy, or the quality or safety of goods or services, or the health or safety of the general public.

Sec. 2. (a) The study shall contain findings, conclusions, and recommendations concerning activities within the Federal regulatory agencies with respect to—

(1) the most serious deficiencies within the regulatory process which tend to contribute to inflation, lessen competition, or which adversely affect the public and regulated companies,

(2) the extent to which certain areas of the national economy are over-regulated or under-regulated, with special emphasis on overlapping regulatory jurisdictions, conflicting mandates, and actual implementation of existing laws and regulations,

(3) the economic costs and benefits of regulation, or the lack thereof, with special emphasis on the inflationary impact of regulation on the cost to the consumer of goods and services, the added costs to manufacturers and suppliers in providing goods and services, the anticompetitive effects of some regulation, the degree of market concentration in regulated as opposed to nonregulated industries, and productivity factors affected by regulation,

(4) the continued appropriateness or applicability of original regulatory purposes and objectives as mandated by statute, and an evaluation of the purposes and objectives which regulation should now serve,

(5) the consequences to the Nation of selective deregulation in specified areas or selective modification of regulatory purposes, operations, and procedures in specific areas,

(6) the need for, and specific recommendations concerning increased or more stringent antitrust enforcement as a higher order national priority, including proposals for any new legislation which may be needed or for restructuring of the Federal antitrust effort,

(7) specific recommendations for legislative actions to improve the effectiveness, efficiency, and responsiveness to the public of Federal regulatory agencies, including but not limited to the following—

(A) selective elimination of specific regulatory functions, procedures, activities, or practices;

(B) selective elimination, merger, or transfer or overlapping or related regulatory jurisdictions, mandates, or functions;

(C) revisions in the laws, regulations, structure, operation, procedures, activities, or mechanisms of the regulatory agencies; and

(D) elimination, transfer, or separation

out of the subsidy-granting or other forms of promotional activities performed by regulatory agencies which adversely affect or interfere with their principal regulatory responsibilities;

(B) an evaluation of other proposals for improving the effectiveness, efficiency, and responsiveness to the public of the regulatory agencies including, but not limited to, an evaluation of proposals—

(A) encouraging the enunciation of broad policy guidelines by the regulatory agencies instead of continuing to permit nuclear policies to develop impliedly through a series of case-by-case decisions or adjudications involving differing facts and circumstances;

(B) making the regulatory responsibilities of selected or all regulatory agencies more independent of the executive branch by requiring simultaneous submission of budget and legislative requests to the President and the Congress, and by permitting each regulatory agency to independently control and supervise its own litigation in the Federal courts;

(C) eliminating collegial commissions altogether or selectively, and replacing the commission form with a single administrator;

(D) revising procedures for selecting commissioners and reviewing their qualifications, including the designation or establishment of a distinguished Board of Regulatory Review to provide its recommendations or guidance on names submitted by the President as possible appointees for regulatory agency positions;

(E) revamping the conflict-of-interest statutes or their applicability to regulatory agency officials, so as to limit the movement of persons from a regulated industry or a related industry to the agency which regulates that industry, and the movement of persons from the agency back to the regulated industry;

(F) limiting the removal of regulatory agency officials to reason relating to their inefficiency, neglect of duty, or malfeasance in office;

(G) making regulatory agency officials, in their personal capacity, civilly or criminally responsible for intentional misuse or abuse of their office for reasons relating to (i) their disclosure of trade secrets or other confidential or privileged information; (ii) their failure to make information available to the public pursuant to the Freedom of Information Act; (iii) their failure to open up agency meetings, sessions, and agency advisory committee meetings and sessions to the public; or (iv) their neglect or failure to carry out the provisions of the laws administered by them;

(H) providing for the payment of reasonable costs and expenses in agency proceedings of intervenors on behalf of the public or consumer interests and an assessment of the manner by which such proposal might be implemented across the board including the anticipated costs therefor;

(I) creating a new Administrative Court of the United States as an expert judicial unit to handle agencies;

(J) amending the Administrative Procedure Act and modifying agency rules to expedite regulatory agency proceedings as a means of facilitating more timely decision-making and preventing wasteful costs attendant to agency delays;

(K) substituting direct subsidies, where appropriate, for complicated and cumbersome regulatory schemes, with hidden taxes and costs, which aim at achieving a particular economic or social purpose;

(L) improving the information-gathering, analysis, storage, and retrieval systems within the regulatory agencies while lessening the paperwork burden both within the agencies and within the regulated industries by avoiding needless duplication; and

(M) providing for more effective means of informing the public of the activities within the regulatory agencies and their specific or general impact on the public interest in matters of particular importance or impact;

(9) recommendations for assuring an ongoing review and assessment of the economic costs and benefits, and the deficiencies of Federal regulatory activities, including proposals for limiting the growth of bureaucracy, and phasing out selected agencies or establishing a time certain within which they would expire unless Congress specifically renews their mandates by legislative enactment, and

(10) a realistic and detailed assessment of the costs or savings, transitional, interim, and long-term, of Commission proposals and recommendations for regulatory reform.

(b) The study shall also consist of findings, conclusions, and recommendations concerning activities within State, regional, and local regulatory agencies which tend to contribute to inflation, lessen competition, or which adversely affect the public and the regulated companies. The report shall give special emphasis to areas where Federal regulatory activities interact with or are affected by the activities of State, regional, or local regulatory units, and where the latter activities, or the absence of misdirection thereof, have an important inflationary impact.

(c) As used in this resolution, the term "Federal regulatory agency" includes any existing independent Federal agency which, as one of its principal responsibilities, exercises regulatory functions affecting one or more segments of American industry, as well as an agency or governmental unit within an agency or department of the Federal Government which exercises such regulatory functions as one of its principal activities.

(d) In carrying out their responsibilities under this section, the committees shall utilize, wherever appropriate, all existing studies, investigations, reports, and other existing material relevant to their responsibilities.

SEC. 3. For the purposes of this resolution the Committee on Government Operations and the Committee on Commerce are authorized through February 29, 1976 (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency, (4) to request the transfer of personnel of other committees of the Senate to assist in carrying out the purposes of this resolution, and (5) to appoint an advisory panel or panels of nongovernment experts, having fair representation from business, labor, and consumer interests.

SEC. 4. The Committee on Commerce and the Committee on Government Operations shall prepare and submit not later than February 29, 1976, to the Senate a joint report on the findings of the study authorized by this resolution. Each such committee shall report its recommendations for such legislation as that committee deems advisable to the Senate. Where findings and recommendations for legislation relate to an agency which is subject to the jurisdiction of another committee of the Senate, such findings and recommendations shall be forwarded to that committee for appropriate action.

SEC. 5. (a) The expenses of the Committee on Government Operations under this resolution shall not exceed \$250,000, of which amount not to exceed \$166,700 may be expended for the procurement of the services of individual consultants or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

(b) Expenses of the Committee on Government Operations under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

SEC. 6. (a) The expenses of the Committee on Commerce under this resolution shall not exceed \$216,700, of which amount not to exceed \$208,000 may be expended for the procurement of the services of individual consultants or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

(b) Expenses of the Committee on Commerce under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the resolution (S. Res. 30) authorizing additional expenditures by the Committee on the District of Columbia for inquiries and investigations, which had been reported from the Committee on Rules and Administration with amendments as follows:

On page 2, in line 5, strike out "\$175,000" and insert "\$130,300".

On page 2, in line 16, strike out "committee" and insert "committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate."

The amendments were agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on the District of Columbia, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed \$130,300, of which amount not to exceed \$7,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON FINANCE

The Senate proceeded to consider the resolution (S. Res. 51) authorizing additional expenditures by the Committee on Finance for inquiries and investigations, which had been reported from the Committee on Rules and Administration with amendments as follows:

On page 2, in line 2, strike out "\$990,000" and insert "\$181,000, of which amount not to exceed \$10,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended)."

On page 2, in line 13, strike out "committee" and insert "committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate".

The amendments were agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Finance, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, in its discretion (1) to make expenditures from the contingent fund of the Senate, and (2) to employ personnel.

SEC. 2. The expenses of the committee under this resolution shall not exceed \$181,000, of which amount not to exceed \$10,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON FOREIGN RELATIONS

The Senate proceeded to consider the resolution (S. Res. 84) authorizing additional expenditures by the Committee on Foreign Relations for a study of matters pertaining to the foreign policy of the United States, which had been reported from the Committee on Rules and Administration with amendments on page 1, in line 8, after "1976," strike out "for the purposes stated and within the limitations imposed by the following sections."

On page 2, beginning with line 8, strike out:

SEC. 2. The Committee on Foreign Relations is authorized from March 1, 1975, through February 29, 1976, (1) to expend not to exceed \$60,000 for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The Committee on Foreign Relations, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, to expend not to exceed \$1,522,000 to examine, investigate, and make a complete study of any and all matters pertaining to each of the subjects set forth below in succeeding sections of this resolution, said funds to be allocated to the respective specific inquiries and to the procurement of the services of individual consultants or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended) in accordance with such succeeding sections of this resolution.

SEC. 4. Not to exceed \$885,000 shall be available for a study of matters pertaining to the foreign policy of the United States, of which amount not to exceed \$25,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 5. Not to exceed \$390,000 shall be available for a study or investigation of multinational corporations and their effect on United States foreign policy, of which amount not to exceed \$20,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 6. Not to exceed \$247,000 shall be available for a study or investigation of foreign assistance and economic policy, of which amount not to exceed \$15,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 7. The committee shall report its findings, together with such recommendations for legislation as it deems advisable with respect to each study or investigation for which expenditure is authorized by this resolution, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 8. Expenses of the committee under this resolution, which shall not exceed in the aggregate \$1,522,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

And insert in lieu thereof:

SEC. 2. The expenses of the committee under this resolution shall not exceed \$1,083,300, of which amount not to exceed \$60,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

The amendments were agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Foreign Relations, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the

services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed \$1,083,300, of which amount not to exceed \$60,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON GOVERNMENT OPERATIONS

The Senate proceeded to consider the resolution (S. Res. 49) authorizing additional expenditures by the Committee on Government Operations for inquiries and investigations, which had been reported from the Committee on Rules and Administration with amendments as follows:

On page 2, in line 11, strike out "\$2,406,362" and insert "\$2,308,000".

On page 2, in line 21, strike out "\$239,200" and insert "\$237,200".

On page 9, in line 16, strike out "\$388,544" and insert "\$383,144".

On page 10, in line 7, strike out "\$258,618" and insert "\$238,468".

On page 11, in line 9, strike out "\$292,000" and insert "\$222,850".

On page 12, in line 4, strike out "\$115,000" and insert "\$113,338".

On page 13, in line 15, strike out "\$2,406,362" and insert "\$2,308,000".

On page 13, in line 18, strike out "committee" and insert "committee, except that vouchers shall not be required for the disbursement of salaries of employees at an annual rate".

The amendments were agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Government Operations, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, for the purposes stated and within the limitations imposed by the following sections, in its discretion (1) to make expenditures from the contingent funds of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The Committee on Government Operations, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1975, to expend not to exceed \$2,308,000 to examine, investigate, and make a complete study of any and all matters pertaining to each of the subjects set forth

below in succeeding sections of this resolution, said funds to be allocated to the respective specific inquiries and to the procurement of the services of individual consultants or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended) in accordance with such succeeding sections of this resolution.

Sec. 3. Not to exceed \$237,200 shall be available for a study or investigation of—

- (1) budget and accounting measures, other than appropriations;
- (2) reorganizations in the executive branch of the Government;
- (3) reports of the Comptroller General of the United States and recommendations deemed necessary or desirable in connection with such reports;
- (4) the operation of Government activities at all levels with a view to determining its economy and efficiency;
- (5) the effects of laws enacted to reorganize the legislative and executive branches of the Government; and
- (6) the intergovernmental relationships between the United States and the States, municipalities, and international organizations;

of which amount not to exceed \$20,000 may be expended for the procurement of individual consultants or organizations thereof.

Sec. 4. (a) Not to exceed \$1,113,000 shall be available for a study or investigation of—

- (1) the efficiency and economy of operations of all branches of the Government including the possible existence of fraud, misfeasance, malfeasance, collusion, mismanagement, incompetence, corruption, or unethical practices, waste, extravagance, conflict of interest, and the improper expenditure of Government funds in transactions, contracts, and activities of the Government or of Government officials and employees and any and all such improper practices between Government personnel and corporations, individuals, companies, or persons affiliated therewith, doing business with the Government; and the compliance or noncompliance of such corporations, companies, or individuals or other entities with the rules, regulations, and laws governing the various governmental agencies and its relationships with the public: *Provided*, That, in carrying out the duties herein set forth, the inquiries of this committee or any subcommittee thereof shall not be deemed limited to the records, functions, and operations of the particular branch of the Government under inquiry, and may extend to the records and activities of persons, corporations, or other entities dealing with or affecting that particular branch of the Government;

(2) the extent to which criminal or other improper practices of activities are, or have been, engaged in the field of labor-management relations or in groups or organizations of employees or employers, to the detriment of interests of the public, employers, or employees, and to determine whether any changes are required in the laws of the United States in order to protect such interests against the occurrence of such practices or activities;

(3) syndicated or organized crime which may operate in or otherwise utilize the facilities of interstate or international commerce in furtherance of any transactions which are in violation of the law of the United States or of the State in which the transactions occur, and, if so, the manner and extent to which, and the identity of the persons, firms, or corporations, or other entities by whom such utilization is being made, what facilities, devices, methods, techniques, and technicalities are being used or employed, and whether or not organized crime utilizes such interstate facilities or otherwise operates in interstate commerce for the development of

corrupting influences in violation of the law of the United States or the laws of any State, and further, to study and investigate the manner in which and the extent to which persons engaged in organized criminal activities have infiltrated into lawful business enterprise; and to study the adequacy of Federal laws to prevent the operations of organized crime in interstate or international commerce; and to determine whether any changes are required in the laws of the United States in order to protect the public against the occurrences of such practices or activities;

(4) all other aspects of crime and lawlessness within the United States which have an impact upon or affect the national health, welfare, and safety;

(5) riots, violent disturbances of the peace, vandalism, civil and criminal disorder, insurrection, the commission of crimes in connection therewith, the immediate and long-standing causes, the extent and effects of such occurrences and crimes, and measure necessary for their immediate and long-range prevention and for the preservation of law and order and to insure domestic tranquility within the United States;

(6) the efficiency and economy of operations of all branches and functions of the Government with particular reference to—

(A) the effectiveness of present national security methods, staffing, and processes as tested against the requirements imposed by the rapidly mounting complexity of national security problems;

(B) the capacity of present national security staffing, methods, and processes to make full use of the Nation's resources of knowledge, talents, and

(C) the adequacy of present intergovernmental relationships between the United States and international organizations principally concerned with national security of which the United States is a member; and

(D) legislative and other proposals to improve these methods, processes, and relationships;

(7) the efficiency, economy, and effectiveness of all agencies and departments of the Government involved in the control and management of energy shortages including, but not limited to, their performance with respect to—

(A) the collection and dissemination of accurate statistics on fuel demand and supply;

(B) the implementation of effective energy conservation measures;

(C) the pricing of energy in all forms;

(D) coordination of energy programs with State and local government;

(E) control of exports of scarce fuels;

(F) the management of tax, import, pricing, and other policies affecting energy supplies;

(G) maintenance of the independent sector of the petroleum industry as a strong competitive force;

(H) the allocation of fuels in short supply by public and private entities;

(I) the management of energy supplies owned or controlled by the Government;

(J) relations with other oil producing and consuming countries;

(K) the monitoring of compliance by governments, corporations, or individuals with the laws and regulations governing the allocation, conservation, or pricing of energy supplies; and

(L) research into the discover and development of alternative energy supplies; *Provided*, That, in carrying out the duties herein set forth, the inquiries of this committee or any subcommittee thereof shall not be deemed limited to the records, functions, and operations of the particular branch of the Government under inquiry,

and may extend to the records and activities of persons, corporations, or other entities dealing with or affecting that particular branch of the Government;

of which amount not to exceed \$20,000 may be expended for the procurement of the services of individual consultants or organizations thereof.

(b) Nothing contained in this section shall affect or impair the exercise by any other standing committee of the Senate of any power, or the discharge by such committee of any duty, conferred or imposed upon it by the Standing Rules of the Senate or by the Legislative Reorganization Act of 1946, as amended.

(c) For the purpose of this section the committee, or any duly authorized subcommittee thereof, or its chairman, or any other member of the committee or subcommittee designated by the chairman, from March 1, 1975, through February 29, 1976, is authorized, in its, his, or their discretion, (1) to require by subpoena or otherwise the attendance of witnesses and production of correspondence, books, papers, and documents, (2) to hold hearings, (3) to sit and act at any time or place during the sessions, recesses, and adjournment periods of the Senate, (4) to administer oaths, and (5) to take testimony, either orally or by sworn statement.

Sec. 5. Not to exceed \$383,144 shall be available for a study or investigation of intergovernmental relationships between the United States and the States and municipalities, including the fiscal interrelationship between the Federal Government and State and local governments and the manner in which Federal assistance is disbursed to State and local governments, and including an evaluation of studies, reports, and recommendations made thereon and submitted to the Congress by the Advisory Commission on Intergovernmental Relations pursuant to the provisions of Public Law 80-380, approved by the President on September 24, 1959, as amended by Public Law 89-733, approved by the President on November 2, 1966; of which amount not to exceed \$15,000 may be expended for the procurement of the services of individual consultants or organizations thereof.

Sec. 6. Not to exceed \$238,468 shall be available for a study or investigation of the efficiency and economy of operations of the Federal Government with respect to—

(1) policies, procedures, and activities affecting—

(A) the accounting, financial reporting, and auditing of government obligations and expenditures;

(B) the oversight of Federal agency and program performance and effectiveness;

(C) the development and effectiveness of fiscal, budgetary, and program information systems and controls; and

(D) the development and improvement of management capability and efficiency;

(2) policies, procedures, and activities affecting—

(A) preparation and submission of Federal regulatory agency budgets to Congress; and

(B) data collection and dissemination by Federal regulatory agencies; and

(3) review and evaluation of procedures and legislation with respect to Federal advisory committees, Federal reports, questionnaires, interrogatories;

of which amount not to exceed \$15,000 may be expended for the procurement of services of individual consultants or organizations thereof.

Sec. 7. Not to exceed \$222,850 shall be available for a study or investigation of the efficiency and economy of operations of all branches of the Government with respect to—

(1) Federal spending practices, particu-

larly Federal procurement, and the laws, regulations, and procedures governing Federal contracts, grants, transfer payments, and other spending arrangements; the Office of Federal Procurement Policy and other executive branch organizations responsible for Federal spending practices;

(2) the efficiency and economy of Federal spending practices, as applied and used to meet agency statutory charters and program objectives; and

(3) all measures relating to the open public conduct of the meetings of all branches of the Government;

of which amount not to exceed \$10,000 may be expended for the procurement of the services of individual consultants or organizations thereof.

SEC. 8. Not to exceed \$113,338 shall be available for a study or investigation of the economy, efficiency, and productivity of the operations of the Federal Government with respect—

(1) the development of—

(A) methods and procedures to effectively oversee the operations of the executive branch; and

(B) methods by which Federal programs may be effectively reviewed and analyzed;

(2) budget measures, other than appropriations, or matters within the jurisdiction of the Committee on the Budget as provided in the Congressional Budget and Impoundment Control Act of 1974, including—

(A) the formulation and submission to Congress of budget recommendations by the President; and

(B) the review and authorization of budget requirements by the Congress; and

(C) the execution and control of authorized budget obligations and expenditures;

(3) the utilization and disposal of Federal property and administrative services, including the management of Federal records and archives; and

(4) the evaluation of efforts to reduce the volume of Federal paperwork;

of which amount not to exceed \$2,500 may be expended for the procurement of services of individual consultants or organizations thereof.

SEC. 9. The committee shall report its findings, together with such recommendations for legislation as it deems advisable with respect to each study or investigation for which expenditure is authorized by this resolution, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 10. Expenses of the committee under this resolution, which shall not exceed in the aggregate \$2,308,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for this disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

The Senate proceeded to consider the resolution (S. Res. 66) authorizing additional expenditures by the Committee on Interior and Insular Affairs for inquiries and investigations, which had been reported from the Committee on Rules and Administration with amendments as follows:

On page 2, in line 11, strike out "\$817,000" and insert "\$624,900".

On page 2, in line 12, strike out "(1)".

On page 2, beginning with line 16, insert:

SEC. 3. (a) The committee shall continue

the study of national fuels and energy policy authorized pursuant to S. Res. 45, agreed to on May 3, 1971. In carrying out the purposes authorized by S. Res. 45, the committee shall make—

(i) a full and complete investigation and study (including the holding of public hearings in appropriate parts of the Nation) of the current and prospective fuel and energy resources and requirements of the United States and the present and probable future alternative procedures and methods for meeting anticipated requirements, consistent with achieving other national goals, including the high priorities—national security and environmental protection; and

(ii) a full and complete investigation and study of the existing and prospective governmental policies and laws affecting the fuels and energy industries with the view of determining what, if any, changes and implementation of these policies and laws may be advisable in order to simplify, coordinate, and provide effective and reasonable national policy to assure reliable and efficient sources of fuel and energy adequate for a balanced economy and for the security of the United States, taking into account: the Nation's environmental concerns, the investments by public and private enterprise for the maintenance of reliable, efficient, and adequate sources of energy and fuel and necessary related industries, and the need for maintenance of an adequate force of skilled workers.

(b) In carrying out the investigations set forth in S. Res. 45, agreed to on May 3, 1971, the committee shall, in addition to such other matters as it may deem necessary, give consideration to—

(i) the proved and predicted availabilities of our national fuel and energy resources in all forms and factors pertinent thereto, as well as to worldwide trends in consumption and supply;

(ii) projected national requirements for the utilization of these resources for energy production and other purposes, both to meet short-range needs and to provide for future demand for the years 2000 and 2020;

(iii) the interests of the consuming public, including the availability in all regions of the country of an adequate supply of energy and fuel at reasonable prices and including the maintenance of a sound competitive structure in the supply and distribution of energy and fuel to both industry and the public;

(iv) technological developments affecting energy and fuel production, distribution, transportation, and/or transmission, in progress and in prospect, including desirable areas for further exploration and technological research, development, and demonstration;

(v) the effect that energy producing, transportation, upgrading, and utilization has upon conservation, environmental, and ecological factors, and vice versa;

(vi) the effect upon the public and private sectors of the economy of any recommendations made under this study, and of existing governmental programs and policies now in effect;

(vii) the effect of any recommendations made pursuant to this study on economic concentrations in industry, particularly as these recommendations may affect small business enterprises engaged in the production, processing, and distribution of energy and fuel;

(viii) governmental programs and policies now in operation, including not only their effect upon segments of the fuel and energy industries, but also their impact upon related and competing sources of energy and fuel and their interaction with other governmental goals, objectives, and programs; and

(ix) the need, if any, for legislation de-

signed to effectuate recommendations in accordance with the above and other relevant considerations, including such proposed amendments to existing laws as necessary to integrate existing laws into an effective long-term fuels and energy program.

(c) In furtherance of the purposes of S. Res. 45, agreed to on May 3, 1971, the chairman and ranking minority member of each of the Committees on Aeronautical and Space Sciences, on Commerce, on Finance, on Foreign Relations, on Government Operations, on Labor and Public Welfare, and on Public Works, or members of such committees designated by such chairmen and ranking minority members to serve in their places, and the ranking majority and minority Senate members of the Joint Committee on Atomic Energy, or Senate members of such committee designated by such ranking majority and minority members to serve in their places, shall participate and shall serve as ex officio members of the committee for the purpose of conducting the Senate's National Fuels and Energy Policy Study.

(d) The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1976.

On page 6, in line 10, strike out "3" and insert "4".

On page 6, in line 12, strike out "committee" and insert "committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate."

The amendments were agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Interior and Insular Affairs, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency, and (4) to consent to the assignment of personnel of other committees of the Senate to assist in carrying out the purposes of section 3 of this resolution. Travel and other expenses, other than salary, of any personnel from other committees assigned to the committee pursuant to this paragraph for the purposes of section 3 of this resolution may be paid under this resolution.

SEC. 2. The expenses of the committee under this resolution shall not exceed \$624,900, of which amount not to exceed \$35,000 shall be available for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202 (1) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. (a) The committee shall continue the study of national fuels and energy policy authorized pursuant to S. Res. 45, agreed to on May 3, 1971. In carrying out the purposes authorized by S. Res. 45, the committee shall make—

(1) a full and complete investigation and study (including the holding of public hearings in appropriate parts of the Nation) of the current and prospective fuel and energy resources and requirements of the United States and the present and probable future alternative procedures and methods for meeting anticipated requirements, consist-

ent with achieving other national goals, including the high priorities—national security and environmental protection; and

(i) a full and complete investigation and study of the existing and prospective governmental policies and laws affecting the fuels and energy industries with the view of determining what, if any, changes and implementation of these policies and laws may be advisable in order to simplify, coordinate, and provide effective and reasonable national policy to assure reliable and efficient sources of fuel and energy adequate for a balanced economy and for the security of the United States, taking into account: the Nation's environmental concerns, the investments by public and private enterprise for the maintenance of reliable, efficient, and adequate sources of energy and fuel and necessary related industries, and the need for maintenance of an adequate force of skilled workers.

(b) In carrying out the investigations set forth in S. Res. 45, agreed to on May 3, 1971, the committee shall, in addition to such other matters as it may deem necessary, give consideration to—

(i) the proved and predicted availabilities of our national fuel and energy resources in all forms and factors pertinent thereto, as well as to worldwide trends in consumption and supply;

(ii) projected national requirements for the utilization of these resources for energy production and other purposes, both to meet short-range needs and to provide for future demand for the years 2000 and 2020;

(iii) the interests of the consuming public, including the availability in all regions of the country of an adequate supply of energy and fuel at reasonable prices and including the maintenance of a sound competitive structure in the supply and distribution of energy and fuel to both industry and the public;

(iv) technological developments affecting energy and fuel production, distribution, transportation, and/or transmission, in progress and in prospect, including desirable areas for further exploration and technological research, development, and demonstration;

(v) the effect that energy producing, transportation, upgrading, and utilization has upon conservation, environmental, and ecological factors, and vice versa;

(vi) the effect upon the public and private sectors of the economy of any recommendations made under this study, and of existing governmental programs and policies now in effect;

(vii) the effect of any recommendations made pursuant to this study on economic concentrations in industry, particularly as these recommendations may affect small business enterprises engaged in the production, processing, and distribution of energy and fuel;

(viii) governmental programs and policies now in operation, including not only their effect upon segments of the fuel and energy industries, but also their impact upon related and competing sources of energy and fuel and their interaction with other governmental goals, objectives, and programs; and

(ix) the need, if any, for legislation designed to effectuate recommendations in accordance with the above and other relevant considerations, including such proposed amendments to existing laws as necessary to integrate existing laws into an effective long-term fuels and energy program.

(c) In furtherance of the purposes of S. Res. 45, agreed to on May 3, 1971, the chairman and ranking minority member of each of the Committees on Aeronautical and Space Sciences, on Commerce, on Finance,

on Foreign Relations, on Government Operations, on Labor and Public Welfare, and on Public Works, or members of such committees designated by such chairmen and ranking minority members to serve in their places, and the ranking majority and minority Senate members of the Joint Committee on Atomic Energy, or Senate members of such committee designated by such ranking majority and minority members to serve in their places, shall participate and shall serve as ex officio members of the committee for the purpose of conducting the Senate's National Fuels and Energy Policy Study.

(d) The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

RESOLUTION PASSED OVER

The resolution (S. Res. 72), authorizing additional expenditures by the Committee on the Judiciary for inquiries and investigations was announced as next in order.

Mr. MANSFIELD. Over.

The ACTING PRESIDENT pro tempore. The resolution will be passed over.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON LABOR AND PUBLIC WELFARE

The Senate proceeded to consider the resolution (S. Res. 40) authorizing additional expenditures by the Committee on Labor and Public Welfare for inquiries and investigations, which had been reported from the Committee on Rules and Administration with amendments as follows:

On page 2, in lien 5, strike out "1,850,000" and insert "\$1,800,000".

On page 2, in line 16, strike out "committee" and insert "committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate".

The amendments were agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Labor and Public Welfare, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed \$1,800,000, of which amount not to exceed \$90,000 shall be available for the procure-

ment of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE

The Senate proceeded to consider the resolution (S. Res. 52) authorizing expenditures by the Committee on Post Office and Civil Service, which had been reported from the Committee on Rules and Administration with an amendment on page 2, in line 13, strike out "committee" and insert "committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate".

The amendment was agreed to.

The resolution, as amended, was agreed to as follows:

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(e) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Post Office and Civil Service, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed \$235,000.

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON PUBLIC WORKS

The Senate proceeded to consider the resolution (S. Res. 44) authorizing additional expenditures by the Committee on Public Works for inquiries and investigations which had been reported from the Committee on Rules and Administration with amendments as follows:

On page 2, line 7, strike out "\$875,000" and insert "\$848,600".

On page 2, in line 18, strike out "commit-

tee" and insert "committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate".

The amendments were agreed to. The resolution, as amended, was agreed to, as follows:

Resolved, That, in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Public Works, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, in its discretion, (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed \$848,600, of which amount not to exceed \$12,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON VETERANS' AFFAIRS

The Senate proceeded to consider the resolution (S. Res. 53) authorizing additional expenditures by the Committee on Veterans' Affairs for inquiries and investigations, which had been reported from the Committee on Rules and Administration with amendments as follows:

On page 2, in line 7, strike out "\$304,000" and insert "\$294,300".

On page 2, in line 18, strike out "committee" and insert "committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate".

The amendments were agreed to. The resolution, as amended, was agreed to, as follows:

Resolved, That, in holding hearings reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Veterans' Affairs, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Adminis-

tration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed \$249,300 of which amount not to exceed \$60,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202 (i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE SELECT COMMITTEE ON SMALL BUSINESS

The Senate proceeded to consider the resolution (S. Res. 47) authorizing additional expenditures by the Select Committee on Small Business, which had been reported from the Committee on Rules and Administration with amendments as follows:

On page 2, in line 21, strike out "\$263,000" and insert "\$212,700".

On page 3, in line 7, strike out "committee" and insert "committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate".

The amendments were agreed to. The resolution, as amended, was agreed to, as follows:

Resolved, That the Select Committee on Small Business, in carrying out the duties imposed upon it by S. Res. 58, Eighty-first Congress, agreed to February 20, 1950, as amended and supplemented, is authorized to examine, investigate, and make a complete study of the problems of American small and independent business and to make recommendations concerning those problems to the appropriate legislative committees of the Senate.

SEC. 2. For purposes of this resolution, the committee, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency, (4) to procure the temporary services (not in excess of one year) to intermittent services of individual consultants, or organizations thereof, in the same manner and under the conditions as a standing committee of the Senate may procure such services under section 202(1) of the Legislative Reorganization Act of 1946, and (5) to provide assistance for the members of its professional staff in obtaining specialized training, in the same manner and under the same conditions as any such standing committee may provide that assistance under section 202(j) of such Act.

SEC. 3. The expenses of the committee under this resolution shall not exceed \$212,700, of which amount (1) not to exceed \$10,000 may be expended for the procurement of

the services of individual consultants, or organizations thereof, and (2) not to exceed \$1,000 may be expended for the training of the professional staff of such committee.

SEC. 4. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 5. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

RESOLUTION PASSED OVER

The resolution (S. Res. 54), continuing and authorizing additional expenditures by the Select Committee on Nutrition and Human Needs was announced as next in order.

Mr. MANSFIELD. Over. The ACTING PRESIDENT pro tempore. The resolution will be passed over.

ADDITIONAL EXPENDITURES BY THE SPECIAL COMMITTEE ON AGING

The Senate proceeded to consider the resolution (S. Res. 62) continuing and authorizing additional expenditures by the Special Committee on Aging, which had been reported from the Committee on Rules and Administration with amendments as follows:

On page 1, in line 4, strike out "February 9, 1976" and insert "February 29, 1976".

On page 3, in line 15, strike out "\$561,000" and insert "\$485,100".

On page 4, in line 3, strike out "committee" and insert "committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate".

The amendment were agreed to. The resolution, as amended, was agreed to, as follows:

Resolved, That the Special Committee on Aging, established by S. Res. 33, Eighty-seventh Congress, agreed to on February 13, 1961, as amended and supplemented, is hereby extended through February 29, 1976.

SEC. 2. (a) The committee shall make a full and complete study and investigation of any and all matters pertaining to problems and opportunities of older people, including, but not limited to, problems and opportunities of maintaining health, of assuring adequate income, of finding employment, of engaging in productive and rewarding activity, of securing proper housing, and, when necessary, of obtaining care of assistance. No proposed legislation shall be referred to such committee, and such committee shall not have power to report by bill, or otherwise have legislative jurisdiction.

(b) A majority of the members of the committee or any subcommittee thereof shall constitute a quorum for the transaction of business, except that a lesser number, to be fixed by the committee, shall constitute a quorum for the purpose of taking sworn testimony.

SEC. 3. (a) For purposes of this resolution, the committee is authorized from March 1, 1975, through February 29, 1976, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to hold

hearings, (3) to sit and act at any time or place during the sessions, recesses, and adjournment periods of the Senate, (4) to require by subpoena or otherwise the attendance of witnesses and the production of correspondence, books, papers, and documents, (5) to administer oaths, (6) to take testimony orally or by deposition, (7) to employ personnel, (8) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel, information, and facilities of any such department or agency, and (9) to procure the temporary services (not in excess of one year) or intermittent services of individual consultants, or organizations thereof, in the same manner and under the same condition as a standing committee of the Senate may procure such services under section 202(1) of the Legislative Reorganization Act of 1946.

(b) The minority shall receive fair consideration in the appointment of staff personnel pursuant to this resolution. Such personnel assigned to the minority shall be accorded equitable treatment with respect to the fixing of salary rates, the assignment of facilities, and the accessibility of committee records.

SEC. 4. The expenses of the committee under this resolution shall not exceed \$485,100, of which amount not to exceed \$15,000 shall be available for the procurement of the services of individual consultants or organizations thereof.

SEC. 5. The committee shall report the results of its study and investigation, together with such recommendations as it may deem advisable to the Senate at the earliest practicable date, but not later than February 29, 1976. The committee shall cease to exist at the close of business on February 29, 1976.

SEC. 6. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL EXPENDITURES BY THE SPECIAL COMMITTEE ON NATIONAL EMERGENCIES AND DELEGATED EMERGENCY POWERS

The Senate proceeded to consider the resolution (S. Res. 10) continuing and authorizing additional expenditures by the special Committee on National Emergencies and Delegated Emergency Powers, which had been reported from the Committee on Rules and Administration with amendments as follows:

On page 2, in line 18, strike out "February 28, 1976" and insert in lieu thereof "February 29, 1976".

On page 2, in line 20, strike out "\$151,000" and insert in lieu thereof "\$120,000".

On page 2, in line 21, strike out "\$25,000" and insert in lieu thereof "\$5,000".

On page 3, in line 7, strike out "two co-chairman" and insert in lieu thereof "co-chairman".

On page 3, in line 8, strike out "committee" and insert "committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate".

The amendments were agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That the Special Committee on National Emergencies and Delegated Emergency Powers, established by Senate Resolution 9, Ninety-third Congress, agreed to

January 6, 1973, as continued and supplemented by Senate Resolution 242, Ninety-third Congress, agreed to March 1, 1974, is continued through February 29, 1976.

SEC. 2. In carrying out such function, the special committee is authorized from March 1, 1975, through February 29, 1976, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, (3) to hold hearings, (4) to sit and act at any time or place during the sessions, recesses, and adjournment periods of the Senate, (5) to require, by subpoena or otherwise, the attendance of witness and the production of correspondence, books, papers, and documents, (6) to take depositions and other testimony, (7) to procure the service of individual consultants or organizations thereof, in accordance with the provisions of section 202(1) of the Legislative Reorganization Act of 1946, as amended, and (8) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 3. For the period from March 1, 1975, through February 29, 1976, the expenses of the special committee under this resolution shall not exceed \$120,000, of which amount not to exceed \$5,000 shall be available for the procurement of the services of individual consultants, or organizations thereof, as authorized by section 202(1) of the Legislative Reorganization Act of 1946, as amended.

SEC. 4. The special committee shall make the final report required by section 5 of that Senate Resolution 9, Ninety-third Congress, and modified by Senate Resolution 242, Ninety-third Congress, not later than February 29, 1976, instead of February 28, 1975.

SEC. 5. Expenses of the special committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the co-chairman of the special committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

TURKEY—UNITED STATES AND NATO RELATIONS

Mr. MANSFIELD. Mr. President, I am somewhat concerned at the action taken in the other body 2 days ago on the matter of the sale of arms to Turkey. It is not a matter of the legitimacy of the action taken based on the law as it applies, because in that respect, they are absolutely correct. But it is a matter of the strength of NATO and the relationship of NATO to the United States. I have been one of those who have consistently sought and will in the future seek to bring about a decided reduction in the number of deployed American troops and military personnel in Europe, that personnel plus dependents, numbers well over 500,000 at the present time, and costs this country approximately \$22 billion to maintain. While I advocate reductions, I do so in the strong belief that of all of our security arrangements, that with the North Atlantic countries under the North Atlantic Treaty is the most important, the most significant, and the most vital.

I would point out, Mr. President, that the southern flank of NATO is, to put it mildly, in a state of disarray at the moment. Portugal has a new government. What its future will be and what its relation to NATO will be no one can say at this time.

Italy has seen recent strong Communist gains in regional elections, and the economy of Italy is not in good shape.

Greece is involved with Turkey over the question of Cyprus, and just what positions of strength both Greece and Turkey provide to NATO at the present time is open to question.

The result is that Portugal, at one end, Greece and Turkey, at the other end, are at the moment very weak links in the NATO chain of defense.

I would point out, Mr. President, that it was the Greek colonels, whom this country recognized, who were responsible for the first act of aggression insofar as Cyprus was concerned: the Turks retaliated because of this act developed by the Greek colonels, a situation was precipitated in that country which, in my opinion, has tended to further weaken the southeastern flank of NATO.

I would hope that some way could be found to consider this matter of aid to Turkey because, Mr. President, may I say, if it is not, Greece itself will suffer in the long run. As far as the Republic of Cyprus is concerned it, too, will continue to suffer because there will be no give on the Turkish end.

If the Turks cannot buy arms from this country, moreover, they will buy them from Europe, either Western, Eastern or the Soviet Union; and if they need the money they will get it from the Arab countries.

Turkey is a Moslem country. Turkey has adopted a handoff, strictly correct, attitude as far as the Middle East is concerned. What is going to be the result of a lack of action or an action which turns down an arms sales request which, I understand, has been entered into for some months? Will they with their thousand-mile frontier with the Soviet Union turn in that direction? Will they become more actively interested in the Middle East, which is troubled enough at the present time? Will they withdraw from NATO? Will they make concessions on Cyprus?

These are questions to ponder because as long as the present situation exists there will be no give on Cyprus.

As far as the Greek Government is concerned, with Karamanlis, the premier, and one of the outstanding statesmen in Europe, being buffeted from the right and from the left, and with the Cyprus question in his backyard all the time, his position may well become weakened.

So I reiterate, as I have on other occasions, the extreme significance of the situation which affects Turkish-United States and, perhaps, Turkish-NATO relations: The frontier with the Soviet Union; the need for arms, where will they get them, and where will they get the money to pay for those arms; a more active participation in the affairs of the Middle East; a holdback of a settlement on Cyprus and, possibly, in the long run because of Cyprus, a weakening of the present Greek Government which, I think, ought to be given all the support it needs. It has at long last—after the overthrow of the colonels' clique, which started the whole thing—they have a government which is democratic. They

have a leader in the person of Premier Karamanlis to whom the world can look up, a man of great integrity and ability, a man Greece needs at this time, but a man who must be given some support in helping to bring about a settlement of this situation to the end that Cyprus' future will not hang like an albatross around his neck.

I hope, Mr. President, that Congress, in its wisdom, will not give up on a reconsideration of this matter so that some degree of stability can be maintained in the Aegean and in Southeast Europe, and so that these possibilities which I mentioned will not come to pass.

Mr. GRIFFIN. Mr. President, I wish to commend our distinguished majority leader for the statesmanlike remarks he has just delivered, demonstrating once again that he is not only an effective leader of his party but is also a very effective leader of our country.

I trust and hope that his words will be heard not only in the Senate but on the other side of the Capitol. He has stated most eloquently the case and the need for the legislative action requested by the President.

In recent months and years the legislative branch of the Government has been seeking to assert a more active role in the formulation of the foreign policy of our country.

If Congress is to play a responsible role in that field, then it is important for Members of Congress to realize that foreign policy cannot be based on day-to-day domestic political considerations; that our foreign policy must follow a steady and responsible course based on the long-term best interests of the Nation.

Perhaps, we do not have a great deal to beat our chests about in the Senate. It is true that we passed the needed legislation by only one vote. But we did pass it, with the support of our leadership on both sides of the aisle.

I hope the other body, where I had the privilege of serving for 10 years, will respond affirmatively to the President's request and to the implicit suggestion of the majority leader that it reconsider its action, not only for the sake of the country but for the sake of Congress, which seeks, and should have, a more important and effective role in foreign policy.

Mr. HANSEN. Mr. President, I, too, would like to commend the distinguished majority leader for his very wise and considered and tempered remarks this morning.

I have heard from a number of my very fine and admired constituents in Wyoming on this issue. A majority are proud of their Greek heritage and I find many things on which they and I, can, and do agree that are proud moments in the long history of the Greek people.

I think it is extremely unfortunate that on this issue, we, do oftentimes reflect the feelings or yield to the pleas of a majority of our constituents, or those we know particularly well, rather than to try to view an issue of this kind in the context of what is best for America.

I have taken occasion in times past to send to my inquiring and disapproving friends in Wyoming, or to a number of

them, speeches made by the distinguished majority leader.

I did that several months ago when I thought he outlined better than I have ever seen it done by any other person, precisely the important elements in this issue and why we had to consider the understandable result that would obtain in Turkey if we took the action we did, as the distinguished majority leader has pointed out here this morning.

On the strict issue of following the law, we cannot argue that there was use by Turkey of American supplied arms to commit acts of aggression in Cyprus. But I recall so well what the majority leader said several months ago when he observed that at that time those people in Cyprus—and not only Premier Karamanlis but others as well—understood that if America were by its actions to alienate Turkey, and if as a consequence of that alienation we severed all ties, then what clout we may have had previously and what influence we might hope to exercise in the future in a resolution of the tough, knotty, thorny problem of Cyprus would indeed have been lessened very materially.

I thought what the majority leader said needed to be repeated and needed to be understood by all people.

We cannot, as we have learned time after time, not only in this body but in real life experience as well, undo all the wrongs or the errors of the past. There is no way we can go back and change the moving finger of time.

So it is not or should not be a question of trying to look back under the short span of history and say that here is a wrong that was committed so we are going to react another way and try to undo that or penalize somebody for an action that has displeased someone or that, indeed, has offended someone.

I just want to say that I agree completely with the distinguished minority whip in applauding our majority leader for his statesmanship and his ability to help us put things in perspective.

I hope that the other body will do it, too, because far more is at stake than the issue of the resolution of these troubles between Greece and Turkey.

Mr. HATFIELD subsequently said: Mr. President, this morning we had, again, one of those very rare and, I think, helpful experiences of listening to a résumé by the distinguished majority leader (Mr. MANSFIELD) concerning the problems of the Mediterranean, involving the countries of Greece and Turkey.

I think we are all cognizant of the fact that the majority leader has a very distinguished record and career as an academician, a man who has been trained and schooled in history, having had the responsibility to teach young people in a university.

With such an outstanding background of academic experience, we come to think, oftentimes, that people become less than pragmatic or practical in the field of politics.

But I think we have seen in the political career of the majority leader the application and implementation of that knowledge and experience in the academic classroom in a very practical and

pragmatic way. His analysis this morning was an example of that point. He not only is a man skilled in understanding the background and history of peoples, but also has the ability to apply that knowledge to current events.

I appreciate very much not only his ability to do that in reference, this morning, to Greek and Turkish relations, but also the fact that he has demonstrated his ability to be a conservator of words. He gets to the point, makes it quickly and eloquently, and that is that. Lest my comments and commendation extend beyond the length of his analysis of a very complex issue, I simply congratulate him and express my personal appreciation for his erudite and most practical understanding of this complex problem.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes with statements therein limited to 5 minutes each.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

RESCISSIONS AND DEFERRALS—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. STONE) laid before the Senate a message from the President of the United States proposing five rescissions and reporting 23 new deferrals of budget authority available for obligation in fiscal year 1976, which was referred to the Committees on Appropriations, Budget, Agriculture and Forestry, Interior and Insular Affairs, Labor and Public Welfare, Public Works, Government Operations, Banking, Housing and Urban Affairs, and Commerce, jointly, pursuant to the order of January 30, 1975. The message is as follows:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith propose five rescissions and report 23 new deferrals of budget authority available for obligation in fiscal year 1976. The rescission proposals total \$90.2 million and the new deferrals total \$541.8 million. In addition, I am reporting an increase of \$1.0 million in deferrals previously transmitted.

Rescissions of budget authority are proposed for programs in the Community Services Administration and the Departments of Agriculture, Interior, and Health, Education, and Welfare. The rescissions are proposed for a variety of reasons: to avoid duplicative efforts, to preserve the effective and limited uses of demonstration programs, and because program objectives can be met with lesser amounts than have been made available.

The majority of the new deferrals I am reporting—14 of 23—defer the obligation of funding provided by the continuing resolution for 1976 (Public Law 94-41). I have proposed that several ongoing programs be reduced, terminated, or transferred to other agencies beginning in fiscal year 1976. The Congress has not yet completed action on the 1976 regular appropriation bills or on my proposed modifications of certain programs. In the meantime, it has generally provided for all programs to receive temporary appropriations at ongoing rates. I am deferring obligations above the levels I have proposed, pending completion of Congressional action on my proposals. The remaining new deferrals are routine in nature and have little or no effect on program levels.

The details of each deferral and proposed rescission are contained in the attached reports.

This special message increases to eight the number of rescissions now pending before the Congress. I urge prompt, positive action on each of them.

GERALD R. FORD.

THE WHITE HOUSE, July 26, 1975.

ADDITIONAL FUNDS TO CONTINUE THE FOOD STAMP PROGRAM—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. STONE) laid before the Senate a message from the President of the United States requesting an additional \$3 billion to continue the Food Stamp program, which was referred to the Committee on Agriculture and Forestry. The message is as follows:

To the Congress of the United States:

Due to the existing law which invites almost unlimited expansion of the Food Stamp program, the cost of the program has nearly doubled in the past 6 months. The unemployment rate has also been a factor in the increase. To continue the Food Stamp program for the remainder of this fiscal year, I am forced to ask the Congress for an additional \$3 billion over the \$3.8 billion which I requested in my budget submitted in February.

Accordingly, I am today transmitting to the Congress a budget amendment requesting these additional funds.

The flaws in the existing law easily can be seen. Only 10 years ago, there were fewer than 500,000 people participating in the program at a cost of \$36 million. Today, the number of participants has expanded to 20 million and the cost to \$6.8 billion. Furthermore, if all those presently eligible under current law suddenly signed up for the program, estimates are that between 40 and 60 million persons would be receiving food stamps.

In short, what has evolved in just 10 years is another massive, multibillion dollar program, almost uncontrolled and fully supported by Federal taxpayers.

Some claim that the Food Stamp program cannot be controlled and that ever-increasing costs are inevitable. I refuse to accept that proposition. Every public program is controllable. The Food Stamp

Act was placed on the Statute books by the Congress which has the power and authority to amend the law.

Earlier this year, I submitted a proposal which would have required all participants in this program to pay a proportionate share of their total income for food stamps. This plan would have continued assistance to those in need and would have distributed benefits on an equitable basis. This reform was rejected by the Congress. Had it been approved, a savings of \$1 billion in fiscal year 1976 at the current rate of participation would have resulted.

In submitting this revised budget request, made necessary by the existing law, I once again ask the Congress to work with me on needed changes. We must work toward two goals:

—In fairness to those truly in need, we must focus food stamp assistance on them;

—In fairness to the overburdened taxpayers who must pay the bills, we must tighten eligibility and participation requirements.

More than 70 Members of the Congress already have joined in supporting legislation which would recognize the need for changes in the Food Stamp Act. Their proposal would concentrate resources on assistance to low-income Americans and relate the Food Stamp program to other assistance programs directed toward these same families. It would introduce a number of positive objectives which should be supported by everyone who shares the desire to assist those truly in need and to control costs.

I urge in the strongest terms possible that the Congress begin hearings on these proposals at the earliest possible date. If this program is to be contained, even within its current bounds action must be taken immediately.

GERALD R. FORD.

THE WHITE HOUSE, July 25, 1975.

REPORT OF THE COUNCIL ON WAGE AND PRICE STABILITY—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. STONE) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Banking, House and Urban Affairs. The message is as follows:

To the Congress of the United States:

In accordance with section 5 of the Council on Wage and Price Stability Act, as amended, I hereby transmit to the Congress the third quarterly report of the Council on Wage and Price Stability. This report contains a description of the Council activities during the past few months in monitoring wages and prices in the private sector and reviewing various Federal Government activities that lead to higher costs and prices without creating commensurate benefits. It discusses in some detail the Council's studies of steel and metal can prices, cost-of-living escalator clauses and marketing spreads for food products. In addition, it contains a discussion of wages

and prices during the first quarter of 1975 and the outlook for the rest of the year. Also included is a special chapter prepared by the Department of Health, Education, and Welfare on the cost of medical care.

Although it requires continuing attention, progress has been made in reducing the rate of inflation. With price increases now decelerating, moderation in wage settlements becomes very important. Wage increases that substantially raise unit labor costs could create new inflationary pressures. Moreover, the recovery of the economy should not be used as an occasion for business to raise prices in anticipation of stronger demand. The Council on Wage and Price Stability also will continue to monitor closely actions taken by the Government and will call to public attention unjustified activities that could have an adverse impact on price levels.

GERALD R. FORD.

THE WHITE HOUSE, July 26, 1975.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. STONE) laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE ASSISTANT SECRETARY OF DEFENSE

A letter from the Assistant Secretary of Defense transmitting, pursuant to law, a report of receipts and disbursements pertaining to the disposal of surplus military supplies and equipment for the third quarter of the fiscal year 1975 (with an accompanying report); to the Committee on Appropriations.

PROPOSED LEGISLATION BY THE DEPARTMENT OF DEFENSE

A letter from the General Counsel of the Department of Defense transmitting a draft of proposed legislation relating to the appointment, promotion, separation, and retirement of members of the armed forces, and for other purposes (with accompanying papers); to the Committee on Armed Services.

REPORT OF THE SECRETARY OF TRANSPORTATION

A letter from the Secretary of Transportation transmitting, pursuant to law, a report on Fare-Free Mass Transportation (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

REPORT OF THE SECRETARY OF COMMERCE

A letter from the Secretary of Transportation transmitting, pursuant to law, a report on the Rail Passenger Service Act (with an accompanying report); to the Committee on Commerce.

REPORT OF THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

A letter from Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report on the health consequences of smoking (with an accompanying report); to the Committee on Commerce.

REPORT OF THE SECRETARY OF COMMERCE

A letter from the Secretary of Commerce transmitting, pursuant to law, a report on the National Marine Fisheries Service for the calendar year 1974 (with an accompanying report); to the Committee on Commerce.

PROPOSED ACT OF THE COUNCIL OF THE DISTRICT OF COLUMBIA

A letter from the Chairman of the Council of the District of Columbia transmitting,

pursuant to law, a copy of an act adopted by the Council regarding the Council of the District of Columbia (with accompanying papers); to the Committee on the District of Columbia.

PROPOSED ACT OF THE DISTRICT OF COLUMBIA

A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of an act adopted by the Council to establish a District of Columbia Boxing and Wrestling Commission (with accompanying papers); to the Committee on the District of Columbia.

PROPOSED LEGISLATION BY THE SECRETARY OF THE TREASURY

A letter from the Secretary of the Treasury transmitting a draft of proposed legislation to provide for increased participation by the United States in the Inter-American Development Bank, and for other purposes (with accompanying papers); to the Committee on Foreign Relations.

REPORTS OF THE COMPTROLLER GENERAL

Two letters from the Comptroller General of the United States each transmitting, pursuant to law, a report, the first entitled "Opportunity for Savings of Large Sums in Acquiring Computer Systems under Federal Grant Programs" and the second "Environmental Assessment Efforts for Proposed Projects Have Been Ineffective" (with accompanying reports); to the Committee on Government Operations.

PROPOSED DECONTROL OF PRICE OF OIL

A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a proposed amendment to the petroleum price and allocation regulations (with accompanying papers); to the Committee on Interior and Insular Affairs.

STRIPPER WELL LEASE EXEMPTION AMENDMENT

A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, an extension of the stripper well lease exemption amendment (with accompanying papers); to the Committee on Interior and Insular Affairs.

APPLICATION FOR LOAN TO A RECLAMATION DISTRICT

A letter from the Deputy Assistant Secretary of the Interior reporting, pursuant to law, on the receipt of an application for a loan of \$920,000 from the Wenatchee Heights Reclamation District, Chelan County, Wash.; to the Committee on Interior and Insular Affairs.

REPORTS OF THE IMMIGRATION AND NATURALIZATION SERVICE

A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, reports covering the period May 1 through May 15, 1975, concerning visa petitions approved by the Service (with accompanying papers); to the Committee on the Judiciary.

PROPOSED REGULATION BY THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A letter from the Executive Secretary of the Department of Health, Education, and Welfare transmitting, pursuant to law, proposed regulations and guidelines governing section 102(b)(6) of the Mutual Educational and Cultural Exchange Act of 1961 (with accompanying papers); to the Committee on Labor and Public Welfare.

PROPOSED ALTERATION OF A PUBLIC BUILDING

A letter from the Administrator of General Services transmitting, pursuant to law, a prospectus for alterations at the Woodlawn, Maryland, Operations Building (with accompanying papers); to the Committee on Public Works.

PROPOSED LEGISLATION BY THE SECRETARY OF TRANSPORTATION

A letter from the Secretary of Transportation transmitting a draft of proposed legislation to amend the Highway Safety Act of 1966 to authorize appropriations, and for other purposes (with accompanying papers); to the Committee on Public Works.

REPORT OF THE SECRETARY OF TRANSPORTATION

A letter from the Secretary of Transportation transmitting, pursuant to law, the first annual report on Administrative Adjudication of Traffic Infractions (with an accompanying report); to the Committee on Public Works.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By ACTING PRESIDENT pro tempore (Mr. STONE):

A petition seeking a redress of grievances from several citizens of the State of Florida; to the Committee on the Judiciary.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT, 1976—CONFERENCE REPORT—(REPT. NO. 94-334)

Mr. STENNIS submitted a report from the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6674) to authorize appropriations during the fiscal year 1976, and the period of July 1, 1976, through September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. PASTORE, from the Committee on Commerce:

The following-named persons to be members of the Board of Directors of the Corporation for Public Broadcasting for the terms indicated:

For the remainder of a term expiring March 26, 1976:

Robert S. Benjamin, of New York, vice Irving Kristol, resigned.

Virginia Bauer Duncan, of California, vice Thomas B. Curtis, resigned.

For the remainder of a term expiring March 26, 1978:

Amos B. Hostetter, Jr., of Massachusetts, vice Theodore W. Braun, resigned.

For a term expiring March 26, 1980:

Lucius Perry Gregg, Jr., of Illinois, vice James R. Killian, Jr., term expired.

Lillie E. Herndon, of South Carolina, vice Frank Pace, Jr., term expired.

Donald E. Santarelli, of Virginia, vice Robert S. Benjamin, term expired.

W. Allan Wallis, of New York, vice Jack J. Valenti, term expired.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. JAVITS (for himself and Mr. BUCKLEY):

S. 2184. A bill to authorize the Secretary of Commerce to participate in the organization for, planning, design and construction of facilities in connection with the 1980 Olympic Winter Games at Lake Placid, N.Y. Referred to the Committee on Commerce.

By Mr. MONTOYA:

S. 2185. A bill to amend the Emergency Petroleum Allocation Act of 1973 to provide for the gradual decontrol of domestic crude petroleum prices and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. FONG (by request):

S. 2186. A bill to ban the importation, manufacture, sale, and transfer of Saturday Night Specials, to improve the effectiveness of the Gun Control Act of 1968, to ban possession, shipment, transportation, and receipt of all firearms by felons, and for other purposes. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JAVITS (for himself and Mr. BUCKLEY):

S. 2184. A bill to authorize the Secretary of Commerce to participate in the organization for, planning, design and construction of facilities in connection with the 1980 Olympic Winter Games at Lake Placid, N.Y. Referred to the Committee on Commerce.

Mr. JAVITS. Mr. President, I today introduce, along with Senator Buckley, a bill to authorize the construction of the necessary winter sports and supporting facilities at Lake Placid, N.Y., the designated site for the 1980 Winter Olympics games.

Last year, the Congress passed, in Senate Resolution 72, a resolution of support and assistance for Lake Placid's application to the International Olympic Committee to host the 1980 Winter Olympics. I am honored that the International Committee saw fit to choose the United States as the host country for the games, and I am especially pleased that the games are returning to Lake Placid, where they were successfully conducted in 1932.

Lake Placid is an ideal setting for the Winter Olympic games. Its combination of pristine beauty, existing facilities and accessibility make it perfectly suited for the Olympic competitions, which attract visitors from around the world and are viewed by many millions more.

The organizers of the Lake Placid games have a keen insight in the need to conduct the Olympics for the athletes—to provide the finest in competition at the highest international level. Moreover, their commitment to the eco-

logical protection of the Lake Placid area is total and without question. The games are truly being run by the people of the area, who have voted by referendum to welcome and support the town's bid to host the 1980 games.

An example of this commitment can be seen in the following document, which is the organizing committee's view of the need to return the Winter Olympics to a small town, with only moderate expenditures and no environmental degradation. I ask unanimous consent that the memorandum "Keeping the Winter Olympics in Perspective" be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. JAVITS. Mr. President, the environmental problems that played a leading role in forcing Denver, Colo., to withdraw as the site of the 1976 Winter Olympics and that plague other possible sites for the games in the United States, do not exist in Lake Placid's designation as the 1980 site. A combination of circumstances dating back almost three-quarters of a century have assured that Lake Placid will not be faced with the ecological problems that haunt other sites.

Prior to 1900, the New York Legislature, acting with almost unprecedented foresight, amended the State constitution to establish the "Forever Wild" Adirondack State Park. Lake Placid is located almost in the center of the high peaks area of the Adirondacks, and the New York State constitution has provided a permanent safeguard against despoliation of the park.

State legislation has created the Adirondack Park Agency with broad authority to establish a master plan for State owned and privately owned lands in the Adirondack Park. Even further, the agency has already exercised its comprehensive authority to establish a State land master plan and Adirondack Park private land use and development plan with rigid land use controls.

Both the town of North Elba and the village of Lake Placid have a long history of professional community planning. Each community has detailed zoning ordinances, active planning boards and boards of zoning appeals. Strict sign ordinances and trailer ordinances already exist in the village of Lake Placid and are nearing reality in the town of North Elba. Lake Placid provides an almost unlimited source of present and future water requirements for the area. Municipal facilities have been designed to serve the needs of a community of 20,000 to 25,000 persons, far in excess of foreseeable requirements for the next 25 years.

Without question, the hosting of a 1980 Winter Olympics will involve the expansion and improvement of present facilities and the construction of some new facilities. It is here that Lake Placid can point with pride to its almost unexcelled existing winter sports facilities. Almost every sports facility necessary to host the 1980 Winter Olympics now exists and is in annual use. The following are the prin-

cipal facilities and the necessary improvements to be made.

BOBSLEDDING

The Olympic bobsrun, owned by the State of New York, has been in operation for over 40 years, and it is considered to be one of the finest in the world. The bobsrun area includes all necessary parking, a new lodge, refrigerated finish curve and complete water, sewer, and power requirements. The run has been approved by the FIBT for international competitions and is repeatedly the site of world bobsled championships, including the 1973 world championships. The only suggested improvements for 1980 would be refrigeration of the entire run.

CROSS COUNTRY AND BIATHLON

Cross country facilities necessary to conduct the Olympic cross country and biathlon events already exist at the Mount Van Hoevenberg Recreation Area owned and operated by the State of New York. These facilities were used for the International Kennedy Games, the 1972 world university games, and they were the site of the 1973 world's biathlon championships. The only additions required for 1980 would be limited trail improvements, a biathlon range, and lodge expansion.

ALPINE SKIING

Whiteface Mountain ski area, also owned and operated by the State of New York, can properly be called one of the major ski mountains in the East. There now exist four ski shelters or lodges, six ski lifts, several miles of ski trails, over 2 miles of snow making equipment, and several parking lots. The present trails have FIS approval for international alpine competition. Whiteface has frequently been the site of major international alpine events, including the recent 1971 pre-FISU races, the 1972 world university alpine events, the 1974 Canadian-American slalom and giant slalom alpine races and the U.S. national downhill races.

SKI JUMP

The town of North Elba park district owned Intervale Olympic ski jump complex already contains a 70-meter and a 40-meter ski jump. There now exist spectator facilities, parking and ample room for additional parking at the adjacent airport and horseshow stadium, all of which are owned and operated by the town of North Elba park district. Plans are available for the construction of a new 90-meter ski jump, adjacent to the existing 70-meter and 40-meter jumps, that would be required for the Olympics. No new development of private or State-owned lands would be involved for any possible ski jump improvements that might be made.

SPEED SKATING

The required 400-meter speed skating track constructed for the 1932 Olympics is located on the campus in front of Lake Placid Central School and adjacent to the Olympic arena. Each year since 1932 a 400-meter speed skating track has been constructed and maintained at this site each winter for recreational and speed skating competitions. The stadium would

require refrigeration of the 400-meter track and temporary spectator bleachers for the 1980 Olympics. A refrigerated 400-meter oval would result in a new modernized track surface for track and field competitions, and assure future ideal speed skating events and recreational skating.

FIGURE SKATING, HOCKEY

There are two ice sheets in the present Olympic arena that are technically adequate for both figure skating and hockey competitions. Expanded seating capacity for spectators should be provided at the Olympic arena within the present structure. The scope of the present figure skating programs and hockey activities is now far beyond the capacity of the present arena, and additional ice space is required. For the 1980 Olympics, an additional arena or ice sheet with substantially increased spectator capacity will have to be constructed. This facility could be provided adjacent to the present Olympic arena without damage to the arena, change in the character of the community or adverse ecological impact. The Olympic arena is located within easy walking distance from most of the housing in the community.

ACCOMMODATIONS FOR VISITORS

Lake Placid is a resort community whose economy is based upon the accommodation of visitors. The community has years of experience in handling large conventions and peak crowds of visitors. The existing 150 or more hotels, motels, and guest houses are capable of catering to the needs of over 10,000 visitors, and housing far in excess of 25,000 additional persons is already available at present tourist facilities within an hour's drive from Lake Placid. While it can be anticipated that the 1980 Olympics will create a demand for additional housing in the area, the existing and new municipal facilities previously outlined are more than adequate to handle any expansion.

ACCESS HIGHWAYS

An adequate network of modern access roads presently exist in the area. Lake Placid's 1980 Olympic proposals neither seek nor desire any additional or expanded highways. During the summer months, the present highway system presently handles in excess of 100,000 daily visitors to the area.

OLYMPIC VILLAGE

For the Olympic Winter Games there are a maximum of approximately 1,200 competitors and 600 officials that will need housing. Lake Placid is fortunate in having a number of practical alternatives to the housing problem.

In the first instance, it would be possible, with very little additional construction, to provide all required housing from existing privately owned commercial establishments.

A second alternative would be to establish a small college campus, at one of several available locations in the area. This would involve the construction of dormitory facilities, cafeteria, and field-house stadium that could be used as an Olympic Village and be adapted for college purposes following the Olympic Winter Games.

A third alternative would be a proposal that has already been submitted to the organizing committee by Health Planning Associates, Inc., the establishment of a four-county—Clinton, Franklin, Hamilton, and Essex—multiple purpose health service and mental health center at the site of the present Ray Brook Hospital to be used as an Olympic village and immediately thereafter converted to use for the above purposes.

Mr. President, the financing of the 1980 Winter Olympic Games must be a combined effort of local, State and Federal Government as well as private contributions. The local and New York State governments have already begun to provide their share.

The State of New York will provide the funding for all improvements to facilities owned or operated by the State. These include the cross country trails, the biathlon range, the bobsled and luge runs, and the Alpine ski area at Whiteface Mountain.

Lake Placid and the town of North Elba are taking full responsibility for all organization and administrative expenses, as well as the funding of temporary facilities and special equipment.

We at the Federal level have a similar responsibility, particularly since the congressional resolution of support and assistance was instrumental in the International Olympic Committee's selection of Lake Placid as the 1980 site.

The commitment must not be delayed. It is modest in extent and essential to the successful fulfillment of the games. It will provide the entire Nation with the spirit and pride that derives from the hosting of such a major international athletic competition, and it will further enhance for future generations the quality of our winter athletic facilities.

Mr. President, I am hopeful that this legislation will not be delayed. Construction must begin this year if we are to avoid serious problems in meeting the unalterable date of the games themselves. I believe each of my colleagues can endorse this bill and take pride from the successful hosting of the Olympics in the United States in 1980.

EXHIBIT 1

KEEPING THE "WINTER OLYMPICS" IN PERSPECTIVE

In terms of an international athletic competition, the "Winter Olympics"—as they are known to the world—are very similar to those that were first held in Chamonix, France in 1924. With the exception of the post-war emergence of alpine skiing as a major competition, the only new Olympic events are the Biathlon, added at Squaw Valley in 1960, with approximately 75 competitors, and the Luge, added at Innsbruck in 1964, with approximately 90 competitors.

At St. Moritz, Switzerland in 1948 the 28 participating countries sent a total of 878 competitors (801 men and 77 women). Sapporo, Japan in 1972 had 35 competing countries and 1,128 competitors (911 men and 217 women). The total number of competitors has been almost static at approximately 1,100 for the past three "Winter Olympics" (Innsbruck—1964, Grenoble—1968, and Sapporo—1972). The slight increase in the number of competitors was not caused by the additional number of countries participating. Basically, most competitors come from 21 winter-sport countries. The remaining 14 participating countries send five or less competitors each

(actually a total of only 42), the majority of whom compete in the alpine skiing events.

While from 1948 to 1972 the "Winter Olympics" have remained basically unchanged as an international athletic competition with the minor exceptions previously noted in terms of number of countries, total competitors and winter sports program—one significant change has taken place. The "Winter Olympics" have moved to the big cities, with some startling results.

The maximum costs, for all purposes, of the 1948 Olympics at St. Moritz, Switzerland, a community of less than 10,000 people, probably did not exceed \$5,000,000.00. It is reported that the total costs, including public improvements, of the 1964 Olympics in Innsbruck, Austria, a city of 100,000 people, were over 100 million dollars, and that the 1968 Olympics at Grenoble, France, a city of over 400,000 people, they were in excess of 400 million dollars. In 1972 at Sapporo, Japan, a city of over 700,000 people, the reported costs for administration expenses, new sports facilities and "related public projects" soared to almost \$700,000,000.

Several obvious conclusions can be drawn from a detailed study of the reports of the past three "City" Winter Olympics (Innsbruck, Grenoble and Sapporo):

1. The total cost for the construction of all necessary sports facilities required, related public projects and games organization in recent Winter Olympics approximates \$1,000.00 per "City" resident.

2. It cost Innsbruck approximately \$100,000.00 per competitor, Grenoble approximately \$400,000.00 per competitor and Sapporo \$700,000.00 per competitor, for the privilege of putting on the Winter Olympics.

3. Cities hosting the Winter Olympics use the event as the reason for massive public facility urban renewal and construction projects, including parking, highways, airports, subways, housing projects and assorted public buildings and facilities totally unrelated to the Olympics.

4. The sheer logistics of endeavoring to stage a Winter Olympics in or near a city environment escalates all costs, traffic control, parking, housing, sanitation, transporting, and multiple other administrative problems in almost a direct ratio to the size of the city, and far out of proportion in relation to the events themselves.

5. Only a small percentage of the local residents of a city actually have (or take) the opportunity to attend more than one of the Olympic events when they are held in or near their cities.

6. Only a small percentage of visitors (far less than 10%—Sapporo less than 5%) from other countries comprise the attendance of any of the various competitions.

7. The financing of a modern Winter Olympic is beyond the resources of any local community or city, and they can only be organized and conducted with adequate State and Federal financing.

8. Equally disturbing and important is the fact that the present "big city" Winter Olympics syndrome is such that it may no longer be possible for the many other small, mountainous, winter sports communities throughout the world, Winter Olympic sites such as Garmisch, St. Moritz, Chamonix, Cortina, Squaw Valley, and Lake Placid, to even consider seeking to be the site of a Winter Olympics.

Lake Placid with pride in its past accomplishments, is prepared to organize and host, with the necessary State and Federal assistance in financing, the construction of the limited additional sports sites and supporting facilities required, a successful 1980 Winter Olympics.

We do not propose any large, Olympic motivated, public works projects, new multiple-lane access highways, airports, huge parking lots or multi-million dollar "one time" sports facilities. The time has come

to restore the Winter Olympics to their proper perspective, to take them out of the city and return them to the small, mountainous communities where they originated. We would hope that our feelings might be shared by the national and international selection bodies.

By Mr. MONTROYA:

S. 2185. A bill to amend the Emergency Petroleum Allocation Act of 1973 to provide for the gradual decontrol of domestic crude petroleum prices and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. MONTROYA. Mr. President, the time has come for a compromise on the question of oil prices. It is clear that if the President does not retreat from his position of complete decontrol and the congressional majorities do not retreat from their position of price stability or rollback, this impasse will not be broken. That is the road to disaster.

If we had intentionally set out to disrupt economic recovery, to create even greater uncertainty about the future of the oil industry and to give the OPEC cabal a hammer with which to beat on the American economy any time they wish, we could not do it better than by doing nothing now.

Surely there is a middle ground between the position of the President and that of the congressional majorities which all can agree upon and which will meet the principal goals of both sides. I define those goals as follows: First, to assist the economic recovery which is now at a critical stage; second, to provide the resources which the oil industry needs to increase domestic production; and, third, to put control of our economy, our foreign policy, and our destiny back into our own hands.

I believe that the bill I am introducing meets those goals by following a middle path between the Presidential and the congressional majority position. My bill provides a moderate increase in the price of old oil, freezes the price of new oil, and makes adjustments in the definition of new oil to insure that the Federal Energy Administration treats oil from newly sunk wells and from unitized properties as new oil.

Old oil. My bill authorizes an immediate increase in price to \$7.50 per barrel. Thereafter, the price would increase as the economy improves. For each 1-percent decline in unemployment, old oil prices will increase by 30 cents until a ceiling price of \$9 per barrel is reached. Further increases above \$9 will be permitted based on increases in a special cost of living index measuring increases in the cost of material used in the exploration, drilling, and production of domestic oil.

New oil. Prices will be frozen at \$12.75 per barrel, plus periodic cost of living increases as discussed above.

Definition of new oil. New oil would be defined as any oil produced from a new well, whether in an existing field or in a new field, except that if the oil comes from an existing field and from the same horizon as existing old oil, there would be a rebuttable presumption that it is old oil; and as any oil from properties unitized for the purposes of pressure main-

tenance, on which secondary or tertiary recovery processes are used.

An increase in the cost of old oil is justified by the importance of increasing our domestic supply of oil and by the steep increases in the costs of drilling which have occurred during the last 2 years. To refuse to provide any increase in old oil prices is to ignore reality.

The cost of drilling a well has increased by three times over the cost before the embargo, yet the average price of old oil has been frozen at an artificially low price for nearly 2 years. It is appropriate, therefore, that we provide an immediate increase of \$2 in the old oil price to reflect 2 years of inflation. Moreover, it is the proceeds from producing wells which provide the capital needed to explore and bring new wells into production. By providing additional revenues for the oil companies, we are providing an economic incentive for increased domestic production.

The remaining \$1.50 increase in the price of old oil would be phased in with improvements in the economy. By phasing the remaining increases we avoid the danger of putting too great a strain on an economy already weakened by recession and high inflation. By tying the remaining increases into improvement in the economy we are providing that the American people will be able to more easily absorb them. This position follows the middle path between the President's request for phasing over a 39 month period and the majorities position that a phased increase still would be too great a burden.

The ceiling price of \$9 falls approximately midway between the controlled price and the current market price of \$13 per barrel. In this sense it is a compromise. In the sense that it is a moderate increase which will induce additional production, it is a workable compromise.

The price freeze on new oil is essential if we are to reduce the influence the OPEC cabal now has on our economy. There is no justification for allowing the basic price of new oil to rise above \$12.75 per barrel. To do so is to tie American prices to Arab decisions.

The fear of \$16 per barrel oil is well founded. It is expected that OPEC will increase its basic oil prices by another \$2 this September, and the President has threatened to impose an additional \$1 per barrel tariff on imported oil. Thus, we are looking at a price of \$16 per barrel for imported oil. At the very least, \$3 of that price is completely artificial and completely unjustified in free market terms. Yet due to our need of OPEC's oil and our importing of that oil we must pay the \$16 per barrel price. Without this price freeze domestically produced oil would immediately rise and match the \$16 figure. However, with this price freeze we can assure the Nation that any increase in the price of OPEC's oil will not be followed by an increase in the domestically produced new oil. Through this price freeze we can reduce OPEC's influence and once again direct our own economic destiny.

It is clear that some type of control is necessary. Our past experience with the 1973 oil embargo, reports from the

Interior and Insular Affairs Committee and testimony from people from the Brookings Institution and other institutions all clearly show that total decontrol would have disastrous effects. The increased energy costs triggered by the Arab embargo were a principal factor in the 12-percent inflation of 1974 and in prolonging and deepening the current recession. Interior Committee reports and testimony all indicate that if all domestic crude oil was decontrolled there would be a staggering \$33 billion increase in fuel costs. Surely the need for price controls of some sort can be seen clearly in these figures. The effect of total decontrol on the economy would be disastrous.

My bill also provides for a special "cost of living" index. Oil prices were frozen at a level which would provide the needed capital and economic incentive to increase domestic oil production. Without a "cost of living" increase these goals would be devoured by inflation in materials cost. We would, therefore, end up in the same situation of declining domestic production and increased OPEC influence. This now common "cost of living" provision will guard against this erosion of economic incentive and increased OPEC influence. It is a middle ground solution between allowing uncontrolled price increases and not allowing any price increase in the ceiling which would serve only to cause further declines in our oil production.

Finally, my bill would redefine new and old oil in order to provide further incentives to increase the production of domestic oil and to lessen our dependence of OPEC's oil. This bill insures that oil produced by newly sunk wells in existing fields is not considered old oil. Much of the oil in old fields which is found at depths deeper than the original oil is not being pumped out. The reason for this situation is that the oil which is produced from an existing field is considered by FEA to be old oil even though a new well had to be sunk in a different part of the field. Due to the fact that drilling costs have tripled in the past 2 years and that it is not a sure thing that oil exists at a deeper level the lower old oil price is not a sufficient incentive. The result is that much oil capable of increasing our domestic production is allowed to lie underground and dormant. I felt that by this redefining we can pull that oil out of the ground and put it to where it will do most good for the American people and the economy.

Any oil produced from properties unitized for the purpose of pressure maintenance or on which secondary or tertiary recovery processes are used would be classified as new oil. Admittedly the oil produced by these processes comes from already existing wells but it is also true that it is produced only by using expensive techniques. In order to increase the yield of oil they have been forced to cap wells or use water or gas injection. This oil is, therefore, produced at an expensive price which necessitates it being considered new oil. If we are to provide the Nation with the oil it needs in order to limit the OPEC's influence on our econ-

omy we must secure maximum production from this type of well. By allowing these wells the classification of new oil we will assure our independence from OPEC. Thus, by compromising in the definition of new and old oil we can avoid many of the dangers of total decontrol while at the same time increasing domestic production and limiting OPEC's ability to affect our economy.

In conclusion, I feel that the bill I am presenting today is the long sought at compromise on the troublesome problem of oil prices. It is not the President's total decontrol plan. It is not the congressional majorities price stability or rollback plan. It is rather a workable compromise. It is one which will prevent further economic disruptions caused by OPEC on the price of new oil and on the economy in general. It is one which will increase our domestic production of oil. It is not everything that everyone wanted but it does accomplish the basic needs of the country.

By Mr. FONG (by request):

S. 2186. A bill to ban the importation, manufacture, sale, and transfer of Saturday night specials, to improve the effectiveness of the Gun Control Act of 1968, to ban possession, shipment, transportation, and receipt of all firearms by felons, and for other purposes. Referred to the Committee on the Judiciary.

Mr. FONG. Mr. President, at the request of the administration, I am today introducing a bill "to ban the importation, manufacture, sale and transfer of Saturday night specials, to improve the effectiveness of the Gun Control Act of 1968, to ban possession, shipment, transportation, and receipt of all firearms by felons, and for other purposes."

The question of Federal control of guns and especially the so-called Saturday night specials has been an issue of much debate and emotional reaction throughout the United States.

Saturday night specials, as my colleagues well know, are cheap, low-quality, easily concealed handguns.

These Saturday night specials have no legitimate sporting use nor any valid defense purpose.

This type of shoddy gun is of no value to sportsmen. Sportsmen use rifles, shotguns, and well-constructed handguns, but not the inaccurate Saturday night specials.

No one, and I specifically include myself in that group, wants to prevent sportsmen from pursuing their hobbies.

However, as President Ford pointed out in his crime message to Congress on June 19 of this year:

Since 1960, although billions of dollars have been spent on law enforcement programs, the crime rate has more than doubled.

More significantly, the number of crimes involving threats of violence or actual violence has increased. And the number of violent crimes in which the perpetrator and the victim are strangers has also increased. A recent study indicates that approximately 65 percent of all violent crimes are committed against strangers.

The personal and social toll that crime exacts from our citizens is enormous. In addition to the direct damage to victims of crime,

violent crimes in our streets and in our homes make fear pervasive.

Something must be done to control the weapons and especially the cheap handguns used to perpetrate these violent crimes.

I have, as far back as 1968, voted for a finding that destructive devices—such as bazookas and mortars—machineguns and short-barreled guns and rifles were not appropriate for sport, recreation or personal defense and that, therefore, their flow in interstate commerce should be regulated.

I have previously supported legislation to require Federal or State registration of all firearms and a license to possess them. I also voted for proposals to prohibit an applicant from receiving a license to ship firearms or ammunition in interstate or foreign commerce when his place of business was located in a State which did not have in effect a firearm control law which met Federal minimum standards.

It is my position that we need legislation placing strong controls on improper and illegal gun use and those laws must be strictly, quickly, and uniformly enforced. To the extent that is possible under article I, section 8 of the Constitution and within the constraints of the 10th amendment reserving to the States the powers not delegated to the United States, the Federal Government must and should do everything possible to reduce crime and as President Ford indicated, "contribute to a safer America."

The bill I am today introducing is a good starting point for such legislation. This bill, so far as it goes, does provide additional safeguards not now in the law.

Dealers, who are defined as ammunition retailers, firearm dealers, gunsmiths or pawnbrokers would be prohibited to sell a handgun to a person who did not appear at the licensee's premises for purposes of clearly establishing his identity. The information is then to be forwarded to the chief law-enforcement officer where the transferee lives or will keep the gun, as well as to the FBI, so that a check can be made and reported to the transferor. The transferor must wait at least 14 days for this report before delivering the handgun. The purchaser's statement and the report of the enforcement officers must be retained by the dealer and are subject to inspection by the Treasury. This is a good provision since it permits a waiting period during which time the purchaser can be checked out.

Licensed manufacturers, licensed importers, licensed dealers or licensed collectors may not manufacture, assemble, sell or transfer a handgun, other than a curio or relic, in the United States unless the handgun model has been approved by the Secretary of the Treasury. Further, it would make it unlawful to sell or transfer an unapproved handgun by an individual who is not a licensee if he knows the handgun model has not been approved. This is good as it would prohibit Saturday night specials transactions.

Resales or transfers of handguns must be in accordance with Federal and State

law and any applicable published ordinances. However, this is not applicable to transactions between licensed importers, licensed manufacturers, licensed dealers, and licensed collectors. See Sec. 922(f). This is good as it would by Federal statute prohibit sales in States and localities with strong gun control laws.

Purchase or receipt of more than two guns within a 30-day period is prohibited, unless with the prior approval of the Secretary of the Treasury. This is good as it would prevent multiple sales to persons who then redistribute the handguns unlawfully.

Additionally, the Secretary of the Treasury is given additional authority to deny a license unless he finds the person meets the age and criminal record requirements and had premises from which he conducts or intends to conduct the business and that the applicant is not prohibited by State or local law from conducting the business to which the license would apply and that he is likely to conduct the business in conformity with applicable law. The Secretary would have 90 days instead of 45 days to act on this application. This is a good tightening up provision.

Prosecution for commission of a felony where a firearm was carried or used could be had in a court of the United States, and, a prison term of 1 to 10 years for a first offense and 2 to 25 years for subsequent offenses to run consecutively after the term of imprisonment for the commission of the felony is also provided. Strict enforcement of such legislation hopefully would deter criminal action and if not, it would certainly protect society by removing the criminal from society for a longer and more certain term, since a suspended or probationary sentence is prohibited.

So, as my colleagues can see just from the points outlined, the Administration bill is indeed a very good starting point toward making America a safer place in which to live.

At the request of the Administration, I am also introducing an amendment to S. 1, the Criminal Justice Reform Act of 1975. This amendment would strengthen the penalties for criminal convictions involving the use of firearms.

Every effort must be made to discourage the use of firearms by criminals. Severe additional penalties in our Criminal Justice Reform Act where firearms are used would, in my opinion, hopefully deter the use of such firearms.

I ask unanimous consent that the bill, the section-by-section analysis thereof and the amendment to S. 1 be printed in the RECORD.

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

S. 2186

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress hereby finds and declares—

(a) that the traffic in cheap, low-quality, and easily concealable handguns, which are commonly known as "Saturday Night Specials" and which have no legitimate sporting or valid defensive purpose, constitutes a serious threat to general law enforcement, to the public safety, and to the integrity of State and local firearms control laws;

(b) that the criminal misuse of these handguns is a significant factor in the prevalence of lawlessness and violent crime in the United States, thus contributing greatly to the Nation's law enforcement problems;

(c) that the existing ban on importation of Saturday Night Specials has been effectively subverted by the importation of parts and the domestic assembly and manufacture of the weapons the Congress banned from importation; and

(d) that the absence of effective controls on domestic manufacture and sale of small, easily concealable, and cheap handguns known as Saturday Night Specials constitutes a major shortcoming in existing law, circumvents the purpose of the import restrictions of existing law, and makes possible commercial traffic among the States and within the States in cheap and deadly weapons which serve no sporting or valid defensive purpose and which threaten the physical safety and well-being of all Americans.

SEC. 2. The Congress further finds and declares:

(a) that the receipt or possession of firearms and ammunition by persons barred by federal law from such receipt or possession constitutes:

(1) a burden on commerce within and among the States; and

(2) a threat to the domestic tranquility;

(b) that a person obtaining a federal license to import, manufacture, or deal in firearms should be a bona fide importer, manufacturer, or dealer operating not only within the federal laws but also within State and applicable local laws; and

(c) that the burden on commerce caused by illegal possession of handguns by felons and by persons barred from possession of handguns by Federal, State, or local law requires an increased obligation on the transferor of handguns and on law enforcement agencies to assure that there is no sale or transfer of a handgun to a person not authorized to possess it.

SEC. 3. Section 842 of title 18, United States Code, is amended:

(a) by deleting "(as defined in section 4761 of the Internal Revenue Code of 1954)" in subsection (d) (5);

(b) by deleting "drug (as defined in section 201(v) of the Federal Food, Drug, and Cosmetic Act)" in subsection (d) (5) and inserting in lieu thereof "substance";

(c) by deleting "(as defined in section 4721 (a) of the Internal Revenue Code of 1954); or" in subsection (d) (5) and inserting in lieu thereof "as those terms are defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)";

(d) by deleting subsection (d) (6) and inserting in lieu thereof the following:

"(6) has been adjudicated as mentally incompetent or has been committed to a mental institution; or

"(7) being an alien, is illegally or unlawfully in the United States;"

(e) by deleting "(as defined in section 4761 of the Internal Revenue Code of 1954)" in subsection (1) (3);

(f) by deleting "drug (as defined in section 201(v) of the Federal Food, Drug, and Cosmetic Act)" in subsection (1) (3) and inserting in lieu thereof "substance";

(g) by deleting "(as defined in section 4731(a) of the Internal Revenue Code of 1954); or" in subsection (1) (3) and inserting in lieu thereof "as those terms are defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)"; and

(h) by deleting subsection (1) (4) and inserting in lieu thereof the following:

"(4) who has been adjudicated as mentally incompetent or has been committed to a mental institution; or

"(5) who, being an alien, is illegally or unlawfully in the United States;"

SEC. 4. Section 843 of title 18, United States Code, is amended:

(a) by deleting "forty-five" in subsection (c) and inserting in lieu thereof "ninety"; and

(b) by amending subsections (d) and (e) to read as follows:

"(d) (1) The Secretary may revoke a license or permit issued under this chapter if the person holding the license or permit is ineligible to acquire explosive materials under section 842(d).

"(2) A person who has a license or permit issued under this section and who violates a provision of this section or a rule or regulation prescribed by the Secretary under this chapter, shall be subject to a civil penalty, to be imposed by the Secretary, of up to \$10,000 for each violation, or to suspension or revocation of his license or permit, or to both the civil penalty and revocation or suspension. The Secretary may at any time compromise, mitigate or remit such penalties. An action of the Secretary under this subsection is subject to review only as provided in subsection (e) of this section.

"(e) (1) Any person whose application is denied or whose license or permit is suspended or revoked or who is assessed a civil penalty shall receive a written notice from the Secretary stating the specific grounds upon which such denial, suspension, revocation, or civil penalty is based. Any notice of a suspension or revocation of a license or permit shall be given to the holder of such license or permit prior to or concurrent with the effective date of the suspension or revocation.

"(2) If the Secretary denies any application for, or suspends or revokes, a license or permit, or assesses a civil penalty, he shall, upon request by the aggrieved party, promptly hold a hearing to review his denial, suspension, revocation, or assessment. In the case of a suspension or revocation, the Secretary may upon a request of the holder stay the effective date of the suspension or revocation. A hearing under this section shall be at a location convenient to the aggrieved party. The Secretary shall give written notice of his decision to the aggrieved party within a reasonable time after the hearing. The aggrieved party may, within sixty days after receipt of the Secretary's written decision, file a petition with the United States court of appeals for the district in which he resides or has his principal place of business for a judicial review of such denial, suspension, revocation, or assessment pursuant to sections 701 through 706 of title 5, United States Code."

Sec. 5. Section 921(a) of title 18, United States Code, is amended:

(a) by amending paragraph (11) to read as follows:

"(11) The term 'dealer' means any person who is (A) engaged in business as an ammunition retailer, (B) engaged in business as a gunsmith, (C) engaged in business as a firearms dealer, or (D) a pawnbroker. The term 'licensed dealer' means any dealer who is licensed under the provisions of this chapter."

(b) by redesignating paragraphs (12), (13), (14), (15), (16), (17), (18), (19), and (20) as paragraphs (19), (20), (21), (22), (23), (24), (25), (26), and (27), respectively; and

(c) by adding after paragraph (11) the following new paragraphs:

"(12) The term 'ammunition retailer' means any person who is not otherwise a dealer who is engaged in the business of selling ammunition at retail, other than ammunition for destructive devices.

"(13) The term 'gunsmith' means any person who is not otherwise a dealer who is engaged in the business of repairing firearms or making or fitting special barrels, stocks, or trigger mechanisms to firearms.

"(14) The term 'firearms dealer' means any person who is engaged in the business of selling firearms or ammunition at wholesale or retail.

"(15) The term 'handgun' means a firearm which has a short stock and which is designed to be held and fired by the use of a single hand. The term also includes any combination of parts from which a handgun can be assembled.

"(16) The term 'handgun model' means a particular design and specification of a handgun.

"(17) The term 'pistol' means a handgun having a chamber or chambers as an integral part or parts of, or permanently aligned with, the bore or bores.

"(18) The term 'revolver' means a handgun having a breechloading chambered cylinder so arranged that the cocking of the hammer or movement of the trigger rotates the cylinder to bring the next cartridge in line with the barrel for firing."

Sec. 6. Section 922 of title 18, United States Code, is amended:

(a) by adding after the words "replacement firearm" in subsection (a) (2) (A) the words ", other than a handgun of a model which has not been approved by the Secretary under section 923(k).";

(b) by adding after the words "mailing a firearm" in subsection (a) (2) (A) the words ", other than a handgun of a model which has not been approved by the Secretary under section 923(k).";

(c) by deleting "resides in any State other than that in which the transferor resides (or other than that" in subsection (a) (5) and inserting in lieu thereof "does not reside in the State in which the transferor resides (or does not reside in the State";

(d) by adding after the words "rental of a firearm" in subsection (a) (5) the words ", except a handgun of a model which has not been approved by the Secretary under section 923(k) of this chapter.,";

(e) by adding after the words "loan or rental of a firearm" in subsection (b) (3) (B) the words ", other than a handgun of a model which has not been approved by the Secretary under section 923(k).";

(f) by adding after the words "may sell a firearm" in subsection (c) the words ", other than a handgun.,";

(g) by deleting ", in the case of any firearm other than a shotgun or a rifle, I am twenty-one years or more of age, or that, in the case of a shotgun or a rifle," in subsection (c) (1);

(h) by repealing subsections (d) and (h);

(i) by redesignating subsections (e) and (f) as subsections (m) and (n), respectively, by redesignating subsections (l), (j), (k), (l), and (m) as subsections (o), (p), (q), (r), and (s), respectively, and by redesignating subsection (g) as subsection (h);

(j) by adding after subsection (c) the following new subsections:

"(d) (1) It shall be unlawful for any licensed manufacturer, licensed importer, licensed dealer, or licensed collector to manufacture, assemble, sell, or transfer any handgun, other than a curio or relic, in the United States unless the handgun model has been approved by the Secretary pursuant to section 923(k) of this chapter.

"(2) It shall be unlawful for any person other than a licensed manufacturer, licensed importer, licensed dealer, or licensed collector to sell or transfer any handgun, other than a curio or relic, in the United States knowing that the handgun is a model which has not been approved by the Secretary pursuant to section 923(k) of this chapter.

"(e) It shall be unlawful for any person to modify a handgun if the handgun model was previously approved by the Secretary for manufacture, assembly, importation, sale, or transfer if as a result of the modification the

handgun no longer meets the standards of a handgun model approved under section 923(k) of this chapter.

"(f) It shall be unlawful for any person who purchases or receives a handgun with the purpose of selling or transferring the handgun to another person to sell or transfer the handgun to another person unless he knows or has reasonable cause to believe that purchase and possession of the handgun would be in accordance with Federal law and with State law and any published ordinance applicable at the place of sale, delivery, or other disposition. This subsection shall not apply to transactions between licensed importers, licensed manufacturers, licensed dealers, and licensed collectors.

"(g) In any case not otherwise prohibited by this chapter, a licensed importer, licensed manufacturer, or licensed dealer may sell a handgun to a person only if the person appears in person at the licensee's business premises (other than a licensed importer, manufacturer, or dealer) and, in order to assure that purchase and possession of the handgun by the transferee would be in accordance with Federal law and with State law and any published ordinance applicable at the place of sale, delivery, or other disposition, only if:

"(1) the transferee submits to the transferor a sworn statement prescribed in regulations to be promulgated by the Secretary setting forth:

"(A) his name, his residence, and the place where the handgun will be kept; and

"(B) that his receipt of the handgun will not be in violation of federal law, or of a State law or any published ordinance of the place of his residence or, if the handgun will be kept at a place other than his place of residence, of the place where the handgun will be kept, and that he does not intend to resell or transfer the handgun to a person who is barred from owning or possessing it by Federal or State law or any published ordinance of the place of the latter person's residence or other place where the handgun would be kept.

The sworn statement shall also include the true title, name, and address of the chief law enforcement officer of the place of the transferee's residence and the place where the handgun will be kept. If a State law or published ordinance applicable at the place of the transferee's residence or the place where the handgun will be kept requires that a person must have a permit or license to own, possess, or purchase the handgun, a true copy of such permit or license shall be attached to the sworn statement. Any other information required to be supplied to own, possess, or acquire a handgun under such State law or published ordinance shall also be attached to the sworn statement;

"(2) the transferee provides identification sufficient to establish, under rules and regulations of the Secretary, reasonable grounds to believe that the transferee is the person he claims to be, and that his residence is at the address stated in the transferee's sworn statement;

"(3) the transferor has, prior to delivery of the handgun, forwarded immediately by registered or certified mail (return receipt requested), to the chief law enforcement officer of the transferee's place of residence and to the chief law enforcement officer of any other place where the transferee indicates in his sworn statement that he will keep the handgun, a copy of the sworn statement, in a form prescribed by the Secretary, for purposes of notifying such officer of the proposed transfer and of permitting such officer:

"(A) to check the record and identity of the transferee, to determine whether ownership or possession of the handgun by the

transferee would be a violation of a State law or any published ordinance of the place of the transferee's residence or the place where the handgun will be kept;

"(B) to request a name check by the Federal Bureau of Investigation which shall be sent to the chief law enforcement officer within five working days of the Bureau's receipt of the request; and

"(C) to report to the transferor the results of such check, determination, and request;

"(4) the transferor has received a return receipt evidencing delivery of the statement or has had the statement returned due to the refusal of the named addressee to accept such letter in accordance with United States Postal Service regulations;

"(5) the transferor has received reports from the chief law enforcement officer of the transferee's place of residence and of the other place where the transferee has indicated that the handgun will be kept, and the reports do not indicate that the transferee is prohibited from shipping, possessing, transporting, or receiving a handgun under subsection (h) or (i) of this section, that the transferee is less than twenty-one years of age, or that the purchase or possession of a handgun by the transferee would be a violation of a State law or any published ordinance, applicable at the place of residence or place where the handgun will be kept; and

"(6) if the transferor has not received the reports from the law enforcement officers, the transferor has delayed delivery of the handgun for a period of at least fourteen days from the date the sworn statement required under paragraph (1) of this subsection was forwarded as prescribed in paragraph (3) of this subsection.

A copy of the sworn statement and a copy of the notification or notifications to the chief law enforcement officer or officers, together with the reports received from such officer or officers under paragraph (3) of this subsection shall be retained by the licensee as a part of the records required to be kept under section 923(g).";

(k) by deleting "drug (as defined in section 201(v) of the Federal Food, Drug, and Cosmetic Act)" in subsection (h)(3) and inserting in lieu thereof "substance";

(l) by deleting "(as defined in section 4731(a) of the Internal Revenue Code of 1954); or" in subsection (h)(3) and inserting in lieu thereof "as those terms are defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).";

(m) by amending subsection (h)(4) to read as follows:

"(4) who has been adjudicated as mentally incompetent or has been committed to a mental institution; or";

(n) by deleting "to ship or transport any firearm or ammunition in interstate or foreign commerce" in subsection (h) and inserting in lieu thereof:

"(5) who, being an alien, is illegally or unlawfully in the United States;

to possess, ship, transport, or receive any firearm or ammunition.";

(o) by adding after subsection (h) the following new subsections:

"(i) It shall be unlawful for any person who, while being employed by a person who is prohibited from possessing, shipping, transporting, or receiving firearms or ammunition under subsection (h), and who, knowing or having reason to believe his employer falls within one of the classifications enumerated in subsection (h), in the course of such employment to possess any firearm or ammunition.

"(j) It shall be unlawful for any person to sell or otherwise dispose of any firearm or ammunition to any person unless he knows or has reasonable cause to believe that such

person is not prohibited from possessing, shipping, transporting, or receiving a firearm or ammunition under subsection (h) or (i) of this section. 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 pursuant to subsection (b) of section 925 of this chapter is not precluded from dealing in firearms or ammunition.

"(k) It shall be unlawful for any person to ship or transport any firearm or ammunition in interstate or foreign commerce if such shipment or transportation is in violation of a State law in a place to which or through which the firearm was shipped or transported or of a published ordinance applicable at the place of sale, delivery, or other disposition.

"(l)(1) It shall be unlawful for any licensed importer, licensed manufacturer, licensed dealer, or licensed collector to sell or transfer two or more handguns to the same person, other than another licensed importer, licensed manufacturer, licensed dealer, or licensed collector, in a period of thirty days or less, unless the transferee has obtained prior approval of the purchase from the Secretary, pursuant to regulations promulgated by the Secretary.

"(2) It shall be unlawful for any person, other than a licensed importer, licensed manufacturer, licensed dealer, or licensed collector to purchase or receive two or more handguns in a period of thirty days or less from one or more licensed importers, licensed dealers, or licensed collectors or from such a licensee and from a person or persons who are not such licensees, unless the person has obtained prior approval of the purchase from the Secretary pursuant to regulations promulgated by the Secretary. It shall be unlawful for any person, other than a licensed importer, licensed manufacturer, licensed dealer, or licensed collector to purchase or receive two or more handguns in a period of thirty days or less from a person or persons other than a licensed importer, licensed manufacturer, licensed dealer, or licensed collector unless the person notifies the Secretary of such purchase or receipt within thirty days after the purchase or receipt."

Sec. 7. Section 923 of title 18, United States Code, is amended:

(a) by deleting subsections (a)(1) (B) and (C) and inserting in lieu thereof the following:

vices or handguns, a fee of \$250 per year;

"(B) of firearms other than destructive devices or handguns, a fee of \$250 per year;

"(C) of firearms, including handguns, but not including destructive devices, a fee of \$500 per year; or

"(D) of ammunition for firearms other than ammunition for destructive devices, a fee of \$250 per year.";

(b) by deleting the word "or" at the end of subsection (a)(2)(A);

(c) by deleting subsection (a)(2)(B) and inserting in lieu thereof the following:

"(B) of firearms other than destructive devices or handguns or of ammunition for firearms other than destructive devices, a fee of \$250 per year; or

"(C) of firearms, including handguns, but not including destructive devices, a fee of \$500 per year.";

(d) by deleting subsections (a)(3) (B) and (C) and inserting in lieu thereof the following:

"(B) who is a pawnbroker dealing in firearms other than destructive devices or handguns, or ammunition for firearms other than destructive devices, a fee of \$250 per year;

"(C) who is a pawnbroker dealing in firearms, including handguns, but not including destructive devices, a fee of \$500;

"(D) who is not a dealer in destructive devices or handguns, a pawnbroker, a gun-

smith, or an ammunition retailer in other than ammunition for destructive devices, a fee of \$100 per year;

"(E) in firearms, including handguns, but not including destructive devices, \$200 per year;

"(F) who is a gunsmith, a fee of \$50 per year; or

"(G) who is an ammunition retailer in other than ammunition for destructive devices, a fee of \$25 per year.";

(e) by deleting the language in subsection (d)(1) which precedes subparagraph (A) and inserting in lieu thereof the following:

"Any application submitted under subsection (a) or (b) of this section shall be approved if the Secretary finds that—";

(f) by amending subsection (d)(1)(B) to read as follows:

"(B) the applicant (including, in the case of a corporation, partnership, or association, any individual possessing, directly or indirectly, the power to direct or cause the direction of the management and policies of the corporation, partnership, or association):

"(i) is not prohibited from possessing, transporting, shipping, or receiving firearms or ammunition under section 922 (h) or (i) of this chapter;

"(ii) is not prohibited by the law of the State or by relevant ordinance of his place of business from conducting the business of transporting, shipping, receiving, selling, transferring, owning, or possessing the firearms or ammunition to which the license would apply; and

"(iii) is, by reason of his business experience, financial standing, or trade connections, likely to commence the business for which the license is applied within a reasonable period of time and to maintain such business in conformity with Federal law and with State and relevant local law applicable at his place of business";

(g) by deleting "forty-five" in subsection (d)(2) and inserting in lieu thereof "ninety";

(h) by amending subsections (e) and (f) to read as follows:

"(e) The Secretary may, after notice and opportunity for hearing, suspend or revoke any license issued under this section, or may subject the licensee to a civil penalty of up to \$10,000 per violation, if the holder of such license has violated any provision of this chapter or any rule or regulation prescribed by the Secretary under this chapter. The Secretary may at any time compromise, mitigate, or remit the liability with respect to such violation. The Secretary's action under this subsection may be reviewed only as provided in subsection (f) of this section.

"(f)(1) Any person whose application for a license is denied and any holder of a license which is suspended or revoked or who is assessed a civil penalty shall receive a written notice from the Secretary stating specifically the grounds upon which the application was denied or upon which the license was suspended or revoked or the civil penalty assessed. Any notice of a suspension or revocation of a license shall be given to the holder of such license before the effective date of the suspension or revocation.

"(2) If the Secretary denies an application for, or suspends or revokes a license, or assesses a civil penalty, he shall, upon request, by the aggrieved party, promptly hold a hearing to review his denial, suspension, revocation, or assessment. In the case of a suspension, or revocation of a license, the Secretary shall upon the request of the holder of the license stay the effective date of the suspension or revocation. A hearing held under this paragraph shall be held at a location convenient to the aggrieved party.

"(3) If after a hearing held under paragraph (2) the Secretary decides not to reverse his decision to deny an application or suspend or revoke a license or assess a civil penalty, the Secretary shall give notice of

his decision to the aggrieved party. The aggrieved party may at any time within 60 days after the date notice was given under this paragraph file a petition with the United States district court for the district in which he resides or has his principal place of business for a judicial review of such denial, suspension, revocation, or assessment. In a proceeding conducted under this subsection, the court may consider any evidence submitted by the parties to the proceeding. If the court decides that the Secretary was not authorized to deny the application or to suspend or revoke the license or to assess the civil penalty, the court shall order the Secretary to take such action as may be necessary to comply with the judgment of the court.”;

(i) By adding the following new subsections after subsection (j):

“(k) The Secretary shall approve for manufacture, assembly, importation, sale, or transfer any handgun model if he has caused to be evaluated and tested representative samples of the handgun model and has found that such handgun model is particularly suitable for sporting or valid defensive purposes and that:

“(1) in the case of a pistol, the handgun model:

“(A) has a positive manually operated safety device; and

“(B) has a combined length and height of not less than ten inches with the height (measured from the top of the weapon, excluding sights, at a right-angle measurement to the line of the bore, to the bottom of the frame, excluding magazine extensions or releases) being at least 4 inches and the length (measured from the muzzle, parallel to the line of the bore, to the back of the part of the weapon that is furthest to the rear of the weapon) being at least 6 inches; and

“(C) attains a total of at least 85 points under the following criteria:

“(i) Overall length: one point for each one-fourth inch over 6 inches;

“(ii) Frame Construction: (a) 25 points if investment cast steel or forged steel, (b) 30 points if investment cast, high tensile strength alloy or forged high tensile strength alloy;

“(iii) Weight: one point for each ounce, with the pistol unloaded and the magazine in place;

“(iv) Caliber: (a) zero points if the pistol accepts only .22 caliber short or .25 ACP caliber ammunition, (b) three points if the pistol accepts either .22 caliber long rifle ammunition or any ammunition within the range delimited by 7.65 millimeter and .380 caliber automatic, (c) 10 points if the pistol accepts 9 millimeter parabellum ammunition or ammunition of an equivalent or greater projectile size or power;

“(v) Safety features: (a) five points if the pistol has a locked breech mechanism, (b) five points if the pistol has a loaded chamber indicator, (c) five points if the pistol has a cocked position indicator, (d) five points if the pistol has a grip safety, (e) five points if the pistol has a magazine safety, (f) 10 points if the pistol has a firing pin block or lock;

“(vi) Other features: (a) one point if the pistol has a contoured magazine extension, (b) three points if the pistol has a slide hold-open device; and

“(vii) Miscellaneous equipment: (a) three points if the pistol has an external hammer, (b) 10 points if the pistol has a double action firing mechanism, (c) five points if the pistol has a drift adjustable sight, (e) 10 points if the pistol has a screw adjustable windage and elevation sight, (f) five points if the pistol has target grips, (g) three points if the pistol has a target trigger;

“(2) in the case of a revolver, the handgun model:

“(A) has an overall frame (with conventional grips) length of four and one-half

inches (measured from the end of the frame nearest the muzzle, parallel to the line of the bore to the back of the part of the weapon that is furthest to the rear of the weapon);

“(B) has a barrel length (measured from the muzzle to the cylinder face) of at least four inches; and

“(C) has a safety device which, either (i) by automatic operation in the case of a double action firing mechanism or (ii) by manual operation in the case of a single action firing mechanism, causes the hammer to retract to a point where the firing pin does not rest upon the primer of the cartridge, and which, once activated, except for a used handgun, is capable of withstanding the impact of a weight, equal to the weight of the revolver, dropped a total of five times from a height of 36 inches above the rear of the hammer spur onto the rear of the hammer spur with the revolver in a position such that the line of the barrel is perpendicular to the place of the horizon; and

“(D) attains a total of at least 60 points under the following criteria:

“(i) Barrel length (measured from the muzzle to the cylinder face): one-half point for each one-half inch that the barrel is longer than four inches;

“(ii) Frame construction: (a) 25 points if investment cast steel or forged steel, (b) 30 points if investment cast, high tensile strength alloy or forged high tensile strength alloy;

“(iii) Weight: one point for each ounce with the revolver unloaded;

“(iv) Caliber: (a) zero points if the revolver accepts ammunition within the range delimited by 4 millimeter and .25 caliber ACP other than .22 caliber long rifle ammunition, (b) three points if the revolver accepts .22 caliber long rifle ammunition or ammunition within the range delimited by .30 caliber and .38 caliber S&W, (c) four points if the revolver accepts .38 caliber special ammunition, (d) five points if the revolver accepts .357 magnum ammunition or ammunition of an equivalent or greater projectile size or power;

“(v) Safety features: three points if the revolver has a grip safety;

“(vi) Other features: (a) two points if the revolver has a front supported or shrouded ejector rod, (b) five points if the revolver has a rifed portion of the barrel threaded to or integral to the frame or strap component, (c) two points if the revolver has a retracting firing pin, (d) two points if the revolver has a steel recoil plate, (e) five points if the double action revolver has a crane mounted cylinder or rear latch top break, (f) five points if the single action revolver has a spring-loaded ejector assembly and a loading gate; and

“(vii) Miscellaneous equipment: (a) two points if the revolver has a drift adjustable sight, (b) five points if the revolver has a screw adjustable windage or elevation sight, (c) seven points if the revolver has a screw adjustable windage and elevation sight, (d) four points if the revolver has target grips, (e) two points if the revolver has a target trigger, (f) two points if the revolver has a target hammer.

“(1) (1) The Secretary shall give written notification of the results of evaluation and testing conducted pursuant to subsection (k) of this section to the licensed manufacturer, licensed importer, licensed dealer, or licensed collector submitting samples of a handgun model for such evaluation and testing. If any handgun model fails to meet the standards for approval, the Secretary's notification shall state specifically the reasons for such finding.

“(2) Any licensed manufacturer, licensed importer, licensed dealer, or licensed collector submitting to the Secretary for testing a handgun model which is subsequently

found not in compliance with relevant standards shall have ten days from receipt of notification of noncompliance within which to submit in writing specific objections to such findings and a request for retesting such model, together with justification therefor. Upon receipt of such a request the Secretary shall promptly arrange for retesting and thereafter notify the aggrieved party of the results, if he determines sufficient justification for retesting exists. Should he determine that retesting is not warranted, the Secretary shall promptly notify the aggrieved party as to such determination. In the event that upon retesting the Secretary's finding remains adverse, or that the Secretary finds retesting is not warranted, the aggrieved party may within sixty days after the date of the Secretary's notice of such finding file a petition in the United States district court in the district in which the aggrieved party resides or has his principal place of business in order to obtain judicial review of such finding. Such review shall be in accordance with the provisions of section 706 of title 5, United States Code.

“(3) The Secretary shall publish in the Federal Register at least semiannually a list of handgun models which have been tested and the results of those tests. Handgun models:

(A) not in manufacture on or after the effective date of this subsection; and

(B) which have not been tested or for which the test results have not been published;

shall be deemed to be approved under section 923(k) of this chapter until such time as notice of their disapproval has been published in the Federal Register. The list shall also be included with the published ordinances required under section 921(a)(26) to be furnished to each licensee under this chapter.”.

Sec. 8. Section 924 of title 18, United States Code, is amended:

(a) by adding after the words “violates any provision of this chapter” in the first sentence of subsection (a) the words “, other than section (j) of section 922,”;

(b) by adding the following at the end of subsection (a): “Whoever violates sections 922(j) of this chapter shall be fined not more than \$1,000, or imprisoned not more than one year, or both.”; and

(c) by amending subsection (c) to read as follows:

“(c) Whoever—

“(1) uses a firearm to commit any felony for which he may be prosecuted in a court of the United States, or

“(2) carries a firearm during the commission of any felony for which he may be prosecuted in a court of the United States,

shall, in addition to the punishment provided for the commission of such felony, be sentenced to a term of imprisonment of not less than one year nor more than ten years in the case of the first offense, and to a term of imprisonment of not less than two nor more than twenty-five years for a second or subsequent offense. Notwithstanding any other provision of law, the court shall not suspend the sentence of such person or give him a probationary sentence, nor shall the term of imprisonment imposed under this subsection run concurrently with any term of imprisonment imposed for the commission of such felony.”.

Sec. 9. Section 925 of title 18, United States Code is amended:

(a) by adding after the word “firearms” in subsection (a)(2) the words “, other than a handgun of a model which has not been approved by the Secretary of the Treasury pursuant to section 923(k) of this chapter.”;

(b) by adding after the words “may receive a firearm” in subsection (a)(3) the

words "other than a handgun of a model which has not been approved by the Secretary of the Treasury pursuant to section 923(k) of this chapter."

(c) by adding after the words "of any firearm" in subsection (a) (4) the words "other than a handgun of a model which has not been approved by the Secretary of the Treasury pursuant to section 923(k) of this chapter";

(d) by designating existing subsection "c" as subsection "(c) (1)" and adding a new paragraph to subsection (c) as follows:

"(2) Any person who, having been adjudicated as mentally incompetent, or who, having been committed to a mental institution, subsequently has been adjudicated by a court or other lawful authority to have been restored to mental competency, if such court or other lawful authority specifically finds that the person is no longer suffering from a mental disorder and that the possession of a firearm by the person would not pose a danger to the person or to the person of another, shall be relieved from the disabilities imposed by this chapter with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred because of such adjudication or commitment";

(e) by adding after the words "National Firearms Act" in subsection (c) (1) the words "or of a State or local law which relates to the importation, manufacture, sale or transfer, of a firearm"; and

(f) by amending subsection (d) (3) to read as follows:

"(3) is of a type that does not fall within the definition of a firearm as defined in section 5845(a) of the Internal Revenue Code of 1954; is not a surplus military firearm; is generally recognized as particularly suitable for sporting purposes; and, if a handgun, the model has been approved by the Secretary pursuant to section 923(k) of this chapter; or"

SEC. 10. Section 926 of title 18, United States Code, is amended:

(a) by deleting "and" at the end of paragraph (1);

(b) by deleting the period at the end of paragraph (2) and inserting in lieu thereof "; and";

(c) by adding after paragraph (2) the following new paragraph:

"(3) regulations precluding multiple sales or transfers of handguns under section 922 (1) to persons who do not demonstrate to the satisfaction of the Secretary in a transaction involving a licensed manufacturer, licensed importer, licensed dealer, or licensed collector, that such purchase or transfer is for lawful purposes, as defined in the regulations, and regulations concerning the notice required under section 922 (1) (2)."

(d) by designating the existing section as subsection "(a)" and by adding a new subsection (b) as follows:

"(b) Any officer or employee of the Bureau of Alcohol, Tobacco, and Firearms who is designated by the Secretary to carry out the provisions of this chapter is authorized to administer such oaths or affirmations as may be necessary for the enforcement of this chapter and any other provision of law or regulation administered by the Bureau."

SEC. 11. Title VII of the Omnibus Crime Control and Safe Streets Act of 1968 (18 U.S.C. Appendix 1202-1203) is hereby repealed.

SEC. 12. Section 1715 of title 18, United States Code, is amended:

(a) by adding after the words "Such articles" in the second sentence the words "other than handguns whose transfer is restricted under section 922(d)"; and

(b) by adding after the second sentence the following new sentence: "The Postal Service shall promulgate regulations, subject to approval of the Secretary of the Treasury, consistent with section 922(d)

of this title, concerning conveyance in the mails of handguns subject to that section for the United States or any department or agency thereof, or to any State, department, agency or political subdivision thereof."

SEC. 13. This Act shall become effective ninety days after the date of enactment, except that:

(a) the amendments to section 922(a) (2) (A) shall not preclude the return within 30 days of the effective date to the person from whom it was received of a handgun of a model not approved by the Secretary under section 923(k) which was transferred to the licensed importer, licensed manufacturer, licensed dealer, or licensed collector before the effective date of the Act;

(b) section 5(1) shall become effective on the date of enactment;

(c) a valid license issued pursuant to section 923 of title 18, United States Code, shall be valid until it expires according to its terms unless it is sooner suspended, revoked or terminated pursuant to applicable provisions of law; and

(d) the first publication of the list required under section 923(1) (3) shall be on or before the date of expiration of the sixty-day period following the date of enactment.

SECTION-BY-SECTION ANALYSIS

The draft bill would accomplish several major purposes. First, the bill would ban the importation, manufacture, assembly, sale, or transfer of the cheap, poorly made handguns commonly referred to as Saturday Night Specials. Second, the bill would tighten the controls of handgun sales by requiring that the seller of handguns adequately check the identity and residence of the purchaser and take steps to assure that he is entitled to purchase a handgun under State, federal, and local law. Third, the draft bill would eliminate certain loopholes in existing law and improve the administrative effectiveness of the Federal gun control program.

Sections 1 and 2 state the congressional findings concerning the need for legislation to improve gun control. With respect to manufacture, importation, sale and transfer of Saturday Night Specials, section 1 declares that traffic in Saturday Night Specials is a serious threat to law enforcement and public safety and to the integrity of State and local firearms laws, and that the ban on importation of Saturday Night Specials has been subverted by domestic assembly of imported parts for such weapons and by domestic manufacture of Saturday Night Specials. The findings also state that the receipt or possession of firearms and ammunition by persons barred by Federal law from such receipt or possession constitutes a burden on commerce within and among the states, and that it constitutes a threat to the domestic tranquility. The section also states the necessity of assuring that federal licensees are bona fide businessmen operating within the confines of federal, State, and local law, and that the licensees should take reasonable steps to assure that handguns are not sold to persons not entitled to receive them.

Sections 3 (a) through (d) would amend section 842(d) of title 18, United States Code, to make the list of persons to whom distribution of explosives is barred consistent with the list of persons barred from possessing firearms. Sections 3 (e) through (h) would make similar changes in the section relating to bars on receipt of explosives.

Section 4(a) would amend section 843(c) of title 18, United States Code, to increase from 45 to 90 days the time in which the Secretary of the Treasury must act on an application for an explosives user permit or a license to import, manufacture, or deal in explosive materials. This additional time is consistent with the period of time which the

draft bill would give for acting on license applications under the Gun Control Act of 1968, and is designed to give the Secretary sufficient time to assure that the applicant is entitled to the license or permit.

Section 4(b) would amend sections 843 (d) and (e) of title 18, which now provide for the revocation of an explosives license or permit and describe the procedures to be followed for such revocation, to permit the Secretary to suspend the license or permit or to assess a civil penalty of up to \$10,000 for each violation of the license or permit. The Secretary would be authorized to compromise, mitigate, or remit the civil penalty at any time according to the circumstances of the case. The person would be entitled to a hearing, and the Secretary's action could be appealed under sections 701 through 706 of title 5, United States Code.

Section 5(a) would amend the definition of "dealer" in section 921(a) (11) to describe four categories of persons who are dealers covered by the provisions of chapter 44 of title 18, United States Code (the Gun Control Act of 1968). The four categories of dealer are:

(1) those engaged in business as "ammunition retailers," defined in proposed section 921(a) (12) as persons who are not otherwise dealers and who are engaged in the business of selling ammunition, other than ammunition for destructive devices, at retail;

(2) those engaged in business as "gunsmiths," defined in proposed section 921(a) (13) as persons who are not otherwise dealers who are engaged in the business of repairing firearms or making or fitting special barrels, stocks, or trigger mechanisms to firearms;

(3) those engaged in business as "firearms dealers," defined in proposed section 921(a) (14) as persons engaged in the business of selling firearms or ammunition at wholesale or retail; and

(4) those who are pawnbrokers.

Section 5(b) would redesignate existing paragraphs (12) through (20) of 18 U.S.C. 921(a) as paragraphs (19) through (27) to accommodate the new paragraphs added by section 5(c) of the draft bill.

In addition to adding to section 921(a) the definitions of "ammunition retailer," "gunsmith," and "firearms dealer" discussed in connection with the definition of "dealer", section 5(c) adds definitions of "handgun", "handgun model", "pistol", and "revolver".

Proposed section 921(a) (15) defines a "handgun" as a firearm which has a short stock and is designed to be held and fired by the use of a single hand.

The term "handgun" is also defined to include any combination of parts from which a handgun can be assembled. As discussed in connection with the proposed amendment to section 925(d) (3) of title 18, the definition of "handgun" includes a combination of parts of a handgun in order to assure that restrictions on importation of certain handguns cannot be circumvented by importing parts of the handguns and assembling the handgun in the United States.

The term "handgun model" is defined in proposed section 921(a) (16) of title 18 as "a particular design and specification of a handgun."

The term "pistol" is defined in proposed section 921(a) (17) of title 18 as a "handgun having a chamber or chambers as an integral part or parts of, or permanently aligned with, the bore or bores."

Proposed section 921(a) (18) defines a "revolver" as a handgun with a breechloading chambered cylinder designed so that the cocking of the hammer or movement of the trigger rotates the cylinder to bring the next cartridge in line with the barrel for firing.

Section 6 of the draft bill would amend section 922 of title 18, describing various firearms offenses, in several respects.

Section 922(a)(2)(A) of title 18 presently provides an exception to the bar against licensees' shipment or transportation in interstate or foreign commerce of firearms and ammunition, the return of a firearm or replacement firearm to a person from whom it was received, and the mailing by the individual of a firearm to a licensee for repair or customizing. Sections 6(a) and (b) of the draft bill would make the exception inapplicable to the easily concealable weapons whose manufacture, assembly, sale and transfer would be barred under proposed section 922(d)(1) of title 18. However, section 13(a) of the draft bill would permit the return of a handgun to its owner by a licensee who had received the gun prior to the effective date of the Act.

Under existing 18 U.S.C. 922(a)(5), the transfer of a firearm to a person other than a licensee who the transferor knows or has reason to believe lives in another State is made unlawful, except in the case of certain interstate succession or in the case of loan or rental of a firearm to a person for temporary use for lawful sporting purposes. Section 6(c) of the draft bill would change the references to persons living in another State to references to persons who do not reside in the transferor's State in order to assure coverage of sales to persons who reside outside the United States. Section 6(d) of the draft bill would preclude the loan or rental of a handgun which had not been approved by the Secretary of the Treasury pursuant to proposed section 923(k) of title 18. This amendment is consistent with the outright ban of transfers of such weapons under proposed section 922(d) of title 18.

Section 922(c) of title 18, relating to sale of firearms to persons who do not appear at the licensee's place of business, would be amended by section 6(f) of the bill to apply to firearms other than handguns. Under proposed section 922(g), it would be unlawful to sell a handgun to a person who did not appear at the licensee's business premises for purposes of clearly establishing his identity.

Section 6(g) of the bill would conform the sworn statement required to be submitted by a mail-order purchaser under section 922(e) with the amendment making the provision inapplicable to handguns.

Section 6(h) of the bill would repeal subsections (d) and (h) of section 922. Those subsections have been replaced by new subsections (h), (i), and (j).

Section 6(l) of the draft bill redesignates existing subsections (e) and (f) as subsections (m) and (n), respectively, and redesignates subsections (i) through (m) as subsections (o) through (s), respectively, in order to permit the addition of proposed subsections (d) through (l). The subsection would also redesignate subsection (g) as subsection (h).

Section 6(j) of the draft bill would add several new subsections to section 922 of title 18.

Proposed section 922(d)(1) would make it unlawful for any licensed manufacturer, licensed importer, licensed dealer, or licensed collector to manufacture, assemble, sell, or transfer a handgun, other than a curio or relic, in the United States unless the handgun model has been approved by the Secretary of the Treasury pursuant to proposed section 923(k) of title 18. It is recognized that there are presently in the United States a number of high quality pistols and revolvers which by virtue of their size would not be authorized models, but due to their fine workmanship and scarcity have value to collectors. Under existing law the Secretary of the Treasury is authorized to classify such rare or novel firearms as curios and relics.

By expressly excluding curios and relics from the sale and transfer restrictions contained in proposed section 923(k), the draft

bill would preserve the free transferability of such firearms between licensed collectors. The determination as to which firearms should be classified as curios or relics would be made by the Secretary on a model by model basis as is done under present law. (See 26 C.F.R. §§ 178.11 and 178.26)

Proposed section 922(d)(2) would make unlawful any sale or transfer of an unapproved handgun, other than a curio or relic, by an individual who is not a licensee if the person knows the handgun model has not been approved. Thus, section 922(d) would prohibit any transaction relating to the easily concealable handguns which are commonly called "Saturday Night Specials." The definition of "handgun" includes a combination of parts from which a handgun can be assembled, so the manufacture, sale, transfer, or importation of parts of a Saturday Night Special would be unlawful under this subsection. "Transfer" of Saturday Night Specials is covered in this provision primarily in order to reach an illegal sale where it is difficult to prove payment for the handgun because of absence of financial records. It is not intended to cover such occurrences as passage of title to a Saturday Night Special by bequest or intestate succession.

Under the provisions of section 922(d), the licensee would be expected to know which handgun models had not been approved by the Secretary of the Treasury since the Secretary is obligated to publish the list of approved and disapproved models and make it available to licensees. Since the lists would not be as readily available to non-licensees, sale or transfer of a Saturday Night Special by a non-licensee would be covered only if the person knew the handgun model had not been approved.

The exception contained in existing section 925(a)(1) permitting transportation, shipment, receipt, or importation for, or sale or shipment to, or issuance for the use of, a governmental entity would apply to the restrictions on Saturday Night Specials. If, for example, the Department of the Army wished to use for training purposes a target pistol which did not meet the standards set by the Secretary of the Treasury, it could do so, but it could not redistribute the pistols to individuals for their personal use.

Proposed section 922(e) would make it unlawful for any person to modify a handgun which had previously been approved by the Secretary of the Treasury for manufacture, assembly, importation, sale, or transfer if the result of the modification was that the handgun no longer met the standards for approval.

Proposed section 922(f) would make it unlawful for a person who purchases or receives a handgun with the purpose of selling or transferring it to another person to sell or transfer the handgun unless he knows or has reasonable cause to believe the purchase and possession of the handgun would be in accordance with Federal law and with State law and published ordinances at the place of sale, delivery, or other disposition. Transactions between licensees would be covered by other provisions of law. Proposed section 922(f) is designed to assist enforcement of State and local laws restricting sales of handguns by preventing resale or transfer of handguns by a "straw man" in a situation in which a purchase by the person is legal but where he merely intends to resell the handgun to a person barred from receiving it under State law or a published ordinance.

Proposed section 922(g) sets forth the requirements which must be met by a licensee before he may sell a handgun to a person other than another licensee. Under section 922(g), the sale of a handgun could only be made in person, and the transferor would have to take certain specified steps to assure that purchase and possession of the

handgun would be in accordance with Federal law and with State law and published ordinances at the place of sale, delivery, or other disposition, before he would be permitted to transfer the handgun. This will not, in any way, of course, affect the States' ability to take parallel action in restricting unlawful intra-state transactions in handguns.

Under proposed section 922(g)(1), the transferee would be required to fill out a sworn statement similar to that required under existing subsection (c) for mail order sales, but also including information concerning the place where the handgun would be kept and the name and address of the chief law enforcement officer of the place where the gun would be kept. The purpose of this requirement is to assure that both the place of residence of the transferee which is required to be stated under existing law, and the place where the gun will be kept can be checked since the transferee may be permitted to have a handgun in one place and not the other, or the local law enforcement officer in one place may have information concerning the individual which is not available to the other law enforcement officer. The sworn statement would be prescribed in regulations to be promulgated by the Secretary of the Treasury.

Under proposed section 922(g)(2), the transferee would have to provide sufficient identification to establish, under rules and regulations promulgated by the Secretary of the Treasury, that he is the person he claims to be, and that he has correctly stated his place of residence. The rules and regulations might require, for example, that the transferee present an identification card with a photograph and address, or that he present two identification cards such as credit cards containing his signature.

Under proposed section 922(g)(3), the transferor would have to submit to the chief law enforcement officer of the transferee's place of residence and the chief law enforcement officer of the place where the handgun will be kept a copy of the sworn statement.

This submission would enable the law enforcement officer or officers to check the record and identity of the transferee to determine whether ownership or possession of the handgun would be a violation of State law or local ordinance. It would also enable the law enforcement officer or officers to request a name check by the Federal Bureau of Investigation. Finally, the law enforcement officer or officers would be able to report the results of their check of the record and identity, determination of legality of possession and ownership, and the FBI name check to the transferor.

The transferor also must receive a return receipt showing delivery of the sworn statement or have the sworn statement returned to the transferor because delivery was refused by the local law enforcement officer. Under paragraph (5) of proposed section 922(g), the transferor could deliver the handgun if nothing received from either law enforcement officer indicated that the transferee was barred by Federal, State, or local law from receiving or possessing the gun. If the transferor does not receive the reports from the law enforcement officers within fourteen days of the date he forwarded the sworn statements to the law enforcement officers, he may transfer the handgun.

It is necessary to send the sworn statement to both the chief law enforcement officer of the transferee's place of residence and the chief law enforcement officer of the place where the transferee would keep the handgun in order to check whether either law enforcement officer is aware of a circumstance which would disqualify the person from receipt or possession of a handgun. It is not intended that a person be barred from

purchase of a handgun if he is permitted, for example, to possess a handgun at the place where he intends to keep the gun but not at his place of residence. However, if he were barred from purchase or possession of a handgun at the place where he indicated that he intended to keep the handgun but not at his place of residence, the transferor could not deliver the handgun. Of course, if Federal law barred possession of a handgun outright, no transfer would be permitted.

Proposed sections 922(h), (i), and (j) of title 18 carry forward, consolidate, and amend the provisions of present subsections (d), (g), and (h) of section 922, and of title VII of the Omnibus Crime Control and Safe Streets Act of 1968 (18 U.S.C. App. 1202-1203), which describe the persons who are not entitled to possess handguns under Federal law.

Existing sections 922 (g) and (h) of title 18 bar shipment, transportation, and receipt of firearms and ammunition in interstate or foreign commerce by the listed categories of persons. Existing 18 U.S.C. App. 1202 lists the persons barred from receiving, possessing, or transporting firearms "in commerce or affecting commerce". Existing section 922(d) bars licensees from sale of firearms and ammunition to the listed categories of persons.

Sections 6 (k), (l), (m), and (n) of the draft bill would amend section 922(h) of title 18 (formerly section 922(g)), which bars certain persons from shipping or transporting firearms or ammunition in interstate or foreign commerce, in several respects. Sections 6 (k) and (l) would update the cross-references to the Controlled Substances Act.

Section 6(m) would modernize the language relating to mental incompetency and commitment proceedings, consistent with the language now used in 18 U.S.C. App. 1202.

Section 6(n) would add to the end of the list of persons prohibited from shipping or transporting firearms or ammunition the category of aliens who are illegally or unlawfully in the United States. That category is barred under existing law from receiving, possessing, or transporting "in commerce or affecting commerce" any firearm under the provisions of 18 U.S.C. App. 1202(a), which is repealed by section 11 of the draft bill.

The reference in existing subsection (g) to "interstate or foreign commerce" has not been carried forward in proposed subsection (h), nor has the phrase "in commerce or affecting commerce" presently contained in 18 U.S.C. App. 1202(a) been used. In *United States v. Bass*, 404 U.S. 336 (1971), the Supreme Court found the language "in commerce or affecting commerce" contained in 18 U.S.C. App. 1202(a) to be ambiguous on the question whether it was necessary to prove in an individual case concerning illegal possession or receipt of a firearm that the possession or receipt was "in commerce or affecting commerce." In resolving this ambiguity, the Court narrowly construed the provision so that, for example, possession of a firearm by a convicted felon, without specific proof that the possession was "in commerce or affecting commerce" was insufficient for conviction. Under the amendment to section 922(h), the language "in commerce or affecting commerce" has been omitted in order to eliminate the ambiguity cited by the Supreme Court in favor of the ability to prosecute without having to prove a connection with interstate commerce. Consistent with eliminating proof of the connection to commerce for conviction of illegal receipt, transportation, or possession, the reference to "interstate and foreign commerce" has also been omitted.

The coverage in existing sections 922(g) and (h) concerning receipt, possession, transfer, and shipment of ammunition would also be carried forward to proposed section 922(h).

The offense described in subsection (h) would be a 5-year felony, consistent with the penalty for violation of existing sections 922(g) and (h) and increased from the 2-year penalty under 18 U.S.C. App. 1202(a).

Under section 2(e) of the draft bill, there is a congressional finding that receipt or possession of firearms or ammunition by persons barred by federal law from such receipt or possession constitutes a burden on commerce within and among the States and a threat to the domestic tranquility.

Proposed section 922(i) carries forward the provisions of existing 18 U.S.C. App. 1202(b) barring persons employed by a person barred from receiving, possessing, or transporting a firearm in the course of employment if he knows or has reason to believe the employer is in one of the groups barred from receiving, transporting, or possessing a firearm. The provisions would also apply to ammunition, consistent with proposed subsection (h) and existing sections 922(g) and (h). Under section 924(a) of title 18 as amended by section 8(b) of the bill, the offense would be a misdemeanor subject to up to one year's imprisonment and a \$1,000 fine, rather than a 2-year felony as provided in existing law.

Proposed section 922(j), relating to bars against sales of firearms or ammunition by licensees to persons barred from possessing, shipping, transporting, and receiving any firearm or ammunition under proposed subsection (h) and (i) of section 922, carries forward the provisions of existing section 922(d), amended to cover offenses by any person rather than limiting the provision to licensees.

Proposed section 922(k) would bar the shipment or transportation of firearms or ammunition in interstate or foreign commerce if the shipment or transportation was in violation of a State law in a place to which or through which the firearms or ammunition was shipped or of a published ordinance applicable at the place of sale, delivery, or other disposition.

Proposed section 921(l)(1) would bar the sale by licensees of two or more handguns to a single person in a period of thirty days or less, and proposed section 922(l)(2) would bar the purchase by a person of two or more handguns in a period of thirty days or less from a licensee or licensees, or from a licensee and an unlicensed person, without prior approval of the Secretary of the Treasury under regulations to be issued by the Secretary under proposed section 926(3). Proposed section 922(l)(2) would also require that a purchaser or recipient of two or more handguns in a thirty-day period from unlicensed persons notify the Secretary of such purchase or receipt within thirty days. These provisions are designed to reach the volume purchaser of handguns who is in the business of redistributing handguns unlawfully. The regulations to be promulgated by the Secretary would permit volume purchases for lawful purposes, such as for pistol clubs, licensed protection agencies, and private collections.

Section 7 of the draft bill contains amendments to section 923 of title 18, which relates to licensing of manufacturers, importers, dealers, and collectors.

Subsections (a), (c), and (d) would amend section 923(a) to increase the fees for all licensees who manufacture, import, or deal in firearms, other than destructive devices, and who manufacture or import ammunition. The fee system is amended to accomplish two basic purposes: to help assure that the licensee is in fact planning to conduct or is conducting the business for which he is licensed, and to charge fees consistent with the cost of conducting adequate investigations of the bona fide nature of the business to be conducted by the licensee.

The fee system would also be amended to provide higher fees for handgun manufacturers, importers, and dealers than for manufacturers, importers, and dealers in long guns. This differentiation would permit identification of handgun dealers in order to permit the Bureau of Alcohol, Tobacco, and Firearms to concentrate its efforts on handgun dealers, and the increased fees would help to pay the costs of the increased inspection.

Section 7(a) of the draft bill would amend section 923(a)(1) to increase the license fee for manufacturers of firearms other than destructive devices and handguns from \$50 to \$250 per year. The license fee for manufacturers of firearms including handguns, but not including destructive devices, would be \$500 per year. The license fee for manufacturers of ammunition for firearms other than ammunition for destructive devices would be raised from \$10 to \$250 per year.

Section 7(c) of the draft bill would raise the license fee for importers of firearms other than destructive devices and handguns and importers of ammunition for firearms other than ammunition for destructive devices from \$50 to \$250 per year. An importer of firearms including handguns but not including destructive devices would pay a fee of \$500 per year.

Section 7(d) would increase some of the dealer's fees set forth in section 923(a)(3). First, a pawnbroker dealing in firearms other than destructive devices and handguns, or in ammunition other than ammunition for destructive devices would pay a license fee of \$250 per year rather than the present fee of \$25 per year. A pawnbroker who dealt in handguns would pay a fee of \$500. Most dealers in firearms would pay a \$100 per year license fee, unless they dealt in destructive devices or handguns or unless they were gunsmiths or ammunition retailers.

The present fee is \$10 for all dealers other than those who deal in destructive devices. A dealer in firearms including handguns but not destructive devices would pay a fee of \$200 per year. Gunsmiths, as defined in proposed section 921(a)(13), would pay an annual fee of \$50 per year. An ammunition retailer, as defined in proposed section 921(a)(12), would pay a license fee of \$25 per year. The fees for gunsmiths are kept low because they are generally craftsmen not doing a substantial business and not conducting business in a manner detrimental to law enforcement. Ammunition retailers' fees are kept low since a dealer who carries only ammunition and no guns is generally a small store which keeps ammunition on hand for the convenience of its customers.

Sections 7(e), (f), and (g) of the draft bill contain amendments to the licensing provisions of section 923(d) of title 18.

Under existing law, the Secretary of the Treasury has no authority to deny a license to a person if he meets the age and criminal record requirements and has premises from which he conducts the licensed business or from which he intends to conduct business. Section 7(e) would amend section 922(d)(1) to make clear that the determination whether the Secretary will issue a license is based on a finding of the existence of the factors. Under section 8(f), section 923(d)(1)(B) would be amended to provide that the Secretary would make findings in two additional areas before he could issue a license: first, he would have to find under proposed section 923(d)(1)(B)(H) that the applicant is not prohibited by State law or a relevant ordinance of his place of business from conducting the business to which his license would apply; and, second, that the applicant is, by reason of his business experience, financial standing, or trade connections, likely to commence the business to which the license applies and to conduct the business in conformity with federal, state, and rele-

vant local law applicable at his place of business.

The word "relevant" has been used in describing local laws which would be of concern to the Secretary in determining whether to license an individual in order to permit consideration not only of local firearms laws but also of such matters as laws prohibiting the conduct of business at the place of business indicated in the application. However, a local law relating to, for example, fire regulations or building codes is not intended to be covered since it is believed that compliance with such details of conducting business is a matter of local and not Federal concern.

Section 7(g) would amend section 923(d) (2) to increase the length of time in which the Secretary of the Treasury must act on a license application from 45 to 90 days. The extension of the time limit is necessary to give the Secretary sufficient time to check the business record of the applicant in order to assure himself of the legality of the license and to ascertain whether the applicant is a bona fide businessman.

Section 7(h) of the draft bill would amend sections 923(e) and (f), relating to denial or revocation of licenses, and administrative review of such denial or revocation, to permit the Secretary to suspend a license or to assess a civil penalty of up to \$10,000 per violation in appropriate cases rather than requiring the more drastic step of license revocation in all cases of license violations. The Secretary would be authorized to compromise, mitigate, or remit the liability at any time with respect to a violation. Subsection (f) of section 923 is amended to conform the existing review procedures to include administrative and court review of suspension of licenses and assessments of civil penalties.

Section 7(i) of the draft bill would add several new subsections to section 923 of title 18.

Proposed section 923(k) would require the Secretary of the Treasury to approve for manufacture, assembly, importation, sale or transfer a handgun model which he had tested and evaluated and which met specified criteria. To be approved, a handgun would have to be particularly suitable for sporting or valid defensive purposes. In addition, a pistol, as defined in proposed section 921(a) (17) of title 18, must have a positive manually operated safety device, have a height (measured from the top of the weapon, excluding sights, at a right angle to the line of the bore, excluding magazine extensions or releases) of at least 4 inches and a length (measured from the muzzle, parallel to the line of the bore, to the back part of the weapon that is furthest to the rear of the weapon) of at least 6 inches, and must attain a total of at least 85 points under a detailed list of criteria which applies points for factors relating to, among other things, overall length, frame construction, weight, caliber, and safety features. The subsection would require that a revolver have a frame length of at least 4½ inches (measured from the end of the frame nearest the muzzle, parallel to the line of the bore, to the back of that part of the weapon that is furthest to the rear of the weapon), a barrel length of at least 4 inches, certain safety features, and a total of 60 points under a set of criteria relating to, among other things, barrel length, frame construction, weight, caliber, and safety features. The factoring approach used in the subsection is similar to that used by the Secretary in determining whether a firearm is importable under section 925(d) of title 18. The factoring test in the bill would, however, require that a handgun acquire more points, while increasing the points given for steel or high tensile strength alloy frame construction

and adding consideration of additional criteria which would improve the safety or quality of construction of the weapon. Curios and relics would not come under the provisions of this subsection, but would continue to be evaluated as provided in existing law, 26 C.F.R. §§ 178.11 and 178.26.

Under proposed section 923(l), the Secretary would give written notification to the licensed manufacturer, importer, dealer, or collector who submitted the samples for evaluation and testing. It is expected that most requests for testing will be made by manufacturers and importers, since they will not be able to manufacture, assemble, or import models manufactured on or after the effective date of proposed section 923(k) without prior approval. The section also provides that, if the Secretary does not approve a handgun model, the aggrieved party may request retesting of the model within 10 days of receipt of notification that the model does not comply with the standards. If the Secretary retests and continues to find the model not in compliance, or if he finds that retesting is not warranted, the aggrieved party may seek judicial review under section 706 of title 5, United States Code.

Under paragraph (3) of subsection (l), the Secretary of the Treasury must publish a list of approved handgun models in the Federal Register at least semiannually, and that list must also be included with the published ordinances which the Secretary is required to furnish to licensees. The paragraph also provides that if a handgun model was not in production on or after the effective date of subsection (l), and the model had not been tested or, if the model has been tested, the results have not been published, the model is deemed to be approved for the purposes of chapter 44 of title 18 until such time as the model is disapproved. This provision is necessary because of the thousands of models which have been produced in the past but are no longer in production. It is anticipated that the Secretary will be able to test most models produced since 1968 for inclusion in the required list to be published within sixty days after the date of enactment since many of these weapons have already been tested in conjunction with the import restrictions contained in the Gun Control Act of 1968.

As to handguns not in production since 1968, it is expected that the Secretary will test old handgun models according to their relative availability and that he will publish in the initial listing required under section 13(d) of the draft bill a list of those readily available old model handguns which fall the size or safety requirements outright. Of course, the drop test provided for in proposed section 923(k) (2) (C) would not apply to a used revolver since it would not be a reliable indicator of the safety of the particular handgun model and would probably damage the weapon.

Sections 8(a) and (b) of the draft bill would amend section 924(a) of title 18, relating to criminal penalties for violation of the gun control provisions, to make the offense of possessing a gun in the course of employment by a person not entitled under Federal law to possess a firearm (proposed 18 U.S.C. 922(l)) a one-year misdemeanor.

Section 8(c) of the draft bill would amend section 924(c) of title 18 to make a first offense of using a firearm to commit a Federal felony or carrying a firearm during commission of a Federal felony subject to a mandatory minimum sentence, with no probation and no suspension of the sentence. Existing law provides a mandatory term of imprisonment only for second or subsequent offenses.

Section 9(a) would amend section 925(a) (2) of title 18 to make the provision permit-

ting shipment or receipt of firearms sold or issued by the Secretary of the Army under section 4308 of title 10 (relating to rifle ranges and permitting sale of "rifled arms" to the members of the National Rifle Association and clubs organized for practice with rifle arms) inapplicable to handguns not approved by the Secretary pursuant to proposed section 923(k) of title 18.

Section 9(b) would amend section 925(a) (3) to preclude shipment of Saturday Night Specials to members of the Armed Forces or clubs for personal use of the member or club.

Section 9(c) would amend section 925(a) (4), relating to shipment of firearms to members of the Armed Forces, to exclude Saturday Night Specials from the list of firearms which may be shipped directly to members who are on active duty overseas. Under the amendment made to section 1715 of title 18 by section 12 of the draft bill, such firearms could be shipped only for a government or governmental entity, under regulations promulgated by the Postal Service. The Secretary of the Treasury would have to approve the regulations before they were promulgated. A Saturday Night Special could not be shipped by a licensee to a member of the Armed Forces merely because of his status as a member of the Armed Forces stationed overseas.

Section 9(d) would amend section 925(c) to add a new paragraph (2) which would permit a court to provide relief from disabilities under the Gun Control Act for a person adjudicated mentally incompetent or committed to a mental institution. A person could be relieved from the disabilities if the court found that the person was no longer suffering from a mental disorder and that possession of a firearm by the person would not pose a danger to that person or to another.

Section 9(e) would amend section 925(c), which presently bars licensing a person under chapter 44 of title 18 if he has been convicted of an offense punishable by more than one year's imprisonment involving use of a firearm or of violating the chapter or the National Firearms Act, to bar licensing of a person convicted of a State or local offense punishable by more than one year's imprisonment if the offense related to importation, manufacture, sale, or transfer of a firearm.

Section 9(f) of the draft bill would amend section 925(d) (3) to clearly ban importation of handguns which have not been approved by the Secretary of the Treasury in accord with the provisions of proposed section 923 (k) of title 18. Since "handgun" is defined to include a combination of parts from which a handgun can be assembled, the provision would also ban the importation of parts of such handguns for assembly in the United States.

Section 926 of title 18 is amended by section 10 of the draft bill to include a reference to regulations to be promulgated by the Secretary of the Treasury concerning approval or notice of multiple sales of handguns under proposed section 922(l). A transferee of two or more handguns in a thirty-day period in a transaction involving a licensee would be required to obtain prior approval of the Secretary of the Treasury of the transfer, and no approval would be given unless the transferee demonstrated to the satisfaction of the Secretary that the transfer was for lawful purposes. If the transaction not involving a licensee, notice to the Secretary of the transaction would be required within 30 days after the transaction.

Section 926 would be amended by section 10(d) of the draft bill to add a new subsection (b) giving officers and employees designated by the Secretary of the Treasury to carry out the provisions of chapter 44 of

title 18 the authority to administer oaths and affirmations.

Section 11 would repeal title VII of the Omnibus Crime Control and Safe Streets Act (18 U.S.C. App. 1201-1203) which would be covered under proposed sections 922 (h) and (i) of title 18.

Section 12 would amend section 1715 of title 18, relating to nonmarketability of firearms, to ban mailing of any handgun not approved by the Secretary of the Treasury pursuant to proposed section 923(k) of title 18 to any individual. The Postal Service would issue regulations, subject to concurrence in the regulations by the Secretary of the Treasury, concerning mailing of such handguns for a government in the United States or an entity thereof. It is intended that there be no transfers of Saturday Night Specials to individuals except when they receive guns in their capacity as Government employees, and that, even in that case, transfer be made by the government entity to the individual rather than by a licensee. It is also intended that these firearms not enter the flow of commerce at any time, but be returned to the government entity by which they were issued if they are no longer needed by the employee's government functions.

Section 13 of the draft bill provides that the effective date of the bill would be 90 days after the date of enactment, except that under section 13(b), the provisions concerning approval of handgun models would be effective upon the date of enactment in order to permit the Secretary of the Treasury to begin testing. Under section 13(a), a dealer would be permitted to return to the owner a Saturday Night Special received before the effective date. Under section 13(c), a valid license which was issued under section 923 of title 18 would remain valid until its date of expiration unless it was suspended, revoked, or terminated before that date. Under section 13(d), the first list of handgun models approved by the Secretary of the Treasury would have to be published in the first sixty days after enactment.

AMENDMENT NO. 820

On page , line , insert the following:

PROPOSED AMENDMENTS TO S. 1

(Page and line references to January 15, 1975 version)

On page 26, add the following after the material following line 1:

"2307. Mandatory Sentence of Imprisonment."

On page 166, strike line 34 and 35.

On page 167, strike lines 1 through 3.

On page 172, strike the language beginning with the word "Notwithstanding" on line 15 through the end of line 23.

On page 190, add at the end of line 13 the following: "Except as provided in section 2307(b), a defendant who has been found guilty of an offense described in section 2307(a) shall be sentenced to a term of imprisonment as set forth in subsection (e)."

On page 191, add at the end of line 2 the following: "Except as provided in section 2307(b), the minimum term of parole ineligibility of a defendant who has been found guilty of an offense described in section 2307(a) shall be not less than six months or one-tenth of the maximum term authorized for the offense, whichever is greater, and the minimum term of parole ineligibility of a defendant who has been found guilty of a Class A felony described in section 2307(a) shall be three years."

On page 191, add the following after line 2:

"(e) MANDATORY TERM OF IMPRISONMENT.—Except as provided in section 2307(b), a defendant who has been found guilty of an offense described in section 2307(a) may not be sentenced to probation but shall be sentenced by the court to a term of imprisonment of not less than six months or

one-tenth of the maximum term authorized for the offense, whichever is greater, and the minimum term of imprisonment for a defendant found guilty of a Class A felony described in section 2307(a) shall be three years. Such term of imprisonment shall run consecutively to any other term of imprisonment imposed on the defendant."

On page 191, delete "The court," at the end of line 4 and insert in lieu thereof the following: "Except as provided in section 2307(b), the court shall impose a minimum term of imprisonment on a defendant convicted of an offense described in section 2307 of at least the term prescribed in section 2301(e). In any other case, the court,".

On page 192, lines 26 and 27, delete the words "The court," and insert in lieu thereof "Except as provided in section 2307(b), the court shall impose a term of parole ineligibility on a defendant convicted of an offense described in section 2307(a) for the term prescribed in section 2301(d). In any other case, the court,".

On page 193, line 19, delete "If" and insert in lieu thereof "Except as provided in section 2301(e), if".

On page 194, add the following new section after line 29:

"§ 2307. Mandatory Sentence of Imprisonment

"(a) IN GENERAL.—Except as otherwise provided in subsection (b), a defendant who has been found guilty of:

"(1) an offense under section 1823 (Using a Weapon in the Course of a Crime);

"(2) an offense described in section 1621 (Kidnapping), 1631 (Aircraft Hijacking), or 1811 (Trafficking in an Opiate), or 1812 (Trafficking in drugs) if the controlled substance is a narcotic drug listed in Schedule I or II; or

"(3) a violent offense committed after conviction for the commission of a previous violent offense, or conviction for the commission of a previous State or local offense which would be a violent offense if the offense was a Federal offense, if the offenses were committed on separate occasions; shall be sentenced to a mandatory term of imprisonment and parole ineligibility in accordance with the provisions of sections 2301(d) and (e).

"(b) IMPOSITION NOT REQUIRED.—Notwithstanding the provisions of subsection (a), the court may sentence the defendant to a shorter term of parole ineligibility than required under section 2301(d), to a term of imprisonment with no term of parole ineligibility, or to probation, if the court finds that, at the time of the offense:

"(1) the defendant was less than eighteen years old;

"(2) the defendant's mental capacity was significantly impaired, although not so impaired as to constitute a defense to prosecution;

"(3) the defendant was under unusual and substantial duress, although not such duress as would constitute a defense to prosecution; or

"(4) the defendant was an accomplice, the conduct constituting the offense was principally the conduct of another person, and the defendant's participation was relatively minor.

"(c) DEFINITION.—As used in this section, a "violent offense" is an offense described in section 1601 (Murder), 1602 (Manslaughter), 1611 (Maiming), 1612 (Aggravated Battery), 1641 (Rape), 1711 (Burglary), 1712 (Criminal Entry), 1721 (Robbery), 1722 (Extortion), or 1805 (Facilitating a Racketeering Activity by Violence)."

On page 276, line 21, strike "1811(b) or 1823(b)" and insert in lieu thereof "2301(e)".

On page 353, add the following after line 32: "Rule 32.2—Sentence to a Mandatory Sentence of Imprisonment

"If a defendant is convicted of an offense described in 18 U.S.C. 2307(a), the court, prior to imposition of sentence shall hold a hearing to determine whether a term of imprisonment and parole ineligibility is mandatory under 18 U.S.C. 2307. The hearing shall be held before the court sitting without a jury, and the defendant and the government shall be entitled to assistance of counsel, compulsory process, and cross-examination of such witnesses as appear at the hearing. If it appears by a preponderance of the information, including information submitted during the trial, during the sentencing hearing, and in so much of the presentence report as the court relies on, that the defendant is subject to a mandatory term of imprisonment and parole ineligibility, the court shall sentence the defendant in accordance with the provisions of 18 U.S.C. 2301(e) and 2307(a). The court shall place in the record its findings, including an identification of the information relied upon in making its findings."

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 1359

At the request of Mr. MUSKIE, the Senator from Iowa (Mr. CLARK) was added as a cosponsor 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. 1878

At the request of Mr. TOWER, the Senator from Arkansas (Mr. McCLELLAN) was added as a cosponsor of S. 1878, a bill to amend the Federal Water Pollution Control Act, as amended, by defining navigable waters.

S. 1965

At the request of Mr. MONTROYA, the Senator from Massachusetts (Mr. BROOKE) was added as a cosponsor of S. 1965, a bill to provide for the striking of medals in commemoration of the bicentennial of the U.S. Army, Navy, and Marine Corps.

S. 2104

At the request of Mr. TOWER, the Senator from North Carolina (Mr. MORGAN) was added as a cosponsor of S. 2104, a bill to establish a National Commission on Small Business in America.

AMENDMENTS SUBMITTED FOR PRINTING

CRIMINAL JUSTICE REFORM ACT OF 1975—S. 1

AMENDMENT NO. 820

(Ordered to be printed and referred to the Committee on the Judiciary.)

Mr. FONG submitted an amendment intended to be proposed by him to the bill (S. 1) to codify, revise, and reform title 16 of the United States Code; to make appropriate amendments to the Federal Rules of Criminal Procedure; to make conforming amendments to criminal provisions of other titles of the United States Code; and for other purposes.

PUBLIC WORKS EMPLOYMENT ACT
OF 1975—S. 1587

AMENDMENT NO. 821

(Ordered to be printed and to lie on the table.)

Mr. TUNNEY. Mr. President, the amendment I am submitting today is designed to make certain that funds authorized under this bill, which aims to help reduce unemployment, are sent to areas of highest unemployment where the need is greatest.

As reported, the bill has two principal sections. The first authorizes \$1 billion for title I public works. The second authorizes an additional \$1 billion for the title X job opportunities program.

The public works section of the bill has a formula which stipulates that 70 percent of the available funds must go to areas whose unemployment rate exceeds the national average.

The title X section has no such stipulation. Funds are available to any area whose unemployment is over 6.5 percent, and that will not put the funds where they are needed most.

My amendment simply takes the committee's 70-percent language from title I and applies it also to title X.

By adopting by amendment, the Senate can, by directing aid to those areas with the greatest need, further the stated aim of the bill, "To amend the Public Works and Economic Development Act of 1965 to increase the antirecessionary effectiveness of the program."

Mr. President, I ask unanimous consent that the text of 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. 821

On page 16, line 2, insert the following: beginning with the comma, strike out all through the word "average" on line 3 and insert in lieu thereof a period and the following: "The Secretary, if the national unemployment rate is equal to or exceeds 6½ per centum for the most recent three consecutive months, shall expedite and give priority to grant applications submitted for such areas having unemployment in excess of the national average rate of unemployment for the most recent three consecutive months. Seventy per centum of the funds appropriated pursuant to this section shall be available only for grants in areas as defined in the second sentence of this subsection. If the national average unemployment rate recedes below 6½ per centum for the most recent three consecutive months, the authority of the Secretary to make grants under this section is suspended until the national average unemployment has equaled or exceeded 6½ per centum for the most recent three consecutive months".

NAVAL PETROLEUM RESERVES—
S. 2173

AMENDMENT NO. 822

(Ordered to be printed and to lie on the table.)

Mr. BARTLETT submitted an amendment to the bill (S. 2173) to fully explore and develop the naval petroleum reserves of the United States and to permit limited production with revenues derived therefrom to be placed in a special account, and for other purposes.

HOME MORTGAGE DISCLOSURE
ACT—S. 1281

AMENDMENT NO. 823

(Ordered to be printed and to lie on the table.)

Mr. STONE submitted an amendment intended to be proposed by him to Amendment No. 596, intended to be proposed to the bill (S. 1281) to improve public understanding of the role of depository institutions in home financing.

AMENDMENT NO. 824

(Ordered to be printed and to lie on the table.)

Mr. STONE submitted an amendment intended to be proposed by him to the bill (S. 1281) to improve public understanding of the role of depository institutions in home financing.

NOTICE OF HEARINGS

Mr. ABOUREZK. Mr. President, I wish to inform my colleagues in the Senate and the Indian community that the Subcommittee on Indian Affairs of the Committee on Interior and Insular Affairs will continue its review of Indian housing needs and programs through two days of field hearings during the August recess.

The distinguished ranking minority member of the subcommittee, Senator Dewey Bartlett, will chair the hearings at two sites in Oklahoma as follows: in Muskogee, August 6; and in Anadarko, August 7.

I feel that the forthcoming hearings will add to our growing record in the area of Indian housing. Such a record will contribute to legislative proposals designed to meet more realistically Indian housing needs as they exist today.

Anyone desiring further information on the proposed Indian housing hearings should contact Ella Mae Horse of the committee staff on extension 47144.

ADDITIONAL STATEMENTS

REGULATORY REFORM

Mr. MOSS. Mr. President, together with other of my colleagues, I have been meeting with the President in discussions having to do with the need for regulatory reform.

The President has expressed his concern about costly and outdated regulation and is seeking reforms in the executive branch. Our colleagues on the House side are suggesting a regulatory agency summit in order to obtain a wide-range discussion of the leading issues relating to regulatory reform.

The bottom line is, we need improved regulation in the public interest. Total deregulation is not a panacea. What we need is less obstruction and swifter action.

Frustration with the regulators is something we have all experienced.

Following is a chronology of a simple application pending before the Federal Power Commission for approval of 33 miles of pipeline to provide needed gas to the Wasatch Front in Utah this winter. This maddening and inexcusable delay is a prime example of the frustra-

tions of the public in dealing with these agencies.

First. The original application for these facilities was filed with the FPC on February 7, 1973.

Second. The FPC gave notice of the filing on February 15, 1973.

Third. On May 1, 1973, the FPC requested additional information and documents.

Fourth. On May 18, 1973, Mountain Fuel responded to the May 1 request for information by filing a supplement to its application.

Fifth. On August 20, 1973, a request was received from the FPC for certain additional environmental information. One environmental study had been completed prior to the request, and a further environmental study was underway at the time of the request. The later study was completed and furnished to the FPC on December 26, 1973, shortly after it was received by the company.

Sixth. On February 27, 1974, the FPC instructed Mountain Fuel to amend its application, since the environmental impact report indicated a minor change in pipeline routing. Mountain Fuel was also instructed to supply certain other additional information.

Seventh. Mountain Fuel's file copy of the requested amendment and additional information is stamped as received by the FPC on March 14, 1974.

Eighth. At the late date of May 10, 1974, the FPC made a request for further supplementation of the application, or in the alternative, for the withdrawal of the application without prejudice to its resubmittal at a later date.

Ninth. The requested supplement to the application was filed on May 20, 1974, stressing the urgency of the situation and the need for an immediate decision.

Tenth. On May 28, 1974, Mountain Fuel again pleaded with the FPC for construction authorization by filing a "Request * * * for Immediate Certificate Authorization."

Eleventh. On June 4, 1974, the Company received a telephonic request for additional information from an FPC staff member.

Twelfth. On June 5, 1974, the information was telephonically supplied, followed by written confirmation the same day.

Thirteenth. On June 7, 1974, Governor Rampton wrote to the FPC requesting an expedited resolution of the case.

Fourteenth. On June 10, 1974, the Public Service Commission of Utah sent a telegram to the FPC Chairman also requesting an expedited resolution of the case.

Fifteenth. On June 27, 1974, the FPC published notice of the amendment to the application, giving interested parties until July 15, 1974, to respond.

Sixteenth. On July 16, 1974, Hal S. Bennett, executive director of the Public Service Commission of Utah, sent a telegram to the Chairman of the FPC urging that the FPC promptly authorize commencement of construction of the pipeline.

Seventeenth. On July 22, 1974, the FPC issued an order denying our request for a temporary certificate, instituting a show cause proceeding, setting the

matter for formal hearing, and establishing procedural dates. The order, in effect, stated that our filings to that date had failed to establish a need for the pipeline and set forth in some detail the additional information which should be filed. The order set the date of August 20, 1974, for the filing of Mountain Fuel's direct testimony and exhibits and the date of October 8, 1974, as the hearing date. Additionally, the order noted that Mountain Fuel did not have certificates to construct and operate storage reservoirs in the Bridger Lake and Chalk Creek fields and ordered Mountain Fuel to show cause why certificate applications for these fields should not be filed.

Eighteenth. On August 5, 1974, Mountain Fuel filed all of its testimony and exhibits in support of its application. The testimony and exhibits were filed 15 days early to support a petition for immediate reconsideration of the Commission's July 22 order denying the temporary certificate and renewing Mountain Fuel's request for the prompt issuance of the temporary certificate. Concurrently with the filing of the testimony, exhibits, and petition for reconsideration, Mountain Fuel filed an application for a certificate on the Chalk Creek storage field, which was assigned FPC docket No. CP75-33, and an application for additional expenditure authorization and an extension of time in connection with the further development of the Coalville field, which application was filed under Mountain Fuel's underground storage development, docket No. CP71-52. No certificate application was filed on Bridger Lake, but the operation of this field and our position on why a certificate was not currently needed were explained in the testimony which was submitted in the Coalville to Bountiful pipeline case.

Nineteenth. On August 30, 1974, the Federal Power Commission issued an order denying Mountain Fuel's request for reconsideration of its July 22, 1974, order, denying Mountain Fuel's request for temporary certificate authorization. Although the order concedes that Mountain Fuel's evidence may address the issues raised by its filings in the docket, the order states that such direct evidence has not been subjected to the scrutiny of cross-examination and evaluation in a public hearing and restates the Commission's position that significant issues have been raised which should be dealt with in a formal public hearing.

Twentieth. On September 19, 1974, the company was served with a letter request from the FPC staff requesting voluminous amounts of data on the Chalk Creek storage project, which was allegedly necessary in order for the staff " * * * to make an adequate analysis of—Mountain Fuel's—proposal and to prepare for cross-examination." The letter contains 13 items of requested information, and required extensive research through files dating back almost 13 years.

Twenty-first. On September 26, 1974, Mountain Fuel sent all data which had been requested by the Federal Power Commission in its letter dated September 19, 1974.

Twenty-second. Hearings were held commencing October 8, 1974. No inter-

venors appeared, and the staff presented no evidence.

Twenty-third. On November 6, 1974, the initial brief and proposed findings were submitted on behalf of Mountain Fuel Supply Co.

Twenty-fourth. On November 6, 1974, the initial brief of the Commission staff was filed.

Twenty-fifth. On November 15, 1974, Mountain Fuel Supply Co. filed a motion with the Federal Power Commission to reopen the record to receive the affidavit described in No. 26 below.

Twenty-sixth. On November 15, 1974, an affidavit by Mr. Douglas Reese was filed with the Commission as an expert geological opinion indicating that the feasibility of the development of the Coalville storage field into a substantial gas storage reservoir had been proven.

Twenty-seventh. On November 25, 1974, the Commission staff filed its reply brief responding to Mountain Fuel's initial brief, along with its answer to Mountain Fuel's motion to reopen the record.

Twenty-eighth. On November 27, 1974, Mountain Fuel's reply brief was filed, responding to the Commission staff's initial brief.

Twenty-ninth. On March 27, 1975, the presiding administrative law judge submitted his initial decision issuing a certificate of public convenience and necessity, authorizing Mountain Fuel Supply Co. to construct and operate certain facilities as described more fully in the application filed in docket No. CP73-213.

Thirtieth. On April 25, 1975, a brief on exceptions to the initial decision was filed by the Commission staff.

Thirty-first. On May 12, 1975, a brief was filed by Mountain Fuel Supply opposing staff's exceptions to the initial decision. A motion was also submitted on this date to expedite the decision.

Thirty-second. On May 17, 1975, a letter was sent by Gov. Calvin L. Rampton to the Federal Power Commission urging an expeditious decision.

Thirty-third. On May 17, 1975, a letter was sent by Gov. Calvin L. Rampton to the Federal Power Commission urging an expeditious decision.

Thirty-fourth. On May 22, 1975, a letter was sent by Senator FRANK E. MOSS, also urging the Federal Power Commission's immediate, positive response.

Thirty-fifth. On May 28, 1975, Senator E. J. GARN sent a letter to the Federal Power Commission urging the importance of expediting a decision.

Thirty-sixth. On June 13, 1975, Gov. Calvin Rampton sent a telegram to the Federal Power Commission stressing the urgency of the matter and noting possible action which he might be required to take in the event of further FPC delay.

Today is July 26, 1975, with not the slightest indication of when the FPC will act—if ever.

Surely this is an example of the need for regulatory reform. There must be regulatory reform when, after the judge rules an application is in the public interest, the staff which presented no evidence back in October 1974 again intervenes and further delays approval.

Winter is coming and Utah citizens may be cold unless the pipeline can be built this summer. What a price to pay for timid, indecisive, procrastinating regulation.

NEW HAMPSHIRE VACANCY

Mr. McCLURE. Mr. President, it seems to remain clear that the overwhelming sentiment in the country supports resolving the New Hampshire election contest by sending it back to the people who are to be represented by that Senator. An editorial appearing in the Harrisburg Patriot on July 24, 1975, reaches that conclusion after analyzing the constitutional argument which has often been raised on the floor of this Senate.

Mr. President, I ask unanimous consent that the text of the editorial be printed in the RECORD.

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

SENATE VACANCY—LET NEW HAMPSHIRE DECIDE

In the enervating and senseless controversy under way in the U.S. Senate over picking a winner in last November's senatorial race in New Hampshire, Majority Leader Mike Mansfield is fond of quoting the U.S. Constitution which says that "each House shall be the judge of the elections, returns and qualifications of its own members."

Mansfield adds: "We seem to have some editorial writers against us but the Constitution is with us," and he and his fellow senators steadfastly refuse to return the matter to the New Hampshire voters to select between Louis C. Wyman, the Republican, and John Durkin, the Democrat.

Mansfield's contention—that this matter belongs solely in the Senate and nowhere else—is based on the most wooden of interpretations of that constitutional passage. To the contrary, being equally literal, it is possible to argue that since neither Wyman nor Durkin is yet a member of the Senate, the Senate has no jurisdiction whatever.

A broader-based rebuttal to the Mansfield position is grounded on what appears to be a reasonable definition of the word "judge." According to Mansfield, the Senate must "judge"—that is, decide—who won the November election. It never seems to occur to him that an equally valid judgment by the Senate would be that, in view of irreconcilable technical difficulties, the last election was no election at all—and order that another balloting be held.

Or the problem could be resolved by Wyman and Durkin themselves. Since each is on record as being willing to participate in a new election, let them issue a joint statement that neither will serve unless the voters go to the polls again and make a clearcut selection between them.

There can be little doubt that this is the will of the New Hampshire citizenry, since its Legislature, under popular pressure, has modified state law to make a new election legal.

In any case, what is now under way in the Senate is unfair to the candidates, both of whom have conducted themselves as gentlemen and a denial of ongoing representation to New Hampshire. Another segment of the Constitution, from which Mansfield has not been quoting, says that "no state, without its consent, shall be deprived of its equal suffrage in the Senate." But that's what's happening and, in view of the confrontation between selfish political interests in the Senate, may continue indefinitely.

Let the Senate send the matter back to the voters of New Hampshire for their decision.

Any other course will lead to charges of theft of an election, of bitterness and recrimination. How strange that the members of the Upper House can't see this—a matter that is simplicity itself to most anyone but a partisan U.S. senator.

THE NEED TO PREPARE CAPITOL HILL FOR THE BICENTENNIAL

Mr. HUMPHREY. Mr. President, the Bicentennial year is upon us, various ceremonies and celebrations have been taking place across this Nation for the past several months, and yet on Capitol Hill, we are not prepared.

It could be a catastrophe around here unless proper plans are made. It is essential that we get fully and properly prepared to receive literally hundreds of thousands—yes, millions of visitors in 1976. We have to prepare to take care of just the basic human needs of the mass of people who will be touring the Capital next year, not to mention the need for appropriate displays and programs to celebrate our Bicentennial.

We know that Capitol Hill buildings are so ill-equipped that they cannot house even the Members and their staffs. We cannot even permit our summer interns to eat in the staff restaurants during lunch hour, because of the problem of congestion and long lines in the cafeterias. The eating facilities in the Capitol are totally inadequate for visitors, and there are few eating establishments immediately adjacent to Capitol Hill which can take care of our current luncheon crowd demands, much less the masses which are expected next summer.

The problems we confront in feeding our visitors are equal to those we confront in providing an adequate number of restrooms, water fountains, resting benches, first aid services, lost and found centers, children locaters, and the many other services for large numbers of people.

Mr. President, on June 13, the Senate passed a bill to provide for the appointment of a Joint Committee on Arrangements for Commemoration of the Bicentennial of the United States. The House passed a similar bill on June 23. However, no further action has been taken. I would urge my colleagues to act, to take final action on this legislation in order that this joint committee might begin its work. There is much to be done and so little time to do it that we cannot afford any further delays.

One of the major responsibilities of the joint committee will be to coordinate congressional programs with the activities and events planned and implemented by governmental and nongovernmental groups, including the State and local governments, private groups, and the American Revolution Bicentennial Administration. As part of this overall responsibility, I would hope that the joint committee would also deal with the more immediate logistical and facility problems—the basic people needs to which I have referred.

The transportation appropriations bill just passed by the Senate includes \$10 million requested for the special Bicentennial fringe parking and bus service

plan. The money would provide parking space for 16,000 tourist cars on existing lots at the Pentagon, Kennedy Stadium, and Fort Myer, and for buses to shuttle visitors to the mall. The House-passed allowance for these costs was \$5 million. I would urge my colleagues in the House to accept the Senate level of funding, because this city can ill afford the massive traffic jams which will result if we cannot relieve the Mall area of the additional traffic which is expected.

Mr. President, I ask unanimous consent to print in the RECORD a copy of a Washington Post editorial of Friday, July 18, entitled "Federal Hospitality," which discusses our current lack of preparedness for the Bicentennial celebration.

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

FEDERAL HOSPITALITY

We are much encouraged that the Ford administration has now acknowledged federal responsibility for the millions of tourists from all over the world expected in Washington next year. The White House is now helping to coordinate the region-wide efforts to accommodate them, having stepped in nine weeks ago, when presidential counselor John O. Marsh called a meeting of the representatives of ten federal agencies, the Washington Metropolitan Council of Governments, the American Revolution Bicentennial Administration, and the city government. The President assured the group of his concern for the welfare of the visitors. Out of the meeting emerged a White House task force, headed by Richard Hite of the Interior Department. The task force is not concerned with planning the celebration as such. Its concern is entirely with logistic matters, such as transportation, parking, emergency services, accommodations and information. Mr. Hite, a seasoned administrator, seems to have a good grip on most of these problems, but he and his task force still face some formidable obstacles.

The foremost need, perhaps, is for Congress to restore the \$5 million cut made by the House in the \$10 million budget request for the special bicentennial fringe parking and bus service plan. The plan, worked out by the U.S. Department of Transportation, would provide parking for 16,000 tourist cars on existing lots at the Pentagon, Kennedy Stadium, Ft. Myer and other places and shuttle visitors to the Mall in special buses. This is the only way to prevent the capital bicentennial celebration from being smothered in traffic congestion and pollution. The original cost estimate for this project was \$21 million. A \$10 million minimum is needed for the acquisition of buses and an extensive information program to tell motorists about the parking service before they bring their cars downtown. All six area members of Congress have urged the Senate to restore the budget cut to "avoid what could be an embarrassment to the entire nation."

Another most urgent need is for full cooperation on the part of the Department of Defense. There are several ways in which the military could and should contribute to the national celebration and Interior Secretary Morton has written Defense Secretary Schlesinger about them. One is to make some of the extensive and unused military real estate in the area, notably Anacostia-Bolling, available for visitor parking and camping. The White House task force has found some sites that can be used by people who prefer their tents or recreation vehicles to motels or hotels. The military properties would of course be used only for the "duration"—that is to say the bicentennial sum-

mer months. The military has also been asked for medical help—first aid stations and ambulance services. The military medical corps would surely gain good training and good will by helping out. While there are regulations that allow assistance to civilians only in emergencies, the expected presence of 200,000 daily visitors on the Mall is surely just that.

To direct, inform, clean up after, and control this many people, the White House task force estimates that additional overtime funds are going to be needed for the National Park Service. To help house the visitors, the task force hopes to organize a central referral system for telephone reservations. Such a system, which worked well at the Montreal and San Antonio world fairs, would cost about \$300,000 and Mr. Hite will be talking to the Office of Management and Budget about that.

Provision is also going to have to be made for adequate food service and adequate rest rooms for the Mall visitors, particularly since the new National Gallery cafeteria will not be completed in time. The proposal to invite tourists to the cafeterias and facilities of nearby government buildings strikes us as less than promising. Government cafeterias lines are already too long. We would rather see the National Park Service open two or three competing summer restaurant and cafe concessions on the Mall. They could operate under light tents or temporary structures and serve simple, high quality fare. Come to think of it, the Mall could use some light refreshments—with or without the bicentennial.

In all the planning for the health and welfare of bicentennial visitors—as in the bicentennial celebrations planned by local jurisdictions and communities—some careful divisions of labor, responsibility and authority are going to have to be worked out and faithfully observed. Just as the District, for example, must contribute its fair share of resources and energy to strictly local projects if it is to expect federal assistance for those projects, so the federal government, in fulfilling its obligations to supply the local program, must take care not to impinge upon the home rule powers recently bestowed upon the local government. In the same way, while local jurisdictions have a role to play as host they cannot be expected to pay the heavy costs entailed in handling this extraordinary invasion of bicentennial visitors. This divvying up of the burden strikes us as a fundamental principal in bicentennial planning and we are glad to see it acknowledged in the President's initiative and in Mr. Hite's activities.

SENATOR HUGH SCOTT'S RECORD ON DEFENSE

Mr. TOWER. Mr. President, never before in history has our Nation been faced with the prospects of a lasting generation of peace. Agreements among the world's great powers can lead to such a peace—agreements to hold the spread of nuclear weapons, agreements to refrain from the hostile settlement of conflict.

Congress plays a vital role in the development of America's defense posture. From the authorizing and appropriating of funds to the ratification of treaties, we do have a unique part to play. As a member of the Senate Armed Services Committee, I have long noted Senator HUGH SCOTT's consistent support of a strong defense while keeping the lines of communication open to all who desire peace.

Senator SCOTT's record on defense matters deserves public recognition. I ask unanimous consent that it be printed in the RECORD.

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

DEFENSE—94TH CONGRESS

LEGISLATION

S.J. Res. 27—a joint resolution to amend the Defense Production Act of 1950.

S.J. Res. 48—a joint resolution to amend the Defense Production Act of 1950, as amended, and for other purposes.

DEFENSE—93d CONGRESS

LEGISLATION

S. 156—a bill to require the termination by July 1, 1975, of all Naval weapons range activities on and in the vicinity of the Puerto Rican Island of Culebra.

S. 3961—a bill to authorize the release of 1,553,500 pounds of cadmium from the national stockpile and the supplemental stockpile.

S. Res. 115—a resolution to pay tribute to members of the Armed Forces who are missing in action in Indochina.

S. Res. 117—a resolution to commemorate the loss and suffering of the dead and wounded members of the Armed Forces occasioned by war in Vietnam.

S. Res. 200—a resolution relating to the National Security of the United States.

S. Con. Res. 63—Seek new efforts to obtain compliance with the terms of the Paris Peace agreement as they apply to prisoners of war and personnel missing in action.

Amend. No. 1613—an amendment to S. 3417, military construction authorization bill, that makes provisions for missing military personnel.

VOTES

Voted for Amendment expressing sense of Congress that the United States and the Soviet Union should seek an agreement on specific mutual reductions in military expenditures so each country can devote a greater proportion of resources to its domestic needs.

Voted for Amendment to strike bill's section 7 barring use of funds to carry out Azores base agreement with Portugal until it had been submitted to the Senate as a treaty for its advice and consent.

Voted for Department of State Appropriations Authorization Act of 1973.

Voted for Second Supplemental Appropriations Act, 1973.

Voted for Continuing Appropriations, fiscal year 1974.

Voted for War Powers Act.

Voted for amendment to reduce the number of enlisted men used as aides by the military.

Voted for amendment calling for the Secretary of the Army to keep the new main battle tank within strict cost parameters.

Voted for amendment to restore \$495.5 million in funding for procurement of F-14 type aircraft.

Voted for amendment calling for President to seek, through bilateral and multilateral arrangements, payments to offset fully any balance-of-payments deficit incurred by the United States during fiscal year 1974 as a result of the deployment of forces in Europe to fulfill NATO commitments.

Voted for amendment calling for reduction of 110,000 rather than 125,000, in the number of U.S. military forces assigned to duty in foreign countries.

Voted for Department of Defense Appropriation Authorization Act of 1974.

Voted for War Powers Resolution.

Voted for Military Construction Authorization.

Voted for Military Construction Appropriation Act, 1974.

Voted for Foreign Assistance Act of 1973.

Voted for Naval Petroleum Reserves Defense Production Authorization Act of 1973.

Voted for Emergency Security Assistance Act of 1973.

Voted for amendment to limit to 218 the number of enlisted personnel who could be assigned on a temporary basis by the Secretary of Defense to highranking military officers to meet their official responsibilities.

Voted for amendment to prohibit the use of dogs under this act in research, testing, or evaluation of toxic or radioactive agents.

Voted for amendment to bar expenditures of funds for naval ordnance training operations at the Culebra complex (Puerto Rico) or at any keys within three nautical miles thereof after December 31, 1975.

Voted for amendment to prohibit DOD, in carrying out any program under which financial assistance is provided to persons pursuing an education program (other than persons enrolled in a ROTC program), from denying assistance to enrollees in a college or university solely on the grounds that such institution had previously terminated its ROTC program.

Voted for amendment to make the role of the Secretary of DOD in reviewing the export of goods and technology a recommendatory one.

Voted for amendment to bar U.S. economic and military aid to any government which does not effectively prevent the diversion of opium and its derivatives into illicit markets and which permits the production of opium poppies.

Voted to extend and expand authority for carrying out conservation and rehabilitation programs on military reservations, and to authorize the implementation of such programs in certain public lands.

Voted for amendment placing restrictions on the obligation of funds provided for the expansion of the Naval Communications Station on the Island of Diego Garcia in the Indian Ocean.

Voted for amendment to appropriate an additional \$200 million for Israel.

Voted for amendment to authorize the President to suspend section barring military assistance to Turkey beginning on date of enactment and ending on December 10, 1974, if he determined that such suspension would further negotiations for a peaceful resolution of the Cyprus conflict.

Voted for Further Continuing Appropriations, fiscal year 1975.

UNITED STATES-CUBA POLICY

Mr. STONE. Mr. President, on June 16, 1975, Puerto Rican Gov. Rafael Hernandez Colon declared that terrorists who have been placing bombs throughout Puerto Rico and the United States are very well trained in Cuba to carry out such subversive activities. He said that many members of the Puerto Rican Socialist Party travel frequently to Havana, a capital which he described as containing great knowledge of how the terroristic acts are conducted in Puerto Rico and in the United States.

My office has contacted Gov. Hernandez Colon's assistant, Jose Luis Lopez, who not only confirmed the Governor's statement, but sent me the taped remarks, which were made to newsmen in a press conference given in the city of Ponce, P.R.

In 1972, J. Edgar Hoover declared that the Cuban mission to the United Nations was the focal point of Cuban subversive activities directed against the United

States. Since then, events have added evidence to confirm these words and to illustrate the Cuban regime's encouragement of terrorism within and against the United States.

A June 17 article from the Chicago Tribune describes in detail how Cuban-trained agents were responsible for two bombings in the area of Chicago's Loop. It states that according to Federal investigations, "at least six persons, trained in Cuba to carry out guerrilla warfare and prepare explosive devices, are based in Chicago as members of the FALN,"—Armed Front for National Liberation. In an article he wrote for the New York Times, Puerto Rico's Resident Commissioner JAIME BENITEZ mentions this group in connection with a similar Castroite following operating in Venezuela. Filiberto Ojeda Rios, a Puerto Rican born and raised in Cuba and a leader of the FALN, has been identified as the Cuban agent responsible for the January 24 Fraunces Tavern bombing in New York City, which took the lives of 5 persons and injured 56 others. The attached article describing these events appeared in the New York Daily News, and states that this same Cuban-trained spy has been responsible for other bombings in New York, Chicago, and Puerto Rico.

Nevertheless, on July 16, U.S. Ambassador to the OAS William Mailliard made clear that the United States favors terminating the OAS sanctions against the Cuban regime, and that our Government will vote to do so at an OAS Meeting of Consultation of Foreign Affairs Ministers which will probably be discussing the matter next Tuesday. Ambassador Mailliard said that—

Cuba does not constitute a serious and important threat to the Organization of American States.

Significantly, he added that—

I have not seen that country change its policy of exporting revolution.

To admit this while favoring the termination of the sanctions, which were originally imposed because of the present Cuban regime's subversive interference in the internal affairs of other countries, is an explicit acceptance by the State Department of such illegal foreign policy measures of the Cuban regime. The Senator from Florida does not understand why Communist Cuba's subversive activities mattered so much to us in 1964, when the OAS imposed the sanctions and isolated Cuba from the Inter-American system if they matter not at all to us now.

If the United States votes "yes" in the upcoming OAS Meeting of Consultation, it will be flagrantly ignoring the ample showing of the present Cuban regime's assistance of acts of terror, sabotage, and violence on an international level even including our own country.

I ask unanimous consent that the articles published in the June 17 Chicago Tribune and the June 20 New York Daily News be printed in the RECORD.

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

[From the Chicago Tribune, June 7, 1975]

CUBA-TRAINED GUERRILLAS TIED TO BOMBS
(By Ronald Koziol and William Griffin)

Federal investigators disclosed Monday that at least six persons, trained in Cuba to carry out guerrilla warfare and prepare explosive devices, are based in Chicago as members of FALN, a Puerto Rican nationalist group responsible for two terror bombings in the Loop Saturday.

Until Saturday, it was believed by police and the Federal Bureau of Investigation that FALN was concentrating its terrorist activities for Puerto Rican independence from a base in New York City, where similar bombings killing five persons have taken place since last October.

FALN—initials for the Armed Forces of National Liberation—is believed to operate in small, loosely knit and mobile groups, and infiltration by undercover agents has been impossible.

The Tribune disclosed Monday that a member of the Chicago police intelligence unit being groomed to infiltrate the terrorist group was taken off the assignment two months ago because of public protest over recent disclosures of police spying.

Because of the New York City ties, New York detectives arrived here Monday and met for more than two hours with Chicago police officials.

After the meeting, Capt. James O'Grady, acting chief of investigators, said there is no doubt that the FALN was responsible for the Saturday night bombings which ripped the Mid-Continental Plaza Building and the United of America Bank.

Propane tanks were used to accelerate detonation. This was the same method used to set off the bombs in New York City.

"Our bomb and arson experts said that whoever put the bombs together had expert knowledge of explosive devices," O'Grady said.

Besides the bomb fragments, which are being studied by the police crime laboratory, a typewritten note found in a telephone booth in Union Station has been sent to Washington for FBI analysis.

The letter had listed the Federal Building as a third target but a search failed to turn up any bomb.

Acting on the assumption that there is a third bomb that failed to detonate, 24 policemen have been assigned to check other federal buildings downtown, O'Grady said.

James Sullivan, New York deputy chief of detectives, has assigned detectives to check airline manifests of persons traveling recently from San Juan, P.R., to Miami and then on to New York.

Sullivan told the Tribune: "We believe we have managed to identify a handful of members of the FALN, and maybe we can trace their most recent movements."

[From the New York Daily News, June 20, 1975]

FRAUNCES PROBE EYES MAN CALLED CUBAN-TRAINED SPY

(By Frank Faso and Arthur Mulligan)

A man the authorities describe as a Puerto Rican-born master spy and saboteur who received his terrorist training in Cuba was identified by the police and the Federal Bureau of Investigation yesterday as the man responsible for the Jan. 24 bombing of the Fraunces Tavern, as well as other bombings here and some in Puerto Rico and Chicago.

He is Filiberto Ojeda Rios, 42, whose last known address was 318 E. 169th St., Bronx. Special Agent James Ingram, in charge of the FBI investigation, said Rios was a master of disguises and used various aliases.

IDENTIFIED AS ACTIVIST LEADER

Ingram said that Rios was a leader of FALN, Fuerzas Armadas de Liberacion Na-

tional, the Puerto Rican activist group that is seeking independence for Puerto Rico, a commonwealth of the United States. FALN has claimed responsibility for the Fraunces Tavern bombing, in the financial district, which cost five lives and injured 56, as well as other bombings.

The FBI man said that Rios had jumped \$100,000 bail after having been arrested in San Juan in 1969 in connection with the bombing of three hotels there. Federal warrants were issued at the time, and he has been an elusive fugitive ever since.

The \$100,000 bail had been met in cash by a mystery man who said he was Rios' brother-in-law, but who proved not to be. The mystery man also disappeared.

ELUDES COPS, AGENTS

Federal sources in Washington said that Rios used so many disguises and aliases that even members of what was described as his own organization were not sure of his true identity. He has eluded Spanish-speaking undercover policemen and federal agents trying to trace him.

The sources credit him with having united loosely knit bands of activists in this country and Puerto Rico into the now-formidable FALN organization.

The authorities said he was one of at least six persons recruited off the campus of the University of Puerto Rico by a Cuban spy apparatus in 1960 and 1961, shortly after Fidel Castro had taken over in Cuba.

Rios stayed in Cuba until 1963 and then returned to Puerto Rico, the authorities said. It is not known whether he went back to the university.

Rios, it was said, is a trumpeter who played in orchestras in Puerto Rico under the alias of Felipe Ortega Rivera. He uses the code name Ruben in dealings within his spy ring, it was said.

He is described as 5-feet-8 and 160 pounds, with brown hair and brown eyes. He is said to wear eyeglasses most of the time. He is married and has two children, believed to be living with their mother in Puerto Rico, the authorities said.

GAO REPORT ON FOREST SERVICE EFFORTS TO CHANGE TIMBERS SALE PAYMENT METHOD

Mr. DOMENICI. Mr. President, for some time I have been concerned about the effects of a plan by the Forest Service to change the formula it uses to establish the prices of timber sales. At the present time, most timber sales by the Forest Service are priced on the basis of the log scale method. The Forest Service has proposed a change from the log scale method to the tree measurement method as its primary formula.

Under the scaling method the sale price is determined by scaling each log to adjudge the amount of merchantable timber taken by the purchaser. Using the tree measurement method, Forest Service employees cruise a timber stand to determine the merchantable volume that could be realized from the area. I believe that the competing merits of the two systems should be explored before a change is made to the tree measurement approach as the dominant method.

Representatives of the timber industry have expressed concerns that the Forest Service lacks the capacity to accurately judge timber volume by means of the tree measurement method. The Forest Service discounts these concerns and argues that the change of methods

would reduce costs of timber sale administration and would foster more efficient timber utilization.

I asked the GAO to undertake a study to compare the accuracy of the two methods and to offer conclusions as to the advisability of the Forest Service's proposed change of methods. The GAO concluded that "because the Forest Service had not provided special funds and adequate guidelines and procedures for comparing the tree measurement and log measurement methods, the relative accuracy and cost of the two scale methods has not been determined."

The report also included four recommendations:

We recommend that the Secretary of Agriculture direct the Chief, Forest Service, to:

Set dates for timely completion of test sales and give high priority to meeting those dates.

Take steps to provide the Forest Service's regions with the funds needed to conduct adequate and timely test sales.

Evaluate and report to the appropriate congressional committee the results of test sales as they are completed for specific forests, tree species, and timber conditions.

Use the tree measurement method for all forests, tree species, and timber conditions for which test sales have shown net benefits to be gained from its use and where Forest Service personnel have the capability to prepare tree measurement sales professionally and accurately.

I am considering the conclusions and recommendations of the report as the basis for subsequent legislative or administrative action. I have asked the Chief of the Forest Service and officials of the timber industry for their comments on the substance of the report. I solicit any comments and suggestions from my colleagues as to potential courses for congressional followup of the GAO report. For that reason, Mr. President, I request unanimous consent that the report be printed in the RECORD.

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

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C.

HON. PETE V. DOMENICI,
U.S. Senate.

DEAR SENATOR DOMENICI: In accordance with your August 20, 1974, letter and subsequent discussions with your office, we reviewed the efforts of the Department of Agriculture's Forest Service to change the primary method of selling timber in its western regions from the log measurement or scale method to the tree measurement or lump-sum method. You expressed concern about the comparable accuracy and cost of the two methods, the Forest Service's plans for converting to the tree measurement method on most timber sales by the end of the decade, and the difference of opinion between the Forest Service and the timber industry on the feasibility of the planned change.

We made our review at the Washington, D.C., headquarters offices of the Forest Service, the Department of the Interior's Bureau of Land Management, and the Office of Management and Budget; at the Forest Service regional offices in Albuquerque, New Mexico; Portland, Oregon; and San Francisco, Cali-

fornia; and at selected Forest Service forest and district offices in Arizona, New Mexico, Oregon, and California. We also discussed the proposed change with several timber purchasers and members of national timber industry associations. We discussed the report contents with Forest Service officials and considered their views in preparing this report.

The primary timber sale method used in the Forest Service's western regions is log measurement. Under this method a timber purchaser agrees to pay for logs taken from a sale area on the basis of scaling—a Forest Service or scaling bureau estimate of the merchantable volume of wood in the logs after the trees have been cut down (felled) and cut into logs (bucked).

In recent years the Forest Service has been trying to increase its western regions' use of the tree measurement method of selling timber. Under this method the purchaser basically agrees to pay a specific amount for the timber in a sale area on the basis of a Forest Service estimate of the merchantable volume of wood in the trees before they are cut down. The estimate is derived by cruising, or physically surveying, the sale area.

The following data, obtained from the three Forest Service western regions we selected for review, shows the portions of each region's fiscal year 1972, 1973, and 1974 timber sales made under the tree measurement method.

Percent of timber sales made under tree measurement method by fiscal year				
	1972	1973	1974	
California	2.2	7.0	5.3	
Pacific Northwest	3.6	3.8	4.1	
Southwestern	5.9	3.0	3.7	

The timber industry has generally opposed the increased use of the tree measurement method in the western regions claiming that the Forest Service has not demonstrated the effectiveness and efficiency of the tree measurement method compared with the log measurement method. The Forest Service believes, however, that the tree measurement method should be as effective as the log measurement method, that it should decrease manpower requirements and the overall costs of timber sales, and that it should increase timber utilization.

To confirm its beliefs, the Forest Service has attempted through test sales, to obtain data to compare the two methods. As discussed on pages 5 to 10, however, the test sales that had been carried out in the three regions covered in our review had not been adequate for this comparison.

EFFORTS TO CHANGE SALE METHOD

A chronology of major events related to the Forest Service's efforts to increase the use of the three measurement method is enclosed. (See app. I.) Our review of the records relating to these events and our discussions with Forest Service and Office of Management and Budget officials indicate that:

Early Forest Service efforts to increase the use of the three measurement method lacked specific headquarters direction and guidance, resulting in inconsistencies among the regions in carrying out tree measurement sales and test sales to compare the two methods.

The emphasis on increased tree measurement sales has come not only from within the Forest Service but also from the Department's Office of Audit (formerly called Office of the Inspector General), the Office of Management and Budget, and a 1973 interagency task force appointed by the Secretary of Agriculture and the Director of former Cost of Living Council to consider changes in Forest Service timber sales procedures.

The Forest Service has recognized the need to develop adequate techniques and to train people to make tree measurement sales, since the move toward increasing such sales began.

The tree measurement method has been used for many years in the Forest Service's eastern and southern regions, on some thinning and young-growth sales in the western regions, and by the Bureau of Land Management. At issue, however, is the extension of tree measurement to sales of defective, old-growth trees which make up a large part of the Forest Service's timber holdings in the Western regions. The timber industry has maintained that a change in the measurement method will bring about many uncertainties, additional costs, and large financial risks in the defective of high-value western timber and that there is no conclusive evidence that tree measurement, even if done well, will actually cost less than log measurement.

Although the Forest Service proposed a timetable in mid-1973 to gradually increase the volume of timber sold by tree measurement from 5 percent by the end of 1973 to 90 percent by the end of 1980, the Forest Service has abandoned the timetable because of concerns expressed by the Senate Appropriations Committee (see p. 16) and because of the uncertainty of funding for tree measurement sales.

The Forest Service does not want to abandon its efforts to increase the use of tree measurement sales because it believes that there are long-range benefits in savings and management flexibility which will justify using tree measurement for a high proportion of sales, including those in some areas where other measurement methods are used. However, the Forest Service recognizes that, before moving ahead with tree measurement, it will have to:

1. Establish through test sales the comparative cost and accuracy of volume and value estimates under each method.
2. Use tree measurement only where it has the skills and manpower to do a professional and accurate sale preparation job.

INDUSTRY VIEWS ON CHANGE OF SALE METHOD

Timber industry representatives told us that they were generally opposed to the Forest Service's plan to increase its western regions' use of the tree measurement method of selling, except for small, low-value timber sales where the financial risk is low and the cost of scaling is not justified. They said that their primary concerns with the proposed increase were:

The Forest Service's inability to accurately estimate the volume of usable wood under the tree measurement method due to the:

1. Difficulty of estimating volume in highly defective timber.
2. Large turnover of Forest Service personnel.
3. Varying accuracy reliability among Forest Service personnel.

The resulting increased costs of tree measurement sales to timber purchasers because:

1. Each prospective purchaser would need to cruise the sale area to assure himself of the accuracy of Forest Service volume estimates.
2. Additional scaling and recordkeeping would be required to develop scaling data so that adequate production controls could be maintained. (The Forest Service has customarily provided much of this scaling data although timber sales contracts do not require that it do so.)

The industry representatives emphasized the need for industry participation in any Forest Service study or comparison of the two sale methods. They believe that the solution to the differences of opinion about the accuracy and cost of each method is to get comparable data for each method and demonstrate to the Congress, the Office of Management and Budget, and the public which is the best method of measuring timber for sale.

REGIONAL TEST SALE PROGRAMS WERE NOT ADEQUATE TO COMPARE SALE METHODS

The three regions selected for review had carried out only limited test sale programs and had not developed sufficient volume and cost information on their test sales to compare the accuracy of the volume estimates and the costs of the two sale methods. These weaknesses are attributable to a lack of adequate guidelines and procedures and insufficient funds for conducting test sales.

At the time of our fieldwork, seven test sales had been completed and eight were underway in the three regions. The completed test sales are listed below.

Region and name of test sale	Date of sale	Date Completed	Estimated total value
California:			
Rim	10-72	10-73	\$1,076.6
Joy	6-73	12-73	209.3
Nutmeg	4-73	10-73	735.3
Pacific Northwest:			
Claypool	5-71	9-72	23.5
Fleece	4-73	11-73	342.4
Three Pee	3-73	6-74	214.6
Southwestern:			
Water Canyon	12-72	9-74	249.3

NEED FOR ADEQUATE FUNDING

The Forest Service had not provided its regions with special funds for their test sale programs; instead, each region was requested to fit the test sales into its regular timber sale program as funding and manpower would permit. As a result, the sales volume of each region's test sales was a very small part of its total sales volume, as shown in the following table.

Sales volume of test sales as percent of total sales volume by fiscal year

	1971	1972	1973	1974
California	0	0	2.4	1.1
Pacific Northwest	0.2	0	0.04	0.03
Southwestern	0	2.3	2.5	0

Officials in each region said that the lack of adequate funding and manpower had limited their ability to carry out comprehensive test sale programs. In test sales, two measurements—one to measure the standing trees and one to measure the cut timber—need to be made for comparison purposes. According to one region, these double measurements are costly. A Forest Service headquarters official agreed that the lack of funding had inhibited the regions in conducting their test sale programs.

NEED FOR ADEQUATE GUIDELINES AND PROCEDURES

Because national guidance had not been provided for conducting test sales, each region had structured its test sale program to achieve its own objectives, which were generally as follows:

California region officials said that their region's test program was initially intended to give district personnel experience in setting up tree measurement sales and to assess the impact on district operations. They said that efforts to compare the costs of tree measurement and log measurement sales were included in their test program only after industry pressure began to mount following a Forest Service announcement in May 1973 of the planned conversion to tree measurement sales by the end of 1980.

Pacific Northwest region officials said that their region's test sale program was designed primarily to investigate the technical aspects of tree measurement and to determine what combinations of sampling and volume-estimating techniques were best suited to various types of timber. No efforts were made to develop cost data for comparing tree measurement and log measurement sales.

Southwestern region officials said that their region's test program was to give forest and district personnel more experience using the

tree measurement method and to enable them to select which type of tree measurement method to test, should additional funding and manpower become available for this purpose.

A headquarters official acknowledged that, until March 1975, the regions had not been provided adequate guidelines and procedures for conducting test sales. According to the March 1975 guidelines and procedures, the western regions are to develop data for both sale methods on (1) the accuracy of volume estimates, including determinations of the volume of usable timber left in sale areas by purchasers, and (2) total Government and purchaser sale preparation and contract administration costs.

NEED FOR COMPLETE VOLUME DATA

To compare the accuracy of volume estimates under the two methods, complete information is needed on the total volume of merchantable timber to be sold from the sale area. In estimating volume under the tree measurement method, the Forest Service considers all trees that are to be harvested. Under the log measurement method, however, only the timber removed from the sale area is measured. Forest Service headquarters officials told us that, to provide comparable volume data in a log measurement sale, a utilization scale—an estimate of the volume of merchantable timber left in the sale area by the purchaser—should be made with the estimated volume's being combined with the volume of timber removed.

A utilization scale had been made on only one of the seven completed test sales, the Fleece sale in the Pacific Northwest region. On the six other sales:

A California region official said that the region had informally advised district personnel to make utilization scales only if utilization for test sales appeared to be worse than that normally considered acceptable for log measurement sales.

Pacific Northwest region officials said that, in preparing their test sales plans, they had overlooked the need for utilization scales and had not recognized this need until two of their test sales had been completed.

Southwestern region officials said they thought a utilization scale was not necessary for their completed test sale because district personnel observations of the sale area had indicated good utilization with little merchantable material left behind.

Forest Service headquarters officials said that they recognized the need for utilization scales on their test sales early in 1974 and that the March 1975 procedures provided for them.

NEED FOR COMPLETE COST DATA

To compare the combined Government and purchaser costs of the two sale methods, adequate cost data relating to each method must be developed. However, no cost data was developed for the three Pacific Northwest region sales and the data developed for the four sales in the other two regions was inadequate.

The data developed for the Southwestern region sale was limited to the costs related to felling, bucking, and scaling the sample trees used to estimate timber volume for the true measurement method. Not developed were the Forest Service's other contract preparation costs; its contract administration costs; the purchaser's costs; and changes in the purchaser's costs which would result from the change in sales method.

For the three California region sales:

Purchaser costs and changes in such costs were not developed.

Estimates of log measurement sale costs included an overhead allowance of 40 percent of direct costs while the overhead costs associated with preparing and administering the tree measurement sales method were not

determined or considered. For example, the labor costs used in computing tree measurement sale costs were based on wage rates exclusive of the Government's costs of employee leave time or health and retirement benefits.

The log measurement sale preparation and administration costs considered in the comparison were average costs developed from regionwide data on the number of staff-hours required to prepare and administer the sale. This regionwide data did not reflect the actual log measurement sale preparation and administration cost experience of the districts involved.

California region officials said that the omission of overhead costs for the tree measurement method would bias any cost comparisons and that regionwide data on staff-hour requirements was useful only in very broad terms and might vary widely from the experience of a particular district. These officials said that regionwide averages were used for lack of better data and that development of accurate data would require preparing each sale twice—the first time to tree measurement standards and the second time to log measurement standards. They said that it was not feasible to do this additional detailed and costly work with the limited funding and manpower available.

A headquarters official said that the Forest Service recognized the need for complete cost data late in 1973 as a result of a combination of industry and congressional concern and the Forest Service's desire to support its belief that the tree measurement method would be less costly than the log measurement method. This official believed that the March 1975 guidelines and procedures for collecting test sale data would provide the needed cost data.

According to the official, however, specific funds will not be designated for collecting this information. Instead, the regions will be required to fit the test sales into their regular timber sale programs as funding permits. The official said that a date for completing the test sale program had not been determined and that completing the program would probably depend on the availability of funding and manpower within each region.

CONCLUSIONS

Because the Forest Service had not provided special funds and adequate guidelines and procedures for comparing the tree measurement and log measurement methods, the relative accuracy and cost of the two sale methods has not been determined. The Forest Service has issued revised guidelines and procedures for developing accuracy and cost data for its test sale program. If the regions properly implement them and headquarters coordinates and monitors their implementation, these guidelines and procedures should result in the development of data adequate for comparing the two sale methods. However, the Forest Service has not determined when the test sale program is to be completed and does not currently plan to provide any special funding for the program.

We recognize that special funding for timely completion of the test sale program must compete with other Forest Service priorities, but, until the test sale program is completed, the Forest Service will not be able to provide well-documented evidence to settle the questions of effectiveness and costs of the two methods.

If there are net benefits to be gained from using the tree measurement method, as the Forest Service believes, these benefits should be documented and attained as soon as possible.

RECOMMENDATIONS

We recommend that the Secretary of Agriculture direct the Chief, Forest Service, to: Set dates for timely completion of test

sales and give high priority to meeting those dates.

Take steps to provide the Forest Service's regions with the funds needed to conduct adequate and timely test sales.

Evaluate and report to the appropriate congressional committees the results of test sales as they are completed for specific forests, tree species, and timber conditions.

Use the tree measurement method for all forests, tree species, and timber conditions for which test sales have shown net benefits to be gained from its use and where Forest Service personnel have the capability to prepare tree measurement sales professionally and accurately.

As your office agreed, we are sending copies of this report to the Senate and House Committees on Appropriations and on Government Operations; to various other congressional committees and subcommittees; and to Senators James A. McClure and Bob Packwood and Representatives Patricia Schroeder, Al Ullman, and Don H. Clausen, because of their interest in this matter. We are also sending copies to the Director, Office of Management and Budget, and the Secretary of Agriculture.

Sincerely yours,

ELMER B. STAATS,

Comptroller General of the United States.

APPENDIX I

CHRONOLOGY OF MAJOR EVENTS RELATED TO FOREST SERVICE EFFORTS TO CHANGE ITS WESTERN REGIONS' PRIMARY METHOD OF SELLING TIMBER

AUGUST 1970

The Office of the Inspector General, Department of Agriculture, issued a report stating that, in its opinion, measuring each log (100-percent scaling) was obsolete and did not provide for the economical use of funds or the efficient use of employees. The report said that the Forest Service had done much development work on more efficient timber measurement systems, such as sample scaling and tree measurement with the use of statistical sampling, but that industry opposition had been a severe deterrent to implementing these systems.

The report recommended that the Chief of the Forest Service establish a national policy to eliminate log scaling as a basis for payment, whenever possible, by phasing in other, more efficient measuring methods.

APRIL 1971

The Forest Service advised its regions that it agreed with the Office of the Inspector General's recommendation and would proceed to implement it as rapidly as possible. It said, however, that the regions should not increase the volume of timber sold by the tree measurement method until adequate techniques had been developed and enough employees had been trained in its use, particularly where large, defective timber was involved. The Forest Service said that one region was testing the efficiency of several tree measurement techniques and that other regions should get tests underway promptly because such tests take time to consummate. It said that, until satisfactory techniques were developed, the regions should continue existing sample-scaling arrangements and efforts to convert 100-percent scaling to sample scaling.

SEPTEMBER 1971

The Forest Service told the Office of the Inspector General that the Forest Service was expanding the use of the tree measurement method, sample tree measurement, and sample scaling but that, before any large-scale expansion could occur, it needed to develop some expertise in these methods and to build industry confidence in areas where these practices were new.

OCTOBER 1972

The Federal Timber Purchasers Committee, a timber industry group which meets periodically with Forest Service officials, questioned the speed with which some Forest Service regions were moving to tree measurement sales, alleging that these regions were not living up to the Forest Service's prior commitment to develop sound procedures before increasing the number of such sales. The Forest Service said that its objective was to increase tree measurement sales considerably but that it expected its regions to use management systems which would produce acceptable results.

MARCH 1973

The Secretary of Agriculture and the Director of the Cost of Living Council appointed an interagency task force on softwood timber and plywood to consider changes in Forest Service timber sale procedures.

MAY 1973

The Chief of the Forest Service, on the basis of the work of the interagency task force on softwood timber and plywood, announced that, as one of the actions to meet increased timber productivity goals, conversion from the log measurement system of paying for Forest Service timber to one in which payments would be based on tree measurement methods would be pursued and be achieved throughout the Forest Service as soon as feasible.

MAY 1973

The Forest Service sent its regions the following tentative timetable for converting to tree measurement.

By December 31:	Percent
1973	5
1974	15
1975	35
1976	50
1977	60
1978	75
1979	80
1980	over 90

The Forest Service's Director of Timber Management to each region to prepare detailed plans, by national forest, for increasing tree measurement sale offerings to meet the goals of the proposed timetable.

AUGUST 1973

The Forest Service included \$1 million in its budget request for fiscal year 1975 to partially cover the costs of converting to the tree measurement method. The Department deleted the fund request in September 1973 because of higher priorities.

NOVEMBER 1973

At a tree measurement conference of Forest Service headquarters and field officials, it was pointed out that, to accomplish the transition from log measurement to tree measurement, a well-planned implementation program was needed to establish confidence in the equity of such a change. Also pointed out were the needs of (1) national instructions, which would establish the bases for accuracy standards for tree measurement sales, and (2) additional financing, to offset the costs of the conversion. In addition, it was noted that the following considerations must be analyzed carefully in any comparison of tree measurement and log measurement methods.

The relative costs of both methods.

The experience of personnel involved in making these comparisons.

The sampling-error standard used for the tree measurement method.

The accessibility and conditions of timber in the sale area.

Flexibility in use of Forest Service personnel.

NOVEMBER 1973

At a meeting with Forest Service officials, the Federal Timber Purchasers Committee

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stated that it intended to talk further with the Office of Management and Budget (OMB) and western congressional delegations to try to prevent the Forest Service's making widespread use of tree measurement in the West. The Forest Service said that it intended to proceed only as rapidly as its ability to make acceptably accurate volume estimates permitted, giving priority to those situations in which maximum long-term cost savings could be realized. The Forest Service said it expected to make considerable progress toward using tree measurement in the next several years but that it could not predict whether implementation plan targets could be met.

APRIL 1974

In a briefing paper distributed to the western regions, the Forest Service said that, because additional financing had not been received for fiscal year 1975, the proposed timetable for converting to tree measurement sales had to be reviewed. It said also that the western regions had already reduced their estimates of progress by 1980 to 48 percent but that this figure might need to be reduced further.

The Forest Service added that:

It appeared that its past direction had resulted in inconsistencies among the regions and that more specific direction was indicated.

Its intent continued to be to measure timber in the manner which most effectively met both public and purchaser needs.

Although it could not visualize eliminating all scaling, it continued to believe that, in the long run, tree measurement would be shown to best satisfy these needs. However, it did not want to move so fast that it made mistakes and risked discrediting the value of tree measurement. Therefore it was thinking in terms of delaying making any additional tree measurement sales in high-value, high-defect stands until it had accumulated more comparative data on costs and volumes.

To obtain that data, it would prepare as many sales as possible to tree measurement standards but would sell them as scaled sales. Exceptions might be necessary for individual sales where, for some reason, scaling could not be provided at reasonable cost.

It would continue to increase using tree measurement sales of relatively sound and/or low-value timber where experience had shown this method to be satisfactory.

JUNE 1974

The Forest Service sent its regions proposed general guidelines for the tree measurement sale program and emphasized the need for agreement on guidelines for using tree measurement sales in high-value, high-defect, old-growth timber stands. The regions were requested to prepare as many test sales as financing would permit and each forest which planned to offer old growth by the tree measurement method was asked to make at least one test sale in fiscal year 1975, if the necessary preparation work could be done.

AUGUST 1974

The Senate Appropriations Committee, in its report¹ on the Forest Service's fiscal year 1975 appropriations, said:

"In the expenditure of funds appropriated by this Act, the Forest Service should not extend the use of tree measurement systems for timber sales in Forest Service Regions where there is not well-documented evidence that (1) the practice will provide volume data for payment purposes that are as accurate and reliable as those provided for log scaling, (2) the combined cost to the Government and timber purchaser for timber

measurement in tree and log form is not increased, except for investigative purposes."

The Committee added:

"For the past two years the Forest Service has undertaken a program to increase the sales of timber on a tree measurement basis. . . ."

"Timber prices throughout the Nation have continued to rise and it is important that both the buyer and seller for the National Forest timber be able to rely on volume measured as the basis for payment. It is recognized that current log scaling practices include truck scaling, weight scaling, water scaling, and sample scaling. Where the practices are sound they should be continued unless the above criteria are met.

"Tree measurement methods for National Forest timber sales have been used satisfactorily throughout the eastern National Forests and on certain kinds of timber sales on the western National Forests. However, timber sales in highly defective and valuable timber stands on the western National Forests have normally been sold by log scaling procedures.

"Tree measurement procedures in such timber have been demonstrated to be quite accurate. However, the method has not enjoyed complete confidence by many purchasers of defective timber who might well be faced with severe financial losses if errors occur. Although we recognize the Forest Service has expanded tree measurement sales in the western United States to save cost in both man-hours and dollars, we request Forest Service not to expand tree measurement sales further until the criteria cited above have been met."

OCTOBER 1974

The Director of Timber Management told GAO that the Forest Service had provided little direction to its regions from 1970 to 1973. He said that during this period the headquarters office was mainly trying to encourage the use of tree measurement methods. He said that the Forest Service had abandoned its conversion timetable because of (1) the concern expressed by the Senate Appropriations Committee and (2) the uncertainty of future funding for the tree measurement testing program.

The Director of Timber Management advised the western regions (excluding Alaska) of the congressional concern about the program to increase the sale of timber by the tree measurement method. He said that the Forest Service did not want to abandon its efforts to increase the use of this method but that, in view of the congressional concern, each region should strive to keep the volume offered at about the same level as last year. The Director also finalized the tree measurement sale program guidelines, sent to the regions in June 1974, relating to sale size, defective timber, road construction costs, value of species, and personnel qualifications.

The Director suggested that test sales be made to establish a "track record" in broad timber types where tree measurement had not been used previously. He said the two greatest items of concern in the tree measurement program were accuracy and costs and that the Forest Service needed sound, defensible data to support its belief that tree measurement sales could be highly accurate while achieving reduced costs.

The Director said that Forest Service headquarters would develop and issue procedures and a format to insure that uniform data would be collected on time and costs involved in preparing and administering tree measurement sales and that industry should be asked to cooperate in the program by providing time and costs involved in reviewing and administering the sales from industry's standpoint. He said that the Forest Service needed to make a thorough and complete

¹ S. Rept. 93-1069, Committee on Appropriations, 93d Cong., 2d sess., Aug. 2, 1974.

comparison of savings to justify moving ahead with tree measurement.

NOVEMBER 1974

An OMB official told GAO that OMB first got involved in the tree measurement question in 1973. He said that OMB's interest came about indirectly as a result of increasing timber prices which got OMB involved in looking for ways to increase efficiency and decrease costs. He said that, at that same time, the Forest Service and the Bureau of Land Management were doing work for the interagency task force on softwood timber and plywood and that both agencies felt that tree measurement was one method by which timber utilization could be increased.

The OMB official added that OMB had no problems with tree measurement because both agencies said it would save money and increase efficiency but that he planned to ask the agencies to test industry's allegations that tree measurement was more costly and less accurate than log measurement.

JANUARY 1975

The Forest Service sent its western regions (excluding Alaska) proposed procedures and a standardized format for collecting costs and time on test tree measurement sales. According to these procedures, both Government and purchaser data was to be developed or obtained to compare time and costs for preparing and administering log measurement and tree measurement sales on the same sale area. Also the regions were to determine, by measuring or estimating the amount of usable material left on sale areas, whether utilization differed greatly from contract specifications.

MARCH 1975

The Forest Service finalized the procedures proposed in January 1975 for collecting time and cost data on test sales and asked that individual test sale results be submitted to the headquarters office as they were compiled.

A Forest Service headquarters official told GAO that specific funds would not be designated for collecting this information. Instead, the regions would be required to fit the test sales into their regular timber sale programs as funding permitted. The official said that a date for completing the test sale program had not been determined and that completing the program would probably depend on the availability of funding and manpower within each region.

USE OF THE DULLES AIRPORT ACCESS ROAD

Mr. HARRY F. BYRD, JR. Mr. President, when Dulles International Airport was built in northern Virginia, a special access road was constructed to provide rapid transportation to and from the new facility.

This road serves only Dulles; commuters are prohibited from direct access to the road between the airport and the terminus of the road at I495, the Capital Beltway. Those using it must drive to the airport and "double back" to their destinations.

The Dulles Access Road is underutilized. Commuter automobiles making use of the "turnaround" at Dulles form the bulk of the traffic at rush hours, and at other times it is nearly empty.

By contrast, other roads in the area, many of which were never designed to handle commuter traffic, are badly congested.

Since 1968 I have advocated the provision of direct access to Dulles Access

Road to commuter traffic until such time as the road becomes crowded, at which time other highways should be completed to handle the congestion at rush hours.

Recently the employees of the U.S. Geological Survey at Reston have been seeking permission from the Federal Aviation Administration to use the Dulles Access Road for direct transportation to and from their employment. To date, their request has not received favorable action.

On April 10, 1975, a letter was sent to President Ford by the Dulles Corridor Committee, a group representing the USGS employees. The letter was framed as a petition, bearing 1,339 signatures, and it urged the prompt opening of the Dulles Access Road to work trips for USGS personnel, without the necessity for the round trip to the airport.

As you will note in paragraph 8 of the letter, Virginia now has done what FFA requested.

I ask unanimous consent that the letter of the Dulles Corridor Committee to President Ford be printed in the RECORD.

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

DULLES CORRIDOR COMMITTEE,
McLean, Va., April 10, 1975.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: We would like to call the following to your attention concerning the Dulles Road and access to the U.S. Geological Survey facility at Reston, Virginia.

1. The U.S. Geological Survey National Center for research in natural resources was built without provision for acceptable access to it. The location of this facility at Reston, Virginia, was part of a plan for decentralization of government.

Such a move involved great sacrifice on the part of the employees.

2. The country roads that the Survey employees are now forced to use are very unsafe. Even during the summer there are numerous potholes. During the winter they are impossible. We have to come to work in the dark, dodging school children and animals. The roads are narrow and winding, hilly and bumpy. Accidents and near-accidents are common.

3. An obvious solution to these problems is the use of the Dulles Airport Access Road.

4. The Dulles Road was built with public funds; yet it is reserved for the sole use of a narrow segment of private industry. This is a subsidy of the airlines to the detriment of Federal employees who are serving the public interest.

5. The F.A.A. holds that their road was built for a specific purpose, and therefore we cannot use it for commuting. The roads that we are forced to use were not built for commuting either. While using these country roads we really interfere with the purpose for which they were built.

6. The Dulles Road is now in fact being used as a commuter road by residents of Sterling Park, Leesburg, and other areas to the west as well as by Geological Survey employees who make the approach from the east. Between 7:00 and 8:00 A.M. more than 90% of the traffic on the road is commuter (non-airport) traffic that makes the turn around at the airport and then heads back toward Washington.

7. Wolf Trap Farm Park is another Interior Department facility. It is devoted to amusement, where the Geological Survey is de-

voted to solving the long-range energy and mineral needs of the country. Yet, Wolf Trap enjoys the use of the Dulles Road and the Survey employees are kept on the byways.

8. Mr. Dexter Davis of the F.A.A. stated that if the Virginia authorities made a definite decision to build parallel commuter roads, the F.A.A. would look at our matter differently, thereby inferring that they would allow use of the Dulles Road to commuters while the parallel roads were being built. The Virginia legislature has now passed the bill authorizing the parallel roads, and the governor has signed it. There is now an obligation on the part of the F.A.A. to respect this commitment.

9. The times of day when the Federal employees of the U.S. Geological Survey would be using the Dulles Road and the directions they would be travelling are such that their being on the road would absolutely in no way interfere with airport traffic.

10. National Airport is approached on the heavily travelled George Washington Parkway; yet, there is never any trouble getting into National because of the Parkway traffic. In comparison, Survey traffic on the Dulles Road would not even be noticed.

11. Denial of the right to use the Dulles Road by the Federal employees of the U.S. Geological Survey results in a waste of more than 200,000 gallons of gasoline each year. The F.A.A. has dismissed this senseless waste of a valuable resource by stating that the energy crisis is over. Their posture is unconscionable with respect to the matter of waste.

12. Denial of the use of the Dulles Road to Survey employees effectively eliminates minority groups in Washington from working at the Survey. Regardless of the doctrinaire exhortations of the F.A.A., the figures show this statement to be true.

13. The morale of the Federal employees of the U.S. Geological Survey is affected adversely by this road situation. We did not choose to come to Reston; our agency was moved here and we were ordered to report. Yet, twice each day we have to pass over this fine highway that is empty of traffic, or if we use it we have to drive the extra ten miles to the airport and back. Twice a day we feel the pang of being neglected by a bureaucracy that really just doesn't care.

We urge that you take immediate steps to gain access to the Dulles Road for the employees of the U.S. Geological Survey and that our own access ramps be built as soon as possible using our present easement.

Very sincerely,
JAMES WOOD CLARKE,
WILMA B. WRIGHT,
Coordinators, Dulles Corridor Committee (And attached petitioners (1,339)).

PUBLIC EMPLOYEE UNION POWER

Mr. GARN. Mr. President, I would like to call the attention of my distinguished colleagues to a very worthwhile editorial which appeared yesterday, July 25, 1975, in one of our finest and most respected newspapers, the Wall Street Journal.

As a former mayor, it comes as no surprise to me that the mayor of Seattle referred to in this editorial ranks the growing power of municipal unions only second to his concern for money problems. I can certainly testify as to what compulsory unionism and binding arbitration mean to a State or local government official charged with the responsibility of governing.

What it means is that a third-party arbiter who has not been elected by the

people or by their representatives can set a wage rate that a local government official does not have the tax money to cover. And, the end result is that indirectly someone who is never accountable to the voters sets a tax levy and in essence supersedes the elected public officials authority to do so.

Whether we talk of public employee unions at the State or at the Federal level, what we need to ask and have answered is whether government, by its nature a monopoly and the protector of all citizens, has the authority legally and morally to transfer functions vital to the very operation of government to a private individual or an independent organization.

The answers to these questions are coming in daily as we see our cities and governments sink deeper into financial trouble, widespread unemployment continue, and our inflation rate begin to inch upward.

Mr. President, I urge my colleagues to read and consider carefully the contents of this very fine article.

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 NEED FOR A LITTLE BACKBONE

During the recent U.S. conference of Mayors, the mayor of Seattle said that the growing power of municipal unions ranked just behind money worries as the "most dominant concern of every mayor in the conference."

The most flagrant and most publicized instance is of course New York City. The city's capitulation to the strike by sanitationmen probably dashed its last opportunity to save its creditworthiness. By now some of its municipal union leaders seem to favor bankruptcy, partly out of vindictiveness and partly out of the notion that if the city defaults on its bonds it could go on spending at the rate that built the debt bubble in the first place.

But such public union power is by no means isolated to New York. Some 76,000 members of Pennsylvania's biggest public employe union crippled the Keystone state for three days by walking out in a wage dispute. Strikes have recently occurred in Birmingham, Chicago and Baltimore. Albuquerque has just suffered a police strike, though without any dramatic change in the crime rate.

Such walkouts are usually illegal, yet returning workers are rarely penalized. Instead, the usual pattern is to give them more or less what they demand: Most sanitation layoffs in New York were rescinded and Pennsylvania state employes, who had been offered a 3.5% increase on grounds that anything higher would require a tax increase, received an average 12% hike in three stages.

Despite the growing power of the estimated 11.5 million public employes, there is sentiment in Congress and in various statehouses to increase that power further by guaranteeing public employes the right to strike. Only about a dozen states give public employes broad collective bargaining rights, but any federal legislation would require every state and municipality to bargain with their employes.

Any such federal law, and for that matter any state efforts to give unions a greater say over wages and working conditions, needs to be reexamined and reconsidered. Not because public employes should not be treated fairly, for of course they should be. And not

because public employes are second class citizens, for of course they are not. But because the nature of their relationship to their employer is different and because collective bargaining in the public sector is fundamentally different from collective bargaining in the private sector.

Collective bargaining implies parity, more-or-less, between employer and employe; theoretically, each side has economic alternatives. But such parity does not exist in the public sector, since there is no alternative in the event firemen, policemen or other key workers withdraw their services. In that event a strike is not merely an inconvenience, but perhaps a matter of life or death.

There are other differences as well. Public employe unions enjoy unprecedented job security; only in the very worst of times is there any suggestion that civil service jobs be reduced or eliminated. But few trade unionists are insulated from the economic vagaries. Furthermore, while it is not unknown for trade unions to demand the moon at contract time, most contracts in the private sector are settled with an eye toward profit and loss. But municipal union employes often act as though there were no limits to the public coffers.

This attitude is understandable, especially since not a few politicians have encouraged municipal unionists to believe that government treasuries are bountiful. But as New York City officials are finally learning, there is a limit to how much the public can be taxed before it finally rebels. It doesn't take a mathematical genius to realize it just doesn't add up that municipal worker job rolls and payrolls have been expanding constantly while productivity has declined and municipal services are worse than ever.

This situation isn't likely to get any better unless city halls, state houses and even Washington begin showing more backbone. One way to do so would be to impose automatic penalties against municipal strikers, perhaps by reducing their retirement benefits for each day they remain out on strike. But the best way to avoid illegal walkouts in the future is for politicians to resist from the outset efforts to expand the power of public employe unions.

RESIGNATION OF SECRETARY HATHAWAY

Mr. McGEHEE. Mr. President, it is with deep regret and heavy heart that I note the resignation yesterday of Stanley K. Hathaway as Secretary of the Interior after but 6 short weeks in that important office.

As I said in June in supporting the confirmation of my friend Stan Hathaway:

The most important ingredient in a man or woman is not whether you agree or disagree, but whether that person's integrity and ability are above reproach.

Mr. President, I think it is no secret that Stan Hathaway and I have had our disagreements over the years as spokesmen for differing political points of view and parties. But my respect for the man, his integrity, and his ability, is undiminished. It is most unfortunate that the vicissitudes inherent in the human condition we all share have been visited upon this able and dedicated public servant at the acme of his public life just as he was setting about a new position of service to the entire Nation.

The people of Wyoming, where Stan Hathaway was an effective and respected Governor for two terms and where he enjoys inestimable esteem, join me, I

know, in wishing Governor Hathaway a speedy return to good health, in hoping for good fortune to follow for him, his wife Bobby and their children, and in expressing thanks for the distinguished way in which he has conducted himself through a difficult period.

THE EMPRESS OF IRAN ON SCIENCE AND SOCIETY

Mr. MATHIAS. Mr. President, today's New York Times carries an article condensed from a speech made in Colorado by Farah, Empress of Iran. She has posed the predominate problem of modern man so succinctly that her speech merits the close attention of the Senate. We must be blind and deaf to the disintegration of values in the world around us if we do not respond when she asks—

... how to reconcile the computer with the demands of a spirituality that underlines the very substance of human life. . . .
... how to harness the resources of science and technology without depriving mankind of his human heritage. . . .

It should be noted, of course, that few nations confront this challenge more squarely than Iran. One of the world's most ancient cultures is threatened by the affluence derived from oil which on the one hand produces great revenues and on the other induces heavy expenditures for technology and weaponry.

But in the resulting atmosphere of activity and change the Empress has been an articulate and effective advocate of the preservation of the rich heritage of art, architecture, literature and religion. As she travels from one historic Iranian city to another the Empress pleads that progress should not be purchased at the price of the sacrifice of a culture that extends over a period of more than 2,500 years. The Iranian press carries her message beyond the range of her own voice and helps to raise the national level of consciousness of the Persian past and of the danger of a catastrophic collision between that past and the on-rushing future. The United States and the rest of the world should clearly understand this dilemma and appreciate both the depth and the urgency of the issue before all mankind.

I ask unanimous consent that the article, "Computer and the Spirit: The Chasm," adapted from the Empress' speech be printed in the RECORD.

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

COMPUTER AND THE SPIRIT: THE CHASM (By Farah Pahlavi)

I want to comment on a chasm that tends to separate more and more the technological world from the spiritual heritage of civilization.

It appears that the material achievements of our age have come about at the expense of gradual erosion of the cultural patrimony that has taken the toll of so many centuries to accumulate.

The development of communications and the general tendency toward uniformity of the modes of life seem to have endangered cultural diversity, itself the fountainhead of creativity and progress.

Traveling at the speed of sound and communicating at the speed of light, we have

entered a period of cultural osmosis—a period whose manifestations range from what Arthur Koestler had called the “architectural esperanto” to many common problems confronting major cities throughout the world.

On the other hand, along with the enormous accumulation of modern knowledge, isolated blocs of specialized knowledge emerge that often remain impenetrable from one discipline to another.

Another disparity is the abyss that separates the masses from a smaller group of specialists. This is largely due to the fact that the discoveries of contemporary science do not readily lend themselves to normal expression in everyday language. As the physicist Erwin Schroedinger said, when new scientific discoveries can be expressed in clear words, one is confronted with statements that are less absurd than “triangular circle” but more so than “winged lions.” It is obvious that if the divorce between scientific expression and the understanding of the masses continues, man's condition could become increasingly precarious.

Finally, and this is perhaps the most pressing of all dangers, the environment is being rapidly degraded by the thrust of an unbridled technology that has lost sight of the ultimate aim of progress, namely, man and his total well-being. The optimists will say that for decades we have been witnessing the ascendance of man over the universe and the domination of matter by spirit. And yet, without being a pessimist, one may wonder at the folly of a chaotic material growth that violates the laws of nature while pretending to be honoring them.

Should one, under the circumstances, condemn, as some would suggest, the acceleration of technological progress? Or even proclaim a moratorium on scientific research?

I do not believe so, because scientific discoveries are man's creation, and therefore cannot be held responsible. In my opinion, the basic cause of our present dilemma lies elsewhere. The human race today is at the mercy of the unchecked capabilities of its own inventions—inventions that are blind to their own consequences, or to the means to rectify them. Therefore, a pressing task lies before us if we seek to avert a catastrophe upon future generations. This task is nothing less than correcting the detrimental effects of technology while at the same time restoring the balance between men of science and ordinary people.

We will have to embark on a gigantic program of education. To be sure, one cannot expect everyone to master every discipline of science, but they should at least understand its essence, that is, the scientific spirit and method that characterize it.

The limitless powers of modern science call for a redefinition of scientific responsibility. The unpredictable progress of knowledge must comply with the fundamental right of each individual to know. The benefit of science and technology should be made available to all countries, rich or poor.

In other words, all relations between science and society, on the national as well as the international level, is the concern of our times. Certainly, we face urgent problems other than some to which I referred at the beginning. But the problem which, by virtue of embodying the very first element of progress, demands the highest priority, is no other than scientific and technological progress.

Until now, human societies have given priority to material growth. This is without doubt important, especially in areas where the tempo of development has been slow in the last two centuries. But the qualitative dimension of progress is just as essential. We would be committing an irreparable error if we were to content ourselves with quantitative aims alone.

More than ever, the concept of “gross national happiness” should stand beside that of “gross national product.” In this context, it is indeed important to remain alert to the role of culture and the involvement of creative artists in the process of over-all planning.

Thus, the problem before us is how to reconcile the computer with the demands of a spirituality that underlines the very substance of human life. How to harness the resources of science and technology without depriving mankind of his human heritage—this is the challenge that we face and must surmount.

RABBI FELDMAN—“RELIGIOUS LIBERAL”

Mr. RIBICOFF. Mr. President, Rabbi Abraham J. Feldman, of Congregation Beth Israel, West Hartford, Conn., is an old, respected, and dear friend. He has served not only the Jewish community but the overall Hartford community for many, many constructive years. He has also been a chaplain at the Institute of Living for more than 40 years.

The July 1975 issue of *Chatterbox*, published by the Institute of Living, contained an article about Rabbi Feldman.

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:

RABBI FELDMAN—“RELIGIOUS LIBERAL”

Rabbi Abraham J. Feldman has served the Jewish Community at the Institute of Living as Chaplain for over 40 years. During a recent interview Dr. Feldman reflected on the changes which have evolved in the role of religion within the hospital, and the increasingly relaxed services which have allowed him to interact with patients, to discuss and explain points made during his services. He spoke of the many people who have come to him with questions or concerns about the Jewish faith, and especially about the strengths and reasons for their own beliefs.

Over the years Dr. Feldman has worked closely with our other two chaplains, Father Kiely and the Reverend Bobbitt, and expressed a feeling of warmth and consistent cooperation among them. He has provided many non-denominational services in the past and works together with the other chaplains on Ecumenical Services which are held, notably on Thanksgiving, each year. The chaplains work out a service and then take turn delivering the sermon each year. Next Fall will bring the hundredth anniversary of our Elizabeth Chapel, and plans are already in motion for a celebratory ecumenical service. Plans include inviting prominent speakers to participate in the ceremonies.

Though Rabbi Feldman is a familiar figure here, there are probably few who are aware of how illustrious a man he is. Dr. Feldman was born in the Ukraine and came to the United States as a boy. He attended Columbia University and received his B.A. from the University of Cincinnati. He then went on to earn the Rabbinical Degree from the Hebrew Union College in Cincinnati. He will be honored soon at the centennial celebration of the Hebrew Union College which he will attend with his wife.

Dr. Feldman also holds five honorary degrees and STD from Trinity College, LLD from Hillier College (now the University of Hartford), Doctor of Humanity from Hart College and Doctor of Literature from Parsons College of the University of Hartford. He has published more than twenty books and

“hundreds of pamphlets”. He is also honored with the Medal of the City of Hartford for community involvement. Dr. Feldman has always worked closely with other religious and civic leaders for the community.

Rabbi Feldman's religious career has been long and worthy of recognition. He holds the title of Rabbi Emeritus of the Temple Beth Israel in West Hartford where he has recently completed 50 years of leadership in that congregation. He is a past President of the Central Conference of American Rabbis and of the Synagogue Council of America which includes all divisions of the Jewish faith. During the War he was Chaplain to the Connecticut State Guard, retiring with the rank of Colonel. He has also been a chaplain to the Veterans' Administration Hospital in Newington since it opened some forty years ago.

Rabbi Feldman's leadership has been and continues to be a valuable asset to the community as well as to the Institute of Living. It is our sincere hope that his association with us will be on-going and on-growing, and that more within the hospital will take advantage of the vast knowledge and kindness which he has always shown to us.

OREGON: WHERE ALL ROADS LEAD TO ROAM

Mr. HATFIELD. The State of Oregon has been known for its innovative legislative steps in several areas. Our work pioneering the initiative and referendum; our early child labor, workman's compensation, and other protective legislation all are well known.

More recently, the huge success of our State ban on nonreturnable beverage containers has spawned similar efforts throughout the country. Just a few weeks ago, Oregon became the first State to act against aerosols containing certain fluorocarbons as propellants.

Another forward-looking State law is our proposal to allocate a certain percentage of our gas tax revenues for the construction of bicycle trails.

In a recent article in *Sports Illustrated*, Robert Cantwell did a god job in capturing the spirit of this law, and of people in Oregon who know about the legislation. I ask unanimous consent that an article from a recent *Sports Illustrated* be printed in the RECORD.

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

WHERE ALL ROADS LEAD TO ROAM

(By Robert Cantwell)

Along with wheat and forest products, laws are one of the major exports of Oregon. The state is fertile ground for legislative ideas. American voters in general say, “The government ought to do something,” but in Oregon folks say, “We ought to do something to the government.” It is a land of close votes, of great expectations, of bold experiments and partial accomplishments, of reforms that are praised abroad but often bog down at home.

In the 1840s, when the covered wagon emigrants set up a makeshift government, they passed a law under which any married man able to drive four stakes in the ground could claim a square mile of land. This legislation was one of the forerunners of the Homestead Act, which led to the settling of the West, but in Oregon it led to so many disputes over boundary lines that the family histories of the old aristocracy can usually be traced through the court records of their suits for fraud.

Nowadays, when the citizens of the state

are not fishing, or dedicating historic sites and campgrounds, or attending hearings to protect the environment, they are settling down with volumes of the Oregon Laws and dreaming up ingenious new measures.

One of Oregon's many legislative innovations is the initiative and referendum, which enables voters to put their own laws on the ballot if the legislature refuses to act. All that is required for a referendum is a petition signed by 4% of those who voted in the last gubernatorial election; for an initiative, 6%. Initiative and referendum was a nationwide sensation when Oregon adopted it in 1902, and 21 other states eventually followed suit, but at times the Oregon electorate generated less than earthshaking reforms. One early piece of legislation that voters got on the ballot by their own initiative was a bill outlawing passes on railroads. Enthused by the prospect of passing their own laws, Oregon voters pressed on, coming up with acts increasing the bounty on jackrabbits, legalizing slot machines and regulating the sale of oleomargarine.

Prodded by Oregon's creative electorate, in 1971 the state legislature passed House Bill 1700, the first of its kind anywhere. The law provides that the state highway department must spend a minimum of 1% of all gasoline-tax money—1% of all highway revenue generally—building bicycle and pedestrian paths. The Oregon gasoline tax is 7¢ a gallon, on top of the federal tax of 4¢ a gallon (and the federal tax, of course, ultimately returns to the state). Oregon motorists buy about a billion gallons of gasoline a year. From this, one would assume that there is, or should be, or soon will be, enough money to build bicycle paths from Oregon to Rarotonga.

Bills modeled on HB 1700 have been introduced into the legislature of at least 30 other states, and the Oregon law is held by cyclists to be only a little less epochal than Magna Carta. But there is an old problem having to do with Oregon: you can export its laws, but not the people, the climate or the background that produced them. They do not work elsewhere as they do at home. In fact, even at home they often do not work the way they are supposed to.

The bicycle bill squeaked through the legislature in the midst of an environmental uprising that centered on the more famous bottle bill. This measure—also passed and exported and subsequently considered in several states—requires beer and soft drinks to be sold in returnable containers.

Why the bike bill got the backing of the legislators is a puzzle. Perhaps the politicians saw the way antipollution laws were going and appreciated the argument that there were no exhaust fumes from bicycles to befoul the moist Oregon air. Perhaps it passed because nobody expected that it would. Nine Representatives and one State Senator originally decided to back the bicycle bill, whose unique feature was that it compelled the highway department to build the paths whether it wanted to or not. So HB 1700 was passed and signed by former Governor Tom McCall on the seat of a bicycle, the seat then being shipped to the Bicycle Museum on New York's Staten Island. That done, state officials realized nobody in the Oregon highway department knew anything about bicycle paths. This lack of expertise prevailed not only in the state but in the nation. However, one city in the U.S.—Davis, Calif.—could provide a building plan.

In January 1972 an Oregon delegation visited Davis. Almost everyone in that city owns a bicycle and pays an annual \$2 license fee for it. There are 22,000 registered bicycles in this farm-and-college city of 32,000. Much of the traffic consists of bicycles. At the corner of Third and F Streets, a busy intersection during rush hours, the ratio of bicycles to cars is 8 to 1. Davis' growth began in the late '50s, after the University of California's

agricultural college branch was turned into a liberal arts college. Bicycles became so numerous they virtually force automobiles off the streets. Some of Davis' streets happen to be extremely wide. It was possible to park cars and run bicycle paths between the sidewalks and the parked cars. These paths proved to be so safe and convenient that a citywide system of bicycle paths was constructed.

Only one automobile-bicycle accident has occurred in a bike lane in the 11 years of Davis' bicycle-path system, which now extends for some 16 miles. One reason for this record is the rigorous enforcement of automobile traffic regulations: complete stops at stop signs and tickets for drivers going 26 mph in 25 mph zones. A uniformed cop mounted on a 10-speed bike hands out tickets to speeding cyclists as well.

The Oregon delegation decided that the Davis program depended too much on unique local conditions to be applicable to Oregon. So the highway department hurriedly built a number of short paths in widely separated locations, using highway maintenance crews when they were not working at their regular jobs. Counters were placed on some of the paths to determine how often they were used. A questionnaire was sent to 600 bicyclists asking why they rode: For touring? For recreation? To save money? (Sixty-nine percent replied that they rode for exercise.) Ten thousand copies were mailed to names selected at random by a computer. "A silly questionnaire," huffed by the Eugene Register-Guard, noting that many of the respondents undoubtedly didn't own bikes.

After the first rains the asphalt surfaces of the bike paths were cracked, broken, washed out or covered with mud. "A pretty lousy deal," said Les Anderson, the mayor of Eugene (pop. 79,000), who had been swept into office with the enthusiastic support of the city's 40,000-odd bicycle owners. "A waste of money," said others.

Still, by the time the 1973 Oregon legislative session opened, the highway department had completed or had under construction about 100 miles of bikeways.

The legislature answered its critics by setting up the Bicycle Advisory Committee to oversee the program. The eight-member committee goes from town to town holding hearings that last from 10 in the morning until 10 at night. A kind of game is involved, absorbing but entirely serious, which anyone with a bicycle and a map of Oregon can play. You mark where you think a bicycle path should be built and try to get the state to build it there. "I have this fantasy bicycle path in my mind," said a young man at a hearing in Eugene. Asked to step closer to the microphone, he said his name was Skeeter Duke. He wore a red-checked shirt and brown corduroy trousers, and had the nervously determined air of a man about to reveal his private fantasies. "Yes, Mr. Duke?" said a committee member sympathetically.

"I would like to see a bicycle path built from Eugene down to the coast at Florence," said Skeeter Duke.

As fantasies go, this was one even a part-time bicyclist could appreciate. If such a path should be built it would run westward from the city of Eugene and the University of Oregon, through level farmlands, past some good fishing sites on Fern Ridge Reservoir, and enter the low mountains of the Coast Range.

There it would thread through narrow valleys, with timbered slopes on both sides so steep that even the trees seem to remain upright in defiance of the law of gravity. After passing at least three campgrounds in 60 miles, the path would come out of the woods into tidewaters and the little town of Florence, the only community in an expanse of 100-foot-high sand dunes and dunes-locked lakes—a desolate, windswept but liv-

able region, immense breakers pounding the shore, offshore rocks inhabited by sea lions, a country at once drenched and arid, as though the Sahara had unaccountably commingled with the coast of Maine. At Florence the fantasy bicycle path would connect with a genuine roadway, U.S. 101, the Coast Highway, which is to have—eventually—a bicycle path along its entire 348 Oregon miles.

"My name is Carolyn Hall," said a little redheaded girl wearing a blue sweater and a green skirt. "I am 12 years old, I am a sixth-grade student at Ellis Parker Elementary School in Eugene." To prepare for the hearing, the students of her class had taken a bicycle apart and reassembled it. They then rode their bicycles over a new path, five miles long, by the Willamette River. The path runs through a park leading to fishing spots, picnic tables, thickets of brush and alder populated with birds, cottonwood and beech trees and glimpses of the rapids of the river. A bridge for bicycles and pedestrians arches over the 200-foot-wide river to the University of Oregon campus. The path is a favorite training ground for the university's distance runners, and is beloved by bird watchers, elderly hikers and cyclists. Rounding a turn one may meet a gathering of bird watchers transfixed by a green-tailed towhee, or encounter an oncoming bike rider, head on.

For their English assignment the sixth-graders wrote presentations on bicycle paths for the committee. Those who wanted to read their papers were on hand to do so. Carolyn's paper said there should be signs warning people of sharp turns. The committee members agreed, and thanked her. Traci Marshall, 12 years old, said there should be places on the path where you can stop and rest. John Thornton, also 12, said there ought to be some better way to get to the path, and that it should be wider. "But I like it," he said. "There is plenty of nature around." Twenty-three members of the sixth-grade class filed out.

For 12 hours equally concerned spokesmen told the committee what was wrong with the operation of HB 1700, where they wanted new paths located and why bicycle routes combined with roads or streets were no good. More than 100 witnesses appeared, and from their accounts emerged a picture of cyclists forced off the road, insulted by truck drivers, tallgated by sports cars, toppled by debris, and so harassed, honked at and belabored that it appeared the only safe bicycle in Oregon would be one that was able to climb a tree.

One listened to the testimony of 54 witnesses until the accounts of hazards and discomforts set off some automatic switch; each new report sounded like a replay of the one before it. Could this be the result of HB 1700? The Magna Carta of bicycle riders? The measure that cyclists in 30 states were urging their legislatures to adopt? But occasionally a speaker described the bicycle paths he would like to see built, summoning up a vision of secluded, rustic trails in country settings.

Take Fort Stevens, for example. It stands on a peninsula where the Columbia River enters the Pacific, a thin cover of brush planted around it to prevent the sand from blowing away, a maze of cracked-concrete gun emplacements, the streets and buildings engulfed in blackberry vines. Built during the Civil War to discourage Confederate gunboats, Fort Stevens saw no action until 1942, when a Japanese submarine surfaced nearby and lobbed shells into it, the only military installation in the continental U.S. attacked by enemy gunfire. A bicycle path from Highway 101 to the fort had long been advocated, and 7.3 miles have been completed.

The first great American bicycle craze occurred after the pneumatic tire was developed in the 1880s. Oregon was so thinly settled and

the distance between towns was so great that the fad hit the state with extraordinary force. There were so many bicycles in the wide-open gold-rush town of Baker near the Idaho border in eastern Oregon that bicycle riding on the sidewalk was prohibited in 1881, although almost everything else known to mankind was permitted there. Now one of the projected bicycle paths under HB 1700 would run from Baker along an abandoned narrow-gauge railroad line through worked-out gold fields to the ghost town of Bourne. Nothing much remains of Bourne except a sumptuous mansion dating from the turn of the century. The swindlers of Bourne were unsurpassed in the way they sold stock in the Sampson Company, of London, New York and Bourne, long after it was well known there was no gold in its mines. The whole town was in on the secret, and two different (but identical-appearing) editions of the local newspaper were printed, one containing authentic news, the other, distributed in distant cities, containing entirely fictitious references to nonexistent gold strikes. The inhabitants spent much of their time pretending to be rich, in case a nosy investor happened by, and the masquerade, sometimes called the most outrageous gold-mining swindle of all time, went on for several years.

The nationwide bicycle boom reached its peak in 1899, when the U.S. population was 75 million, and 1,182,691 new bicycles were sold. At that time the population of Oregon was only 400,000, but the state had about 3,500 miles of bicycle paths over 60 separate routes. Most of the paths were built by local bicycle clubs. They were narrow, limiting cyclists to traveling in single file from town to town through the woods. In a sense, the paths of the '70s, resemble those of two generations before. For example, one proposed route runs from Portland to the state capital at Salem, 47 miles away. When Herbert Hoover was a boy in Newberg, south of Portland, he got a job weeding onions and saved his money to buy a secondhand bicycle. Moving to Salem, he worked in an uncle's real-estate office, saving all his wages for several months in order to buy a new bicycle. Hoover eventually went to Stanford with his hard-won two-wheeler and \$160 to start the career that ultimately led to the presidency.

Local history abounds along some of the paths, such as the one proposed for Bend, a city of 16,200 east of the Cascades. The path would skirt Sunriver, a resort and residential development that has 18 miles of bicycle paths leading to every home and shopping center. Bend was an obscure cattle town of 500 until 1915, when Tom Shevlin built a sawmill there. Twice an All-America end on Walter Camp's great 1902-04 teams, Shevlin introduced himself simply: "I'm Tom Shevlin, probably the greatest football player that ever lined up for Yale." The sharpest dresser in the college (he always took three suits to out-of-town games) and Yale's fastest motorist (he raced his 60-hp Mercedes against the express train to New York), he enjoyed loafing around the lobby of the Waldorf-Astoria, hiring bellboys to page him. His standing as Bend's most glamorous citizen ended when Clark Gable got a job in the sawmill. A legendary ladies' man, Gable was a parttime actor until he played Romeo to Jane Cowl's Juliet in Portland in 1925 and became famous.

A host of extravagant escapades surrounds the projected paths. In 1900 a possessed professor at the University of Oregon, Frederic Young, pushed or pedaled his bicycle over the entire length of the Oregon Trail, 2,000 rough miles of prairies and mountains. He wanted to experience what the emigrants had gone through. "The interminableness of it!" he wrote when he got back to Eugene. In 1902 Oregon's worst outlaw, Harry Tracy,

escaped from the penitentiary, shot and killed seven men, and for three months evaded the militia called out to capture him, much of the time speeding on stolen bicycles ahead of his pursuers.

One wants to ride with Harry Tracy, but bicyclists more often find themselves at a dead end. Only 144.9 miles of paths have been completed—or are under construction—in the four years since the bicycle bill became law, and the cost has been a staggering \$5.9 million. One percent of the gasoline tax is about \$2 million a year, so presumably the state has had about \$8 million to spend on the paths. But a complicated division into payments to cities and counties limits the amount available for any long-distance run, and procurement of funds is subject to considerable legal tugging and pulling. The first 44 miles of paths built with gasoline-tax money were the result of no less than 35 different projects by the state, counties and towns, most of them less than half a mile long.

Today the Oregon highway department has a magnificent statewide plan. The only trouble is that it would cost \$101 million to complete. But that, too, is an old story in Oregon; there has never been enough money to do what the voters wanted. At one time, under the initiative and referendum, the electorate approved a measure to build a courthouse and then voted down the money to build it. During the gold rush, voters approved a plan to finance the construction of a county courthouse in Jacksonville by mining gold from the excavation for the building's basement.

Despite such traditions, the voters take it for granted that HB 1700 will be implemented while feeling considerable satisfaction that so many other states are following their example.

Meanwhile, pending the completion of their paths, cyclists tour on little-used back roads. Following a path described in Nick and Elske Jankowski's 55 Oregon Bicycle Trips, one cyclist met a single car in 21 miles. The hard-topped road runs through a small forest of dead apple trees, all that remains of a gigantic apple-growing insurance scheme. The idea was that the tree's planted in one's early years would provide retirement income in old age, but they never produced any fruit.

In 55 Oregon Bicycle Trips one gains an idea of the homely attractions to be found on the way: each steep hill meticulously noted, old houses, totem poles, art centers, zoos, blackberry bushes, wrecked ships and agates in the gravel of Agate Beach. Ernest Drapela and Kevin Pratt's 30 Bike Rides in Lane County tells you how to cycle to a scenic attraction where there is a sign reading, what are you doing about Jesus? The book guides you to an abandoned schoolhouse filled with hay, a riverbank populated with beavers, a windmill, a lot of waterfalls, a salmon pool, driftwood, and a list of public campgrounds where you can go to the toilet.

One of the projected new paths is to run from the city of Grants Pass, known as Grass Pants, through groves of pines and madrona trees and the town of Wonder (so named because people wondered how anybody could make a living there), to wind up, 28 miles later, in the Oregon Caves. Another path, in the southwest corner of the state, will run near the Rogue River past fields of bent coast grass (exported for putting greens) into forests of Port Orford cedar, a wood found nowhere else that became famous when Sir Thomas Lipton used it in his challengers for the America's Cup. But generally there is something anticlimactic about riding a bicycle to an historic site in Oregon. The oldest things in the state are often of so recent vintage that an ancient ruin merely looks out of date. But it is true that on a bicycle it is easy to stop and examine any

point of interest, though why it is interesting may be hard to define. Everything seems close at hand and approachable, and the uniform gray overcast, on days that are neither too hot nor too cold for cycling, gives a muted Eastman color charm to the scenery, the leaves or the bark of trees, or the forlorn grandeur of some empty shack outlined against snowy mountains. The bicycle-path program is part of an old regional pattern: something at once romantic and practical, visionary and sensible, grandiose but relatively inexpensive. What it really shows is a love of the country and a way to see it without parking problems. Maybe someday it will all work.

VOTING RIGHTS EXTENSION ACT

Mr. CANNON. Mr. President, 10 years ago Congress passed the Voting Rights Act of 1965. It did so in order to renew the pledge that every American, regardless of racial or ethnic background, should have an equal right to register and vote.

The original act took aim at those jurisdictions that utilized literacy tests or other devices to exclude segments of the population from the voting lists. As a result of the 1965 law, literacy tests were suspended in many jurisdictions throughout the United States. Subsequently, registration among minorities, especially in the black community, showed dramatic increases.

In 1970, Congress enacted the voting rights amendments which extended the ban on discriminatory tests in all other jurisdictions for a period of 5 years. That ban is due to expire on August 6. The Voting Rights Extension Act will extend the lifetime of the 1965 law as amended for 10 years and add a number of provisions.

First, a permanent ban would be enacted on literacy tests and on other discriminatory voting practices.

Second, the bill would prohibit for 7 years, the use of English-only election materials in a jurisdiction if more than 5 percent of the residents of voting age are members of a language minority group and if less than 50 percent of the residents of voting age participated in the 1972 Presidential election. If coverage is triggered under the act, then first, election materials must be provided in the language of the minority group that triggered the coverage, and second, the jurisdiction becomes subject to preclearance and to monitoring by Federal registrars and observers.

Title III of the act also adds provisions to protect against discrimination in voting rights on the basis of illiteracy. If more than 5 percent of the residents of voting age in a jurisdiction are members of a language minority and the illiteracy rate for the minority group is higher than the national average, then the jurisdiction must provide election materials in the language of the minority group in question.

Census figures indicate that seven counties in Nevada will come under the coverage of title III of this act. These counties were found to have Spanish-speaking populations greater than the 5 percent specified in the act combined with an illiteracy rate greater than the

national average of 5.5 percent. The definition of illiteracy for purposes of this act is that part of the population over the age of 25 with a fifth primary grade education or less.

Those seven counties are:

Census Bureau figures for Spanish-speaking minorities in selected Nevada counties

County, illiteracy rate,¹ and minority percentage:

Humboldt	12.363	10.0
Lander	7.895	8.343
Mineral	19.767	5.295
Nye	13.333	5.292
Pershing	No figures	7.464
White Pine	9.828	11.228
Elko	13.953	7.98

¹ Figures based on percentage of minority over the age of 25 with a fifth grade education or less.

Indian minority figures

County, illiteracy rate, and minority percentage:

Elko	18.3	7.9
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To come under Title III coverage counties must have more than a 5% minority population speaking the same language AND must have an illiteracy rate higher than the national average of 5.5%.

If any of these counties had a voting turnout of less than 50 percent in the 1972 Presidential election, they would have been subject to the more stringent requirements of title II.

The inclusion of these counties in the Voting Rights Act raises some important questions. There is no evidence, for example, that points to voting discrimination against segments of the population in any of these counties or on a statewide basis. In fact, the Nevada State Legislature acted in 1973 to provide voting assistance for those people unable to read or write English. Nevada Revised Statute 293.296 provides that individuals with a physical disability—modified by NRS 293.070 to include those unable to read or write—have the right to assistance in marking their ballots from an individual of their own choosing.

Title III of the Voting Rights Extension Act broadens the assistance provision to include provisions for bilingual ballots as well as assistance in registering to vote. This added protection is a laudable step. But I do not believe that there is evidence of voting discrimination in Nevada sufficient to require the intervention of the Federal Government. Nor do I believe that the Voting Rights Act takes adequate notice of the good faith concern of the Nevada State Legislature for the voting rights of minorities as evidenced by prior legislation.

But the voting rights extension has passed the House and the Senate. It has the support of the White House and the time remaining for renewal of the act expires on August 6. Failure to approve this measure, despite justified reservations over its application to our State, would repudiate this country's overall commitment on equal access to the voting booth. While I am not persuaded that there is sufficient evidence of voting discrimination in Nevada, there is little question that it remains a substantial evil elsewhere in America.

I therefore support this measure. It has short term applicability to Nevada. But it has long-range importance for America. I look forward to the day when laws of this sort will no longer be necessary. If the United States as a whole can match the good will of Nevada in protecting the voting rights of its people, I am confident that day is not far in the future.

THE AEROSOL CONTROVERSY AND JOHNSON WAX

Mr. HATFIELD. Mr. President, as co-sponsor with my colleague from Oregon, Mr. PACKWOOD, of legislation to regulate aerosol sprays, S. 1982, I read with great interest an advertisement that ran here in Washington in the Star on June 20. It appeared in other publications also.

The ad sets out the Johnson Wax policy on this issue. In print blacker than most of that in the ad, the company policy is spelled out clearly:

Effective today, our company has removed all fluorocarbon propellants from our production lines in the U.S., and we are aggressively reformulating our product ingredients worldwide to achieve the same goal.

I congratulate Johnson Wax, and applaud this decision by the company. Let me point out that it would have been normal, in the minds of some, for this company to close ranks with other companies in opposition to any restrictions on aerosols. I note this fact as the sponsor of the bill, S. 613, to ban all throw-away beverage containers and to substitute returnable containers.

To Samuel C. Johnson, who signed the ad as chairman of the company, I also extend thanks from the people of Oregon, where a law has been signed to put limits on aerosols using certain fluorocarbons. I hope residents of Oregon will show their support of this company's decision in the marketplace, where it can be shown to Johnson's competitors that consumerism pays off "on the bottom line," to quote the phrase currently in vogue.

People who are concerned about the allegations regarding ozone damage should support companies such as Johnson, where they would rather switch than fight.

I imagine some of the other companies with a stake in continuing unregulated fluorocarbons in aerosols will tell me that Johnson was about to do this anyway, for various reasons. That possibly could be true. I do not know. I do know, however, that we should recognize when a company veers away from the pack in these situations. Here, they are putting the customers' welfare first, and I want to thank them.

I call the attention of my colleagues to this statement contained in this ad, and I ask unanimous consent that the text of the ad and an article by Steven Greenhouse entitled "Aerosol Feels the Ozone Effect" which appeared in the New York Times of Sunday, June 22, 1975, be printed in the RECORD.

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

AN OPEN LETTER TO CONSUMERS ABOUT AEROSOLS—FROM SAMUEL C. JOHNSON, CHAIRMAN, JOHNSON WAX, RACINE, WIS.
DEAR CUSTOMER:

For 89 years my family and our company have endeavored to develop new, modern, efficient quality products.

Our company still is a family venture; I am the fourth-generation member to head it. We have four children who, I hope, will want to carry on the tradition.

AEROSOLS TODAY

About 25 years ago, modern technology brought to the American homemaker a familiar symbol of the age of ease and convenience. This was the aerosol can.

As you are no doubt aware, a lot of confusion, misunderstanding and anxiety has developed over the last few months about aerosols. Since we have been closely involved in their development over the past couple of decades and because we know a great deal about aerosols, I want to try to clear up some of the misapprehensions you may have about them.

FLUOROCARBONS AND OZONE

The most important problem right now is that some aerosol cans release a certain kind of propellant gas that some scientists feel may be damaging the upper atmosphere ozone layer around the earth.

Although this was a totally unforeseen concern, scientific investigation is constantly providing a vital public service by calling to our attention things about our environment that may present serious problems.

The particular aerosol propellant under question is a fluorocarbon. It has several trade names, (e.g., Freon, Genetron, Ucon, Isotron). Some scientists feel that the possible impairment of the ozone layer in the upper atmosphere would permit greater penetration of the sun's ultra-violet rays with unforeseen effects on our health. Obviously this is a very serious concern; our own company scientists confirm that as a scientific hypothesis it may be possible, but conclusive evidence is not available one way or another, at this time.

We concur that the pressing need is for reliable scientific investigation; this is being carried on by the Inter-Agency Task Force on the Inadvertent Modification of the Stratosphere which has concluded that there may be a legitimate cause for concern. In addition, the National Academy of Sciences has stratospheric investigations underway which are expected to be completed early next year. Additional investigations are being sponsored by aerosol manufacturers and suppliers.

NOT ALL AEROSOLS CONTAIN FLUOROCARBONS

In the meantime, it is important to note that not all aerosol products sold in this country contain fluorocarbon propellants. As a matter of fact, approximately half of all aerosols use other kinds of propellants, including hydrocarbons and carbon dioxide.

About 15 years ago, Johnson Wax invented what is known as the "water-base" aerosol system that permitted the use of propellants other than fluorocarbons in many household products.

As a result, we have been reducing our use of fluorocarbon propellants over a long period for a variety of different reasons, including the fact that our unique water-base formulations using other propellants are less expensive.

During the past three years, fluorocarbons have made up less than five per cent of the total propellants we use. And because we share the concern of our customers and others and since we are technically equipped to do so in our products, we have made a policy decision.

WHAT JOHNSON WAX IS DOING

Effective today, our company has removed all fluorocarbon propellants from our production lines in the U.S., and we are aggressively reformulating our product ingredients worldwide to achieve the same goal.

We at Johnson Wax are taking this action in the interest of our customers and the public in general during a period of uncertainty and scientific inquiry. We are taking this newspaper advertisement and other available means to tell our customers so that they may use our aerosol products with greater confidence.

In addition, we plan to inform the consumer by having information available within the next 30 days in stores where our products are sold and by changing as soon as possible the labels of our containers to carry the following statement:

Use With Confidence—Contains no Freon or other Fluorocarbons claimed to harm the ozone layer.

Millions of Americans have learned that in order to have the advantages of aerosol cans, they have to exercise common sense, because the aerosol—like the automobile, or even a simple stepladder—can be dangerous if improperly used.

For example, the aerosol can does contain propellant gases under pressure. It could explode if carelessly placed down on a hot kitchen stove. Fortunately, these dangers are so well known that almost never happens.

WHAT WE BELIEVE

We believe that aerosols are good and useful, or we wouldn't manufacture them. As a result, we will manufacture only those aerosols in the U.S. that do not contain fluorocarbons. They include:

- Pledge furniture polishes
- Raid insecticides
- J/Wax automotive products
- Jubilee kitchen wax
- Favor furniture polish
- Glade air fresheners
- Edge protective shave
- Crew bathroom cleaner
- OFF insect repellents
- Big Wally foam cleaner
- Klean 'n Shine multi-surface cleaner
- Glory rug cleaner
- Shout pre-spotter

Our customers who have welcomed the utility of these products in the convenient aerosol form will continue to be able to depend upon them.

In closing, I want to assure you that we at Johnson Wax will do our best in the tradition of our family to ensure the effectiveness and safety of our products with the best materials available to us.

Sincerely,

SAMUEL C. JOHNSON.

[From the New York Times, June 22, 1975]

AEROSOL FEELS THE OZONE EFFECT

(By Steven Greenhouse)

Ever since the ozone controversy burst onto the scene last summer, the \$3-billion-a-year aerosol industry has felt as if the sky were falling.

The industry's troubles began last June when F. Sherwood Rowland and Mario J. Molina, two chemists at the University of California at Irvine, published a study which said that fluorocarbons used as spray can propellants were destroying the earth's precious ozone layer—which shields the earth from ultraviolet radiation.

From that time on, the manufacturers of the propellant gases, the can companies, the producers of aerosol valves and finally the companies which package and peddle their products in this handy form have been increasingly battered. Among the develop-

ments Numerous scientific studies have confirmed the initial Rowland-Molina report of fluorocarbon-caused ozone depletion;

Ten days ago a Federal interagency task force recommended after four months of study that fluorocarbons used as aerosol propellants be banned by January, 1978—unless today's ozone depletion theories are refuted;

Last Monday, Oregon became the first state to enact a bill banning fluorocarbon aerosols, effective March 1, 1977; and

Legislators in 13 other states and in Congress have introduced bills to ban, restrict or conduct research on fluorocarbon aerosols.

Last year, after a quarter century of spectacular growth in which aerosol production rocketed from 4.3 million cans in 1947 to a record 2.9 billion in 1973, production dropped to 2.7 billion cans, reflecting both the ozone controversy and recession.

This year, some aerosol producers have cut output by 25 per cent or more.

Hoping to postpone or prevent additional market erosion, the aerosol industry has begun its own ozone study, mustered sophisticated lobbies against antifluorocarbon bills, and expanded research and development programs.

Aerosol spray cans use pressurized gases such as hydrocarbons or fluorocarbons as propellants. These gases hold the can's active ingredients—deodorant, insecticide, plant growth stimulator, or any one of 300 other products—in suspension. When the aerosol valve is pressed, the propellant shoots out of the can and forms a fine mist, taking the active ingredients with it.

About half the aerosols sold are propelled by fluorocarbons—which constitute the problem now being debated. They are compounds of carbon, chlorine and fluorine. Personal care products—hair sprays, antiperspirants, perfumes and pharmaceuticals—make up half of all aerosol sales. They generally use fluorocarbons as propellants, as do most insecticides and air fresheners.

Fluorocarbons have the advantage on hydrocarbons, in that they reduce the flammability of personal care products, which often have an alcohol base. If hydrocarbons, which are cheaper than fluorocarbons, were used as propellants for alcohol-based aerosols, the result would be an extremely flammable product.

Shaving creams and most household products, such as paints, furniture polish and cleansers, use hydrocarbons, which are not suspected of depleting ozone. These products employ a water base, which overpowers the hydrocarbons' flammability.

Aerosols are not the only things being blamed for depleting ozone, however. Scientists say that the nitrous oxides in the exhausts from supersonic transports and the fluorocarbons used in and escaping from leaky refrigerators and air conditioners also contribute to ozone depletion. Aerosols use half the fluorocarbons produced annually and air conditioners and refrigerators, one-third.

What Dr. Rowland and Dr. Molina wrote in Nature magazine was that fluorocarbons drift up over time into the stratosphere where they decompose and release chlorine. The two scientists theorized that this chlorine would react with and break down the stratosphere's ozone.

Scientists fear that the increased ultraviolet radiation reaching earth, should the ozone shield erode, would result in increased skin cancer, possible crop damage, genetic mutation and climatic changes.

Michael B. McElroy, an atmospheric chemist at Harvard, has concluded that if aerosol use were to grow at 10 per cent annually (half the growth rate of the 1960's), stratospheric ozone content would fall by 10 per cent by 1994. Scientists figure this would mean a 20 per cent increase in ultraviolet

radiation reaching the earth and cause by itself at least 60,000 new cases of skin cancer annually in the United States, roughly a 20 per cent increase.

Some scientists say that fluorocarbons now in the air may have already depleted ozone by 1 to 2 per cent.

All this scientific criticism has translated into bad business for the aerosol industry. R. H. Powey, marketing manager for aerosols at the American Can Company, said, "The aerosol business at American and throughout the industry is down about 23 per cent. I'd say about one-third of that drop represents a loss to the ozone issue." The rest is attributed to the recession.

Du Pont's sales of Freon, its trade name for fluorocarbons, have been 25 percent below last year's levels. Du Pont accounts for one half of the 1 billion pounds of fluorocarbons produced in the nation annually. This in turn is half the world's production.

Du Pont, Allied Chemical, Union Carbide, Kaiser Aluminum, Pennwalt and Racon, Inc., in Wichita, produce the nation's fluorocarbons, which sell at approximately 42 cents a pound and add up to a \$400-million-a-year industry.

The Precision Valve Company of Yonkers, N.Y., the world's leading aerosol valve manufacturer, sold more than 1 billion valves last year. Its production was down 40 per cent last February and March.

Robert H. Abplanalp, an industry pioneer who perfected the aerosol valve, Precision's president and an intimate of former President Nixon, said the drop "may have been a result of the controversial ozone scare stories appearing in the media."

The worst outcome of the controversy for industry, of course, would be the outright ban of fluorocarbon aerosol.

Before any other states or Congress join Oregon in legislating bans, the industry wants time to research whether projected ozone depletion will be borne out in experimentation.

One industry spokesman, who requested anonymity, said, "All the scientific theories against fluorocarbons are just that—theories, not facts. What we need is more research before there are any more bans or badmouthing. We don't want another false scare."

Critics, however, assert that any delay in banning the product will mean increased ozone depletion and an inexcusable increase in skin cancer, among other things.

The industry assures its critics that, like everyone else, it does not want to see more skin cancer cases. But it argues that a popular, useful industry should not be snuffed out without conclusive proof of damage.

Indeed, the industry is confident that the ozone depletion theories will be overturned. "It is possible that consumers are starting to regard Rowland's assumptions as the nonsense I think they are," Mr. Abplanalp said.

A. Karim Ahmed, staff scientist of the Natural Resources Defense Council, an environmental organization with offices on both coasts, looks harshly upon the aerosol industry's tactics.

"It's like Watergate," he said. "They want to see a smoking gun. We'll have to wait 25 years for that, and by then the irreparable damage will have been done."

"They haven't come up with one iota of evidence that the scientists' theories are wrong, and we've been waiting a full year."

To conduct research for the industry, 30 corporations and five trade associations have formed the Council on Atmospheric Studies, which plans a three-year-study costing up to \$5-million of how chlorine-containing compounds, including fluorocarbons, affect the atmosphere and stratosphere.

Meanwhile, state legislators have introduced their fluorocarbon bills, and the industry has orchestrated powerful lobbying efforts to turn them back. In six of the 14

states involved, the bills have been killed outright, and in four all action on fluorocarbons is dormant.

In California, the bill was killed in committee. According to John C. Harrington, a staff consultant on the legislation, defeat followed the concentrated efforts of DuPont, Continental Can, American Can, the California Manufacturers Association, the California Chamber of Commerce, the Teamsters union and the steelworkers union.

Mr. Harrington said that one Senator on the committee considering the bill had been visited by 12 industry representatives.

In New York, the State Assembly overwhelmingly passed on June 2 a bill that would ban fluorocarbon aerosols beginning Oct. 1, 1978, unless the state's environmental commissioner rules that they are harmless. The bill now awaits action in the Senate Rules Committee.

Raymond L. McCarthy, technical director of DuPont's Freon division, commented that "the bill gives the industry the real and impossible task of proving that something will never happen."

In Congress, Representative Paul D. Rogers, Democrat of Florida, who chairs the House subcommittee on public health and the environment, originally drafted an amendment to the Clean Air Act that would have banned fluorocarbon aerosols.

However, under industry pressure, Mr. Rogers' subcommittee weakened the bill so that instead of requiring a ban it would require the Environmental Protection Administration to report to Congress within two years, after researching ozone depletion, to recommend whether action be taken.

For now, the bill is holed up in committee but may be spurred or even strengthened by the recent Federal interagency task force's recommendations in favor of a ban.

Some industry analysts estimate that, in the event of a ban, three to nine years would be needed to develop and market substitutes which would match fluorocarbon aerosols desirable characteristics—fineness of spray, nonflammability and chemical inertness.

Aerosol critics maintain that there need be no great search for substitutes at all, maintaining that acceptable alternatives are already on the market. They also criticize aerosols for wasting metal and being non-reusable and expensive.

A recent consumer study found that one aerosol antiperspirant costs $4\frac{1}{2}$ times as much per application as did the same company's roll-on. The price difference was attributed to most aerosols being composed of 45 to 95 per cent inert ingredients (propellants) and only 5 to 55 per cent active ingredients.

With aerosols under attack, there are signs that non-aerosol sales are rising. Pump-tops, roll-ons, squeeze sprays and just plain bottles are selling strongly, and several companies have started actively promoting non-aerosols.

Gillette, whose Right Guard deodorant and Adorn and The Dry Look hair sprays in aerosol cans account for 10 per cent of company sales, has just put its first pump-top hair spray on the market.

Bristol-Myers, which produces Ban deodorant and Vitalis and Clairol hair sprays in aerosols, has introduced two new pump-top hair sprays, one for men and one for women. Carter-Wallace, marketer of Arrid aerosol anti-perspirant, is testing two squeeze spray products, an anti-perspirant and a hair spray.

Nevertheless, millions are still buying aerosol cans, so the search for equally attractive and convenient aerosol substitutes to fluorocarbons will continue.

Last Tuesday Johnson Wax burst out of the starting blocks in the race when it announced that it had reformulated the three fluorocarbon-propelled aerosols—two insect

repellants and an insecticide—in its large line of household aerosols to allow them to use cheaper, non-suspect hydrocarbon propellants.

The Stergard Corporation of Irviner, Calif., has patented an aerosol that consists of a plastic bag holding the active ingredients, with a pressurized gas surrounding the bag within the can.

The gas forces the contents out of the bag and a break-up valve vaporizes the contents. The propellant, which can be a hydrocarbon, carbon dioxide or just compressed air, remains in the can. Since no propellant escapes, much less is needed, which makes for a cheaper product—and no pollution.

The question with innovative substitutes, of course, is whether they will work. The Davies Can Company of Solon, Ohio, a subsidiary of the Van Dorn Company, is making the Stergard can and preparing to market it, confident that the product has great promise.

However, the American Can Company, having produced and sold several thousand Stergards, halted production. It concluded that they wouldn't work because of problems in seaming their sides.

ALBUQUERQUE JEWISH WAR VETERANS

Mr. MONTTOYA. Mr. President, the Jewish War Veterans of the United States of America represent the oldest war veteran organization in the United States, founded in March 1896. Jews have served with distinction in U.S. wars from the Revolution to the war in Vietnam, and have always participated militarily to an extent far beyond their due numerical proportion. Today I am proud to recognize that an organization of such fine men, Albuquerque Post No. 375, has been established for the first time in the State of New Mexico.

Installation of officers and administration of the oath to 77 charter members of Albuquerque Post No. 375 of the Jewish War Veterans of the U.S.A. took place on June 14, 1975. Those responsible for the formation of this historic post were the installed officers: Robert Fleisher, commander; Ben Sides, senior vice commander; Ezra Secunda, junior vice commander; Marvin Dollin, quartermaster; Ben Bernknopf, adjutant; and Charles Glass, Esq., judge advocate.

Also involved in the creation of post No. 375 were installation committee chairman Gerald I. Feit; installation officer Lawrence Mandell, deputy of Texas commander; George Fenster, national deputy chief of staff, and Mr. Sol Hoffman.

I ask unanimous consent that certain material relating to this event be printed in the RECORD.

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

MR. GERALD I. FEIT,
Corralles Heights,
Rio Rancho, N. Mex.

DEAR MR. FEIT: I was pleased to call the attention of my colleagues to the institution of Albuquerque New Mexico Post No. 375 of the Jewish War Veterans of the United States of America on July 1975.

The State of New Mexico can be proud of the establishment of this first post of such a distinguished organization as the Jewish War Veterans.

Enclosed are copies of the Congressional Record in which my statement concerning Albuquerque Post No. 375 appears.

May your organization and its members enjoy continued success.

Sincerely,

600 LOUISIANA BLVD., S.E.,
Albuquerque, N.M., June 22, 1975.

U.S. Senator JOSEPH MONTTOYA,
U.S. Senate Office Bldg.,
Washington, D.C.

DEAR SENATOR MONTTOYA: As the Chairman of the Institution and Installation Committee of the above-mentioned Post, and on behalf of Post 375, its officers and members, I wish to thank you for your wonderful telegram you sent to our Post on the night of June 14, 1975, when we made history in the State of New Mexico. This is the first time that a Jewish War Veterans Post was established in the State of New Mexico.

We deeply regret your absence due to pressure of Senatorial business, but we understand.

However, to give you some idea of our program that evening, I am enclosing a copy of our program. Also, I am enclosing a photocopy of the Albuquerque, N.M. notice in the Journal heralding the event. In addition, I am enclosing a copy of our invitation, which you no doubt have received.

It has been my experience with Senators and Congressmen in the past, that when an unusual event about the Jewish War Veterans occurs, of interest to their constituents, they insert it in the Congressional Record and they mail copies of such record to their voters in their respective districts.

In accordance with such suggestion, and if you deem it advisable, we of the Jewish War Veterans in the State of New Mexico, and your Constituents of the Jewish Community, would appreciate and be proud of that fact, if you would insert a statement about the formation of Albuquerque, N.M. Post No. 375. I am certain it would help in your campaign for Senator this Fall, after such item appears in the Congressional Record. The Jewish War Veterans of the U.S.A. is the oldest War Veterans organization in the U.S. It was founded in March of 1896.

Should you insert notice of this event in the Record, I have also enclosed a List of the Officers who were Installed on June 14, 1975. Also the names of the Installation Officer and the name of the Installation Chairman. There were 77 Charter Members installed that evening.

Please send copies of the Congressional Record to me at the following address:

Gerald I. Feit, 510 Cerro de Ortega Dr., S.E., Corralles Heights, Rio Rancho, New Mexico 87124.

I shall have them distributed amongst our members.

The list of Officers Installed are as follows:
Commander, Robert Fleisher.
Senior Vice Commander, Ben Sides.
Junior Vice Commander, Ezra Secunda.
Quartermaster, Marvin Dollin.
Adjutant, Ben Bernknopf.
Judge Advocate, Charles Glass, Esq.
Chairman of Installation Committee—Gerald I. Feit.

Installation officer, Lawrence Mandell, Dep't of Texas Commander, JWV.

Acting Texas Dep't Officer of the Day—George Fenster, Past Commander, Post 369, N.J. & Nat'l Deputy Chief of Staff.

Thank you for your time and trouble in this matter.

Sincerely yours,

ROBERT FLEISHER,

Commander.

(For the Commander, Gerald I. Feit,
Chairman of Installation Committee.)

[From the Albuquerque Journal, June 12, 1975]

JEWISH VETS TO TAKE OATHS

U.S. Sen. Joseph Montoya, D-N.M., will be the featured speaker Saturday at installation ceremonies for offices of Albuquerque Post 375 of the Jewish War Veterans of the U.S.

The ceremonies, which will include the administration of oath to all charter members of the post, will be held in the Sun Room at the Albuquerque Airport. Cocktails will be from 6 to 7 p.m., the installation ceremony will begin at 7 p.m. and a buffet dinner will begin at 8 p.m.

Admission is \$6 a person and tickets will be available at the door.

Albuquerque Post No. 375, Jewish War Veterans of the U.S.A. cordially invites you to attend the Institution of Albuquerque Post No. 375.

Installation of Officers and Administration of Oath to all Charter Members to be held on Saturday night, June 14, 1975 at the Sun Room of the Albuquerque Airport.

Cocktails: 6:00-7:00 P.M.

Installation Ceremony: 7:00 P.M.

Buffet Dinner: 8:00 P.M.

Admission \$6.00 per person, payable at the door.

INSTITUTION OF ALBUQUERQUE, N. W. Post No. 375, JEWISH WAR VETERANS OF THE U.S.A. AND INSTALLATION OF OFFICERS

Chairman: Gerald I. Felt, Dept. Executive Committeeman of N.Y. Past Comdr. Bronx County Council, N.Y., Founder, Organizer & Past Commander Pelham Parkway Post No. 769.

Sun Room, Albuquerque, N.M. Airport, June 14, 1975.

PROGRAM

Entrance Music: Grand March, Aida, Act II, Verdi; By Boston Pops Orchestra, Arthur Fiedler, Conductor. The American Army (Military Quickstep) by National Gallery Orchestra, Richard Bales, Conductor.

Ruffles and Flourishes.

Preparation of Altar by Dept. of Texas: Acting Officer of the Day George D. Fenster.

Presentation of Colors—Assembly Bugle Call: Generals March by Eastman Symphonic Wind Ensemble, Frederick Fennell, Conductor. To the Colors, Bugle Call.

National Anthem and Salute to Colors. (Those not in uniform place right hand over heart).

Posting of Colors: The Cavaliers by Eastman Symphonic Ensemble.

Invocation: Rabbi Leonard A. Helman of Santa Fe, N.M.

Presentation of Honored Guests.

Introduction of Distinguished Guests.

Introduction of Installation Officer, Lawrence H. Mandell, Comdr. Dept. of Texas. Reading of Names of Charter Members of Albuquerque, N.M. Post 375.

Institution of Post No. 375: Carry On—Bugle Call.

Members March to Swinging Down the (aisle) street by Wm. G. Street (drum solo) of Eastman Symphonic Ensemble.

Presentation of Membership Pins.

Introduction of Distinguished Guests.

Installation of Post No. 375 Officers: Sound Off—Bugle Call; You're In The Army Now by Eastman Symphonic Wind Ensemble.

Presentations:

Commander's Cap—Irving Mallot, Past Comdr. Valley Stream Post No. 670, N.Y.

Commander's Pin—George D. Fenster, Past Comdr. Post No. 369, N.J. Nat'l Deputy Chief of Staff. One of Organizers of Albuquerque Post No. 375.

Post Gavel—Gerald I. Felt, Installation Chairman.

Address by U.S. Senator Joseph Montoya. Introduction of Mayor Harry Kinney, of the City of Albuquerque.

Address by Robert Fleisher, Commander of Albuquerque, N.M. Post No. 375.

Benediction: Rabbi Leonard A. Helman of Santa Fe, N.M.

Closing of Altar.

Retiring of and Salute to Colors: The American Flag by Eastman Symphonic Wind Ensemble.

Exit Music to Buffet Dinner:

Parade March #1—The Goldman Band; Edwin Franco Goldman, Conductor.

Colonel Bogey March—The Goldman Band. On The Hudson—The Goldman Band.

Musical Arrangements by Gerald I. Felt (on tape) taken from official Army Field Music.

ACKNOWLEDGEMENTS

Thanks to:

The Installation Committee, Michael Hessler for obtaining the services of the Kirtland Air Force Base Honor Guard. Sr. Vice Comdr. Sides for arranging the seating plan for the dinner, and for doing a lot of other work. Benjamin Bernknopf for obtaining the services of the Dept't of Texas Commander as Installing Officer. Marvin Dollin, Quartermaster of Post 375 for his aid in the program and for obtaining the Commander's and Membership pins, and for permitting the Post to meet in his business quarters. And to Sol Hoffman for his all out help in getting many members into the Post.

Color Guard of the Kirtland Air Force Base, T/Sgt.-Robert H. Griffith, T/Sgt.-James E. Hardin, T/Sgt.-Dale L. Durnell, AIC-Danny J. McCroskey and AIC-Robert N. Lang.

Organizers of Post 375, Dept't of Texas Comdr. Larry Mandell, Comdr. Robert Fleisher, George D. Fenster, Ben Bernknopf, Marvin Dollin, Sol Hoffman and Ben Sides, Sr. Vice Comdr.

Frank Lyons, Manager of Fred Harvey Restaurant of Albuquerque Air Base.

THE ADMINISTRATION'S OIL POLICY—WHO ADMINISTERS IT?

Mr. ABOUREZK. Mr. President, in the last 6 months, the President's energy proposals have been greeted consistently with cheers of support from the oil industry.

In fact, it is often difficult for me to distinguish between administration policy and the self-interested proposals of the oil and gas industry. Can it be coincidental that significant numbers of former oil company employees, lawyers, and consultants occupy top-grade positions in Federal agencies, with responsibilities directly affecting their former employers and associates?

I asked the GAO to identify such individuals in 11 agencies working at the GS-13 level and above. All but two agencies responded in whole or in part. They found at least 201 people with ties to energy companies. These agencies all have responsibilities which bring them into direct contact with petroleum companies. They administer vast Federal budgets, help determine energy policy and administer the regulations which are supposed to implement that policy. At all of these stages, powerful bureaucrats have inputs of every conceivable nature, from the smallest adjustment to the broadest exemption.

This situation provides ample potential for abuse. Couple this with the recent revelations of matter-of-course corporate campaign contributions, and you have a meshing of Government activity and oil company interests that bodes ill

for the diffuse, underrepresented public interest.

Now, I know that the presence of former oil executives in Government is nothing new. Indeed, I fear that it is business as usual.

Yet I submit that the presence of at least 201 former oil company employees and affiliates in top-level positions in the executive agencies raises serious questions about the nature of our energy policy.

The companies listed below do not control only domestic oil supplies. They control production and reserves in each and every one of the fuels available to the consuming public and to energy intensive industries. They control enormous capital reserves, and their financial behavior affects every segment of our economic lives from balance of payment to unemployment, to whether or not you can borrow money to buy a house.

Clearly, it would be useful, if these companies had a good understanding with and access to a couple of Under Secretaries of the Treasury. The No. 1 industrial corporation in the United States, Exxon, is also No. 1 in former employees working for the Government. Is there no relation between these two facts?

The overall figure of 201 does not include all individuals formerly associated with oil companies. Of the 11 agencies contacted, the CIA, according to the GAO, did not answer its phone. The Commerce Department under Frederick Dent refused to comply with the GAO inquiry even though ordered to do so by the Civil Service Commission. I have written to Secretary Morton to ask that he supply the information requested. The Treasury Department response excludes certain personnel. The FEA declined to say whether persons in its Office of General Counsel had had previous oil company clients. Thus, we can assume that today's figure is greater than 201.

The data I am presenting today merits closer scrutiny, for the actions of individuals can be as important as the diffuse presence of many close associates who are sympathetic to the needs and problems of the oil industry. Each agency has its special duties with regard to the regulation or other ties to the oil companies.

For example, though its make-up will soon change, the Federal Power Commission was headed by lawyers whose law firms represented corporate oil and gas clients. Can it be any surprise that these commissioners, with one exception, have all but announced that they favor deregulation of gas prices by the regulatory agency they head?

In the FEA, 65 individuals have ties with oil companies. Forty-two had ties smaller "independents." We must ask whether this distribution does not lend weight to the argument that the FEA's policies and enforcement favor the major companies.

The allocations and equalization programs distinguish significantly between major and smaller companies, and between integrated and independent refineries. What better way to ensure that the point of view of the companies which dominate the oil industry will dominate the Government.

FEA personnel formerly in oil company employ have responsibility over what petrochemical plants and refineries are eligible for import quotas; set up programs to alleviate the supposed gas and oil shortage; recommend changes in legislation and administration of mineral leases. These are sensitive posts of particular interest to oil and gas companies.

In the Treasury Department, 21 former employees of oil companies are spread among the top grades and supergrades. Two Treasury undersecretaries—one quit last week, citing poverty—came from the oil companies.

In the Department of Defense, 6 of the 19 former oil company employees serve as consultants—to the tune of \$138 per day. One wonders at the need for six "consultants." What is their role?

Exxon it should be remembered, is one of the 25 largest defense contractors. The Deputy Secretary of Defense is formerly the chairman of the board and chief executive of Sedco, Inc. The Defense Department did not reveal or does not ask whether any payments were received on departure by the oil company executives.

In the case of consultants, in addition, many are still employed by companies which are on the receiving end of contracts or regulations. In the Defense Department these individuals responsibilities include developing procurement policies and directives, for example.

The assertion that these people are the only ones with the expertise to administer oil policy is false. There is no need for people in policymaking positions to have technical knowledge of geology—they must have a clear understanding of the balance between public interest and economic health, and of the principles which preserve this balance. They must first be people of judgment—a good economist reads tables as well as an oil company economist.

Mr. President, I think it is of enormous importance to make these facts available to the public. They can draw their own conclusions. I ask unanimous consent that the contents of the report from the GAO be printed in the RECORD.

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

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., June 2, 1975.

HON. JAMES ABOUREZK,
U.S. Senate, Washington, D.C.

DEAR SENATOR ABOUREZK: In your November 4, 1974, letter, you requested that we identify individuals now working for the Federal Government in positions above the GS-12 level who are (1) former oil company, oil-company affiliated, or oil-company-related executives and (2) attorneys who themselves, or whose law firms, represent oil companies. You requested that we obtain this information on employees in the Federal Energy Administration, Federal Power Commission, Department of the Interior, Department of Commerce, Department of Transportation, Department of Defense, Department of the Treasury, Interstate Commerce Commission, Central Intelligence Agency, Energy Research and Development Administration, and Nuclear Regulatory Commission.

In subsequent discussions with your office, we agreed to request from the Federal departments and agencies each employee's name, grade, current position title, duties specified by the position description, and date of appointment to Federal employment. For the employee's former employment, we agreed to request the name of the former oil company or oil-company affiliate, description of duties, and employment dates. We also agreed to request a list of lump-sum payments or deferred compensation rights received on separation from former companies to enter Government service.

On January 17, 1975, I sent a letter to each of the above departments and agencies requesting the information. Several departments and agencies did not respond precisely as requested.

1. The Federal Energy Administration did not provide information on the lump-sum payments item because it would require contacting employees personally. It also did not provide information on whether the 47 employees in its Office of the General Counsel had previous oil company affiliation because its General Counsel believed providing the information was an invasion of privacy and a detriment to attorney-client relationship.

2. The Department of Defense, because of the volume of personnel records at numerous locations, limited its search of personnel files to employees in the Washington, D.C., metropolitan area who were in grade GS-13 and above.

3. The Department of the Treasury limited its response to (a) appointed officials, consultants, career employees, and attorneys above the GS-12 level in the bureau-like organizations referred to as the Office of the Secretary and (b) supergrade or equivalent level Treasury bureau officials, including consultants or experts holding bureau appointments.

4. The Nuclear Regulatory Commission limited its response to career employees working for the Government during the last 10 years.

5. The Department of Transportation limited its response to individuals employed during the past 5 years.

Nine departments and agencies responded to our request. The following table shows the number of employees by department and agency that had previous affiliation with the oil industry.

Department or agency	Number of employees
Federal Energy Administration	* 65
Department of the Interior	* 35
Nuclear Regulatory Commission	22
Department of the Treasury	21

Department of Defense	19
Energy Research and Development Administration	15
Federal Power Commission	12
Department of Transportation	^b 12
Interstate Commerce Commission	0
Total	201

* Includes one employee below the GS-13 level.

^b Includes two employees below the GS-13 level.

The Central Intelligence Agency did not respond and our efforts to contact the Agency to determine if it plans to respond have been unsuccessful.

Although the Civil Service Commission advised the Secretary of Commerce that he should make the requested information available to us, the Secretary advised us that he was unable to furnish the information because:

It was impossible to identify the individuals about whom the information was sought without a detailed analysis of the employment records of nearly 10,000 employees and, on the basis of past experience, soliciting the information directly from employees would not result in any aggregate man-hour savings.

The task was not feasible within the time allowed, and

The Department believed the release of the information for the stated purpose would be a clearly unwarranted invasion of the personal privacy of the individuals involved.

Enclosure I contains our analysis of the departments' and agencies' responses. For Federal employment, we have listed the employee's name, grade, and position/title. Our analysis does not show the grade level for expert and consultant positions. However, with only a few exceptions, such individuals are paid the maximum rate allowable—the daily equivalent of \$36,000 per annum or \$138 for each day services are rendered. For the employee's former employment, we have listed the company name, position/title, and any lump-sum payments or deferred compensation rights received at time of separation from the company. We also compiled a list of examples of the duties performed by the employees in their Federal positions.

Enclosure II contains the department's or agency's letter transmitting the requested information to us and fact sheets on each employee. This enclosure also includes the replies we received from the departments or agencies that did not provide the requested information. The transmittal letters contain the rationale used by the departments and agencies in responding or not responding to the request.

We trust the information furnished will serve the purpose of your request. We do not plan to distribute this report further unless you agree or publicly announce its contents.

ELMER B. STAATS,
Comptroller General
of the United States.

LISTING OF FORMER OIL COMPANY, OIL COMPANY AFFILIATED AND OIL COMPANY RELATED EXECUTIVES AS WELL AS ATTORNEYS WHO THEMSELVES OR WHOSE LAW FIRMS REPRESENT OIL COMPANIES NOW WORKING FOR THE FEDERAL GOVERNMENT IN POSITIONS PRIMARILY ABOVE THE GS-12 LEVEL

Federal employment—Federal Energy Administration			Former employment		
Employee name	Grade	Position/title	Company name	Position/title	Lump-sum payments or deferred compensation rights received on separation.
Adie, Joseph H.	GS-13	Personnel management specialist	Texas Oil Co.	Warehouseman	Not given.
			Esso Standard Oil Co.	Weightbooker/electrician	Not given.
Aitken, Robert R.	GS-14	Physical science administrator	Westgate-Greenland Oil Co.	District geologist	Not given.

LISTING OF FORMER OIL COMPANY, OIL COMPANY AFFILIATED AND OIL COMPANY RELATED EXECUTIVES AS WELL AS ATTORNEYS WHO THEMSELVES OR WHOSE LAW FIRMS REPRESENT OIL COMPANIES NOW WORKING FOR THE FEDERAL GOVERNMENT IN POSITIONS PRIMARILY ABOVE THE GS-12 LEVEL—Continued

Federal employment—Federal Energy Administration			Former employment		
Employee name	Grade	Position/title	Company name	Position/title	Lump-sum payments or deferred compensation rights received on separation
Allen, Texas W.	GS-14	Director, operations division	LaSalle Refining Co. Texas Co. Midwestern Engineering Co. Baroid Sales Co. Self-employment	Laborer Combustion engineer Procurement officer negotiator Engineer and negotiator Owner of a drilling mud and chemical company, owner of an oil well servicing company, and oil and gas lease operator.	Not given. Not given. Not given. Not given. Not given.
Arens, William H.	GS-13	Congressional and intergovernmental relations officer.	Harbinger Oil	Vice president and office manager	Not given.
Ashman, Herbert J.	GS-14	Industrial specialist	Shell Oil Co. Texaco	Management trainee, special task force member, real estate analyst. District representative and real estate agent supervisor.	Not given. Not given.
Banker, Robert O.	GS-15	Supervisory price analyst	Union Oil Co. of California	Accounting clerk	Not given.
Benny, Robert I.	GS-14	Economist	Asiatic Petroleum Corp.	Economic Analyst	Not given.
Carson, William	GS-15	Petroleum engineer	Continental Oil Co. Shell Oil Co. Self-employment	Senior engineer Technical specialist Petroleum consultant	Not given. Not given. Not given.
Coble, James A.	NA	Member, Technical Advisory Committee.	Standard Oil Co. Mobil Oil Co.	Sales research analyst Market research analyst; economist; manager, domestic economies; chief economists	Not given. Not given.
Conant, Melvin A.	Exec. level IV	Assistant administrator for international energy affairs.	Exxon Corp.	Senior government relations counselor	Not given.
Connor, Edward G.	GS-15	Supv. financial analyst	Mobil Oil Corp.	Financial analyst/computer analyst	Not given.
D'Andrea, Lucio A.	GS-15	Industrial specialist	Ohio Oil Corp. Pan American Petroleum Corp.	Roustabout Junior petroleum officer	Not given. Not given.
Day, Duane	GS-15	Supervisory industrial specialist	Gulf Oil Co.	Manager, market planning, and development.	Not given.
Douglas, R. Dean	GS-12	Program analyst	Oasis Oil Co.	Accounting analyst	Not given.
Dupuy, Kenneth L.	GS-15	Acting regional administrator	Standard Oil of California	Division scout, special assistant for exploration management.	Not given.
Ezzati, Ali	GS-15	International economist	Iranian Oil Refining Co. Gulf Oil Corp.	Financial Analyst Economist	Not given. Not given.
Gill, James R.	GS-15	Petroleum engineer	Sunray Oil Co. Eason Oil Co. Gill Oil Co.	Production engineer Vice president President	Not given. Not given. Not given.
Greenwell, Darrell D.	GS-13	Supv. case resolution officer	Ohio Oil Co.	Apprentice electrician	Not given.
Guier, Donald	NA	Expert	Para-Lux Corp. Petroleum Engineering and Mgt. Corp.	Engineer Consultant	Not given. Not given.
Haase, John E., Jr.	GS-13	Auditor	Humble Oil	Associate administrative specialist	Not given.
Hall, George E.	GS-17	Fuels manager	Cities Service Oil Co. Creole Petroleum Co.	Trainee Supervisory supply analyst	Not given. Not given.
Harnish, Douglas	GS-15	Industrial specialist	Pure Oil Co.	District field engineer	Not given.
Hawes, Donald K.	NA	Consultant	Union Texas Natural Gas Mobile Oil Co.	Secretary and treasurer Manager, financial control	Not given. Not given.
Hunt, Leon	NA	Consultant	Marathon Oil Co.	Geologist	Not given.
Kahl, Robert M.	GS-13	Industrial specialist	Kewanee Oil Co.	Vice president	Not given.
Kane, Robert J.	GS-15	Industrial specialist	Allied Chemical Corp. Mobile Oil Corp. Sun Oil Co.	Computer application supervisor Senior processing engineer Senior operations analyst, senior market development analyst	Not given. Not given. Not given.
Kane, Robert J.			H. S. Holappa and Associates Commonwealth Oil Refining Co.	Associate/consultant Manager, petrochemical planning	Not given. Not given.
Kennon, Philip F.	GS-14	Program analyst	Caltex Petroleum	Operations manager	Not given.
Kourkournelis, Dennis	GS-14	Petroleum specialist	Shell and BP, South Africa Shell Oil Amerada Hess Corp.	Operations manager Planning and process engineer Corp. planning engineer	Not given. Not given. Not given.
Lagace, Gerald L.	GS-15	Economist	Gulf Oil Corp.	Economist	Not given.
Langdon, James C.	GS-14	Supv. econ. stab. law specialist	American Petroleum Institute	Attorney	Not given.
Layno, Salvador	GS-13	Operations research analyst	Shell Oil Co. (Philippines)	Lubrication specialist	Not given.
Lewis, John R.	GS-14	Economist	Pan American Oil Co. Standard Oil Co.	Engineering trainee and senior engineer Assistant office manager and engineer	Not given. Not given.
Lichtenwalter, Charles	GS-13	Auditor	Mid-Continental Oil & Gas National Petroleum Council Union Oil Co. (Calif.)	Assistant to vice president Technical coordinator Consultant	Not given. Not given. Not given.
Luhrs, Lawrence	GS-15	Physical science administrator	Lakata Petroleum Corp. Petroleum Geophysical Co. United Geophysical Co. (subsidiary of Union Oil Co.) Exploration Consultants, Inc.	Accounting and office manager Secretary-treasurer and office manager Regional and program supplement versus and Geophysical analyst Geophysical supervisor Petroleum exploration supervisor	Not given. Not given. Not given. Not given.
Malin, Clement B.	GS-15	Foreign affairs officer	Mobile Oil Corp.	Asst. to area manager	Not given.
Maple, Ivan F.	GS-14	Trade specialist	Milton Oil Co.	Wholesale oil distributor	Not given.
Mayfield, Ira C.	GS-14	Physical science administrator	Atlantic Refining Co. Heiland Exploration Canada, Ltd.	Observer President	Not given. Not given.
McCool, James A.	GS-15	Director, operations division	International Petroleum di Columbia, Ltd. Creole Petroleum Corp. Esso-Argentina	Seismograph operator and pety. chief Assistant geographical field supervisor Geophysical field supervisor	Not given. Not given. Not given.
Mehocic, George E.	GS-14	Executive assistant	Humble Oil and Refining Co. Exxon Corp.	Process engineer Analyst	Not given. Not given.
Metz, Alfred C.	GS-13	Supervisory industrial specialist	B.P. Oil Co.	Sales manager	Not given.
Mitchell, Robert W.	GS-16	Regional administrator	Exxon	General manager, Pakistan	Not given.
Morris, James P.	GS-14	Program analyst	Mobil Oil Corp.	Presidential interchange executive	Not given.
Muller, John G.	GS-15	Mechanical engineer	Standard Oil Co. of California Arabian American Oil Co.	Associate mechanical engineer Sr. steam power engineer and desalination specialist, staff engineer—utilities and process engineer.	Not given. Not given.
Nugent, John M., Jr.	GS-14	Staff assistant	Texaco Inc.	Personnel relations officer	Not given.
Oliver, David R.	GS-15	Asst. director programs and analysis	Atlantic Refining Co.	Supervisor	Not given.
Osborne, John H.	GS-14	Program analyst	Ashland Oil & Refining Co.	Not given	Not given.

Federal employment—Federal Energy Administration			Former employment		
Employee name	Grade	Position/title	Company name	Position/title	Lump-sum payments or deferred compensation rights received on separation
Parker, Norbert A.	GS-13	Geologist	Carter Oil Co.	Miscellaneous geologist	Not given.
			British Oil Development Co., Ltd.	Geologist	Not given.
			E. I. Dupont De Nemours & Co.	Geologist	Not given.
			Stanolind Oil & Gas Co.	Sub-surface geologist	Not given.
			B&G Oil Basin Drilling Co.	Consulting geologist	Not given.
			Davis Bros.	Geologist	Not given.
			Kewanee Oil Co.	Manager, special projects	Not given.
			Georator Corp. and Empire Petroleum Co.	Consulting geologist	Not given.
Pecoraro, Joseph	GS-14	Supervisory resource development specialist.	Esso	Engineering and operation advisor	Not given.
			Standard Oil Co.	Manager, engineering research	Not given.
			Humble Oil Co.	Terminal superintendent	Not given.
Pelto, Chester R.	GS-15	Supervisory geologist	Culf Res. & Development Co.	Senior research geologist	Not given.
Perry, Dell V.	GS-15	Assistant director	Shell Oil Co.	Supervisor	Not given.
Powers, E. Lloyd	GS-15	Distribution specialist	California Research Corp. (Standard Oil)	Drilling engineer and petroleum geologist	Not given.
Presley, Donald R.	GS-13	Auditor	Texaco, Inc.	Accountant	Not given.
Santogrossi, Fred A.	GS-14	Financial analyst	Exxon Corp.	Analyst, system analyst, and senior financial analyst	Not given.
Stein, David L.	GS-14	Director, industrial systems and data analysis.	Beck Oil Co.	President	Not given.
Stein, David L.			Self-employment	Not given	Not given.
Story, Joseph C.	GS-14	International economist	Not given	Not given	Not given.
Thompson, Burlock	GS-15	Economist	Texaco	Economist	Not given.
Topping, Clyde P.	GS-13	Industry economist	Mobil Oil Co.	Energy economist	Not given.
Tukenmez, Ercan	GS-14	Economist	Mobil Oil	Economist	Not given.
Vinson, Stanley L.	GS-13	Auditor	Petrofina Canada Ltd.	Economist	Not given.
Warner, Arthur J.	GS-15	Physical scientist	Mobile Oil Corp.	Not given	Not given.
West, George W.	GS-13	Supervisor case resolution officer	Premier Oil Refining Co.	Assistant supervisor of accounting	Not given.
			American Oil Co.	Roustabout, exploration geologist	Not given.
			Magnolia Petroleum Co.	Not given	Not given.
			Sinclair Oil	Petroleum engineer	Not given.
			Sinclair Venezuelan Oil	Petroleum engineer	Not given.
Willock, Jack	GS-13	Petroleum engineer	Humble Oil & Refining Co.	Petroleum engineer	Not given.
Willock, Jack			Tenneco Oil Co.	Petroleum engineer	Not given.
Wood, Samuel O.	GS-15	Petroleum engineer	Continental Oil Co.	Engineer	Not given.
			California Co. (now Chevron Oil Co.)	Engineer	Not given.
			Fleet Drilling Co.	Production superintendent	Not given.
			Star Oil Co.	Chief engineer	Not given.
			Man Drilling Co., and Virson Oil Co.	Petroleum engineer	Not given.
Worley, Emory K.	GS-13	Federal/State liaison officer	Phillips Petroleum Co.	Engineering aide	Not given.
Yost, Stewart W.	NA	Expert—energy resource development, Office of Program Analysis and Evaluation).	Self-employment (Exploration and Logging Co.)	Not given	Not given.
			Shell Oil Co.	Exploitation engineer	Not given.

Listing of former oil company, oil company affiliated and oil company related executives as well as attorneys who themselves or whose law firms represent oil companies now working for the Federal Government in positions primarily above the GS-12 level.

FEDERAL ENERGY ADMINISTRATION

Excerpts of duties performed by the above employees:

Performing economic analyses of current and proposed energy conservation measures.

Coordinating and implementing programs for energy self-sufficiency.

Determining eligibility of petrochemical plants and refineries for import quotas.

Analyzing capacities and facilities for transmission and distribution of natural and manufactured gas.

Identifying factors causing oil and gas shortages and developing programs to alleviate this problem.

Analyzing current and projected events and proposed actions in the United States and worldwide on oil and gas supplies and requirements.

Dealing with exploration of crude oil, natural gas, and geothermal fluids.

Discharging operational responsibilities in the restriction of importation of crude oils, unfinished petroleum oils, and finished petroleum products.

Developing recommendations for legislation and administration procedures to update mineral leasing acts.

Dealing with the development and reliability of United States access to foreign energy supplies and the energy relationship of the United States to other nations.

Developing, reviewing, and coordinating policies related to internationally-oriented activities in area of energy matters, multinational corporations, equitable allocation, pricing and utilization.

Keeping informed on the economic conditions and developments in and between energy producing nations and industries.

LISTING OF FORMER OIL COMPANY, OIL COMPANY AFFILIATED AND OIL COMPANY RELATED EXECUTIVES AS WELL AS ATTORNEYS WHO THEMSELVES OR WHOSE LAW FIRMS REPRESENT OIL COMPANIES NOW WORKING FOR THE FEDERAL GOVERNMENT IN POSITIONS PRIMARILY ABOVE THE GS-12 LEVEL

Federal employment—Department of the Interior			Former employment		
Employee name	Grade	Position/title	Company name	Position/title	Lump-sum payments or deferred compensation rights received on separation
Adams, Maurice V.	GS-13	Area oil and gas supervisor	Century Services, Inc.	Owner	Sold complete interest to individual party
Avery, William H.	GS-15	Staff assistant to Assistant Secretary—Energy and Minerals.	Clinton Oil Co.	Vice president	None.
Beasley, D. Otis	NA	Consultant	Standard Oil Co. (Indiana)	Attorney—client	None.
Blankennagel, Richard K.	GS-13	Hydrologist	Standard Oil of New Jersey	Party chief—Field geology	None.
			Petroleo Brasileiro S.A.	Geological supervisor—Exploration manager's staff.	None.
Brown, William S.	GS-14	Patent attorney	Union Oil Co. of California	Patent attorney	None.
Carlson, Denton W.	GS-13	Chief, Bureau of Lands and Minerals, Division of Resources.	Tidewater Oil Co.	Engineering and operations supervisor	None.
Chapman, C. Brewster, Jr.	GS-15	Assistant Solicitor, Territories	American Pipeline Corp.	Attorney	None.
			Underground Storage and Exploration Inc.	Vice president and general counsel	None.
Fisher, C. Keith	GS-13	Geologist (administrative)	American Stratigraphic Co.	Vice president	Lump-sum payment of \$6,885 received from profit-sharing retirement plan through Great West Life Assurance Co.
Froelich, Albert J.	GS-13	Geologist	San Jose Oil Co., Inc.	Surface geologist party chief	None.
			Canso Oil & Gas Ltd.	Senior Subsurface	None.
			Magellan Petroleum Corp.	Chief geologist and acting manager	None.
Garrity, Thomas A.	GS-14	Field solicitor	Creole Petroleum Corp.	Senior seismologist	\$15,000 (lump sum).
Hammett, Judge William E.	GS-14	Administrative Law Judge	Sinclair Refining Co.	Staff attorney	Withdrawal of funds paid in under company retirement program in lump-sum payment.

LISTING OF FORMER OIL COMPANY, OIL COMPANY AFFILIATED AND OIL COMPANY RELATED EXECUTIVES AS WELL AS ATTORNEYS WHO THEMSELVES OR WHOSE LAW FIRMS REPRESENT OIL COMPANIES NOW WORKING FOR THE FEDERAL GOVERNMENT IN POSITIONS PRIMARILY ABOVE THE GS-12 LEVEL—Continued

Federal employment—Department of the Interior			Former employment		
Employee name	Grade	Position/title	Company name	Position/title	Lump-sum payments or deferred compensation rights received on separation
Horowitz, Raymond H.	GS-14	Research chemist	W. R. Grace	Research chemist	Lump-sum payment for unused vacation time. Payment may also have covered a small personal contribution to company retirement fund.
Hubbert, M. King	GS-17	Research geophysicist	Central Research Laboratories Amerada Petroleum, Shell Oil Co., Shell Development Co.	Commercial development Not identifiable to specific company	Accrued retirement payments of \$608 per month from Shell following statutory retirement at age 60.
Jennings, Thomas	GS-12	Petroleum engineer	Mobile Oil Co. de Venezuela	Senior petroleum engineer/planning associate.	None.
Kennedy, Joseph B.	GS-16	Administrative Law Judge	Howrey & Simon	Partner	None.
Ketterer, W. P.	GS-15	Deputy Chief, Office of Scientific Publications.	Sohio Petroleum Co.	Assistant to chief geologist	None.
Nimball, Sherman P.	GS-15	Member (Administrative Judge) Board of Contract Appeals.	Cities Service Oil Co.	Staff attorney on staff of general counsel.	None.
Kuhlman, John A.	GS-15	Coal Policy Coordinator	Consolidation Coal Co. of Continental Oil Co.	Assistant vice president—sales	None.
Lantz, Robert J.	GS-15	Geologist	The Pure Oil Co.	Division stratigrapher	Retirement (lump-sum).
Libbey, D. L.	GS-13	Staff assistant, environment C region.	U.S. Potash & Chemical Co.	Vice president	None.
Lohrenz, John	GS-14	Chief, SA development	International Petrodata Inc.	Executive vice president	None.
Mallory, Charles K., III	GS-17	Deputy Assistant Secretary (Power Resources and Regulation).	Law firm (name not given)	Attorney	None.
Mothershead, James R.	GS-13	Assistant Regional Solicitor	Carter Oil Co. (wholly-owned subsidiary of Standard Oil Co. of N.J. (now Exxon).	Landman	All personal contribution to the company's retirement system (lump-sum).
Palmer, Alan K.	GS-15	Assistant Solicitor	Covington & Burling	Associate	None.
Parish, William W.	GS-13	Assistant to the Secretary	Aramco	Not given	Not given.
Schmitt, James R.	GS-15	Attorney	Law firm (name not given)	Partner	None.
Scott, David	GS-14	Geologist	Texaco Oil Co.	Geologist, division geophysicist, head of gravity department.	Approximately \$7,000 in return for which he gave up all of his stocks, bonds and pension rights.
			Anglo Phillippino Oil Co.	Exploration manager	None.
			Hancock Oil Co.	Chief geophysicist	None.
			Carter Oil Co.	Exploration manager	None.
			Signal Oil Co.	Chief geologist	None.
			Company name not given	Self employed consultant	None.
Shreve, Dewitt C.	GS-15	Attorney-adviser	Sun Oil Co.	Attorney	None.
Simmons, Gaylon H., Jr.	GS-15	Staff assistant to Assistant Secretary, Management (as member of President's executive interchange program).	Gulf Oil Corp.	Manager of budget and financial analysis for Gulf Oil Trading Co., a subsidiary of Gulf Oil Corp.	On 1-year leave of absence without pay from Gulf but will continue insurance coverages related to group life, accident, disability, and health. Also will receive benefit-service credit under the Gulf annuities and benefits plan and contributory retirement plan during his leave.
Soller, Charles M.	GS-15	Assistant solicitor	Sun Oil Co.	Senior attorney	None.
Spencer, C. W.	GS-14	Geologist	Texaco Oil Co.	District geologist	Deferred payment plan \$4,400.
Taves, Max J.	GS-13	Training officer and staff engineer	Atlantic Richfield Co.	Staff engineer, district office and chief reservoir and unit engineer.	None—Conventional retirement at age 56.
Tschudy, Robert H.	GS-15	Research botanist (paleobotany)	Creole Petroleum Corp.	Assistant research coordinator	None.
Worrell, James O.	GS-15	Assistant regional solicitor	Sunray Oil Co.	Tax attorney	None.
Wunnicke, William C.	GS-13	Petroleum engineer	Stallion Roustabouts	President and manager	Sold business to private party.

Listing of former oil company, oil company affiliated and oil company related executives as well as attorneys who themselves or whose law firms represent oil companies now working for the Federal Government in positions primarily above the GS-12 level.

DEPARTMENT OF THE INTERIOR

Excerpts of duties performed by the above employees:

- Supervising oil and gas operation.
- Preparing and prosecuting patent applications and licenses.
- Performing scientific work in the study, appraisal, and exploration of mineral fuels.

Developing theoretical analyses of geologic structure and processes and conducting studies of energy resources.

Collecting and analyzing offshore engineering and environmental data concerning the Outer Continental Shelf leasing program.

Rendering legal advice on problems resulting from the expanded energy related activities.

Approving permits on shore for oil and gas lease management.

Communicating with individual members of Congress on administration and policy matters affecting energy and minerals.

Presiding over formal hearings held by the Department.

Formulating, directing, and evaluating all programs related to geoscience information service, e.g., oil and gas resources.

Determining appeals by contractors on disputed questions.

Directing research and design of automated systems used to plan and manage a national program of energy and mineral resource evaluation and lease.

Developing training programs.

LISTING OF FORMER OIL COMPANY, OIL COMPANY AFFILIATED AND OIL COMPANY RELATED EXECUTIVES AS WELL AS ATTORNEYS WHO THEMSELVES OR WHOSE LAW FIRMS REPRESENT OIL COMPANIES NOW WORKING FOR THE FEDERAL GOVERNMENT IN POSITIONS PRIMARILY ABOVE THE GS-12 LEVEL

Federal employment—Nuclear Regulatory Commission			Former employment		
Employee name	Grade	Position/title	Company name	Position/title	Lump-sum payments or deferred compensation rights received on separation
Berlinger, Carl Howard	GS-14	Nuclear engineer	Combustion Engineering, Inc.	Nuclear safety engineer	Not given.
Bright, Glenn O.	STS-1	Permanent technician member, Atomic Safety and Licensing Bd.	Phillips Petroleum Co.	Research and development technical administration.	None.
rinkman, Donald S.	GS-14	Coordinator for technical specifications.	Rockwell International	Research engineer and quality assurance engineer.	Not given.
Brooks, E. H.	GS-14	Systems engineer	Gulf General Atomic	Systems engineer	Vested pension rights.
Brown, Willard B.	GS-15	Anal. chemist	Monsanto Co. (Lyon Oil Affiliated)	Manager, nuclear materials and components.	Vested retirement.
Buck, John H., Dr.	GS-18	Vice chairman, atomic safety and licensing appeal panel.	Socony-Vacuum Oil Co. (now Mobil Oil Co.).	Manager, physics division of Socony research department.	None.
Burke, John J.	GS-17	Deputy Director, Office of Administration.	Well Surveys, Inc.	Vice president and general manager	None.
			EG & G, Inc.	Assistant to vice president	None.
			Reynolds Electric and Engineering Corp. (subsidiary of EG & G, Inc.).	Executive assistant to president	None.

Federal employment—Federal Energy Administration

Former employment

Employee name	Grade	Position/title	Company name	Position/title	Lump-sum payments or deferred compensation rights received on separation
Burkhardt, Winston	GS-15	Sr. chemical engineer	Arco Chemical Co. Shell Oil Co. Sinclair Rubber, Inc.	Site manager Research chemist Chemist	Not given. Not given. Not given.
Butler, Walter R.	GS-16	Branch chief, DRL	Aerojet General Corp.	Physics supervisor	Fully vested retirement benefits remaining in effect with annuity type compensation to begin at age 65.
Colton, John P.	GS-14	Fuel fabrication engineer	Gulf United Nuclear Corp.	Quality control manager	Standard severance payment for released employees.
Kovacs, John M.	GS-14	Mechanical engineer	Aerojet-General	Engineering specialist	Fully vested in retirement plan (after 10 yr service) and 4 weeks severance pay when laid-off.
Krug, Harry Eueristus Peter, Jr.	GS-14	Licensing project manager	Exxon Nuclear	Senior nuclear engineer	None.
Larson, Howard James	GS-17	Director, materials and fuel cycle facility licensing.	Allied-General Nuclear Services (a Gulf Oil Corp.) General Atomic Co. (a Royal Dutch Shell affiliate) in partnership with Allied Chemical Corp.	President and general manager Director of engineering	None. None
Nicholson, Richard B.	NA	Consultant	Exxon Nuclear Co., Inc.	Manager of licensing for enrichment	NA.
Norberg, James A.	GS-15	Research engineer	Phillips Petroleum Co. Idaho Nuclear Corp., Inc.	Section chief	\$2,200 or interest in Idaho Nuclear Investment Plan. 495 shares of Phillips Petroleum stock for interest in PPC Investment Plan (prior to July 1969). Paid in deferred annuity with Metropolitan Life Insurance Co. (PPC and INC retirement program).
O'Kelly, Arlie A.	NA	Consultant	Standard Oil Co.—Indiana	Consultant	Unknown.
Parker, Frank L.	NA	Consultant	Atlantic Richfield Hanford Co.	Consultant	NA.
Schamberger, Robert D.	GS-15	Chief, experimental gas cooled reactor safety research branch.	Gulf Nuclear Fuels Co. (and predecessors)	Manager, physics and math department	Not applicable.
Schroeder, Frank, Jr.	GS-17	Acting Director, Division of Technical Review, Office of Nuclear Reactor Regulation.	Phillips Petroleum Co.	Manager, water reactor safety program office.	None—withdraw from savings and retirement plans on termination of employment.
Sly, Douglas K.	GS-14	Nuclear materials engineer	Kerr McGee Nuclear Corp.	Health physicist	None.
Smiley, S. H.	GS-18	Director, Office of Special Studies	NUMEC—subsidiary of Atlantic Richfield.	Manager, research and development	Not given.
Wilson, Thomas Rupert, Jr.	GS-16	Acting Director, Office of Operations Evaluation.	Phillips Petroleum Co.	Manager, loft project manager engineering and test branch.	None.

¹ Scientific and Technical Schedule—equivalent to GS-16, 17, or 18.

Listing of former oil company, oil affiliated and oil company related executives as well as attorneys who themselves or whose law firms represent oil companies now working for the Federal Government in positions primarily above the GS-12 level.

NUCLEAR REGULATORY COMMISSION

Excerpts of duties performed by the above employees:

Conducting hearings on the licensing of nuclear power plants.
Analyzing and evaluating existing and

proposed nuclear facilities with regard to safety.

Reviewing applications for licenses to construct reactors and facilities that manufacture reactor fuel.

Performing studies to improve systems for safeguarding strategic nuclear material.

Developing and implementing policies, procedures, and regulations for safeguards and environmental consideration for possession and utilization of special nuclear material.

Developing and implementing standard technical specifications for power plants, research and test reactors.

Maintaining liaison with the technical members of the Atomic Safety and Licensing Board Panel.

Providing scientific, technical and administrative direction to gas-cooled-reactor-safety-research projects.

Acting as a consultant on problems related to handling of radioactive waste.

Directing the technical review, and evaluation of safety and environmental aspects of applications for construction of nuclear power plants.

LISTING OF FORMER OIL COMPANY, OIL COMPANY AFFILIATED AND OIL COMPANY RELATED EXECUTIVES AS WELL AS ATTORNEYS WHO THEMSELVES OR WHOSE LAW FIRMS REPRESENT OIL COMPANIES NOW WORKING FOR THE FEDERAL GOVERNMENT IN POSITIONS PRIMARILY ABOVE THE GS-12 LEVEL

Federal employment—Department of the Treasury

Former employment

Employee name	Grade	Position/title	Company name	Position/title	Lump-sum payments or deferred compensation rights received on separation
Bates, John C., Jr.	GS-15	Attorney-adviser (tax legislation)	Milbank, Tweed, Hadley & McCloy	Not given	Received only accrued salary and profit sharing.
Beardsley, Bruce M.	GS-16	Director, Office of Computer Science.	Phillips Petroleum Co.	Manager, computer science branch	None.
Bennett, Jack F.	Executive level III	Under Secretary for Monetary Affairs.	Standard Oil Co. and subsidiaries (New Jersey).	Director, ESSO International	\$138,000 (lump sum.)
Dam, Kenneth W.	NA	Consultant (intermittent)	Kirkland & Ellis	Consultant	Not given.
Essley, Philip L.	GS-16 ¹	Program analysis officer	Ohio Oil Co. (now Marathon Oil Co.) Skelly Oil Co.	Senior petroleum engineer Reservoir engineer supervisor	None. None.
Evans, Samuel C.	GS-13	Equal opportunity specialist (contract compliance)	Sinclair International Oil Co. (now part of Atlantic Richfield).	Acting production coordinator—Eastern Hemisphere.	None.
Gerard, Robert A.	GS-17	Director, capital markets policy	Atlantic Richfield Co.	Corporate personnel adviser	None (other than normal compensation).
Gibbs, Lawrence V.	GS-18	Assistant Commissioner (technical).	Wilner, Cutler & Pickering	Associate	Severance pay, \$1,000 return of Keogh plan contributions, \$2,500 (approximately).
Goodman, Richard M.	GS-14	Attorney-adviser (general)	Branscomb, Thomasson, Gary & Hall	Partner	\$50 per month from March 1973–August 1975 (pay-out of partnership capital attributable to partnership interest).
Heng, Donald J.	GS-14	Attorney-adviser (tax legislation)	Anderson, Mori, & Rabinowitz	Attorney	None.
Hickman, Frederic W.	Executive level IV	Assistant secretary for tax policy	Brobeck, Phleger, & Harrison	Associate	Approximately \$1,700 for accrued vacation.
Kemple, Roger J.	GS-15	Special projects officer	Hopkins, Sutter, Owen, Mulroy, & Davis	Partner	Received percentage share of fees for work done.
MacDonald, David R.	Executive level IV	Assistant secretary (enforcement, operations, and tariff affairs).	Gulf Oil Co.	Region marketing manager	None (but retained his hospitalization, certain company-paid moving expenses, and vested interest in a retirement program).
MacKour, Oscar M.	GS-15	International economist	Kirkland, Ellis, Hodson, Chaffetz & Masters.	Attorney	None.
			Baker & McKenzie	Attorney	None.
			Standard Oil Co. (New Jersey)	Financial analyst	None.

Footnote on following page.

LISTING OF FORMER OIL COMPANY, OIL COMPANY AFFILIATED AND OIL COMPANY RELATED EXECUTIVES AS WELL AS ATTORNEYS WHO THEMSELVES OR WHOSE LAW FIRMS REPRESENT OIL COMPANIES NOW WORKING FOR THE FEDERAL GOVERNMENT IN POSITIONS PRIMARILY ABOVE THE GS-12 LEVEL—Continued

Federal employment—Department of the Treasury			Former employment		
Employee name	Grade	Position/title	Company name	Position/title	Lump-sum payments or deferred compensation rights received on separation
Mann, Phillip L.	GS-18	Director, Office of Tax Legislative Counsel.	Fulbright & Jaworski	Partner	Not given.
McCracken, Paul W.	NA	Consultant (intermittent)	Standard Oil Co. of Ohio	Director	Receiving stipend on a deferred compensation basis (3 annual installments). Also owns 300 shares of stock in company.
Nauheim, Stephen A.	NA	Consultant (intermittent)	Surrey, Karasik and Morse	Not given	Not given.
Rhodes, Theodore E.	GS-15	Attorney-adviser (tax legislation)	Morrison, Forester, Holloway, Clinton, & Clark.	Associate	None.
Schmnuits, Edward C.	Executive level III.	Under Secretary of Treasury	White & Case	Partner	Not given.
Whitaker, Meade	Executive Level V.	Chief counsel for the Internal Revenue Service.	Cabaniss, Johnston, Gardner, & Clark.	Attorney and partner	None.
Whitherell, William H.	GS-17	International economist (Director, Office of Financial Resources).	Esso Eastern, Inc.	Financial and economic advisor; economist.	Record a merit payment of \$5,000 during his last month of regular employment with Esso Eastern, Inc., prior to going on leave of absence.
			Standard Oil Co., of New Jersey	Economist	

1 Equivalent to GS-16.

Listing of former oil company, oil company affiliated and oil company related executives as well as attorneys who themselves or whose law firms represent oil companies now working for the Federal Government in positions primarily above the GS-12 level.

DEPARTMENT OF THE TREASURY

Excerpts of duties performed by the above employees:

Serving as a legal advisor on tax legislation and assisting in providing leadership to assure an integrated legislative program on tax matters.

Developing and coordinating Executive Branch policy and research activities concerned with the structure and operations of the capital market.

Conducting analyses of and developing and coordinating policies, plan, and programs of all headquarters activities such as tariff administration and law enforcement.

Supervising the management and operation of a computer service center.

Advising and counseling management on such functions as management and organizational analysis and data processing.

LISTING OF FORMER OIL COMPANY, OIL COMPANY AFFILIATED AND OIL COMPANY RELATED EXECUTIVES AS WELL AS ATTORNEYS WHO THEMSELVES OR WHOSE LAW FIRMS REPRESENT OIL COMPANIES NOW WORKING FOR THE FEDERAL GOVERNMENT IN POSITIONS PRIMARILY ABOVE THE GS-12 LEVEL

Federal employment—Department of Defense			Former employment		
Employee name	Grade	Position/title	Company name	Position/title	Lump-sum payments or deferred compensation rights received on separation
Anderson, Herbert R.	GS-13	Computer systems analyst	Atlantic Richfield Co.	Junior operations research analyst	Unknown.
Clements, William P.	Executive level II.	Deputy Secretary of Defense	Sedco, Inc.	Chairman of board and chief executive officer.	Not given.
Danner, John J.	GS-14	Supv. operations research analyst	Shell Oil Co.	Sales representative	Unknown.
Gallagher, William C.	GS-13	Architect	Gulf Reston	Architect	Unknown.
Hawkins, Glenn J.	GS-13	Sanitary engineer	Standard Oil Co. (New Jersey)	Sanitary engineer	Unknown.
Hudiburgh, Gary W.	GS-14	Attorney advisor (general)	Standard Oil Co. (New Jersey)	Not specified	Not given.
			Carter Oil Co.	Geophysical engineer (at one period during employment).	Not given.
			Frontier Refining Co.	Land superintendent	Mutually agreeable retainer and separation arrangement.
Ladd, Frederick A.	GS-13	Mechanical engineer (general)	Lago Oil & Transport Co., Ltd.	Engineer "A"	Unknown.
Leonard, Robert E.	GS-13	Attorney advisor real property leg.	Atlantic Richfield Co.	Attorney	Unknown.
Mandoff, Morton A.	NA	Consultant	Gulf Oil Co.	Unknown	Unknown.
McDougal, Myres S.	NA	Consultant	Mobile/Texaco	Consultant	Not given.
Merli, Edward W.	GS-13	Realty specialist	Mobile Oil Co.	General assistant real estate dept.	Unknown.
Monismith, Carl L.	NA	Consultant	Pacific Gas & Elect Co.	Unknown	Unknown.
Nichols, Joe E.	GS-13	Mathematician	Shell Oil Research Lab.	Research programmer	Unknown.
Packard, David	NA	Consultant	Standard Oil of California	Director	Not given.
Rawson, Bruce S.	GS-13	Operations research analyst	Geophysical Service, Inc.	Geophysicist	Unknown.
Reed, Thomas C.	Executive level IV.	Director, telecommunications and command and control system.	Quaker Hill Oil Co., Bradley Exploration Co.	Partner	Not given.
Reese, Howard C.	GS-14	Foreign affairs specialist	Overseas Tankship Corp.	Executive trainee	Unknown.
Renier, James J.	NA	Consultant	Esso Standard Oil Co.	Engineer	Unknown.
Stichter, Charles P.	NA	Consultant	Texaco	Consultant	Not given.

Listing of former oil company, oil company affiliated and oil company related executives as well as attorneys who themselves or whose law firms represent oil companies now working for the Federal Government in positions primarily above the GS-12 level.

DEPARTMENT OF DEFENSE

Excerpts of duties performed by the above employees:

Providing team leadership in the analysis of system requirement documentation and the development of computer system.

Furnishing technical guidance and information in the field of family housing design and estimating.

Providing technical assistance and guidance in the conduct and analysis of all phases of engineering investigations of structure foundations and flexible airfield pavements.

Developing, issuing, and updating procurement policies and directives.

Developing improved procedures and techniques associated with the functional design of water quality control techniques.

Preparing legislation and reports on proposed legislation affecting acquisition, management, and disposition of real estate.

Providing advisory services relating to the establishment of professional standards, research and development and program development.

Providing technical assistance and guidance in the conduct and analysis of all phases of engineering investigations of structure foundations and flexible airfield pavements.

Developing, constructing, and analyzing mathematical models.

Coordinating telecommunications and command and control systems.

Advising on developments in foreign affairs, international relations, national and military policies.

Providing legal advice on international law matters concerning the use of the ocean and coastal waters.

LISTING OF FORMER OIL COMPANY, OIL COMPANY AFFILIATED AND OIL COMPANY RELATED EXECUTIVES AS WELL AS ATTORNEYS WHO THEMSELVES OR WHOSE LAW FIRMS REPRESENT OIL COMPANIES NOW WORKING FOR THE FEDERAL GOVERNMENT IN POSITIONS PRIMARILY ABOVE THE GS-12 LEVEL

Federal employment—Energy Research and Development Administration			Former employment		
Employee name	Grade	Position/title	Company name	Position /title	Lump-sum payments or deferred compensation rights received on separation
Christman, Robert D.	GS-13	Chemical engineer	Gulf Research & Development Co.	Senior project engineer	None.
Coe, Douglas G.	GG-13 ¹	General engineer	Phillips Petroleum Co.	Facilities manager	Granted 10 weeks severance pay and 4 weeks vacation pay for total of \$3,576.03.
Kisslinger, Carl	NA	Consultant	Continental Oil Co.	Consultant	None.
Lacey, James J.	GS-14	Chemical engineer	Phillips Petroleum Co.	Chemical engineer	None.
			Standard Oil of New Jersey	Chief process engineer	
			Consolidation Coal	Senior project engineer	
			Gulf Oil Corp.	Senior project engineer	
Leahy, Philip C.	GG-14 ²	Chief, real estate and maintenance management branch.	Phillips Petroleum Co. (changed to Idaho Nuclear Corp., July 1966).	Assistant manager, maintenance branch.	Lump-sum payment from Idaho Nuclear Corp. for portion of thrift plan in amount not readily available.
Lindseth, Victor	NA	Consultant	Gulf Mineral Resources Co.	Manager, maintenance branch. Consultant	Owns few shares of Gulf Oil Co. stock for which he receives \$16 per year.
Mazzocco, Nestor John	GS-13	Supervisory chemical engineer	Consolidation Coal Co.	Project engineer	Received employee contributions made to the company investment plan.
McBride, John A.	NA	Consultant	Phillips Petroleum Co.	Senior chemist	None—Has retirement plan which was left with company and stock valued at \$17,000 to \$18,000.
				Staff technical assistant to manager, experiment station pilot group.	
				Manager, experiment station pilot plant group.	
				Assistant superintendent, engineering experiment station.	
				Manager, development branch	
				Assistant technical director, R. & D.	
				Chief, applications engineer	
				C. & P. technical director	
				Director, chemical technology	
Mott, William E.	STS ³	Thermal applications specialists	Gulf Research & Development Co.	Research physicist head, nuclear science section.	Lump-sum payment on contributions into retirement.
				Supervisor, nuclear applications	
				Staff attorney	None.
Randall, James E.	GG-4 ²	Attorney	Jersey Nuclear Co. (affiliate of Standard Oil of New Jersey).		
Rives, Wayne W.	GG-14 ²	Industrial relations officer	Phillips Petroleum Co.	Job analyst	None, but stated his retirement was withdrawn in lump-sum.
				Salary administrator	
				Manager of personnel	
				Engineer	None.
Roberts, David J.	GG-15 ⁴	Operations analyst	Esso Research & Engineering	Production manager	Termination bonus equal to 1 month's salary.
Stafford, Glen A.	GG-14 ²	Chief, Test Construction Bridge Nevada Operations Office.	Crest Exploration Co.		Lump-sum payment of \$6,024 was received upon leaving Atlantic Richfield.
Steffgen, Frederick W.	GS-14	Research supervisor, chemistry	Atlantic Richfield Co.	Research, associate-catalysis	Lump-sum payment of monthly contributions plus dividends into the general employees investment plan.
Yavorsky, Paul M.	GS-15	Research supervisor, exploratory engineering.	Consolidation Coal Co. (affiliate of Continental Oil Co.).	Supervisor in process research	

¹ Equivalent to GS-13.
² Equivalent to GS-14.

³ Scientific and technical schedule, equivalent to GS-16, 17, or 18.
⁴ Equivalent to GS-15.

Listing of former oil company, oil company affiliated and oil company related executives as well as attorneys who themselves or whose law firms represent oil companies now working for the Federal Government in positions primarily above the GS-12 level.

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

Excerpts of duties performed by the above employees:

Planning and directing a systematic ap-

proach on the development and improvement of coal liquefaction process.

Performing legal staff work on matters arising from problems encountered in the prosecution of its office activities.

Supervising the broadening and strengthening of fundamental and applied research on energy technology.

Planning, scheduling, coordinating and administering contractors' activities on authorized engineering, construction, drilling, mining and maintenance projects.

Advising on the development and formula-

tion of agency-wide policies, principles, and standards.

Planning, developing, and implementing real estate, maintenance, machine tool and related equipment management programs.

Reviewing, analyzing and reporting on the cost, configuration, schedule and developmental basis of a fuel processing facility.

Consulting with engineers for dual purpose nuclear plant locations.

Analyzing economic and technological characteristics of enriched uranium activities.

LISTING OF FORMER OIL COMPANY, OIL COMPANY-AFFILIATED AND OIL COMPANY-RELATED EXECUTIVES AS WELL AS ATTORNEYS WHO THEMSELVES OR WHOSE LAW FIRMS REPRESENT OIL COMPANIES NOW WORKING FOR THE FEDERAL GOVERNMENT IN POSITIONS PRIMARILY ABOVE THE GS-12 LEVEL

Federal employment—Federal Power Commission			Former employment		
Employee name	Grade	Position/title	Company name	Position/title	Lump-sum payments or deferred compensation rights received on separation
Baker, Frank E.	GS-14	Geologist	Standard Oil & Gas Co.	Asst. area geo.	None.
			Canada Southern Oils, Inc.	Staff geologist	
			Honolulu Oil Corp.	District geologist	
			NA	Independent geologis.	
Borror, John W.	GS-13	Supervisory regulatory gas utility specialist.	Herb J. Hawthorne, Inc.	Asst. sales manager	None.
			Sohio Petroleum Co.	Staff engineer, district superintendent, staff mechanical engineer, unit engineer, district engineer.	
			Gulf Oil Corp.	Production engineering and asst. district engineer.	None.
			NA	Consultant	None.
Boyd, Ellis R., Jr.	GS-14	Head, planning and special projects section.	Marathon Oil Co.	Roustabout (laborer), assoc. petroleum engineer.	Retirement benefits payable upon attainment of retirement age, by Marathon Oil Co. through his retention of a vested right in their retirement plan.
				Area petroleum engineer, petroleum engineer, engineer trainee.	
Jensen, William	GS-16	Administrative law judge	Beber, Klutznick & Beber, (now Beber, Richards et al.).	Associate	None.
Johnson, John Roy	GS-14	Supervisory regulatory gas utility specialist.	Aledo Oil & Gas Co., Inc. (sold to Sierra Petroleum Co., Inc.).	Production superintendent and engineer; general manager.	None, but received 2 weeks pay upon termination of employment.
Loring, William T.	GS-14	Supervisory general engineering.	Core Laboratories, Inc.	Engineering employee	None.
			U.S. Branson	Engineering employee	None.

LISTING OF FORMER OIL COMPANY, OIL COMPANY AFFILIATED AND OIL COMPANY RELATED EXECUTIVES AS WELL AS ATTORNEYS WHO THEMSELVES OR WHOSE LAW FIRMS REPRESENT OIL COMPANIES NOW WORKING FOR THE FEDERAL GOVERNMENT IN POSITIONS PRIMARILY ABOVE THE GS-12 LEVEL—Continued

Federal employment—Department of Defense			Former employment		
Employee name	Grade	Position/title	Company name	Position/title	Lump-sum payments or deferred compensation rights received on separation
Merriam, Prof. Daniel F.	NA	Consultant	Union Oil Co., California	Geologist	None.
Moody, Rush, Jr.	NA	Commissioner	Stubbsman, McRae, Sealy, Laughlin & Browder.	Partner	Received balance in his capital account, his share of profits and return of contribution to firm retirement fund, upon withdrawal.
Nassikas, John N.	Executive level III.	Chairman	Baker, Botts, Andrews & Shepherd Wiggin, Nonrie, Sundeen, Nassikas & Pingree.	Defense trial attorney Senior partner	Received balance of proportionate share of the undistributed net income of the firm, balance in the capital account, and a settlement amount of his partnership share on account of dissolution of the firm.
O'Mahoney, Robert M.	GS-15	Office of Special Assistant	Ross, McCord, Ice & Miller (now Ice, Miller, Danadio & Ryan).	Associate	None.
Reusch, Charles F.	GS-13	Chemical engineer	Amoco Chemicals Co.	Research engineer	None, but has 12 shares of stock in blind trust.
Thomas, Weldon L.	GS-13	General engineer	IFH Gas Co. General Gas Corp. Georgia Institute of Technology	President and general manager. District manager. Associate prof. and department head, gas engineering technology.	None.

Listing of former oil company, oil company affiliated and oil company related executives as well as attorneys who themselves or whose law firms represent oil companies now working for the Federal Government in positions primarily above the GS-12 level.

FEDERAL POWER COMMISSION

Excerpts of duties performed by the above employees:

Presiding over formal administrative hearings and issuing orders and rendering decisions on cases heard.

Supervising and programming technical investigations relating to producer rate certificates involving natural gas companies.

Engineering the analysis of transmission system pipeline applications.

Preparing reports analyzing the present

and future availability of fuels for electric power generation.

Monitoring current natural gas supply levels and demand.

Consulting on geostatistics and editorial matters.

Writing opinions, orders for members, and providing written analysis of pending cases for the Commission.

LISTING OF FORMER OIL COMPANY, OIL COMPANY AFFILIATED AND OIL COMPANY RELATED EXECUTIVES AS WELL AS ATTORNEYS WHO THEMSELVES OR WHOSE LAW FIRMS REPRESENT OIL COMPANIES NOW WORKING FOR THE FEDERAL GOVERNMENT IN POSITIONS PRIMARILY ABOVE THE GS-12 LEVEL

Federal employment—Department of Transportation			Former employment		
Employee name	Grade	Position/title	Company name	Position/title	Lump-sum payments or deferred compensation rights received on separation
Aubry, Robert F.	GS-14	Petroleum engineer	Marathon Pipeline Co.	Project engineer	None
Boyce, James W.	GS-13	Supervisory electrical engineer	Sun Oil Co.	Electrical engineer for refinery projects.	None.
Denny, John R.	GS-13	Highway engineer	Shell Oil Co.	Senior asphalt representative	\$7,000 deferred pay in 5 annual installments.
Englander, Irwin	GS-13	Operations research analyst	Standard Oil of Indiana	Not given	None.
Gregory, James B.	Executive level III.	Administrator	Union Oil Co. of California	Research chemist section leader (analytical research); section leader (product evaluation); supervisor (product research); manager of marketing planning; manager of environmental sciences; manager of research planning.	None.
Lundgren, Jerome F.	GS-12	Attorney-adviser	Texaco Inc.	General sales representative	None.
Pattee, Frank S.	GS-14	Highway safety management specialist	Cities Service Oil Co. Ada Oil Co.	Lubrication engineer, wholesale sales management specialist. Assistant manager and sales engineer, pipeline sales.	None. None.
Thomas, James C.	GS-14	Transportation safety manager (pipeline).	Consumers Power Co.	Senior engineer (general gas distribution).	None.
Thompson, Basil H., Jr.	GS-11	Attorney-adviser	Hunt Oil Co.	Not given	None.
White, John B.	GS-13	Transportation industry analyst	Texaco	Merchandising salesman, merchandising sales representative, district supervisor—TBA sales, district sales supervisor.	None.
Wisleder, Robert W.	GS-14	Electronics engineer	Amerada Petroleum Corp.	Not given (college student)	None.
Wood, Leonard E.	GS-15	Supervisory environmental science research specialist	Mobil Oil Co. Mobile Oil de Venezuela	Staff geologist Not given (graduate student training program.)	None. None.

Listing of former oil company, oil company affiliated and oil company related executives as well as attorneys who themselves or whose law firms represent oil companies now working for the Federal Government in positions primarily above the GS-12 level.

DEPARTMENT OF TRANSPORTATION

Excerpts of duties performed by the above employees:

Reviewing and approving state standard specifications and plans proposed for use on Federal-aid highway construction.

Conducting model/intermodal programs in pipeline safety.

Developing communication system con-

cepts and channel control procedures for satellite air traffic control systems.

Serving as an expert in petroleum/liquid matters and carrying out natural gas engineering functions.

Determining and establishing program policies, objectives and priorities, and directing the development of action plans to accomplish the National Highway Traffic Safety Administration mission.

Planning and supervising a program of research to devise more effective means to protect highway systems against the natural hazard.

Ensuring safe water supplies for roadside rest areas.

Advising on all electrical engineering matters related to the power, heating and illumination of ships and small boats to be constructed.

Initiating, preparing, and reviewing instruments, documents and correspondence pertaining to legal aspects of various programs.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATION ACT, 1976

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of H.R. 8597, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (H.R. 8597) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

The Senate resumed the consideration of the bill.

The ACTING PRESIDENT pro tempore. Time for debate on this bill is limited to 2 hours to be equally divided and controlled by the Senator from Oregon (Mr. HATFIELD) and the Senator from New Mexico (Mr. MONTOYA), 1 hour on any amendment and 30 minutes on any debatable motion, appeal, or point of order.

Mr. MONTOYA. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as thus amended be regarded for the purposes of amendment as original text.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

The amendments agreed to en bloc are as follows:

On page 2, line 8, strike "\$27,000,000" and insert "\$27,500,000";
On page 2, line 16, strike "\$6,750,000" and insert "\$6,875,000";
On page 2, line 20, strike "\$2,400,000" and insert "\$2,580,000";
On page 2, line 23, strike "\$600,000" and insert "\$645,000";
On page 3, line 6, strike "\$14,000,000" and insert "\$12,000,000";

On page 4, line 4, insert:

GRANTS TO THE HOOVER INSTITUTION ON WAR, REVOLUTION, AND PEACE

For payments to the Hoover Institution on War, Revolution, and Peace as provided by Public Law 93-585, \$7,000,000, to remain available until January 2, 1980.

On page 5, line 3, strike "\$310,000,000" and insert "\$304,920,000";
On page 5, line 8, strike "\$77,500,000" and insert "\$76,230,000";
On page 5, line 14, strike "\$41,441,000" and insert "\$41,230,000";
On page 5, line 16, strike "\$10,360,000" and insert "\$10,307,500";
On page 6, line 8, strike "\$44,000,000" and insert "\$44,500,000";
On page 6, line 10, strike "\$11,000,000" and insert "\$11,125,000";
On page 6, line 22, strike "\$765,000,000" and insert "\$771,500,000";
On page 6, line 24, strike "\$191,250,000" and insert "\$192,875,000";
On page 7, line 9, strike "\$825,200,000" and insert "\$833,000,000";
On page 7, line 11, strike "\$206,250,000" and insert "\$208,250,000";
On page 7, line 23, strike "\$92,000,000" and insert "\$95,250,000";
On page 9, line 5, insert:

REVOLVING FUND FOR ADVANCE PAYMENTS TO UNITED STATES INTERNATIONAL AIR CARRIERS

There shall be appropriated to the United States Postal Service \$7,000,000 for the establishment and operation of a Revolving

Fund pursuant to section 2602(c) of title 39, United States Code.

On page 11, line 14, strike "\$1,000,000" and insert "\$500,000";

On page 11, line 16, strike "\$250,000" and insert "\$125,000";

On page 12, line 3, strike:

EXPANSION OF DEFENSE PRODUCTION

EXPENSES, DEFENSE PRODUCTION ACT

For payment of interest into the Treasury as miscellaneous receipts on the current market value of the inventory of materials procured under section 303 of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2093), as of the first day of each fiscal year commencing with July 1, 1975, pursuant to section 711(b) of the Defense Production Act of 1950 (50 U.S.C. App. 2161 (b)), \$16,200,000.

For payment of "Expenses, Defense Production Act" for the period July 1, 1976, through September 30, 1976, \$3,800,000.

On page 12, line 21, strike "\$104,000" and insert "\$274,000";

On page 13, line 2, strike "\$26,000" and insert "\$68,500";

On page 13, line 23, strike "\$23,500,000" and insert "\$24,000,000";

On page 14, line 2, strike "\$5,875,000" and insert "\$6,000,000";

On page 14, line 7, strike "\$530,000" and insert "\$730,000";

On page 14, line 9, strike "\$132,000" and insert "\$182,500";

On page 14, line 16, strike "\$8,900,000" and insert "\$8,500,000";

On page 17, line 11, strike "\$94,500,000" and insert "\$94,700,000";

On page 18, line 4, strike "\$23,625,000" and insert "\$23,675,000";

On page 19, line 26, strike "expended" and insert "September 30, 1976";

On page 20, line 3, strike "to remain available until expended";

On page 23, line 1, strike "\$1,116,354,000" and insert "\$1,142,554,000";

On page 23, line 2, strike "\$62,586,000" and insert "\$63,786,000";

On page 23, line 3, strike "(except as provided herein)";

On page 24, line 2, strike:

Provided further, That all amounts remaining unobligated on September 30, 1976, in connection with projects specified in Public Law 93-381, under the heading "Federal Buildings Fund, Limitations on Availability of Revenue," subsection 7(a), are hereby rescinded and shall be deposited in miscellaneous receipts of the Treasury of the United States

On page 24, line 13, strike "\$440,000,000" and insert "\$447,000,000";

On page 24, line 14, strike "\$380,000,000" and insert "\$397,000,000";

On page 24, line 16, strike "\$63,000,000" and insert "\$64,000,000";

On page 25, line 16, strike "\$1,141,354,000" and insert "\$1,059,300,000";

On page 25, line 21, strike "274,050,000" and insert "\$281,700,000";

On page 25, line 22, strike "\$26,300,000" and insert "\$27,700,000";

On page 25, line 25, strike "\$110,000,000" and insert "\$111,750,000";

On page 26, line 1, strike "\$95,000,000" and insert "\$99,250,000";

On page 26, line 2, strike "\$15,750,000" and insert "\$16,000,000";

On page 26, line 8, strike "\$274,050,000" and insert "\$281,700,000";

On page 26, line 10, following "United States", insert the following: *Provided further*, That moneys now or hereafter deposited into the fund established by section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), and available pursuant to annual appropriation Acts, may be transferred and consolidated on the books of the Treasury Department into a special account

pursuant to section 9 of the Act of June 14, 1946, 60 Stat. 259 (40 U.S.C. 296), in accordance with and for the purposes specified in such section.

On page 27, line 11, strike "\$160,000,000" and insert "\$159,000,000";

On page 28, line 14, strike "\$40,000,000" and insert "\$39,750,000";

On page 28, line 15, insert:

PERSONAL PROPERTY ACTIVITIES

GENERAL SUPPLY FUND

For necessary expenses for the "General Supply Fund", \$65,000,000.

On page 30, line 24, strike "\$16,000,000" and insert "\$15,000,000";

On page 31, line 2, strike "\$4,000,000" and insert "\$3,750,000";

On page 31, line 19, strike "\$940,000" and insert "\$1,700,000";

On page 31, line 21, strike "\$235,000" and insert "\$425,000";

On page 32, line 8, strike "\$246,152" and insert "\$300,000";

On page 32, line 15, strike "\$61,538" and insert "\$75,000";

On page 37, at the end of line 19, insert ", except as provided in section 204 of the Supplemental Appropriation Act, 1975 (Public Law 93-554)";

On page 38, line 24, insert:

Sec. 508. Except for expenditures for Presidential travel contained in the White House Office appropriation or except for expenditures by the Treasury Department for legitimate law enforcement purposes, either of which may be expended in a confidential manner when appropriate, no funds appropriated by this Act may be expended—

(a) pursuant to a certification of an officer or employee of the United States unless—

(1) such certification is accompanied by, or is part of, a voucher or abstract which describes the payee or payees and the items or services for which such expenditure is being made, or

(2) the expenditure of funds pursuant to such certification, and without such a voucher or abstract, is specifically authorized by law; and

(b) unless such expenditure is subject to audit by the General Accounting Office or is specifically exempt by law from such an audit.

On page 40, at the beginning of line 17, insert "South Viet Nam,";

Mr. MONTOYA. Mr. President, I ask unanimous consent that no point of order shall be considered to have been waived by reason of the agreement to this order.

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

Mr. MONTOYA. Mr. President, I yield myself such time as I may require.

Mr. President, on behalf of the Committee on Appropriations, I am pleased to present the Treasury, Postal Service, and General Government appropriations bill for fiscal year 1976, H.R. 8597.

The President's budget, as amended, requested \$6,330,463,000 for programs and activities under this appropriations bill. The recommendation of the committee is \$6,338,955,000. This is a reduction from fiscal year 1975 appropriations of \$1,854,954,500. Of this reduction, \$1,750,000,000 was in support of a one-time payment of \$50 to social security recipients, which was authorized by the Tax Reduction Act of 1975—Public Law 94-12.

The bill passed the House of Representatives July 17, 1975 in the amount of \$6,265,532,152. The committee recommendation is an increase of \$8,492,000

over the budget estimate and an increase of \$73,422,848 over the House bill. The increase above the House allowance is primarily for two programs requested by the President as budget amendments following completion of House hearings. These amendments were denied by the House without prejudice. I will briefly highlight the major items in the bill.

TITLE I—TREASURY DEPARTMENT

The committee recommendation for the Treasury Department is \$2,463,869,000. This is a reduction of \$1,661,662,000 from the fiscal year 1975 appropriation, a reduction of \$51,114,000 from the budget estimate and an increase of \$18,639,000 over the House bill. The reduction from last year is primarily the result of the one-time social security payment of \$1,750,000,000 which I mentioned previously.

The major increase to the House allowance is restoration of \$15,000,000 to the Internal Revenue Service. The House bill reduced these appropriations by \$21,778,000. The increased funding will provide staffing and resources to support increased tax administration responsibilities of the Internal Revenue Service relating to the Freedom of Information Act, the Privacy Act, the Tax Reduction Act, the Employee Retirement Income Security Act, and the Social Security Amendments of 1974.

The bill includes \$7,000,000 for the Hoover Institution on War, Revolution, and Peace which was authorized by Public Law 93-585. The House denied these funds without prejudice as the budget amendment was received too late to hold hearings. Appropriation of these funds will enable the Department of the Treasury to match private contributions, over a 5-year period, for construction of educational facilities for the Hoover Institution.

Increases to the House bill include \$500,000 to the Office of the Secretary and \$180,000 for the Office of Revenue Sharing for increased staffing; and \$3,250,000 for the Secret Service to provide additional agents for protective assignments prior to the forthcoming political conventions, the 30th anniversary of the United Nations, the Bicentennial celebration, and the ever increasing number of visits of foreign dignitaries.

Reductions are recommended from the House bill in appropriations for the Federal Law Enforcement Training Center, the U.S. Customs Service and the Bureau of the Mint.

TITLE II—U.S. POSTAL SERVICE

The committee recommends concurrence with the House bill of \$1,582,185,000 for the U.S. Postal Service. This is an increase of \$92,500,000 over the budget estimate to provide funding for the extended periods of phasing authorized by Public Law 93-328.

Although Public Law 93-328, which was Senate bill S. 411, extended the periods for phasing in full rates from 5 years to 8 years for certain regular-rate mailers and from 10 years to 16 years for certain nonprofit mailers, the President failed to include the fiscal year 1976 requirement of \$92,500,000. Failure to include the subsidy funding would require the Postal Service to impose a substantial

increase in postage upon the affected classes of mailers. As Public Law 93-328 passed the Senate by a vote of 71 to 11 and the House by 277 to 129, the committee believes this reflects the clear intent of the Congress that the extended phasing be supported.

Mr. President, I would like to ask for the yeas and nays on final passage.

The ACTING PRESIDENT pro tempore. Is there a sufficient second.

There is a sufficient second.

The yeas and nays were ordered.

Mr. MONTFOY. Mr. President, the remaining items in this title are based on the formula in the Postal Reorganization Act—Public Law 91-375—for appropriation of funding for public service costs, revenue foregone, and the unfunded liability of the Post Office Department when it was a Federal agency.

The committee recommends a separate appropriation of \$7,000,000 for reestablishment of a revolving fund for making advance payments to U.S. international air carriers. These carriers are having a difficult time in collecting funds from foreign countries for the carriage of mail pursuant to international agreements. This revolving fund is authorized by 39 U.S.C. 2602 and was in operation until 1965.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

The committee recommends \$64,911,000 for the Executive Office of the President. This is a reduction of \$18,151,000 from the budget estimate and a reduction of \$16,230,000 from the House bill.

Public Law 93-346 established the former residence of the Chief of Naval Operations at the Naval Observatory as the temporary, official residence of the Vice President. The committee recommended an increase of \$170,000 to the House bill to air-condition this residence. The Vice President and his family will occupy the residence during fiscal year 1976. Increases are also recommended to the House bill of \$500,000 for the Office of Management and Budget for increased staffing, and \$200,000 for increased start-up costs for the Office of Federal Procurement Policy.

It is recommended \$500,000 be reduced from the unanticipated needs appropriation to provide contingency funds for the President at the level appropriated during fiscal year 1975; \$400,000 from the Office of Telecommunications Policy; and \$16,200,000 from the appropriation request for expansion of defense production expenses, Defense Production Act. This appropriation, authorized by Public Law 93-426, is the interest on the current market value of materials stockpiled under the Defense Production Act (DPA). It was anticipated these funds would procure additional materials for the DPA stockpile when required. The committee has been advised that no material is planned to be procured in fiscal year 1976.

TITLE IV—INDEPENDENT AGENCIES

For independent agencies, the committee recommends \$2,220,990,000. This is a reduction of \$21,743,000 from the budget estimate and an increase of \$64,013,848 over the House bill. This is due primarily to inclusion of \$65,000,000 for pay-

ment to the general supply fund of the General Services Administration to increase capitalization of the revolving fund. This fund has not been augmented since 1967. Due to continuing increases in sales volume and substantial price increases, there has been a constant erosion of available resources. The House denied this amendment without prejudice as it was too late to hold hearings.

The committee recommends \$94,700,000 for the Civil Service Commission. This is an increase of \$200,000 over the House bill to provide the Office of Veterans' Affairs with resources to implement fully its new responsibilities pursuant to the Vietnam Era Veterans Readjustment Act of 1974—Public Law 93-508.

An increase to the House bill of \$760,000 for the salaries and expenses, Federal management policy appropriation is recommended to provide for continued operation of this organization under the General Services Administration during fiscal year 1976 pending the results of a review by the Office of Management and Budget as to proper organizational placement for this responsibility.

For the allowances and office staff of former Presidents, the committee recommends an increase of \$53,848 to the House bill. This provides a reduction to the budget estimate of \$28,000 and will provide \$65,000 for pensions and postal franking privileges for widows of former Presidents, the pension of \$60,000 for former President Nixon and \$175,000 for his office staff and related expenses under the Former Presidents Act of 1958, as amended.

The Federal Supply Service and the Office of Preparedness are each recommended for reductions of \$1,000,000 from the House bill.

For the Federal buildings fund, which was created by the Public Buildings Amendments of 1972, Public Law 92-313, the committee recommends limitations on the availability of revenue collected from the standard level user charges of \$1,142,554,000. This is an increase of \$26,200,000 over the House bill and a reduction of \$7,429,000 from the budget estimate. The increase over the House bill will provide for construction of a sorely needed tunnel at the Federal office building in Oklahoma City, Okla., and increased limitations for rental of space, program direction and centralized service, and for real property operations. The latter will continue current building operations and services at the fiscal year 1975 levels and provide for known increases in utility rates and fuel adjustment charges.

The House bill recommends language which would require all sums accruing to the Federal buildings fund above \$1,141,354,000 to be deposited in the miscellaneous receipts of the Treasury. The House language would include funds which were carried over from prior years. The committee recommends that prior year funds remain in the Federal buildings fund. It is the opinion of the committee that sufficient control of the fund is exercised by the Congress in approving the annual limitations on the availability of revenue.

The House bill directs construction

funds for the projects specified in Public Law 93-381 which remain unobligated on September 30, 1976, to be rescinded and deposited in miscellaneous receipts of the Treasury. Future requirements for these projects, including claims, would be included in the budget estimates of subsequent years. The committee does not agree with the House language. Unavailability of these construction project funds after September 30, 1976 could prevent GSA from meeting commitments as a result of judgments rendered in favor of contractors and cause delays in the completion of projects. This could result in increased costs to the Federal Government.

LANGUAGE CHANGES

In addition to the language changes which I have previously referred to, the committee has included several items which are of general interest. Funds for a transition period are provided in this bill which will allow the fiscal year of the Federal Government to commence October 1, 1976 rather than July 1, 1976. Language is provided in section 504 of title V of the bill to allow funding to remain available for obligation through September 30, 1976.

A new section 508 has been added to title V of the bill which will require substantiating material in support of payments based on certification by an officer or employee of the United States unless the expenditures are authorized by law or in those instances where the expenditures are subject to audit by the General Accounting Office. The language will except travel expenses of the White House Office and payments of the Treasury Department for legitimate law enforcement purposes.

In section 602 of title VI of the bill, the committee included language to permit the U.S. Government to employ refugees of South Vietnam in the same manner as refugees from Cuba, Poland, or the Baltic countries. This provision was included at the request of the State Department.

CONCLUSION

Mr. President, before concluding my remarks, I wish to express my appreciation to the members of the subcommittee, including the minority members, Senator BELLMON and Senator HATFIELD; and also my appreciation to Mr. Fred Rhodes and Mr. Arthur Levin of the staff, and Mr. Burkett Van Kirk, the staff member of the minority.

I want to say that the bill met with the approval of both sides of the committee. It was the best that we could do under the circumstances, and I sincerely hope that it will be approved as presented to the Senate.

PRIVILEGE OF THE FLOOR

Mr. HATFIELD. Mr. President, I ask unanimous consent that Jerry Stuckes of the staff of the Senator from Wyoming (Mr. HANSEN) be given the privilege of the floor for today.

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

Mr. HATFIELD. Mr. President, as a minority member of the subcommittee which considered H.R. 8597, the appropriation bill for the Treasury, Postal Service, and General Government for the

fiscal year ending June 30, 1975, I want to associate myself generally with the remarks of the chairman of the subcommittee, the distinguished senior Senator from New Mexico (Mr. MONTOYA) and to applaud his leadership in reporting this bill so promptly.

This measure now before the Senate is the product of many days of hearings and persevering effort put forth not only by our most capable and cordial chairman, but also the other members of the subcommittee.

I congratulate the chairman for the way he has conducted the affairs of the subcommittee through these recent months.

Unfortunately, but through no fault of the subcommittee, this bill represents an increase of \$3,492,000 over the budget estimate and an increase of \$73,422,848 over the House bill. The prime reason for these increases is that the committee had to add \$65,000,000 for a payment to the general supply fund of the General Services Administration. This payment was to increase the capitalization of the revolving fund which had not been augmented since 1967. Price increases over the past 8 years had depleted the resources available to the fund. My colleagues should know that the House denied this increase without prejudice because it was sent up after hearings had been completed.

The other big item involved a \$92,500,000 increase over the budget estimate to provide funding for the extended periods of phasing authorized by Public Law 93-328. The committee recommendation concurs with the House bill which provides for \$1,582,185,000 for the U.S. Postal Service.

Mr. President, I am particularly pleased that this bill includes funding for the Hoover Institution on War, Revolution, and Peace which was authorized by Public Law 93-585. Federal funds will be matched by private contributions to construct this very worthwhile educational facility on the campus of Stanford University at Palo Alto, Calif. This facility will be the sole Federal memorial to the late President Herbert Hoover, and will recognize his 50 years of extraordinary and selfless public service which included not only countless humanitarian endeavors, but the chairmanship of two Commissions on the Organization of the Executive Branch, and his service as the 31st President of the United States. I am proud to have been a part of that group which recognizes the ongoing value of this Hoover Memorial, and I am proud that this subcommittee of which I am a member has seen fit to appropriate these worthwhile funds.

Mr. President, once again I want to commend the manager of this bill, the distinguished chairman of our Subcommittee (Mr. MONTOYA), for the firm, fair and methodical manner in which he has presided over the development of this appropriation legislation.

The ACTING PRESIDENT pro tempore. The bill is open to amendment.

Mr. MONTOYA. Mr. President, I thank my distinguished colleague from Oregon for his very kind words. I now yield to

the distinguished Senator from Hawaii (Mr. INOUE).

Mr. INOUE. Mr. President, I thank the chairman very much.

Regretfully, I was not able to attend the markup session of this measure on Tuesday last. If I had been there, I would have proposed a certain amendment to this bill. At this time, I wish to present this problem to the chairman, hoping that he will carry the matter to conference with an open mind to the possibility of reconsidering the action taken by the Senate.

Mr. President, this relates to the amount for the Customs Service and primarily for the sum approved for those with inspection responsibilities.

In 1974, we played host to 14.1 million international visitors. During the period 1975 and 1976, which will be the Bicentennial period, we anticipate welcoming over 32 million international visitors. This is an increase of over 14 percent. Incidentally, Mr. President, these are very conservative figures.

During the year 1974, 23.9 million Americans went abroad. When these Americans return, they have to be processed through facilities of the Customs Service. It is anticipated that during the period 1975-76, 50 million Americans will be traveling abroad and returning to the United States. This is an increase of 4 percent.

Incidentally, this latter figure does not include Americans going to Mexico and Canada. Because of the large number traveling to these countries, we are not able to keep exact figures.

It should also be noted that next year Montreal will be the host for the summer Olympics. I think it is safe to say that this will attract hundreds of thousands of Americans to cross the border north, visit Montreal, and return.

This will indicate that during the period 1975-76 our Customs Service will be much more burdened than it is today.

It is common knowledge for those who have had the privilege of traveling abroad, that returning to the United States can often be a traumatic experience. This sometimes involves a wait at the port of entry at some airport, not just 15 minutes, but possibly 2 or 3 hours.

We are hoping that the Bicentennial will be a great year for visitors, a year when visitors can come to the United States feeling welcome.

So I would hope that the conferees, in meeting with the House of Representatives, will reconsider the action taken. The action by the Senate would reduce the amounts set aside for personnel by an amount of \$5,080,000. This affects 406 customs inspection personnel. I sincerely hope that the chairman will keep these facts in mind while in conference and, if possible, reconsider the action taken by the Senate committee.

Mr. MONTOYA. Mr. President, may I say to the distinguished Senator from Hawaii that I certainly will give this matter my most thorough consideration before we go to conference, and we will discuss it in conference.

I might say, by way of background, that the situation has arisen because the 1975 bill provided for an additional 501

positions. The President, after we provided these positions, sent a rescission message to Congress which suspended the expenditure of funds for these positions. Congress, in turn, disapproved the rescission. In late June, at the direction of the House Appropriations Committee, the Office of Management and Budget was requested to allow the Customs Service to staff these positions. At the beginning of fiscal year 1976, personnel staffing most of these positions were on board, but no funding was included in the fiscal year 1976 budget for their support.

So, Customs is in a quandary at the present time as to how to fund the additional positions. We in the committee had to face this issue. We had no budget message from the President to provide additional funding for these positions. Therefore, in the absence of a budget message by the President, we disallowed the \$5,080,000 for these positions.

Since we disallowed this amount, we have been informed that it is very urgent that provision be made for funding these positions.

I can assure my good friend from Hawaii that we will discuss this matter very thoroughly and try to provide adequate funding in conference to assist in funding these positions.

Mr. INOUE. I thank the chairman very much.

Mr. MONTOYA. I yield to the distinguished Senator from Maine.

Mr. MUSKIE. Mr. President, I thank my good friend from New Mexico, the floor manager of this bill.

I will not take up much of the Senate's time but I will make comments which I think are the responsibility of the Committee on the Budget.

Title I of the bill makes appropriations for the Treasury Department, title II for the U.S. Postal Service, title III for the Executive Office of the President, and title IV for certain independent agencies including the General Services Administration, the Civil Service Commission, the U.S. Tax Court, the Federal Election Administration, and a number of commissions and agencies.

The budget authority in H.R. 8579 includes amounts which fall into seven functions of the Federal budget. As reported by the Committee on Appropriations, the bill makes appropriations of \$6.338 billion. This amount appears to be within the budget resolution. I say "appears to be" because when the Senate Budget Committee was marking up the first concurrent resolution it did not establish exact figures for each line item in the budget. That we regard as the responsibility of the Committee on Appropriations. The best estimate of the staff of the Budget Committee, however, is that the items in this bill are well within the first concurrent resolution on the budget and that it will not jeopardize funding of other foreseeable legislation within the affected functions.

The outlays implicit in this bill appear to be within the guidelines of the budget resolution.

I commend the distinguished chairman of the Appropriations Subcommittee on Treasury, Postal Service, and

General Government (Mr. MONTOYA) and the work he and the members of his Subcommittee have performed in making judgments about national priorities that must be faced in arriving at basic and fundamental operations of our Government. Senator MONTOYA is also especially to be commended for making these priority judgments within the context of the congressional budget. His approach has been both highly responsible and highly responsive to the real limitation and tight fiscal situation which we face this year.

May I, in addition, Mr. President, express my appreciation to the distinguished chairman of the Committee on Appropriations (Mr. McCLELLAN), who is exercising his traditional role of budgetary restraint in an effort to meet the pressing needs of our country within the resources that are available.

Mr. President, I submit this report for the record.

Mr. MONTOYA. Mr. President, I certainly thank the distinguished Senator from Maine for his very kind words.

I know he has labored diligently in assisting us with respect to budgetary restraints, and his counsel and advice have been most helpful to us in arriving at the sums which we recommended in this particular bill.

I have no additional comments, and unless a Member requests that I yield to him, I will ask—

Mr. JAVITS. Mr. President, I would like that, if I may.

Mr. MONTOYA. I will be happy to yield.

Mr. JAVITS. Two minutes.

Mr. MONTOYA. I yield 2 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, we have two fine Senators who are managing this bill, and we all understand and recognize that. I have noted in the report and in the work of the committee, which I highly commend, that for the National Commission on Productivity and Work Quality there was a cut in the budget estimate of \$500,000 by the House, and the Senate committee went along with it. I do not blame them, because they probably were unaware of what I am about to tell them.

This is the situation: In the Committee on Government Operations—I am glad Senator MUSKIE is in the Chamber, because he knows a good deal about this—we have been deeply concerned with the problems of productivity in the United States. We succeeded in working out a bill which has been reported and which I believe is on the calendar. I will check that in a moment.

Under that bill, we have now provided for a new approach of the productivity centers which will improve materially and expand the work of the Productivity Commission. Indeed, it is a reorganization—that is why it was in the Committee on Government Operations—of the Productivity Commission. It involved the reconciliation of the views of two of the great AFL-CIO unions which will be the most involved in the productivity problem—the Steelworkers' Union and the United Auto Workers.

Fortunately, because my relations are

very good with both unions, I was able to work out a reconciliation of those views, with the result that the bill was agreed upon, went through a great deal of consideration and discussion in the committee, and will result in the kind of decentralization of work on productivity and work quality to which I have been aspiring for 10 years and on which I feel the committee has made very significant progress.

I know that Senator PERCY is out of town; Senator NUNN may be in town, but he is not now in the Chamber, and I have not had an opportunity to talk with him. Under the circumstances, inasmuch as this is a very gifted advance—I am able to speak about it because of my very longstanding relationship to the productivity problem—I inquire whether or not the managers would be congenial, for the purposes of today, to restore the budget amount, in order to take it to conference, so that the new factor of this new bill, which has been reported from the Committee on Government Operations, may be considered by them, and so forth. Inasmuch as we are under the budget estimate in this particular case—the amount is not all that great, and the issue is very great—if they felt agreeable to it, I would move to offer the amendment.

Mr. MONTOYA. Mr. President, I say to the distinguished Senator from New York that we have considered this budget request very thoroughly. We have tried to be very understanding and compassionate in the past with respect to this budget request.

Personally, I have tried to conduct very thorough hearings to develop the proper justification for the budget estimate which was presented to the committee. We in the subcommittee have not been completely satisfied that the Commission on Productivity and Work Quality has been doing a meaningful, constructive, and recognizable job. Perhaps their work is effective; however, they have not presented adequate evidence to this effect to the subcommittee.

We have favored them adequately. I believe the hearings will reflect this. In the past, they have received less funding. The Commission was authorized in 1970, and ample funds were provided for the Commission in the initial stages. In their appearances before the subcommittee, they presented little in the way of concrete results of their work. The House reduced the request by \$500,000, and we followed the House recommendation.

I do not think there is any justification for increasing this amount by \$500,000 as the Senator from New York suggests. If additional information comes before the subcommittee and a supplemental request is made by the President, we certainly will consider it in a later supplemental appropriation.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MONTOYA. I yield.

Mr. JAVITS. After all, the amount which is being appropriated is less than the budget estimate; so the President already has made his request. I point that out.

Second, I am bringing the committee

new information which they did not have, which I think bears materially upon the ability of this critically important operation, which has not been satisfactory. We are the first to assure the Senator of that.

The Senator knows how things move around here—glacially. It will be an enormous step forward if at least it will be considered in conference. It is within the budget estimate. I am not asking the Senator to go beyond that. It will get us 3 or 4 months on our way.

If the Senator will yield, I ask Senator MUSKIE, if I am not imposing on him, to say a word on this matter, because he sat in very much on the deliberations of the Committee on Government Operations.

Mr. MUSKIE. Mr. President, I share with the distinguished Senator from New York his estimate of the importance of the work of this agency. As we move into the uncertain economic future, it is important that we understand what we must do, and how we can do it, to increase our productivity in this country. It is a key element; there is no question about that.

The Senator from New York is much more knowledgeable in this field than I am. I am wholly committed to the objectives which he seeks to outline. I am not as familiar with the program requirements from the money point of view as he is, but I am sure that his judgment on that point is responsible, and I support his request.

Mr. JAVITS. I say to Senator MONTROYA that it is the new factor I am bringing him. The bill was dealt with very diligently; we debated the issues. It is cosponsored by Senator PERCY and Senator NUNN. It has been ordered reported from the Committee on Government Operations, and it represents the consummation of highly effective work by two of our greatest unions.

All I am saying is that it will be encouraging, at least, if Senators NUNN and PERCY and I, as well as others, can come to the conference and lay before them the equity of the situation which is new.

I agree thoroughly with Senator MONTROYA. He did not know anything about this, and he did exactly right.

All I say is that perhaps we can save 3 or 4 months of very valuable time if the conferees are now convinced that this matter is going to be put on a new and infinitely better road, well worth at least the budget estimate. That is all I ask. I ask for no commitments—just that the door be kept open. If the Senator does not like it, he will strike it out in conference, but at least the door will be kept open.

Mr. MONTROYA. I say to the distinguished Senator from New York that last year's appropriation was \$2 million. Our recommended figure is \$2 million. Before that, for fiscal year 1974, the appropriation was \$885,000. So we have really increased it in the last 2 years—this fiscal year and last fiscal year—over the \$885,000 which they had been receiving.

In fiscal year 1973, they did not receive any funding. I have requested this

Commission to furnish us with specific and concrete data as to their performance. They have not completely presented this evidence to us. They are really at our sufferance with this \$2 million, because they have not provided adequate justification for us to recommend to Congress an appropriation of over \$2 million.

Mr. JAVITS. In the first place, I say to my colleague that there are very few things that are as critical for our country as this. This is the guts of our country.

We are down, way down in the cellar, as they say in baseball, on productivity compared to Germany, Japan, and many other countries. This has been a long-standing, heartfelt problem which I have tried to deal with. I have been very disappointed in this commission. As I reported to the Senate, we are coming to life. We have now gotten reported out of the Committee on Government Operations a really effective bill to shake this thing up. All I am trying to do is win my colleague to a little faith in us, the Committee on Government Operations, to give us the open door to conferences. The conferences can easily throw it out. If we can demonstrate to the Senator that at last this thing will really deserve the money that is at least specified in the budget. I am really making it somewhat personal, if the Senator will not mind my saying so, because there is nothing on the record, I agree, on the facts as I am giving them to him now.

That is why I asked Senator MUSKIE to support me in it, because he sat through the sessions as we marked up this bill. After 2 month's work, we are really beginning to go to town. I really ask the Senator, on faith with us, at least to leave the door open so that if the conferees think it is deserved, they can do it, especially since I am not asking the committee to go beyond the budget estimate.

Mr. MONTROYA. May I say to my friend from New York, he is very eloquent, very kind, very persuasive. I am truly sympathetic to his plea. Will not the Senator from New York wait until the next supplemental so that we can give the Commission an opportunity to come before the subcommittee and tell us precisely what they have been doing and what they will do with respect to the mandate in the new legislation? I can assure the Senator from New York that if they come in and present a good case and tell us that they are really going to launch a meaningful effort in the field of productivity, I will personally recommend additional funding.

Mr. JAVITS. Really, what I am trying to do, knowing how these things go and because we are so much on the threshold, is just to leave the door open. I saw Senator MUSKIE on his feet. Perhaps he will help me with this. May I ask him that?

Mr. MUSKIE. I perhaps did not indicate previously how impressed I was with the work done in the Committee on Government Operations to develop a more effective program. Really, these kinds of objectives must be served in some fashion if we are to pull ourselves out of our

present economic slump on a permanent basis, making full use of the productive capability of our economic system. The work that was done on this piece of legislation was most impressive. It did have the full support of the Committee on Government Operations.

One of the difficulties with our present budget process still is that the work being done on the authorizing committee level does not get the attention of the Committee on Appropriations early enough to be reflected in the numbers that we approved.

I do support the request of the distinguished Senator from New York. I think this is terribly important work. I gather that the distinguished floor manager of the bill is being persuaded, at least in part.

Mr. JAVITS. We want to persuade him in toto, if we can.

May I again ask Senator MONTROYA, as I say, on the faith of the Government Operations Committee, if he will not take this to conference? No commitments, just give an opportunity to save maybe 3 or 4 months. If the Senator is convinced—I am speaking personally, I shall take his decision—that we are really now on the road that the commission deserves the budget estimate.

Mr. MONTROYA. I say to my good friend from New York that even though the Committee on Government Operations, which is compromised of very distinguished Members of this body, in whom I have great faith, has established new edicts of activity for the Commission, I am sure that they will not be able to staff the Commission with personnel to carry out these mandates within the next 2 or 3 months. So if the Commission is intent on upgrading its mission as a result of the recommendations in the new legislation, I shall be pleased to look at the new mission and evaluate it and make recommendations in a future supplemental. I shall certainly do that.

I want to impress upon my colleague from New York that we really will give the proposal a good hearing, so that if additional personnel are justified, we will provide for additional funding.

Mr. JAVITS. Mr. President, I respect Senator MONTROYA enormously. I think what he is telling me is in complete good faith. Half a million dollars is not going to make or break anything. If the Senator feels that strongly about it, I am not going to press any further.

Mr. MONTROYA. I thank the Senator from New York.

Mr. HATFIELD. Will the Senator yield?

Mr. MONTROYA. Yes.

Mr. HATFIELD. I do not really think there is any difference between the objectives being sought by my colleague from New York (Mr. JAVITS) and the Senator from New Mexico (Mr. MONTROYA). I think the Senator from New York has provided us with some new information which will certainly give us a new perspective on the Commission. I do think it will take some time to implement whatever the Government Operations Committee is proposing. I join the chairman in urging my colleague

that he ask for any additional funding for whatever planning will require additional funding at the time the Commission receives a new mandate, at which time the Commission can put it together and make some proposals that will require additional funding. I think the record should show that none of us is in disagreement, but I think it is a question of timing, and I think we can achieve the objectives that the Committee on Government Operations is proposing at this time.

Mr. JAVITS. I thank my colleague. I thank the Senator.

The ACTING PRESIDENT pro tempore. Who yields time?

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

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

The legislative clerk proceeded to call the roll.

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

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

Mr. GRIFFIN. Mr. President, I am not a member—

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. HATFIELD. I yield time to the Senator from Michigan.

Mr. GRIFFIN. I am not a member of the Committee on Appropriations, but my attention has been called to section 508 on page 38 and page 39. There is some problem with the printing of this particular bill.

The ACTING PRESIDENT pro tempore. The Chair is advised that there is a printer's error. The pages are reversed.

Mr. GRIFFIN. Yes. This appears, first of all, clearly to be legislation in an appropriation bill.

I have made some inquiry and I know that there probably is a good and worthy purpose to this language, but it does, in my opinion, reach very far and could go farther than perhaps those who are seeking to put it in realize.

I should like to inquire of the distinguished manager of the bill whether or not any hearings were held in connection with this particular language?

Mr. MONTOYA. There were no hearings held. The amendment was proposed in the full committee. This is not the recommendation of the subcommittee.

Mr. GRIFFIN. I see.

Mr. President, under those circumstances, I am going to make a point of order that this is legislation on an appropriation bill.

Mr. MONTOYA. Will the Senator withhold the point of order until Senator SCHWEIKER comes into the Chamber, so he may defend his position?

Mr. GRIFFIN. I shall not withhold the point of order, but I certainly—yes, I withhold it. But I do intend to make it.

Mr. MONTOYA. That is fine.

Mr. PASTORE. Will the manager of the bill yield to me on another matter while we are awaiting Mr. SCHWEIKER's arrival?

Mr. MONTOYA. Yes, I yield.

SENATE RESOLUTION 221—SUBMISSION OF A RESOLUTION RELATING TO INTERNATIONAL COOPERATION IN STRENGTHENING SAFEGUARDS OF NUCLEAR MATERIALS

(Referred to the Committee on Foreign Relations.)

Mr. PASTORE (for himself, Mr. MONDALE, Mr. INOUE, and Mr. MONTOYA) submitted the following resolution:

S. RES. 221

Resolved, That the President seek the immediate international consideration of strengthening the effectiveness of the International Atomic Energy Agency's safeguards on peaceful nuclear activities and seek intensified cooperation with other nuclear suppliers to insure that the most stringent safeguard conditions are applied to the transfer of nuclear equipment and technology to prevent the proliferation of nuclear explosive capability.

Whereas the Senate of the United States ratified the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) in recognition of the devastation associated with a nuclear war and of the need to make every effort to avert the danger of such a war;

Whereas the parties to the treaty expressed a common belief that the proliferation of nuclear weapons would seriously increase the danger of nuclear war;

Whereas the United States and other parties to the treaty pledged to accept specified safeguards regarding the transfer to non-nuclear weapon states of special nuclear materials and facilities for the processing, use, or production of such materials;

Whereas recent events, including the explosion of nuclear devices, and the development of uranium enrichment facilities, and the proposed transfer of nuclear enrichment and reprocessing facilities to non-nuclear weapon states, emphasizes the imperative need to increase the scope, comprehensiveness, and effectiveness of international safeguards on peaceful nuclear activities so that there will be no further proliferation of nuclear weapons capability;

Whereas the Senate of the United States is particularly concerned about the consequences of transactions without effective safeguards that could lead to the production of plutonium and other special nuclear materials by nonnuclear weapon states throughout the world; and

Whereas the Senate is particularly concerned about the proliferation threat posed by the possibility of the development in the near future of a large number of independent national enrichment and reprocessing facilities and therefore believes that the United States should take the lead in securing agreement for the development of regional multinational, rather than national, centers to undertake enrichment and reprocessing activities in order to minimize the spread of technology which could be used to develop nuclear explosives: Now, therefore, be it

Resolved, That the Senate of the United States strongly requests and urges the President to seek through the highest level of consultation in the United Nations and with the other leaders of the world community, an intensive cooperative international effort to strengthen and improve both the scope, comprehensiveness, and effectiveness of the international safeguards on peaceful nuclear activities so that there will be a substantial and immediate reduction in the risk of diversion or theft of plutonium and other special nuclear materials to military or other uses that would jeopardize world peace and security; be it further

Resolved, That the President seek, through consultation with suppliers of nuclear equipment and technology, their restraint in the transfer of nuclear technology and their cooperation in assuring that such equipment and technology only is transferred to other nations under the most rigorous, prudent, and safeguarded conditions designed to assure that the technology itself is not employed for the production of nuclear explosives; and be it further

Resolved, That the Secretary of the Senate is directed to transmit copies of this resolution to the President of the United States and to the Secretary of State.

Mr. PASTORE. Mr. President, I shall send to the desk a resolution for myself and Mr. MONDALE that has to do with the proliferation of nuclear material and calling upon the President of the United States, through the auspices of the United Nations, to seek more cooperation on the part of the various governments of the world to make sure that these safeguards are strengthened. I should like to make the following statement. It will only take me about 4 minutes to do so.

On March 5, 1970, the Nonproliferation Treaty went into effect. Five tumultuous years have passed—the tragedy of Vietnam is behind us—renewal of the conflict in the Middle East is an ever present danger—but while we try to maintain the delicate balance between détente and defense a new, insidious and perhaps ultimately the most dangerous development in the past decades is before us. This is the spread of nuclear technology which threatens the very core of global stability.

May we have order, Mr. President?

The ACTING PRESIDENT pro tempore. The Senate will be in order.

Mr. PASTORE. With expanding growth and knowledge of nuclear technology, the potential for nuclear weapons development exists in practically all corners of the world. As a result, an increasing number of nations, if they are so inclined, are in a position to create world havoc and unrest because they possess the ability to manufacture a nuclear weapon. There is an imperative need that all nations of the world recognize this problem and that their leaders cooperate fully to improve international safeguards on peaceful nuclear activities.

This country has long adhered to the policy of nonproliferation of nuclear weapons. The Senate in 1966 specifically endorsed the concept of preventing nuclear weapons spread without a single dissenting vote.

In pure and simple terms—and I had to use the microphone because people are talking, Mr. President—

The ACTING PRESIDENT pro tempore. Senators will cease their conversation or withdraw to the cloakrooms and the Senate will be in order.

Mr. PASTORE. In pure and simple terms, Mr. President, any nation that provides fissionable material for peaceful use must make sure that the recipient of such materials agrees to international inspection and safeguards and all those who receive it in turn agree that they subscribe to international inspection and safeguards.

The hope of all peoples of the world, now and for future generations, is a worldwide system of comprehensive and effective international safeguards, the purpose of which is to prevent the diversion of fissionable material from peaceful nuclear activities to nuclear weapons. Although there are now international safeguards under the auspices of the International Atomic Energy Agency, there is no doubt that these safeguards must be strengthened. This should be a top priority item on the international agenda, for only with such safeguards will our people and the people of the rest of the world have some assurance against the peril of a nuclear holocaust from any quarter of the globe.

In view of the widespread use and knowledge of nuclear technology in the world, the improvement of international safeguards can only be accomplished by full cooperation within the international community.

Today Senator MONDALE and I are introducing a resolution which calls upon our President to initiate serious and urgent efforts within the community of nations to strengthen international safeguards of peaceful nuclear activities. The resolution endorses the principle of additional and prompt efforts by the President which are appropriate and necessary in the interest of peace for the solution of nuclear proliferation problems.

In view of the very complex and dangerous world in which we live, an urgent effort on the part of the President to kindle anew an international effort to strengthen the safeguards system would be the exercise of the highest form of Presidential responsibility. If this challenge is not met, our legacy for future generations may be life under the continuing threat of nuclear blackmail, with the specter of a nuclear holocaust an ever increasing danger.

If the challenge is met, the legacy could well be a gift which would:

First, lessen the danger of nuclear war;
Second, improve the chance for nuclear disarmament;

Third, reduce international tensions;
and

Fourth, stimulate the widespread peaceful development of nuclear energy.

Billions of people in this world look to the leaders of the international community for actions to deal with this gravely important issue. Our President should take the lead through the United Nations, as President Kennedy did in pressing for a limited test ban and as President Johnson did in urging the adoption of the Nonproliferation Treaty. I urge President Ford to take this major step to assure a more peaceful world. This Senate resolution urges the President to exercise leadership as appropriate and necessary to assure that international safeguards on peaceful nuclear activities are urgently strengthened. Nuclear technology was created by the minds of civilized people. Surely these same minds can also construct and agree to a system of international safeguards which will as-

sure that nuclear material and equipment are not diverted from civilian to military uses. The world needs any and all assurance that can be given that our children and future generations will be protected from a nuclear disaster.

Now, Mr. President, I understand that this resolution will be referred to the Committee on Foreign Relations. I am not going to ask for immediate consideration of the resolution at this time. I would like to have the Members of the Senate digest it more, and have the members of the Committee on Foreign Relations have an opportunity to look at it and digest it because this is very, very important, and I hope they will act expeditiously.

Mr. JAVITS. Mr. President, if the Senator will yield, I would just like to say, if I may, very briefly, I know Senator MONDALE wishes to be heard, this sounds very good and very interesting to me.

I am a member of the Committee on Foreign Relations, and I shall make it my personal responsibility to see that it has the utmost consideration.

I might say that the subcommittee, of which I am the ranking minority member on the Committee on Foreign Relations, is now considering this very subject, chaired by Senator SYMINGTON, and I would like to add also that I think it shows again the perspicacity of Senator PASTORE and Senator MONDALE that they are letting it go to the Committee on Foreign Relations so that it can really be meaningful when reported and acted upon.

Mr. BAKER. Mr. President, will the Senator yield briefly?

Mr. PASTORE. I yield.

Mr. BAKER. I commend the cosponsors of this resolution for their introduction of this resolution.

I, too, am pleased that it is coming before the Committee on Foreign Relations. I join with my colleague from New York in expressing my dedication to a careful examination of the situation.

I also have the privilege of being the senior Republican on the Joint Committee on Atomic Energy on the Senate side and serving under the chairmanship of the Senator from Rhode Island I know of this deep and continuing interest in this field, and I commend him for this move.

I might say, Mr. President, this week I had the opportunity to talk to our distinguished Secretary of State about this matter, and I know from my personal knowledge that he has discussed this matter at some length and with great feeling with the President of the United States.

I characterized this problem to him as a millennium-type undertaking. Only once every thousand years or so does mankind face one of those fundamental decisions they have to make in order to guarantee the existence of civilization. Our efforts to coherently approach the business of the control of the proliferation of nuclear materials and construction of nuclear weapons is such a millennium-type undertaking.

I tender my congratulations to the sponsors of the resolution, and I join them in expressing my keen concern and interest.

Mr. PASTORE. Mr. President, I ask unanimous consent that Senator INOUE and Senator MONTOYA be added as cosponsors.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. Who yields time?

Mr. PASTORE. I yield to the Senator from Minnesota.

Mr. MONDALE. I am delighted to join the chairman of the Joint Committee on Atomic Energy in offering this resolution today.

First, I would like to begin by saying what a privilege it has been for me to work with Senator PASTORE on the question of nuclear weapons proliferation. It is a subject that the Senator from Rhode Island knows thoroughly from his early leadership in pressing for adoption of the Non-Proliferation Treaty—NPT. Both the Senate and Nation are indebted to him for his dedication and for his effectiveness on this as on many other issues. I would like to express my appreciation to him and to the staff director of the Joint Committee on Atomic Energy, George Murphy, for their valuable contributions and cooperation in developing the resolution that is now pending before the Senate.

The resolution is designed to address a new and alarming danger that faces not only the United States, but the world community as well. At issue is the sale of the complete nuclear fuel cycle, including uranium enrichment and plutonium separation plants, to nonnuclear-weapons countries.

Why are these sales so disturbing?

First, within the scientific community it is widely conceded that restrictions over the availability and use of weapons grade materials, rather than the technology for actual assembly of a bomb, constitute the major obstacle to atomic weapons production. Until now, the technology and equipment needed to produce these materials have not been sold by the world's nuclear nations to nonnuclear weapons countries.

That is new and exceedingly dangerous under this new sale.

Now, with the proposed transfer of uranium enrichment and plutonium separation plants to Latin America and other nations, the old regime based upon restraint among nuclear supplying countries is in jeopardy.

Second, the safeguards that are currently being enforced by the International Atomic Energy Agency (IAEA) are not capable of preventing countries, or even criminals and terrorists, from diverting or stealing sufficient quantities of these materials from fuel cycle facilities to produce explosive devices. The IAEA, while it has had considerable experience in safeguarding nuclear reactors, has never before faced the challenge of safeguarding either enrichment or reprocessing plants. Safeguard procedures to govern these facilities have

been under discussion by technical experts within the IAEA but they have never been enforced by the Agency, and the U.S. Government is not convinced that they will work. Such procedures will have to be much more restrictive than the traditional IAEA reactor safeguards. Unlike reactors, separation plants will require constant or nearly constant on-site surveillance to prevent diversion. Moreover, serious problems including the design of measures to guard against theft or diversion during transportation as well as at the plant, and to respond to the risk of terrorism, have yet to be resolved. And it is not yet clear that these questions can be answered satisfactorily in the foreseeable future. Even in the United States, where we have had many years of military experience in the production of plutonium, the physical and materials safeguards problems posed by commercialization of this process, were judged to be so severe as to warrant the recent decision by the Nuclear Regulatory Commission to postpone for 3 years any decision on whether to proceed with commercial plutonium recycle.

Third, there is serious question about the motivation of countries that are in such a rush to obtain plutonium separation facilities. There is no economic justification for the acquisition of a relatively small national plutonium reprocessing plant of the type involved in West Germany's negotiations with Brazil. As the New York Times pointed out in a June 9 editorial, Brazil would have to have a \$500 million facility serving 30 giant reactors to make a plutonium separation plant commercially feasible. At the present time, Brazil does not have a single reactor in operation.

In fact, none of the individual countries that are reportedly seeking to buy plutonium separation plants would be in position to benefit economically from a plutonium reprocessing facility for decades, if ever.

One wonders then why on earth are we doing it, and that speculation is truly scary, indeed.

In view of the fact that several of the countries that are reportedly seeking to buy these plants—Brazil, Argentina and Pakistan—have not ratified the Non-Proliferation Treaty, we would be foolish not to wonder about their intentions.

These questions, and others raised in the Senate by Senators PASTORE, RIBICOFF, and GLENN, prompted me, on June 18, to introduce Senate Resolution 188. That measure sought to express the opposition of the Senate to the transfer of uranium enrichment and plutonium reprocessing facilities until a fully effective system of international safeguards could be adopted. Twenty-one Members of the Senate, from both political parties, joined me in cosponsoring that resolution.

Unfortunately, on June 27, West Germany and Brazil signed their contract, which included uranium enrichment and plutonium separation plants. I was particularly disturbed to note that Chancellor Helmut Schmidt was quoted as having said at a news conference the day before that he had not heard "a word of

criticism" of the agreement from the U.S. Government. That concern did exist within the Congress and within the State Department, but regrettably it was apparently not communicated strongly enough nor directly by President Ford or Secretary Kissinger to the West German Chancellor.

There has been a tendency among government officials in other countries, undoubtedly encouraged by spokesmen for their nuclear industries, to dismiss U.S. criticisms of the fuel cycle sales as the work of American companies who would like to obtain the contracts for themselves. This argument is untrue and it totally ignores the real issues that are at stake.

The West German Government maintains that the safeguards included in their agreement with Brazil will be fully adequate, noting that they go beyond the existing NPT requirements. General agreement was reportedly reached that German-supplied technology, as well as materials and equipment, would be safeguarded by the IAEA, that safeguards would be maintained indefinitely, that retransfers to third countries would be subject to safeguards, and that equipment and technology transferred from West Germany to Brazil would not be used to build explosive devices. While these provisions are clearly better than no checks whatsoever, it remains to be seen whether they will be fully adequate. In fact, the detailed safeguards requirements with respect to physical and materials security have yet to be spelled out. Noticeably absent is a requirement for regionalization of the fuel cycle facilities—a step that would insure that multinational control and international surveillance could be exercised more effectively. And, although Germany has secured an agreement that not just the plants themselves, but also the technology from those plants will be safeguarded, what is to prevent the Brazilian engineers and scientists who are trained by West Germany to operate these plants from developing their own technology. Unfortunately, this problem may not lend itself to an easy answer but since Brazil, as a nonparticipating country, is not bound by the Non-Proliferation Treaty to forego weapons production, the dilemma is all the more disturbing.

My intention is not to make accusations against Brazil or any other country. I only point out that there are many unanswered questions with respect to safeguards and that these questions are serious enough to warrant delay in the transfer of this equipment and technology until a stringent program can be implemented.

If some form of international restraint is not exercised, it is obvious that as the competition for sales and industry pressure intensify, the temptation will be for suppliers to impose less rather than more effective controls over the use of this technology. In such a climate, efforts to achieve a fully effective international safeguards program could be completely undermined. For example, the NPT Re-

view Conference, which met several weeks ago in Geneva, recommended that future enrichment and reprocessing facilities be developed as regional nuclear fuel cycle parks which would be under multinational rather than national control. Such facilities would assure better surveillance and, at the same time, reduce rivalries that might otherwise lead to proliferation of weapons capability. However, if a number of countries have already received guarantees that they can obtain their own national plants, it will be much more difficult to convince others that they should sign an agreement to waive this option.

With these concerns in mind, Senator PASTORE and I joined in submitting our resolution today. It is intended to communicate to the administration and hopefully, to the leaders of other nuclear supplier countries, the Senate's belief that action is needed to develop and implement a stringent international safeguards program before the means for production of nuclear weapons are dispersed throughout the world. The resolution seeks agreement among nuclear suppliers not to transfer uranium enrichment and plutonium separation equipment and technology to other countries in the absence of a fully effective safeguards program. Beyond this, it identifies at least one aspect of such a program by recommending that transfers be limited to regional multinational centers, rather than small, uneconomic national plants. Although it does not point the finger directly at West Germany or Brazil, it is clear that although it is precisely this type of sale toward which the resolution is directed; where restraint is most urgently needed to prevent the transfer of technology until satisfactory international safeguards can be developed and enforced.

This resolution is one I believe no Member of the Senate can oppose. We might remember the words of the late President John F. Kennedy, who on September 25, 1961, told the United Nations General Assembly:

Today, every inhabitant of this planet must contemplate the day when this planet may no longer be habitable. Every man, woman and child lives under a nuclear sword of Damocles, hanging by the slenderest of threads, capable of being cut any moment by accident or miscalculation or by madness. The weapons of war must be abolished before they abolish us.

Fortunately, a spirit of cooperation, reflected in the Test Ban and Non-Proliferation Treaties and, more recently, in the SALT I and Vladivostok Agreements, have helped reduce the tensions that were increasing the risk of a worldwide spread of atomic weaponry and escalating the dangers of the nuclear arms race. Now, the pressure toward nuclear arms proliferation is building once again, threatening to undermine the substantial progress that has already been made on nuclear weapons limitations and the hope for continued progress in the decades to come. We can ignore this risk only at great peril to our own interest and that of the people the world over.

The resolution Senator PASTORE and I offer today will not solve the problem of future nuclear weapons proliferation. It is designed only to point the way toward steps we believe the United States and other countries must take if we are to keep that danger from growing.

I simply hope that the Senate Foreign Relations Committee will receive the resolution and act promptly and clearly so that the Senate can speak out in unquestionable terms against the growing and exceedingly dangerous development.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. HATFIELD. I yield to the Senator from Massachusetts.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATION ACT, 1976

The Senate continued with the consideration of the bill (H.R. 8597) making appropriations for the Treasury Department, the United States Postal Service, the executive office of the President, and certain independent agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

Mr. KENNEDY. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will state the amendment.

The legislative clerk read as follows:

On page 10, line 14, After "Director" insert ", whose position shall be in addition to the positions authorized in section 2(d).",

On page 10, line 18, strike out "\$1,550,000" and insert "\$1,600,000".

Mr. KENNEDY. Mr. President, I change the last figure to \$1,580,000.

The ACTING PRESIDENT pro tempore. The amendment will be so modified.

The amendment, as modified, is as follows:

On page 10, line 14, After "Director" insert ", whose position shall be in addition to the positions authorized in section 2(d).",

On page 10, line 18, strike out "\$1,500,000" and insert "\$1,580,000".

Mr. KENNEDY. Mr. President, I have had a chance to talk to the manager and the ranking minority member on this amendment. It is basically a technical amendment to clarify the previous actions that were taken.

Mr. President, the Supplemental Appropriation Act last December upgraded the Deputy Director's salary to level 5 and left some ambiguity. It gave the Deputy Director a status similar to five GS-16 and GS-18 slots.

So far, the Council considers the Deputy Director's slot to be part of the five authorized positions. All this would do is indicate to the Council that they should be able to keep the Deputy Director's position separate from the five other positions and to consider him as independent of those five positions, and it gives some modest increase in terms of the authorization.

It seems to me, Mr. President, that the Council on Wage and Price Stability is really an extraordinarily important vehicle for us in the Congress and the country to deal effectively with the problems of inflation. I think it is probably one of the most undermanned bodies of the Government today, although the work they do is of first-rate quality.

This would be a very small addition, but I think it would be an important one to help get some strength for their undertakings.

I have mentioned it to the chairman and I hope it can be accepted.

Mr. MONTOYA. Will the Senator yield?

Mr. KENNEDY. I yield to the Senator.

Mr. MONTOYA. What is the status of the authorizing legislation, because I understand that the present legislation expires August 15?

Mr. KENNEDY. The Senator is correct.

As I understand, it is ready for action in the House at the present time.

As the Senator remembers, we expanded the council by three senior staff positions in the authorizing legislation and we will just have to wait and see how the House responds.

Mr. MONTOYA. Mr. President, I have no objection to the amendment, and I have discussed it with my counterpart on the subcommittee, and he has no objection.

Mr. HATFIELD. That is right.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Massachusetts. Do all Senators yield back their time?

Mr. KENNEDY. I yield back my time.

The amendment, as modified, was agreed to.

Mr. GRIFFIN. Mr. President, will the Senator from Oregon yield for a few moments?

Mr. HATFIELD. I will yield.

Mr. GRIFFIN. Mr. President, I explained earlier that I intended to make a point of order against section 508 on pages 38 and 39.

I have now learned that this amendment was proposed by Senator SCHWEIKER of Pennsylvania. We have sent for him and are trying and have been trying to locate him. He does not seem to be in his office. He was on the floor earlier. We are still trying. I will just put in a short quorum call and see if we can locate him. If we do not within a very few moments, I will call it off and we will go ahead.

The ACTING PRESIDENT pro tempore. On whose time will the call be made?

Mr. GRIFFIN. On the time of the Senator from Oregon.

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

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

The legislative clerk proceeded to call the roll.

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

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

Mr. GRIFFIN. Mr. President, on behalf of the Senator from Oregon, I yield myself 2 minutes.

The ACTING PRESIDENT pro tempore. The Senator is recognized.

Mr. GRIFFIN. We have not been able to locate the Senator from Pennsylvania (Mr. SCHWEIKER), but in fairness to the rest of the Senate I do not believe we will wait any longer.

I make the point of order that section 508 is legislation on an appropriation bill.

The ACTING PRESIDENT pro tempore. The point of order is well taken. The Chair sustains the point of order.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The ACTING PRESIDENT pro tempore. Do the Senators yield back their time?

Mr. MONTOYA. I yield back the remainder of my time.

Mr. YOUNG. I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. All time has been yielded back.

The bill, having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

The ACTING PRESIDENT pro tempore. Senators will take their seats. Senators will be in order so that the rollcall can be completed.

Will the Senators take their seats and will the Senate staff take their seats?

The legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from North Dakota (Mr. BURDICK), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Ohio (Mr. GLENN), the Senator from Indiana (Mr. HARTKE), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. METCALF), the Senator from North Carolina (Mr. MORGAN), the Senator from Wisconsin (Mr. NELSON), the Senator from Missouri (Mr. SYMINGTON), the Senator from Alaska (Mr. GRAVEL), are necessarily absent.

The Senator from Michigan (Mr. HART), is absent because of illness.

I further announce that, if present and voting, the Senator from North Dakota (Mr. BURDICK), the Senator from Missouri (Mr. SYMINGTON), the Senator from North Carolina (Mr. MORGAN), would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Oklahoma (Mr. BELL-

MON), the Senator from Tennessee (Mr. BROCK), the Senator from New Jersey (Mr. CASE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Illinois (Mr. PERCY), the Senator from Virginia (Mr. SCOTT), and the Senator from Alaska (Mr. STEVENS), are necessarily absent.

The result was announced—yeas 76, nays 1, as follows:

[Rollcall Vote No. 334 Leg.]

YEAS—76

Abourezk	Hart, Gary W.	Moss
Allen	Haskell	Muskie
Baker	Hatfield	Nunn
Beall	Hathaway	Packwood
Bentsen	Helms	Pastore
Brooke	Hollings	Pearson
Buckley	Hruska	Pell
Bumpers	Huddleston	Proxmire
Byrd,	Humphrey	Randolph
Harry F., Jr.	Inouye	Ribicoff
Byrd, Robert C.	Jackson	Schweiker
Cannon	Javits	Scott, Hugh
Chiles	Johnston	Sparkman
Clark	Kennedy	Stafford
Cranston	Laxalt	Stennis
Culver	Leahy	Stevenson
Curtis	Magnuson	Stone
Dole	Mansfield	Taft
Domenici	Mathias	Talmadge
Eagleton	McClellan	Thurmond
Fannin	McClure	Tower
Fong	McGee	Tunney
Ford	McGovern	Weicker
Garn	McIntyre	Williams
Griffin	Mondale	Young
Hansen	Montoya	

NAYS—1

Roth

NOT VOTING—22

Bartlett	Eastland	Morgan
Bayh	Glenn	Nelson
Bellmon	Goldwater	Percy
Biden	Gravel	Scott,
Brock	Hart, Philip A.	William L.
Burdick	Hartke	Stevens
Case	Long	Symington
Church	Metcalf	

So the bill (H.R. 8597), as amended, was passed.

Mr. MONTOYA. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make any necessary technical and clerical corrections in the engrossment of the Senate amendments to H.R. 8597.

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

Mr. MONTOYA. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Acting President pro tempore (Mr. STONE) appointed Mr. MONTOYA, Mr. BAYH, Mr. EAGLETON, Mr. MCCLELLAN, Mr. MCGEE, Mr. BELLMON, Mr. HATFIELD, Mr. YOUNG, and Mr. SCHWEIKER conferees on the part of the Senate.

SPECIAL HEALTH REVENUE SHARING ACT OF 1975—VETO—MESSAGE FROM THE PRESIDENT

The Acting President pro tempore (Mr. STONE) laid before the Senate a message from the President of the United States returning, without approval, the bill (S. 66), the Special Health Revenue Sharing Act of 1975.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the message of the President on the veto of S. 66, the Special Health Revenue Sharing Act of 1975, be held at the desk temporarily.

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

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT-INDEPENDENT AGENCIES APPROPRIATIONS, 1976

The ACTING PRESIDENT pro tempore. Under the previous order the Senate will now proceed to consideration of H.R. 8070 which the clerk will state.

The assistant legislative clerk read as follows:

A bill (H.R. 8070) making appropriations for the Department of Housing and Urban Development, and for sundry independent executive agencies, boards, bureaus, commissions, corporations, and offices for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

The Senate proceeded to consider the bill.

The ACTING PRESIDENT pro tempore. The time for debate on this bill shall be limited to 2 hours, to be equally divided and controlled by the Senator from Maryland (Mr. MATHIAS) and the Senator from Wisconsin (Mr. PROXMIRE), with 1 hour on any amendment and 30 minutes on any debatable motion, appeal or point of order.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays on passage on H.R. 8070.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. PROXMIRE. Mr. President, I ask unanimous consent to yield to the Senator from Utah (Mr. MOSS) without losing my right to the floor.

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

Mr. MOSS. Mr. President, I ask unanimous consent that the following staff members be accorded the privilege of the floor during consideration of this bill: Mr. Gilbert Keyes, Mr. James Gehrig, Mr. Craig Voorhees, and Mrs. Mary Jane Due.

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

Mr. PROXMIRE. Mr. President, I ask unanimous consent that Mr. Kenneth McLean, Mr. Robert E. Malakoff, and Mr. Howard Shuman, of my staff, as well as Mr. Robert Mills be accorded the privilege of the floor during consideration of this bill.

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

Mr. PROXMIRE. Mr. President, this is the budget for the Department of Housing and Urban Development, the Veterans' Administration, the National Aeronautics and Space Agency, the National Science Foundation, the consumer protection agencies, the Environmental

Protection Agency, and a number of other agencies.

It is one of the three biggest appropriations that the Senate will consider, and this time it is a rather complicated budget.

This bill is very close to the budget request of the President, and it is also very close to the bill passed by the House of Representatives. It is over both. It is over by 1 percent, about \$300 million.

The ACTING PRESIDENT pro tempore. Will the Senator suspend momentarily. The Chair will get order and attention for the Senator.

Will all Senators wishing to converse kindly withdraw to the cloakroom, and the Senate will be in order. The Senators will take their seats.

The Senator may proceed.

Mr. PROXMIRE. Virtually all of the disagreement over the budget is in the HUD part of the budget. That accounts for the 3 percent the committee is over the request of the President and about 3 percent over what we feel the House of Representatives would have included in the bill if they had the same request before them that we had before us.

One of the most controversial parts of it, although I do not think it is controversial within the Senate, as far as I know—it may be controversial with the House of Representatives and the administration—is the way we treated housing assistance.

The administration requested \$662 million for assisted housing for 1 year. They calculated that \$662 million as if we would take the authorized program and make the total potential commitment for payments for housing, payable by the Federal Government.

As these programs are set up, the Federal Government only has to pay the difference between the amount required to be paid by the person who is paying the rent and the amount required in order to give him decent housing. That difference varies quite a bit. But the \$662 million is a very conservative estimate. It is based on the assumption that everyone coming under this program all of a sudden has all his income disappear. That is not going to happen.

In fact, our experience with the 235 program, which was a similar Government-assisted homeownership program, was that the Government only has to pay about a third of the potential full cost. Nevertheless, the committee took that \$662 million and included the full amount.

Furthermore, to make this conservative position even more unrealistic, the administration has said that we should take the \$662 million, multiply it by 40 years, because there are some programs that could go on for 40 years, and the potential effect on the budget could be 40 times \$662 million or about \$26 billion.

This is wrong. As the administration itself calculates, this program is unlikely to cost more than \$16,250 million. Why? Because some of these programs are 10-year programs, some are 20-year programs, and only some are 40-year programs.

For that reason, we felt that to multiply this by 40 on top of the fact that the \$662 million was extraordinarily conservative would not be correct. We felt that way particularly because we have backup memorandums and opinions from the staff of the Committee on Banking, Housing and Urban Affairs, and also from the Congressional Research Service, arguing that, based on their examination of the Budget Act, past practices, and how we treat all other expenses, it was unnecessary and unfair to housing to multiply that \$662 million by 40.

The reason why it is unfair, Mr. President, is that there is going to be a ceiling not only on outlays but also on authorizations.

It would put housing in the vulnerable position of having, say, \$100 million that may be contemplated for housing for 1 year multiplied by 40, and all we have to do to cut the \$4 billion out of the budget is take the \$100 million, one-fourth of that, out of assisted housing.

So, we think it is unrealistic, inaccurate, and unfair. For that reason, we decided to go with the 1 year figure, based on the best advice we could get from the experts who worked on the budget and the Budget Act.

Mr. President, this bill is substantially over last year's appropriations bill for HUD for one reason, and that is because the Congress passed, and in the Senate we passed by a 94-to-0 vote an emergency housing bill that provides a substantial amount to be loaned by the Federal Government at 7½ percent plus 4 points on new houses. That money will be repaid. The amount of outlay is extremely small. The amount of adverse impact on the budget in terms of outlay will be almost insignificant in view of the size of the figure involved.

For that reason, it seems to me that the \$5 billion in mortgage purchase assistance we are providing in the bill might give a distorted impression. Actually, this appropriation is very close to last year's budget, but that \$5 billion had to be taken into consideration, and that is the reason why the figure is higher.

In addition, we provided \$75 million to implement that part of the emergency housing bill that deals with foreclosures on homes, particularly homes of those who were unemployed. As Senators may recall, when we passed the emergency housing bill, we were concerned with what happened to people who were out of work. We have 1,300,000 people in this country who have been out of work 6 months or more. What happens to those who have to keep up payments on their housing? We passed the mortgage foreclosure provision to take care of this situation. The administration has not requested any money for that program, although we authorized \$100 million in the bill passed by the Senate and signed by the President.

The committees provided new budget authority of \$75 million for the emergency homeowners relief fund and the bill is over the budget to that extent.

We provided \$50 million for the rehabilitation of housing. This program has

been especially helpful to low-income people. It is an economical program that keeps existing housing in operation, and I think it is well justified.

We also provided \$35 million in contract authority for State housing. This is a program that the distinguished Senator from Connecticut (Mr. WEICKER) has pushed very hard. It is a program that I think merits support, and we provided those funds.

We also provided \$100 million for cities under 50,000—the cities that are most neglected in housing programs—who stand at the end of the line when dollars are provided under the community development program. This is \$24 million over the House figure.

The committee added \$200 million for housing for the elderly. This is a very popular program and is very economical. It is a program that has been operated efficiently, and the cost to the Federal Government has been very modest, indeed. This increase above the House is not reflected in the budget. It is borrowing authority that will be repaid.

The committee also added \$25 million for operating subsidies and \$75 million for comprehensive planning grants. Frankly, I am somewhat skeptical about those planning grants; but there was great pressure from Governors, Mayors, and the States for this program. Members of the subcommittee felt very strongly that we should provide more than that. The subcommittee acquiesced in providing \$75 million for the planning grant program.

The House made some rather sharp cuts in the staffing of some of the HUD bureaus and departments, and I thought that those cuts, in large part, were merited. Nevertheless, the committee did restore \$250,000 of the cut in the Office of General Counsel. It restored \$4,992,000—almost \$5 million—of the cut in the regional management and services, or almost three-fourths of the cut.

As I say, I think these cuts were merited, because the programs have been diminished sharply. It is hard for me to understand why it is necessary for HUD to have such a large number of staff people when they are operating such an anemic program.

With respect to other agencies in the bill, the committee cut \$2 million from the Environmental Protection Agency, or about one-third of one percent. This cut will come from the scientific activities overseas program. This is an area where EPA could not spend the money before. They have lapsed money in the past and we felt that this reduction could be absorbed. This is a cut of far less than 1 percent.

The committee was very generous with the space agency, I thought much too generous, but that was the decision of the committee. They added \$56.4 million to what the House provided for research and development, which is \$7 million over the budget. In all fairness to NASA, we should recognize that they are one of the few agencies constrained by administration policy, and supported by congressional policy, to keep at a consistent

level, at a steady level, adjusting for inflation and not permitting any significant increase over the years. I think that the \$56.4 million addition, although I opposed it, is consistent with that principle.

With respect to the National Science Foundation, the committee added \$6 million to the House-approved figure, about 1 percent.

The committee substantially cut the amount for the Selective Service System—on very good grounds, I believe. The Selective Service really has done nothing, and I mean nothing, for a couple of years now. They have not had an induction; they have not given a physical. I believe this agency should be abolished, but it is very hard to abolish a Federal agency, as we have discovered. Nevertheless, we cut \$7 million below the House and \$17 million below the administration's request.

As to the Veterans' Administration, there were some adjustments and modifications, but it is just \$7 million below the budget, with no changes.

Mr. President, I thank my distinguished minority colleague, Mr. MATHIAS, who is about as pleasant and efficient and conscientious a colleague to work with as I have encountered in my 18 years in the Senate. He was very helpful with respect to this bill, devoted a great deal of time to it, and was supportive of what I thought was a responsible position on this budget.

I also thank Tom van der Voort, who is a new member of the Appropriations Committee staff. He used to serve on my staff, and he did an excellent job—a very intelligent and thoughtful staff job. Bob Clark is a veteran of the Appropriations Committee, has been on it for many years, and was extremely helpful. He is a wise and intelligent person who understands this HUD budget backward and forward. Bob Mills, a new member of the committee staff, was also very helpful, indeed.

Mr. President, I ask unanimous consent to have printed in the RECORD memoranda from the Library of Congress Congressional Research Service and from the staff of the Senate Committee on Banking, Housing and Urban Affairs with respect to the 1-year figure, the \$622 million, for housing assistance, rather than the 40-year figure.

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

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., July 22, 1975.

To: Senate Subcommittee on Housing and Urban Affairs. Attention: Robert Malakoff.

From: Allen Schnick, Senior Specialist in American National Government.

Subject: Appropriations for "Annual Contributions for Assisted Housing".

In the 1976 Budget, the President requested \$622.3 million in new contract authority for the Section 8 lower income housing assistance program. The Budget estimates that the full run-out cost of this contract authority will be \$26 billion and this amount is requested as budget authority for fiscal year 1976.

Until this year, only the amount of contract authority was computed in the Budget. According to OMB, the listing of the full run-out costs as budget authority has been made necessary by the Congressional Budget Act of 1974. Section 301(a) of that Act requires Congress to adopt a concurrent resolution on the budget, specifying "total new budget authority" for the next fiscal year. Section 3(a) of that Act defines budget authority as authority provided by law to enter into obligations which will result in immediate or future outlays involving Government funds. OMB takes the position that this definition encompasses the future costs that will be incurred pursuant to contracts authorized by Congress. Hence, the full \$26 billion is listed as budget authority.

In reporting H.R. 8070, the 1976 HUD appropriation bill, the House Appropriations Committee conformed to the OMB approach. Thus, although only the \$662 million of contract authority appears in the text of the appropriation bill, the full \$26 billion is listed in the Committee's report. (H. Rept. No. 94-313, at 2 and 59). In order to avoid double counting, the \$662 million is not computed as budget authority.

WHY THE SENATE SHOULD NOT ADOPT THIS APPROACH

Although it is possible to interpret Section 3(a) of the Congressional Budget Act in the manner applied by OMB, an alternative interpretation is preferable. The "budget authority" referred to in Section 3(a) can be the \$662 million in contract authority which, after all, is "authority provided by law to enter into obligations which will result in immediate or future outlays involving Government funds."

There are several reasons why Section 3(a) should not be applied to cover the full \$26 billion.

(1) There is no evidence in the legislative history of the Congressional Budget Act that any attempt was made to change the status of funds in the budget. In fact, the Act deals with matters to be included in the congressional budget resolution, not with the President's budget or appropriations. The only reason why section 3(a) was included in the Act was because of a need to define some of the key terms used in the new congressional budget process. Inasmuch as there was no definition of terms such as "outlays" and "budget authority" on the books, it was necessary to draft definitions for the law. In developing these definitions, the intent was to conform to existing practice, not to change it. This intent is manifested in the Statement of Managers: "The Managers intend that the definition of 'budget outlays' and 'budget authority' for purpose of the congressional budget process be the same as that used for the executive budget. . . ."

(2) The \$26 billion listed as budget authority is not an actionable amount. It is merely "imputed" budget authority, a projection of future costs based on certain assumptions. The only amount which requires congressional action is the \$662 million. It would be a departure from congressional practice to list projections of costs to be incurred as many as 40 years from now as current budget authority.

(3) As an estimate, the \$26 billion is sensitive to a number of assumptions. The range of reasonable assumptions is such as to permit a swing of \$10 billion or more in the estimate. In fact, the House Appropriations Committee (H. Rept. No. 94-313, at p. 5) estimates the run-out costs at approximately \$16.2 billion, or ten billion below the amount incorporated in its own CSBA Table.

(4) Because of the sensitivity of the estimates to basic assumptions, if Congress were to apply its own assumptions, the result might distort the impact of congressional action on the President's budget. For

example, if Congress were to vote the full \$662 million in contract authority but cut the estimate of future costs from \$26 to \$16 billion, the scorekeeping reports would show that Congress has reduced the President's budget by \$10 billion. Of course, not a dime will have been cut because the Government still will have to pay the actual costs incurred in future years. This possibility illustrates why imputed costs should not be reckoned as budget authority.

AN ALTERNATIVE APPROACH

Undeniably, there is considerable advantage in estimating the future costs of new contract authority voted by Congress. With such estimates in hand, it would be possible for Congress to assess the value of the Housing program in terms of the prospective costs to American taxpayers, and not merely in terms of the initial contract authorizations. But estimates should be treated as estimates, with full recognition of their sensitivity to different assumptions about future conditions. Estimates should not be accorded the status properly given matters on which Congress must take current action.

One way to provide long-range cost projections without confusing them with actionable budget authority would be to provide the run-out costs in a "below the line" memo or footnote rather than in the CSBA Table itself. If this were done, the Comparative Statement would show only the \$662 million as budget authority, and only this amount would be listed in the column showing the amount requested by the President. Below the line, the President's run-out estimate of \$26 billion could be noted, along with Congress' own estimate of full future costs. Moreover, it would be feasible to display the full range of reasonable estimates without exaggerating the impact of Congressional action on the budget. Below the line, it would be possible to indicate that while Congress is granting the full amount of contract authority requested by the President, it does not go along with his run-out estimate and that because of uncertainties about future costs, it is provided a rank of estimates for consideration.

In conclusion, the Congressional Budget Act of 1974 does not compel the change in accounting methods introduced by OMB, and this change can produce a number of undesirable side effects. A more prudent course, therefore, would be to distinguish between actionable budget estimates and long-range projections and not to accord the latter the status appropriate for estimates.

SENATE BANKING COMMITTEE STAFF MEMO

Why the Budget Authority figure for the Housing Assistance Program should be for a single year:

1. The 1974 Budget Control Act does not clearly mandate that the annual budget authority for the housing programs be multiplied by the total number of years for which payments can be made. The decision to multiply the budget authority estimates for the Housing Assistance Program by a factor of 40 was made by OMB based upon its interpretation of the 1974 Budget Control Act. However, the staff of the Senate Budget Committee believes the language of the 1974 Act is not clear and that the Chairman of the Senate Budget Committee would have no objection if the Senate Appropriations Committee decided to count only a single year's budget authority.

2. The actual bill which the Appropriations Committee is working on contains a budget authority figure for only one year for the Housing Assistance Program (\$662 million). The projection of this figure to \$26 billion is merely a statistical exercise by OMB, given certain assumptions.

3. It is impossible to come up with one accurate projection of the total ultimate

budget outlays resulting from an annual authorization to make Housing Assistance payments. The OMB has projected \$26 billion, given certain assumptions. HUD is privately projecting only \$16 billion, given other assumptions. The Staff of the Housing Subcommittee argues that the ultimate cost could even exceed the \$26 billion, given still other assumptions.

4. The artificial ballooning of the budget authority figure for the Housing Assistance Program will place this program at a severe competitive disadvantage with other programs and distort budget priorities. The reason is that under the Budget Control Act, Congress is required to set a total ceiling on both outlays and budget authority. These ceilings become mandatory next year. Thus, if the total amount of budget authority approved by the Appropriations Committee exceeds the ceiling, there will be a strong effort to cut back individual programs in order to live within the ceiling. If the budget authority figure for the Housing Assistance Program is multiplied by 40, there will be a strong temptation to cut this program because of the multiplier. For example, a cut of only \$100 million in the current program level would produce a \$4 billion cut in budget authority.

5. The budget authority figures for other government programs are not multiplied by the total life of the program. For example, budget authority for veterans payments or social security benefits is carried for only a single year even though these programs, once approved, will continue for years.

6. The objectives of the Budget Control Act can be met in other ways without artificially ballooning the budget authority figure for housing. For example, the Committee Report can project the ultimate cost of the program under alternative assumptions, thereby informing the Congress and the public of the long range consequences of the current program.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc and that the bill as thus amended be regarded for the purpose of amendment as original text, provided that no point of order shall be considered to have been waived by reason of agreement to this order.

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

The amendments agreed to en bloc are as follows:

On page 2, line 8, insert:

EMERGENCY HOMEOWNERS' RELIEF FUND

For emergency mortgage relief payments, administrative expenses not otherwise provided for, and for other expenses of the Emergency Homeowners' Relief Fund, as authorized by title I of the Emergency Housing Act of 1975 (Public Law 94-50), \$75,000,000 to remain available until expended.

STATE HOUSING FINANCE AND DEVELOPMENT AGENCIES

For interest grant payments pursuant to section 802(c)(2) of the Housing and Community Development Act of 1974 (88 Stat. 722), \$35,000,000, to remain available until expended: *Provided*, That the total of contracts for annual payments entered into under such section shall not exceed \$35,000,000.

On page 3, line 5, strike: "That in fiscal year 1976 and the period ending September 30, 1976, no contract for annual contributions utilizing the foregoing funds made available by this Act may be used pursuant to section 8 of the above Act for any contract approved on the basis of fair market rents which exceed by more than 10 per centum those published in the Federal Register through April 7, 1976".

And insert in lieu thereof: "That at least \$75,000,000 of such contract authority shall be available only for contracts for annual contributions to assist in financing the development or acquisition of low-income housing projects to be owned by public housing agencies other than under section 8 of the above Act: *Provided further*, That not less than 75 per centum of the funds made available by this Act which are used pursuant to section 8 of the above Act shall be allocated to contracts to make assistance payments with respect to newly constructed or substantially rehabilitated housing."

On page 4, line 9, strike "\$300,000,000" and insert "\$500,000,000";

On page 4, line 11, after "subsection" insert: "of which not less than \$400,000,000 shall be available only to nonprofit sponsors for the purpose of providing 100 per centum loans for the development of housing for the elderly and handicapped with no cash equity or other financial requirements imposed as a condition of loan approval. The full amount of such fund shall be available during such period for permanent financing (including construction financing) for housing projects for the elderly and handicapped, and not more than \$100,000,000 may be made available for construction loans only."

On page 5, line 15, strike "\$525,000,000" and insert "\$550,000,000";

On page 5, line 17, strike "\$525,000,000" and insert "\$550,000,000";

On page 6, line 4, after "\$195,116,000" insert ", of which \$158,650,000 shall be provided by transfer from the various funds of the Federal Housing Administration";

On page 6, line 13, after "\$49,800,000" insert ", of which \$39,850,000 shall be provided by transfer from the various funds of the Federal Housing Administration";

On page 6, line 17, insert:

EMERGENCY MORTGAGE PURCHASE ASSISTANCE

The total amount of purchases and commitments authorized to be made pursuant to section 313 of the National Housing Act, as amended (12 U.S.C. 1723; 88 Stat. 1364; Public Law 94-50), shall not exceed \$5,000,000,000 outstanding at any one time which amount shall be in addition to balances of authorization heretofore made available for purchases and commitments pursuant to said section and which shall continue available after October 18, 1975: *Provided*, That the Association may borrow from the Secretary of the Treasury in accordance with said section, in such amounts as are necessary to carry out the purposes and requirements of said section as authorized herein.

On page 7, line 20, insert:

REHABILITATION LOAN FUND

For the revolving fund established pursuant to section 312 of the Housing Act of 1964, as amended (42 U.S.C. 1452b), \$50,000,000, to remain available until August 22, 1976.

On page 8, line 8, strikes "\$2,700,000,000" and insert "\$2,664,000,000";

On page 8, line 19, strike "\$40,000,000" and insert "\$100,000,000";

On page 9, line 6, strike "\$50,000,000" and insert "\$125,000,000";

On page 10, line 16, strike "\$53,000,000" and insert "\$53,200,000";

On page 10, line 18, strike "\$400,000" and insert "\$600,000";

On page 10, line 20, after "Council" insert ": *Provided further*, That \$1,000,000 of the foregoing amount shall be used only for mobile home construction and safety standard activities";

On page 12, line 6, strike "\$4,964,000" and insert "\$5,214,000, of which \$1,750,000 shall be provided by transfer from the various funds of the Federal Housing Administration, as provided by the National Housing Act (12 U.S.C. 1701)";

On page 12, line 12, strike "\$1,287,000" and

insert "\$1,350,000, of which \$465,000 shall be provided by transfer from the various funds of the Federal Housing Administration, as provided by the National Housing Act (12 U.S.C. 1701)";

On page 12, line 18, after "\$10,280,000" insert ", of which \$3,035,000 shall be provided by transfer from the various funds of the Federal Housing Administration, as provided by the National Housing Act (12 U.S.C. 1701)";

On page 12, line 24, after "\$2,615,000" insert ", of which \$810,000 shall be provided by transfer from the various funds of the Federal Housing Administration, as provided by the National Housing Act (12 U.S.C. 1701)";

On page 13, line 7, after "\$53,125,000" insert ", of which \$31,902,000 shall be provided by transfer from the various funds of the Federal Housing Administration, as provided by the National Housing Act (12 U.S.C. 1701)";

On page 13, line 12, after "\$12,803,000" insert ", of which \$7,195,000 shall be provided by transfer from the various funds of the Federal Housing Administration, as provided by the National Housing Act (12 U.S.C. 1701)";

On page 13, line 19, strike "\$36,032,000" and insert "\$41,024,000, of which \$15,580,000 shall be provided by transfer from the various funds of the Federal Housing Administration, as provided by the National Housing Act (12 U.S.C. 1701)";

On page 14, line 2, strike "\$9,077,000" and insert "\$10,334,000, of which \$3,905,000 shall be provided by transfer from the various funds of the Federal Housing Administration, as provided by the National Housing Act (12 U.S.C. 1701)";

On page 16, line 17, strike "\$42,790,000" and insert "\$40,849,000";

On page 17, line 3, strike "\$10,697,000" and insert "\$10,213,000";

On page 22, line 8, strike "\$6,000,000" and insert "\$4,000,000";

On page 22, line 14, strike "\$1,000,000" and insert "\$670,000";

On page 24, line 20, strike "\$2,628,980,000" and insert "\$2,685,380,000";

On page 27, line 13, strike "\$707,100,000" and insert "\$713,100,000";

On page 27, line 17, strike "\$60,000,000" and insert "\$65,000,000";

On page 27, line 21, strike "\$60,000,000" and insert "\$41,000,000";

On page 28, line 2, strike "\$4,000,000" and insert "\$5,000,000";

On page 28, line 4, strike "\$2,000,000" and insert "\$3,000,000";

On page 28, line 16, after the comma, insert "for the activity for which the limitation applies";

On page 28, line 19, after the word "Act," insert ", for the activity for which the limitation applies";

On page 30, line 11, strike "\$40,000,000" and insert "\$33,000,000";

On page 30, line 21, strike "\$8,300,000" and insert "\$6,850,000";

On page 31, line 10, strike "\$7,499,000,000" and insert "\$7,699,700,000";

On page 31, line 13, strike "\$1,885,400,000" and insert "\$1,966,400,000";

On page 31, line 18, strike "\$4,214,475,000" and insert "\$5,414,475,000";

On page 31, line 21, strike "\$854,472,000" and insert "\$1,039,472,000";

On page 35, line 6, strike "\$462,300,000" and insert "\$463,756,000";

On page 35, line 18, strike "\$299,924,000" and insert "\$297,464,000";

On page 35, line 21, after "Texas," strike "and";

On page 35, line 23, after "Massachusetts" insert ", and \$6,700,000 for construction of a research and education facility at Jackson, Mississippi";

On page 40, line 16, strike:

REIMBURSEMENT TO THE TREASURY, FEDERAL HOUSING ADMINISTRATION

There shall be transferred to the General Fund of the Treasury, out of the various funds of the Federal Housing Administration, an amount equal to the administrative and nonadministrative expenses properly chargeable to such funds in accordance with generally accepted accounting principles: *Provided*, That all expenses formerly chargeable to the "Limitation on Administrative and Nonadministrative Expenses, Federal Housing Administration" shall be included in such charges.

On page 45, line 22, after "schedules" insert "; or to travel performed by employees of the Federal Housing Administration for the purpose of performing inspections and appraisals";

On page 47, line 13, strike:

SEC. 407. No part of the funds appropriated under this Act may be used to administer any program to tax, limit or otherwise regulate parking or the review of indirect sources.

SEC. 408. No part of the funds appropriated under this Act may be used for noise control research and development, noise abatement or control, on enforcement with respect to noise abatement or control until the Environmental Protection Agency issues national regulatory standards for noise control under the requirements of the Noise Control Act of 1972 (42 U.S.C. 4901 et seq.).

And insert in lieu thereof:

SEC. 407. None of the funds provided in this Act to any department or agency may be expended for the transportation of any officer or employee of such department or agency between his domicile and his place of employment, with the exception of the Secretary of the Department of Housing and Urban Development, who, under title 5, United States Code, section 101, is exempted from such limitations.

SEC. 408. No funds appropriated by this Act may be expended—

(1) pursuant to a certification of an officer or employee of the United States unless—

(A) such certification is accompanied by, or is part of, a voucher or abstract which describes the payee or payees and the items or services for which such expenditure is being made, or

(B) the expenditure of funds pursuant to such certification, and without such a voucher or abstract, is specifically authorized by law; and

(2) unless such expenditure is subject to audit by the General Accounting Office or is specifically exempt by law from such an audit.

Mr. PROXMIRE. Mr. President, I reserve the remainder of my time.

Mr. MATHIAS. Mr. President, I thank the distinguished chairman of the subcommittee for the kind and generous observations he has just made, but, even more, for the cooperation and the courtesy he has shown to all the members of the subcommittee as well as myself over the long and very difficult hearings and the markup on the bill. No one has invested more time and more of himself than the chairman.

In a meeting we had before we started work on the bill in this session of Congress, Senator PROXMIRE and I reached certain tentative agreements and conclusions as to the procedure and as to cooperation, and I am very happy that this has worked so well during the course of the entire year.

I join Senator PROXMIRE in thanking Mr. Clark, Mr. van der Voort, and other

members of the subcommittee staff who have served the subcommittee so well.

The chairman has gone through the items in the bill in a very thorough way but I want to mention a few of special concern.

I was very pleased that the subcommittee and then the full committee accepted my recommendation to increase funds for housing for the elderly and handicapped to \$500 million, which is \$200 million more than the House allowance and \$285,000 above the budget estimate. First, let me say that these funds are repaid at Treasury rates and, therefore, do not appear as new budget authority, nor do they encumber the budget of the United States, as do regular appropriations. For the housing for the elderly or handicapped program, known as the 202 program, to really work, it must provide flexible direct-loan permanent financing in addition to construction financing, and all these loans must be at favorable rates. The bill language and report language direct that this be done and the committee has earmarked \$400 million to be available only for non-profit sponsors with no financial requirements imposed as a condition of loan approval.

I have had assurance from HUD officials that they will now go forward with this program after having held back last year despite the fact that we voted funds for this program last year.

The most significant new HUD program is the so-called section 8 program which we all hope will finally get off the ground. This committee and the House committee have voted the full budget estimate and we can just hope that the Government interregnum in support of housing has come to an end and that HUD will finally begin to move swiftly.

The Emergency Housing Act of 1975, just passed this month, contained authorization for the homeowners relief fund and the rehabilitation loan fund and, while there have been no budget estimates submitted, the committee has included modest funding of \$75 million and \$50 million respectively for these two programs which will serve, I am sure, to fill a very real need in the present economic and housing situation.

The committee, at the last minute, received a budget estimate of \$5 billion for the emergency mortgage purchase assistance program and has voted this sum to allow the Secretary of HUD to start immediately to determine present needs throughout the country for financing of mortgages at interest rates of 7½ percent. This program is thoroughly explained on pages 20 and 21 of the committee report. Finally, in the HUD section of the bill, the committee has provided \$125 million for comprehensive planning grants, which is above the budget estimate but \$25 million below the authorized amount. Funding this program at this level will allow support to be provided for planners in the cities as well as in the smaller communities.

In the Environmental Protection Agency, language in the report earmarks \$5 million to continue and to broaden and enlarge a study of the Chesapeake

Bay. As most Members know, the Chesapeake Bay is a critically important and economic resource, not just for Maryland but for all of the Middle Atlantic States, and the study of its ecology and estuarine zones and the effect of man on its ecological balance is of importance nationwide.

The House had made certain cuts in the fiscal year 1976 research and development account of NASA which the Senate has restored in the interest of maintaining a balanced space program. The pioneer Venus project had been deleted by the House with the suggestion that it could be launched later.

Testimony has shown, however, that a delay in launch would lose the current window in space and that the next possible window, sometime in 1980, which is not as favorable a window, would result in an increased cost of at least \$50 million. It would put less of a payload into space, while requiring reconfiguration of the space instruments.

We are coming to the end of the study period which is designed to determine the scientific capabilities and cost options of having a large space telescope, to be carried aloft by the space shuttle early in the next decade. While the House cut of \$1 million in the \$5 million budget request may not appear to be dramatic, it is essential that full funding be provided, as these studies are now ongoing with several contractors and are scheduled to be completed within a year, which would not be possible unless full funding as programmed is provided. The Senate Committee has accepted the \$1 million cut in the \$3 million budget request for the transition period for the LST in the hope and belief that the studies and preplanning can be completed within these funds. After NASA submitted its budget to Congress, the space authorizing committees gave NASA a leading role in studying and monitoring the physical and chemical processes in the upper atmosphere. The committee has added the additional \$7 million to which the chairman just referred, which was authorized to pursue this very critical study of the ozone, which is even more pertinent today than it was when the committee considered it as a result of the vote of the Senate with reference to civilian supersonic travel.

The House made a rather serious cut of \$44 million in the overall funding of the National Science Foundation. Of equal importance, the House allocation of funds within the various programs within the Foundation resulted in a cut of \$35 million for scientific research project support. The committee has earmarked funds that will restore \$17 million of this cut and has made some small restorations in two other accounts and reduced the House earmarked funds for scientific education. However, the Senate committee figure for scientific education will provide funds in excess of the amount in the NSF budget estimate because of the availability of certain deferred funds and reprogrammed funds. In making these changes, the committee held the overall funding to \$38,300,000 under the budget estimate and only \$6

million over the amount contained in the House bill.

Lastly, the committee has once again included language in its report concerning the proposed construction of a replacement Veterans' Administration hospital in Baltimore. This project has been too long in the planning stage. Everyone, including the VA, knows and testifies that construction should be undertaken as soon as possible to fill a very real need for improved facilities to care for our veterans. We have not added any money in this bill or earmarked any money in this bill for this project. Sufficient funds were voted several years ago by Congress at the request of the VA to commence this project and these funds remain available. I wait expectantly to hear the sounds of hammers and the movement of brick and mortar rather than the continuing rustling of planning papers in the Veterans' Administration.

Mr. President, I again commend the chairman of the committee (Mr. PROXMIRE) for the long and hard work he has put into this bill and I thank him for all the assistance he has given those of us who have served with him on the committee. I should also, before closing, note the presence in the bill of the standard provisions so often sponsored by Senator PROXMIRE—the "limousine language" for which he has fought so long and jogged so many miles.

Mr. President, I ask unanimous consent that Mr. Michael Smith of my staff have the privilege of the floor during the consideration of this measure.

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

Mr. PROXMIRE. Mr. President, I wish to respond briefly, if I might, to the Senator from Maryland and his very nice remarks at the end.

I say there would be no possibility of getting that antilimousine language in the bill if it had not been for that marvelous sleek new limousine owned by the Senator from Maryland.

What year is that?

Mr. MATHIAS. The Senator refers to the car now parked in front of the Capitol, which is a 1966 Buick stationwagon, on which the odometer registers, I believe 79,000 miles on the second go-around.

Mr. PROXMIRE. May I say, driving that station wagon is more exercise than jogging to work.

Mr. YOUNG. Mr. President, I want to commend the chairman and the ranking minority member of the subcommittee for the hard work and excellent job they have done on this bill.

I am pleased to note that the committee has appropriated the full budget amount of \$150 million for disaster relief and has included language in the report stating that if additional funds are required then supplemental appropriations would be necessary. In the State of North Dakota 13 counties have now been declared as major disaster areas by President Ford. These areas suffered from torrential rains and flooding late in June and Federal assistance is very much needed there.

I am also pleased that the committee has voted the full budget estimate of \$30 million for the Veterans' Administration program of assistance for health manpower training institutions. There is a great demand and a great need in the various States for funding of projects to improve medical training. It may be that before the end of this fiscal year additional funds will be needed for these programs.

Again, I want to commend the chairman and all members of this committee that have worked on this bill.

Mr. MOSS. Mr. President, I support the action of the Appropriations Committee in reporting H.R. 8070, the Department of Housing and Urban Development-Independent Agencies appropriation bill, 1976, to the Senate, and as an ex officio member of this committee for aeronautical and space activities, I would like to address the highlights of the bill with respect to these activities.

The committee added \$56.4 million to the amount voted by the House for the National Aeronautics and Space Administration for research and development for fiscal year 1976, and I think it is important that the Senate understand the reasons for this action and the impact of that action in relation to the total amount requested by and herein recommended for NASA. The committee restored a \$48.4 million cut in the Pioneer Venus 1978 planetary mission, a program authorized and approved by the Congress for development in the fiscal year 1975 budget in accordance with logical, businesslike approaches to such undertakings based upon reviews of the project by NASA, the scientific community, and the Congress.

Therefore, following the commitment to this project last year, the deferral recommended by the House in effect requires termination of the undertaking with the resultant loss in effort and hardware in the range of \$45 to \$50 million. The committee action restores this mission to its original funding and launch schedule.

The second restoration of a House cut that the committee recommends is \$1 million to support ongoing studies of a large space telescope project to refine this proposal and to complete the advanced technology development necessary to make an intelligent decision with respect to initiating the LST as a formal project. I emphasize that the LST is not in development and that these funds do not commit it to development, but merely support ongoing technical work which would favorably impact the economy and efficiency of such an undertaking if and when it is initiated.

Finally, in addition to restoring a total of \$49.4 million in R. & D. funds cut by the House, the committee added \$7 million, to an already budgeted \$7 million, to support the upper atmospheric research program authorized and directed by Public Law 94-39 to be conducted by NASA. This activity will support a comprehensive program of research, technology, and monitoring of the phenomena of the upper atmosphere so as to provide for an understanding of and to maintain the chemical and physical in-

tegrity of the earth's upper atmosphere. This program is designed to develop the fundamental data concerning the earth's upper atmosphere so that we will have accurate knowledge concerning the ozone layer and the actions which we subsequently should or should not take to protect the integrity of that layer.

This is a matter of serious concern since theories have been postulated that various chemical compounds such as the freons, which are widely utilized in, and are very important to, many of our everyday activities, may be inadvertently modifying the ozone layer with subsequent potentially damaging effects to life on earth. It is the intent of the authorizing legislation now funded in this appropriations bill recommendation to acquire the scientific data on this most significant matter.

I think it is important for the Senate to note that while the Record will show that the committee added \$56.4 million to the House bill for NASA for research and development, the final amount recommended herein for fiscal year 1976 is only \$4,022,000 above the NASA budget request for fiscal year 1976 and, furthermore, that the total amount recommended in the bill for NASA for fiscal year 1976 and for the transition period to the new fiscal year is \$29,850,000 below the combined budget requests for those periods.

Mr. President, the funds recommended in this bill for NASA will support:

The Space Shuttle—a transportation system to provide efficient and economical access to space to facilitate the exploration and exploitation of that medium for the benefit of mankind beginning in the early 1980's.

Space science.—A program to understand the origin of and the complex interactions of the planets and the solar system and the application of the knowledge acquired to the earth's atmosphere and to the earth itself. It is as a result of this program combined with its applications activities that makes NASA uniquely qualified to undertake the upper atmospheric research program authorized by Public Law 94-39.

Space applications.—A program to support the continued development of spacecraft technology and instrumentation for application to meteorology, communications, earthquake research, and other direct applications including the new and most promising area of earth resources measurement as represented by the earth resources technology satellites—Landsat 1 and 2.

Aeronautics.—A program to accomplish the fundamental research necessary to maintain this Nation's leadership in aeronautics. Our aerospace industry consistently contributes substantially to a positive balance of trade and it is essential that the research programs underlying this successful performance be continued to sustain this position in the future.

It is with satisfaction that I note that NASA with this budget is undertaking an aggressive program to develop fuel efficient aircraft with a goal of available technology for a 50 percent improvement in fuel efficiency for commercial trans-

ports by 1985. This will be a significant step forward and a very meaningful contribution to the Nation in view of the increasing price and unavailability of petroleum for air transportation.

Underlying all of the programs and projects supported by the recommended appropriations to the National Aeronautics and Space Administration in this bill is the continued advancement of science and technology which is so vital to the continued prosperity and world leadership of this Nation.

Mr. President, I urge my colleagues to support H.R. 8070 as recommended by the Appropriations Committee.

Mr. HUDDLESTON. Mr. President, as a member of the Subcommittee on HUD-Independent Agencies of the Senate Appropriations Committee, I am pleased to support the pending bill, H.R. 8070.

There are certain basic items which we in this Nation must provide for our people. Decent housing is certainly one of these. And while we have done much to provide adequate housing for millions of our citizens, much remains to be done. Over 9 percent of our Nation's 67.7 million housing units are considered substandard. Some 7 million families live in such housing. Another 9 million pay a disproportionate portion of their incomes for housing. Thousands of others have recently found a lack of mortgage credit a barrier to new or improved housing. New housing starts have dropped from an annual rate of over 2 million in 1973 to a rate of 1.07 million in June of this year. Unemployment in the construction industry remains high, despite a slight drop in the past several months.

My State of Kentucky has not been unaffected by these developments. Some 22.5 percent of our housing is considered substandard. The number of building permits issued has fallen. In mid-July, unemployment in the construction industry was running about 20 percent.

Certainly, with this appropriation, we will not solve all—or even most—of our problems but it will, I believe, help us move forward in a number of important areas.

First, the bill earmarks \$100 million for the SMSA balance fund under the community development program. This is the fund which provides assistance to small communities within standard metropolitan statistical areas. Last year, the first year under this program, there were more than 1500 preapplications for assistance. The only funding available, however, was \$54 million, and that was made available in a supplemental appropriations bill. With the budget estimate for fiscal 1976, perhaps as little as \$36 million would be available, which is far below what many of these areas expected to receive when the program was devised. Many communities in my State have applications for funding under this program. In some cases, these communities had previously worked on similar applications under other programs only to have the rules of the game changed in the middle of their efforts. Now to present them with an absence of funding under the new program will only discourage them and hold back needed projects. This, it seems to me, is not the cor-

rect way to proceed and I fully support the provision of the \$100 million for these communities.

The committee has also provided \$125 million for comprehensive planning grants under section 701 of the Housing Act of 1965. Section 701 provides our States, cities and areawide planning agencies with funds for carrying out a comprehensive planning process. As we all know, there are various types of planning funds available—for health, transportation, community development, et cetera. But, under this program, funds may be used to bring together the planning activities of the various sectors and to unite them into a workable whole. With the many burdens facing our localities, with the many complex problems they must handle, with the multitude of assistance programs which they must evaluate and make determinations on, comprehensive planning is a necessity. Furthermore, planning offers the best hope of making effective use of the resources which we have—of insuring that Federal programs—taxpayers' dollars—are wisely and well spent.

For the section 202 housing for the elderly or handicapped program, the committee is recommending \$500 million in loan authority. Those of our citizens who have spent years of their lives contributing to our Nation and society certainly deserve to spend their retirement time in respectable housing. Yet, these are often the persons who can least afford such housing. As housing costs soar and pensions remain fixed, the ability of the elderly to compete in the housing market diminishes. This program, with its flexible direct loan permanent financing, can be a major factor in providing the needs of our elderly and handicapped citizens.

The legislation also contains \$50 million for the section 312 rehabilitation loan program. Under this program, loans are available at 3 percent interest for the rehabilitation of existing housing in specified areas. While some rehabilitation loan funds are available through the community development block grant program, there are a number of communities which receive little community development funding but which continue to have a need for rehabilitative activities. This program should help those areas where there is no effective alternative.

In addition, the pending bill contains authority to move ahead on the new section 8 housing assistance program. While many questions remain about this program and while it is largely untested at this time, it may serve as the needed spur to flexible, assisted housing for our lower income persons. As a member of the subcommittee, I know that we will be monitoring the program closely in the upcoming year to determine whether or not it is achieving its objectives and whether or not the costs associated with it are acceptable.

Finally, I would like to call attention to language in the committee report regarding two programs.

The first relates to construction grants available under the Federal Water Pollution Control Act Amendments of 1972, which provides funding for up to 75 per-

cent of the cost of municipal wastewater treatment facilities. While \$18 billion was authorized for these projects, the progress in obligating and spending the funds has been slow. In fact, in response to a question I asked during subcommittee hearings, the Department indicated that obligations and expenditures were as follows:

Of the \$18 billion authorized under Public Law 92-500 \$4.6 billion has been obligated through April 30, 1975. By the end of each fiscal year, the cumulative obligations are anticipated to reach the following levels:

	Billion
Fiscal year 1975.....	\$ 6.5
Fiscal year 1976.....	12.1
Fiscal year 1977.....	18.0
Total	18.0

Of the \$4.6 billion obligated through April 30, 1975, \$807 million has been expended to date.

At present, there are 3,252 active projects under Public Law 92-500. Of that total, 1,767 were for Step 1 (Facilities Planning), 259 were for Step 2 (Plans and Specifications), and 1,226 were for Step 3 (Construction). Of the 1,226 construction awards, 849 projects are now under construction.

This is certainly a turtle's pace and unacceptable in view of the importance of meeting the goals of the act. I hope EPA will note the committee's concern with the pace and its desire for EPA to act to move the program ahead.

The second relates to the national flood insurance program. While there is little argument with the concept of having a flood insurance program, a number of elements in the existing program have proven most difficult for communities. First, the preliminary maps which the Flood Insurance Administration is using apparently contain many inaccuracies, and localities have faced obstacle after obstacle in getting them changed. Secondly, in the very small communities, the zoning, land use and building codes required for participation in the program are imposing substantial new burdens upon the community. Therefore, I am pleased that the committee report includes language directing FIA to give special attention to these two matters and to cooperate with the communities in resolving them.

The ACTING PRESIDENT pro tempore. Both the Senator from Ohio and the Senator from New York seek the floor. Who yields time?

Mr. PROXMIRE. I yield to the Senator from Ohio.

Mr. TAFT. Mr. President, I send an amendment to the desk and ask that it be stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. TAFT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The amendment is as follows:

On page 7, line 23, strike "\$50,000,000" and insert in lieu thereof "\$75,000,000".

Mr. TAFT. Mr. President, I have sent this amendment to the desk for the Sen-

ator from California (Mr. CRANSTON) and myself.

Mr. President, this amendment would increase the amount of funding appropriated for the section 312 3 percent Federal housing rehabilitation loan program from \$50 million to \$75 million. I may not press for the adoption of this amendment, but we do feel it important that the issue be discussed.

After considerable debate earlier this year on the issue, the Congress extended the section 312 program as part of the Emergency Housing Act of 1975 with an authorization of \$100 million for fiscal 1976. I understand that the HUD Appropriations Subcommittee, acting consistently with this assessment, included in its draft bill an appropriation for the full \$100 million. However, this amount was cut in half at the full committee level.

As coauthors of the Senate legislation to extend and amend this program, we are concerned that Congress follow up on its earlier efforts by providing adequate money for the program. The community development applications received by HUD make clear the tremendous local interest in neighborhood preservation and housing rehabilitation actions. Local communities seem to have realized, apparently to a greater extent than the Federal Government, that this type of limited investment to prevent neighborhood decline is a wise investment in the long run. It also promotes energy conservation and stimulates jobs in the areas and industries they are needed most.

The section 312 program has a good track record and is the most efficient means of providing low-interest housing rehabilitation loan money. Its use avoids legal questions which still may be involved in some areas regarding the use of community development block grant money for this purpose. Furthermore, the Government will recoup almost its entire outlay amount in loan repayments.

Thus, we feel it is extremely important to press for the \$50 million appropriation now in the bill, at the very least. Since the House bill was considered before the program extension was passed, there are no funds in its bill for this purpose and the conferees may be resistant.

With those thoughts in mind, can the chairman assure us that he will do what he can to see to it that the final bill contains the entire Senate appropriation for section 312?

Mr. PROXMIRE. May I say to my distinguished friend from Ohio I will certainly do all I can in conference to see that the \$50 million is retained in its entirety.

I might point out this program has \$57 million of carryover. We provide \$50 million which the President did not request. This means there would be a total of \$107 million for the program.

I am sure the Senator knows of my deep and abiding interest and concern for the program. It is an excellent program and, as the Senator says, it is one of the most efficient programs to help people who need help to fix up old houses,

houses that otherwise might have to be abandoned.

I agree wholeheartedly that it is a good program. Incidentally, on the basis of our conferences with the House in the past, they recognize it is a good program, and they are very sympathetic with it. I think we have a good chance of holding onto a great deal of this amount we put in—I hope all of it.

Mr. TAFT. I appreciate the chairman's comment. I was aware of the \$57 million carryover. If it were not for that, I would be pressing for the whole amount by the committee.

At this time I would be glad to yield to the distinguished Senator from California, who was a coauthor of the authorizing legislation and who has worked for this cause over the years.

Mr. CRANSTON. I thank the Senator from Ohio for those generous words but more for the very effective and sustained effort he has made with respect to this legislation.

I hope very much that the sum covered in the Senator's amendment can be approved. I recognize that is not what is likely to occur on the Senate floor. I do want to strongly urge Senator PROXMIRE and Senator MATHIAS and the other Democrats who will be conferees to at least firmly hold the line on the \$50 million in conference on the 312 rehabilitation loan program.

Presently 312 is the only program at HUD which deals with rehabilitation in the deteriorating neighborhoods. And, as we all know, we have all too many vast deteriorating neighborhoods in our cities and in smaller communities.

This is one of a few programs for enabling innercity residents who wish to remain in the central city to renovate their housing and stay where they presently are. As such it is a very important tool for stabilizing and upgrading neighborhoods.

I also would like to point out to our colleagues that 312 loans also help eliminate problems of financing in areas that have been "redlined."

So I urge the Senate conferees to support a reasonably high level of appropriation for this program, the highest possible.

Mr. PROXMIRE. I thank the Senator.

Mr. TAFT. I thank the Senator for his comments, and I withdraw my amendment.

The ACTING PRESIDENT pro tempore. The amendment is withdrawn.

The Senator from New York is recognized.

Mr. JAVITS. Mr. President, will the Senator yield a few minutes. Is there controlled time?

Mr. PROXMIRE. I yield the Senator 3 minutes.

Mr. JAVITS. Mr. President, I just wish to comment on a few of the items.

First, let me include Senator PROXMIRE himself in the very pleasant and agreeable comment he made about Senator MATHIAS. This is a singularly fortunate team for housing, and while Senator PROXMIRE writes with a very sharp pencil, he is also a man of great humanity, fairness, and understanding, and it is reflected in many of the aspects of this bill.

Might I say to my colleagues, first, I hope very much the Senate will support the \$550 million provided by the Senate committee for the operation of low-income housing projects.

The main reasons for it, as far as we are concerned in the largest city in the country and in five other cities of major character in New York State, are that there has been a tremendous increase in operating costs attributable to a cause absolutely beyond the control of those handling these public housing projects and low-income housing projects, and that is the fuel cost increase which is an absolutely crushing burden attributable to no one except the affairs of the world.

We welcome the performance standards for local housing authorities operating owned units, which is referred to in the committee report. But the fact is that when no performance, no matter how grand and efficient, can help you, only money can do it, and the committee, therefore, very intelligently and understandingly has provided some additional money. So I hope very much, and I appreciate very much what the committee has done and hope very much, it will be supported in the Senate.

On another matter, very briefly, we are very glad to see the Government National Mortgage Association, the so-called Ginnie Mae, referred to by the committee in the following language:

The Department is urged to make these funds available for all programs covered, both conventionally and federally insured single and multifamily units.

We especially emphasize the latter because that has not been the ongoing policy of Ginnie Mae. They have tended to favor single family units. Obviously this is now almost a completely urban country with about 75 percent of our people living in cities.

Hence, the recognition of the committee that multifamily units need to be covered becomes very critically important, especially at a time when it is so very difficult to get money for the multifamily projects or the multifamily mortgage that needs it.

So we appreciate very much this thoughtfulness by the committee, and I would sort of like to know here on the floor, as well as in the committee report, the extent of the strength of the conviction of the Housing Subcommittee on that particular subject.

Mr. PROXMIRE. We feel very strongly that it is necessary. That is why we wrote this into the act. The restriction to single family housing has been a mistake. The housing start figures now indicate that multifamily housing is one of the principal problems we now have in home construction.

I might say to the Senator from New York that I intend to do all I can to sustain this position, and I hope we can persuade the administration to recognize the importance of providing this for multifamily housing.

As the Senator points out so well, in all of our big cities, particularly in New York, but also in Milwaukee, Baltimore, and Cleveland, and so forth, this is particularly essential.

Mr. JAVITS. Very good. As a matter of

fact, the homebuilders, as the Senator knows much better than I, think we are too low on this figure; that it ought to be \$10 billion. But I am expressing my confidence, in answering them, in the Senator from Wisconsin and the Senator from Maryland and their judgment and their understanding of the situation, and the fact that they show themselves willing to lend themselves to high figures—and \$5 billion is no small change—and, therefore, it is an assurance that really it is needed, and it will be available.

I gather they argue the fact that it is not of particular budget impact. But, be that as it may, I have faith and confidence in my colleagues, who have already done so well, and I mention them to the Senate.

Finally, Mr. President, I would like to commend the committee for the additional \$100 million provided for, earmarked for, the so-called balanced community, the standard metropolitan statistical areas, which are under 50,000 population, and where a formula has not worked out very well because of the extent of the demand which was unanticipated.

It is not often realized, because I am from such a big State, where we have big cities, where we have the so-called big six, New York, Buffalo, Syracuse, Rochester, Albany, and so forth, but I also have a lot of people in a lot of other places that are under definitions of this kind.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. JAVITS. May I have 1 other minute?

Mr. PROXMIRE. Yes.

Mr. JAVITS. Indeed, my State is one of the great dairy States of the country, so we are deeply interested in this.

Also, it recognizes the principle that we are under a formula which was adopted on a national level, and we have so many of them in housing, health and education, and in so many other fields, and it simply does not work, and it is important that Congress understand that and that it has enough flexibility to earmark money or work out a hold harmless or do something which is necessary to do equity among the States and areas of the country.

Mr. PROXMIRE. I might call the attention of the Senator to the very unequivocal and express language we have in the bill. On page 8, lines 15 to 20, I read:

For grants to States and units of general local government, to be used only for expenses necessary for carrying out a community development grant program authorized—

It gives the section which referred to the smaller cities—

\$100,000,000, to remain available until September 30, 1978.

Mr. JAVITS. I thank my colleague very much.

Mr. MATHIAS. Mr. President, I would just like to welcome the participation of the Senator from New York in this matter because he not only represents the greatest urban community in the world, but his advocacy in an issue of this sort is very important.

I hope he will be persistent and consistent in urging that we solve this problem.

Mr. TAFT. Mr. President, will the Senator yield me 2 minutes?

Mr. MATHIAS. I am happy to yield to the Senator.

Mr. TAFT. I thank the Senator and I just want to comment on the remarks expressed by the distinguished Senator from New York with regard to the operation of GNMA.

Mr. TAFT. Mr. President, last March I submitted legislation to the Congress which would expand the coverage of the Government National Mortgage Association's emergency mortgage credit program to conventionally financed condominium units and apartment projects. This proposal was included in the Emergency Housing Act of 1975. It was endorsed by the President soon after I had first introduced it.

Thus far, GNMA has expanded the program to include condominium units but not apartment projects. While I welcome the expansion of the program which already has been made, I feel that there is a good case for using the full authority authorized by the new law. The housing depression is far worse in the apartment sector than in the single family sector. Apartments serve many persons for whom the homeownership option simply is not available. They are also desirable from a land use and energy conservation concept.

Therefore, I was pleased to see that on page 21 of the committee report, HUD is directed to make funds available under the 1975 act for all the programs covered. This would mean that FHA and VA mortgages and conventionally financed apartments would become eligible, as well as the conventional single family and condominium units now eligible.

I hope that HUD will move in this direction. To do so would be consistent with the President's expressed support for the expansions Congress made in the program, including the coverage of conventionally financed apartments.

Mr. President, I thank the Senator for yielding.

Mr. STEVENSON was recognized.

Mr. ROBERT C. BYRD. Will the Senator yield to me?

Mr. STEVENSON. Yes.

Mr. ROBERT C. BYRD. Mr. President, I have cleared this request with the distinguished Senator from Illinois, with the manager of the bill, the ranking member, the ranking member on the committee, and the leadership.

I ask unanimous consent that time on any amendment on this bill be reduced to 30 minutes to be equally divided in accordance with the usual form.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

The Senator from Illinois.

Mr. STEVENSON. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will state the amendment.

The assistant legislative clerk read as follows:

On page 6, line 4, strike "\$195,116,000" and insert in lieu thereof the following: "\$199,616,000".

Mr. STEVENSON. Mr. President, this amendment restores \$4½ million of the approximately \$6.2 million cut from the administration's request for funds to administer HUD's housing programs. The amendment would insure effective implementation of the section 518(b) reimbursement for defects program. It would help provide the resources needed for more effective implementation of all FHA's insurance programs.

Hearings of the Banking Committee, of which the distinguished manager of this bill is the chairman, which were held recently in Chicago revealed HUD and FHA's inability to inspect property adequately before it was insured.

Those hearings revealed as similar inquiries have in other parts of the country the inability of HUD and FHA to implement the section 518 program, to verify the ability of potential FHA-insured homeowners to meet monthly mortgage payments, the inability to prevent fast foreclosures by mortgage lenders, and to protect FHA-insured property in the event of abandonment and foreclosure. All these failures on the part of HUD and FHA result in deteriorating neighborhoods, disillusioned homeowners, and an enormous cost to the taxpayers.

It is due in large part to the insufficient personnel available to HUD and FHA to manage these housing programs. Congress mandates the programs and then fails to provide the funds to implement them.

Money spent to correct these deficiencies in FHA administration would be money well spent. Nationally, HUD now owns 74,000 single family homes which cost the Government \$20 million a month just to maintain. More effective administration of FHA programs to reduce the rate of foreclosures and abandonments could save millions of dollars.

Mr. President, it is pennywise, pound-foolish policy which sacrifices billions of dollars in order to save millions.

Without adequate staff, the property abandonments, foreclosures, and soaring taxpayer costs will be aggravated.

With work loads in HUD and FHA going up enormously, the funds for the management of these programs have been cut by both the House and the Appropriation Committee of this body.

I know of the efforts of the distinguished manager, faithfully and strenuously and over many years, to protect the taxpayers' dollars. He carries a sharp pencil and he fights for economy in Government, and I respect him for that.

This amendment, Mr. President, would cut \$4.5 million, but it could save many hundreds of millions of dollars.

For that reason, as well as the manager's own concern about the welfare of homeowners and deteriorating neighborhoods across the country, I would hope that he might become an enthusiastic supporter of this amendment.

Mr. TOWER. Will the Senator yield?
Mr. STEVENSON. I yield to the Senator from Texas.

Mr. TOWER. Mr. President, I thank the Senator from Illinois. I think it is wise of him to offer this amendment. I appreciate his including me as a cosponsor. I agree with him, it would be penny-wise and pound-foolish to do otherwise.

Mr. President, I am not one who has ever supported or advocated the proliferation of the bureaucracy. I have been one of those who has advocated reductions in Government personnel. But I think we have to be selective about this matter and I think we have to look into areas where use of adequate numbers of personnel to administer and implement will, in effect, cut deep and reduce delays, and it will save us money in the long run.

So I think this \$4.5 million will be money well spent and I think it will better facilitate the implementation of our housing programs.

After all, that is one of the things we are most concerned about in this bill, new housing starts, and the delay in residential facilities to people who need them.

So I urge the Senate to adopt the amendment that was offered by the Senator from Illinois.

Mr. JAVITS. Will the Senator yield to me?

Mr. STEVENSON. I thank the Senator from Texas and I yield to the Senator from New York.

Mr. JAVITS. Mr. President, I, too, have joined as a cosponsor and strongly urge this amendment upon the Senate, for this reason.

Secretary Hills, who is new, a very bright woman, very deeply involved, and has her heart really in this work, appeared before the Joint Economic Committee, of which I am the ranking Senate member. Senator PROXMIRE was there. She made a very strong point about many things in the housing bill which she felt should have been granted to her Department.

But in the final analysis, she came down hard on the fact that she was simply being stripped of the means to do the job she wanted to do which involved so much personal service, as the Senator has outlined, in the appraisal of properties, the consideration of properties, the enormous amount of detail.

I know of no department, by the way, in which you get into the nitty-gritty as you do in HUD. Her feeling about the matter was so sincere, so expert, and so persuasive that I really think it gives a special dimension within the consciousness and hearing of the manager of the bill himself, because he was there and challenged her very sharply. She stuck to her guns, and I really think it was very impressive.

I join Senator STEVENSON in the hope that in view of the fact that she is a new Secretary, she has a monumental job, that this is one of the keys to recovery—housing. It is in very bad shape in this country, and the Government has a lot to do with it, as we all know.

I would hope very much the managers might, in that spirit and for that reason, accept this amendment.

Mr. RANDOLPH. Will the Senator yield?

Mr. STEVENSON. I yield to the Senator from West Virginia.

Mr. RANDOLPH. I ask the Senator from Illinois if he will grant me the privilege of being a cosponsor and then to comment briefly on this important subject.

Mr. STEVENSON. Mr. President, I ask unanimous consent that the Senator from West Virginia be added as cosponsor.

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

Mr. SPARKMAN. Will the Senator add my name as a cosponsor?

Mr. STEVENSON. Mr. President, I ask unanimous consent that the Senator from Alabama (Mr. SPARKMAN) be added as cosponsor.

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

Mr. RANDOLPH. Mr. President, I commend the Senator from Illinois (Mr. STEVENSON) for presenting this amendment.

I think perhaps a brief look back to an action that was forward-looking at the time might be in order.

In the early 1930's I participated in bringing the Homeowners Loan Corporation into being as a member of the House of Representatives. I recall the debates and the efforts that were made at that time. I reemphasize what has been said, that when we work to give opportunity for homeownership to the American people, they respond with a responsible attitude and participation. It was so in that original effort. We did not lose money. Money was made for the U.S. Government by that endeavor, which, at the time, was looked upon by some persons as an expenditure of Federal funds on which there would be huge losses.

We must recognize that by and large our Nation is well served when citizens have the opportunity for homeownership. I believe that when we put persons to work to construct homes and then give incentives to persons to purchase homes and keep those homes viable, we have strengthened the American society.

In that period of trouble in the 1930's we were able to realize the underpinning and the structuring which we could add to the Nation by the development of housing programs.

I hope now, in a period of economic instability, we will realize not only the necessity of strengthening the housing industry from the standpoint of giving employment, and the ownership incentives which are helpful to fathers, mothers, and families, but we will realize again that this is money well spent. It is an investment. It will pay a dividend on the dollars that are expended.

I appreciate the privilege of joining my colleague as a cosponsor of this amendment to insure that personnel will be available to administer housing programs.

Mr. STEVENSON. Mr. President, I thank the Senator. He recognizes that

this is not just a question of decent housing for American citizens. It is also very largely a question of the economy, the welfare of our economy. No single sector of our economy is more important than the housing industry.

These programs are basically sound. They can make the dream of homeownership a reality in America. They can help our economy, but not unless they are implemented. They cannot be implemented without adequate staff. I am grateful to the Senator for his words.

Mr. SPARKMAN. Will the Senator yield?

Mr. STEVENSON. I yield.

Mr. SPARKMAN. I feel constrained to comment briefly on what the distinguished Senator from West Virginia has said about the HOLC. I remember it quite well.

Mr. RANDOLPH. It was 1934.

Mr. SPARKMAN. It was 1934. I was not in Congress. I was a young lawyer in Huntsville, Ala., but I worked for the HOLC as one of the county representatives. I saw many homes saved for the people who were living in them through the instrumentality of the HOLC. In saving them, I want to tell the Senate that they saved insurance companies, banks, and lenders of money which had mortgages on those homes. It was one of the greatest programs that President Roosevelt put into effect among all of the very fine programs that he initiated.

Mr. RANDOLPH. Will my colleague yield further?

Mr. STEVENSON. Mr. President, how much time remains to the sponsor of this amendment?

The ACTING PRESIDENT pro tempore. The Senator has fewer than 3 minutes remaining.

Mr. RANDOLPH. Will the Senator yield 1 minute?

Mr. STEVENSON. I yield 1 minute to the Senator from West Virginia.

Mr. RANDOLPH. I hesitate to add to what has been said by the Senator from Alabama (Mr. SPARKMAN) except to indicate that in that period of the 1930's, there was a realization that we had to act. That, I believe, is a necessary ingredient in these days. We are inclined sometimes to let ourselves bog down with complexities of drafting an amendment or the passage of legislation. There are matters that even though they seem complex, they are in fact really very simple. To build an America on housing, home building and the family unit is sound and we should not deter from moving forward quickly. The opportunity for homeownership and adequate housing can be the strengthening fabric which holds together our society.

Mr. STEVENSON. The Senator is absolutely right.

Mr. MAGNUSON. May I ask to be added as a cosponsor to the amendment?

Mr. STEVENSON. I ask unanimous consent, Mr. President, that the Senator from Washington be added as a cosponsor.

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

The question is on agreeing to the amendment.

Mr. PROXMIRE. Mr. President, I

vigorously oppose this amendment. I think it is going exactly the wrong way. I tried to cut this item by more than 3 percent. There is only a 3-percent cut in a bureaucracy that has the worst record of productivity that I have heard of in Government since I have been here. Their productivity has dropped 42 percent since 1972, and these are their figures, not mine. In other words, they have people up there who are just not doing a job. I do not feel we should reward them by providing whatever they ask.

I know the Secretary of HUD has done a marvelous lobbying job. She has been on the phone to Senators all morning. A number of Senators have told me that. She is a very charming lady, but I hope in this case there will be a little bit of resistance on the part of the Senate.

After all, when an agency back in 1972 had as many people, virtually, as they had in 1974, and were doing just about twice the work, it does not make any sense to me that we cannot cut them at least 3 percent. It is only a token cut.

I would hope that the Senate would resist the endearing, persuasive arguments of the Senators from Illinois, West Virginia, Alabama, Washington, and elsewhere. If we are really going to mean business about these programs, it seems to me that when we have a clear record of nonperformance we should not respond by letting them go on with the same old bureaucracy.

Let us take a look at what they intend to do. They do not say they are going to have 600,000 Government assisted housing starts, which is our goal, or 500,000 or so, which is about what they had in 1972. They say in the coming year they will have about 200,000 housing starts. What are they going to do with these HUD payrollers?

They say that the reason for the drop in productivity is that when their programs dropped they kept everybody aboard because they anticipated that the program would come back. Well, maybe it will, but they do not even have any plans to have a program sufficient to warrant keeping on board the number of people they have.

I would hope that the Senate would not restore the very limited cut we have put in here. I think very highly of Mrs. Hills. She is a wonderful person. She was a fine Assistant Attorney General. But in this case I hope we can resist her attractive and very hard to resist appeal.

I reserve the remainder of my time.

Mr. STEVENSON. Mr. President, this amendment restores only a small part of the total cut made by the committee from the HUD appropriations bill. The workloads in HUD are going up, and they are going up as a result of actions by Congress. Those workloads cannot begin to be performed without corresponding staff.

Let me mention just a few examples of increasing workloads within HUD.

The new section 518(b) reimbursement program has to be implemented.

The new section 223(f) program for refinancing existing multifamily structures involves a workload totally beyond that anticipated in the budget.

Staffing requirements for the new sec-

tion 8 lower income housing assistance program are expected to increase.

An increase of 70,000 loans is expected in the property improvement and mobile home loans program in 1976.

An additional 229,000 units are expected to come under annual payment in 1976 under subsidized housing programs.

And I could go on and on.

Mr. President, this amendment restores only \$4.5 million of the \$6.2 million cut from the management of housing programs. It restores a much smaller part of the other cuts made by this committee in the HUD budget. The result will be not only more housing for people and better neighborhoods, but a saving of hundreds of millions of dollars to the Government.

I am prepared to yield back the remainder of my time.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. STEVENSON. How much time do I have remaining now, Mr. President?

The ACTING PRESIDENT pro tempore. The Senator has less than a minute.

Mr. STEVENSON. I yield the remainder of my time to the Senator from New York.

Mr. JAVITS. One of the big things Mrs. Hills made a point of—and I hope I am not being charged with discriminating either for or against her—was that she was trying to reach 400,000 lower-income housing units under section 8. The committee has given her back the money she needs to do it in terms of the financing, and she has pleaded for the necessary staff.

I think that is such a desirable objective, and a new program, that we ought to go along with her. That is my reason for my strong support of this amendment.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays on the amendment.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. PROXMIRE. I yield to the Senator from Maryland.

Mr. MATHIAS. Mr. President, I wish to associate myself with the remarks of the chairman of the subcommittee, and to confirm the statement that he has already made that he wanted to cut this bill farther. I had to make all the arguments that the Senator from New York has just made about the comity we owe a new Secretary, and so on, in order to avoid additional cuts.

The Senator from Wisconsin makes a good deal of sense about this. There ought to be further cuts. We are not talking about cutting to the bone. We are talking about a work pool of people on the public payroll of about 9,000 people, and we are suggesting here a reduction of about 300 people—300 out of 9,000.

As the Senator from Wisconsin, the chairman of the subcommittee, has suggested, these 300 people are merely a token reflection of the 42 percent de-

crease in the efficiency of the Department.

If in fact HUD does begin to crank up section 8, which I hope they do, I will be the first one to support a supplemental appropriation and see that they get all the people they need to do the work. But I would like to see some evidence first.

Frankly, it is a new thing for me to advocate a decrease in the number of Government employees, particularly considering the State that I represent. But it is also discouraging for me to see the lack of progress in HUD. I have become extremely discouraged with HUD, and with the failure of HUD to implement the programs that Congress has mandated.

If they are willing to do the job, I think we can give them the tools, but until there is evidence that they are ready to do the job, I think the committee should be supported and we should hold the level which has been provided in the bill.

Mr. TOWER. Mr. President, will the Senator from Maryland yield me 2 minutes on the bill?

Mr. MATHIAS. I yield.

Mr. TOWER. Mr. President, if one could save money by rejecting this amendment, it would be a different matter. Mrs. Hills has been referred to as a charming, beautiful woman, and all that. She is also a very tough-minded and efficient woman, who also believes in reducing the Federal deficit to the extent that it can be reduced. For example, she urged the President to veto a housing bill that would have cost us additional hundreds of millions of dollars. It seems hardly likely to me that a Secretary would recommend the veto of a bill that would cost us hundreds of millions of dollars to be administered by her own department. Usually when you are empire building, you get all the authorizations and appropriations you can.

Now she wants an immediate \$4.5 million to be able to adequately and efficiently administer these programs and serve the people they are designed to serve. I think it would be nit-picking on the part of the Senate if we denied it to her.

The ACTING PRESIDENT pro tempore. Does the Senator from Wisconsin yield back the remainder of his time?

Mr. PROXMIRE. I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore (Mr. STONE). The question is on agreeing to the amendment of the Senator from Illinois (Mr. STEVENSON). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Arkansas (Mr. BUMPERS), the Senator from North Dakota (Mr. BURDICK), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Ohio (Mr. GLENN), the Senator from Indiana (Mr. HARTKE), the Senator

from Louisiana (Mr. LONG), the Senator from Montana (Mr. METCALF), the Senator from North Carolina (Mr. MORGAN), the Senator from Wisconsin (Mr. NELSON), the Senator from Mississippi (Mr. STENNIS), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I also announce that the Senator from Michigan (Mr. HART), is absent because of illness.

I further announce that if present and voting, the Senator from Arkansas (Mr. BUMPERS) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Oklahoma (Mr. BELLMON), the Senator from Arizona (Mr. GOLDWATER), the Senator from Illinois (Mr. PERCY) and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

The result was announced—yeas 42, nays 37, as follows:

[Rollcall Vote No. 335 Leg.]

YEAS—42

Baker	Griffin	Mondale
Beall	Hansen	Montoya
Brock	Hatfield	Packwood
Brooke	Hollings	Pastore
Buckley	Hruska	Pell
Cannon	Humphrey	Randolph
Clark	Jackson	Scott, Hugh
Cranston	Javits	Sparkman
Curtis	Kennedy	Stafford
Dole	Laxalt	Stevenson
Domenici	Leahy	Taft
Fannin	Magnuson	Thurmond
Fong	McClure	Tower
Gravel	McIntyre	Tunney

NAYS—37

Abourezk	Haskell	Nunn
Allen	Hathaway	Pearson
Bentsen	Helms	Proxmire
Byrd	Huddleston	Ribicoff
Harry F., Jr.	Inouye	Roth
Byrd, Robert C.	Johnston	Schweiker
Case	Mansfield	Scott,
Chiles	Mathias	William L.
Culver	McClellan	Stone
Eagleton	McGee	Talmadge
Ford	McGovern	Weicker
Garn	Moss	Williams
Hart, Gary W.	Muskie	Young

NOT VOTING—20

Bartlett	Eastland	Morgan
Bayh	Glenn	Nelson
Bellmon	Goldwater	Percy
Biden	Hart, Philip A.	Stennis
Bumpers	Hartke	Stevens
Burdick	Long	Symington
Church	Metcalf	

So Mr. STEVENSON's amendment was agreed to.

Mr. TOWER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. STEVENSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The ACTING PRESIDENT pro tempore. The Senate will be in order. Senators will take their seats. Senators will withdraw to the cloakroom if they wish to converse.

TIME-LIMITATION AGREEMENT—
VETO MESSAGE ON S. 66

Mr. ROBERT C. BYRD. Will the Senator yield briefly?

Mr. MONDALE. I will be glad to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may proceed for 1 minute without the time being charged.

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

Mr. ROBERT C. BYRD. Mr. President, I have cleared this request with the Republican leader (Mr. HUGH SCOTT), and it has been cleared with Mr. GRIFFIN and with Mr. MATHIAS, the ranking minority member on this bill. I have cleared it with Mr. JAVITS, who is the minority member of the Committee on Labor and Public Welfare, and with the appropriate Senators on this side of the aisle who are directly involved.

I ask unanimous consent that there be a 30-minute limitation on the debate on the President's veto message on S. 66, the nurses training bill, that the 30 minutes begin to run at 1 p.m. today; and that the vote occur then at 1:30.

Mr. HELMS. Reserving the right to object, where does my amendment fit in?

Mr. ROBERT C. BYRD. The Senator, I am sure, can call up his amendment immediately after the disposition of this amendment. If the half-hour period intervenes, he could call it up following the vote.

Will it be agreeable with the distinguished Senator from Minnesota, if he decides that he wants a rollover vote on his amendment, that that go over until after the vote on the veto message, so the distinguished Senator from North Carolina can call his up?

Mr. MONDALE. I am ready to vote right now so we can have the vote out of the way, unless the committee objects to an earlier vote.

Mr. HELMS. Is the Senator willing to agree to a unanimous-consent request that debate start at 1:30 p.m.?

Mr. ROBERT C. BYRD. Yes.

Mr. HELMS. That will only allow me 30 minutes.

Mr. ROBERT C. BYRD. We can make it 1:15, then?

Mr. HELMS. Very well.

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

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT-INDEPENDENT AGENCIES APPROPRIATIONS, 1976

The Senate continued with the consideration of the bill (H.R. 8070) making appropriations for the Department of Housing and Urban Development, and for sundry independent executive agencies, boards, bureaus, commissions, corporations, and offices for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

Mr. MONDALE. Mr. President, I send an amendment to the desk, and I ask unanimous consent that its reading be dispensed with.

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

The amendment is as follows:

On page 20, line 13, strike out "\$370,766,000" and insert in lieu thereof "\$410,766,000".

Mr. MONDALE. Mr. President, this amendment is offered on behalf of myself and my colleague from Minnesota, Mr. HUMPHREY, to add \$50 million to carry

out section 314 of the Federal Water Pollution Control Act.

I am authorized to say that Senator MUSKIE, the chairman of the Budget Committee, has looked at this amendment and has authorized me to say that it is clearly within the budget resolution that we adopted earlier this year and that he strongly supported this fresh water community lakes program—and of course he did so repeatedly in earlier authorization efforts.

Last year, the Senate appropriated \$75 million for this program. The bill was vetoed. Then, under tremendous pressure, we were able to gain only a modest, almost insignificant, appropriation of \$4 million. This year, the Senate Appropriations Committee has recommended \$10 million.

I am proposing that we compromise with last year's figure and with the administration and come up with a figure which is two-thirds, or \$50 million, rather than the \$75 million that we appropriated a year ago.

This money would help to clean up and help to keep from pollution one of the most cherished recreational resources in America—our freshwater community lakes. There are literally thousands of these lakes which are being destroyed through pollution, siltation, algae growth, sedimentation, and the rest.

This program was enacted 3 years ago and has never been funded adequately. The distinguished manager of this bill has been one of the chief sponsors of this program over the years, because, like Minnesota, Wisconsin is a great freshwater State, and his State is probably further ahead in this program than any other State in the Union. Therefore, I hope that the distinguished floor manager of the bill will accept this amendment.

Mr. PROXMIER. Mr. President—on my time—I wish I could accept this amendment, and I certainly would, if I felt I possibly could, but I cannot do so.

I say that although the Senator from Minnesota made an excellent presentation before the subcommittee. He convinced me that this program is badly needed and that we should have it.

But let us look at the facts. As of June 30—and that is the latest date for which we have information—the Environmental Protection Agency has not obligated the \$4 million provided in fiscal 1975 for the clean lakes program. They are just now proceeding with the first round of the program. Based on applications received from States for use of the \$4 million in 1975, it seems that it will be very difficult to expect them to be able to obligate more than the \$10 million the Senate has provided.

Furthermore, it is my understanding that we need more time to evaluate the cost effectiveness of the lake restoration programs now under consideration before greatly accelerating the activity.

In his veto message in the 1975 Agriculture, Environmental and Consumer Protection Appropriation Act, the President said:

The feasibility of this cleanup program has not yet been proven. Furthermore, study is

essential if we are to avoid ineffective Federal spending for these purposes.

I think the President may well be wrong and the Senator from Minnesota right. The appearance of the Senator from Minnesota was very convincing. However, this is a program that will accelerate more than 100 percent if we simply provide the \$10 million in the bill. We are providing only \$4 million now. They ask for nothing in the budget, so we would be \$50 million over the budget. Even if we put in the \$50 million and got it through the House, there would be very little chance that the administration would proceed any faster than they would if we provided \$10 million.

For these reasons, I think it would be a mistake on the part of the Senate to accept the amendment and go another \$50 million over the budget. With the adoption of the Stevenson amendment a few minutes ago, we are now well over \$300 million above the budget and above the House. There is some prospect that if we put more than \$10 million in the budget it might be an additional reason for a veto.

Mr. HUMPHREY. Will the Senator yield?

Mr. MONDALE. I am glad to yield to the Senator from Minnesota (Mr. HUMPHREY).

Mr. HUMPHREY. Mr. President, Senator MONDALE and I are offering an amendment to increase the appropriation for section 314 of the Federal Water Pollution Control Act from \$10 million to \$25 million. We are offering this amendment because of our conviction that our Government must live up to its commitment, enacted in the Federal Water Pollution Control Act, to help our States and cities clean up our lakes.

The amendment which we are offering will not provide full funding for the clean lakes programs. It will not enable us to meet all of the needs which exist. But it will be a step in the right direction.

Last year, Congress appropriated \$75 million for the clean lakes programs, but as a result of a Presidential veto, that \$75 million was scaled down to \$4 million. Even that \$4 million was not used for the purpose which we intended—cleaning up our lakes—but rather was used for a research program which I found indistinguishable from section 104(h) of the same Pollution Control Act.

This year, the administration made no request for funding of the clean lakes program. The Senate Committee on Appropriations, however, did recommend some funding for this program.

I believe the Appropriations Committee should be commended for its wisdom in continuing to provide funds for this program and for increasing the funding above the current level. But I think we should fund this program at an even higher level.

The need certainly is there. My own State of Minnesota estimates that it will need to spend \$44.7 million over the next 4 years to clean up our lakes. Other States, I am certain, have similar needs. The national eutrophication survey, in examining 242 lakes in just 10 States, reached the conclusion that 80 percent

of the lakes are in bad condition or going dead.

We possess the skills to clean up our lakes. But to date, we have not possessed the commitment at the Federal level to do so. Our amendment to increase funding for this important program will be a step in the right direction.

The ACTING PRESIDENT pro tempore. The Chair will have to call the attention of the gallery to the fact that they are invited visitors and guests and, therefore, conversation will have to be kept down so that the Chair can maintain order.

The Senator will proceed.

Mr. HUMPHREY. The point that I seek to emphasize is that a judgment has been made on this item at a larger figure on an earlier occasion. That is No. 1.

Second, when the EPA and the OMB does not have money available, they always have excuses. If money is made available, hopefully, they will be able to use it in a constructive fashion. If we have only \$10 million for all the lakes in the United States of America for clean-up, at a time when everybody knows that this precious resource is being destroyed in place after place and State after State, I think that we would be inviting the criticism that we do not care. As I understand my colleague, the Budget Committee chairman (Mr. MUSKIE) who has responsibility here as the budget officer for the Senate, did not find himself in opposition to this but felt it was agreeable. Is that correct?

Mr. MONDALE. The Senator is correct. When we were marking up the budget resolution in our calculations, that, of course, did not show in the resolution itself. But our calculations easily accommodate this amendment. In other words, what we are proposing with this modest amendment is that we appropriate only two-thirds as much as we appropriated last time, and that we appropriate only one-third of the authority.

This seems to be a modest approach. The program is finally getting started. The total requested already is \$10 million, with several other new projects coming in. This is a program that is at least 40 years late in America. All over our Nation, these cherished fresh-water community lakes are being destroyed by pollution, siltation, and algae growth. It is one piece of the total environmental picture that has been ignored. Finally, the agency is beginning to move, these applications are beginning to be received and processed. Just at a time when the program should be taking off and when, incidentally—I must argue with the distinguished floor manager on this—when we are learning a great deal about very effective techniques of cleaning up and protecting these lakes—this is the time when we should have a modest increase in the program in order to get moving. That is all we are proposing to do.

Mr. HUMPHREY. Mr. President, in order that we can hurry on so we can get the rollcall vote on it I wish to ask for the yeas and nays.

Mr. MONDALE. Let me modify my amendment first.

I modify my amendment to provide for an additional \$15 million for the program so that the amendment will read, on page 20, line 13, strike out \$370 million plus and insert in lieu thereof, \$385 million.

The ACTING PRESIDENT pro tempore. The amendment is so modified.

Mr. HUMPHREY. What we are talking about here is a very small amount. It gives the Government a chance to move ahead. The States are ready to move ahead. Localities are ready to move ahead. The only problem is, again, the dead-end street, Dullsville, Washington, D.C.

The ACTING PRESIDENT pro tempore. The yeas and nays have been called for. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. Is all time yielded back on this amendment?

Mr. MONDALE. I yield back my time.

Mr. PROXMIRE. Mr. President, I have not yielded back my time yet.

Once again, I say I appreciate the presentation of the Senators from Minnesota. I agree that Wisconsin is particularly anxious to get this kind of legislation. We would benefit greatly from it. But there is no question in my mind at all that the administration is not going to proceed that fast. \$10 million would mean a rapidly escalating program, a more than 100-percent increase, and I doubt if we are going to get more action.

Mr. President, in view of the fact that this is an amendment which I think can be misinterpreted, under the circumstances the Senate would be better served if I moved to table the amendment.

Mr. MONDALE. Will the Senator withhold?

Mr. PROXMIRE. I beg the Senator's pardon. I thought he was through.

Mr. MONDALE. Mr. President, all we are asking for in this modified amendment is that we appropriate \$25 million to help the communities around the Nation to clean up their fresh water community lakes. Last year, we appropriated \$75 million, but regrettably, the bill was vetoed. There are already many applications—good applications—from the State of Washington, from Wisconsin, from Minnesota, from Florida—all over the country—in this crucial area. To ask for a modest \$25 million for this national program, when we already know how to deal with them, and when the program is finally getting going, seems to me to be the most modest kind of request. As a matter of fact, I had hoped that the distinguished floor manager would accept the amendment. In any event, I hope the Senate will accept it.

Mr. PROXMIRE. As I understand it, we did appropriate the \$75 million. That was vetoed. The second time around we appropriated \$4 million.

Mr. MONDALE. That is correct.

Mr. PROXMIRE. Now we are going to \$10 million. I hope we do not get a veto. The total of \$10 million, as I say, would be more than a 100-percent increase.

I move to table the amendment, Mr.

President, and I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion to table the amendment of the Senator from Minnesota (Mr. MONDALE). 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 Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from North Dakota (Mr. BURDICK), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Ohio (Mr. GLENN), the Senator from Colorado (Mr. HART), the Senator from Indiana (Mr. HARTKE), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. METCALF), the Senator from North Carolina (Mr. MORGAN), the Senator from Wisconsin (Mr. NELSON), and the Senator from Missouri (Mr. SYMINGTON), are necessarily absent.

I also announce that the Senator from Michigan (Mr. HART) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BARTLETT), the Senator from Oklahoma (Mr. BELLMON), the Senator from Arizona (Mr. GOLDWATER), the Senator from Illinois (Mr. PERCY), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

The result was announced—yeas 40, nays 40, as follows:

[Rollcall Vote No. 336 Leg.]

YEAS—40

Allen	Fannin	Montoya
Baker	Fong	Nunn
Beall	Garn	Pastore
Bentsen	Griffin	Pearson
Brock	Hansen	Proxmire
Buckley	Helms	Roth
Byrd,	Hruska	Scott,
Harry F., Jr.	Johnston	William L.
Byrd, Robert C.	Laxalt	Sparkman
Cannon	Mansfield	Stennis
Curtis	Mathias	Talmadge
Dole	McClellan	Thurmond
Domenici	McClure	Tower
Eagleton	McGee	Young

NAYS—40

Abourezk	Huddleston	Fell
Brooke	Humphrey	Randolph
Bumpers	Inouye	Ribicoff
Case	Jackson	Schweiker
Chiles	Javits	Scott, Hugh
Clark	Kennedy	Stafford
Cranston	Leahy	Stevenson
Culver	Magnuson	Stone
Ford	McGovern	Taft
Gravel	McIntyre	Tunney
Haskell	Mondale	Weicker
Hatfield	Moss	Williams
Hathaway	Muskie	
Hollings	Packwood	

NOT VOTING—19

Bartlett	Glenn	Morgan
Bayh	Goldwater	Nelson
Bellmon	Hart, Gary W.	Percy
Biden	Hart, Philip A.	Stevens
Burdick	Hartke	Symington
Church	Long	
Eastland	Metcalfe	

So the motion to lay on the table Mr. MONDALE's amendment was rejected.

Mr. MONDALE. Mr. President—

The ACTING PRESIDENT pro tem-

pore. The question recurs on the amendment. The yeas and nays have been ordered.

The Senator from Minnesota.

Mr. MONDALE. Mr. President, I was going to suggest to the distinguished floor manager that the sponsors of the amendment would be willing to compromise further.

The original amendment would have added \$40 million. This amendment added \$15 million. We would suggest reducing it another \$5 million, so we would be adding only \$10 million.

I would hope the Senator from Wisconsin, who has been one of the Nation's champions on this program, could, on this lovely Saturday afternoon, accede to that request.

Mr. PROXMIRE. May I say to my good friend from Minnesota, the Senator goes more than 100 percent over what we did last year. He wants to go 400 percent over what we did last year.

Mr. MONDALE. The truth of it is that we went \$75 million, this year we are going only \$10 million, so I do not know—

Mr. PROXMIRE. In view of the fact that we lost the tabling motion, I am perfectly willing to accept this compromise provided we do it by a voice vote and not waste the time of the Senate.

Mr. HUMPHREY. Great, let it go.

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

The yeas and nays are withdrawn. The amendment is modified to the figure of \$380 million.

The amendment, as modified, was agreed to.

The amendment, as modified, is as follows:

On page 20, line 13, strike out "\$370,766,000" and insert in lieu thereof "\$385,766,000".

Mr. HELMS addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senate will be in order. At this time, Senators will withdraw to the cloakroom or take their seats. The Senate will be in order. Staff members will take their seats.

The Senator from North Carolina.

Mr. DOMENICI. Mr. President, will the Senator yield?

Mr. HELMS. Yes, I am happy to yield to the able Senator from New Mexico.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Frank Gorham of my staff be granted the privilege of the floor.

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

Mr. HELMS. Mr. President, I send to the desk an amendment and ask that it be stated.

The ACTING PRESIDENT pro tempore. The clerk will state the amendment.

The assistant legislative clerk proceeded to read the amendment.

Mr. HELMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place add the following new section:

"Sec. (). Prior to December 1, 1975, no part of the funds appropriated by this Act shall be used directly or indirectly to provide Federal financial assistance, including grants, loans, or loan guarantees, to or for the benefit of Soul City New Community Project in Warren County, North Carolina, which is under investigation and audit by the General Accounting Office."

Mr. HELMS. Mr. President, this amendment is directed to the appropriations for the Department of Housing and Urban Development. It provides that prior to December 1, 1975, none of these funds shall be used directly or indirectly to provide Federal financial assistance, including grants, loans, or loan guarantees, to or for the benefit of the Soul City new community project in Warren County, N.C., which is currently under investigation and audit by the General Accounting Office.

That project is being investigated and audited by the General Accounting Office because, along with the distinguished House Member from the Second District of North Carolina (Mr. FOUNTAIN), I requested such action. Let me emphasize at the outset that while the Senator from North Carolina has some tentative conclusions about the project which he is about to discuss, I shall withhold final judgment until all of the facts are in. But it is essential, at this time, that some information already available be presented to the Senate.

In 1968 when the plans for the creation of Soul City were first announced, there were grandiose plans indeed. The developer, Floyd McKissick, and others widely advertised that it would be a haven for black people, apparently the idea was that blacks needed to have a city that was all theirs. This project, it was said, would be a new, "freestanding" community with its own industrial base to be developed by black-controlled corporations.

It was to be established in my State, North Carolina, about 50 miles northeast of Raleigh in Warren County. Indeed, travelers along Interstate Highway 85 may see the large sign indicating its proximity.

The ACTING PRESIDENT pro tempore. The Senate is not in order. The Chair requests the visitors in the galleries to cease from conversing so that the Senate can be in order.

The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

During the earlier years, Soul City officials assured that the project would house 44,000 residents in 13,000 homes. Of course, that was a long range projection. That was 7 years ago.

The city was to cover some 5,000 acres including a 928-acre industrial park which, it was said, would ultimately employ 8,200 people. To achieve all this, the Soul City foundation and a proliferation of other organizations created by Mr. McKissick for the obvious purpose of applying for Federal funds have been awarded numerous large grants, provided loan guarantees, and the like, to develop programs in education, manpower training, health services and rec-

reation, industrial development, and many other areas.

The level of Federal financial assistance to Soul City, directly or indirectly, has indeed been a remarkable manifestation of social engineering, and another unmasking the tired old concept that enough money thrown helter-skelter at any problem will make it go away, or when thrown in similar fashion at any proposal, will make it happen. In one form or another over the past 6 years, the Federal Government has thrown millions of the taxpayers' dollars at this project through the Department of Housing and Urban Development, the Office of Economic Opportunity, the Department of Health, Education, and Welfare, the Department of Labor, the National Endowment of the Arts, the Environmental Protection Agency, and the Department of Transportation. No one is certain how much money is involved, but estimates run as high as \$19 million or more.

The operators of this project—which, by the way has the appearance of a family enterprise, of course, wanted the new city to have fine streets and roads, proper water and sewer facilities, adequate housing, and educational opportunities as well as employment training so that individuals can learn how to work. And, of course, there had to be recreational and cultural facilities. Hence, the involvement of all those Federal Departments and agencies at the taxpayers expense. One wonders how many of those taxpayers, footing the bill for all of this, were taught how to work under some Federal project or spend their evenings absorbing the kind of so-called culture that is supported by the National Endowment of the Arts, but then that is another matter. The point here is that you name it, and it seems that the Soul City developers found some Federal agency with funds to finance it.

The General Accounting Office recently provided me with a list of grants, contracts, agreements, loans, and loan guarantees benefiting Soul City that had been identified as of May 15, 1975. I understand that it required weeks to compile this list. And, of course, who knows how many more they may ultimately identify?

The list of the individual items is lengthy and complicated. It is informative to note a few, however. For example, on February 26, 1974, the Soul City Co. received a loan guarantee from the HUD-New Communities Administration in the amount of \$14 million for land acquisition and land development. Of this amount, \$5 million in federally guaranteed bonds have been sold. Between July 1, 1971, and June 30, 1972, the Office of Economic Opportunity through its Community Services Administration, provided grants to the Soul City Foundation in the amount of \$98,934 to plan and develop a comprehensive health delivery program. Between March 1, 1973, and June 30, 1974, OEO, again through its Community Services Administration, provided a grant in the amount of \$90,000 for a social planning project.

Between July 1, 1973, and August 30, 1974, the Office of Education of HEW

provided grants in the amount of \$98,220 to compensate for past cultural and educational disadvantages of minority and low-income whites—learning lab. Between January 1, 1973, and September 30, 1973, the National Endowment of the Arts provided grants in the amount of \$12,500 for arts advocate-support planning of a cultural arts program for Soul City.

Moving on down the list, the Department of Labor, between September 1, 1974, and August 30, 1975, has, or will, provide grants in the amount of \$34,392 for outreach-recruitment-placement programs. Between May 1, 1974, and August 30, 1974, the Community Services Administration, previously mentioned, provided \$502,875 for economic development demonstration project. On September 28, 1973 HUD handed over to the Soul City Sanitary District a grant in the amount of half a million dollars for water and sewer needs of the community. That same day, HUD gave the same Soul City Sanitary District another \$204,000 grant for the same purpose to supplement the half million dollar grant, making a total of \$704,000 that the Soul City Sanitary District received from HUD on that one day.

Then, on close examination, it appears that on that same day, September 28, 1973, HUD delivered another grant in the amount of another half million dollars to Soul City Utilities Co. That makes a total \$1,204,000 in grants for Soul City Sanitary District and Soul City Utilities Co. from HUD on that 1 day—September 28, 1973.

It is interesting to note that thus far I have mentioned the following organizations directly associated with Soul City: First, the Soul City Co.; second, Soul City Foundation; third, Soul City Sanitary District, fourth, Soul City Utilities Co. Also, there is the Health Co., which has received over a million dollars in OEO grants; and then, there is the Warren Regional Planning Corp.

Between May 26, 1972, and July 25, 1973, the Warren Regional Planning Corp. received contract awards in the amount of \$333,140 from the Office of Minority Business Enterprises of the Department of Commerce to plan, promote and develop an industrial program for Soul City.

Mr. President, the list goes on and on, but I will not belabor the point further. Millions upon millions of the taxpayers' dollars have been spent for the creation of this so-called "free standing" new community. But, in the years following that announcement back in 1968, and the provision of all this money, there has been no industry at Soul City, no shops, no houses—there is no city, just a sign, a few house trailers, and a little partial construction. In all, six federally assisted organizations, formed by Mr. Floyd McKissick, have received large sums of money in one form or another for the benefit of Soul City. Yet, as one reporter noted, the place is appropriately named, because there is hardly a soul there.

Where has all the money gone? A press investigation concluded that the aforementioned health company spent

\$339,968 in 1972-73 on a regional health clinic for Vance and Warren Counties, the location of Soul City, and most of the money went for salaries. Not one patient was treated. The clinic eventually opened on August 5, 1974, 11 months behind schedule. It is located within the Soul City limits, if there can be such, with no city, in two double-wide trailers rented from one of Mr. McKissick's companies, the report stated.

The Warren Regional Planning Corp., also previously mentioned, was given \$257,500 in 1972-73—according to the press report figure, GAO has a larger one—to plan an industrial program for Soul City and to persuade industries to locate there. That corporation apparently did a lot of planning, but we are told that it recruited no industry. In its report to the Office of Minority Business Enterprises, the corporation conceded that its industry recruiting efforts were "premature." This same story is repeated over and over.

I ask unanimous consent that an editorial entitled "Soul City Needs Thorough Audit" from the News and Observer, Raleigh, N.C., dated March 5, 1975, be printed in the RECORD at this point.

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

SOUL CITY NEEDS THOROUGH AUDIT

Clearly there is need for a thorough public audit of Floyd B. McKissick's Soul City development in Warren County. And obviously a credible audit is possible only by such a congressional agency as the Government Accounting Office, which is independent of the federal departments and bureaus that are financing this venture.

A series of investigative stories by Reporter Pat Stith discloses numerous federal grants, loans and loan guarantees made to five non-profit Soul City organizations controlled by McKissick and interlocked with four profit-making organizations also headed or dominated by him.

More than \$5 million made possible by 23 programs under six federal agencies has been funneled into Soul City. And another \$14 million mostly under federal loan guarantee is available. Yet, after six years there still is no Soul City. There is only an office and industrial building under construction—with no tenants in sight for it—and a handful of mobile homes housing the Soul City organizations.

Behind this costly and unpromising new town development, Reporter Stith found political impropriety, apparent conflicts of interest, mismanagement of federal funds and nepotism.

Memoranda on the last presidential campaign, obtained by the Senate Watergate committee, link McKissick's success in getting federal help to his change in political loyalty to former President Nixon. McKissick made 20 of the 23 federal financial arrangements for Soul City after publicly endorsing the former president's re-election campaign. He changed his party registration, headed a national political committee and made a personal gift of \$500 to the re-election campaign just before or at the same time three of his Soul City organizations were negotiating for federal financial help that eventually was granted.

McKissick's control and influence within the four profit-making and five non-profit organizations that own and comprise Soul City give a clear appearance of conflict of interest. For instance, McKissick is chairman of the non-profit Warren Regional

Planning Corp., which got \$274,000 in federal funds in 1973 to provide "technical assistance" to the profit-making Floyd B. McKissick Enterprises Inc., which he also heads. A partial audit of Soul City operations by the U.S. Department of Commerce shows that McKissick Enterprises Inc. controlled furniture that had been paid for with government funds and was then rented to the government-financed planning corporation that he also heads. The same audit shows McKissick Enterprises charged the same planning organization that he heads more than five times an acceptable rental cost for trailer office space. Overall, the audit questioned one-third of the planning organization's expenditures, but nothing ever resulted from the questioning.

McKissick's wife serves as chairman of Soul City Sanitary District, which got a \$704,000 federal grant to build a water and sewer system for the Soul City development, which is controlled by McKissick. One of McKissick's two minor partners, T. T. Clayton, serves on four of the nine Soul City organizations. Clayton's wife is the \$20,000-a-year director of Soul City Foundation Inc., one of the five groups with which Clayton isn't directly connected. McKissick's son-in-law is the \$17,000-a-year associate director of the foundation. This foundation has obtained eight federal grants totalling more than \$1 million to plan and implement social and human services programs for the future Soul City.

These questionable aspects of McKissick's venture in Warren County are but a few of its disturbing features. They suggest strongly that public funds aren't being spent wisely or in an accountable manner. An independent audit that can trace all the sources and expenditures of federally related funds in the project is essential before there can be any confidence in the development.

Without this confidence McKissick will never attract private industry to Soul City. And without job-creating industry there will never be a community there. Some order must be brought to management of the project to save it, or else to prevent further waste of public funds on it. And an accounting is needed of the ethics and legality, or lack of them, that have brought the project to its present status.

Mr. HELMS. Despite the fact that an investigation and audit of the participation of the Federal Government in the Soul City project has been underway for some time, certain Federal agencies are continuing to provide Soul City with financial assistance. On July 3, 1975, the Office of Minority Business Enterprise of the Commerce Department announced that it had awarded a new 2-year contract in the amount of \$320,000 to Warren Regional Planning Corp. for Soul City. And on July 15, 1975, the Community Services Administration, formerly of OEO—but now I am advised it is part of HEW—awarded to Soul City Foundation, Inc., a grant in the amount of \$50,000 to run for 3 years. Its stated purpose is to provide assistance to the Soul City Foundation, an educational, cultural and new city—help to build it—venture. This grant will finance the closeout of a previous CSA program conducted by the delegate agency—Soul City Foundation.

Realizing that Federal financial assistance to Soul City is obviously continuing despite the ongoing investigation and audit by the General Accounting Office, I prepared this amendment to the HUD appropriations bill to pre-

clude that Department from providing any further financial assistance for the benefit of Soul City pending the report of that audit and investigation which is expected to be filed sometime in November.

However, yesterday morning, while on the Senate floor about 8 o'clock for the Senate to resume its consideration of pending matters, I decided to call Mrs. Carla Hills, the distinguished Secretary of the Department of Housing and Urban Development and inquire about this matter. The time by then was exactly 8:10. I found her in her office, hard at work. I learned that she had arrived at her office more than an hour before. I was exceedingly impressed by the diligence and dedication of this hardworking public official. We discussed the matter, and subsequently I had a telephone conversation with Dr. Otto Stoltz, general manager of the Community Development Corp. In the course of these conversations I received unqualified assurance that HUD would not provide further financial assistance to Soul City until the report of the audit and investigation is in. Therefore, Mr. President, I shall ask unanimous consent in a moment that my amendment be withdrawn.

Mr. President, let me say further, however, that I believe that the other Federal agencies involved with this Soul City matter should exercise the same wisdom and cooperation exhibited by the officials at HUD, and withhold further financial assistance, whether direct or indirect, from Soul City pending the audit report. I believe that a prudent consideration of the taxpayers' dollars requires no less.

This is not just a routine audit. It is an audit that has been requested by not just one Member of the Congress, but two. It is an audit that has been advocated by one of the largest newspapers in my State, based upon an investigation by its reporters. Now, I do not know what the report of the audit and investigation will say. I do not know if it will be favorable or negative toward the use of these millions upon millions of dollars of tax money. But, I do know this: however that money has been used, for whatever purposes, it is widely regarded as a gross waste. There have been funds expended for health care, but there are no patients. There have been funds expended for art and culture but there is no evidence of such there, except for the traditional folk art, and so forth, of the area, and we have always had that for free. There have been funds expended for industrial recruitment and employment training, but there is no industry and there are no employees. There have been funds expended for roads, water and sewer needs, and social planning, but except for the occupants of a few house trailers, there are no people.

Whatever the result of the inquiry of the General Accounting Office, an obvious fact will remain—Soul City is suspected by many citizens of my State as the greatest single waste of public money that anyone in North Carolina can remember. It is based upon concepts developed out of an intellectually and morally bankrupt doctrine, a doctrine that sug-

gests that enough money thrown at any problem will make it go away, or thrown at any proposal will make it happen.

It just does not work that way, Mr. President. There really is no such thing as a free lunch. Somebody must pay the price. The taxpayers of my State are quite certain that they know who that "somebody" is.

I withdraw my amendment.

Mr. PROXMIRE. Mr. President, before the Senator withdraws his amendment will he permit a response by the Senator from Massachusetts?

Mr. HELMS. Provided I have time for a response to the Senator from Massachusetts, if needed.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. HELMS. Mr. President, the Senator from North Carolina, I believe it will be agreed, does not consume much time in the Senate. I hope I will therefore have the privilege of discussing this situation.

Mr. PROXMIRE. Would the Senator be willing to have me guarantee I will offer him 5 minutes on the bill if he wants to respond to the Senator from Massachusetts?

Mr. HELMS. That will be satisfactory depending on the circumstances, yes. I thank my able friend from Wisconsin.

Mr. MANSFIELD. Mr. President, I would point out that in 1 minute from now, we are going on controlled time on a veto message from the President of the United States.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. BROOKE. As I understood, this amendment was to have 30 minutes, 15 minutes to a side.

Mr. MANSFIELD. The Senator will not lose his minutes; but what I am saying is, the Senate has agreed to go under controlled time beginning at 1:15, and if the Senator started now he would probably have only half a minute.

Mr. HELMS. Could that time be extended, say, for 20 minutes?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that instead of the time on the veto message starting at 1:15, the time start at 1:30 and continue until 2 o'clock, and that the vote be taken at that time, with the time between to be equally divided between and controlled by the majority leader and the minority leader, or their designees.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The vote will occur not later than 2 o'clock.

Mr. BROOKE. I thank the majority leader.

Mr. President, we lawyers always say that every case has two sides, and we have heard the side which has been presented by the able Senator from North Carolina on the question of Soul City.

I will not get into what Soul City has done or has not done. I frankly do not know. I think the record will speak for itself as to what Soul City has done, and I am not one to object to a GAO audit of Soul City or of any other agency. Of

course, every Senator has a right to make such a request. The Senator from North Carolina having made the request, I am sure GAO will conduct an audit of Soul City, and we will know the result.

But, Mr. President, I think, in all fairness, that the RECORD ought to show just what is involved in this case.

An article which appeared in the Raleigh News and Observer made certain allegations against the new town of Soul City, and that is why this audit was requested. However, HUD conducted an investigation of Soul City on its own, and I have a letter which was addressed to Mr. Claude Sitton, the editor of the Raleigh News and Observer, Raleigh, N.C., from a Mr. Melvin Margolies, Assistant Administrator, Office of Finance, of HUD's Office of New Communities. I am going to read a portion of that letter, because I think it is relevant:

DEAR MR. SITTON: At the time Mr. Pat Stith, the reporter responsible for the *News and Observer's* recent series on Soul City, first appeared at our offices, it was apparent to us that Mr. Stith did not intend to present a fair and balanced report on the subject. During the course of discussions, Mr. Stith consistently evidenced disinterest in any and all positive aspects of the Soul City project. Furthermore, his reporting of the facts and statements was often inaccurate, misleading or unsupported. For example, Mr. Stith attributed the quote to the General Manager that a certain matter could not be researched by the staff because "I just can't take the manpower to do that." In fact, in response to a series of very abrasive comments and questions by Mr. Stith, the General Manager indicated that he did not have the staff to investigate in detail every unsubstantiated allegation of news reporters, but would clearly do so in response to substantive inquiries or concerns by the appropriate persons.

Furthermore, Mr. Stith's representations with respect to the relationship of pre-development costs, the required equity contribution and grants from the Office of Minority Business Enterprise of the Commerce Department were inaccurate.

Reading from another part of this letter, and I will put the entire text into the RECORD:

Unlike most of the other Federally sponsored new communities, Soul City has not depleted its initial funds but has, in fact, spent less than the projected budget during its first development year. To proceed cautiously at a time of severe slump in the housing industry is a commendable course of action. Special escrow disbursement controls which were placed on Soul City at the time of its financial closing have insured that the HUD guarantee funds would not be expended too rapidly.

The entire emphasis of the Soul City project has been to bring jobs into Warren and Vance Counties. These counties have been losing jobs for 25 years due to a decline in farming. Overall population in the region has been static for this period. The desire to reverse these trends led the State of North Carolina, the cities of Oxford and Henderson, and Warren County to support the Soul City project. The unique concept of Soul City is to provide experience with rural growth centers. This concept has been actively advocated by planners, economists and legislators.

On January 31, 1975, the Office of the Inspector General of HUD completed a review of the Soul City Company. This audit was

designed to cover the activities of the Soul City Company, the HUD Area Office, and the local government agencies as they pertained to the administration of the \$10 million of Federal grants and loans and the \$5 million New Community guarantee. The findings of this audit were as follows:

"In regard to the accounting and reporting systems used in controlling grant funds, we evidenced no mismanagement of grant and loan funds."

Concluding:

It is indeed distressing to me to encounter a reporter and a series of articles that so clearly display preconceived personal bias. Undoubtedly, Soul City has many problems and difficulties, some of which are included in Mr. Stith's articles. That the Soul City project should experience obstacles and difficulties is not surprising. That the *News and Observer* should devote 17 articles over 8 days discussing the project and not find a *single positive point* or offer a *single rationale* for its problems is a matter for its readers to ponder. One need only read the major financial publications to conclude that most large-scale real estate developments are presently in serious financial difficulty. It would appear to me that fairness would have required a more balanced attitude, investigation and report.

Sincerely,

MELVIN MARGOLIES,
Assistant Administrator Office of Finance.

That is, of HUD's Office of New Communities.

Mr. President, as I said, we want fairness. Of course, if there is any irregularity in the handling of Federal funds by Soul City, or any other new town, or any other agency, then we ought to have a complete investigation, audit, and report to the Congress of the United States.

But I do not think we ought to withhold grants merely because some newspaper reporter has made a charge which HUD has already found to be the result of personal bias. I think we ought to go on with grants to Soul City, wait for the audit to be returned and, if we find any irregularity, then we should act upon the irregularity at that time.

We do not hold up grants to any other agency, any other department of this Government, any other town, or any other city merely on the basis of allegations made by a newspaper reporter.

When are we going to stop trying people and convicting them without evidence? This is a nation of laws, not of men. We have said it time and time again.

I am very pleased that the distinguished Senator from North Carolina is not pressing his amendment. He has every right to bring this matter to the attention of the Senate, as he has done, and he has every right to ask for an audit. But we also have every right to hear and know all of the facts before the Senate of the United States is called upon to make a decision and cast its vote.

I will be very pleased to yield to the distinguished Senator from North Carolina the remainder of any time that I may have. But I do think that the record ought to clearly state, and I have tried to at least bring to the attention of the Senate through its *RECORD*, the statement of a Federal employee in the Office of New Communities at HUD, indicating what HUD's findings have been, and

HUD is the proper department initially to investigate these matters for the Congress of the United States. I do not say that the GAO should not do the audit, but the investigation should initially be done, as it has been done, by HUD. And they found no irregularity.

Mr. President, I ask unanimous consent that the entire text of the letter that was written by Mr. Margolis to Mr. Sitton be printed in the *RECORD* at this time.

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

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

MR. CLAUDE SITTON,
Editor, *Raleigh News and Observer*,
Raleigh, N.C.

DEAR MR. SITTON: At the time Mr. Pat Stith, the reporter responsible for the *News and Observer's* recent series on Soul City, first appeared at our offices, it was apparent to us that Mr. Stith did not intend to present a fair and balanced report on the subject. During the course of discussions, Mr. Stith consistently evidenced disinterest in any and all positive aspects of the Soul City project. Furthermore, his reporting of the facts and statements was often inaccurate, misleading or unsupported. For example, Mr. Stith attributed the quote to the General Manager that a certain matter could not be researched by the staff because "I just can't take the manpower to do that." In fact, in response to a series of very abrasive comments and questions by Mr. Stith, the General Manager indicated that he did not have the staff to investigate in detail very unsubstantiated allegation of news reporters, but would clearly do so in response to substantive inquiries or concerns by the appropriate persons.

Furthermore, Mr. Stith's representations with respect to the relationship of pre-development costs, the required equity contribution and grants from the Office of Minority Business Enterprise of the Commerce Department were inaccurate. Mr. Stith states that the \$1.5 million in required equity at the financial closing included \$500,000 for documents HUD cannot identify. HUD did not value pre-development documents as part of the required equity contribution. The actual pre-development costs approved by HUD were not for the purchase of, or represented by, specific "documents." These costs were of the normal type incurred in the course of land development and authorized by legislation as eligible to be funded from the proceeds of the HUD guaranteed loans. They included such items as interest, commitment and guarantee fees, real estate taxes, planning, engineering, auditing and legal fees, and overhead salaries and expenses. The total amount of actual costs of pre-development which McKissick Associates had incurred was \$1.28 million. Under normal circumstances the \$1.28 million would have been repaid to the entity who actually paid for these costs. In the case of Soul City, HUD required an equity contribution by the investors of \$1.5 million. One million dollars in cash had already been contributed to the developer. In order to insure that the other \$500 thousand was properly invested in Soul City, HUD insisted that, instead of the \$1.28 million being paid out and then \$500 thousand being transferred back to Soul City, Soul City deduct the \$500 thousand from the \$1.28 million and remit only the difference of \$728 thousand to the entity entitled to such payment. This insured that Soul City did, in fact, have its total required equity contribution of \$1.5 million.

In addition, Mr. Stith implies that HUD permitted the developer to draw funds from

the HUD guaranteed loans without determining if a part of these funds were for reimbursement of costs previously paid by another Federal agency—namely, a \$274,000 grant from the Office of Minority Business Enterprise ("OMBE"). This is inaccurate. The pre-development costs paid from the OMBE grant were expressly excluded from the developer's certificate of valuation and not included in any of the certificates of eligible costs for draws from the HUD guaranteed funds.

An example of a misleading presentation is the implication that McKissick made a \$260,000 profit on the purchase and sale of the Satterwhite Farm. In 1969, McKissick paid \$390,000 for 1810 acres. Thereafter, he acquired 250 additional acres for \$74,500. In 1974, these parcels were sold to the Soul City Company for \$600,500, which represented McKissick's original cost plus the carrying costs during the holding period. Therefore, in fact, the actual transaction was directly contrary to Mr. Stith's implied conclusion resulting from an inaccurate and misleading presentation.

The general allegations of misconduct at the time of the financial closing, which occurred in March, 1974, are not facts within my personal knowledge since I did not arrive at HUD until April, 1974. However, these facts are being investigated by the General Accounting Office and the staff. If evidence of wrong-doing is found, we will be the first to insist that appropriate remedial action be taken immediately. Furthermore, new financial and monitoring control systems instituted upon my arrival will insure that any and all expenditures by Soul City are for appropriate purposes prescribed by the legislation.

Mr. Stith's articles failed to emphasize many of the significant positive accomplishments and prospects for Soul City. For example:

The bulk of the grant funds obtained through the efforts of Mr. McKissick, the Soul City Company, and its subsidiaries have benefited the entire region. For example, the Federal Government has provided \$6 million to support the construction of a regional water system, 80% of which will meet the needs of Oxford, Henderson, and unincorporated portions of Warren and Vance Counties. Another \$2 million was provided to aid the existing Warren and Vance County Schools and \$1.8 million has been spent to provide health services to the existing residents of the region.

Unlike most of the other Federally sponsored new communities, Soul City has not depleted its initial funds but has, in fact, spent less than the projected budget during its first development year. To proceed cautiously at a time of severe slump in the housing industry is a commendable course of action. Special escrow disbursement controls which were placed on Soul City at the time of its financial closing have insured that the HUD guarantee funds would not be expended too rapidly.

The entire emphasis of the Soul City project has been to bring jobs into Warren and Vance Counties. These counties have been losing jobs for 25 years due to a decline in farming. Overall population in the region has been static for this period. The desire to reverse these trends led the State of North Carolina, the cities of Oxford and Henderson, and Warren County to support the Soul City project. The unique concept of Soul City is to provide experience with rural growth centers. This concept has been actively advocated by planners, economists and legislators.

On January 31, 1975, the Office of the Inspector General of HUD completed a review of the Soul City Company. This audit was designed to cover the activities of the Soul City Company, the HUD Area Office, and the local government agencies as they pertained to the administration of the \$10 million of

Federal grants and loans and the \$5 million New Community guarantee. The findings of this audit were as follows:

The results of the inquiry, observation, and examination disclosed one major area of concern which pertained to administrative matters among HUD officers which may have resulted in less efficiency.

"In regard to the accounting and reporting systems used in controlling grant funds, we evidenced no mismanagement of grant and loan funds."

It is indeed distressing to me to encounter a reporter and a series of articles that so clearly displays preconceived personal bias. Undoubtedly, Soul City has many problems and difficulties, some of which are included in Mr. Stith's articles. That the Soul City project should experience obstacles and difficulties is not surprising. That the *News and Observer* should devote 17 articles over 8 days discussing the project and not find a *single positive point* or offer a *single rationale* for its problems is a matter for its readers to ponder. One need only read the major financial publications to conclude that most large-scale real estate developments are presently in serious financial difficulty. It would appear to me that fairness would have required a more balanced attitude, investigation and report.

Sincerely,

MELVIN MARGOLIES,
Assistant Administrator,
Office of Finance.

Mr. HELMS. Mr. President, I agree with the Senator from Massachusetts if I understand him to say that there ought to be fairness. As for the *News Observer*, and its bias, to which the Senator from Massachusetts alluded, let me say to the Senate that the *News Observer*, which is charged by the Senator and Mr. Margolies with being so biased now, was a friendly advocate of Soul City until its fine reporter, Mr. Stith, went over there and looked at it.

So I would say to the distinguished Senator from Massachusetts if we are going to talk about fairness, great. But I want to be fair to the taxpayers, too. As far as the GAO is concerned and the investigation, the Senator said something about my privilege of asking for one. The Senator is right I have the right, and I did so many weeks ago. In fact, my comments today are based upon the preliminary reports from the GAO.

I know the Senator from Massachusetts, being the able Senator that he is, and certainly being the fair Senator that he always is, wants to be fair to Soul City. But I think he wants to be fair to the taxpayers of this country, and I hope that on one of his trips to or through my State he will drive off of I-95 and personally visit Soul City. He will then see, as I have seen, the three house trailers there, the barn, and the tractor, apparently representing \$19 million, of the taxpayers' money that we know about as of now, allocated by the Federal Government over a period of 7 years.

If Soul City cannot get cranked up in 7 years with \$19 million, Mr. President, the Senator from North Carolina wonders how long it is going to take. All this amendment, which I shall withdraw momentarily for reasons already stated, asks is that no more money be sent down there, until the report of the GAO is in. Then we will see. That is fair to the taxpayers; it is fair to Soul City.

As far as the Senator's explanation that the HUD bureaucrats have investigated themselves approvingly, that is scarcely adequate as far as the Senator from North Carolina is concerned. I do not believe in putting the mice in charge of the cheese factory. That may be precisely what has happened, because the distinguished Secretary of HUD, Mrs. Hills, discussed the Margolies letter to Mr. Claude Sitton, which the distinguished Senator from Massachusetts put in the *Record*, and it is agreed that the Margolies letter is shot through with errors itself. Moreover, Dr. Stolz concedes that their have been incredible abuses in the new communities program.

So all the Senator from North Carolina is saying is let us find out what the facts are before we send any more thousands or millions of dollars to Soul City, N.C. The taxpayers are entitled to this consideration, at least.

Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. DOMENICI. Mr. President, will the distinguished Senator from Wisconsin refer to page 23 of the report with me for a moment? I just will clarify the \$100 million that we have provided in this bill for the community development program.

In the report there is indicated that additional \$100 million has been expressly provided for towns of under 50,000 population in standard metropolitan statistical areas, so-called SMSA balanced communities.

I want the Senator to tell me whether I am right or not on this statement: What we found this year when we began to divide up among the hold-harmless communities and the non-hold-harmless communities is we found that there were many small towns that were non-hold-harmless communities that were applying under the 20 percent formula that were probably not going to get any money. It is my understanding that this \$100 million may in fact be used for communities under 50,000 that are not hold-harmless cities. Is that correct or not?

Mr. PROXMIRE. That is exactly correct. As a matter of fact, as I understand it, the so-called hold-harmless cities, big and small, will get their money. What we are concerned about in providing this extra amount is that the other cities that are not hold-harmless cities, those of 50,000 and under, would be able to get community development grant funding, and this would provide it for them.

Mr. DOMENICI. So that if the Secretary, in using this \$100 million discretionary fund, has applications from non-hold-harmless cities that are under 50,000, it is the Senator's intention that he use this fund for that kind of community development grants application?

Mr. PROXMIRE. The Senator is absolutely correct. It would be our intention, as I understand it, to use it exclusively for those who do not have funding otherwise and therefore are not hold-harmless.

Mr. DOMENICI. I thank the Senator. I commend him for putting it in.

I think that our State and every other State has found that the small cities that had no previous urban renewal or model cities are now trying to get some money. By definition, they are not hold-harmless cities, and many of them are not going to get money. This at least would provide money for some of them.

Mr. PROXMIRE. I say to the Senator that these are not rural areas. These are SMSA areas.

Mr. DOMENICI. I use it only in the sense of distinguishing the size of the city.

Mr. PROXMIRE. That is correct.

I thank the Senator from New Mexico for clarifying what could have been an ambiguous, confusing situation and making clear what we intended to do with the funds.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Frank Gorman have the privilege of the floor during the consideration of this bill.

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

IMPROVING OUR NATION'S HOUSING AND URBAN COMMUNITIES

Mr. HUMPHREY. Mr. President, I am delighted with the excellent work of the Appropriations Committee in reporting H.R. 8070, which includes fiscal 1976 funding for programs of the Department of Housing and Urban Development. At a time when the housing and construction industry is in its worst shape in decades, when unemployment in the construction industry exceeds 20 percent nationally and is much higher in many parts of the country, when home ownership is becoming further and further removed from the grasp of the majority of America's families, when the recession-induced problems of urban decay and fiscal crisis are front page news throughout the Nation, this appropriation for housing and urban development is of crucial importance.

Four provisions in the appropriation are of particular interest to me.

First, I am very pleased that this bill provides \$75 million for the emergency homeowners relief fund. These funds will provide the funding required to assist homeowners who are threatened with foreclosure of their mortgages and loss of their homes.

I am particularly pleased that the committee has clearly stated in its report that the full \$500 million authorized for this fund can be appropriated at a later date, if further need is demonstrated. Of course, we all hope that economic conditions will rebound and that foreclosures will become an unpleasant memory. However, we must be prepared for high levels of unemployment for many months to come, and the committee language in its report is certainly welcome.

Second, I am pleased to see that the Appropriations Committee has moved rapidly to fund the emergency purchase assistance program authorized by Congress by the Emergency Housing Act of 1975 and signed by the President on July 2, 1975. This important program can provide a stimulus to our depressed housing industry and provide jobs for unemployed construction workers.

I believe that the Appropriations Committee should have appropriated the full \$10 billion authorized in the Emergency Housing Act and approved by the President. However, since this administration and its predecessor have proven to have a unique ability to use housing funds at a rate that blatantly disregards congressional intent, I can understand the Appropriations Committee's unwillingness to provide any more authority at this time, than they expect the Department of Housing and Urban Development and the Government National Mortgage Association to actually use.

Of course, if the administration recognizes the importance of using these funds rapidly, and a new appropriations of funds appears necessary, I am sure that the Appropriations Committee will be delighted to respond. I will be following the drawdown on this funding very closely and intend to push for the additional \$5 billion in funding well before the authority provided in the current bill runs out.

Third, I am pleased that the committee has recommended an appropriation of \$50 million for the rehabilitation loan fund. I have believed, for a long time, that the rehabilitation program was one of the most important housing programs in which we were engaged. Not only does this program provide the financing needed to salvage housing that has fallen into disrepair, but it is an essential element in the programs of hundreds of communities across the Nation to improve the neighborhoods in which their citizens live. This \$50 million, 3 percent loan program will cost the American taxpayer a small fraction of this total amount.

I believe that this program conserves valuable resources, improves the fiscal soundness of our cities, and enhances the quality of life for our people. I am very pleased indeed that the Appropriations Committee has funded this vital program.

Finally, the bill before us appropriates \$125 million for the section 701 comprehensive planning grant program. As the leader in the successful effort earlier this year to prevent the administration from abolishing this program, I am delighted the committee is supporting a level of appropriations that is adequate to maintain the vitality of this program.

The assistance provided under this section results in a much more efficient use of taxpayers money than would otherwise be true. By spending this \$125 million to help State and local governments think ahead and plan ahead, we save our taxpayers many times this amount.

I urge my colleagues who will go to conference on this measure to fight hard for the section 701 funding level that we are approving today. The House-approved level of \$50 million would be disastrous for those communities that rely on section 701.

There is a need for larger sums to implement our clean lakes program. I shall join with my colleague, Senator MONDALE, to seek an increase in these funds. Also, there is a need for additional employees for HUD. We do not want to

cripple the work of the housing program by failure to have adequate staff to process loan applications and mortgage guarantees.

Mr. President, again I compliment the members of the Senate Appropriations Committee, particularly Mr. PROXMIRE, the able chairman of the Housing and Urban Subcommittee, for an outstanding job.

Mr. TUNNEY. Mr. President, it is my intention to vote in favor of the passage of H.R. 8070, providing appropriations for the Department of Housing and Urban Development and a variety of other agencies for the coming fiscal year. I commend the Appropriations Committee and the subcommittee chaired by the senior Senator from Wisconsin (Mr. PROXMIRE) for reporting a bill which seeks to address a large and diverse number of needs. It does so, in the main, with a scrupulous attention to detail and fairness which I believe are worthy of notice.

I would like to note several specific items in the bill which are of concern to me. The first area in which I have major concerns are in the appropriations for HUD. I recognize the difficulties of appropriating funds for an administration which seems largely indifferent to the housing needs of millions of Americans, whether they are of low, moderate, or middle income. The record of the past 3 years in the field of housing at the Federal level is not a pretty one, and I hope that we can look for some improvement during the coming year. Certainly this bill offers cause for hope in many such areas.

First, I would like to commend the committee for deleting the language in the House report setting a ceiling of 10 percent on increases in fair market rental values under the section 8 program. I know that housing officials all over California have expressed to me their concern that the initial fair market values established for their areas are insufficient to encourage the private sector to participate in the renting of units. The House's language severely circumscribed the opportunity of HUD to adjust those rents in a fair and flexible manner. As a result, I am glad that the report contains no language reducing the discretion of HUD national and regional officials to deal with the problem of fair market rental values under section 8.

I am also happy to note that the committee recommends earmarking of \$75 million in authority for conventional public housing. In spite of the failures in many areas which have been experienced with management of public housing, many public housing authorities in my home State of California run efficient and successful conventional public housing programs. Many of those agencies have been stymied in recent months by HUD's refusal to free funds for conventional projects. I am sure that the Senate's language earmarking funds for such housing will be welcomed by many housing officials and tenants throughout California.

Another matter of some concern has been treated by both the Senate and the House in the appropriations bills. This is

the dormant college housing program. Many colleges in the State of California have experienced severe difficulties in providing housing for students as a result of the dwindling of the HUD college program. The congressional instruction to the Secretary of HUD to resurrect the college housing program by utilizing the repayment of principal on existing loans to generate new loans will be a substantial help in meeting this critical problem. I know that colleges in California will greet this change in the law with enthusiasm.

Next, I am very pleased that the committee has seen fit to increase the House's recommendation of funding for the section 701 comprehensive planning program by some \$75 million. That program has produced first-rate planning and treatment of diverse problems in urban areas throughout California. The House recommendation of \$50 million for the program, which was \$80 million below the authorized figure for 1976, could have threatened the successful programs which have been established in California and all over the country. The Senate figure of \$125 million is far more consonant with our national need for long-term urban planning, and I hope that the Senate's figure will be agreed to by the House conferees. Certainly, we can hardly afford to cut the 1976 figure below the \$100 million which we provided in 1975. Our needs have grown, and so have the problems to be dealt with under the section 701 program. I wholeheartedly support the recommended level of \$125 million.

Finally, with regard to the Department of Housing and Urban Development, I have mixed feelings about the amounts recommended for community development funding. I am happy to note that the Appropriations Committee took note of the plight of "discretionary balance" communities in this country. As everyone in the Senate must be aware, such communities were denied funding during most of fiscal year 1975 for community development programs. The shortfall resulted from an error in contribution in passages of the community development program. Only as a result of a funding bill passed during the closing days of fiscal year 1975 were such communities allowed to begin the important job of translating their ambitious community development plans into reality. Even then, the amounts provided were only \$54 million, far short of the \$200 million which had been estimated would be available for such areas at the time of the passage of the Housing and Community Development Act of 1974.

There are 10 such counties in California—Monterrey, Napa, Placer, San Joaquin, Santa Barbara, Santa Cruz, Solano, Sonoma, Stanislaus, and Yolo—with combined populations in excess of 1.6 million people. Surely those communities are entitled to funding for community development as much as any other group of communities. Such areas should not have to depend on the whims of emergency funding provided by the Congress.

Therefore, I am happy to note that the Senate has recommended that \$100

million be earmarked for such "discretionary balance" communities, which lie within standard metropolitan statistical areas, but are not eligible for formula funding under the 1974 act. That is a healthy increase over the \$54 million provided last year. However, it is still far short of the amounts in excess of \$400 million which such areas expected to receive during fiscal year 1976 at the time of the passage of the act. I believe that that figure should be increased by at least \$50 million to insure equity for these smaller communities; \$150 million would go a lot further than \$100 million. I am not offering an amendment to this effect because the senior Senator from Wisconsin (Mr. PROXMIRE) has indicated that he will convene the Senate Banking and Housing Committee shortly to consider remedial action to correct the error of calculation contained in the 1974 act. I urge him to act promptly, and I hope that he will take appropriate corrective action later in the year, both through substantive legislation and through later appropriations measures.

All in all, I believe that the HUD funding is fair and, in most cases, is as generous as possible. The frustrations of meeting a tight budget are nowhere more apparent than in the area of housing and urban development. Millions of Americans are without decent homes, and hundreds of American cities are desperately seeking help in their battle to provide livable environments without bankrupting themselves. I support the Senate's efforts to provide housing for the homeless and help to our cities, and I believe that this bill represents a good-faith effort to meet those goals.

I would like to turn my attention to one other section of the bill—funding for the National Aeronautics and Space Administration. I am happy to note that the Senate has recommended appropriation of the full NASA budget request, the amount authorized by the Congress earlier this year—with an additional \$7 million in newly requested authority. It is fair to say the fiscal year 1976 funding for NASA is at an austerity level. For the first time in its history, no new programs are contemplated. Therefore, I believe the committee acted wisely in recommending that the fully authorized amount be funded. Any amount short of NASA's prudent requests would have threatened vital programs.

I am especially heartened by the fact that the Senate reversed the precipitous attempt by the House to slash funds for Pioneer Venus and the large space telescope. When I first heard of the cuts, I was horrified, since I believe both programs promise scientific benefits far in excess of the modest amounts scheduled to be spent on them. I wrote to Senator PROXMIRE, chairman of the subcommittee urging that the full funding for those programs be restored. The letter explains my reasons for supporting these two programs in detail and I ask unanimous consent that the letter be printed in the RECORD.

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

COMMITTEE ON THE JUDICIARY,
Washington, D.C., July 9, 1975.

Hon. WILLIAM PROXMIRE,
Chairman, Subcommittee on HUD and Independent Agencies, Senate Appropriations Committee, Washington, D.C.

DEAR MR. CHAIRMAN: It is my understanding that the Appropriations Subcommittee on HUD and Independent Agencies will be proceeding shortly to consideration of H.R. 8070, the bill making appropriations for FY 1976 for those agencies. I wish to inform you of my deep concern about several items in that bill relating to the National Aeronautics and Space Administration. I hope that the Subcommittee will give these issues its closest attention during its review of H.R. 8070.

The most pressing matter concerns the level of funding for the Venus Pioneer program. As you are undoubtedly aware, the House voted to reduce the FY 1976 appropriation for that program from the budgeted level of \$57.6 million to \$9.2 million. The House Appropriations Committee recommended this action, and instructed NASA to make a judgment on priorities of spending between the Pioneer Venus program and the Large Space Telescope program. If this action is allowed to stand, it clearly will jeopardize the possible success of Pioneer Venus, and I urge you to review this decision with the greatest possible care.

As you know, the Pioneer Venus program would involve two spacecraft to investigate Venus, an orbiter and a probe to be sent to the planet's surface. These probes would investigate Venusian environmental and meteorological conditions, and by comparative evaluation, provide substantial new and useful information about weather conditions here on Earth.

The timing of the program was based on the appearance of a "launch window" for a short time during 1978 when Earth and Venus would be in unusually favorable relative positions. The next "window" would not appear until almost two years later, during 1980, and Venus would be considerably further away from the Earth at that time than it would be during 1978.

As a result of launch timing, the delay of one year in funding the Pioneer Venus probes would result in a delay of at least 18 months in operation of the program. Moreover, the fact that Venus would be considerably further away from the Earth during a 1980 mission would require changes in the design of the probes and vehicles. Such changes might well result in an increase in cost of \$50 million or more over the amounts presently estimated.

NASA has indicated that the House's action would probably force it to terminate its present work on Pioneer Venus. Such an action would require that the teams assembled to work on the project be dissolved, and they could then be reassembled later only at a \$45 million spent on the project up until the time of its termination would be effectively wasted.

In light of these considerations, the House's action in cutting the level of funding by \$48.4 million is not just a delay of one year. Rather, it may cost the taxpayers added millions of dollars and pose a grave threat to the continuation of the Pioneer Venus program.

The case for continued funding is a strong one. Most scientists feel that the scientific benefits to be gained from an investigation of the Venusian atmosphere are worthwhile ones. For example, greater meteorological knowledge resulting from comparative evaluations of Mars, Venus and Earth could enhance our weather prediction capabilities by substantial amounts. I need not remind you that storms in the Midwest during the past several weeks have resulted in property and crop losses exceeding \$1.5 billion. If the

Venus project could help us to avert or control the effects of one such disaster, it would more than justify its cost to the taxpayer.

While the Venus program is more than justified purely on the basis of the scientific information to be generated, there are other good reasons why it should be continued. In an era of high employment, few sectors have suffered more devastating setbacks than the aerospace industry. The Pioneer Venus program has resulted in the creation of over 1500 jobs, jobs which would be threatened by the termination of slowing of the program. Over 550 of those jobs are located in my home State. Although this may seem a lesser reason for continuation of the Venus Pioneer program, curtailment of such productive and useful positions at the present time seems particularly inappropriate.

Finally, the curtailment of an ongoing concept like Pioneer Venus would have a severe impact on the Federal Government's commitments throughout the scientific sector. Sudden decisions to make sharp cuts in funding of research and development programs can only reduce credibility in the sincerity of the Government's long-term commitments. Such a reduction of credibility will result in increased time, difficulty and cost in future projects as private contractors strive to protect themselves from the vagaries of changing commitments.

In short, I believe the Pioneer Venus program is a worthwhile one, and that the decision to curtail funding is an ill-timed and ill-considered one. The program is on schedule, and is meeting its budget estimates. It will produce useful scientific knowledge and there are good reasons of science and economy for its scheduled 1978 departure date. I hope that the Committee will consider these factors fully, and I urge you to consider restoring the Pioneer Venus program to its full budgeted amount of \$57.6 million. Although I would also support reprogramming of funds to support the program, I fear that such reprogramming would have equally severe consequences on other programs in view of NASA's present curtailed budget.

I would also like to make the point that I consider the House's juxtaposition of funding for Pioneer Venus as opposed to funding for the Large Space Telescope an inappropriate one. The programs are not competing, but complementary. Pioneer Venus is designed to give us further knowledge about our closest planetary neighbor, while the Large Space Telescope would be used to develop information of unprecedented scope and detail about deep space. Cutting one program for the sake of the other would mean sacrificing a distinguishable body of scientific knowledge which would not be replaceable.

Therefore, I would like to make the point that my urging of full funding for Pioneer Venus is not intended to indicate a choice between the two programs. I consider the Large Space Telescope a necessary part of any program in astronomical science. In fact, I consider the level of funding approved by the House for the LST to be the absolute minimum necessary to continue the planning process. I hope that the Committee will recommend at least \$4 million for the program for FY 1976 and \$2 million for the transition period. Any further cut in funding will disrupt planning, and make any eventual decision on whether to go ahead with the project even more costly to achieve. Since the Pioneer Venus project and the LST are on different timetables, I believe that both projects can be funded adequately without conflict. I want to express my strong support for the Committee to approve amounts which will permit both to move ahead without costly delays.

Finally, I would like to indicate my findings on one other issue raised by the House in

passage of H.R. 8070. That concerns the modification of the subsonic wind tunnel located at the NASA Ames Research Center, located in Mountain View, California. The House Appropriations Committee directed in its report that "... no funds be used to begin work on modifying the 40x80 wind tunnel at the Ames Research Center until the Committee has had an opportunity to review the necessary funding in a formal budget request." This directive will preclude the use of any NASA funds to begin work on modifying that facility until the close of 1976.

As you are undoubtedly aware, the House Committee on Science and Technology has conducted extensive investigations into the need for such modifications. The Committee included \$12.5 million in authorization for modification of the Ames facility in H.R. 4700, the FY 1976 authorization bill. That money was deleted in the Senate, but the money was included in the conference version of H.R. 4700.

Modification of the Ames wind tunnel would give this country its only facility capable of full-scale testing of advanced rotorcraft and vertical and short take-off and landing aircraft. NASA and the Department of Defense are in agreement that such a facility is needed if the nation is to maintain its leadership in aeronautical research and development. A study initiated by the Aeronautics and Astronautics Board in 1967 concluded in the recommendations for modification of the Ames facility.

The repowered wind tunnel would permit testing of advanced rotorcraft at cruise speeds and allow full-scale testing of VTOL-STOL craft for the first time. The economic rationale for making this change is compelling. For example, the ill-fated AH 56A Cheyenne helicopter program cost some \$400 million before being scrapped. That program did not include full-scale wind tunnel evaluation, which might have saved a considerable amount of time and money if such tests had been available. Other rotorcraft have been successfully modified following such testing, saving millions of Federal dollars, and this facility would expand the capability for making such savings.

The House Committee's reason for limiting the use of funds on the Ames facility was that no formal budget request had been received. The absence of such a request was the result of a decision by the Office of Management and Budget. Yet NASA, other government agencies and aeronautics experts are agreed on the need for such a modification. The only question about this modification appears to be the timing of such changes in the Ames wind tunnel. Even with immediate funding, the modified tunnel would not be operational before 1978.

Under the circumstances, it appears unreasonable to proscribe completely the use of NASA funds for the Ames facility. If NASA is able to reprogram funds to begin the process of planning and modification, it should be able to do so. Such action appears justified considering the previous extensive review of this request by the House and Senate authorizing committees. I would therefore suggest that the Senate Committee not include limiting language in its report and that the Senate conferees on H.R. 8070 be instructed to seek the deletion of the language circumscribing NASA's discretion. This would seem to be the minimum necessary to permit NASA desired flexibility in its planning. In view of the continuing governmental involvement in funding of relevant aircraft research and development, and considering the three year lead time required for the modification, such flexibility is essential.

In summary, I would urge the Subcommittee to give its closest attention to the three issues which I have discussed—restoration of funding for Pioneer Venus, continued

reasonable funding for the Large Space Telescope, and discretion for NASA to begin modification of the Ames wind tunnel. Action on these three issues by the Subcommittee will assure that NASA is able to continue its ambitious and worthwhile programs in these areas.

If the Subcommittee does not act, the result may be further delays in vital programs, higher costs, and possible jeopardy to the continuation of one or all of these programs. I believe the benefits and the modest costs involved justify the initiatives which I have suggested. Thank you for your attention to these matters.

Sincerely,

JOHN V. TUNNEY,
U.S. Senator.

Mr. TUNNEY. Mr. President, for the reasons stated above, I feel that the decision to proceed with the Pioneer Venus program can be well justified on the basis of economy. The 1-year delay envisioned by the House would have cost 2 years in deployment of the probe, and perhaps an extra \$50 million in cost.

I am also happy to see the Senate has restored the funding for the large space telescope, which promises to offer a wealth of new scientific knowledge previously unavailable through the utilization of earthbound telescopes.

In short, I believe that the appropriation of full funding for NASA is amply justified. The recent ending of the Apollo program must remind us all of the innumerable benefits, both tangible and intangible, which the space program has brought us. I look forward to many years more of such benefits, and I believe the prudent decision of the Senate to fund NASA at its requested level is a giant step in assuring the continuation of our space science efforts.

VETERANS' READJUSTMENT BENEFITS APPROPRIATION

Mr. President, I am delighted that the Appropriations Committee has seen fit to increase the amount appropriated for the payment of readjustment benefits of veterans by \$1,200,000,000 over the sums designated by the House of Representatives for the GI bill.

These additional funds should go a long way to insure that those veterans and dependents who qualify, are able to receive the necessary GI bill benefits to continue their educations which were interrupted or not begun as a result of military duty.

The additional sums should adequately protect the veterans of this Nation from the situation they faced during the closing months of this past fiscal year when the funds ran out for their education benefits. Because the supplemental appropriations bill was held up, many in-school veterans did not receive their monthly checks, and were faced with the bleak prospect of making ends meet on little or no financial resources. I received calls from countless numbers of the three-quarters of a million Vietnam-era veterans residing in California, pleading for the release of their badly needed checks, without which their rents, bills, and education tuition could not be paid.

Between efforts by the Veterans' Administration and the General Accounting Office to end the problem of

overpayments, and through the addition of \$1.2 billion which the committee has proposed, I am hopeful that we will be able to avert a similar hardship during this coming fiscal year. I know, Mr. President, that the veteran population in my State, for one, is grateful for the sage decision of the Appropriations Committee.

HUD NOISE ABATEMENT

Mr. President, I am pleased that the Committee on Appropriations has seen fit to restore the funds inadvertently deleted from the Environmental Protection Agency's budget for the purpose of controlling noise pollution as the result of an amendment accepted by the House of Representatives.

The intent of this amendment by Congressman SISK, as I understand it, was not to delete all funds for noise control contained in the bill, but to delete such funds from the HUD and VA sections. This was done in an effort to cause HUD to discontinue its practice of denying FHA loans to noise-impacted areas based on computerized data, rather than on clear, site noise level readings. Under the Noise Control Act of 1972, the Department of Housing and Urban Development does have the responsibility for the control of noise pollution as it impacts the housing market, but only in consultation with the Environmental Protection Agency, which has checkoff authority, and after the development and acceptance of an adequate environmental impact statement. The Environmental Protection Agency has, in fact, been pressuring HUD and other Federal agencies to adopt uniform noise measurement systems in order to improve cooperation among the agencies and facilitate decisions concerning noise pollution control. Unfortunately, HUD has not indicated their cooperation in this effort.

The specific problem which precipitated the introduction of this amendment in the House, and which, I am glad to say, caused the committee in the Senate to adopt strong report language to curtail such problems in the future, concerns the impact of noise from Castle Air Force Base in California on the Merced-Atwater area. Under the Noise Control Act, the EPA and FAA are empowered with the authority to control noise from commercial aircraft and airports. Military air base noise is to be controlled by the Department of Defense with Environmental Protection Agency advice and recommendations.

Based on a computerized noise map given it by the Air Force, the Department of Housing and Urban Development unilaterally prohibited the granting of FHA loans to certain housing projects in the Merced-Atwater area. This decision was based on hypothetical rather than site noise readings of the ostensibly impacted area. Subsequently, HUD reassessed the decision and freed eight subdivisions from this restriction, sufficient housing, they said, to see Merced-Atwater through November when an Environmental Impact Statement will be completed. Based on that statement, HUD will decide the fate of the remaining housing.

Now it is not at all unreasonable for HUD to attempt to insure that homes are not constructed in areas which prove to be acoustically unsound or dangerous to the public health and welfare. What is unreasonable is that this decision was made without the mandated consultation with EPA, and further without the appropriate environmental impact statement. Further, it is unjustified to base such a decision on admittedly hypothetical information. While we clearly do not want to establish acoustical ghettos, where the normal lifestyle of citizens is hampered because their homes and land are bombarded by grotesque levels of noise, it is, at the same time, unjustifiable to make de facto decisions which may not hold up once the data are finally amassed.

I applaud the committee's strong posture to express dissatisfaction with the way HUD has conducted this and other similar matters, and hope that HUD will rapidly ameliorate this situation and again comply with Federal intent under the Noise Act.

Mr. HUMPHREY. Would the Senator yield? As I understand it the bill we have before us today contains only \$5 billion of the \$10 billion authorized in the Emergency Housing Act of 1975 for emergency mortgage purchase assistance. Frankly, on the basis of the testimony before the Joint Economic Committee it seems clear we could and should use the full \$10 billion.

Mr. PROXMIRE. It is my understanding that the administration believes the \$5 billion to be adequate at the present time. As you know, they have requested borrowing authority of \$5 billion for the purchase of mortgages with the authority to be used in the event that the Secretary of Housing and Urban Development finds that economic conditions warrant. I agree wholeheartedly with the Senator from Minnesota. The economy needs the hundreds or thousands of jobs the full \$10 billion would provide. As chairman of the HUD subcommittee, I will do my best to assure that we will provide the remainder of the \$10 billion in supplemental appropriations legislation if the \$5 billion in budget authority provided in H.R. 8070 is used by the administration.

Mr. HUMPHREY. I thank the Senator from Wisconsin.

VETERANS' ADMINISTRATION APPROPRIATION
ITEMS

Mr. CRANSTON. Mr. President, the committee's action in accepting for the most part the administration budget request for the Veterans' Administration hospital and medical program is one which deserves the full support of the Senate.

The administration budget request reflected the need to correct the serious deficiencies in staffing and in physical plant safety which were identified by the VA Chief Medical Director's special survey report submitted last July of the "Quality of Patient Care at VA Hospitals and Clinics." The budget request was fully supported by the distinguished chairman of the Committee on Veterans' Affairs (Mr. HARTKE) and myself in a

letter to the distinguished chairman of the Subcommittee on HUD-Space-Science-Veterans Appropriations (Mr. PROXMIRE) recommending that the budget request be adopted by the Appropriations Committee. Mr. President, I ask unanimous consent that that letter and attachments to it be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. CRANSTON. Mr. President, as chairman of the Subcommittee on Health and Hospitals of the Veterans' Affairs Committee, I find it a rather unusual situation to be able to state that a budget recommendation for the VA hospital and medical program is adequate. Over the past 5 years, I have consistently found it necessary to seek additional funding over the administration request for these important VA medical programs. This year, however, I am glad to say, the importance of the deficiencies cited by the Chief Medical Director's survey was very evident to the VA and to the OMB, and was apparent in contacts I made with those agencies last summer, fall, and winter to urge that adequate funding be provided to carry out the recommendations made by the survey. I found the VA most cooperative and agreeable, and, by and large, the informal understandings I reached with OMB on adequate fiscal year 1975 supplemental and fiscal year 1976 budget requests for the VA medical and hospital program were kept when the President submitted his fiscal year 1976 budget in February 1975. Thus, Chairman HARTKE and I were in the unusual position of being able to support the budget request amounts for VA hospital and medical care.

I wish to point out, Mr. President, that part of our understanding with OMB and the Department of Medicine and Surgery is that the remainder of the survey report's recommendations will be met in the fiscal year 1977 budget requests for medical care and construction. I shall be looking forward to this commitment being kept as well. We agreed to this postponement because there is just so much which can be undertaken and accomplished effectively in one fiscal year in the way of hiring, renovation, repair, and construction.

However, Mr. President, as we recommended to the Appropriations Committee, we believe that the additional 1,757 in average core staff employment not covered in the budget request but called for in the Special Survey Report continues to be of the highest priority and that recruitment should begin at the end of fiscal year 1976. We will, therefore, seek a reduced amount of funds to meet this staffing need—\$28.4 million on an annualized basis—probably \$2.8 million will be adequate in supplemental funding next spring.

MEDICAL CARE

In the medical care item, an increase of \$349,191,000 over the fiscal year 1975 appropriation will enable the VA to move strongly towards meeting approximately 6,200 of the deficiency of 7,963 hospital core staffing identified in the

survey report. I have already spoken on our intention with respect to meeting the rest of this necessary staffing deficiency through the Second Supplemental Appropriations Act.

I would like, however, Mr. President, to inject another word of caution here. The VA budget estimates of the number of outpatient care visits appear to be underestimated by 670,000 visits and the contract hospitalization estimates by 1,228 average daily patients census, with respective dollar amounts potentially short of \$20 million and \$35,858,000. In addition, with the high rate of unemployment, there may be an overall increased demand for inpatient and outpatient treatment, resulting from the loss of health insurance coverage by veterans who have become unemployed in the last year. If these tentative projections prove to be accurate, and a supplemental request is submitted, I hope the committee will consider such a request favorably.

Mr. President, the increase in the medical care item will also permit the VA to activate additional specialized medical services which the survey report found essential. That report found that 24 hospitals lacked medical intensive care units; 22 hospitals lacked surgical intensive care units; 4 hospitals lacked coronary care units; 32 hospitals lacked respiratory care centers; and 14 hospitals lacked pulmonary function laboratories. The report noted that "good medical care calls for such a unit in every hospital today" and they are "considered by all qualified sources to be absolute requirements for the provision of high quality care."

The amount appropriated for medical care will also permit the activation of 32 new outpatient mental hygiene clinics.

One cautionary note, Mr. President, I concur in the concerns expressed by Chairman PROXMIRE at the Appropriations Subcommittee hearings and in the Appropriations Committee's report regarding underutilization of VA specialized medical units. Our subcommittee will be working with the Department of Medicine and Surgery to improve this situation, as well as to develop a coordinated nursing home/domiciliary care policy and program for the future that will meet the increasing demands of the veteran population for long-term care.

CONSTRUCTION

In addition, Mr. President, serious safety hazards which were identified by the survey report will be corrected by supporting the costs of staff and equipment to meet fire protection standards at 28 VA hospitals, and to support maintenance and repair to correct structural and safety deficiencies identified in the majority of hospitals.

Mr. President, we are grateful that the committee has responded to the concerns Chairman HARTKE and I expressed in our budget submission of April 21, with respect to the zero request for construction of research and education facilities by concurring in the House action including in the bill under major construction \$6,259,000 earmarked for the long-deferred Houston, Tex., research and

education facility and by adding an earmark of \$6,700,000 for construction of the likewise long-deferred research and education facility at Jackson, Miss. The committee action leaves it to the VA to figure out where best to find this \$13 million for these two unbudgeted projects.

CEMETERIES

In this connection, Mr. President, the committee has also indicated that certain reprogramming of major construction funds requested for national cemetery development might be reprogrammed.

Mr. President, the Veterans' Administration is in the process of developing sites for four new regional VA cemeteries. It was the Appropriations Committee's understanding, however, that sites were not yet chosen, and the committee therefore concluded that it was not likely that sites would be developed in fiscal year 1976 and directed that the \$8,000,000 proposed in the budget for such site development be reprogrammed into other projects unless early site selection at one or more of the cemeteries makes substantial construction progress possible.

I have been advised, Mr. President, that 680 acres at March Air Force Base in California have been requested by the VA. The Department of Defense, with the approval of the congressional committees involved, has released this land for a new national cemetery. The matter is now pending at the General Services Administration. I urge GSA to act quickly so that this land can be released to the VA and site development can proceed.

Mr. President, this information leads me to conclude that the VA is much more advanced in site selection than had previously been thought. Given the committee report language concerning this matter and my discussions with Chairmen PROXMIRE and HARTKE, I anticipate that plans and site development for a national cemetery at March Air Force Base will move ahead in fiscal year 1976. There are also indications that planning is well advanced on a New England site so that the VA should clearly be able to proceed in fiscal year 1976 with significant construction progress on the new national cemeteries, and certainly a reprogramming of most of the \$8 million will not be called for.

MEDICAL AND PROSTHETIC RESEARCH

In the medical and prosthetic research item, the appropriation will permit the VA to maintain its present level of research, which, given increases in research funding over the last several years, is reasonable this year. However, Mr. President, I have reservations about the impact of a standstill budget on continuing research efforts of the VA and believe that a budget that does not allow for growth cannot be sustained for more than 1 year. I hope that in fiscal year 1977 an appreciable increase will be allowed for research.

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

While the medical administration and miscellaneous operating expense item appropriation is slightly increased over the fiscal year 1975 appropriation, Mr. President, the budget for health person-

nel education and training, has remained at the same level as the fiscal year 1975 budget. I believe, given the major role the VA system of hospitals and clinics plays in the training of health care personnel for the Nation, this budget item cannot remain static for too long a period. As we indicated in our appropriations submission, we expect that the fiscal year 1977 appropriation will give recognition to this major national resource and will include an appropriate expansion of the appropriation for the VA health care education and training programs.

ASSISTANCE FOR HEALTH MANPOWER TRAINING INSTITUTIONS

Mr. President, I was delighted that this year, for the first time, the administration requested funding for implementation of Public Law 92-541, the Veterans' Administration Medical School Assistance and Health Manpower Training Act of 1972, which I authored in the Senate. This program has, to date, supported the establishment of five new medical schools at State institutions using VA hospitals as clinical facilities, and the establishment of new training programs at 102 institutions affiliated with a VA hospital—including existing medical schools and other health personnel training institutions. In addition, these new programs have produced two critical gains for the VA hospital programs: first, the improved health care provided veterans through teaching programs; and second, enhanced recruitment of highly qualified specialists as staff members of the affiliated hospitals.

As a result of this program, 15 VA hospitals have for the first time become affiliated with a medical schools and the affiliations of some 30 additional VA hospitals have been considerably strengthened.

The administration requested \$30 million for support of this program, and this amount is included in the bill reported from committee. Of this amount, \$11 million will be used for continued support of the five new medical schools already activated. The \$19 million which is available for support of expanded and new training programs at affiliated medical schools or other health training institutions, will be totally utilized to continue existing programs and to make necessary modifications for training facilities in VA hospitals affiliated with institutions receiving grant funds.

Thus, Mr. President, the fiscal year 1976 appropriations request will provide for no new grants to support existing health training institutions in improving and expanding their training programs. I am not going to recommend additional funding for this item at this time, Mr. President, but I do want to say that this program is of such great value, not only to the beneficiaries of the Veterans' Administration, but also to the medical community at large, that I believe the committee should consider the possibility of providing additional funding for this program in the supplemental later this year. There are currently \$7,740,540 worth of approved but unfunded grants under this program. These have

been carefully evaluated by a careful review process in which a broad range of experts participated. I believe the benefits which can be derived from the support of these programs fully justify their support and hope that when the supplemental is considered, every consideration will be given to appropriating additional funds for this purpose.

Mr. President, I plan to recommend this amount to the Budget Committee for purposes of the reconciliation process in connection with the second concurrent resolution in addition to the \$55.9 million I have already described in utilization underestimates in the budget request and the \$2.8 million for additional core staffing—approximately 6 weeks' salary needs. The precise amount of these needs will, of course, need to be reestimated in September, but as of now they total \$66.5 million. Similarly, we will need from \$50 to \$70 million more in medical care appropriations to fund VA physicians' special pay called for in my bill, S. 1711, as reported from the Veterans' Affairs Committee, which I trust we will pass next week. The House has already passed a companion measure, H.R. 8240, and the necessary amounts have been taken into account already in the congressional budget process.

GENERAL OPERATING EXPENSES

Mr. President, I am pleased that the committee has approved a last minute supplemental budget request to pay for 1,100 additional VA regional office temporary positions. These positions are urgently needed to handle the extra benefits payment workload created by the economic recession.

I am concerned, however, with the temporary nature of the committee's recommendation with respect to these positions. If the GOE workload remains at its current high level, it appears likely that an annualized appropriation will be needed to fund these positions.

I urge the committee to evaluate carefully this situation, and if necessary, to approve a supplemental appropriation for this purpose.

COMPENSATION, PENSIONS AND READJUSTMENT BENEFITS

Mr. President, I also am pleased that the committee concurred with the higher budget requests—and did not agree with the lower figures in the House-passed bill with respect to appropriations for VA compensation and pensions and readjustment benefits.

I note, however, that past experience has shown that the budget requests greatly underestimate the eventual need. This was certainly the case for fiscal year 1975. The committee has recognized fully the uncontrollable nature of these VA expenditures, and I am confident that the committee and the Congress will act favorably upon any requests for supplemental funding, should it become necessary. I believe the House estimate of \$1 billion for this purpose may well be accurate and perhaps on the conservative side.

CONCLUSION

I would like to express my full support for the action taken by the Appropria-

tions Committee with regard to the amounts appropriated for the Veterans' Administration hospital and medical program and the other accounts, with the caveats I've outlined. The distinguished chairman of the subcommittee (Mr. PROXMIER) and ranking minority member (Mr. MATHIAS) have once again demonstrated their insight in distinguishing the essential programs and their commitment to providing the support needed for them.

I urge the Members of the Senate to give their support to H.R. 8070 as reported from committee.

EXHIBIT 1

U.S. SENATE,

Washington, D.C., April 21, 1975.

HON. WILLIAM PROXMIER,
Chairman, Subcommittee on HUD-Space-
Science-Veterans Appropriations, Com-
mittee on Appropriations, U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: We are writing to express our recommendations with respect to the FY 1975 second supplemental and FY 1976 budget requests submitted by the President with respect to the Veterans Administration hospital and medical program (specifically the medical care, major and minor construction, medical and prosthetic research, health manpower training assistance, extended care facilities and Philippines grants, and medical administration and miscellaneous operating expenses items). We believe that these two budget requests, although certainly not perfect, represent a meaningful response to the deficiencies identified in the VA Chief Medical Director's Special Study of the "Quality of Patient Care at VA Hospitals and Clinics". In weighing overall veterans' medical care priorities and the present economic and budgetary realities, we find the overall request of \$4,247,334,000 to be deserving of full support by your Subcommittee, the full Committee, and the Senate.

As indicated in the March 15, 1975, report by the Committee on Veterans' Affairs to the Senate Committee on the Budget (pursuant to section 301(c) of the Congressional Budget Act of 1974 (P.L. 93-344)), a print of which is enclosed for your information, we have carefully reviewed the seven budget items in question and have found certain underestimates for FY 1975 and FY 1976 in the areas of outpatient treatment and contract hospitalization. This information is set forth under item IV.D. on page 7 of the enclosed Committee Print, and, as to FY 1976, an adjustment for such purpose was made in the deliberations and report of the Senate Budget Committee. We are providing this information to your Committee in the event that you wish to provide funding for these purposes either in the FY 1975 second supplemental appropriation bill or in the FY 1976 regular VA appropriation.

We have identified four basic weaknesses in the FY 1976 medical and hospital program budget requests which we believe must be clearly understood in the context of our recommendation that the overall Administration budget request be supported.

(1) The budget for research (taking into account a transfer-in of \$2,855,000 in health services research funds) remains static, with \$95,000,000 requested compared to appropriations of \$91,377,000 for FY 1975. Given increases in research funding over the last several years, we believe that the VA research program can temporarily be sustained within this standstill budget. We urge, however, that your Committee report explicitly recognize this situation and call for inclusion in the FY 1977 request of an appreciable increase in research funding in order to avoid the

significant damage to the valuable on-going VA research effort which a second standstill year might occasion.

(2) The budget for health personnel education and training (residents, interns, and other trainees) provides for the training of 73,000 individuals with an average employment for such purposes of 8,170 in FY 1976. These are the same total figures as were supported in the FY 1975 budget request and appropriation; the total FY 1976 allocation from the medical care item for education and training provides an increase of less than \$1,000,000 over the \$185,476,000 estimated for FY 1975. We urge that your Committee report specifically indicate the need for inclusion in the FY 1977 budget request of sufficient funds to support higher training costs as well as an appropriate expansion of the size of the education and training programs.

(3) The FY 1976 construction budget continues the zero funding of research and education facilities construction which occurred in the FY 1975 construction budget request. Again, although the continuation of this unfortunate situation for one additional fiscal year can be tolerated, if necessary, we believe that it must be terminated with the FY 1977 budget. We thus urge that the Committee report express this view and specifically recognize the need for inclusion in the FY 1977 budget request of funds to cover a significant proportion of all approved backlogged research and education construction projects.

(4) We also note that the combined core hospital staffing to carry out the recommendations in the Chief Medical Director's Special Study in both the FY 1975 supplemental and FY 1976 budget requests falls short by 1,757 in average employment (FTEE) of the 7,963 total specifically identified and found essential in the Special Survey to provide for 24-hour basic services at all VA hospitals, nursing homes, and outpatient clinics. At an average salary of approximately \$13,000, this 1,757 in average employment would entail a full-year cost of \$28.4 million. We also understand that, in testimony before the House Appropriations Committee last month, Chief Medical Director John D. Chase indicated that these 1,757 core staff positions continue to be necessary and that he felt that persons to fill them were recruitable.

Nevertheless, we understand that it may not be feasible at this point to increase the FY 1976 appropriation overall total request amount (for the seven medical appropriation items) in order to provide for necessary funds to support this medical care employment. If such an increase is not feasible, we recommend that you adopt one of two alternatives to meet this core staffing need: Either (1) decrease the construction request by the \$28.4 million—probably by reducing, not eliminating, the amount provided for selected projects in which slippage is likely and deferring their completion dates somewhat; or (2) in view of the addition in overall medical care (core and other) FTEE (9,448) requested in the FY 1976 budget request, defer funding of the 1,757 additional required FTEE until the end of FY 1976 so as to spread out the budgetary impact and yet provide an early start at recruiting late in FY 1976 and under a continuing resolution into FY 1977. This early start is especially important in view of the three-month funding standstill occasioned next year by the transition budget period as we adapt to the new fiscal year dates.

We would, of course, appreciate your favorable consideration of our recommendation for full funding of the total \$4.25 billion amount requested by the Administration for the VA medical and hospital program in the seven pertinent appropriation items; the inclusion of the three portions of report language we have recommended; and adoption

of one of the two alternative solutions we have suggested to resolve the core staffing short fall. We and our staff will be available to answer any questions you or your staff members might have with respect to these matters.

We also wish to point out that we anticipate enactment of one piece of major medical legislation requiring additional outlays in FY 1976. This omnibus medical legislation will, among other things, provide for pay and other incentives for VA physicians in order to make their overall remuneration more competitive with that in other Federal services and in the community. This measure is currently being drafted and is outlined on page 5 of the enclosed report to the Budget Committee. We intend to introduce this bill in the next few weeks. Estimated FY 1976 expenditures which would be occasioned by enactment of this measure on or about January 1, 1976, will be \$55 million. The Senate Budget Committee specifically provided for such outlays and budget authority in its deliberations and decisions on the First Concurrent Resolution it has reported to the Senate.

We know that this recruitment and retention matter is one which was explored in your Subcommittee's hearings both this past fall and last month and is of considerable interest to you. Our staffs will continue to be in contact with yours as we develop this important legislation and proceed through the legislative process with it.

Finally, we note that we expect to be writing to you further with respect to other pending Veterans Administration appropriation items not covered by this letter.

Sincerely,

VANCE HARTKE,

Chairman.

ALAN CRANSTON,

Chairman, Subcommittee on Health
and Hospitals.

LETTER OF TRANSMITTAL

U.S. SENATE,

COMMITTEE ON VETERANS' AFFAIRS,

Washington, D.C., March 15, 1975.

HON. EDMUND S. MUSKIE,

Chairman, Committee on the Budget,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to section 301(c) of the Congressional Budget Act of 1974 (Pub. L. 93-344), the following report contains views and estimates with respect to matters within the jurisdiction of the Committee on Veterans' Affairs. Detailed comments concerning the general economic setting for the fiscal year 1976 budget, the President's budget estimates and program changes initiated either by the legislative or the executive branch are set forth in individual sections of this report hereafter. In general, however, it should be observed that the growth in veterans' program outlays are consistent with the general growth of the fiscal year 1976 Federal budget as a whole. Relative veterans' program expenditures have been stable during the Vietnam era despite a 15.3 percent increase in veteran population, comprised principally of young veterans with temporary but higher cost readjustment benefit needs. For the past 5 years, the Veterans' Administration expenditures as a percentage of the Federal budget have remained unchanged at 4.5 percent. Some increases in the submitted budget are anticipated because of projected legislative activity. The largest increases, however, are a result of misestimates by the Veterans' Administration as to the number of veterans and dependents applying and qualifying for various entitlement programs.

Inasmuch as this is the first experience of the Committee in responding to section 301(c) of the Budget Control Act of 1974, the estimates and views contained herein are less precise than hopefully will be possible in

future years. Further, because of the time constraints inherent in this year's tight schedule, all such estimates and views do not necessarily reflect the views of each member of the Committee as to each particular subject area.

If I or the Committee staff may be of further assistance in your consideration of veterans' programs, please do not hesitate to let us know.

Sincerely,

VANCE HARTKE,
Chairman.

BUDGET VIEWS AND ESTIMATES FOR FISCAL YEAR 1976

I. COMMENTS ON THE GENERAL ECONOMIC SETTING FOR THE FISCAL YEAR 1976 BUDGET

The general economic setting of high unemployment and the continued rate of inflation projected for fiscal year 1976 will affect the veterans' programs in a number of ways. With respect to inflation it should be remembered that 72 percent of the VA budget represents transfer payments. Thus, veterans' income security programs, such as compensation for disabled veterans, will have to be adjusted to reflect cost-of-living increases, currently estimated to reach 14 percent by the commencement of fiscal year 1976, since enactment of Public Law 93-295. Similarly, the effect of inflation on non-service-connected pensioners will also have to be considered by the Committee in its deliberations this year concerning pension restructuring, discussed *infra*. Further, it is anticipated that inflation will also affect the Veterans' Administration in the acquisition of food, fuel, and medical supplies as well as in carrying out major and minor construction projects identified in the fiscal year 1976 \$403.9 million budget request for these purposes. Additionally, projected inflation will require wage increases—and a concomitant supplemental appropriation—for the Veterans' Administration's 205,766 employees. Thus, all of the foregoing could require additional spending if the original program scope is to be maintained.

The continued economic recession and high unemployment rates experienced by veterans should also have a significant impact on the use of certain veterans' entitlement programs, which can in part be considered counter-cyclical in nature. In February, younger Vietnam era veterans were experiencing an unemployment rate of 17.3 percent, substantially higher than for their nonveteran counterparts. Thus, lack of promising readily available jobs, coupled with more adequate educational assistance benefits enacted in Public Law 93-508, should result in a greater number of Vietnam era veterans entering training than was originally estimated by the Veterans' Administration over 12 months ago. The continued depressed state of the economy may also have a significant impact on the number of veterans or survivors applying and qualifying for pension benefits or for VA hospital, nursing home, or domiciliary care. Potential VA liability in the housing programs it administers may be affected if mortgage foreclosure rates increase sharply in the coming months.

II. THE BUDGETARY IMPACT OF MAJOR NEW PROGRAMS OR PROGRAM CHANGES

A. Compensation and dependency and indemnity compensation

Compensation is an entitlement program providing monthly payments to veterans who are "compensated" for impaired earning capability resulting from service-connected disabilities. The fiscal year 1976 budget projects payments of \$3.744 billion for 2,211,000 disabled veterans. Death compensation or dependency and indemnity compensation (DIC) is an entitlement program providing monthly benefits to widows and dependents of veterans whose deaths were a result of

service-connected causes. Approximately \$873.1 million is scheduled to be paid to 366,000 survivors in the fiscal year 1976 budget submitted by the administration.

Both compensation and DIC rates were increased by the Veterans Disability Compensation and Survivor Benefits Act of 1974 (Pub. L. 93-295) effective May 1, 1974. Normally, these benefits are adjusted every 2 years. Given the rapid increase in the Consumer Price Index to date, and projected increases for the remainder of the year, however, it is clear that there will be a pressing need for rate adjustments this year in the range of from 10 to 14 percent producing first full-year additional costs of from \$300 to \$600 million. Presumably there will also be increased "tax expenditures" resulting from the non-taxable status of such benefits. In addition, the Committee will review a study of dependency and indemnity compensation denials recently submitted by the VA pursuant to section 201 of Public Law 93-295 to determine if legislation liberalizing the criteria for entitlement to these benefits is warranted. The need for, and prospect of such legislation is uncertain at this time; the costs entailed would be minimal.

B. Pension

Pensions are need-based monthly entitlement benefits payable to wartime veterans and dependents of deceased veterans for non-service-connected disability and death. (Those aged 65 or over are by statute presumed to be totally disabled, leaving economic need as the only test.)

The administration's budget assumes 2,215,310 veterans and survivors will receive pension benefits at a cost of \$2.719 billion in fiscal year 1976. The Committee will continue its investigation of proposals to restructure totally the pension system in order to eliminate certain inequities and inconsistencies in the current system. Proposals to restructure the system are modeled on the supplemental security income program and would be applicable to all new beneficiaries; existing pensioners could elect coverage under the new system or continue under the current program.

Consideration of the administration's pension proposals submitted in fiscal years 1974 and 1975, as well as variations thereof, have been delayed by the lack of reliable, available data requested of the Veterans' Administration during the past 2 years. We are advised that a new computer "simulation model", under development by the Veterans' Administration, will be completed in 30 to 45 days. This model should enable Committee consideration of these proposals to go forward. In addition, the Committee also expects to be aided by a study of the economic needs of older veterans and survivors to be submitted by the Veterans' Administration, pursuant to section 207 of Public Law 93-527, shortly after commencement of the coming fiscal year.

Although long-range savings are projected, immediate increases in pension costs are anticipated under either the administration's proposal or variations being considered. The tentative cost estimates for the administration's fiscal 1975 pension proposal for the first full year are for \$516 million in additional expenditures. This figure does not represent a net increase to the total Federal budget, however. There should be a substantial corresponding decrease in costs under the supplemental security income program, which currently serves many of the projected pension beneficiaries. Prospects for Senate passage of pension restructuring legislation during fiscal year 1976 at some point are considered good, but subject to the uncertainties of obtaining adequate information from the Veterans' Administration as well as the adamancy of the administration's

position, which requested "deferred" consideration of the proposal last fall and which did not include it in the fiscal year 1976 budget submission.

C. Readjustment assistance benefits

The Vietnam Era Veterans' Readjustment Assistance Act of 1974 (Pub. L. 93-508), among other things, provided for up to an additional 9 months of educational assistance benefits eligibility for those veterans entitled to the maximum eligibility of 36 months. This additional 9 months of benefits can only be used in the pursuit of an undergraduate degree. As originally passed by the Senate on June 19, 1974, by a vote of 91-0 (and subsequently unanimously ratified by the Senate in the first conference report), the additional entitlement was not so restricted. Legislation has been introduced in both bodies to remove this restriction, and congressional approval is anticipated although the administration is expected to continue its strong opposition. The Veterans' Administration estimates the first full-year cost of this amendment to be approximately \$77 million.

D. Medical care

The VA medical and hospital system (171 hospitals, 212 outpatient clinics, 85 nursing homes, and 18 domiciliary facilities) is estimated in the fiscal year 1976 budget to provide 14,743,000 outpatient visits (1,972,000 on a fee basis) and maintain an inpatient average daily census of 119,152, treating 1,246,531 veterans over the fiscal year. The fiscal year 1976 medical care budget request is \$3,667,866,000, up \$343,346,000 over fiscal year 1975. This will provide for an increase of 9,448 in average employment of health care personnel.

Medical and prosthetic research (taking into account a transfer-in of \$2,844,000 in health services research funds) remains static, with \$95 million requested compared to appropriations of \$91,377,000 for fiscal year 1975. The amount requested for the Medical Administration and Miscellaneous Operating Expenses item—\$38,528,000, requested, up \$850,000 over the fiscal year 1975 appropriation, with an average employment increase of 27—will staff the Central Office Department of Medicine and Surgery, carry out certain research and development activities and continuing education programs, and increase by 17 percent funding for the exchange of medical information program.

The construction (major and minor) budget request of \$403.9 million for VA hospital and medical facilities is up \$100.9 million over fiscal year 1975 appropriations (which includes a \$34.9 million fiscal year 1975 supplemental appropriation request), with projected obligations up \$114,167,000 from the level projected for fiscal year 1975. Of the \$398,893,000 in construction costs identified in or in connection with the special study, carried out by the VA Chief Medical Director, of the "Quality of Patient Care at VA Hospitals and Clinics", the fiscal year 1975 supplemental request (\$34,908,000), the fiscal year 1976 request (\$224,708,000), and the transitional budget request (\$5,177,000) meet \$264,803,000 of these projects. A total of \$134,100,000 in needed funding for these projects was deferred for future budgets. The assumption is that these projects will be included in the fiscal year 1977 construction budget request. The special study projects which have been funded fall into the following categories: Elimination of safety hazards and correction of electrical deficiencies; air-conditioning and boiler plants; ambulatory care and nursing home care projects; and patient support systems, essential specialized medical services, and clinical improvements. The \$150 million remainder of the construction budget provides \$130,554,000 for replacement and modernization and planning thereof for facilities at 16 VA hospitals and construction of one hospital at a new site; \$14.8 million for general administrative costs

of the Office of Construction; \$16.6 million for cemetery work; \$5 million to correct seismic deficiencies; and funds necessary to complete other projects.

For the first time, the administration has requested funding for the new chapter 82 added to title 38 by Public Law 92-541, the Veterans' Administration Medical School Assistance and Health Manpower Training Act of 1972. Previously, Congress has appropriated \$55 million to carryout this new health manpower training authority. Thus far, 5 medical schools (with one more under serious consideration) have been identified for initiation in conjunction with State universities, utilizing VA hospital clinical facilities; \$3,417,000 has been obligated out of the \$25 million available for this purpose (subchapter I of chapter 82). Of the remaining \$30 million appropriated, approximately \$21 million has been obligated for expansion of training capacity at existing medical and dental schools affiliated with VA hospitals and for initiation and expansion of other health manpower training facilities (subchapters II, III, and IV of chapter 83).

The overall VA medical care, administration, research, and health manpower assistance, and construction budgets are generally considered adequate based on the workload projections and other estimates in the budget, with two caveats: The standstill budgets for research (described above) and education and training (residents, interns, and other trainees—projected at 73,000 with 8,170 average employment, the same as in fiscal year 1975, with a total fiscal year 1976 allocation increase of less than \$1 million over the \$185,476,000 estimated for fiscal year 1975) are acceptable for fiscal year 1976 in view of immediate overall veterans' medical care priorities. However, these two areas will clearly require significant increased funding in fiscal year 1977, as will construction of research and education facilities, a category totally neglected in both the fiscal year 1975 and fiscal year 1976 requests.

The Veterans Health Care Expansion Act of 1973 (Pub. L. 93-82) provided for significantly expanded overall eligibility, particularly for outpatient care, for the treatment of non-service-connected disabilities of veterans, especially those with serious service-connected disabilities (80 percent or more). The act also made improvements in the nursing home care program for service-connected care; provided for certain care of service-connected veterans' dependents; and made numerous other improvements in title 38 with respect to personnel authorities, education and training of health care personnel, reimbursement for property loss and for health care provided in private facilities, and other matters.

As a result of enactment of Public Law 93-82, certain technical and clarifying changes will be required in title 38 provisions which will entail no significant costs. These changes will likely be proposed and approved in fiscal year 1976, as part of an omnibus veterans medical bill, which also will: (1) Improve and expand the veterans drug and alcohol treatment and rehabilitation program along lines twice passed by the Senate in S. 2108 (92d Congress) and S. 284 (93d Congress); (2) provide for readjustment professional counselling for recently discharged veterans (and, where necessary, their family members); (3) establish minimum due process requirements for separations and disciplinary actions affecting VA doctors, dentists, and nurses in probationary and post-probationary status; (4) provide for VA health care responsibility for a greater number of service-connected disabled veterans (currently only those with 80 percent or higher rated disabilities); (5) ensure priority care for the outpatient treatment of veterans' service-connected disabilities; (6) expand and improve the VA and contract nursing home care

programs (including provision for inhouse intermediate care); (7) add special authorities to enable the VA to recruit and retain physicians, dentists, nurses, and other health care personnel in view of the \$36,000 Federal pay ceiling; (8) clarify VA authority, and establish a revolving fund, for work-for-remuneration rehabilitative therapy programs; (9) improve the guardianship procedures for VA patients and the disposition of their funds; (10) extend the exchange of medical information program's authorization of appropriations; and (11) provide for a procedure to ensure equitable travel expenses and per diem rates for veteran beneficiary travel. This legislation is estimated to entail \$95 million in additional expenditures for the first full year.

III. BUDGETARY IMPACT OF ACTION ON PRESIDENTIAL LEGISLATION PROPOSALS

A. Readjustment benefits

The administration has requested legislation to repeal the 2-year extension of delimiting period for readjustment assistance benefits provided by Public Law 93-337. If enacted, such legislation would reduce outlays by \$161 million in fiscal year 1975 (using the April 1, 1975 effective date assumed in the President's budget) and \$600 million in fiscal year 1976. Despite administration opposition, Congress unanimously enacted legislation last July providing for an additional 2-year period within which to utilize educational assistance benefits. It is highly unlikely that the proposed repeal of this legislation will be enacted.

B. Medical care

The administration has also requested legislation to effect reimbursement to the VA by private insurers for the cost of inpatient hospital and medical care and treatment provided for the non-service-connected disabilities of veterans with health insurance coverage. Enactment is estimated to reduce budgetary outlays by \$61 million in fiscal year 1975 and \$122 million in fiscal year 1976. Identical proposals have been submitted annually since 1970 without success. It is highly unlikely that this legislation will receive favorable action in the current fiscal year or next.

C. Additional legislation or administrative initiatives

Although not reflected in the submitted budget, there are certain additional administrative and legislative initiatives by the administration which can presently be expected. It is anticipated, for example, that the President will by proclamation, prior to the commencement of fiscal year 1976, set a termination date to the "Vietnam era". This proclamation will have the effect of eliminating eligibility for certain veterans programs (notably pension and burial benefits) for those entering the armed forces after the termination date. While this will have long-range implications, there should be minimal budgetary impact in the fiscal year 1975 or fiscal year 1976. Legislation, however, will be needed to terminate the educational assistance benefits program. It is generally anticipated that such legislation would be submitted concurrently with the Presidential proclamation terminating the Vietnam era. If enacted, it would have little immediate budgetary effect (for at least 3 years) other than with respect to "inservice" educational benefits paid for under the GI bill by the Veterans' Administration on behalf of active duty servicemen. Termination of such inservice benefits would reduce VA outlays by approximately \$20 to \$30 million in the first full year. This would not necessarily reduce total Federal outlays, however, since it may be presumed that the Defense budget would increase by a like amount in order to continue active duty education programs.

The probability of enactment of this legislation is very uncertain with prospects for passage apparently greater in the House than in the Senate.

In the area of compensation, the Administrator currently has administrative authority to adjust the disability rating schedule to reflect actual impairment of earnings ability. Since August 1974, a proposal to increase the ratings for certain disabilities found to be undercompensated, has been pending within the executive branch. If such administrative action were forthcoming, it could result in additional compensation outlays of up to \$144 million in fiscal year 1976.

IV. COMMENTS ON PRESIDENT'S BUDGET ESTIMATES FOR PROGRAMS ALREADY AUTHORIZED

A. Compensation and pension

Although the compensation population is now generally static following termination of hostilities in Vietnam, economic conditions can have an important effect on the need-based pension program both as to case-loads and payment levels. Because of the sharp downturn in the economy, not contemplated when budget estimates were first proposed, it now appears that a supplemental appropriation of at least \$100 million will be needed for the remainder of fiscal year 1975. For the same reasons, another \$100 to \$200 million above submitted budget estimates will probably be required for fiscal year 1976.

B. Readjustment benefits

As mentioned previously, GI bill benefits are a viable alternative for many unemployed veterans. The increased attractiveness of the program occasioned by enactment of Public Law 93-508 together with sharp increases in veterans' unemployment rates have rendered earlier prepared budget estimates obsolete. While figures are incomplete, it would appear that enrollment in GI bill programs is presently running 12 to 25 percent above previous estimates. Fiscal year 1975 budget estimates now appear to be underestimated by \$300 to \$400 million. Similarly, an additional \$400 to \$500 million in outlays will probably be required for fiscal year 1976.

C. General operating expenses

The present budget reflects a decrease of 495 in general operating expenses (GOE) personnel. This decrease is predicated on projected decreased workloads and also apparently on enactment of legislation repealing the extended delimiting period within which to use GI bill benefits. As noted previously, both of these assumptions are of doubtful validity. Further, this decrease in personnel ignores additional requirements to administrative workloads resulting from legislation enacted last year. Public Law 93-508 for example, requires the hiring of 600 additional campus veterans representatives and mandates the VA to undertake, for the first time, data collection, review, and evaluation of VA benefits programs on a regular basis. Additional controls, pursuant to new legislative requirements, to prevent abuses in the education program, also require that additional personnel be hired. Enactment of the Veterans Housing Act of 1974 (Pub. L. 93-569), creating expanded loan authority for condominiums and mobile homes, also will require the hiring of additional personnel.

In sum, it appears that it will be necessary not only to restore the 495 employees, but to hire an additional 1,165 as well, as a net increase in the GOE budget of \$19 million.

D. Medical care

There are three areas in which there may be underestimates in the budget with respect to various aspects of the VA medical and hospital program. First, over the last several years the budget estimates of outpatient care visits have run consistently low. Although outpatient treatment is estimated to increase by 1 million inhouse visits over the fiscal year 1975 (11,771,000) level projected in the

budget request, recent experience would indicate that this is low. For example, the increase projected by the budget is considerably less, both in absolute terms and as a percentage increase, than the utmost 13 percent increase originally projected for fiscal year 1975 over the 10,457,830 visits experienced in fiscal year 1974. In this connection, it must be noted that 1974 was the first fiscal year where the new outpatient care eligibility in the Veterans Health Care Expansion Act of 1973 (Pub. L. 93-82) began to impact on outpatient visit caseloads. At this time, it would appear that the fiscal year 1975 estimate is about 5 percent too low and that the additional work generated by Public Law 93-82 will increase the total fiscal year 1975 outpatient visits by about 527,000. Using an average of \$30 per outpatient visit, the medical care budget in terms of outpatient visits is thus underestimated in fiscal year 1975 by \$15.8 million. For fiscal year 1976, it would appear to be underestimated by 670,000 visits or \$20 million.

Second, the budget includes an estimate of 975 in average daily patient census (ADPC) for contract hospitalization of 1975, costing \$28,468,000. This seems to be underestimated by 25 percent; fiscal year 1976 requirements will more likely be a 1,228 ADPC, with a total cost of \$35,858,000.

A less certain area of possible underestimate in the budget is with respect to overall increased demand for inpatient and outpatient treatment which could be generated by the high unemployment rate and the concomitant loss of health insurance coverage by previously covered former workers. Congress now has before both Houses legislation to provide coverage for unemployed workers whose health insurance benefits have lapsed by virtue of their job loss, and enactment of such legislation would likely obviate this potential area of increase in demand on VA medical facilities. Since the administration has strongly opposed this legislation, however, its enactment certainly cannot be presumed, and, hence, the VA system may well experience an increase in demand for health services brought about by the lapse of health insurance coverage due to unemployment.

Mr. WEICKER. Mr. President, I rise to commend the Senate Appropriations Committee for appropriating \$35 million to implement the section 802 program.

This program, enacted as part of the Housing and Community Development Act of 1974, is designed to assist State housing and development agencies in raising funds for the construction of low- and moderate-income housing through the issuance of taxable bonds.

To meet our housing goals will require a strong and active commitment by both the Federal and State governments, as well as the private sector. The States can and must play a major role in providing a suitable living environment for all Americans. To date, 33 States have created State housing agencies, whose public mandate is to finance and assist the construction and rehabilitation of housing for low- and moderate-income Americans.

By implementing section 802 program, these agencies will be able to finance these essential housing projects, not only in the tax exempt market, but also in the largely untapped taxable market.

Mr. President, during the consideration of the first supplemental appropriations bill, the Senate adopted an amendment which appropriated \$25 million for the section 802 program. Unfortunately, this provision was dropped in conference. At that time, HUD stated that they needed

more time to study this program. Well, now nearly 1 year has passed, and HUD is still reviewing this program.

The Council of State Housing Agencies have offered their assistance to HUD in the development of regulations to implement the program. What has been HUD's response? Delay. Inaction.

At this point, I would like to highlight an appropriate section of the Senate committee's report.

In appropriating these funds, the Committee intends that the HUD secretary will prepare regulations and implement this program as soon as possible with respect to the provisions for interest reductions as well as for Federal guarantee of bonds to be issued by states for the revitalization of slum areas and assist in the financing of housing for low and moderate income housing in connection with such revitalization.

This strong report language makes it clear that the Senate will not tolerate any more footdragging on this program. We need action, not further study.

Since the moratorium in 1973, the housing problems have increased, the backlog of need continues to grow and the capability for producing housing has diminished.

It is my understanding that the administration is opposed to the HUD appropriations bill, as reported out of the committee. One of the reasons the administration cites is the committee's decision to fund the section 802 program.

The Council of State Housing Agencies, in response to HUD criticism, presented a convincing case, in a letter to Senator PROXMIER. Their letter refutes the objections expressed by the administration's spokesman. I ask unanimous consent that this letter be printed at this point in the RECORD.

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

COUNCIL OF STATE HOUSING AGENCIES,
July 14, 1975.

Senator WILLIAM PROXMIER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PROXMIER: I am writing to you as Chairman of the Appropriations Subcommittee to request your support for inclusion in the pending appropriation bill for the Department of Housing and Urban Development of an appropriation of \$50,000,000 of contract authority to fund the interest differential commitment authority under section 802 of the Housing and Community Development Act of 1974.

Section 802, as you know, provides new authorities to assist State housing and development agencies to raise funds for their programs through the issuance of taxable obligations in the private money market. It was enacted at Congressional initiative, with Senator Weicker and Representative Reuss taking lead roles and with the strong support of the Council of State Housing Agencies and the National Governors' Conference.

HUD has not yet, almost a year after Congress's enactment of this new provision, started to implement these new authorities, nor has it announced when or under what ground rules, or even whether, it will begin to operate this program.

As you know, HUD argued that last time Section 802 came up for funding, in the January supplemental appropriation bill, that it needed more time to study this provision. They are still "studying" it.

Based on a poll of 17 state agencies, including all the Directors of the Council of State

Housing Agencies and many of its members, conducted this week, I can report unanimous and increasing support for this program. We thus request that, particularly in view of this unfortunate pattern of HUD delay, which you have criticized in the past, you propose or support enactment of an appropriation to provide the necessary initial funding for this program.

Since January the need for and the potential effectiveness of the Section 802 program has grown greater. The basic intent of the programs is twofold: (a) to provide an incentive to state housing agencies to issue taxable rather than tax exempt bonds and (b) to provide federal guarantees for such bonds in circumstances where the activities to be financed meet important federal policies but the attendant difficulties and risks require special federal support. Since January it has become clear that the tax exempt bond market has suffered disproportionately from present tight credit and high interest rate conditions. Largely because of the relative inelasticity of municipal and other tax exempt issuers' needs for credit, interest rates in the tax exempt market have approached rates for comparable securities in the taxable market. The loss in federal tax revenues resulting from tax exempt issues has risen correspondingly. Section 802 provides a unique opportunity right now to ease the pressure on tax exempt interest rates generally and open new markets for state housing agency bonds, while increasing federal tax revenues.

At the same time, since January it has become clearer that bonds which do not obtain the highest ratings must pay disproportionately higher interest rates. Thus state housing agencies now find, to a greater extent than before, that they cannot undertake worthy, viable and important projects in areas of need if these might reflect adversely on the agency's bond rating. The need for federal guarantees is thus greater than ever if agencies are to tackle certain areas of real housing needs in their states.

In this regard, I want to express strong disagreement with a statement by Mr. David deWilde of HUD to you in the recent hearings concerning Section 802. He claimed that since agencies with lower credit ratings were most likely to use guarantees and interest subsidies "the program would in a sense be rewarding weak fiscal management". This statement disregards the fact that lower credit ratings can just as well result from housing finance efforts which are well managed and financially sound but which, because of the nature of the lower income housing needs they seek to meet, inherently involve greater risks than * * *

Such risks will commonly be involved, for example, in the case of issuers seeking to finance housing under HUD's new Section 8 housing assistance program. There is thus clearly a category of applicant, even among agencies with lower ratings, deserving of support; HUD has ample administrative discretion and capacity under the Section 802 program to distinguish between such applicants and those not deserving.

Mr. deWilde's other arguments against Section 802 seem equally unsubstantial:

(a) He fears that the program may increase aggregate borrowing in capital markets and thus result in higher overall interest rates. An intent of the program is, of course, to assist borrowing by state housing agencies; does Mr. deWilde's objection mean that he wishes such agencies to be less active and, thus, not to participate in meeting lower income housing needs and in relieving the present recession in the housing industry? Basic administration policy at this time appears to favor a stimulation of production and rehabilitation of housing. State housing agencies in our view offer the most practicable method for financing new construction under the Section 8 program. Section 802

meets these objectives in a way that will hold interest rates down by permitting a better balance of demand between the taxable and tax exempt markets.

(b) Mr. deWilde questions whether the subsidizing of interest to encourage use of taxable bonds is cost effective if the tax exemption is not simultaneously eliminated on all municipal bonds. We fail to see the connection. Each time that a taxable bond is issued in lieu of a tax exempt bond, additional tax revenues are derived equal to, on the average, as much as 40% of the interest earned on the taxable bond, according to Treasury Department estimates. A subsidy of 33% of such interest amount will cost less to the federal government than the additional revenues derived. In addition, Mr. deWilde's position appears to conflict with past Treasury policy, which actively promoted the use of taxable bonds with correspondingly increased federal subsidies in limited fields rather than use of tax exempt bonds in such fields. Results of this policy include new community debentures under PL 91-609, land development loans under Title I of last year's housing act and Hill-Burton hospital loans.

We should add that we would strongly oppose any effort to eliminate the tax exemption for state and local government and agency obligations. The intent of Section 802, as Congress made clear in the Committee reports on that provision, is to provide an additional financing option to state housing agencies, and not to limit the existing authority of those agencies.

(c) Mr. deWilde states that changed economic conditions require new analyses of Section 802. As indicated earlier in this letter, changed conditions have essentially served to increase the need for and importance of Section 802.

As we have stated before, the Council of State Housing Agencies stands ready to assist HUD in any way possible to develop program guidelines, forms and procedures which will allow Section 802 to be promptly implemented. With your support, we hope to have that chance soon.

Sincerely,

JOHN G. BURNETT,
President.

Mr. WEICKER. Mr. President, in 1973, the Federal Government abandoned the goal of providing a decent home for all Americans. The section 802 program is designed, in part, to provide these State agencies with the Federal assistance that is necessary to tackle the tough jobs in our inner cities.

I am deeply disappointed with HUD's opposition to this program. To me, their position on this matter is indicative of an overall lack of commitment to the housing goals, as set forth by the Congress.

I hope this appropriation of \$35 million will survive a House-Senate conference committee. The States have the expertise and the enthusiasm to do the job. Let us not allow the apathy in Washington to kill this vitally needed program.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The ACTING PRESIDENT pro tempore. The bill having been read a third time, the question is, Shall it pass?

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. The yeas and nays have already been ordered.

ORDER OF PROCEDURE

Mr. MANSFIELD. Mr. President, parliamentary inquiry.

Is it not just about time to proceed to the vetoed legislation?

The ACTING PRESIDENT pro tempore. The Senator is correct. In 1 minute the Senate will proceed to consideration of the veto message.

Mr. MANSFIELD. Would the Chair consider using that 1 minute so we may finish it 1 minute sooner?

I ask unanimous consent that that be done.

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

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on the unfinished business, the HUD appropriation bill, follow immediately the vote on the veto.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. And I ask unanimous consent that the second vote take 10 minutes.

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

SPECIAL HEALTH REVENUE SHARING ACT OF 1975—VETO MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States returning, without approval, the bill (S. 66) to amend the Public Health Service Act and related health laws to revise and extend the health revenue sharing program, the family planning programs, the community mental health centers program, the program for migrant health centers and community health centers, the National Health Service Corps program, and the programs for assistance for nurse training, and for other purposes, which reads as follows:

To the Senate of the United States:

I am today returning, without my approval, S. 66, a bill to amend the Public Health Service Act to provide support for health services, nurse training, and the National Health Service Corps program.

This bill is very similar to two separate bills which I disapproved during the last session of the 93rd Congress, H.R. 14214 and H.R. 17085. In my memorandums of disapproval, dated December 23, 1974, and January 3, 1975, respectively, I cited a number of reasons why I could not approve those bills. Those objections remain valid for the measure before me today.

As in last year's bills, S. 66, would authorize excessive appropriation levels. I realize that in considering the bill this year, the 94th Congress made some reductions in the total cost of the measure. However, the levels authorized are still far in excess of the amounts we can afford for these programs. The bill would authorize almost \$550 million above my

fiscal year 1976 budget request for the programs involved, and it exceeds fiscal year 1977 levels by approximately the same amount resulting in a total increase of \$1.1 billion. At a time when the overall Federal deficit is estimated at \$60 billion, proposed authorization levels such as these cannot be tolerated.

When I signed the Tax Reduction Act of 1975, I pledged to do everything in my power to keep this year's deficit from exceeding \$60 billion and to restrain the longer-run growth in Federal spending. I stated that I would resist every attempt by the Congress to add to that deficit. Bills currently being considered by the Congress would add \$25 billion to the fiscal year 1976 deficit and \$45 billion to next year's deficit. If they were to become law, they would lock us into a permanent policy of excessive spending and make the Federal budget a primary cause of inflation for years to come. To avoid this, I have no choice but to veto these bills if the Congress insists upon sending them to me.

Apart from its excessive authorization levels, S. 66 is unsound from a program standpoint. In the area of health services, for example, the bill proposes extension and expansion of Community Mental Health Centers projects which have been adequately demonstrated and should now be absorbed by the regular health services delivery system. S. 66 also would continue and expand such separate categorical programs as Community Health Centers and Migrant Health Centers. In addition, it would authorize several new narrow categorical, and potentially costly programs which duplicate existing authorities, including \$30 million for the treatment of hypertension, \$17 million for rape prevention and control, \$10 million for home health service demonstration agencies, and \$16 million for hemophilia treatment and blood separation centers. Three new national commissions on specific diseases also would be established. The expansion of the Federal role in health services delivery through such narrow categorical programs is not consistent with development of an integrated, flexible health service delivery system.

The Administration repeatedly and vigorously has opposed measures such as S. 66 and urged passage of a more effective and more equitable approach to Federal assistance for health services. H.R. 4819 and S. 1203, which reflect our proposals, would consolidate various separate programs into the flexible project grant authority of the Public Health Service Act to allow funding of a wide variety of health services projects based on State and local needs. Moreover, such programs would be for demonstration purposes. Once a new service model has been adequately tested, its adoption into the delivery of services can—and should—be the primary responsibility of the private sector and State and local governments.

The Federal role in overcoming barriers to needed health care should emphasize health care financing programs—such as Medicare and Medicaid for which spending is estimated at \$22 billion this year. These programs establish specified eligibility and benefits standards and

provide assistance generally available to those most in need, such as the poor and the aged. S. 66, on the other hand, would have the Federal Government select individual communities and groups for special funding assistance. In my view, this is clearly an inequitable approach to health problems and an unwise attempt to substitute judgments made in Washington for those of responsible persons in State and local governments and the private sector.

In extending the registered nurse training authorities, S. 66 inappropriately proposes continuation of large amounts of capitation and construction support. These support mechanisms have outlived their usefulness. They were introduced to stimulate nursing schools to educate more general-duty nurses because of an overall shortage. The schools responded, with enrollments in baccalaureate and associate degree programs rising by more than 90 percent during the period 1970-74. As a result, with no further Federal stimulation, we can expect the supply of active registered nurses to increase by more than 50 percent during this decade.

With these increases, the employment market for general duty nurses already is tightening in some areas. As early as January 1973, the American Nurses' Association stated that "... it appears that the shortage of staff nurses is disappearing." Our failure to limit growth now could result in our training an excess number of nurses, creating the same kind of oversupply that has left thousands of elementary and secondary school teachers disillusioned with the lack of teaching opportunities.

The general nursing student assistance provisions contained in this bill are largely duplicative of existing undergraduate student aid programs offered by the Office of Education, and represent just one more unnecessary categorical program.

The bill also fails to shift emphasis in any meaningful way from problems of aggregate supply shortages to the problem of geographic maldistribution, which is reflected in very substantial intra- and inter-State differentials in nurse-to-population ratios.

S. 66 continues to treat nurse training separately from the other health professions. The Congress is now considering various measures for Federal support for education in other health professions. Nurse training should be considered as part of that debate to inter-relate health manpower education programs rather than to perpetuate a fragmented Federal health professions policy.

Finally, S. 66 provides for a one-year extension of the National Health Service Corps. I support this fine program, and the Administration has submitted legislation to the Congress for its extension. I believe, however, that the authorization level proposed in S. 66 of \$30 million for fiscal year 1976 is excessive.

Good health care and the availability of health personnel to administer that care are obviously of great importance. I share with the Congress the desire to improve the Nation's health care. I am convinced that legislation can be devised

to accomplish our common objectives which does not adversely affect our efforts to restrain the budget or inappropriately structure our health care system. I urge the Congress to pass such legislation, using the bills I have endorsed as the starting point in such deliberations.

GERALD R. FORD.

THE WHITE HOUSE, July 26, 1975.

The Senate proceeded to reconsider the bill.

Mr. MANSFIELD. Mr. President, I yield my 15 minutes to the distinguished Senator from Massachusetts (Mr. KENNEDY).

Mr. KENNEDY. Mr. President, the measure we are now considering is one which is of great importance to millions of Americans, and I hope this body will override the President's veto.

The President of the United States has vetoed S. 66, which includes the nurse training and the health services programs. In the last Congress he pocket vetoed this legislation.

Earlier this year, in an attempt to try to work with the administration, the Subcommittee on Health combined these programs, brought them to the floor of the Senate, where they were passed overwhelmingly.

In the conference with the House of Representatives, we settled on a figure with the House of Representatives which was lower by \$500 million than the bill passed by the Senate and actually a lower figure than in the bill passed by the House of Representatives.

So that the bill we are considering now, in the amount that is being authorized, contains a lower authorized figure than that which was passed unanimously by the House of Representatives or which was passed by the Senate.

We have attempted to provide legislation which is realistic and fiscally responsible. We have tried to compromise with the President. Essentially, Mr. President, 96 percent of the moneys that we are authorizing here will be used for continuing existing programs. Only 4 percent of the moneys we are authorizing in these programs are for any new initiatives.

One initiative is a home health service program, to find innovative and creative ways of bringing health services to people in their homes, so that elderly people, if they wish, can remain in their homes, rather than going to nursing homes and other institutions, and to try to provide initial seed money to find ways by which we will be able to save the Federal Government hundreds of millions of dollars in the program.

S. 66 is basically a continuation of existing, badly needed health programs. We are providing a degree of flexibility for the Committee on Appropriations so that they may be able to adjust and raise some programs and to decrease others, if that is their judgment.

Why are these programs so important, and what basically are the programs about which we are talking? We are talking about programs to train nurses in this country—including nurse practitioners. This portion of the bill also includes the capitation, special project, and construction program for nursing schools and their students.

One of the key problems we are facing in the health care crisis in this country is in trying to find sufficient manpower, appropriately trained and in the right places. This program is directed to attempt to meet that challenge.

Besides the nursing aspect of the program, we have the health service delivery system, including neighborhood health centers, one of the most imaginative and creative programs, to try to deliver health care to communities where people are in the greatest need.

We have a neighborhood health center program and the community and mental health program in this proposal. In view of the kinds of problems we are facing generally in the whole public health area, community mental health is one of the most important. These programs are extremely important. This authorization provides for a continuation of the community mental health program. Those programs are providing extraordinary kinds of value today to the citizens and the communities in which they live.

Finally, we have the National Health Service Corps, to try to provide trained, educated, and motivated young people to go into the underserved areas of this country—young people, who because of their commitment and concern for providing decent health care in many of the underserved communities, whether rural or urban, are going to provide this kind of training. It is an expanding program, and it is appealing to more and more of the medical school graduates in this country.

These are some of the programs: nurse training, delivery of health home programs, a very limited number of new programs, as I mentioned earlier. These are the backbone of our health care system.

These programs essentially have been vetoed on a previous occasion. They are now under a continuing resolution. I believe that unless we are able to override the President's veto, we are sounding the death knell of these programs for the people who are being hardest hit by the problems of inflation and recession in our country.

I am very hopeful that this body will override the President's veto. As I say, the measure we bring to the Senate today is fiscally sound, a modest increase as to the total number appropriated last year.

Ninety-six percent of the authorization goes to continuing existing programs, not new, untried programs—existing programs that are benefiting millions of American people. This veto must be overridden.

In reviewing the Budget Committee's recommendations, we find that for the one fiscal year, the program provides \$900 million for health resources administration, full funding of new legislation for the extension of health teaching facilities and construction programs. This is a \$2 billion program for 2 years. I daresay that we are completely within the guidelines of the Budget Committee.

I had the opportunity to testify before the Committee on Appropriations on the whole range of health programs, and the Health Appropriations Subcommittee of the Committee on Appropriations came in with a recommendation of \$140 mil-

lion less than the budget recommended. So I think we have been sincere in attempting to live within the Budget Committee's recommendations. We have drafted a program that will be effective in dealing with these particular areas of health concern for the American people.

Mr. President, I reserve the remainder of my time. How much time remains?

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts has 6 minutes remaining. The minority leader, or his designee, has 15 minutes remaining.

Who yields time?

Mr. JAVITS. Mr. President, will the Senator yield me 3 minutes?

Mr. HUGH SCOTT. Mr. President, I yield my time to the Senator from New York.

Mr. JAVITS. I thank the Senator.

Mr. President, I believe that the President's veto should be overridden, and I shall so vote. I should like to explain to the Senate why.

Let us remember, first and foremost, that this is an authorization bill. It is not an appropriation bill. Therefore, it does not engage in any budget busting until the money is put out.

In the meantime, it tied together so many pieces of health programs, in the absence of a national health insurance program, as to be indispensable, in my judgment, to the health care of the people of the United States.

Let us remember that, essentially, this is a bill to amend the Public Health Service Act. It relates to health services, nurses' training, and the National Health Service Corps. About the latter, let us see what the President himself says in his veto message.

"I support this fine program," he says. "The administration has submitted legislation to Congress for its extension. I believe, however, that the authorization level proposed in S. 66 of \$30 million is excessive."

Well, the Committee on Appropriations can take care of that. The President has shown that he does not hesitate to veto an appropriation bill. He just vetoed one.

Second, Mr. President, this bill contains a provision for rape prevention and control, Senator MATHIAS' very gifted bill, a critically important crime problem, and in the spirit of our relationship in our country in terms of law as to the rights of women, an absolutely indispensable program. With this veto, down the drain it goes.

Finally, Mr. President, I have spent a lifetime of legislative activity in connection with nurses' education, nurses' training, to provide enough nurses. The President says that we already have enough nurses, and he quotes the American Nurses Association:

It appears that the shortage of staff nurses is disappearing.

Note the emphasis and the fine point—staff nurses is disappearing.

The committee report acknowledges that. We say,

While the absolute number of registered nurses has increased in recent years,

This is page 17—

the committee recognizes that there are
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serious shortages of nursing services in a number of categories, particularly those requiring advanced preparation.

Then we proceeded to detail our views as to the health maintenance organizations and many other advances in health care, clinical nurse specialists, and so on—exactly what we did in this bill.

In short, nobody is denying what the President says, but it simply is not meeting the issue which is raised by this bill. The bill deals with a type of nursing education in which we are woefully short and in which we need the buttressing and support which this bill will give us.

Mr. President, the time for debate is short. I shall not try to detain the Senate with all of the individual details, but the essence of the argument is this: It is an authorization, not an appropriation bill. There is no raid on the Treasury, there is no busting of the budget or any of those labels which are sought to be affixed to bills in order to defeat them. This holds together quite a large number of programs indispensable to the health of our people. The President himself recognizes that, because he says in here what we ought to do:

The Federal role in overcoming barriers to needed health care should emphasize health care financing programs such as Medicare and Medicaid, for which spending is estimated at \$22 billion this year.

Mr. President, of course it is. But that is by no means, and everybody knows it, the total health package this country not only ought to have, but urgently needs. The fact that we spent \$22 billion does not throw me, because we just approved \$31 billion for military hardware in the conference committee, and nobody said, "You have to stop at \$22 billion if the cost is \$31 billion if that is essential to the security of the country." This is just as essential to the security of the country.

Fifteen of us have just been to the Soviet Union. Really, the Soviet Union is not an outstanding country, except in its military establishment, Mr. President. They are not 10 feet tall, by a long sight, in terms of the development of the country. I speak with the greatest respect. We hope very much to work out many things with them, and I think we will. But it is a country which, compared to the United States, leaves a great deal to be desired.

Mr. President, one thing they do have, and every person in the Soviet Union brags about it, is medical care. That is the one thing they can point to and pin their hopes and aspirations on. We do not have that; they do. We do not in the universal measure that they do, in terms of equity to the poor and those who can least afford it. When we try, as in this bill, which is a monumental bill in terms of tying together the help for many health needs, to do the job, it is knocked down.

We shall come back with another bill; I know that. But what is the need for it? Why go through all the gyrations and the risks and pain and anguish all over again, when the Committee on Appropriations can, in an afternoon, do everything the President wants done and if he does not like it, he can veto it?

For all of these reasons, Mr. President, I feel that I must vote to override the veto

and hope that the President will pass the measure.

Mr. President, a recent letter from the American Nurses Association and other interested health organizations to the President, urged him to sign S. 66. For the reasons set forth in the letter and its enclosures I will vote to override the veto. I ask unanimous consent that the full text of the ANA letter and its enclosures be printed in the RECORD to assist my colleagues in their decision on this measure.

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

AMERICAN NURSES' ASSOCIATION, INC.,
Kansas City, Mo., July 24, 1975.

President GERALD R. FORD,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: On July 17, the Congress sent for your action, S. 66, the Nurse Training and Health Revenue Sharing and Health Services Act of 1975.

The bill provides authority for the following programs: Nurse Training, Grants to States for Health Services, Family Planning, Community Mental Health Centers, Rape Prevention and Control, Migrant Health Centers, Community Health Centers, Home Health Services, Mental Health for the Elderly, Control of Epilepsy, Control of Huntington's Disease, Hemophilia Programs, National Health Service Corps.

Previously, you vetoed two separate bills providing for these programs.

The undersigned organizations strongly urge you to sign S. 66. The reasons are many, but central to the position of all organizations are the following:

1. S. 66 is ½ billion less than the previously vetoed bills, and very close to last year's appropriations.

2. S. 66, for the most part, continues existing programs. With few exceptions all of the programs in the bill, either service or training, are presently being operated with crucial federal support. Thus, the bill continues existing federal policy; it does not start major new programs. Also, authorizations in S. 66 are well below those in the expired legislation.

3. All of the programs in S. 66, in one way or another, support the delivery of health services to people who would otherwise not have access to care.

4. In a period of economic crisis, such as the present, the demands on health service delivery programs are greater than during less stressful times. Thus to withdraw support for these programs now would have a very serious adverse impact on those who need health care. For example, both the mental health centers program and the health centers programs have experienced dramatic increases in demands for services in recent months.

For these reasons, as well as many others, we ask that you sign S. 66 into law.

Sincerely,
American Academy of Child Psychiatry,
American Association of Colleges of Nursing,
American Association of Deans of Colleges of Nursing,
American Association of Nurse Anesthetists,
American Association of Psychiatric Services for Children,
American Nurses' Association,
American Parents Committee,
American Psychological Association,
Association for the Advancement of Psychology,
Epilepsy Foundation of America,
Friends of the Earth,
Health Security Action Council,
National Abortion Rights Action League,

National Association for Mental Health, National Association of University Women, National Council of Community Mental Health Centers, National Council of Jewish Women, National Organization for Women, National Women's Political Caucus, Physicians' National Housestaff Association, Planned Parenthood-World Population, United Auto Workers' Union, Women's Equity Action League, Zero Population Growth, Inc.

[From the American Nurses' Association, Inc., Kansas City, Mo.]

REASONS TO SUPPORT OVERRIDE IF PRESIDENT FORD VETOES S. 66—HEALTH SERVICES AND NURSE TRAINING BILL

1. Bill is \$0.5+ billion under the previously vetoed bills (Dec. 1974).
 2. Authorizations for S. 66 are very close to last year's funding (and that is based on FY '74 appropriations so does not even include the inflation factor cost escalations).
 3. Conference report figures are \$5 million less than the House Bill for Nurse Training Act.
 4. Senate Conferees conceded on all their funding levels.
 5. Outside groups have really been cooperative on this.
 6. Some 35 interest groups are interested in working to get S. 66 signed or veto overridden.
 7. Maldistribution of health personnel is dealt with in the Community Health Centers, Community Mental Health Centers and Health Services Corps sections of S. 66. The Nurse Training Act does promote better geographic distribution of RN's in the project grants and nurse practitioner sections and in the eligibility requirements for capitation grants.
 8. There is not an oversupply of RN's. An American Hospital Association Survey showed 38 states reported continuing shortage. Nursing homes in south (Ark. and Texas especially) still seek waiver from HEW requirement that one RN be on staff of every skilled nursing facility because they say they cannot find RN's.
 9. The Federal Register of July 14, 1975 had a 40 page list of hospitals critically short of nurses!
- Please show your recognition that health programs are important—we need your vote.

FACT SHEET

S. 66—NURSE TRAINING AND HEALTH REVENUE SHARING AND HEALTH SERVICES ACT OF 1976

Congress is clearing and sending to the President legislation combining several health programs that were pocket vetoed last

December. The bill provides authority through fiscal 1977 for the following programs: Nurse Training, Grants to States for Health Services, Family Planning, Community Mental Health Centers, Migrant Health Centers, Community Health Centers, Home Health Services, Mental Health for the Elderly, Control of Epilepsy, National Center for Prevention and Control of Rape, Control of Huntington's Disease, Hemophilia Programs, National Health Service Corps.

Here's what the various aspects of the bill do:

Nurse Training—Provides federal support to schools of nursing and nursing students.

Grants to States for Health Services—Extends 314(d) authorizations of the Public Health Service Act for two years, revises the planning and reporting procedures, and authorizes funds for Hypertension.

Family Planning—Extends authorizations under Title X of the Public Health Service Act.

Community Mental Health Centers—Extends and revises the Community Mental Health Centers Act; encourages fiscal self-sufficiency by centers; and establishes a National Center for the Prevention and Control of Rape.

Migrant Health Centers—Authorizes planning and development, and operation grants to migrant health centers to provide extensive health service to migrant workers.

Community Health Centers—Authorizes two year planning and development, and operation grants for community health centers to provide extensive health care services to medically underserved populations.

Home Health Services—Creates a demonstration program of grants to create home health care agencies and to train personnel to provide home health care vis a vis institutionalized care.

Mental Health for the Elderly—Establishes a Committee on Mental Health and Illness for the Elderly for a period of one year to study and recommend policy for the care and treatment of the mentally-ill aged person.

Commission for the Control of Epilepsy—Creates a temporary commission to advise the President and Congress as to a comprehensive plan for the control of Epilepsy.

National Center for the Prevention and Control of Rape—Creates within NIMH a national center to study the causes and the effects of rape and disseminate such information to the public.

Commission for the Control of Huntington's Disease—Establishes a temporary commission to advise the President and Congress on a national plan for the control of Huntington's Disease.

Hemophilia Program—Establishes a hemophilia diagnosis and treatment program under the Public Health Service Act.

National Health Service Corps—Extends the Corps program providing personnel to be utilized to improve health service delivery to medically underserved populations.

Health revenue sharing, health services, and nurse training—total funding by individual State for S. 66 programs

(Totals are for the last year for which information is available.)

Alabama	\$9,061,358
Alaska	752,447
Arizona	6,926,903
Arkansas	7,991,124
California	43,215,735
Colorado	8,770,774
Connecticut	6,578,549
Delaware	2,312,299
District of Columbia	6,364,227
Florida	18,113,084
Georgia	10,375,279
Hawaii	1,561,140
Idaho	3,926,991
Illinois	16,696,905
Indiana	10,040,103
Iowa	4,992,202
Kansas	5,349,219
Kentucky	13,670,937
Louisiana	6,465,736
Maine	4,056,187
Maryland	8,887,093
Massachusetts	13,681,159
Michigan	16,298,140
Minnesota	7,781,359
Mississippi	6,182,859
Missouri	13,869,088
Montana	2,595,988
Nebraska	4,061,289
Nevada	1,521,061
New Hampshire	1,465,300
New Jersey	15,657,377
New Mexico	4,976,055
New York	37,814,955
North Carolina	9,449,119
North Dakota	599,000
Ohio	18,947,327
Oklahoma	7,884,668
Oregon	4,840,177
Pennsylvania	33,483,258
Puerto Rico	4,759,822
Rhode Island	3,516,752
South Carolina	7,312,620
South Dakota	1,592,949
Tennessee	10,395,523
Texas	28,497,770
Utah	3,595,039
Vermont	2,187,932
Virginia	5,275,009
Washington	8,116,054
Wisconsin	8,162,367
Wyoming	119,000
West Virginia	3,624,092
Guam	40,000
Virgin Islands	286,000
Outlying Area U.S.	5,583,012

S. 66 COMPARED TO PREVIOUS BILLS AND EXPIRED PUBLIC LAWS

[In millions of dollars]

	Last year authorized under expired legislation	Continuing resolution ¹ fiscal year 1975	1st year authorized by vetoed bills (12-1974)	1st year authorized by S. 66	Last year authorized under expired legislation	Continuing resolution ¹ fiscal year 1975	1st year authorized by vetoed bills (12-1974)	1st year authorized by S. 66	
Nurse Training Act	\$248	\$119.1	\$187.0	\$161					
Health revenue sharing	90	90	160.0	100	\$205	\$196.648	\$260.0	\$220	
Family planning	201.750	100.615	216.5	176	(²)	(²)	\$38.0	\$20	
Community mental health centers	197.6	\$213.5	149.0	103.75	(²)	(²)	15.0	10	
Rape prevention and control	(³)	(³)	10.0	7	(²)	(²)	8.0	7	
Migrant health centers	30	23.75	50.0	39	25	17.131	(⁴)	30	
					Total	997.35	760.744	1,093.5	888.75

¹ Continuing resolution means actual funding level based on fiscal year 1973 or 1974 depending on program expiration date. No appropriation—bills expired.
² Hypertension.
³ Includes carryover funds.

⁴ New program.
⁵ Includes some other CDC programs.
⁶ No vetoed bill.

Mr. BEALL. Mr. President, will the Senator yield 3 minutes?

Mr. JAVITS. I yield 3 minutes to the distinguished Senator from Maryland.

Mr. BEALL. Mr. President, I rise also to urge the override of the President's veto of Senate bill 66 for the reasons given by the distinguished Senator from Massachusetts and the distinguished Senator from New York, and a couple more.

As has been explained by them, Senate bill 66 authorizes the extension of various important health programs including community mental health, community health centers, migrant health, and the National Health Service Corps. The bill also authorizes some new programs, including the one sponsored and offered by my distinguished colleague from Maryland (Mr. MATHIAS) and cosponsored by me relating to rape prevention.

Recently, Mr. President, I wrote the President urging that he sign S. 66. I think that was good advice, because the programs contained in S. 66 are needed and important to the citizens of this country. A few years ago one of the national polling companies took a poll, and it showed that the No. 1 concern of the citizens of this country is ill health, and the No. 1 hope of people of this country is good health. So it seems to me that an important priority for the Government of the United States is to make sure that the tremendous advances in medical science that we have achieved are deliverable to the people of this country equitably, at a price that they can afford.

It seems to me that it makes very good sense to continue the kind of programs that are contained in Senate bill 66 and also to fund those that are new authorizations.

The President has made some interesting points. For example, it is generally recognized that the community mental health programs have been successful, but the administration seems to be saying that the Federal role in these types of programs, after they have been successful, should cease. I point out to the administration that there is probably no time when it is more difficult for local and State governments to pick up the cost of these programs than at the present. In addition, present financing mechanisms for the most part do not cover or cover inadequately mental health programs. Therefore, it seems to me that the Federal role, rather than ceasing, must continue. So, Mr. President, I do not think this is a valid reason for vetoing this legislation.

I also think we should be concerned about the manpower problem that has existed in the health delivery system of this country. I think we are concerned about the distribution of health personnel by geography and by specialty.

I think we are also concerned about the problem that we misuse the talents of our highly trained and skilled personnel. We have recognized the need for nurses and that the existing and expended roles for them in delivering health care to our citizens. Therefore, it seems to me we ought to be upgrading and expanding the Federal role in training nurses in this country, rather than trying to minimize

it. Dean Murphy of the University of Maryland has told me that the extension of the Nurse Training Act is essential to the maintenance of high quality programs and to meeting the needs of the citizens of Maryland.

Finally, it should be pointed out that the authorizations, for the most part, are for continuing existing, effective programs. In addition, the conference committee tried to meet the President's rightful fiscal concerns. The final bill was \$5 million below the House figure and some \$500 million below last year's vetoed measure.

So, Mr. President, it seems to me that it makes very good sense to continue the kind of programs authorized in S. 66. I strongly urge the Senate to override the President's veto.

Mr. KENNEDY. I thank the Senator from Maryland. He has been an extremely active Member in this whole manpower area in medicine.

I yield to the Senator from Maine 1 minute.

Mr. HATHAWAY. I thank the Senator.

Mr. President, I support the bill for all the reasons raised by the Senators from Maine, Massachusetts, New York, and Maryland.

Mr. President, I rise in support of the vote to override the President's veto of S. 66. I commend the Senator from Massachusetts (Mr. KENNEDY) and the Senator from New York (Mr. JAVITS) for their statements in behalf of this most important health matter and wholeheartedly endorse their position as well as the reasons for their position.

There is no question that health care should rank among the highest of our Nation's priorities for Federal expenditures. The United States ranks far behind over progressive nations in the world in the amount of money expended for health care as a percentage of gross national product.

The President's veto is based more on the grounds of programmatic differences than the amount of money authorized in the bill, although he does question that amount. As far as the amount concerned there is some question as to the possible budget violation. However, any possible errors can be corrected when we consider the appropriation for this important legislation.

I would like to point out in the President's message in support of his veto he states that without further Federal help we can expect to increase the number of registered nurses by 50 percent during the next 10 years and for that reason argues that we do not need the authorizations for capitation and construction included in this bill. This observation by the President, while undoubtedly correct, indicates contrary to what the President intended a considerable deficiency in our nurse training program. The need for registered nurses is at least 50 percent lower than the number working today to say nothing of what we will need 10 years from now. The 50 percent increase which the President boasts of is only an average of 5 percent per year for the next 10 years which would barely meet the increase in nursing care man-

dated by expected increases in population during the same period of time based on the assumption we have an adequate number of trained nurses today. Furthermore, when you consider the number of health care proposals now pending including national health insurance, and with adoption of only the modified proposal of national health insurance advocated by the President himself, the increased number of trained nurses needed will be far in excess of those which the President seems to feel will be sufficient.

In fine, Mr. President, it appears that the President bases his veto of S. 66 on inaccuracies with regard to our projected needs and in the President's difference in philosophy with regard to health care. The principles of S. 66 have been endorsed by both Houses of Congress by substantial votes and I am hopeful that this body will, by an overwhelming vote, show the President that we adhere to the tenants of our philosophy with regard to health care.

Mr. MANSFIELD. If the Senator will yield, he has taken my words out of my mouth and I want to support him.

Mr. JAVITS. Mr. President, I yield such time as he may require to the Senator from Pennsylvania.

Mr. SCHWEIKER. Mr. President, I rise as ranking Republican on the Health Subcommittee to strongly urge the Senate to override the veto of this bill. This is a vital measure to the delivery of health services in this country.

In brief, S. 66 extends for fiscal years 1976 and 1977 the nurse training authorities contained in the Public Health Service Act with some additions and modifications. In addition, the bill extends for 2 years, fiscal years 1976 and 1977, programs for community mental health centers, which I have been very personally interested in, migrant health centers, which I know the distinguished chairman of our subcommittee has long been active in, community health centers, and programs of family planning.

Under the bill the Center for Disease Control in Atlanta will now include a program for the control of diseases borne by rodents.

The bill establishes a demonstration program of startup grants to home health agencies, a Committee on Mental Health and Illness of the Elderly, a center within the National Institute of Mental Health to deal with rape prevention and control, temporary commissions to draw up a national plan for the control of epilepsy and Huntington's disease, and a new hemophilia diagnosis and treatment program.

Mr. President, this is an essential bill. It covers a very large segment of the whole health and mental health effort. I regret very much that the President has vetoed this bill.

I think, in all good conscience, we should override the veto and make it clear that health legislation, health care and mental health, is a top priority in this Nation, and I think a vote to override the veto will do exactly that.

Mr. President, I yield back the remainder of my time.

Mr. JAVITS. Mr. President, I yield 1 minute to Senator STAFFORD.

Mr. STAFFORD. I thank the distinguished Senator from New York for yielding to me.

Earlier this week I took the floor in the Chamber to urge that the President sign the bill, S. 66, and I regret, as others do, that he vetoed it instead. I would like to be associated with what my distinguished colleague, Senator SCHWEIKER of Pennsylvania, said just before I got the floor.

It is with a rather heavy heart that I find myself in opposition to what the President has done here, but I feel it my duty on behalf of all of these important programs that are in S. 66 to urge the Senate to override the President's veto.

Mr. HUMPHREY. Mr. President, this morning, the President once again has put the ax to legislation that is vital to the well-being of the people of our Nation.

Hard as it may be to believe, the President vetoed S. 66, the Nurse Training and Health Revenue Sharing Act. This legislation had been passed by the Senate by a vote of 77 to 14, and the House had passed its version of this bill by a unanimous vote. My colleagues will recall that similar bills passed by the 93d Congress were pocket-vetoed.

This leaves our health care system in pretty shoddy shape, and, frankly, I find this veto unconscionable.

This bill included a 2-year extension of established HEW programs whose authority has expired. If this Congress fails to override this bill, we can say we helped to kill legislation which includes support for approximately 600 community mental health centers, more than 100 neighborhood health centers, and migrant health projects.

Furthermore, this bill includes vital authorization to continue the National Health Service Corps program, which has been so successful in recruiting physicians for medically underserved rural communities. And it includes vital support for the nursing profession. The Nurse Training Act makes it possible for disadvantaged nursing students to make their way into the health-care field, where their assistance is so urgently needed.

A very modest amount, some \$73 million, is devoted to new programs which would provide support in the areas of hemophilia treatment, rape prevention and control, hypertension screening, and home health services.

Mr. President, I just cannot for the life of me understand what is on the President's mind. Last year he pocket-vetoed similar legislation, so Congress went back to the drawing boards to try to come up with a compromise he would accept. The bill that was vetoed this morning would cost \$500 million less than last year's proposals, but no, this is not enough. Well, I wonder what in heaven's name is enough?

I just want to have it on the record that I find the President's act to be unconscionable, foolish, and irresponsible.

We simply cannot even begin to meet

the health care needs of our people if we cannot rely on one ounce of support from the Executive.

I urge my colleagues in both Houses to prepare for a definitive override. It looks as if we bear the whole responsibility for seeing that the needs of our people are met. I have every confidence that we will, indeed, correct this enormous mistake.

Mr. MATHIAS. Mr. President, I am deeply disappointed with the President's decision to veto S. 66, the Health Services and Nurse Training Act. For over 2 years, the Congress has attempted to work with the administration to reach an agreed-upon course of action with respect to the very vital health programs contained in this legislation. In each instance, the administration has rejected our efforts. But our concern today should rest less with the disapproval of our actions by the Executive and more with those who are bound to suffer as a result of this veto.

Because of this latest Presidential veto, communities and population groups across America which urgently need community health centers, family planning programs, mental health services will be forced to continue without even basic care simply because those services will not be available.

Because of this veto, the National Center for the Prevention and Control of Rape which I sponsored in this legislation will not be established.

Because of this veto, home health services for the elderly and the medically indigent will remain only a distant goal while we continue to provide institutional care for older Americans in nursing homes and expensive hospitals.

Because of this veto, the problems of hundreds of thousands of Americans who are affected by epilepsy, Huntington's disease, hemophilia will remain largely ignored.

This veto means that Federal support for America's schools of nursing and financial assistance for nursing students is no longer a serious concern of our Government.

To those who wish to serve in medically underserved areas through the auspices of the National Health Services Corps, this veto, in effect, closes the door.

Mr. President, the Congress heeded the President's suggestion that the authorization levels in the bill which he pocket vetoed last December were too high from his point of view. The pending bill has been reduced by \$0.5 billion. But even our reduction is not sufficient to satisfy the executive branch. Despite the carefully documented cases for a national response to the national health problems identified in S. 66, the White House focuses on their "categorical" nature as if that, in and of itself, is sufficient justification for a veto.

Mr. President, now is the time for the Congress to assert its concern for the health status of the American people. We can do this by overriding the President's veto.

Mr. WILLIAMS. Mr. President, the veto of S. 66 today by the President of the United States suggests a sensitivity

in the administration not for the poor, the ill, the disabled, or the medically underserved, but for its own narrow view of our fractured economy and what to do about it.

In the name of fiscal responsibility, the President has overlooked social responsibility.

And he has done so in the face of exceptional congressional efforts to scale down the authorizations for the vital programs contained in S. 66, efforts to accommodate the President's wishes to restrain Federal spending, and efforts to seek some grounds of cooperation with the President on essential domestic legislation.

We have gone the last mile to find common grounds; we have reduced the authorizations by \$538 million from the levels of previous bills for these purposes to which the President objected and exercised a pocket veto late last year. We have reduced the authorizations by 22 percent from the levels he found unacceptable last December.

Yet, this bill is vetoed, and the Senate now faces the responsibility of deciding whether the President was wrong in vetoing it. In my mind, there is no scintilla of a doubt that he is wrong.

Mr. President, S. 66 is not an omnibus collection of new spending programs. Virtually all of the programs to which this legislation relates expired on June 30, 1974—more than a year ago. Since then, the Congress has expended a tremendous amount of energy in an effort to revise and extend these vital programs and to seek an accommodation with the administration on the appropriate level of funding.

That is not to say that there are no new initiatives contained in this bill. There are, but they are important initiatives, limited in scope and austere funded, for coping with rape, epilepsy, Huntington's disease, and hemophilia and for developing new approaches to home health services and mental illness among the aged.

Nevertheless, the vast majority of the body of this legislation is addressed to long-standing programs to improve public health services; to strengthen family planning services; to support community mental health centers, community health centers, and migrant health centers; to strengthen nurse training programs; and to extend the compassionate contributions of the National Health Service Corps to medically underserved communities in inner cities and rural areas.

If it is the President's intention to terminate any of these vital programs, such as the community mental health centers programs which have become absolutely essential to the well-being of so many Americans, then he is wrong to persist in his intention at this time. If, as he contends, the Federal Government can no longer afford to provide financial support in these instances, the States and local communities are in far worse condition to be able to assume the new financial burden. They are fiscal captives of a national economic strategy that has drained away their revenues in the recession and refuses either to stimu-

late economic activity with job-creating programs or to consider providing the Federal assistance without which these programs will surely collapse.

Mr. President, it is true that these are difficult times for millions of Americans, particularly the 9 million jobless persons searching in vain for productive employment and facing the prospect of bankruptcy. But we must also be mindful of the worsening difficulties of the least fortunate among us who look to their Government to provide them with essential services they could not otherwise afford.

To abandon them now in this time of greatest need would be tragic, and our decision here on the motion to override the President's veto of these vital programs will say much to them about what they can expect in the difficult days ahead from their National Government.

Let the message be one of compassion and understanding that goes forth from the Senate today. Let us vote to enact S. 66 notwithstanding the President's veto.

Mr. JAVITS. Mr. President, I am prepared to yield back the remainder of my time.

Mr. KENNEDY. I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. The question is, shall the bill pass, the objection of the President of the United States to the contrary notwithstanding.

The yeas and nays are mandatory under the Constitution.

All time has been yielded back, and the clerk will call the roll.

Mr. JAVITS. Mr. President, to vote "aye" is to override?

The ACTING PRESIDENT pro tempore. To vote "aye" is to override the veto.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, may we have order.

The ACTING PRESIDENT pro tempore. The Senators will please take their seats, clear the aisles. The Senators will carry their conversations to the cloakrooms.

The clerk will resume. The assistant legislative clerk resumed the call of the roll.

Mr. KENNEDY. Mr. President, may we have order.

The ACTING PRESIDENT pro tempore. The Senate will be in order. The clerk will resume.

The assistant legislative clerk resumed the call of the roll.

The ACTING PRESIDENT pro tempore. Will the Senators clear the well. The Senators will take their seats. The clerk will proceed.

The assistant legislative clerk resumed and concluded calling the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from North Dakota (Mr. BURDICK), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from

Ohio (Mr. GLENN), the Senator from Indiana (Mr. HARTKE), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. METCALF), the Senator from North Carolina (Mr. MORGAN), the Senator from Wisconsin (Mr. NELSON), and the Senator from Missouri (Mr. SYMINGTON), are necessarily absent.

I also announce that the Senator from Michigan (Mr. HART) is absent because of illness.

I further announce that, if present and voting, the Senator from North Dakota (Mr. BURDICK) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Arizona (Mr. GOLDWATER), the Senator from Illinois (Mr. PERCY), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

The yeas and nays resulted—yeas 67, nays 15, as follows:

[Rollcall Vote No. 337 Leg.]

YEAS—67

Abourezk	Hatfield	Packwood
Allen	Hathaway	Pastore
Baker	Hollings	Pearson
Bartlett	Huddleston	Pell
Beall	Humphrey	Randolph
Bentsen	Inouye	Ribicoff
Brooke	Jackson	Roth
Bumpers	Javits	Schweiker
Byrd, Robert C.	Johnston	Scott, Hugh
Cannon	Kennedy	Sparkman
Case	Leahy	Stafford
Chiles	Magnuson	Stennis
Clark	Mansfield	Stevenson
Cranston	Mathias	Stone
Culver	McClellan	Taft
Dole	McGee	Talmadge
Domenici	McGovern	Thurmond
Eagleton	McIntyre	Tunney
Fong	Mondale	Weicker
Ford	Montoya	Williams
Gravel	Moss	Young
Hart, Gary W.	Muskie	
Haskell	Nunn	

NAYS—15

Brock	Garn	McClure
Buckley	Griffin	Proxmire
Byrd,	Hansen	Scott,
Harry F., Jr.	Helms	William L.
Curtis	Hruska	Tower
Fannin	Laxalt	

NOT VOTING—17

Bayh	Glenn	Morgan
Bellmon	Goldwater	Nelson
Biden	Hart, Phillip A.	Percy
Burdick	Hartke	Stevens
Church	Long	Symington
Eastland	Metcalfe	

The ACTING PRESIDENT pro tempore. On this vote, the yeas are 67, and the nays 15. Two-thirds of the Senators present and voting having voted in the affirmative, the bill, on reconsideration, is passed, the objections of the President of the United States to the contrary notwithstanding.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT AGENCIES APPROPRIATIONS, 1976

The Senate continued with the consideration of the bill (H.R. 8070) making appropriations for the Department of Housing and Urban Development, and for sundry independent executive agencies, boards, bureaus, commissions, corporations, and offices for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

The ACTING PRESIDENT pro tempore. Under the previous order, with a time limitation on the rollcall vote of 10 minutes, the Senate will proceed to vote on final passage on H.R. 8070.

Mr. PROXMIRE. Mr. President, is that the HUD appropriation bill?

The ACTING PRESIDENT pro tempore. Which is the HUD bill.

Mr. PROXMIRE. Mr. President, it is my understanding, while we have had third reading on that bill, we have not used up the time. There are two Senators who would like a short colloquy.

The ACTING PRESIDENT pro tempore. There was a unanimous-consent agreement that the vote immediately follow the vote on the override of the veto.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that we be permitted to take 10 minutes that I may yield briefly to Senator MUSKIE and Senator DOMENICI.

Mr. MONTOYA. I object.

Mr. TOWER. Mr. President, reserving the right to object—

The ACTING PRESIDENT pro tempore. Objection is heard.

The legislative clerk proceeded to call the roll.

The ACTING PRESIDENT pro tempore. The clerk will suspend. The Senate will be in order. This is a 10-minute rollcall vote. The Senate will be in order so that the rollcall can be completed. The Senators will take their seats. This is a 10-minute rollcall vote. The Senate will be in order. The clerk will resume.

The legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from North Dakota (Mr. BURDICK), the Senator from Florida (Mr. CHILES), the Senator from Idaho (Mr. CHURCH), the Senator from Mississippi (Mr. EASTLAND), the Senator from Ohio (Mr. GLENN), the Senator from Indiana (Mr. HARTKE), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. METCALF), the Senator from North Carolina (Mr. MORGAN), the Senator from Wisconsin (Mr. NELSON), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I also announce that the Senator from Michigan (Mr. HART) is absent because of illness.

I further announce that, if present and voting, the Senator from North Dakota (Mr. BURDICK), the Senator from North Carolina (Mr. MORGAN), and the Senator from Missouri (Mr. SYMINGTON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. JAVITS), the Senator from Illinois (Mr. PERCY), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I further announce that, if present and voting, the Senator from New York (Mr. JAVITS) would vote "yea."

The result was announced—yeas 73, nays 7, as follows.

[Rollcall Vote No. 338 Leg.]

YEAS—73

Abourezk	Hansen	Muskie
Allen	Hart, Gary W.	Nunn
Baker	Haskell	Packwood
Bartlett	Hatfield	Pastore
Beall	Hathaway	Pearson
Bentsen	Hollings	Pell
Brooke	Hruska	Proxmire
Buckley	Huddleston	Randolph
Bumpers	Humphrey	Ribicoff
Byrd,	Inouye	Roth
Harry F., Jr.	Jackson	Schweiker
Byrd, Robert C.	Johnston	Scott, Hugh
Cannon	Kennedy	Sparkman
Case	Leahy	Stafford
Clark	Magnuson	Stennis
Cranston	Mansfield	Stevenson
Culver	Mathias	Stone
Dole	McClellan	Taft
Domenici	McClure	Talmadge
Eagleton	McGee	Thurmond
Fannin	McGovern	Tunney
Fong	McIntyre	Welcker
Ford	Mondale	Williams
Gravel	Montoya	Young
Griffin	Moss	

NAYS—7

Brock	Laxalt	Tower
Curtis	Scott,	
Garn	William L.	
Helms		

NOT VOTING—19

Bayh	Glenn	Morgan
Bellmon	Goldwater	Nelson
Biden	Hart, Phillip A.	Percy
Burdick	Hartke	Stevens
Chiles	Javits	Symington
Church	Long	
Eastland	Metcalf	

So the bill (H.R. 8070) was passed.

Mr. JACKSON. Mr. President, I ask unanimous consent that Mr. William Van Ness, Mr. Grenville Garside, and Mr. James Vaughn may have the privilege of the floor in connection with the pending measures which the Senate has agreed to take up by unanimous consent.

The PRESIDING OFFICER (Mr. BEALL). They are going over.

ORDER FOR POSTPONEMENT— S. 2173 AND S. 391

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that consideration of S. 391, a bill to amend the Mineral Leasing Act, and S. 2173, a bill to fully explore and develop the naval petroleum reserves, be postponed until next week.

The PRESIDING OFFICER. Is there objection?

Mr. McCLURE. Mr. President, reserving the right to object, I wonder, before the Chair rules on that request, if we might delay the matter and have some discussion concerning it.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the next two measures that were programed for today, S. 391 on mineral leasing and S. 2173 on naval petroleum reserves, go over until next week.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, will the majority whip yield?

Mr. ROBERT C. BYRD. I yield.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT-INDE- PENDENT AGENCIES APPROPRI- ATIONS, 1976—APPOINTMENT OF CONFEREES

Mr. PROXMIRE. I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of the Senate amendments to H.R. 8070.

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

Mr. PROXMIRE. I move that the Senate insists on its amendments and request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. BEALL) appointed Mr. McCLELLAN, Mr. PROXMIRE, Mr. PASTORE, Mr. STENNIS, Mr. MANSFIELD, Mr. BAYH, Mr. CHILES, Mr. HUDDLESTON, Mr. JOHNSTON, Mr. MOSS, Mr. YOUNG, Mr. MATHIAS, Mr. CASE, Mr. FONG, Mr. BROOKE, and Mr. BELLMON conferees on the part of the Senate.

HOME MORTGAGE DISCLOSURE ACT OF 1975

The PRESIDING OFFICER (Mr. BEALL). Under the previous order, the Senate will now proceed to the consideration of S. 1281, which the clerk will state.

The legislative clerk read as follows:

A bill (S. 1281) to improve public understanding of the role of depository institutions in home financing.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

The Senate proceeded to consider the bill, which had been reported from the Committee on Banking, Housing and Urban Affairs with an amendment to strike out all after the enacting clause and insert the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "Home Mortgage Disclosure Act of 1975".

FINDING AND PURPOSE

SEC. 2. (a) The Congress finds and declares that depository institutions have sometimes failed to provide adequate home financing on a nondiscriminatory basis for all neighborhoods within the communities and neighborhoods from which the institutions receive deposits.

(b) The purpose of this Act is to provide the citizens and public officials of the United States with sufficient information to enable them to determine which depository institutions are filling their obligations to serve the housing needs of the communities and neighborhoods in which they are located.

DEFINITIONS

SEC. 3. As used in this Act—

(1) the term "mortgage loan" means a federally related mortgage loan as defined under section 3 of the Real Estate Settlement Procedures Act of 1974.

(2) the term "depository institution" means a person who is in the business of making federally related mortgage loans;

(3) the term "census tract" means a census tract as established and defined by the Bureau of the Census; and

(4) the term "Board" means the Board of Governors of the Federal Reserve System.

MAINTENANCE OF RECORDS AND PUBLIC DISCLOSURE

SEC. 4. (a) (1) Each depository institution which has a home office or branch office located within a standard metropolitan statistical area, as defined by the Office of Management and Budget 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 following information:

(A) The number and total dollar amount of mortgage loans made by that institution which were outstanding as of the close of the last fiscal year of that institution.

(B) The number and total dollar amount of mortgage loans made by that institution during such year.

(2) The information required to be maintained and made available under paragraph (1) shall also be itemized in order to clearly and conspicuously disclose the following:

(A) The number and dollar amount for each item referred to in paragraph (1), by census tract, for borrowers under mortgage loans secured by property located within that standard metropolitan statistical area.

(B) The number and dollar amount for each item referred to in paragraph (1), by county, for all such mortgage loans which are secured by property located outside that standard metropolitan statistical area.

(b) Any item of information relating to mortgage loans required to be maintained under subsection (a) shall be further itemized in order to disclose for each such item—

(1) the number and dollar amount of mortgage loans which are insured under title II of the National Housing Act or under title V of the Housing Act of 1949 or which are guaranteed under chapter 37 of title 38, United States Code; and

(2) the number and dollar amount of mortgage loans made to mortgagors who did not, at the time of execution of the mortgage, intend to reside in the property securing the mortgage loan.

ENFORCEMENT

SEC. 5. (a) The Board shall prescribe such regulations as may be necessary to carry out the purposes of this Act. These regulations may contain such classifications, differentiations, or other provisions, and may provide for such adjustments and exceptions for any class of transactions, as in the judgment of the Board are necessary or proper to effectuate the purposes of this Act, and prevent circumvention or evasion thereof, or to facilitate compliance therewith.

(b) Compliance with the requirements imposed under this Act shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act, in the case of—

(A) national banks, by the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks), by the Board;

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), by the Board of Directors of the Federal Deposit Insurance Corporation;

(2) section 5(d) of the Home Owners' Loan Act of 1933, section 407 of the National Housing Act, and sections 6(1) and 17 of the Federal Home Loan Bank Act, by the Federal Home Loan Bank Board (acting directly or through the Federal Savings and Loan Insurance Corporation), in the case of any

institution subject to any of those provisions;

(3) the Federal Credit Union Act, by the Administrator of the National Credit Union Administration with respect to any Federal credit union.

(c) For the purpose of the exercise by any agency referred to in subsection (b) of its powers under any Act referred to in that subsection, a violation of any requirement imposed under this Act shall be deemed to be a violation of a requirement imposed under that Act. In addition to its powers under any provision of law specifically referred to in subsection (b), each of the agencies referred to in that subsection may exercise, for the purpose of enforcing compliance with any requirement imposed under this Act, any other authority conferred on it by law.

(d) Except to the extent that enforcement of the requirements imposed under this Act is specifically committed to some other Government agency under subsection (b), the Federal Trade Commission shall enforce such requirements. For the purpose of the exercise by the Federal Trade Commission of its functions and powers under the Federal Trade Commission Act, a violation of any requirements imposed under this Act shall be deemed a violation of a requirement imposed under that Act. All of the functions and powers of the Federal Trade Commission under the Federal Trade Commission Act are available to the Commission to enforce compliance by any person with the requirements imposed under this Act, irrespective of whether that person is engaged in commerce or meets any other jurisdictional tests in the Federal Trade Commission Act.

(e) The authority of the Board to issue regulations under this Act does not impair the authority of any other agency designated in this section to make rules respecting its own procedures in enforcing compliance with requirements imposed under this Act.

RELATION TO STATE LAWS

SEC. 6. (a) This Act does not annul, alter, or affect, or exempt any person subject to the provisions of this Act from complying with the laws of any State or subdivision thereof with respect to public disclosure and recordkeeping by depository institutions, except to the extent that those laws are inconsistent with any provision of this Act, and then only to the extent of the inconsistency. The Board is authorized to determine whether such inconsistencies exist. The Board may not determine that any such law is inconsistent with any provision of this Act if the Board determines that such law requires the maintenance of records with greater geographic or other detail than is required under this Act, or that such law otherwise provides greater disclosure than is required under this Act.

(b) The Board shall be regulation exempt from the requirements of this Act any depository institution within any State or subdivision thereof if it determines that, under the law of such State or subdivision, that institution is subject to requirements substantially similar to those imposed under this Act.

STUDIES

SEC. 7. (a) The Board, in consultation with the Secretary of Housing and Urban Development, is authorized and directed to carry out a study to determine—

(1) the feasibility and usefulness of requiring depository institutions located outside standard metropolitan statistical areas, as defined by the Office of Management and Budget, to make disclosures comparable to those required by this Act;

(2) the feasibility, cost, and usefulness of requiring all institutions covered by this

Act to disclose by geographical location the source of savings deposits;

(3) the practicability of requiring disclosure of the average terms and downpayment ratios of mortgage loans by geographical location; and

(4) the feasibility and usefulness of requiring disclosure of other types of lending data, such as small business and home improvement loans.

(b) The Board shall also study and analyze, in a sample of standard metropolitan statistical areas of differing characteristics to be selected by the Board, the use to which the data disclosed under this Act is put by local government agencies, community groups, and other interested parties in such areas. The Board shall also analyze the impact of the availability of lending data in the selected standard metropolitan statistical areas, including such questions as whether and to what extent mortgage lending in older neighborhoods increased as a result of disclosure, and whether any lending institutions altered their lending patterns, and any change in default or foreclosure rates.

(c) A report on the studies under this section shall be transmitted to the Congress not later than three years after the date of enactment of this Act.

The PRESIDING OFFICER. The time for debate on this measure is limited to 2 hours, to be equally divided between and controlled by the Senator from Wisconsin (Mr. PROXMIRE) and the Senator from Texas (Mr. TOWER), with 1 hour on any amendment and 20 minutes on any debatable motion, appeal, or point of order.

Who yields time?

Mr. PROXMIRE. Mr. President, I yield 5 minutes to the Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine will suspend until the Senate is in order.

Mr. PROXMIRE. I yield 10 minutes to the Senator from Maine.

The PRESIDING OFFICER. Senators who are standing in the aisles will please take their seats or remove themselves to the cloakroom. The Senate will be in order.

The Senator from Maine will proceed.

BUDGET COMMITTEE COMMENTS ON S. 66 AND H.R. 8070

Mr. MUSKIE. Mr. President, I sought recognition between the two rollcall votes just taken for the purpose of giving my colleagues information bearing upon the second of those two votes, but unfortunately, apparently I had not been sufficiently alert to insure that I would have the time to provide the information when it might have been most useful. As the Senate knows, I have tried to give the perspective of the Budget Committee on spending bills, and I think that there are some points that ought to be made with respect to S. 66 and H.R. 8070 which we have just taken that may be useful in the future.

First of all, with respect to the vote overriding the President's veto of the Nurse Training Act: As was brought out in the debate S. 66 is authorizing legislation. As such, it is difficult to evaluate its impact on the first concurrent budget resolution. Nevertheless, it has implications for future expenditures which I

think the Senate might do well to bear in mind as we act upon the various appropriations bills which provide for the health function.

The budget resolution did provide some leeway in the health function for new legislative health initiatives. If it is the will of the Appropriations Committee, supported by the Senate as a whole, to utilize a portion of those funds toward S. 66, then, of course, that is the privilege of the Senate and of the Congress. But the Senate cannot fully fund that legislation and all other health legislation which is pending and underway. At some point, each Senator will have to make choices between health priorities. Further we will have to make a decision about whether or not we should stay under the target set in the budget resolution. I want to give the Senate some indication of what the orders of magnitude are.

The total of spending legislation which has not yet been reported in the Senate and the authorizing legislation, which includes S. 66, is found on page 33 of this week's Senate budget scorekeeping report. I ask unanimous consent that the applicable page be printed in the RECORD at this point.

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

FUNCTION 550: HEALTH		
TABLE C—SELECTED ADDITIONAL LEGISLATION ¹		
[In billions of dollars]		
	Fiscal year 1976	
	New budget authority	Estimated outlays
Spending legislation not yet reported in the Senate and not requested by the President:		
National health insurance (S. 3/S. 600/S. 1438/H.R. 1/H.R. 21/H.R. 3328/H.R. 5990/H.R. 6222). Finance Committee, Labor and Public Welfare Committee. Dollar amounts represent 1st-year start-up costs only.....	0.1	0.1
Total, spending legislation (to table A, line III.A).....	.1	.1
Authorizing legislation:		
A. Through Congress or passed Senate:		
Nurse Training Act of 1975 (S. 66/H.R. 4114/H.R. 4115/H.R. 4925). Labor and Public Welfare Committee. Dollar amounts represent increase over President's budget request.....	.6	.6
B. Reported in Senate:		
None.....		
C. Not yet reported in Senate:		
Proposals now being considered by Labor and Public Welfare Committee (no bills yet introduced):		
—Heart and lung research.....	.5	.5
—Biomedical research.....	.2	.2
—Communicable disease/venerable disease/health education/clinic laboratory regulation.....	.1	.1
Health Manpower Act of 1975 (H.R. 5546). Labor and Public Welfare Committee. Dollar amounts represent increase over President's budget request.....	.2	.2
Total, authorizing legislation (to table A, line III.B).....	1.6	1.9

¹ See note to table B, p. 14.

Mr. MUSKIE. The total estimated budget authority for both spending and authorizing legislation which would have

to be funded if finally enacted into law is \$1.7 billion. Of that, S. 66 if fully funded would use \$600 million.

The second subject on which I would like to make some comments is with respect to H.R. 8070 the HUD-Independent Agencies appropriations bill, which we have just approved.

H.R. 8070 appropriates funds for the Department of Housing and Urban Development, the Environmental Protection Agency, the National Aeronautics and Space Administration, the National Science Foundation, the Veterans' Administration, and eight other smaller agencies.

Six functional categories of the budget comprise the bulk of the bill. They are: commerce and transportation; community and regional development; income security; general science, space and technology; natural resources, environment and energy; and veterans' benefits and services.

The appropriations in this bill are generally consistent with the recommendations of the Budget Committee in connection with the concurrent resolution adopted in May. But a few comments are needed in regard to the functional targets affected by the bill.

The first point relates to section 8 federally assisted housing programs. Compared to the budget proposals of the President, H.R. 8070 decreases budget authority in this area by \$25.4 billion. This enormous decrease in budget authority is accounted for principally by a reduction in the administration's budget request for certain multiyear housing programs. Instead of providing budget authority for these programs on a year-by-year basis, the President requested this year all the budget authority possible for the maximum 40-year life of the programs. The result is that the President's budget requested \$26.1 billion in budget authority for the section 8 assisted housing program in this fiscal year when, in fact, most of this budget authority will not be used until far into the future. In the meantime, program changes and revised reestimates may lower the total budget authority required for these programs.

The second point relates to the commerce and transportation function. The bill seems to exceed the budget resolution's target by \$5.1 billion in budget authority, although this apparent add-on does not affect the outlay totals anticipated in the budget resolution. The apparent add-on is due to a procedural technicality. Last May when we adopted the budget resolution, the Emergency Housing Act of 1975 had not yet been passed. We expected that it would pass but did not know when that would happen, although we anticipated that it would occur in time for the budget authority to be credited to fiscal year 1975. In the budget resolution for fiscal year 1976, therefore, we made provision only for the outlays expected to be derived from the housing bill and not for any budget authority, which we expected to appear in 1975. Since the bill did not pass until fiscal year 1976 we have now credited this authority to 1976. I want

to emphasize that in terms of outlays, H.R. 8070 is consistent with the budget resolution in the commerce and transportation function.

Finally, the last point relates to veterans' benefits and services. H.R. 8070 appropriates \$17.8 billion for veterans—approximately two-thirds of the new budget authority included in this bill. These amounts, taken together with other foreseeable spending, will put us over the congressional budget target for veterans' spending. If my colleagues will turn to page 37 of this week's Senate budget scorekeeping report, which displays the veterans' benefits and services spending targets, they will see that the congressional budget targets for that function are \$18.0 billion in authority and \$17.5 billion in outlays. Our budget resolution accepted the administration's anticipated upward reestimates of \$0.7 billion for mandatory spending programs, one-half of what these reestimates have turned out to be. So, we have received \$18.1 billion in Presidential requests to date, which include \$1.4 billion in recent budget amendments—reestimates of \$1.2 billion for readjustment benefits, plus \$0.2 billion for compensation and pensions.

Today's bill contains \$17.8 billion for veterans, leaving \$0.3 billion which is covered by other appropriation bills. If we assume that the \$0.3 billion will be appropriated, we will reach a new figure for budget authority of \$18.1 billion, which exceeds our target by \$0.1 billion.

In addition, the table shows mandatory spending authority from previous years of \$400 million which would bring budget authority up to a level of \$18.5 billion, or \$500 million over the target set in the first concurrent resolution. This figure allows for funding of none of the additional congressional initiatives in the veterans' area which have either passed both Houses or are now pending and which would add another \$700 million. Because of all of these factors the Congress may need to take another look at the veterans' target, as well as other targets which have been affected by reestimates. Such a review may or may not lead to a decision to exceed any of the targets, but is clearly required because of substantial underestimation by the executive branch of mandatory spending in the President's budget.

May I make this point, in addition, that, even at the time of the first concurrent budget resolution, we were aware of underestimates in mandatory spending in the President's budget, which made it possible for him to hold to a \$60 billion deficit.

The distinguished Senator from Oklahoma, Senator BELLMON, the ranking Republican on the Budget Committee, supported me in this effort. We undertook to point out those underestimates to the Senate, when we made the comparison between the President's deficit figure and the congressional deficit figure.

We were not able to make much of an impact with that point, and I am including the press. Even today, we still hear about the \$7 billion or \$8 billion difference between the President's deficit and

the congressional deficit, with no mention of the magnitude of underestimates in mandatory spending programs. The reestimates of \$1.4 billion for veterans' programs is a good example of this situation.

I want to stress that these underestimates originate in the executive branch, yet we on the Senate Budget Committee try to anticipate what they might be but we have not really been able to develop that kind of insight.

There are those who say that we ought to eat these underestimates by cutting back on other programs in order to absorb the amount of money that is involved. To do that would—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. I yield the Senator an additional 2 minutes.

Mr. MUSKIE. To do that in many cases would have the effect of eliminating worthwhile programs wholly as the result of pressure from an unforeseen source of budgetary procedure.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. MUSKIE. Yes. I yield.

Mr. PROXMIRE. I commend the Senator, the chairman of the Committee on the Budget, for bringing this to the attention of the Senate. I think it is another indication of the great significance of the Budget Committee, which helps all of us in the Senate to take a fiscally responsible position, to know what we are doing.

The fact is that as to the bill that we just passed, as far as the Veterans' Administration is concerned, we are under the budget by about \$7 million. The increase over the original budget estimate which we provided is only what is required by entitlement. So we had no discretion whatsoever except with regard to this request for an additional \$13.1 million for sending out education and pension checks, and so forth.

The point is, as I understand the Senator from Maine, that the administration has badly underestimated the demand in these programs and what is going to happen under the entitlement. There is nothing the Committee on Appropriations could do, in fact, nothing the Senate could do, or Congress could do, to hold it down, but the estimates have been, one might say, far too optimistic, because they estimated we would require far less than we did. Is that correct?

Mr. MUSKIE. The Senator has put his finger on the point. With respect to those items in the budget that were controlling, the Committee on Appropriations is within the budget figures. With respect to these uncontrollable items, we are caught in the pressure of underestimates that originated in the executive branch.

Mr. President, that concludes what I wanted to say at this time.

I thank my good friend from Wisconsin for giving me the opportunity to make the point. I really think it is essential to give the Senate as much information as we can on what is involved in this budgetary process if we are to earn

the support and the confidence of the Senate.

HOME MORTGAGE DISCLOSURE ACT OF 1975

The Senate continued with the consideration of the bill (S. 1281) to improve public understanding of the role of depository institutions in home financing.

Mr. TOWER. Mr. President, I was not aware that S. 1281 was going to be laid before the Senate this quickly. As the ranking minority member of the committee, I think I have a right to expect to be informed more than a minute or two ahead of time when a bill for which I have some responsibility is going to be laid before the Senate. I was not so informed.

It was my impression that the Senate was going to take up S. 391 and then S. 2173, and then, if there were any time remaining in the legislative day, to lay before the Senate S. 1281. Somehow, S. 391 and S. 2173 dropped through the cracks; and while I was in my office, I was informed that S. 1281 had been laid before the Senate.

I do not feel that we can take any constructive action on S. 1281 at this moment. I have not had the opportunity to consult with the leadership on an appropriate time for taking up this measure. It was my understanding, originally, that it would be put over until Monday, that there were a number of amendments to it, that there were some absent Senators who had an interest. Senator GARN, who has an amendment of particular significance, is here, but I believe he expected that the matter would be carried over until Monday. Staff members stayed around for a while, in expectation that the bill might be taken up; but when it became apparent that it would not be, according to what we understood the schedule to be, they departed.

Therefore, Mr. President, I think we probably will have to have a little discussion for a while. I do not see how we can move to any kind of real deliberative action on this measure this afternoon.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. TOWER. I yield to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, the Senator from Texas makes a very good point. He certainly should have been informed, and we should not have proceeded without his consent, under these circumstances.

We are under a time limitation, so we will have to proceed to act on this bill one way or the other, unless we can persuade the leadership to consider laying it aside, postponing it somehow until Monday. I would support the Senator from Texas in that view, if that is his position.

So, Mr. President, I ask unanimous consent that we may have a quorum call, without the time being charged against either side.

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

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

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

Mr. PROXMIRE. Mr. President, I yield such time as he may require to the Senator from Alabama.

TURKISH REACTION TO REFUSAL TO RESUME AMERICAN ARMS SHIPMENTS

Mr. SPARKMAN. Mr. President, I appreciate this courtesy.

The PRESIDING OFFICER. The Senator will suspend until the Senate is in order. The Senators will please take their seats and refrain from audible conversation.

The Senator from Alabama.

Mr. SPARKMAN. I wanted to read, Mr. President, a news item that everyone may have read already. Of course, we know the action that the House took on the matter of removing the arms embargo against Turkey, and this is a reaction to that. It says:

The Turkish Government declared today that bilateral defense treaties with the United States were "no longer valid" and ordered activity halted at the 20 American military installations in Turkey beginning Saturday.

The Cabinet took the step in reaction to the 223-206 vote by the U.S. House of Representatives on Thursday against resuming American arms shipments to this NATO country. The Ford administration had sought a partial lifting of the arms ban imposed in February because of the Turkish invasion of Cyprus.

The Decision, broadcast by the state radio and television while the cabinet continued to meet, said all U.S. military installations on Turkish soil would be placed under the control of the Turkish Armed Forces.

A special status was designed for the strategic air base with nuclear bombers at Incirlik, in southeast Turkey. The announcement said all activity at Incirlik not relating to joint defense of the North Atlantic Alliance would be halted. It did not elaborate.

The United States has about 7,000 military men stationed in Turkey. Besides the Incirlik base, the U.S. installations consist of intelligence gathering radar stations which provide surveillance of the Soviet Union. Some are small stations with five or six men.

The statement said the bilateral defense treaties between Turkey and the United States, under which the installations were set up, were no longer valid.

Mr. President, I consider this a serious matter and a matter of great concern to the United States and, in fact, to the North Atlantic Alliance.

It is bad, of course, it is too bad, that the dispute between Turkey and Greece that set this off back at the time of the movement into Cyprus could not be worked out, but it has not been worked out. At least, things were moving along, and the Senate some time back voted favorably for removing the arms embargo against Turkey.

Unfortunately, the House would not follow suit, and so we are in this pitiable state of having one of the key North Atlantic Alliance members, located in the most strategic position of any of the North Atlantic Alliance nations, virtually out of that alliance and refusing even to let the American installations—and we have installations on the soil of Turkey—remain there.

I do hope it can be worked out. The North Atlantic Alliance may be enabled to remain strong, but this is a very serious matter to which we ought to give serious attention.

Mr. HUGH SCOTT. Mr. President, will the distinguished Senator from Alabama yield?

Mr. SPARKMAN. Yes, gladly.

Mr. HUGH SCOTT. I thank the distinguished Senator.

In my view, the action in the other body on this matter is perhaps the most unfortunate decision made in the long years I have been in the Congress. I think it represents a misconception of the issue and I do not rise to speak in defense of any other nation whatsoever.

There is no question, of course, that the original aggression was on the part of Turkey. There is no question that the positions of the Prime Ministers of each country have, in public at least, been very far apart. There is no question about the clamor that has been raised in this country by thoroughly concerned and reputable citizens under the belief there would be action proposed by the President somewhat harmful to Greece. If I thought so, I would certainly have voted other than I did in the Senate. But I cannot see how it can be helpful to Greece or to Greek people for their neighbor, Turkey, to be seized of what is one of the largest nuclear agglomerations of material, and that means of nuclear power, in the world.

It is so great, in fact, that if the Government of Turkey determines to apply these installations under the Turkish regime, Turkey becomes one of the largest nuclear powers in the world, and I would not have thought that was what Greece would want.

I would not think it would be what Israel would want, since those were very helpful at the time of the Yom Kippur war.

What the other body has done has been to damage the security of Israel, and to damage the security of the very people they were most anxious to help, and that is the Greeks.

I have to speak out like this even though I know where the votes are and I know that the votes are responsive, at least by a margin of 16 votes, to those groups who have honestly believed that they could be helpful in this situation by denying the Turks arms and materiel which the Turks have paid for, which were stored in this country, and on which the Turks were paying storage.

I can understand and sympathize with our reason for arriving at these conclusions, but very often reasoning of one kind evolves into results of another kind.

I think it is terribly unfortunate. If I lived in Greece today, I would be very much concerned about the danger of a

great nuclear power adjoining my frontiers.

I would sincerely hope that ways can be found for reconsideration of this action.

It may lead to the withdrawal of Turkey from NATO. It unhinges our anchor in the Mediterranean, at the same time the other anchor of Portugal is in danger of being unhinged.

It weakens the security of the United States. It weakens the security of Greece. I cannot see how it helps anybody, anywhere, anyplace, and that is why I have to designate it as the most unfortunate action I have seen taken in either House of the Congress since I have been here.

I do hope a means of reconsideration can be found, and I speak as one who holds two decorations from the Government of Greece. I think they recognize that I am their friend. I think they recognize that I have made their fight for them in other matters, and earlier matters relating to Cyprus, in matters pertaining to relationships with Greece and other neighboring countries, and they have recognized my efforts in that regard.

I can certainly, therefore, have a right to be called a true friend of Greece. But true friendship for Greece, I think, is best shown by concern for their security. And their security is as important today as never before. Turkey is already engaged in an aggressive move in Cyprus, without question, and all of us are disturbed by the tragic situation of the Cypriot refugees, but we are not helping them through political actions which have a directly reverse effect of that which was sincerely intended.

Mr. President, I ask unanimous consent that a comment by Howard K. Smith, of ABC, entitled "House Vote on Turkey Produces High Cost," be printed in the RECORD.

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

COMMENT—HOUSE VOTE ON TURKEY PRODUCES HIGH COST

(By Howard K. Smith, ABC)

The cost of the House's refusal to renew arms shipments to Turkey is being counted up here and it runs high. The main overlooked cost is in intelligence about Russia. Turkey is packed with our equipment for monitoring all developments in Russia including troop movements: now it's estimated 25 percent of our surveillance capacity in the world goes out of action.

Second is the conventional military cost. Last April Russia held the biggest combined naval and air maneuvers ever held, code named Okaon. Though maneuvers covered all the seas of the world, first priority was given to the oil routes from the Persian Gulf, whence free Europe gets nearly all its fuel, the route of the super tankers down around South Africa and the route of the smaller tankers through Suez and the Mediterranean. While Russia revealed the value of her many new bases along all those routes we now lose one main one to counter Russia in Turkey.

The third cost is the lost hope for a Cyprus settlement and the renewal of NATO's southern end. Turkey which by possession has 9 points of the law now will not negotiate. Greece which needs the settlement can't have it unless by war. Since Turkey's armed force is about double Greece's, that is virtually out. It seems an odd self-de-

feating way to run foreign policy in a time when our power is in retreat all over the world and Russia's is on the move that we have a Congressional democracy and Congress has decided.

Mr. HUGH SCOTT. I thank the distinguished Senator.

Mr. TOWER. Will the Senator from Alabama yield?

Mr. SPARKMAN. Yes, indeed.

Mr. TOWER. I want to thank the Senator from Alabama and associate myself with his remarks and associate myself with the remarks of the distinguished leader, the Senator from Pennsylvania.

I think that what the House did is tragic. I think the long-range consequences for the United States are something that we would rather not contemplate.

The fact of the matter is that the House of Representatives has acted in a manner that is plainly contrary to the national interest.

The House of Representatives has thumbed its nose at the national interest, has thumbed its nose at the potential for maintaining the security of the United States, for maintaining our defense parameters as far from our own shores as possible and as close as possible to the potential adversaries.

I think that the primary influence has been domestic politics. Domestic politics, do not worry about the consequences to the country, think about the consequences to our own political forces, and I think this is too bad.

Holding a seat in the U.S. Senate does not mean enough to me to vote contrary to the national interests and to national security for the sake of playing a little clever domestic politics.

I admire Greek-American citizens. They have contributed a great deal to this country. Most of them are my friends. They have supported me in my past elections. They are afflicted with some grave misconceptions and I think too much emotionalism on this particular issue and their lobby has been most effective, indeed.

The distinguished minority leader was absolutely correct when he said this militates against the best interests of Greece. Try to get a Cyprus settlement now that we have thrown Turkey out of the lodge.

Beyond that, what about the interests of the United States?

We have been denied an important intelligence-gathering capability. We will be denied the opportunity to monitor Soviet naval movements. We will be denied some forward bases that are of grave importance to us.

We find nuclear weapons incarcerated in that country that, as the Senator from Pennsylvania so effectively pointed out, would make Turkey a great nuclear power should she decide to impound these weapons and use them for her own purposes.

If I were the Greeks, I would be terrorized over this prospect.

Let us look to our friends, the Israelis. Anyone who purports to be a friend of Israel that voted against resumption of aid to Turkey is a crass hypocrite, he is no friend to Israel.

It is Turkey that lays athwart the Soviet Union, Syria, and Iraq. The Turks do not want to be driven in the arms of radical Moslems, but the prospect now that we have acted as we have in this punitive measure toward an old ally is likely to serve that function.

This imperils Israel considerably, and let any purported friend of Israel try to justify the need to vote against the resumption of aid to Turkey.

What we have done is to imperil Israel; we have imperiled the intelligence-gathering capability of the United States; we have alienated an old ally; we have virtually destroyed the southern flank of NATO, and we have endangered the 6th Fleet. Having done what the House has done, having done what we in the Congress have done, I think we should give very serious consideration to withdrawing the 6th Fleet from the Mediterranean. With Turkey driven away, with Greece out of the command structure of NATO and denying us home porting, with the instability of the Italian situation, with the fact that Portugal is under the effective control of the Communists and the Azores potentially to be denied to us, we must withdraw our defense perimeter, ultimately, if the worst comes to pass—and I have no reason to believe that it will not—to our Atlantic Seaboard. We have, in addition to everything else, jeopardized the gallant men and ships of the 6th Fleet.

Let us understand what we do when we play politics with foreign policy.

Yes, we can rightfully say the Congress must play a greater role in the formulation and implementation of foreign policy. But if we are going to be irresponsible, and if we are going to be so afflicted by domestic political considerations, we do not deserve to play a role in the formulation and implementation of the foreign policy of the United States.

I thank my friend from Alabama.

Mr. SPARKMAN. I thank the Senator from Texas. I yield to the Senator from Tennessee.

Mr. BAKER. If the Senator will yield—

The PRESIDING OFFICER. Who yields time?

Mr. PROXMIER. Will the Senator from Texas yield time? I have run out of all of my time on this bill.

Mr. TOWER. I yield time to the Senator from Tennessee, such time as he may require.

Mr. BAKER. Mr. President, I thank the Senator from Texas for yielding.

I did not hear all of the remarks by the distinguished minority leader. I did hear the very excellent presentation by the Senator from Texas and the remarks of the Senator from Alabama, in part.

I serve on the Foreign Relations Committee and on the Joint Committee on Atomic Energy. I have long been concerned with America's evolving new foreign policy and the mechanism by which we go about reexamining it, reestablishing it, and putting in place a new and viable foreign policy for this country. I suspect it is the first really new one since World War II. But in light of these developments, the Turkey aid cutoff, the recent letter by many of us in this

Chamber, well-intentioned although disruptive in its force, the letter of 76 Senators supporting aid to Israel, in light of the debate that is now ongoing in the Foreign Relations Committee and in the public forum on the appropriateness of honoring a commitment to supply defensive weapons to Jordan—in light of these developments I begin to wonder whether or not the Congress of the United States fully understands and has responsibly gone about the business of trying to be a responsible partner in that task of reexamining and reestablishing a current and relevant foreign policy.

I am greatly concerned for the consequences of the vote in the other body. I would not presume to advise them on the appropriateness of their action, except I would venture to estimate that the consequences will be very real, indeed, and very grave, possibly.

It is hard to overestimate the importance of Turkey as an ally to the United States. The wide variety of facilities and services that we avail ourselves of in Turkey was described very eloquently by the Senator from Texas.

Mr. President, the Constitution provides that Congress will advise and consent with the President in the formulation of foreign policy. Congress should also be mindful, however, that the Constitution provides that the President is in charge of the formulation and the implementation of American foreign policy. I very much fear that there has not been sufficient advising together between the Congress and the President, or in some cases that the Congress has not been in tune with the admonition of the executive department on the consequences of our acts.

Put in the vernacular of the times, I am afraid we have goofed, not just in one or two but in three or four categories of foreign policy.

I believe it is time we got together and started having a decent respect for the opinions of the President and the Department of State in foreign policy just as I have often counseled that they have a decent respect for our opinion in foreign policy.

It is time the Senate of the United States, the Congress of the United States, and the executive department stopped seeing each other in an adversary role in foreign policy. We are all citizens of the same country and we better try to formulate this new foreign policy together and not as antagonists.

I think personally, Mr. President, and I very much hope, the other body will still rescind their action on the Turkish aid cutoff and that we can repair the damage that has been done. I think we can. I voted against the aid cutoff, notwithstanding there are distinguished Tennesseans who counseled me to the contrary; not to inject an undue personal note, but notwithstanding the advice of my sister's husband—I have a great brother-in-law—and that is not easy, friends. I did it not because I am a moral giant but I did it in terms of the destiny of this country.

We are in no position to pass on the

moral integrity, adequacy, or sufficiency of the foreign policy of another country. We are in a position only to judge within general parameters what is best for the United States, within the limitations of general, human, moral conduct. Beyond that, we cannot order the foreign policy of another country. We can only attend to the future of this one. Goodness knows, that is enough.

I think the debate and these statements at this time are very important. I hope they will be heeded not only by the other body but by our friends abroad, including the Turks, whom I have cautioned to think carefully on the consequences of their actions. I can understand their anger, their animosity toward us at this time, but there is still hope and I hope they will be cautious. I hope they will think a little. I suggest that there may still be time, then, to repair the damage.

I hope the statements by the Turkish Government that they are assuming command of American installations there does not mean what it might mean, and that over this weekend and beyond we can find an amicable settlement to the many problems that confront us. I hope we can salvage our alliances in that part of the world because they are vital.

I thank the Senator for yielding.

Mr. SPARKMAN. I thank the Senator from Tennessee. I just want to say this: Of course, the Senator is eminently correct in saying that it is not our job to be trying to write policy for Turkey or for any other country. We have a big enough job to take care of our own policy with reference to other nations of the world.

Being for Turkey, to use that language, does not mean being against Greece. As a matter of fact, Greece stands to profit by Turkey being strong. I hope that this situation may ease itself and may eventually pass away. I thank the Senator from Wisconsin for allowing us this time.

HOME MORTGAGE DISCLOSURE ACT OF 1975

The Senate continued with the consideration of the bill (S. 1281) to improve public understanding of the role of depository institutions in home financing.

The PRESIDING OFFICER (Mr. CURTIS). Who yields time?

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

The PRESIDING OFFICER. On whose time?

Mr. TOWER. I ask unanimous consent that the time consumed by the quorum call be charged to neither side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. MONDALE. I ask unanimous con-

sent that Mr. Bob Barnett of my staff be given the privilege of the floor during the consideration of this measure.

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

Mr. MONDALE. I observe the absence of a quorum.

The PRESIDING OFFICER. To whose time shall the quorum call be charged?

Mr. MONDALE. I ask unanimous consent that it be charged to neither side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TOWER. 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. TOWER. Mr. President, I ask unanimous consent that the time consumed by the colloquies on the Turkish aid question not be charged against the time allowed for debate on S. 1281.

Mr. CURTIS. Mr. President, reserving the right to object, I would just like to observe that those were three of the best speeches I have heard for a long time, and I would hate to have them relegated to a place of nonimportance.

Mr. BROOKE. They were important, but not important to the consideration of the pending business.

Mr. TOWER. In that they were non-germane to the debate on S. 1281, I ask unanimous consent that the time not be charged against the time on S. 1281.

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

Who yields time?

Mr. PROXMIRE. I yield myself such time as I may require on the bill.

Mr. President, this measure, S. 1281, the Home Mortgage Disclosure Act of 1975, provides a very gentle remedy—disclosure—to a very serious national problem, the extreme difficulty of obtaining mortgage credit in older urban neighborhoods. The popular term for this problem is “redlining,” which is a misleading term, because it wrongly suggests that banks or savings and loan associations have secret maps with red lines drawn around certain undesirable neighborhoods.

We are not concerned with whether anybody has drawn red lines on maps, but the committee does have very persuasive evidence that mortgage money is very hard to get in older neighborhoods, in many cities and even suburbs. During 4 days of hearings last month, the committee heard extensive testimony from witnesses representing communities in all parts of the country. We heard from community leaders, public officials, mayors, a Governor, and simply from citizens of these neighborhoods. And they told a consistent, familiar story:

Many, if not most lenders—banks and savings and loan associations alike—tend to be reluctant to lend mortgage money in older urban neighborhoods. Let me be clear, I am not talking about slums, but sound, attractive convenient neighborhoods, which are now becoming even more attractive to many people be-

cause of the energy shortage and the high cost of new housing.

Unfortunately, many lenders fail to appreciate the attractiveness of this sort of housing. And obviously, in the long run, maintenance of existing housing is at least as important as new construction, if the goal of a decent, safe, and sanitary home for all Americans is ever to be achieved.

But our financial institutions seem to disdain these older communities, especially if they happen to be integrated, or adjacent to poorer neighborhoods.

The committee has found that a home buyer is likely to confront a dual credit market. He can get very attractive financing—5 or 10 percent down payment and 25 or 30 years to pay—if he buys a new home in a distant suburb; but if he inquires about an older house in a close-in neighborhood, the bank may demand a third down, and a 15-year mortgage.

The extreme irony is that often the banks and savings and loan associations located in these older neighborhoods draw their deposits from precisely those communities that cannot get loans. Why do they do this? Well, many lenders seem to think that it is marginally safer to put their loans in the suburbs, even though that judgment is often irrational and arbitrary.

Mr. President, S. 1281 addresses the problem simply by requiring lenders to tell the community where their money is going. I believe that if depositors are able to learn, through disclosure, which local lenders are treating the community fairly, lenders will become more accountable.

They will have a kind of competition for responsibility and for community service, community availability.

The lenders will not find it quite so easy to export the community's savings even while the community is starving for mortgage credit.

Some financial institutions seem to have forgotten that they are chartered to serve a particular locality. That means loan service as well as deposit service. But judging by some of the industry testimony we received and the mountains of mail from the lobbyists, some banks and S. & L.'s take the position that they have a perfect right to ignore the credit needs in their own service areas if a higher rate of return or a more attractive deal is available elsewhere. They call that the free flow of capital. S. 1281 would use the power of market competition—competition for the saver's dollar—to encourage lenders to do a better job in their own backyards. The information disclosed under S. 1281 would also provide information to municipal officials concerned with housing, on the effects of local credit flows.

Here is how the legislation works:

Every depository institution—meaning bank or savings and loan association, and so forth—is required to set up a public record file that is available for public inspection and copying. The disclosure statement, presumably in the form of a chart, must indicate the number and dollar amount of mortgages made by that lender during the previous year, broken down by census tract.

The information is further broken down to show loans made to owner-occupants, or to absentees, and it also must break down conventional versus FHA and VA loans.

The requirement only applies to institutions located in Standard Metropolitan Statistical Areas—that is the big cities, by and large—where two-thirds of the population reside.

If a lender inside an SMSA makes loans outside that SMSA, those need be broken down only by county, and the committee has an amendment that would modify that to State.

With this information, depositor can find out whether the bank or the savings and loan is giving reasonable service to the community. I do not believe that a lender has any obligation to make loans in some pre-determined ratio to the deposits he gets. And I want to emphasize that this legislation does not require lenders to make unsound loans. At the same time, a lender that is chartered to serve a community does have an obligation to give some service to that community. He should not arbitrarily reject loan applications from sound credit risks on sound houses simply because he does not like the neighborhood, or because he fears it may at some future time decline.

Often, that prediction by a lender turns in to the reality, because it becomes a self-fulfilling prophecy. When the neighborhood cannot get mortgage credit, property values drop; new homeowners cannot move in because they cannot get mortgages. Eventually, the neighborhood starts to deteriorate and so the lender can say: See, I told you so.

I want to address some of the objections to S. 1281, because I have seldom seen a more panicky reaction by an industry to such a benign, simple, easy proposal.

First, we are told that we have the cause and effect backwards. Lenders do not cause the decline; they merely react to it. Well, that is a half-truth. Obviously, there are multiple causes of urban decline. But when a lender rejects a sound house and steers the home buyer to the suburbs, he clearly accelerates the decline of the older neighborhood.

The industry mail I am receiving insists that redlining does not exist, that lenders only decide whether to approve loans based on perfectly objective criteria. Now, anybody who has attempted to get a loan in recent years in a city neighborhood that was built before World War II knows that this just is not true. As Senator GARN, our esteemed and distinguished member of the committee, who has been extremely active in this and diligent on this bill, as he has on every bill we had since he has been a member of the Senate Banking Committee, as he said repeatedly during our hearing:

Anybody who says redlining does not exist insults my intelligence.

Senator GARN is absolutely correct.

The committee even found that upper middle income, elegant suburbs like Oak Park, Ill., have trouble finding mortgage money because the housing was built 50 years ago, and the neighborhood has become integrated. This is a proud com-

munity, with a unique architectural heritage and a tradition of homeownership. I dare say, some of the 50-year-old homes in places like Oak Park will outlast some of the crackerbox housing built last year. But even in Oak Park, the local savings and loan associations want very high downpayments and short pay-back terms, if they make loans at all. One such institution told a customer that the Oak Park branch accepted deposits, but did not make loans. According to one of our witnesses, that institution actually deleted the "and loan" from its sign that read Such and Such Savings and Loan.

And the story is the same on the West Side of Milwaukee, in whole sections of St. Louis, Cleveland, Indianapolis, Baltimore, Washington, Los Angeles, Boston, and most of America's older cities.

So redlining does exist, and though it certainly is not the cause of urban decline, it can turn otherwise viable neighborhoods into slums.

Then, we heard that this bill would be terribly expensive, that it would work to hurt the very people it was designed to help, because these staggering costs would be passed along to consumers, and would result in higher interest rates. We asked the American Bankers Association to study the question, and the ABA recently reported back that the average cost would be about \$200 per bank per year and a few cents really for each mortgage.

There is no question about it. The cost is minimal and, as I say, this is not the estimate of the Senator from Wisconsin; this is the estimate of the American Bankers Association, which would certainly be disinclined to understate the cost.

Incidentally, the trade daily, "The American Banker" recently published a fascinating article entitled "California Experience Challenges Anti-redlining Arguments Used By Lenders." I will include the entire article for the RECORD, but here is one paragraph from this trade paper that editorially opposes this bill.

Two of the arguments which have been used by mortgage lenders to oppose anti-redlining measures elsewhere in the nation are being seriously questioned by California legislators, regulators and consumer activists after an examination of existing practices here.

The existing practice is the fact for 10 years, State-chartered savings and loans have been required by California law to report by census tract their loan originations monthly. S. 1281, incidentally requires disclosures yearly. The cost, for monthly reporting, is only \$2,000 annually for the largest institution in the State. And the article goes on to quote the executive direct of the State trade association, the California Savings and Loan League, that the cost of prospective census tract disclosure would be "very low."

Now, there is one key difference between the existing California requirement, and S. 1281. The California reports are only for the State regulatory authorities, and they are not made public. And I suspect, based on the California experience, that the industry's

true concern is not the minimal cost, but the embarrassment once this data is publicly available. In the committee's study of Washington, D.C., for example, we found a large savings and loan, which draws 50 percent of its deposits from the city, which nearly boycotted the entire city of Washington, D.C. at the loan window. I think it is the potential embarrassment and the accountability to depositors that the industry truly fears, just as they so strenuously opposed truth in lending.

It is also worth noting that California officials are now considering whether to make public the information collected under State law, and similar regulations were just issued by the Massachusetts Banking Commissioner; mortgage disclosure legislation has been introduced in several State legislatures, and is farthest along in Illinois, where it is part of Governor Dan Walker's program. There is also a city ordinance in Chicago, requiring mortgage disclosure by all banks that want to do business with the city. So it is imperative that Congress act, so that we do not have a crazy quilt of requirements that encourage institutions to play off Federal against State regulators.

S. 1281 contains State preemption language, so that if a State chose to enact a more stringent disclosure law, that would apply. Governor Walker, who has sponsored a State law for Illinois, has testified that Federal legislation is also essential, so that State institutions do not shift to Federal charters.

In closing, Mr. President, I want to say that S. 1281 is not credit allocation legislation, though if it fails, credit allocation might become necessary. All we are doing is to provide some accountability by institutions chartered to serve communities, to the neighborhoods they are supposed to serve.

Financial institutions are not chartered simply to make as much money as they can. Since the Great Depression, banks have not been permitted to play the stock market; commercial banks have been separated from investment banks. Banks are not supposed to compete with their customers, though thanks to the bank holding company loophole that is not always so. Thrift institutions are supposed to put most of their money into home mortgages. And so on. In short, banks are not laissez faire institutions. They have certain privileges, such as Federal insurance and a partial monopoly. In exchange for these privileges, they have obligations. One such obligation is to serve their service areas. It is very hard to decide from Washington whether a bank is doing this, and I know of no case where any of the Federal regulators have moved against a lender for redlining, even though mortgage discrimination is technically illegal under the 1968 Fair Housing Act and under regulations issued by the Federal Home Loan Bank Board.

All we are asking, Mr. President, is for the facts. We just want disclosure.

As I have pointed out, they have done this in California for several years now—for 10 years, and we know, on the basis

of that experience, that the cost is minimal.

Mr. President, I ask unanimous consent that the article entitled "California Experience Challenges Red-Lining Arguments Used by Lenders" from the American Banker, June 12, 1975, be printed in the RECORD.

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

[From the American Banker, June 12, 1975]

CALIFORNIA EXPERIENCE CHALLENGES ANTI-REDLINING ARGUMENTS USED BY LENDERS
(By Geoff Brouillette)

SAN FRANCISCO.—Two of the arguments which have been used by mortgage lenders to oppose anti-redlining measures elsewhere in the nation are being seriously questioned by California legislators, regulators and consumer activists after an examination of existing practices here.

The arguments which have become suspect in their eyes are that a disclosure of mortgage loans by census tract is a prohibitively expensive operation, and that a mortgage lender cannot profitably lend under most circumstances in inner city areas. Both arguments can be statistically proven false, anti-redlining advocates claim, on the basis of California experience.

At least two anti-redlining bills are pending in the state legislature, and it is believed that increased attention will be drawn to the subject in the next two weeks by state officials.

Redlining is the alleged practice of refusal by mortgage lenders to make real estate or home improvement loans in high risk districts, particularly in inner city areas. Anti-redlining advocates here and elsewhere have called for public disclosure of where financial institutions make their mortgage loans.

Whatever other arguments mortgage lenders may use against geographic disclosure, according to sources close to the administration of Gov. Edmund G. Brown Jr., the particular argument that such disclosure would be prohibitively expensive and force up mortgage and other lending rates is one that will be given little credence by anti-redlining advocates.

State-chartered California savings and loan associations, they point out, have for the past five years been required to make just such a type of disclosure to the state savings and loan commissioner, and studies have indicated that the cost is not prohibitive.

One such study, these sources indicate, shows that the multi-billion dollar savings and loan associations in the state could convert all of their existing computerized loan data into a census tract printout capacity for a one-time cost of \$12,000. Smaller institutions without the computer capacity might, they contend, have to "put in a lot of paperwork, but nothing significant" to accomplish the same task.

The cost for transmitting monthly census tract breakdowns to the state on a quarterly basis, the study contends, is \$2000 annually for the largest institutions, and about \$1800 for a medium-sized institution (about \$150 million in deposits.)

Although unwilling to comment on specific figures until they have seen the study and the basis on which it was made, California savings and loan spokesmen say the cost of disclosure would depend upon whether they are required to disclose all existing loans or simply loans made in the future.

If S&LS were required to disclose the location by census tract of all existing loans on their books on an individual basis, said Dean Cannon, executive director of the California Savings and Loan League, the cost definitely would be "very expensive."

"However," he said, "if S&LS were only

required to disclose the dollar amount of future loans by census tract, it is likely the cost to the S&LS would be very low."

State chartered S&LS in California, he said, did not experience large outlays or competitive disadvantages when they were required to make geographic disclosure, because they were required to disclose only those loans made after the regulation became effective and were required to show only the total dollar amount of loans made in each tract.

The study, which is in the hands of state officials but is not an officially-endorsed state study, does not answer other arguments against disclosure raised by lenders, the sources admit.

Lenders have argued that a disclosure of where deposits and loans are made would simply provide activist groups with an additional means of harassing lending institutions, while not providing the public with sufficient information about the more complicated considerations that enter into an institution's lending decisions.

At least one California activist group the center for New Corporate Priorities, Los Angeles, has, in fact, obtained copies of the breakdowns which have been submitted to the state Savings & Loan Commission and has prepared a report charging these institutions with discrimination, which the state S&LS charge. The report, however, has received virtually no publicity in the general news media.

Anti-redlining advocates, in any case, reject the lending institutions' arguments of harassment, and contend that such public disclosure would lead to public indignation which, in turn, would lead to withdrawal of funds by the public from institutions which they feel discriminate in making housing loans.

More general arguments about the difficulty of conducting mortgage and home improvement lending programs in high risk inner city areas may run into problems here because of the existence of a handful of such programs which have been successfully conducted, including a \$200 million program begun in 1968 by the \$51.1 billion deposit Bank of America, NT&SA, San Francisco, these sources say.

Bank of America's "New Opportunity Home Loan Program," although small in proportion to its total real estate lending program, has been a form of "redlining in reverse" which has been operated at a small profit, the sources say.

Although it does not itself hold up its NOHL program as the answer to the problems of redlining, BofA confirms that the assertion is essentially true. The program has had a high rate of delinquencies and foreclosures, and the bank could have more profitably invested its funds in other types of loans, but a study conducted by the bank's Urban Affairs Department two years ago showed that since the bulk of the loans have been government-insured BofA did not actually lose money on it.

Since 1968, the bank has loaned \$181 million to 10,563 families, about 70% in inner city areas, and the remainder in rural poverty areas, for home purchase or improvement. To qualify as a borrower under the program, a customer must have an income at or below the poverty level established by the rental authorities in the areas in which he lives.

NOHL loans have been either conventional mortgage loans in which the bank has loosened requirements for minimum square feet and number of rooms; Veterans Administration loans, or FHA 231D2 or FHA 235 loans. At its outset, approximately 100 of the bank's 1,000 California branches were staffed with specially-trained lending personnel, which has since been increased to about 140.

The specially trained personnel were not only familiar with the objectives of the program, but were able to give prehome buying

consultation to potential customers, a step which the bank considers essential to the program's success.

The lending officers are encouraged to take a longer than usual amount of time to work out a loan agreement with each customer, and the lending officer is careful to explain in detail all of the ramifications of home buying in understandable language, to point out the possible expenses and problems that may be encountered and discuss the responsibilities of home ownership. The lending officers attempt to establish an understanding with the customer that will enable them to iron out financial difficulties that may arise in cases of unexpected unemployment or other reverses.

The BofA NOHL loans have consistently accounted for only a small portion of the bank's total real estate lending. In 1974, one of the lowest volume years since the program began, \$13 million in NOHL loans were made to 700 families, compared to \$5 billion in real estate loans of all types, including interim construction financing.

Not unexpectedly, said a Bank of America official, NOHL loan delinquency experience has been poorer than for non-NOHL mortgage loans. In April, 1975, he said, NOHL delinquencies were 12.45%, compared to 3.97% for other types of mortgage loans. Foreclosures that month were 7.41%, compared to about 2% for other types of mortgage loans.

While stating that the NOHL program is not the final answer to redlining, a Bank of America spokesman agreed that this type of endeavor could be profitably undertaken by other banks as at least an "indication of commitment" to provide better housing in urban and rural poverty areas.

"In fact," said the spokesman, "I suspect that in cases where a lending institution has a more compact geographical serving area with a short line of communication between branches and top management, a program of this sort might even be operated more successfully."

Mr. BROOKE. Mr. President, S. 1281, the Home Mortgage Disclosure Act of 1975, would require institutions engaged in residential mortgage lending to compile data reflecting the geographic areas in which they make mortgage loans and to reveal such information to the public.

While the mechanics of the bill are relatively easy to understand, its underlying rationale deserves consideration. In the course of hearings on this bill, the Banking Committee received testimony which indicated that many mortgage lending institutions were not making mortgage loans in older neighborhoods, even though such institutions were located in or had branch offices receiving deposits in such neighborhoods. What emerged from the testimony was a pattern of deliberate disinvestment in certain neighborhoods by some mortgage lending institutions. These institutions were redlining neighborhoods and refusing to make mortgage loans regardless of the quality of the property offered as security or the ability of the buyer to pay for and maintain his home.

The Banking Committee has wrestled with the problem of redlining before, and it has not been an easy one to solve. The decision on whether to make a mortgage loan must be made on a case-by-case basis taking into account a large number of factors, including the price and condition of the property and the credit worthiness of the buyer. No one suggests that mortgage lenders should make bad loans. Nor does any member of our committee urge a system of credit allocation

under which mortgage lending institutions are directed to invest a certain percentage of their funds in older neighborhoods.

What the sponsors of S. 1281 do suggest is that so far as the practice of redlining is concerned, the public has a right to more information. Many mortgage lending institutions are getting deposits in urban neighborhoods where moderate income homeowners live. These institutions operate under charters issued by financial regulatory agencies which restrict entry into the business on a geographic basis. They are supposed to serve the area in which they are located, not only to obtain deposits but also to make loans. Under S. 1281, their depositors and the public at large will be given an opportunity to assess the lending policies of these institutions by looking at the areas in which they make mortgage loans.

In some cities, neighborhood groups have organized to persuade their local lending institutions to make more mortgage credit available in their areas. They argue persuasively that they should be able to make an educated judgment about where they will deposit their savings based on the probability of their being able to obtain mortgage loans from the institutions in which they have made deposits.

S. 1281 does not apply to institutions in rural areas, and under the amendment which Senator PROXMIRE has offered for himself and me, the disclosure requirements of the bill would only be prospective in their application; that is, institutions would not be required to report the location of properties securing all the mortgages in their portfolios. The cost of supplying the information required by the bill will be less than \$1 per mortgage.

Some who oppose S. 1281 argue that mortgage lending practices are not the only factors which cause older neighborhoods to decline, and they are right. However, redlining is one factor, and an important factor, causing neighborhood deterioration, and I do not believe that we should delay taking steps to deal with "redlining" until we can bring forth legislation which offers remedies for all the causes of neighborhood decline.

The Home Mortgage Disclosure Act of 1975 is not a cure-all, but I believe it is a good bill and will discourage the practice of redlining which has developed in some cities. I urge my colleagues to vote for the bill.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I yield to the Senator from Utah such time as he may require on the bill.

Mr. GARN. Mr. President, the distinguished chairman of the Banking Committee did quote me correctly where I said, during the committee hearings, that the witnesses opposing this legislation ought not to insult my intelligence by saying that redlining does not exist. It does. It existed in my city. As a matter of fact, the director of my planning and zoning commission, who is the highest-paid city employee, who made more than I did as mayor, was denied a loan. Obviously, he was qualified. He had the income, he had the job security. He was a

young man so there was no problem. But it was simply in an area where they did not loan.

I made that point very strongly, day after day, in the hearings, that redlining did exist. There is no doubt about that.

What the chairman did not state was that I also made the point very strongly on the other side of the coin to those simplistic testimonies that seemed to indicate that if we passed this bill, that solved all the problems. That simply is not true.

After 7 years in municipal government, I again say that redlining does exist, but it is only a part of the problem and it is not the originator of the problem. It does accelerate the problem after neighborhood deterioration starts.

There are a lot of cities in this country which simply have not owned up to their responsibilities. They have not put in proper curbs and gutters and sewers and water systems and upgraded those city services so that these are desirable neighborhoods to loan in.

I know that in areas of my own city, where we were able to do that—get people off septic tanks, get them off wells, put in curbs and gutters and sidewalks and those civic improvements—it was amazing that the financial institutions were then willing to loan. So redlining is only one part of the problem, and it is not a panacea to adopt a bill that would impose a great deal of cost on a lot of people and be passed on to the consumers.

I also felt very strongly that the hearings were inadequate. They were very one-sided in favor of this legislation. We had 20-some witnesses in favor of it, 4 or 5 against. Those 4 or 5 against were very strong in their opposition. But we did not have any neutrals. We did not have any urbanologists, any people who would come in who were not on one side or the other, and testify objectively on how they felt about the issue.

My point is that there is someplace in between the two extremes, from those who say that redlining does not exist to those who think that this is the cure-all for all of the problems of urban decay. It simply is not.

I did feel that before this bill was brought to the Senate floor, we ought to have more hearings and we ought to have more testimony, bring in more people, third-party types who could testify on how they feel about this problem and what they think the cures are. The bill originally covered the entire country, imposing these rules and regulations and disclosures on every little town bank and savings and loan in the country. Fortunately the committee changed this and it was amended to include some 265-odd SMSA's in this country.

Other modifications were made that made it more desirable. Still, in the hearings, where I ask specific questions and wanted factual data on costs, such was never made available. It is not in the committee testimony, because no one could answer the questions accurately. There were guesstimates, there were gut feelings about what people thought would happen, but no actual data.

One study that was talked about a great deal, a district of Washington,

D.C., study that was referred to throughout the committee hearings, has since been discredited by the Washington Post. If they are against it and think it was a bad study, it must really be a bad one. They said it was not adequate.

I was not able to get information on deposits, where deposits came from, no estimates on that. So, again, I felt the hearings were inadequate. When we get to my amendment, I shall address myself in more detail to that and why I have proposed a study for 3 years in 20 SMSA's rather than going nationwide at this time, so that we can get the answers to some of these questions. At the end of those 3 years, we might find out that the distinguished chairman from Wisconsin is correct and I am wrong. On the other hand, we may find out that I am right and he is wrong. At least, we shall be able to base these decisions on a very important piece of legislation on facts and not on someone's opinion.

Mr. President, although I fully support the objectives of S. 1281, to halt neighborhood deterioration, I have grave reservations whether the disclosure provisions of this bill will make a contribution to that end. The bill is based on the simplistic theory that if community groups and savers are given access to mortgage lending patterns of financial institutions, the groups can then force the institutions to invest the savings deposits in neighborhoods which are declining and thus reverse that process. This totally ignores the underlying causes of urban decline.

Most urban authorities agree that disinvestment by financial institutions in home mortgages does not initiate the decay of inner city neighborhoods but comes rather at some point after the deterioration sets in. Certainly, disinvestment plays an important role in neighborhood decline and we need to know more about its effect. Unfortunately, the disclosure scheme of S. 1281 does not provide a mechanism for an intelligent analysis of the effects of home mortgage disinvestment on neighborhood decline.

Even if we have a compulsory federal disclosure law, and even if we then went to a law that says you will allocate home mortgage credit to a particular area, we are not going to solve the basic problems of the neighborhoods.

The chairman mentioned that this was not credit allocation. I agree with him it is not credit allocation. But I would state that it is the first step in the credit allocation, and so testified to by several groups who favored this bill. If they can get their hands on the information they desire, the next step is credit allocation, and that simply is rationing of money. Some Federal bureaucrat will decide where some money should be loaned and ration it out. So this is not credit allocation but certainly is the first step on the road to credit allocation.

What is needed are programs by the cities themselves that attack the causes rather than the symptoms in a spirit of cooperation rather than in an attitude of confrontation.

The cities must go in, like we did when I was mayor of Salt Lake City, and put in more curbs and gutters and sidewalks and sewers as I have already mentioned.

What is needed are programs by the cities themselves that attack the causes rather than the symptoms; in a spirit of cooperation rather than in an attitude of confrontation. Cities must go in like we did when I was mayor of Salt Lake City, and put in more curbs, gutters and sidewalks and sewers, as I have already mentioned.

It is amazing what some of these improvements will do to a neighborhood and housing financial institutions will respond.

We can make loans in that neighborhood after all.

Fear in the inner city must be eradicated. Where there is the fear for safety of the family on the streets and in the schools, those who can afford to will simply move to the suburbs. Until there is sufficient feeling of safety, no amount of mortgage money will solve the problems of the inner-city neighborhoods.

I cannot stress that enough, the need for solving some of these other problems, and that simple disclosure of the mortgage lending pattern in neighborhoods is not going to solve the problem by itself.

Excellence must be brought to the inner-city school system if we are to keep young families from moving to the suburbs. Home mortgage loans do not provide quality education.

There must be job opportunities and retail establishments geographically accessible if we are to maintain the viability of our inner-city neighborhoods. The housewife wants a place in her neighborhood to buy groceries at the same prices that are paid by those living near suburban shopping centers. There are the family needs for small retail establishments such as the cleaners and pharmacies. Yet, S. 1281 fails to encourage financial institutions to finance these needed neighborhood facilities.

Arbitrary regulation plays a part in inner-city decline. Poorly planned zoning codes often restrict the right sort of development. Hostile rent controls encourage abandonment. Unrealistic usury laws can effectively dry up mortgage lending in an area. Failure to enforce building codes hastens deterioration.

One of the reasons why I was so strongly in favor of section 312 of the HUD bill, the housing bill, was because, as a mayor, it makes a lot more sense to stop declines, to save a home, than to try to build a new one.

The most important element in all of this revitalization process is a spirit of community cooperation. There must be cooperation from the city government, the financial institutions, the business community, and the local citizens to maintain a viable community. I am afraid the thrust of S. 1281 is in the direction of confrontation, rather than cooperation.

Another fear I have is that S. 1281 is the first step toward credit allocation—and I cannot emphasize that enough—the next would be to say that at least x percent of deposits must be invested in a certain area.

This is certainly borne out by testimony given to the Senate committee by proponents of the legislation. For example, the representative of the U.S.

Conference of Mayors testified at the hearings that S. 1281 is an "essential first step." He recommended that other steps include requirements that institutions "lend minimal percentages of their assets in the communities in which they are located." A proponent of the bill from the metropolitan Washington, D.C., area characterized it as a "good beginning." Other steps he recommended included the granting of charters and the requests for charters on the basis of "equal opportunity and a commitment of service to minority and poor neighborhoods." These commitment programs ultimately would end up in a quota allocation of credit.

Quota systems are a form of credit rationing. This means we would be taking from someone, the small businessman or the suburban homeowner and giving to someone else, in this case the inner city home buyer.

The free market approach would be to create incentives for savings and investment. It should not be forgotten that it takes five or six savers to support each home mortgage borrower. Through these incentives we would encourage the accumulation of sufficient capital in the private sector to fill all credit worthy needs and rationing would not be necessary. The ability of inner city borrowers to compete for funds should be increased through support programs, the spreading of the lending risks through mortgage insurance programs, and the development of comprehensive programs to improve urban neighborhoods.

A considerable amount can be done to increase the pool of private capital for home mortgages. The tax laws need to be examined to increase the incentives for savings.

More imaginative ways can be developed to attract investors to finance home mortgages. The Federal Home Loan Bank Board has outlined a manner in which mortgage backed securities can be used to attract funds not normally available to housing. By utilizing mortgage backed securities which are essentially bonds collateralized by a pool of home mortgages, pension funds or insurance companies can be attracted to invest funds in housing. A mayor or Governor could specify exactly what type of collateral he wanted—location, type of property, age and condition of property, downpayments required, minimum and maximum loan amounts, credit quality, amortization period, and loan/income ratios. Lenders would package these for a State and other pension funds at a relatively low cost. This would be a much more productive approach for the savings institutions rather than dissipating their energies and resources on reporting requirements.

As a former mayor of one of America's finest cities, I know firsthand that there are many things that need to be done and can be done to preserve the urban neighborhoods. Success lies not in Federal gimmickry and alienation produced by confrontation, but in a voluntary, cooperative effort between local government officials, the financial institutions, the business community and local community, and civic and church groups. Unless we pull together and come up with

imaginative programs which address the underlying causes, we will not save the cities.

Again referring back to the hearings that we held, a great deal was said about these mortgage loans and where they were being distributed. There was very little mention made of the responsibility of banks and savings and loan institutions to their depositors, and this No. 1 responsibility is the safety of the funds of their depositors.

It is rather interesting, we have heard a great deal about "redlining" problems in Chicago. But a black minister wrote a letter about this problem, and I will only read part of it and ask unanimous consent that the entire text of his letter be printed in the RECORD.

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

(See exhibit 1.)

Mr. GARN. He says:

Why have there been no hard-hitting advertisements about the anti-redlining campaign? Why has there been no presentation of the obvious implications that will endanger the savings of your depositors? And, not from your own institution alone, but from the combined membership of all Savings and Loan associations?

And there is, of course, the hidden agenda behind this of allegation that in fact Savings and Loan associations are racist, and desire to destroy neighborhoods made up of ethnic minorities or of mixed black-white or latino-white populations.

He goes on:

ABOUT REDLINING. SOME HARD AND BASIC FACTS TO CONSIDER

The very first obligation of any Savings and Loan association is to safeguard the savings of the thousands of savers, large and small, who trust it with their money . . . Don't forget the disaster of financial institutions going bankrupt because of bad loans and investments . . . Don't forget that even the resources of the Federal Government's protective insurance programs for Savings and Loan associations will be strained if there is widespread pattern of bad loaning and bad investing by these institutions over all the state or nation . . . It is a fact, and every knowledgeable and thoughtful person knows it is a fact, that houses and other buildings in some areas of a city, lose a large part of their dollar value when the conditions of social decay set in and become serious.

Now, he goes on with several other examples.

Here is a black minister saying that we have got to look at the other side of the coin, to not just those who are borrowing money, but those who deposit the money for borrowing, and these institutions certainly have an obligation to them. He said:

There must be other ways devised for financing what is needed in deteriorating districts, and the Savings and Loan associations cannot be expected to endanger the funds of which they are trustees to accomplish this purpose.

I feel very strongly that we must not adopt S. 1281 as it is now proposed. I am hopeful that when I introduce my amendment that it will be adopted.

It would limit the study to 3 years in 20 standard metropolitan statistical areas and would give the answers to the questions so that we could pass meaning-

ful legislation that would not be a handicap to the savings and loan institutions of this country.

So I would urge the defeat of Senate bill 1281 as it is presently written.

EXHIBIT No. 1

**ALL SOULS FIRST UNIVERSALIST
SOCIETY OF CHICAGO,
Chicago, Ill., July 5, 1975.**

Mr. STANLEY ENLUND,
Chairman of the Board, First Federal Savings and Loan Association of Chicago,
One South Dearborn Street, Chicago, Ill.

DEAR MR. ENLUND: As a long time small depositor entrusting some savings to the care of your Savings and Loan association, I am much disturbed. It seems to me that First Federal, the same as the other Savings and Loan associations, have been falling seriously in their obligations to their savers and to the community.

In the face of a serious, organized threat of major proportions to the continued successful management of the loan business, and, by projection, to the savings of the tens of thousands who have trusted you—not personally, but institutionally—the Savings and Loan associations have failed to even attempt effective counter measures. Why have there been no hard-hitting advertisements about the anti-redlining campaign? Why has there been no presentation of the obvious implications that will endanger the savings of your depositors? And, not from your own institution alone, but from the combined membership of all Savings and Loan associations?

I am not an ad writer by profession. And there is, of course, the hidden agenda behind this of allegation that in fact Savings and Loan associations are racist, and desire to destroy neighborhoods made up of ethnic minorities or of mixed black-white or latino-white populations. I do not know about that allegation: if true, something drastic should be done; if not, it should be exposed as a falsehood. However, let me sketch something of what I think should be told the public.

ABOUT REDLINING—SOME HARD AND BASIC FACTS TO CONSIDER

The very first obligation of any Savings and Loan association is to safeguard the savings of the thousands of savers, large and small, who trust it with their money . . . Don't forget the disaster of financial institutions going bankrupt because of bad loans and investments . . . Don't forget that even the resources of the Federal Government's protective insurance programs for Savings and Loan associations will be strained if there is widespread pattern of bad loaning and bad investing by these institutions over all the state or nation . . . It is a fact, and every knowledgeable and thoughtful person knows it is a fact, that houses and other buildings in some areas of a city, lose a large part of their dollar value when the conditions of social decay set in and become serious . . . This means that a building with a former market selling value of \$30,000 can be just as good a structure and the owners just as honest persons with the same jobs as before; yet the building can become worth only \$20,000 on the market, or even become almost unsalable in terms of normal real estate transactions and mortgages . . . Loans made by the hundreds or thousands on such buildings, if based on the unrealistic former value of \$30,000 can turn into defaulted mortgages, and the buildings put up as collateral can fall back into the hands of the Savings and Loan associations as worthless "assets" . . . Then what happens?

Lending institutions are in business to make money . . . If they turn down a loan, they do so because they feel that they may lose money, that the risk is too great . . .

If then the laws of the state are changed so as to compel Savings and Loan associa-

tions to lend money where their prudent careful judgment considers they ought not to lend money—purely, that is, on basis of general social objectives, then the responsibility for choosing the loan contracts becomes the responsibility of the state, not of the Savings and Loan associations . . . It will be the state officials who will be responsible if loans turn sour, if savings are endangered.

In this case, if laws are passed against what is called "redlining," really, against the exercise of prudent business judgment as to districts of communities where real estate values have become shaky and unsafe collateral, then it is up to the state to become general guarantor of the loans the Savings and Loan associations consider it unsafe to make.

The state, if it substitutes its judgment of what loans should be made for the judgment of the officials of each Savings and Loan association, surely assumes responsibility for loans that default. It owes it, then, to the tens or hundreds of thousands or maybe millions, who have entrusted their hard squeezed-out savings to these institutions, to safeguard them from losses caused by idealistic (but unworkable) social policies.

There must be other ways devised for financing that is needed in deteriorating districts, and the Savings and Loan associations cannot be expected to endanger the funds of which they are trustees to accomplish this purpose.

I believe it the duty of your institution, acting with your class member similar institutions, to present this kind of message strongly and with sufficient variety and repetition so that it becomes a part of the thinking and acting about this problem.

Yours truly,

C. LEE HUBBELL.

Mr. STONE. Mr. President, I wish to make a brief statement of support of the Senator from Utah.

Mr. GARN. Then I am happy to yield for that purpose and retain my right to the floor.

Mr. STONE. Mr. President, without unduly taxing the time of the Senate, I wish to support strongly the amendment of the Senator from Utah.

It seems to the Senator from Florida that by having the study conducted in the major metropolitan areas about which the practice of redlining is alleged to occur, that the substance of the bill can be accomplished without needless burden on small thrift institutions in other areas.

When the Senator from Utah calls up his amendment, the Senator from Florida will offer an additional amendment which will have the disclosure take place by ZIP code instead of by census tract.

In that fashion, the practice of redlining can be just as readily determined and the private and public and semipublic institutions will not be unduly taxed in order to gather information that they do not have.

Their computer systems do carry the ZIP code situation and the practice can be just as readily studied and determined by the use of ZIP codes as by the use of census tracts.

If, for any reason, the amendment of the Senator from Utah fails of agreement, then the Senator from Florida will offer the equivalent amendment, the ZIP code amendment, to the bill itself.

But the Senator from Florida wishes to commend the Senator from Utah for

assisting in the purposes of the bill without undue expense where the purposes of the bill truly would not be served.

Mr. President, I strongly support the amendment offered by the junior Senator from Utah. I believe the regulations and reporting requirements contained in S. 1281 would place severe burdens upon many small thrift institutions with limited or no computer facilities. Many of these thrift institutions are located in standard metropolitan statistical areas in which there has been no demonstration or allegations that the problem of redlining exists. Clearly, it is the home-buying consumer that will be forced to bear the increased costs caused by the widespread reporting requirements contained in S. 1281.

The amendment offered by Senator GARN, which would limit the Home Mortgage Disclosure Act to a 3-year demonstration study in only 20 standard metropolitan statistical areas to determine the feasibility and usefulness of requiring all mortgage lending institutions to make public disclosure of their geographic lending patterns, will allow Congress to study adequately the usefulness of disclosing mortgage loans by geographic areas. Until careful analysis with respect to the benefits of mortgage disclosure has been made, I believe that the proper approach would be to limit this bill to the metropolitan areas in which redlining is thought to exist.

I commend my distinguished colleague from Utah for introducing this amendment and I am supporting it for another reason: The financial institutions which are affected by this bill are in a fiduciary relationship to its depositors and owe them a legal duty of investigating its deposits prudently. This amendment will allow a careful analysis to insure that financial institutions will not be required to breach its fiduciary duty by being required to make unreasonable loans either to unqualified borrowers or on inadequate security. This essential fiduciary relationship, which safeguards the billions of dollars placed in trust by millions of Americans, must not be jeopardized by requirements which have not been completely studied and proven effective and beneficial. The demonstration study provided by this amendment will protect the tremendous scope of investments and safeguard the fiduciary relationship which the law requires.

Mr. President, while I fully support the amendment offered by Senator GARN, I am submitting an amendment to the amendment offered by the Senator from Utah. My amendment would eliminate the possibility that any thrift institution would be required to disclose the location of their mortgages by census tract. By limiting the reporting requirement to zip codes many smaller institutions will be spared the heavy burden of manually relating every mortgage to a census tract. For example, in Dade County, a county with a population more than a million, the largest census tract map procured is approximately 19 inches by 28 inches. This map has some main streets and avenues indicated by name and number but many lines of demarcation give no indication of street or avenue identification. Since the assign-

ment of each individual loan to its proper census tract would have to be done manually, and in many cases actually requires a field inspection, the amount of time and labor expended to comply with this provision of the bill would amount to an inordinate expense.

Another example: There are 141 census tracts in Hillsborough County, Fla. It would be necessary to manually relate every mortgage using a road map and census tract in combination to develop this information. This would be a very cumbersome, expensive, and time-consuming job. Only in the city of Tampa is there available a street index relating addresses to census tracts and this is only approximately 60 percent accurate according to a spokesman for the Tampa Bay regional planning commission.

Mr. Vincent Barabba, Director of the Bureau of the Census, testified on July 15, 1975, before the House Committee on Banking, Currency and Housing on the very plan proposed by this bill. In describing the capabilities and limitations of the address reference file, which serves as the geographic base-inventory for census tract, he pointed out that the files are limited primarily to urban areas in which city delivery service or its equivalent is maintained by the U.S. Postal Service. Households served by rural routes, general delivery or post office boxes are excluded, and presently there is no feasible way to determine the physical location of a household from these addresses. He further stated that those files which do in fact exist would become outdated rapidly if they remained static. He later stated:

We have no way of estimating just what the cost impact would be in financial institutions if they were required to keep their records according to census tracts rather than by some other criteria such as by ZIP codes.

One more problem with census tracts. What happens in 1980 when the Bureau of the Census finds it necessary to revise our Standard Metropolitan Statistical Area? The entire data base accumulated would be obsolete. The system proposed by the bill seems to assume that the present census tracts would be permanent. This would not be the case in several years. For this reason alone, I suggest that ZIP codes be used instead of census tracts and I urge adoption of the amendment by my colleague from Utah to insure that a proper and workable plan will be produced by this body. There is a problem. Let us correct it wisely.

Mr. President, I ask unanimous consent that the statement by the Director, Bureau of the Census, Vincent Barabba, be printed in the RECORD.

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

STATEMENT OF VINCENT P. BARABBA

Mr. Chairman, we appreciate this opportunity to contribute to further deliberations on H.R. 8024, and the questions raised by Title III of the bill concerning proposed disclosures by financial institutions. Primarily, we would like to describe the state of the art regarding the locating and coding of street

addresses by geographic areas, particularly by census tracts.

I should like to emphasize at the outset that we see our role in this area as technical and not one of dealing with the policy questions, such as what disclosures are desirable and what their impact would be in terms of the objectives of the legislation.

To simplify somewhat, the Bureau has developed a system for coding street addresses by their geographical location. For the 1970 census we mailed census report forms to about 60 percent of the nation's households, with the cooperation of the U.S. Postal Service. The address coding system permitted us to assign the responses to the correct areas when they were mailed back. The areas covered by the system were roughly equivalent to the city delivery areas (street address areas) of the postal system.

The first step was to develop a series of metropolitan maps, with major assistance from agencies of local government. The maps were supplemented with an inventory of the address ranges between each street intersection, and a set of codes to represent the geographic location of each address range. For each address range in this inventory, the information included the census block number the name of the street which the block side faces, the census tract number, and codes assigned to identify State, congressional district, county, municipality, and so forth. This inventory or address reference file refer to as GBF/DIME; GBF means Geographic Base File, and DIME means Dual Independent Map Encoding—a computerized process for checking the internal consistency of the topological features in the file.

For the 1970 census, these files were developed, again with major local assistance, for the urbanized cores of 196 of the then-existing 233 Standard Metropolitan Statistical Areas (SMSA's). An additional 37 SMSA's have been designated since the 1970 census by the Office of Management and Budget, and there will probably be more areas designated before the 1980 census.

The GBF/DIME files have several important limitations and characteristics. First, the files are limited primarily to urban area in which city delivery service or its equivalent is maintained by the U.S. Postal Service. Households served by "rural routes", "general delivery", or post office boxes are excluded, as presently there is no feasible way to determine the physical location of a household from these addresses. Although the present files represent perhaps only 70 percent of all households, the coverage of residential units within the urban core of large metropolitan areas is virtually complete.

Second, the GBF/DIME files, once created, are a public resource. They are widely used by local agencies and private organizations. The file itself contains no personal information collected by the Bureau during the census. A file can be used at the local level, however, to code local information (containing street addresses) by geographic areas, such as census tracts, to compare such information with the summary statistics for tracts or other areas which were tabulated and published by the Census Bureau.

Third, the files would become outdated rapidly if they remained static. For purposes of the 1980 census, the Bureau has already begun the process of correcting, updating, and extending these files. We are now working with local groups in over 130 SMSA's to update existing metropolitan maps and GBF/DIME files to reflect changes which have occurred since 1970 and with groups in another 20 SMSA's to develop these resources for the first time. The goal is to develop such resources for all SMSA's just prior to the 1980 census, and if feasible, to include some of the cities outside SMSA's as well.

It is very important to note that this

work is carried out in conjunction with local councils of government and regional planning agencies, as it is they, and not the Census Bureau which have the intimate knowledge of local geography; without local assistance, the GBF/DIME system would be virtually impossible. We would also like to extend the files within SMSA's to more of the area not now covered, primarily to the outlying portions of an SMSA where unpatterned addresses cannot now be coded by specific geographical location. The Postal Service carrier knows, of course, where "rural route" addresses are actually located, but there is no way to translate that knowledge into the computer unless it can first be translated into points on a map.

Fourth, the Bureau has developed computer programs to be used in conjunction with address reference files for matching addresses to the information already in the file. This provides a way of correcting errors in the file, but also, it permits the assignment of geographic codes to local administrative records which contain addresses. One of these programs, for example, standardizes street addresses which are subject to name variability, and includes a matcher which links geographic base files to local data files.

It also permits the addition to the file of other elements, such as geographic coordinates and locally-designated codes. To give just one illustration of local use, one community, in planning for the use of community development funds, sent out a questionnaire to its citizens, based on water billing. The addresses for water bills were run through one of these computer programs in order to locate the addresses by census tract, thus providing a way to analyze the questionnaire responses by the socio-economic characteristics of census tracts.

Finally, although the Bureau's GBF/DIME file system has some unique characteristics, the basic concepts and procedures can be and have been applied in similar developments quite independently of the Bureau's own work, which is aimed principally toward the decennial census operation.

Census tracts are relatively small geographic areas into which large cities and their environs have been divided for statistical purposes. Tract boundaries are selected by local committees and approved by the Bureau of the Census. The first tracts were delineated for 8 cities for the 1910 census, and over 100 cities had been tracted by the 1950 census. The average tract has about 4,000 persons, and is originally laid out so as to achieve some uniformity of population characteristics, economic status, and living conditions. Tract boundaries generally conform to municipal and other political subdivision boundaries. Sometimes they also conform to other locally-designated areas within a city, such as health districts. Tract boundaries necessarily change, but changes are kept to a minimum in order to permit data comparisons over two or more censuses. Tract boundaries rarely conform to ZIP code boundaries, except where a ZIP code area is equal to the boundaries of a particular municipality, in which case several tracts may equal one ZIP code area.

The Bureau has taken full advantage of computers for its work on address reference files, and also for mapping techniques and graphic presentations of data. Using the computers is obviously very cost effective in dealing with large numbers of addresses, particularly for address matching. It is also possible, however, to follow a manual procedure for coding addresses to geographic areas, such as census tracts. This could include visual inspection of local maps or census tract maps, and physical canvassing where necessary. Several cities and planning agencies have developed a census tract code book for this purpose, which contains an alphabetical listing of street names and address ranges for each street.

Some of the witnesses who testified on June 26 apparently commented on the difficulty of obtaining and using material for coding addresses by census tract. I believe Mr. William B. O'Connell pointed to such difficulties with regard to Chicago, because of the rather large volume of tract maps for that city. I should like to point out that the Chicago City Planning Commission has developed a census tract code book, and I am fairly confident that had the Commission been consulted, the manual would have been available and would have greatly facilitated whatever work was undertaken.

From a technical standpoint, it is feasible for any local organization to make use of the GBF/DIME files and related materials to code its own records by census tract, bearing in mind that the files do not exist yet for all SMSA's, some of them require considerable updating, and most of them do not cover the entire area of an SMSA. The utility of the file will thus vary from place to place and will gradually increase between now and 1980.

We have no way of estimating just what the cost impact would be on financial institutions if they were required to keep their records according to census tracts rather than by some other criterion, such as by ZIP codes. Obviously one great benefit of ZIP areas is that they are precoded. One disadvantage, in terms of compiling statistics, is that the ZIP areas are designed for mailing purposes, and the extent to which they represent individuals or households with similar characteristics is incidental to their main purpose. The use of census tracts requires some special coding work.

However, tracts are designed with the purpose of describing the characteristics of local neighborhoods and making comparisons between them. So there is actually a trade-off; the use of tracts would involve coding costs, but produce more useful results for statistical analysis and comparisons. The basic question, then, is how much more relevant for the purposes of the bill is the census tract as compared with the ZIP code area.

One interesting illustration was brought to our attention by a consulting firm. A publisher chose to have two editions of a magazine. Separate from the basic edition, there was a "high income" edition, with a differential in advertising rates for the two editions. Average family income for ZIP code areas was obtained, and below a certain cut-off, an area was excluded from the "high income" edition category. One excluded area happened to be a single town with four census tracts.

The average family income, based on published 1970 census data, varied substantially among the four tracts, with the highest income tract about 40 percent above the lowest income tract, in family income. It turned out that more than one-half of the publisher's subscribers in this ZIP area lived in the highest income tract (\$17,515), and the income average was well above the cut-off point. In substance, the analysis that was performed for marketing purposes would have pointed to the areas of interest more precisely if census tract data had been used.

Although the procedures for coding records by census tract are both feasible and operational, a different issue arises when such records may be open to public inspection. The Census Bureau, in accordance with the census law, Title 13, United States Code, does not release any information that would reveal identifiable personal information. When we tabulate data for small areas such as census tracts, we suppress information in any particular cells of data which would lead to disclosure. This principle should also be considered with respect to information maintained by financial institutions, particularly if depositors and loan applicants have been promised, or have assumed, that the personal information they provide to the institution will not be further disclosed

or subject to misuse. On the basis of our experience in tabulating small area statistics, it seems quite possible that in some instances the disclosures proposed in the bill might reveal personal information about individuals where they were only one or a few depositors or applicants in a single census tract.

I would like to close with a few comments on Section 307 of H.R. 8024, which would require the Bureau to make a study on the feasibility and usefulness of extending the disclosure principle to depository institutions outside SMSA's, and to other kinds of financial transactions. We can certainly make some contribution on the question of feasibility, and I might say immediately that the present prospects of coding addresses in rural areas to their geographical location are not very encouraging. As to the usefulness of requiring additional disclosures, especially for other kinds of loans, such as mortgages and home improvement loans, I doubt that we should or could make such determinations. First, that kind of analysis and recommendation would depart from our mission, which is essentially to gather and disseminate statistics. Second, we have no familiarity or expertise regarding the financial practices of financial institutions. It would be more desirable from our viewpoint to put the study where the expertise exists, and expect that the experts would call on us for technical assistance.

This concludes my statement, Mr. Chairman, and I shall be happy to try to answer any questions.

Mr. GARN. Mr. President, I thank the Senator from Florida for his support and his contribution.

Mr. PROXMIRE. I think the time has come to let some sunshine in; to provide information to consumers in these neighborhoods that have been arbitrarily denied credit, and to let the marketplace decide which lenders deserve their business. That is all S. 1281 does.

I urge that this legislation be adopted.

Mr. President, I will modify my amendment.

I understand the distinguished Senator from Utah will make an opening statement for the minority, but I call up my amendment and modify my amendment No. 694 as follows:

On page 1, line 7, strike "mortgage banker".

And then as cosponsor, I ask unanimous consent that I may add the distinguished Senator from Massachusetts (Mr. BROOKE).

Mr. BROOKE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator has the right to amend his amendment to modify his amendment.

The clerk will state the amendment as modified.

The assistant legislative clerk read as follows:

The Senator from Wisconsin (Mr. PROXMIRE)—

Mr. TOWER. Mr. President, will the Senator from Wisconsin withhold for just a moment?

Mr. PROXMIRE. Certainly.

Mr. TOWER. There is some concern on the part of some Members about their rights in terms of offering amendments.

I wonder if we could get a consent agreement that the committee amendments will be considered as original text for the purpose of the amendments so that amendments can be offered in the

second degree. Otherwise, they could not. They would be precluded by virtue of the fact they would be amendments in the third degree.

I ask the Chair if I am correct on that assumption.

The PRESIDING OFFICER. The Chair advises the Senator from Texas that the proposal will be to strike out and insert committee amendments and that bill in that form would be amendable in two further degrees, both the committee amendment to strike out and insert, and the original text.

Mr. TOWER. May I ask the Senator from Wisconsin if that is what he is doing now? He is not changing the text as reported from the committee but is moving to strike out and insert committee amendments so it is amendable in the second degree.

Mr. PROXMIRE. The Senator is correct, that certainly is what I am doing and what I intend to do.

Mr. TOWER. If the Senator from Wisconsin will yield further, what I am trying to do is to protect Senators who might want to amend amendments that are offered.

Mr. PROXMIRE. The Senator is correct, and it has always been customary for the manager of the bill when he offers committee amendments to ask unanimous consent that it be considered as original text, and I do that so that Senators can amend the bill freely, as modified.

The PRESIDING OFFICER. The Chair is unsure as to whether or not the Senator at this time is proposing to strike out and insert the committee amendments or is proposing an amendment of his own. Is the Senator asking that the committee amendments be considered at this time?

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

The PRESIDING OFFICER. On whose time?

Mr. TOWER. I ask unanimous consent that the time be charged to neither side.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. 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. HANSEN. Mr. President, I am strongly opposed to S. 1281, the Home Mortgage Disclosure Act of 1975. It is characteristic of a trend on the part of Congress these days to regulate everything in sight and to impose unnecessary burdens and costs on businesses which are only passed on to consumers, thus increasing what they must pay for goods and services.

The intent of some of the regulatory bills approved in recent years has been laudable, since there generally was a problem which needed correcting. But in all too many instances, the degree of regulation has been unnecessary, imposing intolerable administrative and cost burdens on business and industry, and the areas of concern more properly and

efficiently might have been addressed by State or local governments, or by the private sector.

I wish to associate myself with the comments of Senators TOWER, GARN, HELMS, and MORGAN, members of the committee which originated this bill. In a joint statement urging additional study before passage of S. 1281, these Senators noted:

The statistical data provided under the bill could be misconstrued and utilized to jeopardize the solvency of financial institutions and the safety of deposits. It is a step away from the free market allocation of credit which has so well served the American home owner and toward mandatory credit allocation by the government. Finally, there simply was insufficient data on the social and economic costs of the legislation. The many small banks and thrift institutions which do not utilize computers would be loaded with an unnecessary burden. Our primary concern is for the consumer—particularly the home buyer—who will ultimately bear the costs of these schemes.

Mr. President, all of us in the Congress are greatly concerned about unemployment, about our economic problems, and about stabilizing costs of goods and services.

If we are truly interested in putting people back to work and in moving people off public benefit programs and into productive roles in this society, we ought to do everything in our power to remove unnecessary Federal regulations and expensive requirements from business and industry. Every dollar a business must spend buying forms or otherwise acting to comply with some Federal regulation is a dollar that will not go for employee wages, for expansion, or for more inventory.

In addition to the direct costs of complying with various Government regulations, business and industry must spend huge sums of money to keep up with paperwork. A recent report prepared by David L. Babson & Co., reports that American businesses must file more than 2 billion pieces of paper with various Federal agencies every year. This activity consumes an estimated 130 million man-hours, and costs about \$18 billion. The Government then spends another \$18 billion to print, mail, and store all of this material.

Consumers pay for all this regulation through higher prices. A classic example of how bureaucratic meddling can drive up consumer costs was the requirement that automobile seat belts and ignition systems be connected to a buzzer to "force" drivers to wear seat belts. Gratefully, widespread public opposition forced the abandonment of the seat belt/ignition interlock nonsense, but not before this ridiculous requirement cost consumers hundreds of dollars in higher automobile costs.

Mr. President, I hope the Senate will reject S. 1281. Moreover, I hope it will review some of the previous laws of this type approved in recent years and make a concerted effort to repeal unnecessary regulatory legislation.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the committee amendment be treated as original text for the purpose of amendment and that

no point of order lie against amendments from the floor to that committee amendment.

The PRESIDING OFFICER. Without objection, the committee amendment in the nature of a substitute will be agreed to.

Mr. TOWER. Will be treated as original text.

The PRESIDING OFFICER. And as agreed to, will be treated as original text for the purpose of further amendment.

Mr. TOWER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TOWER. That means that it can be amended in the second degree, in two more degrees?

The PRESIDING OFFICER. The Chair rules that the bill in its present form is amendable in two more degrees.

Mr. TOWER. In other words, an amendment to an amendment would not be treated as an amendment in the third degree, to the extent that a point of order would lie against it?

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO. 694

Mr. PROXMIRE. Mr. President, I call up amendment No. 694, as modified, of which Senator BROOKE is a cosponsor.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Wisconsin (Mr. PROXMIRE), for himself and Mr. BROOKE, proposes an amendment numbered 694, as modified.

The amendment, as modified, is as follows:

On page 8, line 21, after "loan" insert (other than temporary financing, such as a construction loan)".

On page 8, strike out lines 23 through 25 and insert in lieu thereof the following:

"(2) the term 'depository institution' means any commercial bank, savings bank, savings and loan association, or credit union, which makes federally related mortgage loans as determined by the Board."

On page 9, strike out lines 13 through 18 and insert in lieu thereof the following: "number and total dollar amount of mortgage loans which were (A) originated, or (B) purchased, by that institution during each fiscal year (beginning with the last full fiscal year of that institution which immediately preceded the effective date of this Act)."

On page 10, line 2 strike out "county" and insert in lieu thereof "State".

On page 10, between lines 4 and 5, insert the following: "For the purpose of this paragraph, a depository institution which maintains offices in more than one standard metropolitan statistical area shall be required to make the information required by this paragraph available at any such office only to the extent that such information relates to mortgage loans which were originated, purchased, or sold by an office of that depository institution located in the standard metropolitan statistical area in which the office making such information available is located."

On page 10, between lines 16 and 17, insert the following:

"(c) Any information required to be compiled and made available under this section shall be maintained and made available for a period of five years after the close of the first year during which such information

is required to be maintained and made available."

On page 13, line 19, strike out "shall" and insert in lieu thereof "may".

On page 13, line 24, strike out the period and insert in lieu thereof a comma and the following: "and that such law contains adequate provisions for enforcement."

At the end of the bill add the following:

"EFFECTIVE DATE

"SEC. 8. The provisions of this Act shall become effective upon the expiration of ninety days following the date of enactment of this Act."

Mr. PROXMIRE. Mr. President, Senator BROOKE and I have a package amendment that makes technical perfecting modifications, and also makes the bill less costly for the financial institutions to comply with.

Let me summarize the provisions:

First, we make it clear that we are applying the disclosure requirement only to permanent mortgage loans, not to temporary construction loans. We were advised by counsel that this is necessary since technically speaking a construction loan which is secured by property may be considered a mortgage, and it was not the committee's intent to cover that sort of loan.

Second, we sharpen up the definition of which institutions are covered. The language in the committee report may be a bit unclear, since we define depository institution as anybody who makes federally related mortgage loans under the Real Estate Settlement Procedures Act of 1974. That includes insurance companies, and individual investors, whose activities are not significant for the purposes of this legislation. This bill aims at discerning patterns of investment by institutions that do a substantial amount of mortgage lending in an area, so the amendment spells out exactly who is covered—banks, mutual savings banks, savings and loan associations, and credit unions.

Third, we are modifying the disclosure requirement to make it essentially prospective. Witnesses from the financial institutions told us that it would be disproportionately costly if they were required to go back over outstanding loans and assign census tracts to them. Whereas if they simply assign the census tract at the time a new loan is originated, the cost drops to something less than a dollar per loan, according to industry estimates. We would require reporting of loans made during the year preceding the act so that the act would have some impact next year.

Under this provision, institutions would assign census tracts to loans made during the fiscal year preceding the effective date of the act, and subsequently the reporting requirement would apply to all new loans. We also make clear that the legislation requires an accounting of loans purchased as well as originated, and the intent here is that these be separate categories, with the information broken down separately for each category.

Next, the amendment simplifies the disclosure provision relating to loans made outside an institution's own metropolitan area. As reported, the bill requires that those loans be broken down

by county. We feel that this degree of specificity is probably not necessary, so "county" is changed to "State."

Similarly, an institution such as Bank of America, which does business in more than one metropolitan area would be required under the committee report to maintain census-tract disclosure records in its Los Angeles offices for loans made in San Francisco. That would not be useful information. So the amendment limits that the census-tract recordkeeping requirement to loans made within a particular branch's home metropolitan area.

This amendment also provides that records must be kept for 5 years. In addition, it gives the Federal Reserve greater flexibility in administering the act where comparable legislation has been enacted at the State level, by making the waiver discretionary. And finally, we provide that the act shall take effect 90 days following enactment.

This amendment will improve the legislation technically and in the substantive area of making the disclosure requirement prospective, I believe it will make it easier for the financial institutions to live with.

Mr. TOWER. Mr. President, on the amendment of the Senator from Wisconsin, if he is prepared to yield back the remainder of his time, I am prepared to yield back mine.

Mr. PROXMIRE. I yield back the remainder of my time.

Mr. TOWER. I yield back the remainder of my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that no further time be charged against either side on the pending bill for the remainder of the day.

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

Mr. TOWER. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. TOWER. I wonder if the pending business could now be laid aside temporarily for whatever other business the Senator wants to transact, so that we can be finished with our business for today.

Mr. ROBERT C. BYRD. Yes.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 300, and, after that, to Calendar Order No. 322.

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

Mr. ALLEN. Reserving the right to object, what are these items?

Mr. ROBERT C. BYRD. Calendar Order No. 300 is a resolution authorizing additional expenditures by the Committee on Commerce, and Calendar Order 322 is a bill related to special pay for nuclear qualified officers.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON COMMERCE

The Senate proceeded to consider the resolution (S. Res. 63) authorizing additional expenditures by the Committee on Commerce for inquiries and investigations, which had been reported from the Committee on Rules and Administration with amendments as follows:

On page 2, in line 17, strike out "\$2,347,639.47" and insert "\$1,997,000".

On page 3, in line 3, strike out "committee" and insert "committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate".

The amendments were agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That (a) in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Commerce, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The investigations referred to in subsection (a) shall include, but not be limited to, investigations of (1) national ocean policy, (2) transportation development and regulation, and (3) tourism. The investigation of national ocean policy shall be conducted in accordance with, and subject to the provisions of S. Res. 222, Ninety-third Congress, agreed to February 19, 1974. The investigation of tourism shall be conducted in accordance with S. Res. 347, Ninety-third Congress, agreed to October 10, 1974.

Sec. 2. The expenses of the committee under this resolution shall not exceed \$1,997,000, of which amount not to exceed \$200,000 shall be available for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

Sec. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 1976.

Sec. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate under vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94-308), explaining the purposes of the measure.

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

EXCERPT

Senate Resolution 63 as referred would authorize the Committee on Commerce, or any subcommittee thereof, from March 1, 1975, through February 29, 1976, to expend not to exceed \$2,347,639.47 for a study of matters within its jurisdiction under rule XXV of the Standing Rules of the Senate, of which amount not to exceed \$200,000 would

be available for the procurement of the services of individual consultants or organizations thereof.

During the second session of the 93d Congress the committee was authorized by Senate Resolution 262, agreed to March 1, 1974, to expend not to exceed \$1,643,800 for the same or similar purposes. The committee estimates that the unobligated balance under that authorization as of February 28, 1975 (funds returnable to the Treasury), will be approximately \$50,000.

The investigations referred to above would include, but not be limited to, investigations of (1) national ocean policy, (2) transportation development and regulation, and (3) tourism. The investigation of national ocean policy would be conducted in accordance with, and subject to the provisions of Senate Resolution 222, Ninety-third Congress, agreed to February 19, 1974. The investigation of tourism would be conducted in accordance with Senate Resolution 347, Ninety-third Congress, agreed to October 10, 1974.

The Committee takes cognizance of the fact that expenses incurred by the ex officio members participating with the Committee on Commerce in conducting the National Ocean Policy Study authorized by said Senate Resolution 222, agreed to February 19, 1974, will be paid from the funds contained in Senate Resolution 63. Section 2 of Senate Resolution 222 authorizes the Chairman and ranking Minority Member of the Committee on Appropriations, Committee on Interior and Insular Affairs, Committee on Public Works, Committee on Foreign Relations, Committee on Government Operations, Committee on Labor and Public Welfare and Committee on Armed Services to serve as ex officio members of the Committee on Commerce for purposes of this study. Additionally, the President Pro Tempore is authorized to name three (3) Majority and three (3) Minority members who represent coastal states, without regard to Committee membership, to serve as additional ex officio members of the Committee on Commerce for purposes of this study.

The Committee also takes cognizance of the fact that expenses incurred by the ex officio members participating with the Committee on Commerce in conducting the National Tourism Policy Study authorized by Senate Resolution 347, agreed to October 10, 1974, will be paid from the funds contained in Senate Resolution 63. Section 2 of Senate Resolution 347 authorizes the chairman and ranking minority member of the Committees on Appropriations, Agriculture and Forestry, Interior and Insular Affairs, Public Works, Foreign Relations, Government Operations, Labor and Public Welfare, Banking, Housing and Urban Affairs, and Judiciary, and the Select Committee on Small Business to serve as ex officio members of the Committee on Commerce for purposes of the study.

The Committee on Rules and Administration has amended Senate Resolution 63 by reducing the requested amount from \$2,347,639 to \$1,997,000, a reduction of \$350,639, and by incorporating a technical amendment.

NUCLEAR CAREER INCENTIVE ACT OF 1975

The Senate proceeded to consider the bill (S. 2114) to amend title 37, United States Code, relating to special pay for nuclear qualified officers, and for other purposes, which had been reported from the Committee on Armed Services with an amendment to strike out all after the enacting clause and insert:

That section 312(e) of title 37, United States Code, is amended by striking out "June 30, 1975" and inserting in lieu thereof "September 30, 1977".

The amendment was agreed to.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 94-329), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

EXCERPTS

PURPOSE OF LEGISLATION

Authority for special pay for nuclear-trained naval officers expired on June 30, 1975. This authority provides for one payment of \$15,000 to each naval officer qualified for duty in connection with the supervision, operation and maintenance of naval nuclear propulsion plants who, prior to completion of 10 years of active service, agrees to remain on active duty for 4 years in addition to any other period of obligated active service.

The legislative proposal recommended by the Defense Department was not received by the Senate until June 9, 1975. This allowed inadequate time for the committee to fully consider this proposal. However, the naval officers who are affected by this legislation perform some of the most vital and important jobs in the entire Defense Department. These jobs are involved with the operation of our ballistic missile submarines, our nuclear attack submarines and the nuclear surface ship fleet. The committee does not believe pay for these personnel should be held up while new pay proposals are considered.

The Defense Department proposed legislation would have created an entirely new system of incentive pay for these officers. Preliminary investigation revealed little evidence that the proposed system would insure the retention of sufficient nuclear-qualified officers. In addition, the proposed system would have institutionalized a permanent system of general incentive pay, rather than the more flexible and controllable system of special pay aimed at specific problems. It is not clear how this proposed system would relate to the overall review of military pay now underway in the Defense Department. In light of these considerations, the committee recommends a 2-year extension of the current pay system while other approaches are developed and considered.

PRIOR LEGISLATION ON SPECIAL PAY FOR NAVY NUCLEAR TRAINED OFFICERS

During 1963-64, the officer input to naval nuclear propulsion training was more than doubled due to rapid expansion of the nuclear submarine fleet. In 1969, many of these officers, having reached the end of their minimum obligated service, chose to leave active duty service. The Navy found the remaining officers insufficient in number to man certain nuclear department head positions on submarines.

To slow the loss of nuclear officers, in 1969 Congress enacted Public Law 91-20 authorizing Nuclear Submarine Officer Continuation Pay. This pay was a \$15,000 bonus over one 4-year commitment which could begin after the initial service obligation and before completing 10 years of commissioned service. Authority for this program was to expire in 1973.

This bonus pay succeeded in slowing the resignation rate for nuclear submarine officers. In Public Law 92-581 in 1972, Congress extended the authority to grant the bonus to submarine nuclear officers until June 30, 1975. This law also expanded the nuclear officer bonus to the surface nuclear fleet. The authority to grant this bonus to

officers not currently receiving it expired June 30, 1975.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 307, a resolution authorizing additional expenditures by the Committee on the Judiciary.

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

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON THE JUDICIARY

The Senate proceeded to consider the resolution (S. Res. 72) authorizing additional expenditures by the Committee on the Judiciary for inquiries and investigations, which had been reported from the Committee on Rules and Administration with amendments as follows:

On page 2, in line 11, strike out "\$4,391,400" and insert "\$4,057,700".

On page 2, in line 20, strike out "\$429,500" and insert "\$422,600".

On page 2, in line 25, strike out "\$815,100" and insert "\$799,100".

On page 3, in line 5, strike out "\$310,000" and insert "\$290,700".

On page 3, in line 10, strike out "\$381,800" and insert "\$354,500".

On page 3, in line 15, strike out "\$258,000" and insert "\$245,700".

On page 3, in line 21, strike out "\$223,500" and insert "\$217,300".

On page 3, in line 24, strike out "\$272,000" and insert "\$259,700".

On page 4, in line 4, strike out "\$400,000" and insert "\$283,300".

On page 4, in line 19, strike out "\$428,000" and insert "\$403,000".

On page 5, in line 3, strike out "\$98,000" and insert "\$94,700".

On page 5, in line 7, strike out "\$220,000" and insert "\$207,300".

On page 5, beginning in line 12, strike out:

SEC. 16. Not to exceed \$70,000 shall be available for a study or investigation of revision and codification.

On page 5, in line 14, strike out "17" and insert "16".

On page 5, in line 14, strike out "\$280,000" and insert "\$274,300".

On page 5, in line 20, strike out "18" and insert "17".

On page 5, in line 23, strike out "19" and insert "18".

On page 6, in line 5, strike out "20" and insert "19".

On page 6, in line 7, strike out "committee" and insert "committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate".

The amendments were agreed to.

The resolution, as amended, was agreed to, as follows:

S. RES. 72

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate so far as applicable, the Committee on the Judiciary, or any subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, for the purposes stated and within the limitations imposed by the following sections, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3)

with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services or personnel of any such department or agency.

SEC. 2. The Committee on the Judiciary, or any Subcommittee thereof, is authorized from March 1, 1975, through February 29, 1976, to expend not to exceed \$4,057,700 to examine, investigate, and make a complete study of any and all matters pertaining to each of the subjects set forth below in succeeding sections of this resolution, said funds to be allocated to the respective specific inquiries and to the procurement of the services of individual consultants or organizations thereof (as authorized by section 202 (1) of the Legislative Reorganization Act of 1946, as amended) in accordance with such succeeding sections of this resolution.

SEC. 3. Not to exceed \$422,600 shall be available for a study or investigation of administrative practice and procedure, of which amount not to exceed \$14,500 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 4. Not to exceed \$799,100 shall be available for a study or investigation of anti-trust and monopoly, of which amount not to exceed \$8,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 5. Not to exceed \$290,700 shall be available for a study or investigation of constitutional amendments, of which amount not to exceed \$14,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 6. Not to exceed \$354,500 shall be available for a study or investigation of constitutional rights, of which amount not to exceed \$10,117 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 7. Not to exceed \$245,700 shall be available for a study or investigation of criminal laws and procedures.

SEC. 8. Not to exceed \$17,500 shall be available for a study or investigation of Federal charters, holidays, and celebrations.

SEC. 9. Not to exceed \$217,300 shall be available for a study or investigation of immigration and naturalization.

SEC. 10. Not to exceed \$259,700 shall be available for a study or investigation of improvements in judicial machinery, of which amount not to exceed \$10,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 11. Not to exceed \$283,300 shall be available for a complete and continuing study and investigation of (1) the administration, operation, and enforcement of the Internal Security Act of 1950, as amended, (2) the administration, operation, and enforcement of other laws relating to espionage, sabotage, and the protection of the internal security of the United States, and (3) the extent, nature, and effect of subversive activities in the United States, its territories and possessions, including, but not limited to, espionage, sabotage, and infiltration by persons who are or may be under the domination of the foreign government or organization controlling the world Communist movement or any other movement seeking to overthrow the Government of the United States by force and violence or otherwise threatening the internal security of the United States.

SEC. 12. Not to exceed \$403,000 shall be available for a study or investigation of juvenile delinquency, of which amount not to exceed \$14,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 13. Not to exceed \$168,000 shall be available for a study or investigation of patents, trademarks, and copyrights.

SEC. 14. Not to exceed \$94,700 shall be available for a study or investigation of national penitentiaries, of which amount not to exceed \$500 may be expended for the pro-

urement of individual consultants or organizations thereof.

SEC. 15. Not to exceed \$207,300 shall be available for a study or investigation of refugees and escapees, of which amount not to exceed \$3,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 16. Not to exceed \$274,300 shall be available for a study or investigation of separation of powers between the executive, judicial, and legislative branches of Government of which amount not to exceed \$10,000 may be expended for the procurement of individual consultants or organizations thereof.

SEC. 17. Not to exceed \$20,000 shall be available for a study or investigation of Federal Bureau of Investigation oversight.

SEC. 18. The committee shall report its findings, together with such recommendations for legislation as it deems advisable with respect to each study or investigation for which expenditure is authorized by this resolution, to the Senate at the earliest practicable date, but not later than February 29, 1976.

SEC. 19. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94-315), explaining the purposes of the measure.

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

Senate Resolution 72, as referred, would authorize the Committee on the Judiciary, or any subcommittee thereof, from March 1, 1975, through February 29, 1976, to expend not to exceed \$4,391,400 for inquiries and investigations.

The funds requested by the committee would be allocated to specific inquiries and to the procurement of the services of individual consultants or organizations thereof as follows:

Section 3 of the resolution would provide that not to exceed \$429,500 would be available for a study or investigation of administrative practice and procedure, of which amount not to exceed \$14,500 could be expended for the procurement of consultants.

Section 4 of the resolution would provide that not to exceed \$815,100 would be available for a study or investigation of anti-trust and monopoly, of which amount not to exceed \$8,000 could be expended for the procurement of consultants.

Section 5 of the resolution would provide that not to exceed \$310,000 would be available for a study or investigation of constitutional amendments, of which amount not to exceed \$14,000 could be expended for the procurement of consultants.

Section 6 of the resolution would provide that not to exceed \$381,800 would be available for a study or investigation of constitutional rights, of which amount not to exceed \$10,117 could be expended for the procurement of consultants.

Section 7 of the resolution would provide that not to exceed \$258,000 would be available for a study or investigation of criminal laws and procedures.

Section 8 of the resolution would provide that not to exceed \$17,500 would be available for a study or investigation of Federal charters, holidays, and celebrations.

Section 9 of the resolution would provide that not to exceed \$223,500 would be available for a study or investigation of immigration and naturalization.

Section 10 of the resolution would provide

that not to exceed \$272,000 would be available for a study or investigation of improvements in judicial machinery, of which amount not to exceed \$10,000 could be expended for the procurement of consultants.

Section 11 of the resolution would provide that not to exceed \$400,000 would be available for a study or investigation of internal security.

Section 12 of the resolution would provide that not to exceed \$428,000 would be available for a study or investigation of juvenile delinquency, of which amount not to exceed \$14,000 could be expended for the procurement of consultants.

Section 13 of the resolution would provide that not to exceed \$168,000 would be available for a study or investigation of patents, trademarks, and copyrights.

Section 14 of the resolution would provide that not to exceed \$98,000 would be available for a study or investigation of national penitentiaries, of which amount not to exceed \$500 could be expended for the procurement of consultants.

Section 15 of the resolution would provide that not to exceed \$220,000 would be available for a study or investigation of refugees and escapees, of which amount not to exceed \$3,000 could be expended for the procurement of consultants.

Section 16 of the resolution would provide that not to exceed \$70,000 would be available for a study or investigation of revision and codification.

Section 17 of the resolution would provide that not to exceed \$280,000 would be available for a study or investigation of separation of powers (Executive, Judicial, Legislative), of which amount not to exceed \$10,000 could be expended for the procurement of consultants.

Section 18 of the resolution would provide that not to exceed \$20,000 would be available for a study or investigation of FBI oversight.

During the second session of the 93d Congress the committee was authorized by Senate Resolution 255, agreed to March 1, 1974, to expend not to exceed \$4,116,600¹ for inquiries and investigations. The following table sets forth the allocation of those funds to the committee's respective subcommittees and the estimated unobligated balances as of February 28, 1975 (funds returnable to the Treasury):

¹ As amended by S. Res. 358, agreed to Aug. 22, 1974, which authorized the committee \$12,500 (increase from \$150,000 to \$162,500) in supplemental funds for the Subcommittee on Representation of Citizen Interests; and further amended by S. Res. 403, agreed to Oct. 10, 1974, which authorized the committee \$31,100 (increase from \$377,800 to \$408,900) in supplemental funds for the Subcommittee on Administrative Practice and Procedure.

Subcommittee	Amount authorized	Amount returnable (estimated)
Administrative Practice and Procedure	\$408,900	\$650
Antitrust and Monopoly	767,000	7,000
Constitutional Amendments	252,000	1,950
Constitutional Rights	259,900	16,000
Criminal Laws and Procedures	221,000	50,000
Federal Charters, Holidays and Celebrations	16,500	3,800
Immigration and Naturalization	205,000	66,000
Improvements in Judicial Machinery	235,000	16,000
Internal Security	400,000	15,000
Juvenile Delinquency	353,000	8,000
Patents, Trademarks, and Copyrights	178,000	8,000
Penitentiaries	88,000	4,250
Refugees and Escapees	182,000	0
Revision and Codification	64,800	11,800
Separation of Powers	263,000	6,500
Representation of Citizen Interests	162,500	707
FBI Oversight	20,000	8,500
Total	4,116,600	224,157

At the request of Chairman Eastland, the Committee on Rules and Administration has amended Senate Resolution 72 by deleting section 16 (providing funds for the Subcommittee on Revision and Codification), and, consequently, by redesignating sections

17, 18, 19, and 20 as sections 16, 17, and 19, respectively. (See letter dated Mar. 6, 1975, to Chairman Cannon from Chairman Eastland, which letter may be found on p. 4 of this report.) The Committee also is reporting the resolution with a technical amendment.

The Committee also has amended Senate Resolution 72 by reducing the total requested amount from \$4,391,400 to \$4,057,700, a reduction of \$333,700. The distribution of the reduction among the respective purposes is shown in the following tabulation:

Sec. No.	Purpose	Amount			Sec. No.	Purpose	Amount		
		Requested	Amendment	Approved			Requested	Amendment	Approved
3	Administrative practice and procedure	\$429,500	-\$6,900	\$422,600	11	Internal security	\$400,000	-\$116,700	\$283,300
4	Antitrust and monopoly	815,100	-16,000	799,100	12	Juvenile delinquency	428,000	-25,000	403,000
5	Constitutional amendments	310,000	-49,300	260,700	13	Patents, trademarks, and copyrights	168,000	0	168,000
6	Constitutional rights	381,800	-27,300	354,500	14	Penitentiaries	98,000	-3,300	94,700
7	Criminal laws and procedures	258,000	-12,300	245,700	15	Refugees and escapees	220,000	-12,700	207,300
8	Federal charters, holidays, and celebrations	17,500	0	17,500	16	Revision and codification	70,000	-70,000	0
9	Immigration and naturalization	223,500	-6,200	217,300	17	Separation of powers	280,000	-5,700	274,300
10	Improvements in judicial machinery	272,000	-12,300	259,700	18	FBI oversight	20,000	0	20,000
					Total		4,391,400	-333,700	4,057,700

ORDER FOR ADJOURNMENT UNTIL 10 A.M. MONDAY, JULY 28, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 10 a.m. on Monday.

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

REQUEST FOR UNANIMOUS-CONSENT AGREEMENT FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON MONDAY OBJECTED TO

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, after the two leaders or their designees have been recognized under the standing order, there be a brief period for the transaction of routine morning business of not to exceed 10 minutes, with statements limited therein to 2 minutes each.

Mr. ALLEN. I object.

The PRESIDING OFFICER. Objection is heard.

DISAPPROVAL OF CONSTRUCTION PROJECTS ON THE ISLAND OF DIEGO GARCIA

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate adjourns today, the resolution Senate Resolution 160, disapproving construction projects on the island of Diego Garcia, be made the pending business.

Mr. TOWER. Reserving the right to object, and I do not intend to object, this bill is out of the Appropriations Committee, is that correct?

Mr. ROBERT C. BYRD. The Armed Services Committee.

Mr. TOWER. The authorization bill out of Armed Services?

Mr. ROBERT C. BYRD. Yes.

Mr. MANSFIELD. It is a resolution of disapproval.

Mr. TOWER. The resolution of disapproval, right.

Have the appropriate Members on this side been contacted?

Mr. MANSFIELD. They have, the chairman of the committee and the ranking member have both been contacted, and also Mr. CULVER, Mr. LEAHY, Mr. HART, and Mr. MANSFIELD, among others, have been notified.

Mr. TOWER. I do not object.

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

Mr. MANSFIELD. Besides, may I say it is the last day upon which the resolution of disapproval could be brought up.

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

Mr. ROBERT C. BYRD. Was the request granted?

The PRESIDING OFFICER. Yes, it was.

On whose time does the Senator suggest the absence of a quorum?

Mr. TOWER. I ask unanimous consent that the time be charged to neither side.

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

Mr. PROXMIER. Mr. President, reserving the right to object, does the Senator contemplate proceeding with the bill? What does he have in mind with the quorum call?

Mr. TOWER. The Senator from Texas has in mind a little caucus of some of the people on this side, to determine what we should do next. We have to get our parliamentary sequence sorted out here. It should not take long.

Mr. President, I withdraw my request for the quorum call, and yield to the Senator from West Virginia for a question.

Mr. ROBERT C. BYRD. I wanted to talk to the Senator privately. Will the Chair tolerate a private conversation for no longer than 30 seconds?

Mr. TOWER. Mr. President, I suggest the absence of a quorum, the time for the quorum call to be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

HOME MORTGAGE DISCLOSURE ACT OF 1975

The Senate continued with the consideration of the bill (S. 1281) to improve public understanding of the role of depository institutions in home financing.

EXTENSION OF TIME FOR COMMITTEE TO FILE CONFERENCE REPORT ON H.R. 6674

Mr. STENNIS. Mr. President, I ask unanimous consent that the Committee on Armed Services be granted permission to have until midnight tonight, July 26, 1975, to file the conference report on H.R. 6674, the military procurement authorization bill.

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

DISAPPROVAL OF CONSTRUCTION PROJECTS ON THE ISLAND OF DIEGO GARCIA

Mr. ROBERT C. BYRD. I ask unanimous consent that the Senate now proceed to the consideration, without any action thereon at this time, of S. Res. 160.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows: A resolution (S. Res. 160) disapproving construction projects on the Island of Diego Garcia.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the resolution.

SENATE RESOLUTION 222—RESOLUTION CONGRATULATING THE APOLLO-SOYUZ SPACE PROJECT

Mr. HUGH SCOTT. Mr. President, now that both the American and Soviet space teams have safely returned to their homelands, I would like to comment on the Apollo-Soyuz test project.

From the early 1960's and the advent of space activity, international cooperation in space has been endorsed by both the United States and the Soviet Union. This mission is the culmination of years of negotiating, careful planning, and extensive testing.

In 1962, after the successful Glenn mission, Nikita Khrushchev sent a congratulatory telegram to the late President Kennedy and initially expressed the desirability of cooperation in space. The Outer Space Treaty of 1967, signed by both the United States and the U.S.S.R., further guaranteed that "space exploration shall be carried out for the benefit of all humanity." Discussions from 1969

to 1971 between the National Aeronautics and Space Administration and the Soviet Academy of Sciences produced the agreement that the United States and the Soviet Union would each design a manned spacecraft with a compatible docking mechanism. The fabrication of such a standardized docking system was an essential first step in the process of international space exploration. These talks were formalized by the 1972 U.S.-U.S.S.R. Space Agreement which provided for the docking system and, more importantly, authorized this 1975.

The mere fact that such a mission could be designed and so successfully implemented is testimony of the level of cooperation which has been cultivated by both the United States and the Soviet Union.

I believe the nature of this occasion warrants official action by the Senate. Therefore, I ask unanimous consent for the immediate consideration of a resolution congratulating the National Aeronautics and Space Administration and the Soviet Academy of Sciences on an outstanding, international effort.

Mr. President, I send to the desk a Senate resolution congratulating the National Aeronautics and Space Administration and the Soviet Academy of Sciences on the joint Apollo-Soyuz space project, and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 222) to offer congratulations to the National Aeronautics and Space Administration and the Soviet Academy of Sciences on the joint Apollo-Soyuz Test Project.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution?

Mr. HARRY F. BYRD, JR. Mr. President, I have no objection to the consideration of the resolution. That is the kind of détente of which I approve. I do not approve of a lot of agreements that have been made in the name of détente. But I do approve of this one. I think it was a very desirable maneuver, and I am glad to see both countries cooperate in this endeavor.

I commend the Senator from Pennsylvania on this resolution.

Mr. HUGH SCOTT. Mr. President, I thank the distinguished Senator from Virginia.

I can take some pride in the resolution in that I have been told by persons in a position to know that I had something to do with the acceptance of the project in talks with certain officials with both countries in 1971.

THE HANDSHAKE IN SPACE

Mr. ROBERT C. BYRD. Mr. President, before the resolution is agreed to, on last Thursday evening—I believe it was—with the safe return of the three American astronauts, the Apollo-Soyuz space mission officially ended.

I join in offering congratulations to these courageous explorers, but I caution against our letting the handshake in

space distort our view of realities of the situation here on Earth.

The news media, especially the television networks, assured us nightly that the mission was historic—and from a show business point of view, it probably was.

However, I have a feeling that history itself will rate the mission as rather meaningless.

What the mission showed was Russia's willingness to fully cooperate with the form of détente. What the world needs is Russia's cooperation with the substance of détente.

It was not too long ago that the Soviet Union was gloating over the fall of South Vietnam—a fall that Russia contributed to by greatly increasing its military supplies to the North, rather than using its influence to keep the unsteady peace which had cost so many American lives.

And today, Russia looks with a covetous eye at both Portugal and India. Secretary Kissinger has estimated that, over the past 12 months, more than \$50 million in Soviet aid has gone to the Portuguese Communists to help that small minority suppress the majority. In India, as Prime Minister Indira Gandhi moves to completely destroy freedom, she can count only one strong friend in her corner—the Soviet Union.

The now-distant memories of Berlin and Hungary and Czechoslovakia and other countries unfortunate enough to come under the Soviets' sphere of domination; the recent memories of Vietnam; and the current situations in Portugal and India—these are things that all Americans should keep constantly in mind.

The peaceful handshake in space made good television, but Russia's strong-arm tactics here on earth will continue to bear close watching.

I have no objection to the passage of the resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The resolution (S. Res. 222) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 222

Whereas, the 1962 telegram to the late President Kennedy from General Secretary Khrushchev expressed the initial desire for Soviet-American cooperation in space; and

Whereas, the Outer Space Treaty of 1967, signed by both the United States of America and the Union of Soviet Socialist Republics, guaranteed that space is free for exploration and use by all countries; and

Whereas, the discussions of 1969-1971 between the National Aeronautics and Space Administration and the Soviet Academy of Sciences produced the agreement that the United States and the Soviet Union would each design a manned spacecraft with a compatible docking mechanism;

Whereas, formal authorization of a joint American-Soviet space venture was provided by the 1972 U.S.-U.S.S.R. Space Agreement; and

Whereas, the Apollo-Soyuz Test Project is the culmination of years of negotiating, careful planning and extensive testing; and

Whereas, the mere fact that such a project could be designed and so successfully implemented is testimony of the level of cooperation which has been cultivated by the United States of America and the Union of Soviet Socialist Republics; and

Whereas, it is our hope that both nations will continue to work together to assure that future space exploration shall be carried out for the benefit of all humanity; now, therefore, be it

Resolved, That on behalf of the people of the United States of America, the Senate hereby expresses congratulations to the National Aeronautics and Space Administration and the Soviet Academy of Sciences on an outstanding international effort.

SENATE RESOLUTION 223—SUBMISSION OF A RESOLUTION DECLARING A VACANCY IN THE OFFICE OF U.S. SENATOR FOR THE STATE OF NEW HAMPSHIRE

Mr. HUGH SCOTT. Mr. President, I send to the desk a resolution to declare vacant the seat in New Hampshire and provide for payment of annual salary to each of the two contestants up to the date of the adoption of the resolution, and I ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 223) declaring a vacancy in the office of United States Senator for the State of New Hampshire for the term commencing January 3, 1975, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I object to the consideration of the resolution.

The PRESIDING OFFICER. Objection is heard.

The resolution will go over under the rules.

The resolution is as follows:

S. RES. 223

Whereas the senatorial election contest from the State of New Hampshire is so close that it appears impossible for the Senate to determine the outcome with accuracy and certainty, and

Whereas the State of New Hampshire has been without its constitutional representation in the United States Senate for almost seven months, and

Whereas both contestants have been subject to large expense and great personal sacrifice while this matter has been before the Senate, and

Whereas the State of New Hampshire has a municipal primary election scheduled for October 7 and a special runoff election for that date to effect a savings in election expense, now, therefore, be it

Resolved, That the contested seat in the United States Senate from the State of New Hampshire for the term commencing January 3, 1975, is hereby declared vacant as of September 1, 1975.

SEC. 2. That the contestants for the seat who have applied to the United States Senate for seating, John A. Durkin and Louis C. Wyman, shall each receive a prorated portion of the annual salary of a United States Senator from January 3, 1975, through the date of passage of this resolution, such salaries to be paid from the Contingent Funds of the United States Senate.

Mr. HUGH SCOTT. Mr. President, if I could make one statement at this point.

Mr. ROBERT C. BYRD. Yes.

Mr. HUGH SCOTT. Mr. President, I sent a resolution to the desk asking that the Senate decide to send the contest between Messrs. Wyman and Durkin back to New Hampshire, and I have included in that resolution a payment to both of these contestants of the prorated part of their salary up to the date of the adoption of the resolution.

Those of us who believe that the people of New Hampshire have a right to determine this matter for themselves in common with the general editorial and newspaper opinion of the country, so far as I am aware, are anxious that the Senate shall do something before it recesses for the month of August.

I do not want us to go home facing the charges that we have been unable to solve this and we are not willing to solve it by sending it back to New Hampshire.

I recognize the many differences of opinion, but during the coming week I think it is only fair to say that from time to time I will repeat this statement so that the public may become fully aware of the fact that we believe this matter should be returned to the people of New Hampshire, and I intend to continue making the point until the recess arrives.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, on Monday the Senate will come in at 10 a.m.

After the two leaders or their designees have been recognized under the standing order on Monday, the Senate will proceed under rules VII and VIII, and there could be rollcall votes during the morning hour. I think that Senators ought to be alerted to that fact. This would mean that there could be rollcall votes between the hours of 10 and 12.

The unfinished business on Monday will be Senate Resolution 160. There is a time limitation on that resolution, I

believe, of 5 hours, with an additional 30 minutes to each of two Senators, which would make a total of 6 hours. I ask the Chair, am I correct?

The PRESIDING OFFICER (Mr. GARN). The Senator is correct.

Mr. ROBERT C. BYRD. I thank the Chair.

I cannot outline at this time all of the measures that remain to be acted upon next week before the Senate goes out at the close of business on Friday, under the law, for the August recess, but among those measures that will be coming up next week are the following measures—not necessarily in the order stated, nor do they constitute the entire list of measures which remain to be acted upon:

The mineral leasing bill, S. 391.

S. 2173, naval petroleum reserves.

At some point during next week, the Senate will resume its consideration of S. 1281, public understanding of depository institutions in home financing.

S. 963, diethylstilbesterol.

S. 521, the Outer Continental Shelf.

S. 1587, public works and EDA.

S. 598, ERDA authorization.

H.R. 8121, the State, Justice, Commerce appropriation bill.

The HEW appropriation bill.

H.R. 2559, an act to amend title 39, United States Code, to apply to the U.S. Postal Service certain provisions of law providing for Federal agency safety programs and responsibilities and for other purposes.

S. 1466, a bill to amend the Public Health Service Act to extend and revise the program of assistance for the control and prevention of communicable diseases.

By the way, I think I should state—I believe I am correct in this—that H.R. 2559, which I mentioned earlier, is a bill which, as I understand, contains an amendment which provides for the executive, judicial, and legislative branches to be included under the automatic cost-of-living pay increases. I think Senators

ought to be on notice as to what is involved in that measure.

Now, to continue with my statement of certain measures that will likely be coming up next week: S. 1771, a bill to provide special pay and other improvements designed to enhance the recruitment and retention of physicians, dentists, nursing personnel, and other health care personnel.

Senate Resolution 145, the resolution to express the disapproval of the Senate of the President's proposed amendment to the regulations dealing with price controls on domestic crude oil, residual oil, and so forth.

S. 354, the no-fault insurance bill may come up.

And possibly H.R. 7710, an act to amend the tariff schedules to provide duty-free treatment to watches and so on.

Of course, there may also be other measures taken up which are not now on the calendar.

Conference reports, being privileged, may be called up at any time, and rollcall votes may occur thereon.

And the New Hampshire election dispute, of course, is a matter yet to be resolved.

That is a pretty full plate to chew on next week.

ADJOURNMENT UNTIL 10 A.M. MONDAY

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—after 7 hours and 58 minutes of toil today, five rollcall votes, an override of a Presidential veto, passage of two appropriation bills and several other bills and resolutions—stand in adjournment until 10 a.m. on Monday morning.

The motion was agreed to; and at 4:58 p.m., the Senate adjourned until Monday, July 28, 1975, at 10 a.m.

HOUSE OF REPRESENTATIVES—Saturday, July 26, 1975

CONFERENCE REPORT ON H.R. 6674

Mr. PRICE (pursuant to an order of the House on July 25) filed the following conference report and statement on the bill (H.R. 6674) to authorize appropriations during the fiscal year 1976, and the period beginning July 1, 1976, and ending September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads, and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 94-413)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6674) to authorize appropriations during the

fiscal year 1976, and the period beginning July 1, 1976, and ending September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

TITLE I—PROCUREMENT

SEC. 101. Funds are hereby authorized to be appropriated during the fiscal year 1976 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, tor-

pedoes, and other weapons, as authorized by law, in amounts as follows:

AIRCRAFT

For aircraft: for the Army, \$337,500,000; for the Navy and the Marine Corps, \$2,997,800,000; for the Air Force, \$4,224,000,000, of which amount not to exceed \$64,000,000 is authorized for the procurement of only long lead items for the B-1 bomber aircraft. None of the funds authorized by this Act may be obligated or expended for the purpose of entering into any production contract or any other contractual arrangement for production of the B-1 bomber aircraft unless the production of such aircraft is hereafter authorized by law. The funds authorized in this Act for long lead items for the B-1 bomber aircraft do not constitute a production decision or a commitment on the part of Congress for the future production of such aircraft.

MISSILES

For missiles: for the Army, \$431,000,000; for the Navy, \$990,400,000; for the Marine Corps, \$52,900,000; for the Air Force, \$1,765,000,000, of which \$265,800,000 shall be used only for the procurement of Minuteman III missiles.