in a forceful manner. It's an unusual piece of film, and stands out high above the usual run of tv fare.

GOVERNMENT SPENDING DOES IN FACT CREATE INFLATION

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 16, 1975

Mr. MICHEL. Mr. Speaker, there are signs, not yet conclusive but promising nonetheless, that my friends and colleagues from the liberal side of the political spectrum have come to realize that Government spending does in fact create inflation.

I want them to know that they are welcome to stand with me on that plank of conservative orthodoxy. I shall not recriminate; I offer them amnesty, and I welcome them with open arms.

Just to show how far this trend has gone, I am asking that a recent column by William F. Buckley, Jr. be reprinted in the RECORD. In this column, Buckley documents the conversion to fiscal sanity of none other than that outstanding liberal spokesman, Kingman Brewster, the president of Yale University.

In addition to effectively arguing against spending, Brewster's comments put the blame for spending precisely where it belongs—here in the Congress. The column is thus of interest to Members on two counts, the need to reduce the budget, and the need to make Members of Congress accountable for their votes on spending issues.

The article follows:

[From the Washington Star, Dec. 12, 1975]

AN UNEXPECTED SOURCE OF ANTI-INFLATION SENSE

(By William Buckley Jr.)

Mr. Kingman Brewster, the president of Yale University, found himself safely in England the other day, out of range of the Kids' Dewline, which, round the clock, catches orthodox blips from educational officials and launches deadly missiles against the offenders. Accordingly, Mr. Brewster talked to the English Speaking Union in London about problems which, up until now, have been associated in the public mind as problems only the troglodytes worry about. Such problems as overspending, the shortage of capital, the heavy cost of bureaucracy, and, above all, the irresponsibility of Congress.

It is sobering to contemplate that not one of the politicians—or professors—President Brewster is normally linked with could have guessed, reading this speech, who delivered it.

Mr. Brewster said that "(The) inflationary bias of representative government seems to me the greatest threat to the survival of a democratic political economy." That statement is worthy of having been written by, well, myself.

"We need," said the president of the university that teaches its students for the most part to scoff at the dangers of inflation and to support such massive increases in state welfarism as were most recently championed by George McGovern, "some higher law to restrain the natural temptation to use the spending power for political self-perpetuation. If we do not solve this problem, representative government will drive us up to altitudes of inflation which, like anoxia above 14,000 feet, will not be able to sustain productive economic life."

Then came the clincher. "Until we can devise ways by which the inflationary consequence of a congressman's vote is traced to him with the same particularity which attaches to a yea or nay on a revenue bill, we will not cure the disease of public spending motivated by the desire to achieve reelection."

Mr. Brewster's warning is timely. The President last fall asked for a reduction in taxes but only if tied to a reduction in spending.

Prof. Ernest van den Haag of New York has advanced the novel notion which, if explored, might provide such countervailing pressures as Mr. Brewster calls for. The President should "refuse" to borrow the money needed to pay for deficit federal programs. As things generally go, Congress passes a tax bill which will bring in Revenue X. Then it passes a spending bill which authorizes Expenditure Y. Y is almost always larger than X. The President has the authority to borrow, through the Federal Reserve System, the differential.

What if he would refuse?

Congress would have to permit the executive to trim expenditures. Or else it would have to order the President to borrow, bringing on more inflation. In doing so, it would become far more exposed than it is now. Individual inflationists might then be traceable with that requisite "particularity" proposed by Kingman Brewster.

No doubt there are other means. Since we are to have highly elaborated election laws, perhaps, picking up the theme of consumer protection, we should require all candidates to list after their names the percentage over revenue for which they voted appropriations, so that, for instance, one would routinely refer to "Mrs. Bella Abzug, D–NY.–50" meaning that she had voted to spend half again as much money as she voted to tax.

Meanwhile, the sunburst of Mr. Brewster lights the skies, and we pray that having discovered the light, he will one day soon discover the truth.

SENATE—*Thursday, December 18, 1975*

(Legislative day of Monday, December 15, 1975)

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

PRAYER

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

Let us pray.

O Lord, our God, watch over Thy servants in this place. As here we seek to solve the Nation's pressing problems of the hour, grant that this body may act with justice and truth, with reverence and selflessness. Use all the debates, differences, and contentions as a means for light and healing. We beseech Thee not to deliver us from the burdens and stresses of the day but to give us grace and wisdom to carry them. When evening comes refresh us with the rest and peace of those whose hearts are in tune with Thee.

We pray in the name of Him who was servant of all. 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,

Washington, D.C., December 18, 1975.

To the Senate:

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

JAMES O. EASTLAND,

President pro tempore.

Mr. CLARK 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 Wednesday, December 17, 1975, be approved.

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

COMMITTEE MEETINGS DURING SENATE SESSION TODAY, EXCEPT DURING CLOSED MEETING

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today with the exception that during a closed meeting committees will not be allowed to meet.

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

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider two nominations on the Executive Calendar.

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

The ACTING PRESIDENT pro tempore. The nominations will be stated.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk read the nominations of Frederick M. Coleman, of Ohio, to be U.S. attorney for the northern district of Ohio; and Thomas A. Olson, of Montana, to be U.S. attorney for the district of Montana.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask

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unanimous consent that the President be notified of the confirmation of the nominations.

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

LEGISLATIVE SESSION

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

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

The Senate resumed the consideration of legislative business.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I yield what time I have under the courtesy extended to the joint leadership to the distinguished Senator from Rhode Island (Mr. PASTORE).

Mr. PASTORE. I thank the Senator.

"FAMILY VIEWING"—A RESPONSIBLE ANSWER TO THE PROBLEM OF TELEVISED VIOLENCE

Mr. PASTORE. Mr. President, for the 1975–76 television season the networks and the National Association of Broadcasters have designated the first 2 early evening hours as a "Family Viewing" period in which programing should be suitable for all members of the American family to view, including children.

Because of the carping criticism this move has provoked in some quarters of the television industry, I think it is necessary to review for both Congress and the public record the very serious concerns which support fully the broadcasters' actions.

"Family Viewing" is the broadcast industry response to a problem which has been with us, unfortunately, for almost a decade: That problem clearly and simply is the exploitation of violence on television.

For instance, during 1 typical week in the 1960's, television treated the American family, including its younger children, to 144 murders, 13 kidnapings, 7 tortures, 4 lynchings, and numerous other acts of violence and cruelty. Estimates have suggested that the average American child would see more than 13,000 persons killed on television as that child grew from age 5 to age 15.

For the most part, this televised violence has been gratuitous, used solely for the purpose of attracting and maintaining audience attention. It has been violence in a moral vacuum, devoid of any human consequences and any human understanding. It has been a gross distortion, rather than an accurate representation, of any conception of reality.

As the violence on television increased, so did national concern over the harmful effects that such programing might be having on the mental and social health of our children. The protest was not limited certainly to members of the scientific community. The anxious voices of parents, educators, clergymen, media critics, and public officials were heard as well.

The 1969 report of the National Commission on the Causes and Prevention of Violence, chaired by Dr. Milton Eisenhower, summed up the growing concern:

> It is reasonable to conclude that a constant diet of violent behavior on television has an adverse effect on human character and attitudes. Violence on television encourages violent forms of behavior, and fosters moral and social values about violence in daily life which are unacceptable in a civilized society.

While there was some preliminary evidence to suggest a causal connection between the viewing of televised violence and antisocial behavior, other opinion contended that the limited research had produced no clear-cut proof for or against that conclusion.

In March of 1969, the Subcommittee on Communications of the Committee on Commerce called upon the Surgeon General of the United States to assemble the best minds in America to resolve this critical question. The result was the appointment of the Surgeon General's Scientific Advisory Committee on Television and Social Behavior. Its 12 members represented such diverse fields as psychology, sociology, political science, anthropology, and child development, and they were drawn from the broadcast industry, as well as the academic and governmental research communities.

In 1972, after over 2 years of research encompassing 23 independent projects and experiments, the Scientific Advisory Committee delivered its report to the Surgeon General and to our subcommittee. Although the findings of the report were couched in the careful language of the social sciences, the ultimate conclusion of the advisory committee was clear and unanimous:

> The causal relationship between televised violence and antisocial behavior is sufficient to warrant appropriate and immediate remedial action.

Subsequent research and congressional hearings have further confirmed the validity and seriousness of this conclusion.

While the causal relationship between televised violence and antisocial behavior is disturbing, of equal gravity is the warning of Dr. Bertram S. Brown, Director of the National Institute of Mental Health—a warning voiced by many other witnesses at our subcommittee's follow-on hearings in April of 1974:

> The emotional effects of repeated media violence programming on toleration of real life aggression and violence may in the long run be the most damaging result of that programming. Repeated exposure can produce insensitivity to cruelty and violence because it gradually extinguishes the viewer's emotional responses and builds the feeling that violent behavior is normal and appropriate under some circumstances.

This ominous prediction is also tentatively supported by preliminary studies and experiments.

Additional research, including the development of an annual profile of violence on television, is ongoing, and, in my judgment, should continue under the auspices and sponsorship of the National Institute of Mental Health.

The research evidence to date, however, clearly warrants action to protect children from excessive violence. As the Surgeon General, Dr. Jesse Steinfeld, told our subcommittee in 1972:

> The data on social phenomena such as television and/or aggressive behavior will never be clear enough for all social scientists to agree on the formulation of a succinct statement of causality. But there comes a time when the data are sufficient to justify action. That time has come . . . (N)o action in this social area is a form of action: it is an acquiescence in the continuation of the present level of violence entering American homes.

In response to the serious concerns expressed by the scientific community, the Congress, and—most importantly—by the American public, the Chairman of the Federal Communications Commission held general discussions with major representatives of the broadcast industry in late 1974 to bring the continuing problem to their attention. These discussions also sought to ascertain whether positive action could be taken by the industry to achieve meaningful self-regulation of television violence.

The broadcasters and the networks themselves freely proposed—I repeat—the broadcasters and the networks themselves freely proposed, adopted, and implemented the "family viewing" concept for the 1975–76 television viewing season as the industry's own response to the problem.

I strongly support these broadcaster and network reforms. While "family viewing" may not mark the millennium, it is an encouraging sign that the broadcast industry recognizes its great responsibility to the American public and intends to act accordingly to police its own house to avoid exposing children to excessive televised violence.

I think it is noteworthy that quite independently of this action by the broadcasting industry, the advertising industry is also recognizing its responsibility to the American family and reassessing sponsorship of violence-laden programing.

The American public appears to support these reforms overwhelmingly. According to a December 1, 1975, TV Guide poll, over 70 percent of those surveyed believe that there is too much violence on television, and 82 percent favor the "family viewing" concept.

In our society you always find dissenters. We respect their right to disagree. A particular segment of the television program production industry claims that "family viewing" violates their first amendment right "to do their own thing." "Their own thing" appears to be peddling violence for profit while poisoning the minds of our children and grandchildren with total disregard for the obvious social and psychic costs to our Nation.

Except for the fact that the first amendment has actually been invoked on the side of mindless violence, I would not address this incredible callousness. Of course, neither the first amendment nor the Communications Act guarantees any group the right to have its particular type of commercial program broadcast on the public airwaves.

It has been suggested, also, that "fam-

ily viewing" is a form of censorship imposed on the broadcasters and the networks by the FCC at the insistence of various committees of the Congress. As far as I am concerned, the charge has no merit.

Of course, the Congress is troubled by the problem of televised violence—as are many American parents. We have also been sensitive to the question of Government censorship implicit in any attempt to resolve the problem by legislation. I have often stated that our role is that of watchdog: We can bark, but we cannot bite. We have, therefore, moved with caution—some would say too much caution—urging the industry to recognize its own moral, if not legal, obligations to the American public it is licensed to serve.

The broadcasters and the networks themselves originated, adopted, and implemented the "family viewing" concept. I think it is a great idea, but I did not order the industry to adopt it nor, I am sure, did the Chairman of the FCC. If the Chairman played an effective role in bringing the problem and public concern to the attention of the industry, I applaud him. I cannot believe that anyone would censure him for his efforts.

The industry responded freely to this problem and concern with specific, responsible self-regulation. They, too, deserve our applause.

I understand that some critics also claim that "family viewing" is resulting in "bland" television programing. If current television fare is "bland"—and a good deal of it was certainly bland before "family viewing"—then this is a sad commentary on the "creative genius" of the established American television program production industry. It is not a legitimate criticism of "family viewing." In my view, if the only way our commercial program producers can capture and hold audience interest is with murder, mayhem, and other sordid acts of human degradation, then broadcasters should reexamine their programing sources.

I know that the Muse still speaks to television writers and producers in England and Canada. They do not need excessive violence to spark audience imagination. Under these circumstances, perhaps American broadcasting should look elsewhere for creative programing.

In short, the threat of excessive televised violence has been too well documented and too long ignored for us to listen to the carping of a self-interested few who would oppose any attempt at meaningful reform. The critics of "Family Viewing" have offered no specific, positive alternative, only morally bankrupt apologies for a violent status quo which would keep the coins jingling in their pockets at the expense of our youth. What is at stake is nothing less than the hearts and minds of our children and grandchildren; the critics of "Family Viewing" should either put up or shut up.

While I am heartened by the broadcast industry's action in instituting "Family Viewing," I can only express a sense of dismay and tragedy at the time, expense, and effort which have been directed to the negative effects of television programing. It is my hope that these efforts may yet be turned toward discovering and developing the positive potential of the medium.

Indeed, recent research indicates that pro-social television programing can effect helping behavior in children. In simple layman's terms, television can teach lessons of understanding and kindness, rather than alienation and violence. TV can reaffirm the best that is in the human mind and spirit, rather than appeal to base, animal instincts.

As our knowledge of the effects of television on social behavior expands, these alternatives will appear in sharper contrast. Right now, I want to congratulate the broadcasting industry for freely taking a step forward with Family Viewing in the effort to improve the human condition.

I applaud and compliment the FCC and particularly its Chairman, Mr. Wiley, for efforts well spent in the interest of American family life.

ORDER OF BUSINESS

Mr. GRIFFIN. Mr. President, I yield any remaining time to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

REGULATORY REFORM ACT OF 1976—S. 2812

Mr. PERCY. Mr. President, I am pleased to introduce today, together with Senator ROBERT C. BYRD of West Virginia, the Regulatory Reform Act of 1976. I had the great pleasure of working with Senator BYRD on the Budget Reform Act of 1974. The Committee on Rules and Administration, in the hearings that Senator BYRD held, as I recall, over a holiday period 2 years ago, did an outstanding job in connection with that legislation. I look forward very much indeed to working with him on the Regulatory Reform Act of 1976.

Mr. President, nobody needs to be told that the American economy is ailing. The symptoms are all around us: tragic unemployment, stubborn inflation, a troublesome deficit, and skittish, uncertain markets. Though some persist in calling it a "temporary downturn," no worse than a bad cold, others contend it is more serious than that. But amidst the confusion, one thing has become increasingly clear: If we ever expect the economy to get better and stay that way, we must strip the wet blanket of unnecessary Government regulation from its back.

We cannot afford to let misguided, outmoded policies stifle competition, inflate prices, and smother businessmen with needless paperwork. Old-fashioned nostrums and cosmetic treatments will not do the job—we need a comprehensive overhaul of the whole structure and scope of regulation.

A diverse collection of moderates and conservatives, industry and consumer groups, Republicans and Democrats, administrators and legislators have called for regulatory reform. Each group's emphasis differs somewhat, but together they constitute a potent coalition. Congressional committees in both Houses are gathering information on a wide variety of regulatory problems and forging legislation in a number of specific areas. President Ford did us a great service by highlighting the issue of misdirected Government regulation when we met with him in the Cabinet room earlier this year, and bringing it to the forefront of public attention, as well as submitting specific plans for deregulating the airline, railroad, and trucking industries.

All of this bodes well for the Nation. But a great deal remains to be done, and the problem of momentum will become crucial in the coming months and years. The enormous complexity of Government regulation makes prompt action less likely, but no less important. Unless we establish a framework for a timely and coordinated response to the full range of regulatory problems, the present initiatives of Congress and the President may be dissipated in a matter of months, leaving hidden facets of the problem untouched.

We cannot afford to underestimate the power of bureaucratic inertia and tenacious interest groups to delay and defuse any serious challenge to the status quo. The bill we introduce today would constitute an effective countervailing force against this tendency, setting a clear agenda for the Congress and the President in addressing a problem of profound economic and social importance.

In brief, the bill would provide that over a period of 5 years, from 1977 through 1981, the President would submit to the Congress by March 30 of each year comprehensive plans for reforming regulation in five specific areas of the economy, namely: Banking and finance; energy and environmental matters; commerce, transportation and communications; food, health and safety, and unfair and deceptive trade practices; housing, labor-management relations, equal employment opportunity, Government procurement and small business.

Each plan would include recommendations for increasing competition, and for procedural, organizational, and structural reforms—including the merger, modification, establishment or abolition of Federal regulations, functions, and agencies. Each plan would be referred to the committee with appropriate subject matter oversight jurisdiction, as well as to the respective Government Operations Committees of the House and Senate.

The bill also provides for an action-forcing mechanism—in the form of impending abolition of specific agencies and regulations unless a comprehensive regulatory reform measure is enacted by a certain date—as the best way to assure prompt and effective action on the full range of regulatory issues. Responsibility for action is thus squarely placed on the Congress as a whole. Without such a provision, any specific proposal for reform might be left to expire quietly in committees which may be heavily lobbied by affected industries.

The action-forcing mechanism works in this manner: After receiving the President's plan on March 31, the designated committees would be responsible for reporting to the respective House and Senate floors a comprehensive regulatory plan, to become the pending business of both houses no later than September

15. Should the President fail to submit a plan by March 31, the committees would commence work on a plan of their own, to become the pending business by September 15.

These provisions would make certain that the Congress would have a regulatory plan before it by September 15. The bill also provides that, unless Congress enacts a regulatory plan by December 31, the President's original plan would become law, unless either body adopts a resolution specifically disapproving the President's plan. In that case, the Congress would have until the end of the following June to adopt a plan satisfying the guidelines set forth in this bill; if by June 30 Congress has still not enacted a comprehensive regulatory reform measure, all benefits conferred by the agencies in the enumerated areas would be terminated, and be of no further force or effect.

The bill places a heavy burden on both Congress and the President. But the issue of regulatory reform deserves this kind of priority attention. Traditionally, both the executive and legislative branches have dealt with the problem by appointing blue-ribbon panels to study the issue. After months or years of work, the reports of these commissions are foisted on an apathetic public and consigned to that infamous dustbin of inaction, the circular file. But today, the people recognize the importance of regulation; and they want us to do something about it. Another long hard look at the problem will not suffice. Only a timely and coordinated effort directed to its sundry aspects—by the executive branch, the House, and the Senate—will provide a sufficient impetus for change.

Clearly, Government regulation did not wither away when the public ignored it. And by the same token, we cannot now expect it to shrivel up and disappear amidst the heat of public indignation and disapproval. Regulation has quietly become an integral part of our economy; we cannot go back on 90 years of history overnight. But we can keep the Government from stifling healthy competition and distorting economic patterns. We can take steps to minimize pointless paperwork, byzantine litigation, and protracted delays. It is in the interests of pursuing these highly important and realistic ends that we introduce this bill.

To convey a sense of the scope of the problem, and to underline the need for a comprehensive approach, I want to discuss, for a moment, a few abbreviated examples of counterproductive regulation. An exhaustive list would fill several books, but a handful of examples should drive home the point.

BANKING AND FINANCIAL REGULATION

Today, the Federal Reserve Board, the Federal Home Loan Bank Board, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, and the National Credit Union Administration simultaneously look after the regulation of our Nation's banking system—with the assistance of a raft of State banking commissions, boards, and agencies. One would think that no stone could possibly be left unturned, no serious problem in the world of finance left unaddressed.

Indeed, these various regulatory entities exercise an impressive degree of control over some areas of banking, including absolute discretion over matters of entry. The Office of the Comptroller can grant or deny national bank applications for charters and branch locations, and the courts have ruled that the Comptroller's decisions, based on criteria that have never been spelled out, are virtually unreviewable. The Federal Home Loan Bank Board holds similar sway over Federal savings and loan charters and branch banking. Because the initial statutes were vague, these two agencies have retained an enormous amount of discretion over how many banks, run by whom, will be operated where—with a minimum of legal or public accountability.

But by and large, rather than complementing one another, the bewildering array of Federal agencies involved in the banking business have fallen into what Arthus Burns, Chairman of the Federal Reserve Board, has called a "competition in laxity." This could also be termed the "weakest link syndrome." When one agency yields to industry pressures to loosen regulation, the others tend to follow suit. Banks capitalize on a regulatory system Burns called "a jurisdictional tangle that boggles the mind" by playing regulatory agencies off against each other.

Moreover, certain trends in banking, which have accelerated in recent years, have increased both the importance and the difficulty of Government regulation. Since World War II, and especially in the last 15 years, rapid expansion and intensified competition among commercial banks has led to a potentially dangerous attenuation of equity capital bases. "Liability management," another byproduct of the race by banks to expand, depends on the instant availability of unlimited funds to meet borrowers' demands. This has led to advance commitments of enormous amounts of funds. A regulatory ruling in the midsixties accelerated this trend, lifting all Federal limits on the amount of excess reserve funds banks could borrow from one another. A growing dependence on these and such other volatile liabilities as short-term Eurodollars and time deposits—on which interest rate ceilings have been lifted by the Government—has also reduced the banks' incentives to maintain the liquidity of their assets. While contributing to expansion and diversification of bank services, such practices have led some to question the ultimate soundness of the whole system.

These trends, compounded by the tremendous size and complexity of modern banks and the greatly increased speed with which their financial status can change, have made our present Federal regulatory scheme obsolete. Even if supervisory personnel were increased tenfold, they could never adequately assess the management, assets and liabilities, and trust and foreign exchange activities of even a portion of America's 20,000 separate institutions possessing over a trillion dollars in total assets. Moreover, the tangle created by overlapping mandates, disparate and conflicting regulations, and jurisdictional competition has rendered the Government incapable of coherent, rational policymaking in the regulation of banking and finance. Unless we endow our regulators with appropriate information-gathering, supervisory and policymaking resources and structures, we may find our system incapable of responding swiftly and effectively to changes in the financial world.

Many have advocated merging Federal regulatory responsibilities into one agency to eliminate overlap and policy conflict and increase efficiency and accountability. Such a move would also improve regulation of bank holding companies, complex joint ventures and shaded credits, thus making possible a full assessment of a bank's risk exposure in any given transaction. One thing is clear—that the Congress must address these issues soon. In light of the failures of the U.S. National Bank, the Franklin National Bank, and the Security National Bank, continued complacency could prove dangerous.

AVIATION REGULATION

It is generally acknowledged that our system of air transportation is far and away the most sophisticated and efficient in the world. As people who fly much more than the average American, we Members of Congress especially appreciate the airlines' fast, safe, friendly, and dependable service. Often during a busy week, one of the few opportunities I have to relax is during that hour-and-a-half flight between Washington and Chicago, so believe me, I appreciate it.

But the benefits of this system—the marvelous technology, fast service, and generally good safety record—are denied to the vast majority of Americans. The reason is apparently simple: Most Americans cannot afford to fly. But this simple truth must also be explained. I believe that the protectionist policies of the Civil Aeronautics Board are largely responsible for the fact that air travel continues to be a luxury for consumers.

The Civil Aeronautics Board was granted broad authority to set rates and fares for commercial air transport in 1938. But over the years the Board seems to have interpreted its mandate to "promote" the industry as meaning it may ignore the consumer. For instance, in 1974 the CAB flatly refused to allow London-based Laker Airways to fly regular "no-frills" flights between London and New York for $125 each way, or slightly over one-third the current "economy" fare. The CAB turned down Laker because the price cut allegedly would have threatened American companies with "unfair competition."

Despite its authority to set rates and fares, the Board has consistently accepted without serious question the industry's proposed rate schedules. After an adverse court ruling in 1970, the CAB finally undertook a review of domestic fares, only to authorize another increase. The Board also banned youth and family discounts and cut back severely on charter flights.

The move backfired. In the first quar-

ter of this year, the airlines lost $190 million, filling slightly over half their seating capacity. Yet air travelers continue to pay artificially inflated prices. Intrastate flights in Texas and California, for example, not subject to CAB regulation, cost about half as much per mile as regulated interstate flights.

The CAB has recently made some encouraging tentative moves toward reversing its protectionist policies, including an experiment in limited deregulation. But much more remains to be done.

In a related area, the Federal Aviation Administration has the authority to make and enforce air safety rules. Although, as I said, our air safety record has been good, the FAA has too often failed to act until tragedy forced its hand. On December 1, 1974, TWA flight 514 crashed on an approach to Dulles Airport, killing 92 people. Shortly thereafter, the FAA passed a rule requiring installation of ground proximity warning systems in all passenger planes. Yet, as far back as 1969, the National Transportation Safety Board had urged adoption of these devices, citing 15 previous crashes they could have prevented.

The FAA also knew about the dangers of DC–10 cargo doors as early as May 1972. But the agency waited until 72 hours after the worst crash in aviation history to do anything about it. On March 3, 1974, the cargo door of a DC–10 flew open, the cabin floor collapsed, and 346 people lost their lives. Three days later, the FAA ordered modifications for DC–10 cargo doors.

SURFACE TRANSPORTATION REGULATION

Economists have estimated that, directly and indirectly, the Interstate Commerce Commission costs Americans not less than $4 billion a year, and possibly as much as $8.7 billion. Back in 1966, the Council of Economic Advisers wrote that if the ICC set rates appropriate to actual costs, savings from rate reductions would amount to over $400 million a year, for the railroads alone.

The ICC bends over backward to prevent competition from developing in the trucking industry. "Gateway restrictions" require some firms to go miles out of their way, through a "gateway city," instead of taking the quickest route to their destination. Other restrictions on routing and delivery points force some trucks to return empty from long hauls, wasting time, money, and vital fuel. Private carriers, who haul their own products to market, are specifically forbidden to haul anything back for money.

All told, these rules waste up to 460 million gallons of fuel annually, and contribute 150,000 tons of pollutants to the air we breathe. Added costs are passed on to consumers, thus feeding the inflationary spiral. Inflation, pollution, wasted fuel, and higher prices: The ICC prefers all of these to exposing established carriers to the rigors of competition. That is the Commission's understanding of the public convenience and necessity which it is mandated, by law, to serve.

Besides restricting entry into the trucking industry almost to the point of nonexistence, the ICC allows carrier-dominated rate bureaus to fix prices. The ICC's putative "regulation" legitimizes a cartel-like arrangement. Theoretically the Commission would guard the public from abuses. But the oversight it exercises is perfunctory at best. Of the rate increases the bureaus filed in 1974, the Commission investigated only 5 percent, and disapproved less than a third of those it scrutinized.

Many factors contribute to the high cost of groceries, but few Americans realize that the ICC is one of them. When a court ruling made the transport of frozen fruits and vegetables exempt from ICC regulation, shipping rates for these goods declined 19 percent. When fresh-dressed and frozen poultry were also 'deregulated," rates dropped even further, by 33 percent.

The ICC's railroad record has been equally undistinguished. The Penn Central merger eliminated what competition for passenger service remained in the Northeast, cost $75 million to effect, and resulted in none of the economies management had promised. Management disputes, incompatibility of computer systems, and gross inefficiency, coupled with an economic downturn contributed to Penn-Central's collapse. Congress has been left to pick up the pieces. Furthermore, scholarly studies show that other ICC-approved mergers of giant rail corporations have uniformly failed to live up to industry promises of greater efficiency, resulting instead in the elimination of competition and overinflated prices.

The ICC has also opposed technological innovations in transportation which would benefit American consumers. Southern Railway Co. developed a "Big John" car which could haul grain at rates up to one-third less than those set for conventional boxcars. But in 1961 when Southern filed reduced rates with the ICC, truckers and other railroad companies objected. The ICC refused to allow Southern to cut its prices. Southern finally won its case, but at an incredible cost: "Big John" spent 4 years before the ICC, went to the Federal courts nine times, and reached the Supreme Court twice.

The ICC's attitude about pricing is also hard for outsiders to understand. Late delivery of merchandise plagues manufacturers who have deadlines, complex jobs or high warehousing overhead. When a crucial item fails to appear on time, losses may be substantial. In 1974 the Pacific Intermountain Express Co. offered relief to frustrated merchants: in return for a 10-percent premium charge, PIE would guarantee on-time delivery, or a full refund of all freight charges. The ICC turned down this imaginative scheme on the grounds that Pacific would be "shipping for free." Perish the thought.

Perhaps the most humorous of the ICC's efforts to nip competition in the bud was the infamous yak fat case. A trucker named Leroy Hilt, whose rates the ICC had rejected several times as too low, decided to strike back. In March 1965, he prepared a seven-page tariff schedule for a wholly nonexistent commodity which began:

Yak Fat, Omaha to Chicago, 45 cents per one hundred pounds. Effective April 11, 1965.

The tariff further stipulated 80,000 pounds as the minimum shipment; the fat could be sent in boxes, barrels, pails, tubes, or glass or metal containers. Unbelievably, a Yak Fat Arguing Committee quickly materialized and sprang to the defense of the railroads. Clearly, the committee told the ICC, Hilt's tariff was "noncompensatory." It should cost at least 63 cents to ship yak fat from Omaha to Chicago—therefore the tariff was 18 cents below cost. To the committee, this was outrageous.

The ICC needed no further persuasion. On April 7, 1965, the Commission suspended Hilt's rate, offering him a chance to come to Washington and argue his case, within 30 days. When Hilt declined, the ICC ruled that he had "failed to sustain" his rate, and rejected the application. With a sigh of relief, the Yak Fat Arguing Committee disbanded.

COMMUNICATIONS REGULATION

In a number of areas, the Federal Communications Commission's policies have tended to inhibit the adaptation of useful new technologies which could both cut costs and provide a wider range of services to consumers. The Commission's approach to the complex question of cable and pay television has proved contradictory and overcautious, seemingly designed to protect existing networks from competition.

However appropriate such protectionism might have been in the forties when TV programing first appeared, this attitude seems anachronistic today, considering that in 1974 network profits rose 21 percent and American industries paid $4.5 billion for TV advertisements alone. The networks did some advertising themselves, spending $1 million for anticable and pay-TV ads. They, of course, had every right to do so—I merely cite these figures to show that the FCC need not be so solicitous of such a robust industry.

Despite some recent progress, domestic satellite development has also come slowly, partly due to Commission resistence. Likewise, the FCC has not sufficiently encouraged the many small new communications companies which could offer consumers specialized services at substantial savings. In part, the FCC's policies in these areas seem to stem from an urge to protect another corporation—the world's largest monopoly—which is perfectly capable of fending for itself.

Like our air travel system, our telephone system is the best and most efficient in the world. But the evidence is mounting that it is likewise over-priced in some respects—for example, equipment rental, installation charges, certain rate assessments—because the FCC has traditionally lacked the will or the resources to develop a cogent pricing policy.

A.T. & T. dominates the communications field and enjoys a monopoly on telephone manufacture, service, and even installation, which involves enormous annual revenues. Yet the FCC has proved extremely reluctant to explore the company's rate structure, despite its enormous impact on individual consumers and the economy at large. In the absence of a pricing policy, the Commission has traditionally granted about one-

half of each requested rate increase, after a suitable delay. Such basic issues as what constitutes a fair rate of return and what should be included in A.T. & T.'s base rate remain unresolved. Though the problem is admittedly complex, we need a resolution of these issues soon. Because of the magnitude of the sums involved, a few percentage points either way mean millions of consumer dollars saved or spent.

The FCC claims it simply cannot cope with a corporation listing $31 billion worth of assets. This may well be true. But the Commission, with its budget of $31 million, has not sufficiently tried in the past. There are signs of some improvement. The Commission's recent decision to reopen its investigation of A.T. & T.'s controversial high-low pricing policy is encouraging, as are recent steps to remove some of the bureaucratic obstacles to domestic satellite development.

But we need to reassess the FCC's overall purpose and priorities. Smothering the small and ignoring the giants is no way to regulate. When a small TV station in Oregon must file a license application weighing 45 pounds, yet the rate structure of the only true monopoly in American remains unexamined, there is something out of kilter.

OTHER REGULATORY CONCERNS

Many other areas of regulation could easily be trimmed or abandoned altogether. For instance, the Federal presence in agriculture is far too pervasive. Farmers are told how much of what crops to grow and how much they can charge. Over the years, the Government has spent enormous amounts to prevent production, with surplus storage fees and direct payments to farmers. But in the context of today's worldwide food crisis such a policy is morally unacceptable and economically unsound.

Conversely, the Congress may find some areas of the economy underregulated rather than overregulated. For instance, because the ICC, the CAB, and the various bank regulatory agencies have jurisdiction over common carriers, air carriers and banks, respectively, these industries are specifically exempt from the jurisdiction of the Federal Trade Commission. The FTC has a broad mandate to investigate and prohibit unfair methods of competition and deceptive acts or practices. But the ICC, the CAB, the Federal Maritime Commission, and the various bank boards and agencies have neither the statutory mandate, the staff resources, nor the historical inclination to delve deeply into the difficult consumer protection areas the FTC covers. Formed in large part as a response to industry crises, the agencies have over the years rated consumer protection a distant second to industry promotion.

Nor have State regulatory agencies commonly pursued consumer protection complaints with vigor. Thus, for example, in the insurance area, there are charges of misrepresentation and exaggeration of benefits, failure to disclose policy terms and conditions, and inadequate customer grievance machinery. The public utility area is also one which generates considerable complaint, especially concerning high prices and rates.

By raising these points, I do not mean to imply a pattern of abuse in the industries concerned, or an endemic insensitivity to consumer interests on the part of regulatory agencies. Nor do I wish to suggest that enlarging the duties of an already overworked Federal Trade Commission is the way to address these problems. I merely raise these issues as a concern which the Congress should not overlook in the months ahead. As a slogan, "deregulation" packs more rhetorical punch than "reregulation," but as Congress and the President delve more deeply into the problem, we may find that the latter term more accurately describes the task at hand.

CONCLUSION

In sum, for too many of our citizens, big government has come to mean unproductive bureaucracies, cronyism and even corruption. Liberals and conservatives of both parties in recent months have sounded the cry to cut government down to a more manageable and effective size. No part of the Federal bureaucracy is more ripe for such trimming than the regulatory agencies, plagued with duplication, trivia, unresponsiveness, and delay.

But other compelling reasons exist for reforming regulation. Our position as an international leader we owe in good part to the tremendous productive power of the American economy. Yet we have undermined that power by allowing Government regulation to distort the healthy dynamics of a free and open marketplace. Consumers carry the dual burdens of higher taxes and higher prices to support a policy which does them no good. Increasingly they demand that the Government start restoring competition and removing market restraints.

I am not calling for an economic free-for-all. Any new plan Congress adopts will have to take varying market conditions and industry idiosyncracies into account. Some kinds of Government regulation will continue to be necessary; some, as I have suggested, will even need to be intensified. In order to minimize any economic shocks which might result from regulatory change, the bill Senator BYRD and I introduce today deals with five broad areas of the economy one at a time, over a 5-year period.

But while exercising care in deregulating the economy, we must keep sight of the primary objective. Unnecessary Government regulation contributes to inflation, stifles new technology, and jeopardizes America's standing in world markets. Consumers—and voters—are beginning to realize this and urge change. We should heed them, not the few fearful companies which would stand in the way of changes promising to strengthen this Nation's economic underpinning.

The regulatory commissions have languished in obscurity for far too long. As creatures of Congress, they have suffered from our neglect. But because of the increased public exposure the regulation issue has had in recent months, Congress now has two options: We can take advantage of this unprecedented opportunity to shape national economic policy; or we can let the commissions keep fumbling along.

I firmly believe that we cannot afford to permit an opportunity such as this to slip through our fingers. Mr. President, I ask unanimous consent to have printed in the RECORD, a summary analysis of the "Regulatory Reform Act of 1976," together with the text of the bill we are introducing today.

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

(See exhibits 1 and 2.)

ORDER FOR JOINT REFERRAL

Mr. PERCY. I ask unanimous consent that the bill be referred jointly to the Committee on Government Operations and the Committee on Rules and Administration.

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

Mr. PERCY. Mr. President, in conclusion, I should simply like to point out that when we come to looking at the cost of Government regulation to the American public, the estimates range from $60 billion a year up to as high as $130 billion a year, which the executive branch has estimated Government regulation costs the consumer.

The No. 1 priority of the U.S. Chamber of Commerce this year, according to a poll taken at their annual meeting in Washington, is to find some way to cope with Government regulation. At the same time, we have had testimony by Ralph Nader to the effect that Government regulation is one of the greatest enemies the consumer has in America today.

When we can get Ralph Nader and the U.S. Chamber of Commerce on the same side of the fence, I think that the Senator from West Virginia and the Senator from Illinois should be encouraged. We feel that there will be a great deal of support for this legislation.

What this bill does to those of us in the Congress who have been bemoaning Government regulation for years is to put our feet to the fire by providing us with a framework to do something about harmful regulation on a hard, substantial basis.

The mechanism built into this bill is the best that Senator BYRD and I could think of, after a great deal of work. But it will be subject to improvement and modification as a result of ideas that will come to us. We feel that this legislation is a vital step forward.

The only thing I can compare it to is the Budget Reform Act of 1974. As I said in my opening comments, Senator BYRD and I worked closely together on that piece of legislation, which Senators Ervin and MUSKIE, myself, and others in the Government Operations Committee had worked on for several years. The Committee on Rules and Administration, through the meaningful work which Senator BYRD did to perfect that legislation, helped enable the Congress, after years of talking about fiscal responsibility, to finally arrive at a mechanism for making it possible.

So, too, with Government regulation. We are concerned that Congress accept its responsibility in the area of regulatory reform. We feel the Regulatory Act of 1976 could be a monumental piece

of legislation, which could inspire all of us to work a good deal harder in this important area in the next 5 years. At the end of that road, I think we will have a government far more responsive to the needs of the consumer and of American business, and a regulatory system of which the executive branch and Congress can be proud.

Mr. ROBERT C. BYRD. Mr. President, how much time remains to the Senator from Illinois (Mr. PERCY)?

The ACTING PRESIDENT pro tempore. The Senator from Illinois has 6 minutes remaining.

Mr. ROBERT C. BYRD. I ask unanimous consent that I may have control of that time.

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

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator from Illinois (Mr. PERCY) for his kind references in connection with the Budget Reform Act, and also in connection with this bill which he and I are jointly introducing today.

Mr. President, I join today our distinguished colleague (Mr. PERCY) in introducing the Regulatory Reform Act of 1976. This bill sets forth a timetable for regulatory reform, with guarantees for action by the Congress and the President which would enable us to deal effectively with this important issue in all its many facets.

Government economic regulation has become an intolerable burden to American business and the American consumer. For businesses, frustrating red-tape, piles of paperwork, and interminable delays make Government regulation a chronic headache and a drain on resources; consumers feel the pain in their pocketbooks, when businesses pass additional costs on to them. As a result, regulation has in recent months become for many Americans a symbol of government out of control. As a result, a powerful groundswell for change is building among both business and consumer groups.

But Government regulation still suffers from a case of chronic obscurity. Most Americans have only a vague idea of what the various regulatory commissions and executive agencies really do. Few see any particular reason to care. Until recently, Congress and the executive branch also tended to accord regulatory agencies a priority, or lack of it, commensurate with their profile, which was low. Not surprisingly, the news media made little effort to raise the public's consciousness in this regard, since regulatory squabbles usually lacked drama.

This has not bothered the commissions, by and large. Unlike executive departments, which need to publicize themselves to justify their funding, most regulatory agencies thrive on anonymity. Their considerable discretion over various industries depends not on congressional appropriations, but on their original congressional mandates. Indeed, recent publicity, and the push in Congress for decisionmaking out in the open, has made their discretion harder to exercise: with more people watching, there are more people to please. In the past, many agencies found it easier to work without the public looking over their shoulders.

But this way of doing business has consequences for the kind of decisions they make. A lack of accountability to Congress and to the public has helped foster an overly cozy relationship between many agencies and the industries they regulate. Commissioners often come from the ranks of a regulated industry, and return to it after completing their tenure. Though not necessarily leading to conflicts of interest, this arrangement has a potential for both subtle and not-so-subtle abuses.

Over the years, several agencies have developed a protectionist attitude toward the industries they regulate, and even toward individual companies. Competition and new entries have dwindled in many industries and disappeared entirely in some. Bureaucracy and paperwork have mushroomed, certain technological innovations have been discouraged and even suppressed, and rates and prices continue to rise.

Specific examples of these disturbing trends abound. Despite the energy crisis, the Interstate Commerce Commission apparently considers avoiding competition in the trucking industry more important than conserving fuel. ICC rules force the industry to waste up to 460 million gallons of fuel annually on empty backhauls and circuitous routes, through what the ICC euphemistically terms "gateway cities."

Similarly, CAB policies encourage airlines to fly gas-guzzling jets half-empty, instead of scaling down their sky-high prices and flying at full capacity. Rather than letting airlines compete to offer what the public really wants—safe, low-cost air transportation—CAB policies freeze prices at levels out of reach of many persons. For instance, in 1974 the CAB refused to allow London-based Laker Airways to fly unreserved "no-frills" flights between London and New York for about one-third the current "economy rate." The grounds for their decision: Laker's service would have constituted "unfair competition."

Regulation in other areas needs much improvement. Jurisdictional tangles among the bewildering array of bank regulatory boards and agencies have led to a hodgepodge of conflicting regulations regarding banks, savings and loan institutions, credit unions, and other lending institutions. When one agency yields to industry pressures to loosen regulation, the others tend to follow suit. With more permissive regulation, bank services have expanded and become more complex; the speed with which a bank's financial status can change has increased accordingly. But supervisory procedures have not adapted to these new conditions, and today our system of bank regulation is obsolete.

Agencies which are literally tripping over one another cannot develop consistent policy or provide the centralized early-warning capability we need to spot problem areas before they get out of hand. The recent failures of three national banks underline the need to deal swiftly with this problem.

I have touched on just two of the areas in need of reform. There are many others that could be selected. The development of a cogent and coordinated energy policy, for instance, may require change in the various commissions and administrations presently charged with regulating energy and environmental matters. In any case, the policies of the FEA, FPC, EPA, and NRC and others should be subjected to the same kind of critical scrutiny needed by the ICC and CAB. Likewise, studies should be made as to how the policies of the Federal Maritime Commission fit into and affect a national transportation policy. Nor should the important areas of food and drug regulation presently covered by the FDA and certain departments within the Department of Agriculture be ignored.

In short, it is my firm belief that the Congress should re-evaluate the policies of all the executive agencies and independent commissions with important regulatory responsibilities. The hidden economic effects of regulation are much too important to be ignored any longer—we can no longer afford to assume that the benefits of all regulation outweigh its monumental costs.

Clearly, the time has come for Congress to bring the practices of this long-neglected fourth branch of Government into conformity with our national goals and priorities. Our economy stands in need of a clear-headed, even-handed regulatory policy, which will seek to minimize needless paperwork, costly delays, and inflationary consumer prices. The bill we introduce today reflects a great deal of thought as to devising a means for assuring an active dialogue and debate on these and related issues. I personally believe that, after hearings and refinement within the Committee on Government Operations and the Committee on Rules and Administration, we will have molded for ourselves a discipline through which meaningful reform will be assured over the next 5 years. The importance of such a discipline—as we have already seen in the implementation of last year's landmark Budget Reform Act—cannot be overstated. I anticipate that the discipline for regulatory reform outlined in this important measure will lead to similar acceptance and accomplishment.

EXHIBIT 1

S. 2812

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Regulatory Reform Act of 1976".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds that government economic regulation all too often has become a burden rather than a benefit to American businesses, to American consumers, and to the American economy as a whole.

(1) Regulatory agencies have fueled inflation by approving fare, price, and rate increases not commensurate with the public interest, frequently without due consideration of the relative costs and benefits involved in such decisions.

(2) Regulatory agencies have, by their actions, barred competition in certain industries, thereby contributing to monopolistic and cartel-like market patterns contrary to the public interest. Such regulatory policies harm both industry and consumers by denying small businesses the chance to compete for a fair share of the market and by

depriving consumers of the lower prices and diversity of services that greater competition would present.

(3) Too often, regulatory agencies have squandered their limited resources by focusing on trivial aspects of regulation while neglecting critical economic issues. By failing to set clear priorities or to articulate cogent policies, certain agencies have fostered a pattern of bureaucratic stagnation and waste, and consequent public frustration and confusion.

(4) The outmoded and inefficient case-by-case adjudicatory approach of most regulatory agencies has burdened business with excessive paperwork and unreasonable delays, impaired the ability of many industries to adapt to changing market conditions and beneficial new technology, and contributed to price rises, inefficiencies, and misallocations of resources.

(5) By consistently failed to take consumer and small business interests adequately into account and by arbitrarily limiting the operation of the free enterprise system, regulatory agencies have poorly served the public interest in disregard of their Congressional mandates.

(b) It is the purpose of this Act to require over a period of five years the President to submit at least once in each year, and to require the Congress to act upon, a plan designed to eliminate unnecessary or harmful regulation because such regulation has led to inflationary consumer prices, a reduction of competition in the providing of important goods and services, and other economic inefficiencies which distort and disrupt the operation of a free enterprise system without correspondingly benefiting the health, safety, or economic welfare of the Nation.

(c) Each such plan shall establish without designated areas more efficient organizational and administrative forms for the regulation of commerce; the encouragement, development, and enunciation of broad policy guidelines; and a lessening of repetitious, costly, and inefficient case-by-case decisionmaking. Each such plan shall attempt to increase regulatory agency accountability and responsiveness to the public interest.

(d) Each plan shall include such provisions as are appropriate to merge, modify, or abolish existing agencies and functions so as to eliminate overlapping regulatory jurisdictions, conflicting mandates, and anticompetitive and duplicative regulations.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) "agency" has the same meaning as provided in section 552(e) of title 5, United States Code; and

(2) "rule" has the same meaning as provided in section 551(4) of title 5, United States Code and includes any rulemaking, adjudication, agency proceedings, or agency action, as defined in paragraphs (5), (7), (12), and (13) respectively, of section 551 of title 5, United States Code, except any rule which has as its principal purpose or effect the preservation or enforcement of (A) the public safety, (B) free and unregulated economic competition, or (C) consumer interests.

AGENCY REORGANIZATION PLANS

SEC. 4. (a) Not later than the last day of March in each of the years referred to in paragraphs (1) through (5) of this subsection, the President shall submit a plan containing the information required to be included under subsection (c) with respect to the following area:

(1) Regulation of banking and finance by the Federal Government, by the last day of March 1977, for the following agencies:

(A) the Office of the Comptroller of the Currency of the Department of the Treasury;

(B) Federal Deposit Insurance Corporation;

(C) Federal Home Loan Bank Board;

(D) Board of Governors of the Federal Reserve System;

(E) National Credit Union Administration;

(F) Federal Savings and Loan Insurance Corporation;

(G) International Trade Commission;

(H) Commodity Futures Trading Commission;

(I) Farm Credit Administration; and

(J) Securities and Exchange Commission.

(2) Regulation of energy and environmental matters by the Federal Government by the last day of March 1978, for the following agencies:

(A) Environmental Protection Administration;

(B) Federal Energy Administration;

(C) Federal Power Commission;

(D) Nuclear Regulatory Commission; and

(E) the relevant regulatory functions of the Department of the Interior agencies.

(3) Regulation of commerce, transportation, and communications by the Federal Government by the last day of March 1979, for the following agencies:

(A) Civil Aeronautics Board;

(B) Interstate Commerce Commission;

(C) Federal Maritime Commission;

(D) the relevant regulatory functions of the Department of Transportation; and

(E) Federal Communications Commission.

(4) Regulation of food, health and safety and unfair or deceptive trade practices by the Federal Government by the last day of March 1980, for the following agencies:

(A) Consumer Product Safety Commission;

(B) Federal Aviation Administration, Department of Transportation;

(C) Federal Trade Commission;

(D) Food and Drug Administration, Department of Health, Education, and Welfare;

(E) National Transportation Safety Board;

(F) Occupational Safety and Health Administration, Department of Labor;

(G) the relevant regulatory functions of the Department of Agriculture; and

(H) National Highway Traffic Safety Administration, Department of Transportation.

(5) Regulation of labor, housing, government procurement, and small businesses by the Federal Government by the last day of March 1981, for the following agencies:

(A) the National Labor Relations Board;

(B) Federal Mediation Board;

(C) Equal Employment Opportunity Commission;

(D) Federal Housing Administration, Department of Housing and Urban Development;

(E) General Services Administration; and

(F) Small Business Administration.

(b) Each plan submitted under subsection (a) shall include provisions relating to such other agencies as the President elects to include, or the Speaker of the House of Representatives and the President pro tempore of the Senate may require. Notice of any additional agency to be included in such plan shall be sent to the President not later than the last day of September of the year immediately preceding the year in which such plan is required to be submitted.

(c) A plan submitted by the President pursuant to subsection (a) shall contain the following information with respect to agencies which are included in any such plan pursuant to paragraphs (1) through (5) of subsection (a)—

(1) recommendations for the transfer, consolidation, codification, or elimination of functions;

(2) recommendations for organizational, structural and procedural reforms;

(3) recommendations for the merger, modification, establishment or abolition of Federal regulations or agencies;

(4) recommendations for eliminating or phasing out outdated, overlapping or conflicting regulatory jurisdictions or requirements of general applicability; and

(5) recommendations for increasing economic competition.

(d) If by the last day of March in each of the years 1977, 1978, 1979, 1980, and 1981, the President—

(1) has failed to submit the appropriate plan as required by paragraphs (1) through (5) of subsection (a); or

(2) has submitted a plan which fails to provide such information as is required by subsection (c) of this section, the committees of Congress having primary legislative jurisdiction or oversight responsibilities with respect to any such areas, with the respective Committee on Government Operations of the House or the Senate, shall prepare such plan(s) which shall become the pending business in the House of Representatives and the Senate not later than the 15th day of September of that year. Such plan(s) shall be jointly reported if agreement between and among such Committees can be made with respect to such plan(s) but otherwise shall be separately reported.

CONGRESSIONAL REVIEW

SEC. 5. (a) The President shall submit each plan required under section 4 to the Congress and separately transmit such plan to the Speaker of the House of Representatives and the President pro tempore of the Senate.

(b) Each plan submitted under sections 4(d) or 5(a) shall be referred jointly—

(1) to the Committee on Government Operations of the House of Representatives and the appropriate committee or committees of the House of Representatives having legislative jurisdiction or oversight responsibilities with respect to the subject matter of such plan; and

(2) to the Committee on Government Operations of the Senate and the appropriate committee or committees of the Senate having legislative jurisdiction or oversight responsibilities with respect to the subject matter of such plan.

(c) The committees to which a plan is referred under this section shall review such plan and report a bill approving or disapproving such plan in whole or in part, with such amendments as are deemed appropriate. Such reports shall be joint reports if agreement between or among such committees can be made with respect to any such plan(s), but otherwise shall be separate reports. The reported bill shall become the pending business in the House of Representatives and the Senate not later than the 15th day of September of that year.

(d) If no comprehensive regulatory reform legislation in a designated area as described in Sec. 4(a) and which conforms to criteria set forth in section 4(c), is enacted by December 31 of the year in which a comprehensive plan has been submitted by the President, the President's plan as originally submitted shall become effective as of March 15 of the following year, unless either House of Congress specifically disapproves the President's plan.

SUSPENSION AND TERMINATION

SEC. 6. (a) In the event that no comprehensive regulatory reform legislation has been enacted with respect to a designated area described in section 4(a), all rules of any agency described in each plan submitted under this Act shall be of no force or effect after the last day of June in the calendar year next following the calendar year in which such plan is required to be submitted, unless other appropriate provision for the revocation, suspension, or modification, in whole or in part, of such rules is made by the Congress.

(b) Within nine months after the date of enactment of this Act, the President shall, upon comprehensive review of the anticipated application and effect of this section, transmit to the Congress a detailed listing of the agency rules of general and specific applicability which would be rendered of no further force or effect in the event that no comprehensive regulatory reform legislation

is enacted with respect to a designated area described in section 4(a).

Exhibit 2

SUMMARY ANALYSIS OF REGULATION REFORM ACT OF 1976

FINDINGS AND PURPOSE

SEC. 2 identifies the major failings of the present regulatory system, namely that all too often regulatory agencies have done injury to American businesses and consumers, and impaired the healthy functioning of the American economy as a whole by setting inflationary rates and prices; barring competition in certain industries, thereby contributing to cartel-like market patterns contrary to the public interest; focusing on trivial aspects of regulation while neglecting critical economic issues; failing to set clear priorities or articulate cogent policies; burdening business with excessive paperwork and unreasonable delays; impairing the ability of many industries to adapt to changing market conditions and beneficial new technology; and consistently failing to take consumer and small business interests adequately into account, in disregard of Congressional mandates.

SEC. 2 and SEC. 4(c) of the bill require the President to submit yearly plans which would include recommendations for eliminating unnecessary or harmful regulation, for increasing competition, and for procedural, organizational, and structural reforms, including the merger, modification, establishment or abolition of Federal regulations, functions and agencies.

TIMETABLE FOR REFORM

SEC. 4 of the Act provides that the President shall submit to Congress his plans for reforming government regulation in five areas, according to the following timetable:

(i) by March 31, 1977—a plan for the regulation of banking and finance. The following agencies would be affected (as listed in Sec. 4):

The Office of the Comptroller of the Currency of the Department of the Treasury;

Federal Deposit Insurance Corporation;

Federal Home Loan Bank Board;

Board of Governors of the Federal Reserve System;

National Credit Union Administration;

Federal Savings and Loan Insurance Corporation;

International Trade Commission;

Commodity Futures Trading Commission;

Securities and Exchange Commission; and

Farm Credit Administration.

(ii) March 31, 1978—a plan for the regulation of energy and the environment. Affected agencies:

Environmental Protection Administration;

Federal Energy Administration;

Federal Power Commission;

Nuclear Regulatory Commission; and

The relevant regulatory functions of the Department of the Interior agencies.

(iii) by March 31, 1979—a plan for the regulation of commerce, transportation and communications. Affected agencies:

Civil Aeronautics Board;

Interstate Commerce Commission;

Federal Maritime Commission;

The relevant regulatory functions of the Department of Transportation; and

Federal Communications Commission.

(iv) by March 31, 1980—a plan for the regulation of food, health and safety, and unfair and deceptive trade practices. Affected agencies:

Consumer Product Safety Commission;

Federal Aviation Administration, Department of Transportation;

Federal Trade Commission;

Food and Drug Administration, Department of Health, Education, and Welfare;

National Transportation Safety Board;

Occupational Safety and Health Administration, Department of Labor;

The relevant regulatory functions of the Department of Agriculture; and

National Highway Traffic Safety Administration, Department of Transportation.

(v) by March 31, 1981—a plan for the regulation of labor-management relations, housing, government procurement and small business. Affected agencies:

The National Labor Relations Board;

Federal Mediation Board;

Equal Employment Opportunity Commission;

Federal Housing Administration, Department of Housing and Urban Development;

General Services Administration; and

Small Business Administration.

ACTION-FORCING PROCEDURES

SEC. 5(b) provides that the President's proposal would be referred to the committees with appropriate subject matter or oversight jurisdiction, as well as the respective Government Operations Committees of the House and Senate. The committees would report in the form of a bill the President's plan, with or without amendments, to become the pending business of both Houses no later than September 15 of that year (Sec. 5(c)). Should the President fail to submit a plan by March 15, the committees would commence work on a plan of their own, which would likewise reach the floor of both Houses by September 15 (Sec 4(c)(2)).

SEC. 6 provides that unless Congress enacts a regulatory plan by December 31, the President's original plan would become law, unless either House adopted a resolution disapproving the President's plan. In that case, the Congress would have until the end of the following June to adopt a plan satisfying the guidelines set forth in Section 4(c); if by June 30 Congress has still not enacted a regulatory reform bill, all benefits conferred by the agencies in the enumerated areas would be terminated, and be of no further force or effect.

The bill places a heavy burden on Congress. But it is felt that the issue of regulatory reform deserves this kind of priority and timely attention. The action-forcing mechanism places responsibility for action squarely on the Congress as a whole. Without such a provision, the momentum generated in the last year by Presidential and Congressional initiatives might be dissipated in a matter of months, leaving much of the problem untouched, and even unrevealed. The sheer complexity of government regulation will tend to blunt the thrust for reform, and tenacious interest groups, including affected agencies and industries, can be expected to actively resist any serious challenge to the status quo. This measure would constitute an effective countervailing force against this tendency by setting a clear and workable agenda for the Congress in resolving a problem of profound economic importance.

The ACTING PRESIDENT pro tempore. The Senator from Ohio is recognized for not to exceed 15 minutes.

Mr. TAFT. Mr. President, first of all, I commend our distinguished colleagues from Illinois and from West Virginia on the legislation which they have introduced. I have not had a chance to study it in detail. I have had a bill dealing with this subject pending for some time. I certainly concur strongly with them in the great necessity and tremendous priority that ought to be given to this legislative effort.

I cannot think of anything more important for us to accomplish and accomplish at an early date. I think it would do much to restore the confidence of the people in the process of government.

When the hearings are held, I hope to have an opportunity to appear there myself and express my views on this subject.

SENATE CONCURRENT RESOLUTION 80—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO THE PRICE OF GOLD RELEASED BY THE INTERNATIONAL MONETARY FUND

(Ordered placed on the calendar.)

Mr. TAFT. Mr. President, on behalf of the distinguished Senator from Connecticut (Mr. RIBICOFF) and myself, I send a concurrent resolution to the desk and ask the clerk to read it.

The ACTING PRESIDENT pro tempore. The resolution will be read.

The assistant legislative clerk read as follows:

Whereas the Interim Committee of the International Monetary Fund (IMF), which has been charged with negotiating outstanding issues of monetary reform, has announced that it has reached substantial agreement on future arrangements regarding the role of gold in the IMF; and

Whereas these arrangements would tie together a reduction in the role of gold in the world monetary system (to be brought about by the disposition of one-third of the gold held by the IMF) and an increase in the amount of financial assistance provided by the developed nations to the developing nations (to be brought about by restitution of only one-half of the released gold to the member nations at the official price, while selling the remainder at market prices and transferring the profits to a trust fund for the benefit of developing nations); and

Whereas the report of the Subcommittee on International Economics of the Joint Economic Committee of the Congress of the United States entitled "The Proposed IMF Agreement on Gold" contains a proposal to sell all of the released gold at market prices and to transfer all of the profits from said sale to said trust fund; and

Whereas the gold deposited with the IMF has been deposited by the United States and other member nations of the IMF in proportion to their cumulative subscriptions to the IMF; and

Whereas members' subscriptions to the IMF have been based on members' quotas in the IMF, which quotas have been changing over time; and

Whereas the next meeting of the Interim Committee is scheduled for January, 1976: Now, therefore be it resolved by the Senate (the House of Representatives concurring),

That it is the sense of the Congress that the question of the proper role of gold in the International Monetary System and the question of the level of aid to be given by the United States and other developed nations to the developing nations are and ought to be separate and distinct questions; and

That it is not the function of the IMF to act as a development agency; and

That, in view of the variety of relationships between the United States and the several developing nations, both in international organizations and in bilateral dealings, the United States should determine its policies relating to foreign aid through the legislative process, and should provide aid only after Congressional study and debate, and at such levels as Congress shall determine; and therefore,

That it shall be the position of the United States that all gold released by the IMF should be restituted at the official price to the member nations of the IMF, and furthermore,

That such restitution should be in proportion to the cumulative subscriptions of the

member nations, rather than their current quotas.

Mr. TAFT. Mr. President, I ask unanimous consent that the concurrent resolution be placed on the calendar.

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

Mr. TAFT. Mr. President, our distinguished colleague, Senator RIBICOFF, and I are introducing a concurrent resolution which expresses our reactions to a series of ongoing negotiations among the members of the International Monetary Fund, and to a report of the Subcommittee on International Economics of the Joint Economic Committee.

For several months, the Interim Committee of the IMF has been negotiating agreements which would lead to the reduction of the gold holdings of the IMF.

It has been the position of the United States, for a number of years, that nations have not been willing to take the needed steps to make a system of fixed exchange rates function properly, and, therefore, that a system of floating exchange rates, not linked to gold, is the system that ought to be adopted. To insure the adoption of such a system, the administration and several committees of the Congress have encouraged the IMF to reduce the importance of gold in the international monetary system.

Now, however, we have had a chance to see what a strange twist has been given to this advice. Instead of a straightforward restitution of gold at the official price to the member nations of the Fund, there has been proposed a complex agreement involving the disposition of one-third of the Fund's gold, linked to a large increase in multilateral aid to the developing nations.

Indeed, after hearings on this matter, the Subcommittee on International Economics of the Joint Economic Committee on which Senator RIBICOFF and I serve has recommended, in a report entitled "the proposed IMF agreement on gold," that we go even further than the IMF suggests in the direction of multilateral aid.

I expressed dissenting views in that report, and Senator RIBICOFF has concurred in those views.

Recommendation No. 5 of the report states that all of the contemplated divestiture of one-third of the fund's gold should be by means of sale at market prices, and that all profits from that sale should be turned over to a trust fund for the benefit of Third-World nations. This is precisely twice as bad as the already unacceptable IMF proposal, which would at least set aside one-sixth of the IMF gold for restitution at the official price to member nations, who deposited the gold at the IMF in the first place. Another one-sixth would be sold at market prices to fill the trust fund.

I see no reason to confuse the two distinct questions, "What should be the role of gold in the international monetary system?" and "How much foreign aid should we give over the next few years?" The gold belongs to the member states which deposited it in proportion to their subscriptions to the Fund, and it should be restored to the member nations in proportion to their subscriptions.

The IMF is not designed to be a relief agency, nor a development agency. If the nations owning stock in the International Bank for Reconstruction and Development wish to increase their subscriptions, or to increase their bilateral aid, or their donations to the U.N., out of profits from the sale of their shares of IMF gold or out of any other funds, then well and good. However, such a decision should be taken openly, by each nation, unencumbered by an artificial link between the question of aid and the role of gold international payments.

One good reason for stressing openness on this particular aid package is a little technicality which, unfortunately, has received little publicity. The members of the IMF have paid into the Fund certain subscriptions, over time, consisting of payments that were one-fourth in gold and three-fourths in currency. These payments were made under the quotas, that is, the percentage shares in the Fund's total holdings which were assigned to the members. These shares have been changing over time. The cumulative payments made by a nation cannot now be determined by applying the nation's current quota to the current absolute size of the Fund. Instead, the record of actual past payments, under the historical quotas, must be examined. There is a chance, which we should attempt to eliminate, that restitution of gold to the member nations will be done in proportion to current quotas. This will penalize nations, such as the United States, whose current shares in the Fund are lower than formerly. Restitution should be in proportion to the member's cumulative subscriptions.

This resolution is especially important for the United States at this time, in view of the increasingly disturbing trends we see developing in our relations with certain Third World nations, whether in international organizations or on a bilateral basis. As illustration of these difficulties, I ask unanimous consent to have an article from the Washington Post of December 14, which presents the views of our distinguished, and I may say, distinctive, Ambassador to the United Nations, Mr. Moynihan, printed in the RECORD at this point.

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

MOYNIHAN BLASTS U.N. "LIES"

UNITED NATIONS, December 12.—Daniel Patrick Moynihan, the controversial U.S. ambassador at the United Nations, has capped a week of controversial statements by dismissing the General Assembly as "a theater of the absurd."

He made the comment late last night in a debate on the annual report of the U.N. Special Committee on Colonialism, which accuses NATO of supplying arms to Rhodesia and South Africa and says that the United States threatens the sovereignty of Latin American nations with its bases in the Virgin Islands.

Moynihan dismissed the accusations as "lies, lies," but the General Assembly approved the report by 108 to 3. "I begin to feel," said Moynihan, that the "increasing contempt in the world" for the United Nations "is increasingly deserved."

"We pretend seriousness to an audience that realizes all is pretense," the ambassador said, noting, "The United Nations has gotten to the point where responsible and truthful representatives are prepared to accept a report of concern to all of us which is riddled with untruth."

He said the United States would no longer find it acceptable for U.N. member-states to say privately that they had voted for such reports without having read them or that their names had appeared as co-sponsors to measures without their knowledge or permission. "That game is over," said Moynihan.

Ambassador Salim of Tanzania, chairman of the Special Committee that write the report rose to rebut Moynihan, only to find that the American ambassador had left the assembly chamber.

Salim took offense, accusing Moynihan of "hit and run tactics." The Tanzanian noted that "when you try to find consensus on a resolution you make a number of concessions."

Salim called Moynihan "a new man in the United Nations . . . I hope and trust that his statement was . . . made out of ignorance of the methods." The Tanzanian said Moynihan had engaged in name-calling, "as usual."

Late last night, sipping Pernod at the U.N. bar, Moynihan was asked by a group of reporters whom he had summoned whether all this was counterproductive.

"If it is counterproductive to stand up in the assembly and protest an assembly resolution that tells lies, so be it" he said. "They came to us and said, "If you object to the language, it will be made worse," and sure enough they kept their threat. Does anyone believe that, if we gave in to the threat, it would not be made again and again and again."

The decolonization report claimed the U.S. installations in the Virgin Islands "are a threat in the sovereignty, independence and territorial integrity" of the nations of Latin America.

Moynihan listed the U.S. installations in the Virgin Islands: "A three-man Coast Guard navigational light station, weapons system—one shot gun. A Coast Guard administrative office, three men at full strength, weapons system—one pistol. An 82-foot search and rescue vessel manned by eight Coast Guardsmen, special weaponry—one line-throwing device.

"Wishing in no way to disparage the determination and valor of the men of the U.S. Coast Guard, I must nevertheless admit that I am unable to grasp fully the nature of the threat they pose.

"Of course, one Caribbean country has so many troops now in Africa. It may have denuded itself as to feel intimidated," said Moynihan in a reference to Cuban forces in Angola.

Despite Moynihan's effort, only Israel and Nicaragua voted with Washington against the resolution. While 16 Caribbean and European nations abstained, American friends such as Australia, Austria, Canada, Denmark, Iceland, Italy, Japan, New Zealand, and Norway voted for the resolution.

Moynihan's most successful action of the week came on Angola. He charged in an earlier assembly speech that the Soviet Union was attempting to colonize the former Portuguese colony, and warned that "the Soviet-sponsored invasion of Angola is not an isolated event. The recolonization of Africa has begun at the hands of the Soviet empire."

Some pro-Soviet Africans had tried to sneak through the assembly a statement blaming South Africa alone for intervention in Angola. When the United States supported an amendment condemning all intervention, the Africans dropped the issue completely sweeping Angola under the rug.

Soviet Ambassador Yakov Malik accused Moynihan of being a liar, an object of ridicule and—the most potent curse in the Mos-

cow arsenal, reserved heretofore for the Chinese alone—being "anti-Soviet."

Mr. TAFT. If this country is subject to such abuse, the very least the Congress can do is to insure that policies relating to foreign aid by the United States be determined through the legislative process, after congressional study and debate, and that aid be given at such levels, and in such manner, as the Congress shall determine.

As if to emphasize the need for openness, an article has appeared in the Washington Post of yesterday, Wednesday, December 17, in which Under Secretary of the Treasury, Edwin H. Yeo III, confirmed that the question of restitution and of circumventing IMF rules which prohibit IMF sales of gold at market prices will be settled this weekend at a Group of Ten meeting, so that this scheme will not even have to wait for amendments to the IMF charter at the IMF meeting in January in Jamaica. This is unseemly haste, to say the least, and illustrates the improper procedures which have been followed throughout these negotiations. It also demonstrates the need for the Congress to act quickly on this resolution.

I ask unanimous consent that this article, too, be printed in the RECORD.

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

GOLD PLAN CRITICIZED BY REUSS

(By Hobart Rowen)

American acquiescence in an agreement which would allow the International Monetary Fund to sell back one-sixth of its gold to the countries that originally deposited it was sharply criticized by the chairman by a Joint Congressional subcommittee yesterday.

This agreement, reached on August 31, 1975 by the IMF's Interim Committee also provided for one-sixth of the gold to be sold in the market, with the profits to be used for developing countries.

Under Secretary of the Treasury Edwin H. Yeo III told The Washington Post that other nations would not yield on their insistence for some "restitution" of gold.

"We think that the gold deal is a good deal, and goes a long way to confirm our objective of moving gold out of the center of the monetary system," Yeo said.

He also confirmed a story in last Saturday's Washington Post that the Group of Ten has agreed on a maneuver to bypass a legal restriction that would bar the sale of IMF gold above official prices before actual amendment of the IMF articles.

The gold sales would be part of an over-all deal which abolishes the official $42.22 an ounce gold price, and ends the use of gold in transactions with the Fund.

But Henry S. Reuss (D.-Wisc.) and chairman of the Joint Senate-House Subcommittee on International Economics argued that whatever gold is sold by the IMF should be used for the benefit of the poor countries.

Reuss charged that the "restitution" of gold at the official price to wealthy countries would give them a windfall profit "and accentuate rather than diminish the monetary role of gold."

Sens. Abraham Ribicoff (D-Conn.) and Robert Taft (R-Ohio) and Rep. John H. Rousselot (D-Calif.) dissented from Reuss' view on restitution on grounds that the role of gold should be kept distinct from the problem of development aid.

Reuss also questioned the French-American compromise reached at Rambouillet on the question of floating vs. fixed exchange rates, citing the Rambouillet declaration of intent to "work for greater stability" in exchange rates by countering "disorderly market conditions or erratic fluctuations."

He said, "Agreement between the United States and France on outstanding issues of international monetary reform is certainly a desirable objective and one worth working for.

"But we should not seek agreement at all costs, and should be aware of what we are giving up as the price of compromise. To reach the gold agreement, we gave way on restitution, an important principle that should not have been forsaken.

"With reference to the Rambouillet understanding, 'erratic' fluctuations in exchange rates remain to be defined. What kind of fluctuations reflect changes in basic economic conditions and what do not? I hope these issues will be clarified and resolved satisfactorily next month in Jamaica."

The IMF Interim Committee will meet January 7 and 8 to put the final touches on both the gold and exchange rate deals as part of a wrapup of monetary reform rules that will later be submitted to the IMF nations for legislative approval.

Mr. TAFT. In all questions of this type, it behooves us to follow proper channels, and to provide time for full disclosure of all proposals which affect the prerogatives of the Congress. This matter should not be rushed into over the weekend; rather, especially on a matter of funding, the Congress should be allowed to play its constitutional role.

Mr. President, I yield to the distinguished Senator from Connecticut (Mr. RIBICOFF).

Mr. RIBICOFF. Mr. President, it is with a sense of urgency that I join with my distinguished colleague, Senator ROBERT TAFT, JR., in offering this concurrent resolution to the Senate.

On August 31, 1975, the Interim Committee of the International Monetary Fund, IMF, announced it had reached substantial agreement on a plan to begin the process of phasing gold out of the international monetary system. Further discussions on this matter will be held again in January in Jamaica.

One aspect of the committee's agreement—a complex arrangement for disposing of one-third of the IMF gold stock—deeply disturbs me. The purpose of this resolution is to place Congress on record as opposing the IMF disposal scheme while at the same time offering a more equitable solution for the nations who gave IMF the gold as part of their subscription.

One-sixth of the IMF gold holdings would be returned proportionately to nations who originally gave this international financial institution the gold in return for currency.

I have no quarrel with this concept. It is proper that nations get back at the same rate what gold they gave IMF. Then, these nations can determine whether to keep the gold or sell it at a profit.

I do oppose the IMF's intentions for disposing of the other one-sixth of the gold stock. This part of the agreement calls for the sale of the gold on the open market with profits placed in a trust fund to benefit developing nations, or Third World countries as they commonly are called today.

Profits from the same of such gold would be substantial. While its official price is about $42 per ounce, gold sold on the open market would bring much more than $100 an ounce.

Estimates alone are that the U.S. share of the sale of this one-sixth of the gold stock would bring in at least $500 million in profit. Therefore, in effect, Uncle Sam is giving up a half billion dollars in potential profits and funneling it to Third World nations as back-door financial aid.

To emphasize the impact of such a large amount of aid going to these nations, I would like to point out that we only spent an estimated $881.4 million under our entire foreign economic assistance package in fiscal year 1975.

I do not quarrel with helping developing countries. I believe that my voting record proves this point. The developed countries of the world should help the more needy nations. This is not in question.

What I do challenge is the lack of control that we will have over the distribution of such a large amount of money to nations where our dealings have become very complicated and sensitive. Who will decide what nations are the neediest and most deserving of this financial assistance? Not the United States, but faceless IMF bureaucrats—many with little allegiance or interest in the policies and interests of our country.

The proper forum for determining the best interests of this Nation and the policies that will best serve it is the U.S. Congress. Levels of foreign assistance to other countries should be decided through the legislative process after careful study and debate.

It is not the function of IMF to act as a development agency, but to monitor the international monetary system. Subsequently, Congress should make it clear to IMF that financial assistance to developing nations is a question that should not be linked to determining the role of gold in the international monetary system.

The proper position then for IMF is to restitute to its rightful owners all gold it intends to release at the official price. Final disposition of such gold rests with these nations.

I thank the Chair and the Senator from Ohio for yielding.

Mr. TAFT. Mr. President, I yield the floor.

RADIO-TELEVISION VANDALISM

Mr. ROBERT C. BYRD. Mr. President, the willful or malicious destruction of radio and television facilities—especially the often-unmanned and isolated transmitters—has become an increasing problem for the broadcast media in the United States.

The potential damage, not only to the facilities themselves, but also to the public's right to receive uninterrupted transmissions from these facilities, is an area which has not previously been protected by the Federal criminal law.

The bill which I am introducing today would amend section 1362 of title 18 of the United States Code to make it a Federal crime to willfully or maliciously injure or destroy any of the works, property, or material of any radio or tele-

vision facility. The bill would also make it a Federal crime to willfully or maliciously interfere in any way with the working or use of such facilities—including the obstruction, hindrance, or delay of any transmission from such facility.

Upon conviction, violations of this section would be punishable by a fine of not more than $10,000 or imprisonment for not more than 10 years, or both.

The scope of this legislation, prohibiting the destruction of property of those licensed by the Federal Communications Commission, is clearly within the constitutional authority of Congress and comparable to other Federal statutes based upon the commerce clause of the Constitution.

The Constitution authorizes Congress "to make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this constitution in the Government of the United States, or in any department or officer thereof." U.S. Constitution article I, section 8, clause 18. Included among these powers is the congressional power "to regulate commerce with foreign nations, and among the several States, and with the Indian tribes." U.S. Constitution, article I, section 8, clause 3. Congress has exercised its constitutional authority to regulate interstate and foreign commerce by enacting legislation to license and regulate wire and radio communications through the Federal Communications Commission, 47 U.S.C. 151.

Congress has also utilized this authority to enact criminal legislation prohibiting conduct which utilizes, or adversely affects interstate commerce or those who engage in interstate commerce; for example, 18 U.S.C. 2312—interstate transportation of a stolen motor vehicle—18 U.S.C. 1951—interference with interstate commerce by threats or violence—18 U.S.C. 32, 33—destruction of aircraft or aircraft facilities, or of motor vehicles or motor vehicle facilities used in interstate commerce. It has also enacted criminal legislation to protect those licensed by the FCC from certain types of misconduct, 47 U.S.C. 506—coercive practices affecting broadcasting.

In discussing the scope of congressional legislative authority under the commerce clause, the Supreme Court has noted:

> The Commerce Clause reaches in the main three categories of problems. First, the use of channels of interstate or foreign commerce which Congress deems are being misused, as, for example, the shipment of stolen goods (18 U.S.C. §§ 2312–2315) or of persons who have been kidnapped (18 U.S.C. § 1201). Second, protection of the instrumentalities of interstate commerce, as, for example, the destruction of an aircraft (18 U.S.C. § 32), persons or things in commerce, as, for example, thefts from interstate shipments (18 U.S.C. § 659). Third, those activities affecting commerce. *Perez* v. *United States*, 402 U.S. 146, 150 (1971).

Since, "by its very nature broadcasting transcends State lines and is national in its scope and importance—characteristics which bring it within the purpose and protection, and subject it to the control of the commerce clause," *Fisher's Blend Station* v. *Tax Commission*, (297 U.S. 650, 655 (1936)), there is no doubt that this legislation is within the scope of the congressional power to expand Federal criminal jurisdiction into this area.

Mr. President, I send the bill to the desk and ask unanimous consent that it be printed in the RECORD, and I ask for its appropriate referral.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and without objection, the bill will be printed in the RECORD.

S. 2813

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first paragraph of section 1362 of title 18, United States Code, is amended to read as follows:

"Whoever willfully or maliciously injures or destroys any of the works, property, or material of any radio, television, telegraph, telephone or cable, line, station, or system, or other means of communications, operated or controlled by the United States, or used or intended to be used for military or civil defense functions of the United States, or of any commercial or public television or radio broadcasting station licensed by the United States, whether constructed or in the process of construction, or willfully or maliciously interferes in any way with the working or use of any such line, or system, or willfully or maliciously obstructs, hinders, or delays the transmission of any communication over any such line, or system, shall be fined not more than $10,000 or imprisoned not more than ten years, or both.".

RUSSIA AND THE AMERICAN COMPUTER

Mr. ROBERT C. BYRD. Mr. President, détente and the fruits of détente have again been in the headlines in recent weeks. The mild reception which President Ford received in China has been attributed primarily to apprehensions concerning anti-Chinese activities by the Soviet Union, that might occur under an umbrella of Russian-American détente. Likewise, the Soviet Union has become deeply involved in the civil war in Angola—in violation of the Helsinki agreements and the Nixon-Brezhnev understanding that both the United States and the Soviet Union would avoid actions that would enhance "unilateral advantage" and increase international tensions. Moreover, questions have been raised by several responsible parties with regard to Soviet compliance in the matter of arms limitations agreements. These incidents remind us that relations between the United States and the Soviet Union are still complex and sensitive.

The policy of détente transcends the areas of international politics and military relaxation. Since the era of détente began in 1972 with the first Nixon-Brezhnev meeting, science, technology, and trade have likewise been viewed as possible vehicles for détente.

Détente as an instrument for easing tensions and for preserving peace between great powers with radically different political and economic systems and often contrary international goals is a policy which has merit. Cooperative agreements in science and technology, when they yield benefits for the United States without incurring risks to our national interests, can be fruitful if obtained on a quid pro quo basis.

However, I fear that an enthusiasm for any policy that promises to ease tensions between the United States and the Soviet Union may have affected the critical judgment of some. Many people are prone to lapse into the fantasy that the Soviet Union has discarded its interests in furthering Marxist imperialism and joined the family of Western parliamentary democracies. In this spirit, many people fail to question the effects that specific contact with the Soviet Union may produce. For the sake of a momentary atmospheric calm in the present, they would risk permanent harm to our own national security interests in the future.

A case in point is the matter of the commerce in computer technology. We know—and the Soviet Union knows—that the United States has unquestioned superiority in computer technology. This is an area in which the Soviet Union has been notably weak. From the defense standpoint, the edge in military potential which the United States has enjoyed is due, in large part, to the application of computer technology. The margin of our advantage rests not in quantity but in quality. We have enhanced our military technology edge through the computer. Thus, for example, we have quieter submarines and more accurate missiles than the Soviet do.

The Soviets can produce computers, to be sure, but they lack the technology necessary to manufacture them en masse. This we have in abundance, also.

American intelligence experts report that the Soviets have been acquiring computers, scientific instruments, and advanced equipment which can be applied to military technology. The major channel through which the Soviet Union has been acquiring this technological hardware is through direct purchase from Western manufacturers. Soviet trade in such machinery and instruments reached $2.7 billion last year—a 60-percent increase over 1972. Of these orders, $500 million worth was from the United States. The other means by which the Soviet Union is acquiring computer technologly are through data exchanges, contracts with computer firms and scientists, and joint research projects. While the Soviets have not achieved great success in adapting computer technology to civilian purposes, they have obtained some very good results in military applications.

In other words, while this Nation would never consent to give away sensitive and highly complex military technology directly to the Soviet Union, we have entered into trade and scientific agreements which allow the Soviets access to much of that sophisticated technology with the application of only a little imagination. Thus, with the intention of contributing to the preservation of peace, our traffic in computer technology has the potential of threatening that same peace.

The concern over selling computers to the Soviet Union extends outside the military and intelligence community. In congressional hearings on technological

exchanges, Mr. J. Fred Bucy, executive vice president of Texas Instruments, Inc., emphasized the Soviet weakness in the field of computer technology. Furthermore, he cautioned against the possibilities of a loss of advantage by the United States in providing the Soviet Union with the results of the efforts of some of Americas' finest scientists. He advised that such trade and transfer of technology should be limited at present to less intense and sensitive areas of technology. Whatever transfer of technology that does occur ought best to be in those fields that do not jeopardize our technological superiority and which would insure that our national defense continues to have at its service a technology unequalled anywhere in the world.

This point cannot be emphasized too strongly. If the transfer of computer technology, either through commercial agreements or cooperative research, brings our greatest competitor in the international arena to our level of development, then we are impairing our national security as well as our own commercial interests.

Détente has a real potential value for the United States. However, détente does not require that we give, sell, and tell all in its name. The Soviets know this, but I am afraid that we sometimes do not. I am particularly concerned about the unilateral surrender of technological expertise through scientific and technological agreements; I find no justification for this kind of commerce with the Soviet Union.

A moratorium on the sale and exchange of sensitive technologies is needed, and I recommend that the Departments of State and Commerce make arrangements for instituting such a moratorium. We can use this time to decide on those areas which are most suitable to us for such exchanges to take place. This moratorium would also afford time to evaluate the gains and losses in technology that have already been exchanged or sold.

I think that the United States needs to reevaluate its position vis-a-vis the exchange of computer technology immediately, however. Furthermore, I believe that it is time for the United States to learn some of the shrewd bargaining techniques which the Soviets have used in their dealings with us and to determine what benefits we can obtain from détente rather than to continue one concession after another in order to insure the appearance of amicable relations with the Soviet Union. The realities of the current international situation still demand alertness and wariness as well as warmth and openness; some of our actions in relation to the Soviet Union suggest an unawareness of that fact. The time has come to correct any possible imbalance that may exist in that area.

Mr. President, I am sending a letter to the Secretaries of State and Commerce expressing my concern about the exchange of computer technology with the Soviet Union and urging a moratorium on such commerce. I ask unanimous consent that this letter be printed in the RECORD.

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

COMMITTEE ON APPROPRIATIONS,
Washington, D.C., December 17, 1975.

Hon. ROGERS C. B. MORTON,
Secretary, Department of Commerce, Commerce Building, Washington, D.C.

DEAR MR. SECRETARY: The policy of detente with the Soviet Union has opened a number of new opportunities for the United States in the areas of foreign and commercial relations. I welcome any steps that will ease tensions between this country and the Soviet Union as long as the United States does not jeopardize its own welfare and security in the process of taking such steps.

The possibilities of trade with the Soviet Union are especially valuable. Commerce for mutual benefit has traditionally established a base on which peaceful relations between nations can be maintained.

However, the apparent value of commercial transactions can be negated if the United States, in blind pursuit of a policy of detente, allows trade in potentially sensitive materials, technology, and goods that could enhance the military capability of the Soviet Union.

One such area that is of concern to me is that of computer technology. The United States has a universally unquestioned superiority in this field; the Soviet Union, conversely, has been notably weak in the mass development of computer technology. From the standpoint of defense, the edge in military potential that the United States has enjoyed is due, in large part, to our application of computer technology to military weaponry. While the Soviet Union can produce computers, it lacks the technology necessary to manufacture them en masse.

American intelligence experts report that the Soviets have been acquiring computers, scientific instruments, and advanced equipment which can be applied to military technology. The major channel through which the Soviet Union has been acquiring this technological hardware is through direct purchase from Western manufacturers. Soviet trade in such machinery and instruments reached $2.7 billion last year; of that amount, $500 million was with the United States. The other means by which the Soviet Union is acquiring computer technology are through data exchanges, contacts with computer firms and scientists, and joint research projects. While the Soviets have not achieved great success in adapting computer technology to civilian purposes, they have obtained some very good results in military applications.

In other words, while this nation would never consent to give away sensitive and highly complex technology directly to the Soviet Union, we have entered into trade and scientific agreements that allow the Soviet Union access to much of that sophisticated technology with the application of only a little imagination.

Though detente has a potential value for this country, such a policy does not require that we share our most complex and sensitive technology with the Soviet Union; I find no justification for such a trade or exchange. Therefore, I urge that the Department of Commerce institute an immediate moratorium on the sale or exchange of sensitive technologies with the Soviet Union, until such time as we can best determine those areas of technology in which trade may occur without endangering our national security.

Sincerely yours,

ROBERT C. BYRD.
U.S. Senator.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from West Virginia has 5 minutes remaining.

Mr. ROBERT C. BYRD. I thank the Chair. I ask unanimous consent that I may reserve that time in order that Mr. LONG, who has to attend a committee meeting within the next few minutes, may proceed with his order and that I may come back at a later point.

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

Under the previous order, the Senator from Louisiana (Mr. LONG) is recognized for not to exceed 15 minutes.

THE FEDERAL PAPERWORK REDUCTION ACT OF 1976—S. 2814

Mr. LONG. Mr. President, the Senator from Texas (Mr. BENTSEN) and I are pleased today to introduce the Federal Paperwork Reduction Act of 1976. I ask unanimous consent that the complete text of the proposal be printed in the RECORD at this point.

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

S. 2814

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by inserting immediately after section 33 the following new section:

"SEC. 34. EXPENSE OF FILING FEDERAL FORMS.

"(a) GENERAL RULE.—There is allowed as a credit against the tax imposed by this chapter for the taxable year for each item of information or inquiry on any form or document which the taxpayer is required by Federal law to file with the United States Govevrnment or any agency or establishment thereof during such taxable year, without regard to whether the Government furnishes a specific form to the taxpayer to transmit such item, the amount of:

"(1) 10 cents for each such item, but not less than $1 for each form or document, in the case of an individual,

"(2) 20 cents for each such item, but not less than $2 for each form or document, in the case of a corporation (other than a small business, or an organization described in section 501(c)(3) which is exempt from tax under section 501(a)), and

"(3) 30 cents for each such item, but not less than $3 for each form or document, in the case of a small business.

"(b) Definition of Small Business.—For purposes of this section, the term 'small business' means an electing small business corporation (as defined in section 1371(b)), or a small business concern as determined by the Administrator of the Small Business Administration under section 3 of the Small Business Act (15 U.S.C. 632).

"(c) Application with Other Credits.—In determining the credits allowed under—

"(1) section 33 (relating to foreign tax credit),

"(2) section 37 (relating to retirement income),

"(3) section 38 (relating to investment in certain depreciable property),

"(4) section 40 (relating to expenses of work incentive programs),

"(5) section 41 (relating to contributions to candidates for public office),

"(6) section 42 (relating to credit for personal exemptions), and

"(7) section 44 (relating to purchase of new principal residence),

the tax imposed by this chapter shall (before any other reductions except the reduction allowed under section 42) be reduced by the credit allowed by this section.".

(b) Section 6401 (b) of such Code (relating to excess credits) is amended by—

(1) inserting after "wages)," the following: "34 (relating to expenses of filing Federal forms),"; and

(2) striking out "sections 31, 39, and 43" and inserting in lieu thereof "sections 31, 34, 39, and 43".

(c) Section 6012 (a) of such Code (relating to persons required to make returns of income) is amended by—

(1) striking out "and" at the end of paragraph (5),

(2) inserting "and" immediately after the semicolon at the end of paragraph (6), and

(3) inserting immediately after paragraph (6) the following new paragraph:

"(7) every individual, corporation, and small business claiming the credit allowed by section 34;". (d) Section 6201(a)(4) of such Code (relating to assessment authority) is amended to read as follows:

"(4) Erroneous credit under section 34, 39, or 43.—If on any return or claim for refund of income taxes under subtitle A there is an overstatement of the credit allowable by section 34 (relating to the expense of filing federal forms), section 39 (relating to certain uses of gasoline, special fuels, and lubricating oil), or section 43 (relating to earned income), the amount so overstated which is allowed against the tax shown on the return or which is allowed as a credit or refund may be assessed by the Secretary or his delegate in the same manner as in the case of a mathematical error appearing upon the return.".

(e) Section 56(a)(2) of such Code (relating to imposition of minimum tax) is amended by redesignating clauses (ii), (iii), (iv), (v), (vi), and (vii) as clauses (iii), (iv), (v), (vi), (vii), and (viii), respectively, and inserting immediately after clause (i) the following new clause:

"(ii) section 34 (relating to credit for expense of filing Federal forms),".

(f) Section 56(c)(1) of such Code (relating to tax carryovers) is amended by striking out "and" at the end of subparagraph (F), by striking out "exceed" at the end of subparagraph (G), and inserting in lieu thereof "and", and by inserting after subparagraph (G) the following new subparagraph:

"(H) section 34 (relating to credit for expense of filing Federal forms), exceed".

(g) Section 6096(b) of such Code (relating to designation of income tax payments to Presidential Election Campaign Fund) is amended by inserting "34," after "33,".

(h) The table of sections for such subpart is amended by inserting immediately after the item relating to section 33 the following:

"Sec. 34. Expense of filing Federal forms.".

(i) The amendments made by this section apply to taxable years ending after July 4, 1976, with respect to forms required by law to be filed after such date.

Sec. 2. Subtitle C of title I of the State and Local Fiscal Assistance Act of 1972 is amended by adding at the end thereof the following new section:

"Sec. 145. Expense of Filing Federal Forms.

"(a) General Rule.—The Secretary shall pay to any State or local unit of government, upon application by such unit, the amount of 20 cents for each item of information on any form or document which such unit is required by Federal law to file with the United States Government or any agency or establishment thereof during a particular fiscal year, without regard to whether the Government furnishes a specific form to the unit to transmit the required information, but not less than $2 for each form or document.

"(b) Appropriations.—There are authorized to be appropriated such sums as are necessary to carry out the provisions of this section.".

Sec. 3. The Secretary of the Treasury shall determine the amount of tax credit under section 34 of the Internal Revenue Code of 1954 or direct payment under section 145 of the State and Local Fiscal Assistance Act of 1972 to which a taxpayer or a State or local unit of government is entitled for each form or document issued by the Federal government, or any agency or establishment thereof. The Secretary of the Treasury shall notify the head of each Federal agency or establishment of such amount, and the head of such agency or establishment shall cause that amount to be printed on each form or document issued by the agency or establishment. If the Federal agency or establishment does not furnish a specific form to the taxpayer or State or local unit of government, the head of such agency or establishment shall cause the estimated amount of tax credit or direct payment to be included in its request for any information.

Sec. 4. (a) The Secretary of the Treasury shall pay to each organization described in section 501(c)(3) of the Internal Revenue Code of 1954 which is exempt from tax under section 501(a) of such Code, upon application made by such organization would be entitled for the taxable year under section 34 (a) of such Code but for the matter in parentheses in paragraph (2) of such section.

(b) For purposes of any law of the United States, any payment made under subsection (a) shall be considered to be a refund of an overpayment of the tax imposed under chapter 1 of the Internal Revenue Code of 1954.

Mr. LONG. Mr. President, recently, there has been an increasing concern over the proliferation of Federal paperwork and the concomitant reporting burdens placed on individuals, small businesses, corporations, and State and local governments by Federal bureaucratic agencies.

The national press and the syndicated columnists are full of reports and analyses about the seriousness of the problem. The headlines read:

Federal Paperwork, A Drain on the Economy; Firms Muddle Through US Paperwork; The Ballooning Bureaucracy; Rising Furor over Federal Red Tape; Getting the Government off People's Backs and Burden of Bureaucracy.

Last year, Congress went so far as to establish the Federal Paperwork Commission, giving as its rationale the following Declaration of Purpose:

(a) The Congress hereby finds that Federal information reporting requirements have placed an unprecedented paperwork burden upon private citizens, recipients of Federal assistance, businesses, governmental contractors, and State and local governments.

(b) The Congress hereby affirms that it is the policy of the Federal Government to minimize the information reporting burden, consistent with its needs for information to set policy and operate its lawful programs.

(c) The Congress hereby determines that a renewed effort is required to assure that this policy is fully implemented and that it is necessary to reexamine the policies and procedures of the Federal Government which have an impact on the paperwork burden for the purposes of ascertaining what changes are necessary and desirable in its information policies and practices.

Every Presidential candidate complains at least weekly, if not daily, about the paperwork monster that threatens to devour us all.

The President himself has spoken time and again about his determination to stem the tide. Some weeks ago, he told the National Federation of Independent Business—

I hear your cries of anguish and desperation. I will not let you suffocate.

But, Mr. President, despite all the protestations and gnashing of teeth, the bureaucracy proliferates and daily imposes more onerous burdens on the people and the economy, despite the President's pledge to end the suffocation.

As with the weather, everyone complains about it, but no body does anything about it.

I am pleased to announce, however, that at long last, two Senators have decided to lead the charge in doing something to stem the tide of Federal paperwork. I think that once other Senators have had the opportunity to study our approach, they will join in cosponsoring the legislation by which we seek to correct the cancerous growth of paperwork that is consuming so much of the healthy tissue of our Nation.

I am pleased to say that my co-conspirator in this magnificent enterprise is Senator Lloyd Bentsen of Texas, whose concern for the problem was recognized in the opening paragraph of Newsweek magazine's extensive December 15 article entitled "Big Government."

We submit that now is the time to provide a workable incentive for all Federal agencies to halt the incredible growth of Federal paperwork and to eliminate unnecessary, repetitive, or frivolous Federal forms and requests for information by the Government.

The approach taken by the Long-Bentsen bill is to award taxpayers a refundable income tax credit—not a deduction, but a refundable credit—for each item of information on any form or document which the taxpayer is required to file with the Federal Government or any Federal agency.

Such a tax credit would have a very large impact on the Federal budget, thus discouraging the practice of requiring countless and mostly valueless forms. As a corollary, billions of Federal dollars would be saved by elimination of needless paperwork, thereby enabling Federal employees to devote their time and energies to more productive enterprises.

The Long-Bentsen Paperwork Tax Credit would work as follows:

For any form or similar document that an individual is required to file or answer, he would be entitled to a tax credit of 10 cents per item of information or inquiry, but not less than $1 per form. A 20-question form would entitle him to a $2 credit, and so forth.

For any form or similar document that a corporation, other than a "small business," is required to file, the stakes would double: 20 cents a question, with a minimum of $2 per form.

For any form or similar submission required of a "small business," the credit would be 30 cents per question with a $3 minimum per form.

State and local governmental units would operate under the 20 cents per question, $2 minimum standard, and since they do not pay taxes would be able to claim their credit in the form of

an increased payment under the general revenue-sharing program now in the law.

Nonprofit and charitable organizations as defined under section 501(c)(3) of the Tax Code would also receive the 20 cents per question, $2 minimum payment directly from the Treasury.

As to the revenue impact, I have no firm estimate. Neither the Federal Commission on Paperwork, nor the Office of Management and Budget, nor the General Accounting Office was able to give us an easy estimate. That is something the agency reports on the bill will have to address. But, my guess is that if no forms or similar documents of inquiry are exempted, and if their numbers are not reduced, the impact could run somewhere between $20 and $40 billion. This guess comes from the finding in 1973 by the Small Business Committee that Americans fill out about 50 forms per capita per year—a total of more than 10 billion forms.

That is how incredibly big the problem is, Mr. President. That is how imperative it has become for us to come to grips with the self-aggrandizing monster which we call "Federal paperwork." Unless we beat it back, it will choke the very life from our people and our economy.

With so large a revenue impact a prospect, the question arises as to what Federal forms or other types of inquiry should be exempted from the tax credits and direct payments of the Long-Bentsen bill. The bill as introduced provides for no exceptions at all.

As a result of hearings and studies and recommendations from the administration and from colleagues in the House and Senate, there may well be some exclusions and exceptions. But this bill does not presume that there should be any, and it will be this Senator's view that there should possibly be none whatever.

The basic premise should be that if the information is worth having, the bureaucracy should be willing to pay $1, $2 or $3 for it. If it is not worth that much, then the taxpayer should not be burdened with providing it.

It should be emphasized that this bill does not preempt in any way the studies and recommendations forthcoming from the newly formed Commission on Federal Paperwork. Our distinguished colleague, Senator THOMAS MCINTYRE, is already doing a fine job as Cochairman of the Commission, and I know that we shall be able to count on his cooperation and assistance in solving the paperwork burden for once and for all. This bill merely provides a workable incentive for a cutback in the avalanche of Federal paperwork and redtape. Thus, a laudable common goal is shared with the Commission which is attempting to formulate ways by which to minimize Federal reporting burdens while still allowing the Government to obtain the essential information needed to conduct its business.

Let me also dispel any thoughts that the intent of this bill is to deny the Federal Government the data it truly requires to legislate, regulate, and govern effectively. Many Federal reporting requirements are unquestionably necessary. However, many required forms could be eliminated or at least streamlined or simplified.

Furthermore, a more efficient use of information gathering pools by Federal agencies might discourage unnecessary duplication of effort, with the stipulation that such information pools be limited in such a way so as to avoid the establishment of an Orwellian "big brother" system.

This bill will serve as an impetus to break the bureaucratic lethargy toward eliminating certain worthless required forms. Such inaction many times stems not from any bad motives on the part of the individual agency, but merely from bureaucratic inertia and insensitivity.

The tangible and intangible costs of the Government's "regulatory overkill" has grown to outlandish proportions. In a study by Prof. Murray K. Weidenbaum of Washington University of St. Louis, a former Assistant Secretary of the Treasury, he concludes that the regulatory agencies fail to "weigh the merits against the costs to business and to the consumer and taxpayer."

The Commission on Federal Paperwork reports that Federal agencies produce 10 billion forms, applications, and reports each year at a cost of $40 billion to the economy. Furthermore, paperwork stemming from Federal, State, and local governments averages about 50 forms for every man, woman, and child in the United States.

The Office of Management and Budget found that 5,146 different types of Federal regulatory forms were in use last year, plus an additional estimated 4,400 more for the Internal Revenue Service, the regulatory commissions, and bank supervisory agencies. That is almost 10,000 different types of forms.

It is obvious that business spends literally billions of man-hours filling out these forms. It is appalling that businesses with 50 employees or less are confronted with approximately 75 to 80 different types of forms. The time required to fill out these forms for each agency multiplies for the small businessman like the tedious drip of water splashing on his forehead in a Chinese torture chamber.

Here are some other "bits and pieces" of the paperwork problem as described by the Paperwork Commission in a recent release:

A company with 40,000 employees maintains about 125 file drawers of records to meet Federal reporting requirements.

A company operating 3 small TV stations filed 45 pounds of forms for a license renewal application.

A radio station in New Hampshire paid $26 in postage to mail an application to Washington.

A Philadelphia utility preparing to build a plant needed 24 different kinds of approval from 5 Federal agencies, 5 State agencies, 2 townships and a regional commission.

Government redtape keeps more than 100,000 Federal workers busy writing, reviewing and enforcing regulations.

A tire and rubber company spent $30 million in 1974 to meet various State and Federal regulations—enough money to pay annual salaries of 3,400 employees.

A big oil company files 409 reports to 45 different Federal agencies, excluding tax ports.

As a matter of fact, Mr. President, one of those reports ran about 430,000 pages, and so it goes.

Each year the Federal government issues a 2-mile high stack of quarterly wage report forms.

Harvard University employs 26 people full time to complete paperwork at a manpower cost of $300,000.

A big aluminum company filed 10,000 reports in 1974; primarily for the Federal government, including 3,500 tax returns, at a cost of $5 million.

A typical small business with gross income under $30,000 is required to file 52 tax forms.

The State of Maryland refused a $60,000 HEW grant for a consumer education program because costs of completing forms would approximate 75 percent of the grant.

The Department of Agriculture has on hand 989,224 cubic feet of records, including an increase of 64,631 cubic feet or almost 36,500 file drawers in the last year. The Department spends $150 million yearly on forms, reports, and supporting systems.

A New York City bank spends $3 million to $5 million annually to comply with financial disclosure regulations.

Another big oil company spends $17 million and 475 man years annually for filing reports to the Federal government, excluding all tax reporting.

A stack of all Census Bureau forms measures 6 feet.

Now, Mr. President, most of my remarks have been directed toward what we call "forms." But, Senators will note that the Long-Bentsen bill refers also to other "documents . . . without regard to whether the Government furnishes a specific form."

This latter wording is intended to cover such inquiries as I now submit for reproduction in the RECORD at this point. It is not a form but is a letter from a Federal agency to a constituent company which happens to be a "small business."

If Senators will read the entire letter of inquiry, which had to be answered in full and returned within 30 days, they will understand a bit better the combination of frustration, anger, astonishment, fear, panic and disbelief when this small businessman opened an envelope in early October of this year to learn the good news that "Your facility has been selected for a review of compliance with the requirements of . . ."

I have eliminated the names of both the constituent and the Federal agency in question, because this is not a special case. It is a typical, faceless, bureaucratic one, which is repeated thousands of times daily and results in the alienation and disenchantment of the very individuals and businesses and taxpayers on whom our Government depends for its resources and for its public support and acceptance.

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

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

DEAR SIR: Your facility has been selected for a review of compliance with the requirements of Executive Order 11246, as amended, and OFCC Regulation 41 CFR, Parts 60–1, 60–2, 60–3, 60–20, 60–40, 60–50, and 60–60. The Affirmative Action Program (AAP) and supporting data must be submitted to this office no later than thirty (30) days follow-

ing receipt of this letter as required by Title 41 CFR, 60-60.2(a). If this requested data are not reecived within the 30-day period, this office is directed by regulations to issue a letter requiring you to show cause why sanction proceedings under 60-1.26 should not be initiated.

a. AAP must address all elements of 60-2.13.

b. A copy of your Employer Information Report EEO-1 Standard Form 100, revised for 1975.

c. Your most recent workforce statistics as required by 41 CFR 60-2.11 (as amended) and as prescribed by 41 CFR 60-60.9, Part A, II Workforce Analysis. Workforce analysis must be by job title and organizational unit ranked from the lowest paid to the highest paid showing total employees, males, females, minority groups (male and female).

d. Utilization analysis as required by 60-2.11.

(1) Evaluating the inside and outside workforce.

(2) Minority and female availability must be separately analyzed for each job group. The utilized analysis must state the availability for Blacks (males and females) and non-minority females.

(3) Identification of underutilization by job groups. (A job group meaning a job or a group of jobs having similar content, wage rate, and opportunities.)

e. Assessment of your current workforce to identify affected class situations and plans to correct those identified situations. (This may be submitted as part of your AAP or as a separate document.) For guidance, see 41 CFR 60-60.9, Part A. (VI) and Part B.(X).

f. Identification of problem areas by organizational units and job groups. (60-2.13(d) and 60-2.23(a) and (b))

g. Give lines of progression for all job titles. (60-60.3)

h. Establishment of goals and timetables to correct any underutilization or deficiencies, 60-60.9, Part B.XIX, by job group and organizational unit.

(1) A goal must be established for each job group in which underutilization exists and must be designed to completely correct the underutilization.

(2) The goal must be stated as a percentage of the total employees in the job group and must equal to the percentage of minorities or women available.

i. Action oriented programs must be established to correct all the deficiencies. (60-2.12 (f) and 60-2.24)

j. Summary data on new hires, offers of employment, promotions, terminations, applicant flow data, transfers, layoffs, recalls and trainees by job groups, race and sex for the past 12 months. Listings of these personal activities may be retained by the contractor until they are requested. (60-1.7, 60-1.40 and 60-2.12(1 & m))

k. A copy of current organizational chart down to the lowest organizational unit. (60-60.9, Part A.(II)(B)(3))

l. Submit copies of recruitment advertising, including college recruitment brochures and a list of all recruitment sources. (60-60.9, Part B(XII)(B)(2)(e) and (f))

m. A list of community leaders and organizations contacted during the past year. (60-60.9, Part B.(XII)(2)(a))

n. A seniority and/or employee roster giving name, sex, ethnic group, job title, date of hire and salary. Salary and wage data must be given for each job title up to and including the highest salary grade in a facility in which either minorities and/or women are employed. (60-2.12(1) and 60-60.3)

o. Give a narrative report of prior year's Affirmative Action Program accomplishments. Make a complete evaluation of goals not accomplished and a report of progress made toward attainment of current AAP goals. (60-60.9, Part A (II)(B)(3)(b))

p. List all training programs, formal and informal, internal and external, in which employees participate on a job related basis. Give a breakout of participants by ethnic groups and sex for each program. (60-60.9, Part B (XI)(A) and (B))

q. Please provide the following current information:

(1) Name of Chief Executive Officer, title and phone number.

(2) Name of EEO Coordinator, title and phone number.

(3) Name of corporate CEO, title and phone number.

(4) Name of corporate EEO Coordinator, title and phone number.

(5) Address of corporate headquarters.

(6) List your plant and corporate Dun & Bradstreet identification numbers.

(7) If you have government contracts, list all subcontractors, vendors, or suppliers that have received a purchase order or an agreement of $50,000 or more in a single transaction. Open-end agreements are considered single transactions.

(8) Give the high five current contracts and/or subcontracts. List agency, contract number, dollar value, and type of contract.

(9) List all facilities of your corporate structure within the following states: Texas, New Mexico, Oklahoma, Louisiana, Arkansas, and Arizona. For each facility give name, address, principal officer, telephone number, SIC code, the number of employees, and the principal product.

(10) Give the EEO-1 number for local facility and corporate. Your cooperation in this review is appreciated. If there are any questions relative to the elements of this letter or the development of the Affirmative Action Program, please feel free to contact me, 504/589-2375.

Mr. LONG. Mr. President, I challenge you to read this document and study what it means. It amounts to a virtual death sentence on a small business unless this person complies with very lengthy, time-consuming, and tedious requirements for information.

Mr. President, if the Long-Bentsen bill were on the books today, such a letter would never have been written to this small businessman. It would be too costly for the Government because of the revenue loss it would entail if submitted to numerous taxpayers or other eligible organizations.

Under the standard prescribed in our bill, this taxpayer would have been due a very sizable tax credit for filling out the letter's interminable list of "items for information or inquiry."

This Senator does not know enough about the various references to the Code of Federal Regulations contained in the letter to be able to calculate the credit, but I would not be surprised if his credit—at 30 cents per "item of information or inquiry"—would reach $30 or $40, or maybe twice that amount.

The effect of the Long-Bentsen bill would be either that this small business would not have been sent an inquiry or, for likely, he would have been sent a brief and simple questionnaire on the principle, essential points that the agency really needed to know. In either event, he would have been spared the intolerable expense and diversion of effort and manpower necessary to answer the incredibly complex questions cited above.

Under our bill, the amount of the tax credit or Treasury payment earned for complying with the request would have to be calculated in advance either by the Treasury Department or by the Agency submitting the inquiry. In this way, the taxpayer, or the local or State governmental agency, or the 501(c)(3) organization would simply use this predetermined amount in applying for its credit or Treasury payment for having complied.

Of course, Mr. President, many Federal reporting requirements are undoubtedly necessary. Without vital information, our Government would grind to a halt. But much of this blizzard of paperwork is repetitive, frivolous, and counterproductive. The question must be continually asked: "Is this information necessary?"

I am confident that this bill, if enacted, can serve to discourage needless paperwork. Tax incentives have proven to be extremely effective in accomplishing various legislative goals. By reversing this process, the adverse impact on the Federal budget, due to our proposed tax credit, should encourage a streamlining of the Federal information gathering system.

One more thing it would necessitate, Mr. President, is a more careful attitude on the part of the Congress in the reporting and paperwork requirements it builds into the legislation it passes. Indeed, we will have to revise some of the laws we have passed which force on the bureaucrats certain aspects of the paperwork burden which even they would rather not have to impose on the public.

With regard to the congressional culpability for part of what is going on and as an indication of some of the changes of direction and emphasis which we shall have to make, I ask that an excellent article from the December 8 issue of the Wall Street Journal be inserted in the RECORD at the conclusion of my remarks. I ask also that an excellent article from the October 11 issue of Congressional Quarterly entitled "Federal Paperwork: A Drain on the Economy" be reproduced at that point in the RECORD.

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

(See exhibits 1 and 2.)

Mr. LONG. Although the Journal article does not deal specifically with Federal paperwork, it points out in helpful detail many instances in which the Congress has overlegislated and thereby caused the overregulation with which the public is burdened.

Until now, Mr. President, the bureaucratic philosophy has been, "When in doubt, make 'em fill it out."

Under the Long-Bentsen approach, the rule of thumb would be, "When in doubt, cut it out."

In conclusion, let me point out that as written the effective date of this bill is July 4, 1976, the 200th anniversary of our country. I would hope that by scheduling hearings fairly early next year Senator BENTSEN and I will be able to insure that Senators will have an opportunity to vote on final passage before that national anniversary date.

EXHIBIT 1

CONGRESS IS MOVING TO PATCH UP ITS ACTS THAT IT NOW REGRETS

(By Arlen J. Large)

WASHINGTON.—It made sense for Congress in 1973 to discourage people from building in flood-prone river valleys. But now lawmakers are getting angry letters calling the

rules unfair, and the Senate is beginning to rewrite them.

In 1970 Congress set up a job safety inspection system that has irked many employers. Now the House has tried to quiet complaints by saying a federal safety man's visit to a factory may bring just helpful advice, not a fine.

Congress is doing a lot of such revising lately, trying to correct what many term mistakes in laws passed in the past few years.

The original 1970 timetable for cleaning up auto exhaust is being rejiggered.

Surgery is in progress on a 1973 law that has failed to stimulate prepaid medical care.

A law requiring advance disclosure of real estate settlement costs is being overhauled less than a year after it was passed.

Even the federal time law is covered with erasures as Congress searches for a clock-setting formula that infuriates the fewest people.

The apparent need to do much patching up is causing some soul-searching on Capitol Hill, especially among newcomers.

IN TOO GREAT A HURRY?

"We pass too much legislation too hurriedly without any realization of its eventual effect," says freshman Sen. Patrick Leahy of Vermont, a liberal Democrat. "The trouble with correcting it after the fact is that it's a lot more expensive. It just isn't a good way of legislating."

Sen. Leahy thinks the Senate needs a new internal rule that would prevent a bill from coming to the floor unless outside auditors had put it to a special test: Is it drafted so that the purpose is sharply defined, and does the bill include some means of measuring its effectiveness? The Senator says the General Accounting Office, an arm of Congress, is already making a trial run at such an auditing job.

Freshman Sen. Jake Garn of Utah, a conservative Republican, agrees on the need for more careful screening of bills the first time around. Most of the legislation we're passing shouldn't be passed at all," he says. And more than just newcomers want to crack down; cosponsors of Sen. Leahy's proposed screening rule are such veterans as Hubert Humphrey of Minnesota and Paul Fannin of Arizona, normally ideological opponents.

SOME CHANGES OF HEART

Of course, no lawyerish rules change could head off all future demands to do away with some law or other. A less-than-cosmic example is a 1968 law intended to create a series of Monday holidays. At the time, veteran groups didn't fight very hard against divorcing Veterans Day from the Nov. 11 anniversary of the 1918 armistice in France. But veterans slowly began persuading state legislatures to restore tradition, and Congress this year surrendered and switched back to Nov. 11.

In some cases a law that seemed like a good idea at its passage has simply been overtaken by events. That has happened to the 1970 Clean Air Act, which set a statutory timetable for reducing pollution from automobiles. Since then rising gasoline prices have made motorists more interested in buying cars that get better mileage, and many experts say the fuel-economy goal is incompatible with the clean-air schedule of five years ago.

The push for improved gasoline mileage "certainly generated a lot of pressure for changing the Clean Air Act," says Democratic Sen. Edmund Muskie of Maine, a chief author of the original law. "I'm not talking about pressure from the automobile companies. I'm talking about public pressure."

Moreover, the 1970 law was an unusually bold effort—Detroit thought it a dreadful mistake—to legislate technological change. "We had no way of knowing then, any more than we do now, how to time technological advances," Sen. Muskie says. "So even if the energy crisis hadn't come along, there would have been some slippage in the schedule."

NOT THE USUAL "REFORM"

Congress talks endlessly about the need to change old laws, but often in the lofty category of "reform": tax reform, welfare reform, food-stamp reform. What seems to be different this year is the urge to rewrite legislation that appeared innocuous when enacted not long ago. An example is the national flood insurance program.

The federal government offers subsidized flood insurance covering homes and businesses in areas it deems vulnerable to flooding. In return for the subsidy, an entire town must agree to adopt rules against putting up new buildings in flood-prone areas. And there is a federal stick as well as the subsidy carrot. If a communtiy opts to stay out of the anti-flood zoning program after being designated as flood-prone, residents are ineligible to buy the flood insurance, and federal mortgage insurance also is denied. Worse, starting Jan. 1 most banks will be forbidden to lend money to people who want to buy or fix up a house in the area.

When Congress adopted these rules in 1973, only 21 House members voted against them and the Senate didn't even take a roll-call vote. Even now, not everybody thinks they are bad. "In a government where so few programs work, the national flood insurance program is a rare exception," says George Bernstein, a lawyer who used to run the insurance operation.

But Democratic Sen. Thomas Eagleton of Missouri thinks the government is bearing down too hard. He argues the rules are especially unfair to homeowners ineligible to buy the insurance because local voters have rejected anti-flood zoning. It is, he says, "a base injustice that demands correction." Democratic Sen. Thomas McIntyre of New Hampshire agrees, and wonders: "I don't know how these bills get out, get away from us."

Earlier this year Congress agreed to delay until Jan. 1 any denial of commercial bank credit to owners of existing homes in a flood-designated town that hasn't joined the program. Even the administration agrees with Sen. Eagleton that these homeowners should never be hit with this rule, and a permanent exception is included in a bill drafted by the Senate Banking Committee.

Perhaps no handiwork of Congress draws more hisses and boos at gatherings of small businessmen than the Occupational Safety and Health Act of 1970. This law gives the Labor Department authority to set accident-prevention standards in each of the nation's five million workplaces, no matter how small. So far labor unions, backed by the department, have largely succeeded in staving off business attempts to soften the law; the unions have blocked proposed exemptions from job-site inspections for small employers.

Now the law isn't exactly being softened, but Congress is telling the Labor Department to change its methods in dealing with employers. The House last month passed a bill setting up a nationwide system on how to comply with the safety standards. If the Senate concurs, an employer would be able to ask a federal man to visit his plant and coach the employer on the proper height of doorways, number of washrooms and other requirements. Currently, a safety inspector's unannounced visit can only result in a citation and fine if he sees a mistake, with no coaching allowed.

Some unions oppose this change, fearing it will "dilute" enforcement. But it was overwhelmingly popular on the House floor. "I realize that no law is perfect, that there comes an appropriate time to amend a law in order to improve it," said Democratic Rep. Dominick Daniels of New Jersey, normally a faithful ally of labor.

Just as upsetting to many people as the job safety law is the Real Estate Settlement Procedures Act, passed only last December. Among other things, it requires mortgage lenders to tell home buyers 12 days in advance how much they will be charged in settlement fees at legal ceremonies closing the transaction.

The law took effect last June 20, and lenders and buyers immediately howled about a blizzard of government forms and red tape. While some sponsors argued the law hadn't had enough time to work, a consensus quickly developed for repealing the 12-day rule and some other parts.

"Laws passed with good intentions sometimes do not work," said freshman Democratic Rep. Les AuCoin of Oregon during House debate on the repeal bill last month. "And when they do not work, when they prove harmful to the very people they were enacted to protect, they should be amended or repealed as quickly as possible."

Not all of the law is being repealed. Instead of the 12-day rule, lenders would have to give would-be home buyers an estimate of settlement fees when the buyers apply for a mortgage loan. This is "a good compromise," says Kathleen O'Reilly, legislative director of the Consumer Federation of America.

Not so much yelling has surrounded an attempt to correct a 1973 law providing federal startup subsidies to health maintenance organizations, the prepaid medical plans that emphasize preventive care. In return for a subsidy, an HMO had to promise that its team of medical specialists would offer fee-paying customers a government-decreed list of health services, such as treatment for alcoholism and preventive dental work for children.

"When we wrote the original bill, we put in every service we could think of," said Democratic Rep. Paul Rogers of Florida last month during House debate on amendments to the law. As it turned out, not many HMOs were set up because the list of required treatment made fees uncompetitively high. The new bill, passed by the House and pending in the Senate, chops the list and allows other economies for HMOs.

EXHIBIT 2

FEDERAL PAPERWORK: A DRAIN ON THE ECONOMY

Deluged with complaints from a public enmeshed in red tape, Congress and the Ford administration have begun turning serious attention—and resources—to untangling the mass of paperwork generated by the federal government.

No one knows just how big the problem is. The Senate Select Small Business Subcommittee on Government Regulation reported in 1973 that the federal government was using 5,298 different kinds of forms. But that did not include forms used by regulators of the banking industry and the Internal Revenue Service, two of the biggest data collectors in Washington.

Ten billion sheets of paper flow through federal offices every year, the subcommittee has said, enough to fill 4.5 million cubic feet of space. It calculated that there are 50 forms to be filled out each year for every man, woman and child in the country.

Estimates of the cost of all that paper vary. Thomas J. McIntyre (D.-N.H.), chairman of the subcommittee, has estimated that the paperwork burden drains more than $18,-billion a year from American business. Frank Horton (R.-N.Y.), ranking Republican on the House Government Operations Committee, puts the cost to the full economy at more than $40-billion.

Those costs, McIntyre and Horton point out, are nonproductive—they bear no return—and business passes its costs on to the consumer.

Nor is the cost of paperwork measured in dollars alone. Said McIntyre: "The endless forms to fill out and file are nurturing a growing suspicion that government no longer trusts responsible citizens, that Big Brother has moved out of Orwellian fantasy and into reality."

Public frustration over the growing tide of paperwork has drawn the attention of the administration as well. President Ford has singled out paperwork as a prime target of his administration's war on regulation and red tape. He has directed the Office of Management and Budget (OMB) to eliminate 500 forms by next summer.

"I want very desperately to have small business freed from the excessive federal paperwork," Ford told an audience of small businessmen in June. "Your time can be used far more productively, and you know it better than I."

Ford used that occasion to announce his appointees to the Commission on Federal Paperwork, an independent body set up by Congress last year to study the paperwork problem. Comprising 14 members from the private sector, Congress and the state, local and federal levels of government, the commission was given two years to come up with recommendations for cutting the current level of paperwork and preventing its future growth.

The commission, which will employ a peak of about 80 full-time staff members, began operations Oct. 3 and is expected to spend from $4-million to $6-million.

Horton is commission chairman and McIntyre is cochairman. Mark D. Littler, retired partner of Arthur Anderson and Co., an accounting firm, is vice chairman. (*Commission member, box, p. 2169*)

DRAMATIC GROWTH

Paperwork is nothing new to the federal bureaucracy, but its increase has been dramatic in the last 10 years. Much of the growth is blamed on the proliferation of new federal "purpose" program—occupational safety and health, equal employment opportunity, pension reform and others—that require an accounting to the government by businesses. "We've added so many purposes to the federal armada in the last 10 years that we can't control all the paperwork," said David A. Lovenheim, an aide to Rep. Rorton.

Exacerbated by the pinch of recession, the mounting cost of paperwork is being felt by the business community, especially small business, and constituents are passing on their concern to Congress. "As a congressman," says Horton, "you see more and more people coming up to you and saying, 'Look, I'm sick and tired of this business. I've had to put one person full-time on handling paperwork.' Productivity has been affected by the burden we are laying on the American people."

Curtailment efforts

The last major congressional effort to cut down on paperwork came in 1942, when Congress passed the Federal Reports Act to limit red tape generated by the social programs of the New Deal. The law (44 USC 3501) declared the policy of Congress that information required by the Federal government be obtained "with a minimum burden upon business enterprises." The act placed within the Bureau of the Budget (now the Office of Management and Budget) the responsibility for supervising and monitoring federal reporting systems. Specifically exempted from regulation were the federal bank regulatory agencies, the Internal Revenue Service and several other offices within the Treasury Department.

Government-wide efforts to curtail paperwork have been attempted since then, but with little success. Paperwork was the subject of a task force study under the second Hoover Commission set up in 1953. But the resulting recommendations were very general and had little impact on the problem. One recommendation, that the Social Security Administration annualize the employee wage reporting form that is required quarterly, remains a major goal of business today. (Details, p. 2171)

In 1970, President Nixon ordered the bureaucracy to "discard those reports that fail to meet vigorous standards of need." After an 18-month study, according to OMB, 7.8-million man-hours were eliminated from the public reporting requirement. But that reduction was a drop in the bucket compared with the total 130.5 million man-hours estimated to be spent on paperwork each year. Other bodies, administrative and executive, have issued recommendations over the years on how to reduce paperwork. But none has had a lasting impact.

Since 1973, the paperwork monitoring function has been split between OMB and the General Accounting Office. That year, in the Alaska pipeline act (PL 93-153), Congress transferred to GAO the authority of OMB to review the reporting forms used by all regulatory agencies. OMB retained "clearance" authority over forms of all other executive agencies, except those exempted in the 1942 law. Several congressional sources have said since then that, although the action did reflect the dissatisfaction of Congress with OMB's monitoring performance, it was essentially a move to ensure that OMB and the White House had no role in the clearance of surveys by the Federal Trade Commission to uncover possible anticompetitive behavior in big business.

Commission created

Horton sponsored legislation in 1974 to create the Paperwork Commission after Congress repeatedly had been frustrated in efforts to get a grasp of the reporting problem. McIntyre's subcommittee had made studies but found that it did not have the resources to take more than surface soundings of the problem. To congressional requests that it conduct a detailed study, GAO pleaded that it did not have the staff or time to do a thorough job. Finally Horton introduced his bill (H.R. 16424—P.L. 93-556) in August, and it sailed through both chambers without opposition in less than five months. President Ford signed it Dec. 27.

The commission must issue a final report within two years of its first meeting Oct. 3. The Office of Management and Budget must review the recommendations and then, under the law, report every six months on actions it takes and issue its own final report within two more years.

PAPERWORK PROBLEMS

Major paperwork problems that the commission will be considering already have begun presenting themselves. One is the 1942 law itself. In its 1973 report, McIntyre's Government Regulation Subcommittee concluded that the Federal Reports Act was ineffective because it did not cover IRS, which generates some 35 percent of federal paperwork, and because OMB had not adequately administered it.

A major recommendation of the subcommittee was that IRS be brought under the Reports Act. "It is not clear, at this date, why Congress in 1942 excluded the tax and banking agencies from coverage," the report said. "Certainly, the development of an enormous and autonomous reporting system was not foreseen."

OMB performance

Another recommendation was that the clearance function be removed from OMB, which the subcommittee said had never made much of an effort to perform that responsibility. It pointed out that the agency had not used its authority under the Reports Act to hold hearings on the need for any report and that it regularly had refused congressional advice to upgrade its clearance staff. "We've been consistently unhappy with OMB," complained subcommittee aide John M. Cross. "They've left it to the agencies to clear a form. Then the agencies would send it to OMB and they would put their final imprimatur on it."

OMB disputes that assessment, saying it never has tried to do more than eliminate duplication. "We expect the agencies to do the major part of the effort to validate to us the necessity for a form, that the data is really required," said Fernando Oaxaca, associate director of OMB. "What we provide that a department can't provide for itself is to ensure that the data is not already being collected somewhere else."

With IRS and the regulatory agencies excluded from its purview, Oaxaca claimed, OMB is responsible for clearing only about 18 per cent of the total mass of paperwork. He felt that OMB had done an adequate job of clearance in the past and said the function should remain in OMB. "I don't know where else you'd put it, unless you created a special bureaucratic layer, which I think would be a sad mistake."

Centralization

A number of observers, however, have suggested creating just such an agency, with authority to oversee all paperwork that goes through federal agencies. "It may be that you would want to start some kind of agency that would be the data-collecting agency of the federal government," suggested Horton.

Ernest P. Evans, staff coordinator of the Paperwork Commission, observed that most other nations have a central statistics agency that gathers data for the program-administering agencies. To a limited extent, such information-sharing is practiced by the government now. Since 1944, the IRS has culled information from quarterly business reports and transferred it, sanitized for confidentiality, to the Census Bureau. A centralized agency would be concerned simply with gathering statistics, Evans stressed. It would perform no other function.

Proposals for such centralization are controversial, however; because they raise the prospect of a "data bank," a computerized repository of raw information for use by all federal agencies. Such a facility, civil libertarians warn, would make confidential information filed by private citizens vulnerable to abuse by careless or unscrupulous officials. Corporations fear that a data bank, open to any agency, would make it impossible to protect trade secrets from competitors.

Commission aides are sensitive to those concerns and generally discourage speculation about data banks. Ernest Evans, the staff coordinator, said that the staff is working with the newly created Privacy Protection Study Commission on ways to collect information without violating individual and corporate privacy.

Congressional culpability

A central problem that is certain to be considered by the Paperwork Commission is the role of Congress itself in the reporting process. Congressional committees have come under fire from the administration, lobbyists and individual members for writing legislation without giving thought to the amount of paperwork it might generate. As a measure of just how large the problem is, the commission ran a computer check to determine how many statutes simply contain the word "report." The study turned up some 12,000 instances, Horton said, and it missed legislation that used other language to require reporting.

"To the best of our knowledge," OMB's

Oaxaca said of legislative committees, "they have no controls at all." He called for creation of "mechanisms" to throttle paperwork in committees before it gains a life of its own in the bureaucracy. "Head them off at the pass," he said. "Don't try to solve the problem after the law is passed and regulations are printed and working."

McIntyre introduced in the 93rd Congress a bill (S. 200) that would have required a committee, when it approved legislation, to include in the report an "impact statement" showing the amount of paperwork the law could entail. The bill drew indignant criticism from members who argued that it would impose a tremendous paperwork burden upon committees. Ernest Evans, who drafted the bill for McIntyre, said S. 200 was a facetious bill never intended to be passed, but he said it was successful in its purpose of drawing attention to the problem.

How to apply control mechanisms to the law-writing process is a serious concern, however, for members of the commission, especially those in Congress. Most observers agree that an impact statement would be unworkable, but Horton has suggested that the commission might come up with some "rule of thumb" for use by committees in considering how much paperwork a given bill might generate. A major responsibility he and other congressional members of the commission will have, he added, is "to alert the other members of Congress to the problem so that they are aware of the need to not create so much paperwork."

Commission's own paperwork

A lesser concern of the commission, but a real one nonetheless, is making sure that it does not itself create an embarrassing amount of paperwork. "We're very sensitive to the public out there," said Evans. "We can't just run around issuing our own forms on how many forms you can issue."

Even before it began operations, the commission was the butt of jokes by government critics who perceive irony in the fact that the bureaucracy created a bureaucracy to tell itself how to reform itself. Several commissioners have pointed out that their first acquaintance with the commission was a sheaf of papers several inches thick describing its purpose and goals. And the White House was criticized for taking a conspicuously long time—about six months—in picking the President's appointees to the commission. "We think it was their internal paperwork," said an aide to one of the congressional members of the commission. "They're very slow with their paperwork there."

Other sources indicate that the delay was caused for trade associations and business groups jostling for representation on the commission. With its membership drawn from such diverse and sometimes antagonistic areas as Congress, OMB, GAO and state and local government, there is a possibility that the commission may have trouble reaching agreement on what should be done about paperwork.

A particular concern of Bruce G. Fielding, a California accountant who may be said to represent small business interests on the commission, is that the over-all purposes of the commission may be overlooked in the scramble by some members, especially from Congress, for "self-glorification." "It's going to be the biggest bunch of bureaucratic infighting you're ever going to run into," predicted an aide to one of the congressional members.

Possible approaches

One of the commission's biggest challenges will be determining just what the paperwork problem is. Its task invariably is described in gargantuan terms. "The problem is so huge," said John Motley, a lobbyist with the National Federation of Independent Business Inc., "that a trade association or a congressional committee can't get a handle on it. It's like a hydra; you cut off a head and it comes up somewhere else."

The commission just began outlining plans in September. Its job, basically, is to identify problems and then make recommendations on how to correct them. Members of the skeleton staff now drawing up strategy see two basic approaches the commission can take toward the job:

It can study paperwork on an agency-by-agency basis, treating each one as a separate problem.

Or it can take a "process" approach, following the life of a reporting system from authorization in Congress through the agencies and clearance offices, out to the public and then back to the government, in the form of information necessary to fulfill the purpose of legislation.

The agency approach, say staffers, would enable the commission to diagnose specific problems within an agency and then prescribe remedies, thus having an immediate and visible impact on the level of paperwork. The process approach, on the other hand, might give the commission a more comprehensive view of the paperwork system and reveal how it can be streamlined by, for instance, cutting duplication and eliminating the demand for useless information. Such an approach, it is argued, would allow the commission to have a more lasting impact on the problem.

What is likely to emerge from the early planning is an amalgam of the two approaches. "The commission has an intention to study the system all the way down the line," said Warren B. Buhler, an aide to Horton on the Government Operations Committee, "but it also wants to cut the burden right now." Thus, Horton suggests having some study groups under the commission looking at the total process. But others would investigate specific agencies and still others would look at groups that are notable victims of the burden. Agencies that might come under study, Horton suggested, are the Internal Revenue Service, the Equal Employment Opportunity Commission and various fair employment arms of other agencies, and the Labor Department's Occupational Safety and Health Administration. Specific groups mentioned by Horton aides as particularly burdened by paperwork are small business, educators, government contractors, labor and consumers.

The 1975 legislation

Specific bills to reduce paperwork have been introduced in the 94th Congress, but legislative proposals for the time being are likely to await recommendations of the Paperwork Commission.

McIntyre has reintroduced his bill from the previous Congress that would allow employers to report employee wage earnings to the Social Security Administration just once a year instead of quarterly as required now. The 941–A form, which requires an accounting of all wages earned by all employees, is cited by small business groups as the most burdensome peperwork propagated by the federal government. McIntyre has said his bill (S 2156), which has passed the Senate three times but always fallen short of enactment, could save small businessmen more than $275-million a year. No action is planned on the bill by the Finance Committee, but a staffer said it could show up as an amendment to tax reform legislation under consideration by the committee this year.

William Proxmire (D Wis.) has introduced in the Senate a bill he calls the "Form Reform Act," which would require the government to phase out all forms over a five-year period and replace them with simpler ones. The bill (S 2132) will be one subject of oversight hearings on paperwork Oct. 10 by two Government Operations Subcommittees: Oversight Procedures and Reports, Accounting and Management. The focus of the hearings will be on a GAO report issued in July criticizing OMB and the Labor Department for inadequate administration of the 1942 reports act. "We'd like to have their [OMB and Labor] response on the record for the consideration of the commission," an aide to the oversight subcommittee said.

Described by one source as "an act of sheer frustration," Proxmire's bill is not likely to be given serious consideration beyond the hearings. The House Government Operations Committee has planned no action on a similar bill (HR 8998) by Rep. Mark W. Hannaford (D Calif.).

The House Government Operations Subcommittee on Government Activities and Transportation is considering several bills that would give GSA authority to study and recommend changes in the record management systems of federal agencies. The concept generally is opposed by the agencies. The subcommittee held a day of hearings on the bill July 11 but has planned no further action.

OUTLOOK

The effectiveness of the Federal Paperwork Commission will depend upon a variety of factors. One will be the ability of the congressional members to take the recommendations back to Congress and convert them to legislation. "It will come up with some nice recommendations," predicted John Cross of the McIntyre subcommittee staff. "Whether or not they are acted upon depends largely on the members of the commission."

On that score, Horton is optimistic. He was a member of a similar commission on government procurement policy (1969–72) that, he says, has seen a third of its recommendations already enacted. He said that the new commission, to be effective, will have to establish a "track record" of accomplishment to attain credibility with the public. "I think that the willingness of Congress is mainly going to be related to the response of the public to what we do," Horton said.

Rather than present Congress with a cumbersome piece of omnibus legislation containing all its recommendations, the commission probably will send legislative proposals piecemeal to Congress as individual study groups complete work on separate aspects of the problem. That way, observed Evans, one unpopular recommendation will not sink all the rest. He predicted that in the end the legislative proposals will amount to very little—perhaps to tighten the 1942 law, revise the congressional law-writing process and create a central paperwork clearance and collecting agency. Much of the work to clear out the glut of paperwork now, Evans and most other observers agreed, can be done administratively, by executive order or otherwise, "I think that controlling paperwork is more than anything else a matter of good management," said Oaxaca of OMB.

Sen. Thomas J. McIntyre—"The endless forms to fill out and file are nurturing a growing suspicion that government no longer trusts responsible citizens, that Big Brother has moved out of Orwellian fantasy and into reality."

COMMISSION MEMBERS

In creating the Commission on Federal Paperwork, Congress required that the commission be made up of 14 members, including two each from the House and Senate, the comptroller general, the director of the Office of Management and Budget (OMB) and one other executive branch official, and seven members appointed by the President from state and local government and the private sector.

The commissioners are:

From Congress—Sens. Bill Brock (R Tenn.) and Thomas J. McIntyre (D N.H.), Reps. Frank Horton (R N.Y.) and Tom Steed (D. Okla.). Horton is commission chairman, McIntyre is co-chairman.

Comptroller general (General Accounting Office)—Elmer B. Staats.

From the executive branch—James T. Lynn, director of OMB, and Donald C. Alexander, commissioner of Internal Revenue.

From state and local government—Otis R. Bowen (R), governor of Indiana, and Gil Barrett, commissioner of Dougherty County, Ga.

Other public members—Robert D. Benton, superintendent of public instruction for the state of Iowa; Bruce G. Fielding, certified public accountant with Bruce G. Fielding & Co., Mountain View, Calif.; Louis B. Knecht, international secretary-treasurer of the Communication Workers of America; Mark D. Littler, retired partner of Arthur Anderson and Co. accounting firm; and Esther Peterson, consumer adviser to Giant Food Inc. and former U.S. assistant secretary of labor for labor standards.

IN 25 WORDS OR LESS, WHY DO YOU HATE EBS–1?

The Labor Department calls it EBS–1. Its critics call it "an abortion." It could cost employers hundreds of dollars per employee and force small businessmen to drop a major job benefit that they previously had offered willingly.

EBS–1 is a particularly controversial piece of paperwork devised by the Labor Department to obtain from employers information required under the 1974 pension reform act (PL 93–406). The form, issued by the department in April 1975, required employers offering pension plans to describe their terms and the kinds of employees covered, among other things. Including instructions, it is 31 pages long.

Lengthy and complex, the EBS–1 rankled just about everyone—employers, Members of Congress, even the people who had to administer it in the Labor Department. "The form was ridiculously complicated," remarked an official in the department's office of employee benefit security. What particularly troubled the people who had to use the form was that many of the questions required answers in essay form. Respondents never were quite sure how detailed their answers should be. As a result, the department got a wealth of information it did not need and what it did get, because of the varying responses, its computers could not use. "There was no consistency, no comparability," moaned the official.

WITHDRAWAL

Almost immediately upon issuing the form, the Labor Department withdrew it. But by then the damage had been done. Individual members and congressional committees were besieged with complaints from outraged businessmen. Bruce G. Fielding, a California accountant, estimated that filing out EBS–1 and other pension paperwork would cost employers an average of $700 for each employee. "It's almost impossible for a laymen to complete the form," he said. "You've got to have a lawyer or an accountant do it."

John Motley of the National Federation of Independent Business, Inc., a trade organization of small businessmen, reported that members said they would drop their pension plans rather than take the time and expense of filling out the forms.

The House Education and Labor Subcommittee on Labor Standards called in Labor Department officials to explain the form during oversight hearings on the pension law this spring. As a result of those hearings and of the department's own internal review, employers as of Aug. 1 are required for the time being to complete only the first two pages of EBS–1. The department, meanwhile, is preparing to issue a revised six-page form for use after May 31, 1976. The essay questions have been eliminated and "now it is a totally objective, checkbox document," the official said.

But despite the adjustments, the controversy is not over. Dissatisfied with what he sees as the department's refusal to cooperate in simplifying the form for small businessmen, subcommittee chairman John H. Dent (D Pa.) introduced a bill (HR 7597) mandating simplified forms and requiring the Labor Department to obtain at least part of the information it needs from the Internal Revenue Service. The revised form may obviate the need for the legislation, an aide said, "but whether we'll be pleased with the final product, we don't know yet. We really want to make sure the form is amended properly."

Who's to blame?

Why was EBS-1, which has earned the enmity of nearly everyone, issued in the first place? "It was compiled under severe time restraints," pleaded the Labor Department official. Aides to Dent place the blame on the Labor Department for misinterpreting the law: "It was never our intention for the form to be in an essay-question format," said a subcommittee aide.

But other observers trace the roots of EBS-1, and of much other government paperwork, to its seed in Congress.

"If Congress would just step back and think about what they're doing," remarked Motley of the NFIB. "That's one of the major goals—consciousness. Not once in the consideration of the Pension Reform Act did they consider the paperwork it would engender."

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. ROBERT C. BYRD. Mr. President, I have 5 minutes remaining. I ask unanimous consent that I may yield about 5 minutes to Mr. BENTSEN, who is here on the floor, on the same matter to which Mr. LONG has just addressed himself.

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

Mr. BENTSEN. I thank the distinguished Senator from West Virginia.

Mr. President, I am pleased to join the distinguished chairman of the Senate Finance Committee, Senator LONG, in sponsoring tax legislation that will finally force Federal bureaucrats to ask themselves a question that they may not have heard in quite some time: Is this paperwork really necessary?

This bill will provide all taxpayers—private citizens and businessmen alike—with tax credits of between $1 to $3 on every form they fill out for the Federal Government. By forcing Government to pay for every item of information it is asking from the people of this country, we will be creating a very tangible and very persuasive incentive to cut down on paperwork.

Because forms and documents and questionnaires would be translated into dollars and cents, Federal agencies would begin thinking and hesitating before they issue unnecessary, repetitive and frivolous paperwork. The wheat would finally be separated from the chaff, and only really vital information would be requested.

This is the way the bill would work:

For any form or similar document that an individual is required to file or answer, he would be entitled to a tax credit of 10 cents per item of information or inquiry, but not less than $1 per form. A 20-question form would entitle him to a $2 credit.

For any form or similar document that a corporation, other than a "small business," is required to file, the stakes would double; 20 cents a question, with a minimum of $2 per page.

For any form or similar submission required of a "small business," the credit would be 30 cents per question with a $3 minimum per form.

State and local governmental units would operate under the 20-cent per question, $2 minimum standard, and since they do not pay taxes would be able to claim their credit in the form of an increased payment under the general revenue-sharing program now in the law.

Nonprofit and charitable organizations as defined under section 501(c)(3) of the Tax Code would also receive the 20 cents per question, $2 minimum payment from the Treasury.

The basic premise of this bill is that if the information is worth having, the bureaucracy should be willing to pay $1, $2, or $3 for it. If it is not worth that much, then the taxpayer should not be burdened with providing it.

The intent of this bill is not to deny the Federal Government the data it truly requires to legislate, regulate and govern effectively. Many Federal reporting requirements are unquestionably necessary. However, many required forms could be eliminated or at least streamlined or simplified.

Government agencies presently churn out billions of sheets of paperwork for the American people each year, probably enough to fill several major league baseball stadiums. Just to print, shuffle, and store all this paper costs Government at all levels an estimated $18 billion annually.

And, at the receiving end of the red-tape tangle, it costs the American people, businessman, and worker alike, another $18 billion to fill out the mass of forms: Internal Revenue forms, wage and price forms, unemployment forms, health forms, accident forms, social security forms, quarterly this and monthly that.

For many small businesses, this added expense proves to be the final straw that drives them out of business. And for those giant corporations that can afford accountants and lawyers to deal with all this paperwork—well, they are forced to pass the cost along to the consumers.

In terms of dollars and cents, or frustration and irritation, the endless tangle of paperwork imposed by Government has become unbearable.

There are well over 5,000 forms in use in the Federal Government, excluding all tax and banking forms. There are 10 forms to be filled out each year for every man, woman, and child in the United States. The private citizen is very literally inundated with requests for information.

Some have referred to the endless series of forms and documents as "strangulation in triplicate." Others call it "Federal forms pollution."

It is particularly difficult for small firms to absorb the cost of this paperwork. Small businessmen must employ outside accountants and lawyers to fill out complex forms and keep the extra recordkeeping involved. Professional as-

sistance, of course, is expensive. Having few employees, the small firms find it more difficult to spread the cost. A rise in per unit cost to cover paperwork can result in loss of sales and loss of competitive standing for small enterprises.

Small businesses, especially the mom-and-pop type operations, must fill out numerous reports, as many as 52 tax forms in a singe year. This is not an example of a Government which is concerned and responsive to the needs of its people. It is not a Government which is protecting free enterprise. It is instead a Government which favors only those large concerns that can satisfy repetitious requests for data, statistics, and information.

There are hundreds of instances in which Government redtape has proved an unmanageable burden for Americans trying to go into business for themselves.

One example, in particular, sticks in my mind. A young man developed a revolutionary device which represented a tremendous technological improvement for a certain industry.

He raised enough money to do research and develop his device for 1 year, hoping to go into production at the end of that time.

Keep in mind that during the first year he was earning no income. Regardless, though, he was required to fill out more than 60 Government forms and to pay out more than $3,600 in accounting fees.

As a consequence, he wound up behind schedule, frustrated and out of money at the end of the year. And it is doubtful that his new business will ever get off the ground.

Even a going concern is diverted by paperwork pollution from its main job of making a good product, selling it, keeping solvent, providing jobs, making profits, and paying taxes.

And, if the owner of a small firm is forced to spend too much money and too much effort on nonproductive paperwork, he must either go out of business or be swallowed up by a giant conglomerate.

Beyond the cost of Federal paperwork as measured in dollars and cents, there are other disturbing aspects of this problem. What is a small businessman to think, when his primary contact with his Government is a futile and frustrating battle with forms and regulations?

In an era when citizens distrust their Government, a wall of redtape is a needless barrier to trust and understanding. It is time that wall came down.

I began, in the spring of 1973, to move against this slow and steady strangulation by redtape. I introduced legislation creating a Federal Paper Commission, charged with studying the massive paperwork burden and making recommendations to eliminate much of it.

That Commission has just begun its work. But, even as it examines the overall problem, we cannot afford to sit still when countless flagrant instances of redtape are begging to be simplified. We can and should make the fight against excessive paperwork an ongoing battle.

For example, earlier this year, I introduced legislation to relieve thousands of small businessmen from the costly and complex paperwork now required by the Federal Government for pension plans. Basically, my bill would require the Secretary of Labor to issue simplified reporting and disclosure requirements for pension plans with less than 100 participants.

Let us face it, the detailed reporting requirements geared toward the largest pension plans in the country are simply not needed for our smallest pension plans. And, if they are not needed, why have them?

The sooner we adopt this attitude toward paperwork pollution, the closer we will be to a really streamlined and efficient Federal Government.

In this same spirit, I have introduced another measure to insure that Congress gives much closer attention to the paperwork requirements on small businessmen by new legislation. My bill would require that all congressional committee reports on new legislation include a rundown on the forms and recordkeeping burden it entails.

Such rundowns would include the estimated costs of required paperwork—in terms of dollars and cents, in terms of time, and in terms of frustration.

The Long-Bentsen paperwork reduction tax credit represents a major step to focus greater attention on the avalanche of Federal forms. Enactment of this legislation would encourage all Federal agencies to streamline forms and eliminate unnecessary ones.

Mr. LONG. Mr. President, the Senator from Texas has made a very fine statement.

This $20 billion to $40 billion is less than the taxpayer has to spend to fill out these forms now. The $40 billion that taxpayers are paying to fill out all these forms are deductible expenses, and so about $20 billion of this is a reduction of Federal tax revenues by virtue of the $40 billion expense being imposed on the American taxpayer.

This paper work burden could be reduced by about 75 percent, as I believe it should be. For example, in many cases, if the information is needed, a mere survey or sample like the Gallup poll may be used to obtain the same information. Often we do not need statistical precision within one-tenth of 1 percent, and by reducing the paper work by 75 percent—and I think that is a fair objective—the Government would then save money, even though it would be paying people to fill out the forms.

This same principle could be applied to business. The Government could greatly increase its tax revenues if businessmen would not be required to hire employees to fill our innumerable Federal forms. Instead, those people could be put to work doing something useful. These unnecessary forms are driving the average businessman absolutely mad, and needlessly running up the expenses of business as well as Government.

Mr. BENTSEN. Mr. President, it also means, of course, we would be able to cut down on the number of Government employees and reduce the Government budget with this kind of approach. That, certainly, is a worthy objective with the deficits we are seeing.

Mr. LONG. I have seen some pictures of Government employees sitting side by side as far as the eye could see and I wonder what they do with all those people. Obviously, they are trying to process a great number of these completely useless forms time and time again.

Mr. BENTSEN. Mr. President, I yield back the remainder of my time.

I thank the Senator from West Virginia.

The PRESIDING OFFICER. All time has expired.

Under the previous order, the Senator from New Mexico (Mr. DOMENICI) is recognized for not to exceed 15 minutes.

SENATE PROCEDURES—IN NEED OF AN OVERHAUL

Mr. DOMENICI. Mr. President, I have become increasingly concerned during my initial 3 years as a Member of this body that its procedures prevent it from dealing effectively with the kinds of massive national problems we are confronted with today.

In this category, I place such important and complex issues as creation of a coherent national energy policy, establishment of priorities for our national transportation system, and addressing the spiraling costs and associated problems of trying to provide adequate income security for older and needy Americans.

The reason for my concern with the procedural and organizational deficiencies of the Senate as an institution is a recognition that here, as in most institutions, procedure actually controls substance. I have no quarrel with tradition or custom, because I also recognize that an institution such as the Senate will necessarily develop arrangements and processes that are extremely personal to that institution and which have been adopted over the years to improve the functioning of the institution.

There comes a time, however, when the course of events demonstrates beyond question that even the most personal and traditional of arrangements and processes must be evaluated and modified for improved functioning. We have reached that time in the Senate long ago, Mr. President, and our ability to function for the good of this Nation and its citizens under the crush of events of this era is severely hampered by procedures not in tune with the times.

I do not intend to belabor the effect of this circumstance on individual Senators, Mr. President, because all the Members of this body know the utter frustration generated by the lack of processes that allow us to address and resolve the major issues we must deal with if the United States is to continue as the greatest Nation on earth. So, it is not change for change's sake, or to make my job either more rewarding or easier: It is my concern and my fear that we will simply be unable to carry out successfully the business of the people without some basic procedural overhaul in this institution.

Mr. President, the operating procedures governing the scheduling of the various kinds of functions we engage in simply must be changed to allow us to make more efficient and effective use of our time and energy. We need a system that permits the various functions of committee action, floor involvement, constituent interaction and interface with the House of Representatives to be complimentary to each other, not at the expense of each other.

It is not uncommon under the present scheduling system for Senators to be scheduled for several major committee events and to be involved in a conference on an important piece of legislation at the same time that the other equally important legislation is being debated on the floor.

I am fully aware that a certain amount of conflict of the kind I have been describing is inevitable, but that is no excuse not to at least try to reduce it to the very minimum. We could, for example, establish a routine weekly calendar that sets aside specific days or parts of days of every week for committee activity and specific days or parts of days for floor activity. We could then computerize the scheduling of committee meetings so that conflicts were minimized. These are only some brief examples of improvements I think could be made and I intend to pursue this matter in the upcoming session.

There just has to be a better way to utilize the time and talent of the 100 people sent here by the citizens of this country to do more than make the difficult choice almost daily of which important matters will be left out that day. I urge my colleagues to pursue this matter since it is, in my opinion, of fundamental importance.

Also of fundamental importance is our committee system, because the committee system is the real workplace within the institution. As such, it ought, at the minimum, be adaptable to the important massive issues and problems of these times. But, Mr. President, it is not. The present system actually detracts from our ability to deal effectively and expeditiously with the major problems that face this Nation in the 1970's.

Look, for example, at how we are organized to address the issue of income assistance, a problem that in the years ahead will dwarf all others in terms of money committed by the Federal Government. We have five Senate committees dealing with some aspect of this issue or with one or more of the growing number of major categories of recipients. Unless we act soon to bring some order, some uniformity of approach from the perspective of an overall policy developed in the Nation, long-term best interest, we can expect this to become a problem so pervasive that a national calamity is not unlikely.

As an example of the problem that has existed for some time, to which we have thus far failed to respond, let me cite the way we attempt to deal with national transportation issues, not to mention develop and adhere to a national transportation policy. How can we do either, when legislative jurisdiction is divided between five subcommittees of four different committees in the House and between five subcommittees of three different committees in the Senate? The closest we come to pulling these activities together is in the Appropriations Subcommittee on Transportation, one in each House.

The situation is even worse as to energy and energy policy. At least in transportation, most of the appropriations process is handled in one subcommittee in each House, but in energy, there are multiple appropriations subcommittees in each House attempting to handle some part of the action. Add to that these startling facts relating to energy jurisdiction of committees of the Congress:

First. In the House there are 17 standing committees and one ad hoc select committee that deal with some aspect of energy legislation or oversight. There are 34 subcommittees that have some part to play in the energy scenario in the House.

Second. In the Senate there are 14 standing committees and one select committee with a total of 38 subcommittees that have been active in energy matters.

Third. In addition, there are two joint congressional committees with a total of nine subcommittees that deal with energy issues.

Is it any wonder, Mr. President, that with this kind of diffuse arrangement, we have to go through the gyrations that finally produced S. 622, so proudly advertised as a comprehensive bill on energy policy and conservation?

I know that the distinguished majority leader has addressed this issue frequently and that it is a matter the leadership recognizes as extremely serious. The time for recognition is past and it is now time for action. I know there have been proposals in the 93d Congress and in this Congress for reorganizing to deal more effectively with energy. I know that any of those proposals which would stand a chance of achieving its purpose would be hard to cause to happen, but that is no reason not to try.

I am convinced that we must try and that we must ultimately change the present committee structure. We have not settled our energy problems with the passage of S. 622. In fact, I am convinced we have worsened it by that legislation and partly at fault is the "nonsystem" by which that bill was produced. I intend to propose that while longer range solutions, such as committee reorganization, are being pursued, we create a temporary Select Committee on Energy in the Senate. I am fully aware that there are drawbacks and disadvantages to that arrangement, but it would be so much better than what we have now that we must at least try it while a complete overhaul is being worked out.

In conclusion, Mr. President, I sincerely urge my colleagues to consider, earnestly and carefully, the dangers of our present procedural system in the Senate and to work together with the common goal of changing that system to make it responsive to the problems we are not now able to solve, particularly energy. The second session of the 94th Congress can have no more an important matter to deal with than that which has been the subject of my remarks this morning.

Mr. President, I yield back the remainder of my time.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may have control of the time yielded back by the distinguished Senator from New Mexico.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum while awaiting the next speaker, and I ask that the time be charged against the time allotted to me.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. ROBERT C. BYRD. Mr. President, how much time remains to me under my control?

The PRESIDING OFFICER. The Senator's time has expired.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, while the Senate awaits the arrival of the last Senator to be recognized under a special order (Mr. JAVITS), I ask unanimous consent that there be a brief period for the transaction of routine morning business of not to exceed 5 minutes.

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

ORDER FOR RECOGNITION OF SENATOR CLARK TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow after the two leaders or their designees have been recognized under the standing order, the Senator from Iowa (Mr. CLARK) be recognized for not to exceed 10 minutes.

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

OVERSEAS CITIZENS VOTING RIGHTS ACT OF 1975

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 95.

The PRESIDING OFFICER (Mr. TAFT) laid before the Senate the amendment of the House of Representatives to the bill (S. 95) to guarantee the constitutional right to vote and to provide uniform procedures for absentee voting in Federal elections in the case of citizens outside the United States.

(The amendment of the House is printed in the RECORD of December 10, 1975, beginning at page 39736.)

Mr. PELL. S. 95 passed the Senate by unanimous consent May 15, 1975. The House December 10, 1975, by an overwhelming majority, passed the Senate

bill with the amendment of the House Administration Committee striking out all after the enacting clause and inserting new language.

We intend to ask the Senate to agree to the House version of S. 95. This would eliminate the need for referring the bill to a time-consuming conference, and would enable the bill to be cleared for the President before the end of this session. As a result, overseas citizens would be able to vote in Federal primary elections in 1976 as well as in the Federal general election next November.

In general, the House changes in S. 95 do not adversely affect the primary purposes of the bill: First, to assure the right of U.S. citizens residing outside the United States to vote in Federal elections in their State of last domicile; and second, to adopt uniform absentee registration and voting procedures covering these citizens in Federal elections.

Mr. President, I must report, however, that the Senate sponsors of S. 95 are troubled by the House deletion of a provision in the Senate bill which would have clarified the Federal and State tax status of the overseas citizen voting in Federal elections under this bill.

Our concern about the House deletion of the tax provision is based upon the evidence in the committee hearings on this bill, as confirmed by our firsthand experience, that one of the primary reasons large numbers of overseas citizens have declined to vote in elections back home in the past was the fear they would as a result be subjected to State taxation.

Mr. MATHIAS. Mr. President, will the Senator yield?

Mr. PELL. I yield to the Senator from Maryland who, I should say, was one of the original sponsors of this bill when it was introduced in the Senate last January, and who has been one of the strongest supporters in our efforts to enfranchise U.S. citizens abroad to vote in Federal elections back home.

Mr. MATHIAS. I thank the Senator from Rhode Island for his kind words, and would mention that, as chairman of the Subcommittee on Privileges and Elections of the Committee on Rules and Administration, he has been at the forefront for a number of years in seeking legislation to assure the right of overseas citizens to vote in Federal elections.

I want to join the Senator in asking the Senate to agree to the House version of S. 95. As he said, we are not fully satisfied with the House amendment, particularly the deletion of the tax provision in the bill. I have been advised, however, that the House managers of the bill in all likelihood would not be able to agree to reinstatement of the tax provision in S. 95 even if the bill were referred to a conference. The House does not take the position that overseas citizens should be subject to tax liability solely for the privilege of voting in Federal elections under this bill. The House Administration Committee said they deleted the tax provision as simply "inappropriate for this legislation." The chairman of that committee, WAYNE HAYS, stated the House position succinctly during floor consideration of the bill:

> The amended bill is neutral on the question of taxation and neither restricts the right of a State or locality to attempt to tax an overseas citizen voting in federal elections under this bill, nor limits the right of an overseas citizen to contest the imposition of such taxation under applicable law.

We have been informed that the principal supporters of S. 95 overseas believe that the bill, even without the tax provision, represents a major advance in their efforts to secure the franchise in Federal elections back home. Indeed, as a practical matter, the silence of the House amendment on the tax question may not have any significant effect on the imposition of taxation on overseas citizens voting under this bill. As I have noted, the House managers, both in the committee report and on the floor, made clear that the bill does not limit the right of an overseas citizen voting under this bill to contest the imposition of State taxation "under applicable law." The Senate sponsors thought the tax provision would have helped clarify this applicable law, and regret deletion of the provision in the House amendment. An examination of the applicable law will show that the Constitution alone is sufficient to assure that the overseas citizen would not be subject to taxation solely by voting in Federal elections under S. 95.

Mr. PELL. In light of the House deletion of the clear and specific tax provision in the Senate bill, I think it would be useful at this point to summarize our understanding of the tax law—Federal and State—applicable to overseas citizens whose sole continuing contact with a State is voting in Federal elections under S. 95.

The touchstone of this applicable law is the 24th amendment to the Constitution abolishing the poll tax as a qualification to vote in Federal elections. This amendment reads as follows:

> "SECTION 1. The right of citizens of the United States to vote in any primary or other election for President or Vice President, for electors for President or Vice President, or for Senator or Representative in Congress, shall not be denied or abridged by the United States or any State by reason of failure to pay any poll tax or other tax.
>
> "SEC. 2. The Congress shall have power to enforce this article by appropriate legislation."

The prohibition in this amendment applies to U.S. citizens residing overseas as well as those at home.

FEDERAL TAXATION

Voting in Federal elections under S. 95 should have no effect on the Federal income or estate tax liability of U.S. citizens residing outside the United States.

All U.S. citizens, whether residing at home or overseas, are subject to Federal income taxation on all of their income, with certain exceptions. For the citizen residing overseas, the Internal Revenue Code currently allows a limited exclusion for income earned in work overseas. The Internal Revenue Service has already issued a ruling, Revenue Ruling 71–101, 1971–1 Cumulative Bulletin 214, stating that the overseas citizen would not lose this exclusion solely by voting in elections back home. This ruling has been further clarified by a letter, dated August 28, 1972, from the Acting Chief of the Corporation Tax Branch of the Internal Revenue Service to Senator GOLDWATER, which the Senator kindly inserted, at page 49, in the September 1973 hearings before our Subcommittee on Privileges and Elections on voting by U.S. citizens residing abroad. I should point out that the tax reform bill passed by the House a few weeks ago, and now under consideration in the Senate Finance Committee, would phase out even this limited exclusion from Federal income taxation for foreign-earned income.

The overseas citizen does not enjoy any Federal tax exemption for investment income by reason of residence outside the United States. Investment income of overseas citizens is subject to Federal income taxation in the same manner as investment income of citizens at home. This includes dividends, interest, rents, royalties—all income other than income earned in work overseas.

The overseas citizen is also fully liable for Federal estate taxation to the same extent as citizens residing in the United States. The Internal Revenue Code provides no exemption from Federal estate taxation for U.S. citizens by virtue of their residence overseas.

STATE AND LOCAL TAXATION

As we construe existing applicable law, the overseas citizen would not be subject to State and local income, estate, or inheritance tax liability solely for the privilege of voting in Federal elections under S. 95. In other words, if his sole contact with a State is voting in Federal elections under S. 95, that in itself would not be sufficient to subject him to State or local taxation.

S. 95 requires that an overseas citizen need retain only a voting domicile in a State in order to continue voting in Federal elections in that State. The bill does not require that he retain a domicile in the State for other purposes. For example, the bill expressly recognizes that such a citizen's intent to return to his State of last domicile may be uncertain.

There is ample support for our conclusion that under existing applicable law the overseas citizen would not subject to State and local tax liability solely for the privilege of voting in Federal elections under S. 95:

First, the 24th amendment, as I have indicated, insures that a State cannot, in effect, inhibit "citizens of the United States" from voting in Federal elections in the State by the imposition of "any poll tax or other tax." Such a State tax would be equally suspect whether it were imposed on the overseas citizen before or after he were to vote in Federal elections.

This bill does not require the overseas citizen to retain full domicile in a State in order to vote in Federal elections in that State. Such a requirement would, in many instances, amount to an unconstitutional poll tax in the same way as if such a tax were imposed directly on the act of voting itself.

Second, compelling an overseas citizen to pay State and local taxes solely for the privilege of voting in a Federal election, without the citizen enjoying any of the rights and privileges incident to domicile in the State, might well be a violation of the due process clauses of the fifth and 14th amendments as well as of the poll tax amendment.

Mr. MATHIAS. Mr. President, will the Senator yield?

Mr. PELL. I yield to the Senator.

Mr. MATHIAS. Naturally, S. 95 will not preclude a State from seeking to impose taxation on an overseas citizen if the State can reasonably prove that such tax liability has a basis other than voting in Federal elections in that State. Furthermore, it must be emphasized that S. 95 applies only to Federal elections. If an overseas citizen wants to vote in State and local elections, he must still persuade the State to accept him as a full domiciliary of that State for purposes of voting in State and local elections. S. 95 would not change that result in any way.

Mr. PELL. The Senator's understanding is correct.

Third, according to Treasury statistics, the Federal tax liability of overseas private citizens runs into the hundreds of millions of dollars.

In 1973, for example, 138,000 Federal income tax returns were filed on behalf of over 200,000 overseas taxpayers in the private sector alone—not counting Federal Government employees. These tax returns of overseas private citizens reflected a total Federal income tax liability, even after allowance of all tax credits, exclusions and exemptions, of nearly $150,000,000. The average Federal income tax per return of $1,058 for these overseas private citizens was greater than or about the same as the average income tax per return for individual taxpayers residing in each of 15 States back home. This amount is greater than for taxpayers in nine States—Arkansas Idaho, Maine, Mississippi, New Mexico, South Carolina, South Dakota, Utah, and Vermont; and about the same as for taxpayers in six States—Alabama Kentucky, Minnesota, Montana, North Carolina, and South Dakota.

The House phaseout of the present limited exclusion from income taxation for foreign-earned income would eventually increase the Federal income tax collections from these overseas private citizens by at least another $50,000,000 a year. The phaseout probably will also result in the filing of Federal income tax returns by tens—and possibly hundreds—of thousands of additional overseas private citizens.

It is worth noting, moreover, that in these days of massive Federal grants-in-aid and revenue sharing, the States receive a substantial amount of Federal tax revenue paid in part by overseas private citizens to the U.S. Treasury.

For example, the $150,000,000 in Federal individual income taxes paid by overseas citizens for 1973 would have been sufficient to bear the entire cost of all Federal aid to State and local governments in fiscal year 1973 for each of at least five States, including Delaware, Nevada, New Hampshire, Vermont, and Wyoming. Overseas citizens already pay, and will continue to pay, a fair share of State revenues through the U.S. Treasury, whether or not they vote in Federal elections under this bill.

Fourth, the imposition of State taxes on the overseas citizen solely for the privilege of voting in Federal elections under S. 95 would in many instances constitute double taxation. The overseas citizen generally is subject to substantial income tax and sales tax—or value-added—liability in his foreign country of residence. The foreign income tax is ordinarily creditable against his Federal income tax liability, but not against any State or local tax liability.

The foreign sales—or VAT—tax may run as high as 30 percent on some items, but it is not allowed either as a credit or as a deduction against Federal, State, or local income taxation in the United States.

These foreign taxes paid by the overseas citizen help defray the cost of services actually used by the citizen in his foreign country of residence. He pays for police and other services, schools, sewers, garbage collection, streets and highways, health care, social security, and any other government benefits provided by that country and used by him.

It would be wholly unreasonable, as well as a violation of the due process clauses and the 24th amendment, for a State to impose an additional tax burden on the overseas citizen solely for the purpose of voting in Federal elections if he makes no use of any other service provided by the State, such as police, fire, education, sanitary, transportation, and social services for which he is already paying taxes in his foreign country of residence.

Mr. MATHIAS. Mr. President, would the Senator yield once more.

Mr. PELL. I am pleased to yield to the Senator from Maryland on this bill at any time.

Mr. MATHIAS. I commend the Senator from Rhode Island for his excellent exposition of the tax law applicable to overseas citizens voting in Federal elections under S. 95, and want to confirm that I am in total agreement with every step of his analysis.

For the RECORD, I think we also ought to enumerate the other significant House changes in S. 95, since they were not all described in the House report or floor debate.

FINDINGS AND DECLARATION

The House deleted the findings and declarations in the Senate bill as being unnecessary. The House apparently concluded that adequate justification for the bill, including its constitutionality, was contained in hearings on the bill before the Senate Rules and Administration and House Administration Committees and in the commitee reports. The Senate sponsors of S. 95 regard this change as mainly a technical one.

RIGHT OF OVERSEAS CITIZEN TO VOTE IN FEDERAL ELECTIONS

The House recast in a positive form the declaration contained in the Senate bill of the right of a citizen residing outside the United States to vote in Federal elections in his State of last domicile. The House also added the requirement that the overseas citizen must have been able to meet all qualifications—except for the minimum age requirement—to vote in Federal elections in such State under present law prior to departure from the United States. The Senate sponsors of S. 95 believe this change is also essentially technical.

ABSENTEE REGISTRATION AND VOTING PROCEDURES

The House made three changes in the absentee registration and voting procedures enumerated in S. 95.

First, the House version provides that the deadlines for submitting applications to vote and completed ballots must be based on the time of their receipt by the State election official, because it was thought considerable time may elapse between the mailing of such materials by the overseas voter and their receipt by the election official. This also amounts to a technical change in the bill.

Second, the House deleted a detailed description of the obligation of a State election official to mail election materials to the overseas applicant, since it was believed such an obligation is inherent in the absentee registration and voting rights secured by the bill, and generally is now provided by State law. While the Senate sponsors regard this change as also one of a technical nature, we should emphasize it is our intention, in the case of any properly completed application for an absentee ballot received by a State election official under this bill, that he will mail an absentee ballot by air mail to the overseas citizen as promptly as possible.

Third, the House deleted a specific provision for payment of postage in the U.S. mails—including the authorization of an appropriation therefor—for election materials sent to and from the overseas citizen, since it was considered unnecessary to modify existing Federal and State law governing the payment of such postage. The Senate sponsors believe this House change also is a technical one, since the mailing of election materials to and from citizens residing overseas, and the payment of postage on those materials in the U.S. mails, is already covered by the Federal Election Assistance Act of 1955, as amended, and corresponding State law.

In sum, we do not think that any of the House changes I have mentioned in the absentee registration and voting provisions of S. 95 will significantly affect its practical operation.

Mr. PELL. Mr. President, as the Senator from Maryland has stated, while the Senate sponsors of S. 95 are disappointed in the House deletion of the tax provision in the Senate bill, we think it probably would not be productive for the Senate to insist on a conference solely to seek restoration of this provision in the bill. The bill as passed by the House retains the principal substantive provisions of the Senate bill guaranteeing the constitutional right of the overseas citizen to register and vote in Federal elections and providing uniform absentee registration and voting procedures for this purpose. By avoiding a conference,

we can clear the bill for the President before Christmas recess, and assure that the overseas citizen will be able to participate in the entire Bicentennial year of Presidential and congressional elections.

Mr. MATHIAS. I wholly agree with the Senator from Rhode Island. I think it is essential that S. 95 be enacted in time for overseas citizens to vote in the Presidential and congressional primaries and the Federal general election of our Bicentennial year. If it should turn out that the fear of State taxation continues to discourage a significant number of overseas citizens from voting in Federal elections under this bill, even with our statement today confirming the protection conferred by the due process clauses and the 24th amendment, I think we would then be in a better position to go back to the House in a future year and seek to add a specific tax provision to the law.

Mr. President, I ask unanimous consent to have printed in the RECORD portions of a letter, dated December 11, 1975, from the Bipartisan Committee on Absentee Voting to the Senate sponsors and supporters of S. 95 urging that the Senate act as promptly as possible to accept the House version of the bill, so as to eliminate the need for referring the bill to a conference. The Bipartisan Committee represents all the major groups, both at home and overseas, which support S. 95.

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

BIPARTISAN COMMITTEE
FOR ABSENTEE VOTING,
Washington, D.C., December 11, 1975.

Re S. 95—Overseas Citizens Voting Rights Act of 1975.

HON. HOWARD W. CANNON, MARK HATFIELD, CLAIBORNE PELL, CHARLES MCC. MATHIAS, BARRY GOLDWATER, BIRCH BAYH, WILLIAM E. BROCK, WILLIAM V. ROTH.

DEAR SIRS: As you probably know, the Overseas Citizens Voting Rights Act of 1975 (S. 95), which had passed the Senate by unanimous consent May 15, 1975, was adopted by the House of Representatives December 10, 1975 by 374–43. The House passed the Senate bill with the amendment of the House Administration Committee striking out all after the enacting clause and inserting new language.

We want to confirm to you by this letter that the Bipartisan Committee on Absentee Voting, representing all the major groups which support S. 95, strongly urges that the Senate act as promptly as possible to accept the House version of the bill, so as to eliminate the need for referring the bill to a conference.

We believe that the House changes in S. 95 do not adversely affect the primary purposes of the bill (1) to assure the right of U.S. citizens residing outside the United States to vote in federal elections in their State of last domicile and (2) to adopt uniform absentee registration and voting procedures covering these overseas citizens in federal elections. Except for the House deletion of the taxation provision (see discussion below), the House changes in S. 95 represent essentially technical amendments to the version of the bill passed by the Senate last May.

* * * * *

In the one significant House change, the other Chamber deleted, as inappropriate for this legislation, the provision in the Senate bill which would have expressly provided that the exercise by an overseas citizen of the right to register and vote in federal elections under this bill would not affect the determination of his place of residence or domicile for purposes of any tax imposed under federal, State or local law. The House version is neutral on the question of both federal and State taxation.

The House Administration Committee report on S. 95 noted that the effect of voting in federal elections on the determination of an overseas citizen's liability for federal taxation is already dealt with in the Internal Revenue Code and the regulations and rulings of the Internal Revenue Service.

With respect to State taxation, the report stated that the Committee did not intend either to restrict the right of a State or locality to attempt to tax an overseas citizen voting in federal elections under this bill, or to limit the right of an overseas citizen to contest the imposition of such taxation under applicable law.

While we opposed House deletion of the taxation provision contained in the Senate bill, we have been advised it is highly unlikely the House would agree to reinstatement of his provision in S. 95 even if the bill were referred to a conference. We believe, therefore, that it probably would not be productive for the Senate to insist on a conference solely to seek restoration of the tax provision in the bill.

* * * * *

Since S. 95 carries an effective date of January 1, 1976, we think it would be extremely helpful for the Senate to agree to the House version of the bill before the Christmas recess. This would enable the bill to be cleared for the President before the end of the year, so that overseas citizens would be able to vote in federal primary elections in 1976, as well as in the federal general election next November.

If you should have any questions regarding the foregoing, please do not hesitate to telephone either Mr. Wallace (at 833–1973) or Mr. Marans (at 223–2151).

Very truly yours,

CARL S. WALLACE,
Executive Director.
J. EUGENE MARANS,
Secretary and Counsel.

Mr. GOLDWATER. Mr. President, I am delighted that the Senate is about to approve and send to the White House S. 95, legislation to strengthen the voting rights of overseas American citizens. The bill will nail down the absentee voting rights of a law which I introduced in 1970, regarding Presidential elections, and extend those rights to all Federal elections.

In short, the 1970 amendments which I authored struck down legal technicalities preventing Americans from voting for President and Vice President solely because they had moved their households before the election. The law also extended absentee registration and balloting rights to American citizens who were away from home on election day.

Although the number of Americans casting Presidential absentee ballots in 1972 increased by 26 percent over the previous Presidential election, it became clear that some States would not extend the full voting rights to Americans who were outside the United States that I and the other sponsors of the 1970 law intended. Also, that law is limited in its application to voting for President and Vice President and does not cover voting for all Federal offices. Thus, it is clear that a new law is now needed to clarify the meaning of the 1970 statute and to extend comparable benefits to citizens who wish to vote in congressional elections as well as for President and Vice President.

Mr. President, there is no question in my mind about congressional power to protect the right of U.S. citizens to vote. In this connection, my counsel has prepared a legal memorandum in support of the constitutionality of S. 95 and I ask unanimous consent that this paper be printed in the RECORD at the conclusion of my statement.

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

(See exhibit 1.)

Mr. GOLDWATER. In short, I believe it is a firmly established principle of American law that the right to vote for national officers is one of the fundamental, personal rights of national citizenship. Moreover, the right to vote and the freedom to travel are both among the privileges of U.S. citizenship which are directly dependent on and secured by the Constitution.

Also, I would point out that Americans abroad have a distinct and direct interest in Federal elections similar to that of citizens who remain at home. Overseas Americans have a great interest in decisions and policies acted upon by the President and Congress jointly and have a very real stake in being allowed to participate in the political process. In acting to protect the franchise for these citizens, Congress is merely implementing the basic scheme of the Constitution that Americans shall enjoy a representative government whose officers are as responsive as possible to all of the people.

EXHIBIT 1

MEMORANDUM OF LAW IN SUPPORT OF CONGRESS' POWER TO PROTECT THE VOTE IN FEDERAL ELECTIONS

(By J. Terry Emerson, counsel to U.S. Senator Barry Goldwater)

I. THE RIGHT TO VOTE FOR NATIONAL OFFICERS IS AN INHERENT RIGHT OF NATIONAL CITIZENSHIP

It is firmly established in American law that the right to vote for National officers is a fundamental, personal right of National citizenship. The Supreme Court has plainly announced that "among the rights and privileges of National citizenship recognized by this court are the right to vote for National officers . . . *"Twining* v. *New Jersey*, 211 U.S. 78, 97 (1908)."

According to Justice Frankfurter's opinion in *U.S.* v. *Williams*, 341 U.S. 70, at 79 (1951), the Supreme Court has held or assumed in at least seven decisions that the right to vote in Federal elections can be protected by Congress because it is a right directly dependent on and secured by the Constitution. *Ex parte Yarbrough*, 110 U.S. 651, 663 (1884), is but the first of these decisions. In *Yarbrough*, the Court expressly rejected a claim "that the right to vote for a Member of Congress is not dependent upon the Constitution or laws of the United States, but is governed by the law of each state respectively." Instead, the Court held that these offices are created by the Constitution and by that

alone. *Id.*, at 663. See also *United States* v. *Classic*, 313 U.S. 299, 314, 315 (1941); *Wiley* v. *Sinkler*, 179 U.S. 58, 62 (1900); *In re Quarles*, 158 U.S. 532, 535 (1895).

The same doctrine applicable to voting in Congressional elections is true of Presidential elections. That office is created by the Constitution alone, and it and the Vice Presidency are the only national offices chosen in a nation-wide election. All doubt of the standing accorded this right is removed by *In re Quarles*, where the Supreme Court expressly enumerated among the rights secured to citizens by the Constitution "the right to vote for *presidential electors* or members of Congress. . . ." *Id.*, at 535. (Emphasis added.) Moreover, the Supreme Court later held that Presidential electors exercise Federal functions, a truism which further supports the power of Congress to legislate with respect to Presidential elections *Borroughs* v. *United States*, 290 U.S. 534 (1934).

The concept from which the right to vote for officers of the National government is derived is the recognition by the Supreme Court that there are certain basic rights of National citizenship which "arise from the relationship of the individual with the Federal government" and "are dependent upon citizenship of the United States, and not citizenship of a state." *U.S.* v. *Williams, supra; Slaughter-House Cases*, 16 Wallace 36, 80 (1872).

Thus, the rights belonging to National citizenship arise out of the very nature and existence of the National government. *Ward v. Maryland*, 12 Wallace 418 (1870); *Paul v. Virginia*, 8 Wallace 168, 180 (1868). The right to vote in National elections is among these fundamental rights since it is basic to the scheme of the Constitution that Americans enjoy a representative-type of government with National officers who are as responsive as possible to the people.

II. THE RIGHT TO VOTE FOR NATIONAL OFFICERS IS A PRIVILEGE OF NATIONAL CITIZENSHIP

Section I of the Fourteenth Amendment provides that "No state shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States." The right to vote for National officers has not only been recognized as being among the "rights" of National citizenship, but also among the "privileges" granted or secured by the Constitution. *In re Quarles, supra; Twining v. New York, supra.* Accordingly, Congress is free to enforce the privilege of voting pursuant to section 5 of the Fourteenth Amendment, the Enforcement Clause.

III. THE FREEDOM TO TRAVEL IS A PRIVILEGE OF UNITED STATES CITIZENSHIP

The freedom to travel across State lines has long been held to occupy a position fundamental to "the nature of our Federal Union and our Constitutional concepts of personal liberty." *Shapiro v. Thompson*, 394 U.S. 634, 639 (1969); *United States v. Guest*, 383 U.S. 745, 757 (1966); *Crandall v. Nevada*, 6 Wallace 35, 47 (1867).

In *Kent v. Dulles*, 357 U.S. 116, 126 (1958), the Supreme Court clearly equated the right of interstate travel with the right to travel abroad:

"Freedom of movement across frontiers in either direction, and inside frontiers as well, was a part of our heritage. Travel abroad, like travel within the country, may be necessary for a livelihood. It may be as close to the heart of the individual as the choice of what he eats, or wears, or reads. Freedom of movement is basic in our scheme of values." *Id.*, at 126.

Thus, the freedom to travel abroad has been held to be an important aspect of the citizen's liberty," guaranteed in the Due Process Clause of the Fifth Amendment. *Kent, supra* at 127; *Aptheker v. Secretary of State*, 378 U.S. 500, 505 (1964). Indeed freedom of movement is considered of such great importance, the Supreme Court has held that a Federal restriction upon the personal liberty of travel outside the United States was unconstitutional even though a substantial governmental interest was asserted in support of the restriction on grounds of national security. *Aptheker, id.*, at 508.

Since it is well settled that the Fourteenth Amendment operates to extend the same protection against State legislation, affecting life, liberty, and property, as is offered by the Fifth Amendment, Congress has full power to secure the liberty of free travel against unnecessary State restraint. *Hibben v. Smith*, 191 U.S. 310, 325 (1903).

IV. CONGRESS HAS POWER TO PROTECT RIGHTS AND PRIVILEGES OF NATIONAL CITIZENSHIP UNDER BOTH THE NECESSARY AND PROPER CLAUSE AND THE FOURTEENTH AMENDMENT

With respect to protection and facilitation of the exercise of rights or privileges of United States citizenship, the Supreme Court has ruled that Congress may act under the Necessary and Proper Clause of Article I of the Constitution. As stated by Chief Justice Waite in *United States v. Reese*, 92 U.S. 214, 217 (1875), the "right and immunities created by or dependent upon the Constitution of the United States can be protected by Congress." See also *Strauder v. West Virginia*, 100 U.S. 303, 310 (1879).

As in all cases involving the reserved powers of the States, the applicable rule under which Congress may legislate is the classic formulation by Chief Justice Marshall in *McCulloch v. Maryland*, 4 Wheaton 316, 421 (1819). If the end be legitimate and within the scope of the Constitution, Congress can choose any means which has a rational basis.

This principle was upheld in *United States v. Texas*, 252 Fed. Supp. 234 (1966), striking down the poll tax system in Texas. The case involved an action brought under section 10 of the Voting Rights Act of 1965 in which Congress found that payment of a poll tax as a precondition to voting denies or abridges the Constitutional right of citizens to vote. In holding that the Texas poll tax must fall, the Court placed its decision squarely on the ground that the right to vote is "one of the fundamental rights included within the concept of liberty." *Id.*, a 250. The Supreme Court upheld this ruling in *Texas v. United States*, 384 U.S. 155 (1966).

The same rule of *McCulloch v. Maryland* is applicable to measure the exercise of Congress' power to enforce the guarantees of the Fourteenth Amendment. For example, see *Katzenbach v. Morgan*, 384 U.S. 641, at 650, 651 (1966), upholding the constitutionality of section 4(e) of the Voting Rights Act of 1965 which prohibits enforcement of the New York State English language literacy test against New York residents from Puerto Rico.

V. S. 95 IS APPROPRIATE LEGISLATION

Applying the above principles to the subject legislation, it is clear S. 95 is constitutional. Its end is clearly legitimate. Its object is to protect and enhance the right of almost one million United States citizens overseas to exercise the franchise in Federal elections. These citizens have a direct and great interest in decisions and policies acted upon by the President and Congress and are substantially affected by decisions made by the Executive and Congress jointly. Federal action is required if these citizens are to be brought within the workings of representative government. No single State can undertake to guarantee the franchise to all these persons. In order to establish a uniform means by which all national citizens can be guaranteed an equal opportunity to vote in national elections, it is necessary for Congress to act.

In acting to facilitate and protect the rights to vote and travel, the record indicates that Congress is concerned with at least three categories of overseas citizens, all of whom it seeks to enfranchise in Federal elections. A professional survey of United States citizens abroad, which was recently compiled for the Department of Defense pursuant to the Federal Voting Assistance program, provides the best evidence available as to the characteristics of these citizens. An analysis of applicable principles proves Congress is acting within the scope of the Constitution with respect to each of these categories of citizens.

VI. CONGRESS CAN PROVIDE UNIFORM PROCEDURES FOR ABSENTEE RESIGNATION AND VOTING IN FEDERAL ELECTIONS

The recent Department of Defense survey indicates that there are 630,300 Americans abroad who are presently eligible to vote based on age, citizenship, and legal residence criteria. As to this class of citizens Congress is concerned with removing technical limitations of State and local law which unnecessarily restrict their opportunity to vote and consequently burden the privilege of travel as well. Congress is concerned that these citizens, who are admittedly bona fide residents of the several States, shall not be disenfranchised by mere lack of minimal voting processes. For this reason, Congress proposes to enact uniform national standards with respect to the means for absentee registration and voting by such residents in order to provide them with the fullest opportunity for exercising the franchise.

The basic standards which Congress uses in S. 95 are derived from section 202 of the Voting Rights Act of 1965, which in turn were drawn from the proven practice of the States themselves. Congress has found that these practices were successfully applied by many States with respect to some of their residents without significant fraud or administrative difficulty and has accordingly found there is no compelling reason why the States should not apply the same standards to all of their residents on a national, uniform basis. See testimony of Senator Goldwater, "Amendments to the Voting Rights Act of 1965," Hearings before the Sucomm. on Const. Rights, Senate Comm. on the Judiciary, 91st Cong., 1st and 2d Sess. (1969–1970), at 277–306.

VII. CONGRESS CAN ENACT A UNIFORM DEFINITION OF RESIDENCE FOR VOTING PURPOSES IN FEDERAL ELECTIONS

A second class of overseas citizens who are covered by S. 95 includes persons who are ineligible to vote because of strict residence restrictions, but who plan to return to States that have been their homes before residing abroad. According to the recent survey made for the Department of Defense, there are up to 334,000 Americans of voting age who may be in this category.

Giving proper consideration to the interests of the States, Congress can legislate a uniform definition of residence for voting purposes in Federal elections in order to secure the fundamental right to vote and freedom of travel for these citizens. If a person who departs a State for overseas has an intent to return to that State and considers himself still to be a resident of that State for voting purposes, Congress has a rational basis for determining that these persons remain bone fide residents of the State for purposes of voting in Federal elections.

All States now permit absentee servicemen and their accompanying dependents to register and vote from abroad and this has not caused any significant problems of fraud or administrative difficulty. The universal rule applied by States to servicemen and their dependents is one of intent. These persons do not lose or abandon the voting residence they had when the military member entered the service, nor do they acquire one at the place where he or she serves, irrespective of the duration of actual residence at such place. American Jurisprudence, 2nd, Elections, section 75.

Since all States have successfully administered their elections under the liberal test of residence applied to military personnel and since the total numbers of absentee residents so continued on the voting rolls ex-

ceeds the combined total of persons accorded the same rights by S. 95. Congress may rationally conclude that the setting of a uniform definition of residence for voting purposes based on the same criteria applicable to servicemen and their dependents is an appropriate and workable means for protecting the vote of citizens overseas in Federal elections and their liberty of travel without penalty by reason of loss of the vote.

VIII. THERE IS NO COMPELLING STATE INTEREST IN IMPOSING A STRICT RESIDENCE TEST AGAINST AMERICANS OVERSEAS

Though the general proposition may be accepted that a State may require its voters to be bona fide residents, the Supreme Court has made it clear that the States may not use a test of residence as a technical device for sweeping an entire class of citizens off the voting rolls unless the restriction is *necessary* to promote a compelling State interest. For example, State determinations that certain classes of citizens were not residents for voting purposes were overturned in at least three recent cases because the residence rules were found not necessary to serve any compelling State interest. *Carrington v. Rash*, 380 U.S. 89, 95, 96 (1965), *Evans v. Cornman*, 398 U.S. 419, 424, 426 (1970); *Dunn v. Blumstein*, 405 U.S. 330, 337 (1972).

Congress has here determined that there is no compelling governmental interest in restricting the right to vote and penalizing the right to travel of Americans overseas who possess a nexus with a particular State. Though the States have an obvious interest in preserving the basic conception of their political communities, they have shown themselves able to do this while using a broad standard of residence in the case of servicemen and their accompanying dependents. Thus, a stricter rule than that applied to servicemen and their families cannot be said to be necessary.

Moreover, S. 95 is applicable only to Federal elections and not to filling local public offices. Federal elections are substantially national and international in scope and to a large extent the issues cut across all areas and regions of our country. Whatever the interest of States in limiting the definition of residence in the case of voters for State, county and municipal offices, there is no compelling need for using a stricter rule in Federal elections than the one which is set forth in S. 95.

Nor will enactment of the broad definition of residence required by S. 95 abrogate all State functions with respect to the qualifications of voters in Federal elections. States will retain the power to test whether an applicant for absence registration or voting (1) is of legal age, (2) is incapacitated by reason of insanity, (3) is disqualified as a convicted felon, (4) meets the prescribed time and manner for making application, and (5) is truthful in statements made on registration or voting forms, such as with respect to a claim to actual past residence in a particular State.

Nor can a State claim that it is necessary to exclude all persons overseas from voting in Federal elections in order to guarantee that its voters will be minimally knowledgeable about the elections. It is common knowledge that Americans overseas have wide and immediate access to English language newspapers, journals and news programs circulated and broadcast in foreign areas. These private sources of information are supplemented by the services of the Armed Forces Network, Voice of America, and USIA libraries which are well known to Americans abroad in even the most isolated of places.

The acute interest and awareness of Americans overseas in Federal elections is apparent on the record. In fact, the Department of Defense survey of persons overseas shows that at least 151,000 Americans, not including Federal employees or servicemen, voted in the 1972 election while residing abroad. There is nothing to support an assumption that citizens overseas are uninformed or uninterested in Federal elections and any such argument would crudely and impermissibly exclude large numbers of otherwise qualified voters.

It is also clear that a State cannot exclude persons overseas from voting because they might hold a different viewpoint than persons who have not been absent from the State. The Supreme Court has ruled that differences of opinion may not be the basis for excluding any group of persons from the franchise. See the discussion of cases set forth in *Dunn* v. *Blumstein*, supra, at 355–356.

A similar analysis is applicable with respect to the small numbers of citizens overseas who do not intend to return. According to the Department of Defense survey of citizens overseas, this group may include some 26,500 persons. The critical fact with respect to Congress' power to secure the vote in Federal elections for these persons in that there are numerous and vital ways in which these individuals are affected by the decisions and policies acted on by Federal officers. *Evans* v. *Cornman, supra*, at 424.

Although they are outside the country, these persons are subject to the United States Internal Revenue Code, retirees among them may be directly affected by changes in the Civil Service retirement and Social Security programs, and they are greatly affected by trade and tariff measures, export controls, and foreign policy decisions, among many other actions and programs dealt with by the Executive and Congress jointly. These persons have distinct, direct and great interests in the election of Federal officers and Congress may protect their stake in these elections by providing a uniform procedure for implementing the exercise of their vote, so long as such persons have a past nexus with the particular State in which they seek to vote.

IX. SUMMARY

Without regard to whether the Judiciary itself would find that State restrictions on the vote of overseas residents are unconstitutional, Congress may act to protect the rights to vote and travel by enacting uniform, national standards for Federal elections. Time and again, the Supreme Court has announced that "the right of suffrage is a fundamental matter in a free and democratic society" and "is preservative of other basic civil and political rights." e.g., *Reynolds* v. *Sims*, 377 U.S. 533, 561, 562 (1964); *Kramer* v. *Union Free School District*, 395 U.S. 621, 626 (1969). The Court has further indicated that, "No right is more precious in a free country than that of having a voice in the election of those who make the laws under which, as good citizens, we must live." *Westberry* v. *Sanders*, 376 U.S. 1, 17 (1964). If this is so, surely Congress can act to protect the right of Americans abroad to participate in the choice of Federal officers whose decisions affect them personally and directly.

In so acting, Congress need not assert a general power to prescribe qualifications for voters in Federal elections. S. 95 is confined to Federal action against a particular problem clearly within the purview of Congress' powers to facilitate and protect the personal rights and privileges which the Supreme Court has found to be guaranteed to each citizen by the Federal Constitution.

Mr. MANSFIELD. Mr. President, I move that the Senate concur in the amendment of the House.

The PRESIDING OFFICER. Without objection, the motion is agreed to.

RAIL SERVICES ACT OF 1975

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2718.

The PRESIDING OFFICER (Mr. TALMADGE) laid before the Senate a message from the House of Representatives insisting upon its amendment to the bill (S. 2718) to improve the quality of rail services in the United States through regulatory reform, coordination of rail services and facilities, and rehabilitation and improvement financing, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ROBERT C. BYRD. I move that the Senate agree to the request of the House for a conference, 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 appointed Mr. HARTKE, Mr. Moss, Mr. PASTORE, Mr. FORD, Mr. STEVENSON, Mr. INOUYE, Mr. MAGNUSON, Mr. BEALL, Mr. BAKER, and Mr. WEICKER conferees on the part of the Senate.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

MESSAGES FROM THE HOUSE

At 10:17 a.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House insists upon its amendment to the bill (S. 2718) to improve the quality of rail services in the United States through regulatory reform, coordination of rail services and facilities, and rehabilitation and improvement financing, and for other purposes; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. STAGGERS, Mr. ROONEY, Mr. ADAMS, Mr. METCALFE, Mr. HEFNER, Mr. SANTINI, Mr. FLORIO, Mr. DEVINE, Mr. SKUBITZ, and Mr. HASTINGS were appointed managers of the conference on the part of the House.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6461) to amend certain provisions of the Communications Act of 1934 to provide long term financing for the Corporation for Public Broadcasting, and for other purposes.

At 1:50 p.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House agrees to the amendments of

the Senate to the bill (H.R. 11016) to extend the Renegotiation Act of 1951 for 6 months.

The message also announced that the House agrees to the amendments of the Senate to the bill (H.R. 4573) to amend chapter 83 of title 5, United States Code, to establish time limitations in applying for civil service retirement benefits, and for other purposes.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1281) to improve public understanding of the role of depository institutions in home financing.

The message also announced that the House has passed the bill (S. 2498) to amend the Small Business Act to transfer certain disaster relief functions of the Small Business Administration to other Federal agencies, to establish a National Commission on Small Business in America, and for other purposes, with amendments in which it requests the concurrence of the Senate.

The message further announced that, on reconsideration by the House and two-thirds of the House not having voted in the affirmative, the bill (H.R. 5559) to make changes in certain income tax provisions of the Internal Revenue Code of 1954, and for other purposes, returned by the President of the United States with his objections, failed of passage.

The message also announced that the House has passed the joint resolution (H.J. Res. 406) to provide for the presentation by the United States to Israel to a statue of Abraham Lincoln to be donated by Leon and Ruth Gildesgame, of Mount Kisco, N.Y., in which it requests the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker has signed the enrolled bill (S. 622) to increase domestic energy supplies and availability; to restrain energy demand; to prepare for energy emergencies; and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore.

ENROLLED BILLS SIGNED

At 5:55 p.m., a message from the House of Representatives by Mr. Berry announced that the Speaker has signed the following enrolled bills:

S. 313. An act to authorize an exchange of lands for an entrance road at Guadalupe Mountains National Park, Texas, and for other purposes.

S. 1281. An act to extend the authority for the flexible regulation of interest rates on deposits and share accounts in depository institutions, to extend the National Commission on Electronic Fund Transfers, and to provide for home mortgage disclosure.

S. 2350. An act to amend the National Security Act of 1947, as amended, to include the Secretary of the Treasury as a member of the National Security Council.

H.R. 3474. An act to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes.

H.R. 4073. An act to extend the Appalachian Regional Development Act of 1965, to increase the authorizations for the title V Action Planning Commission, and for other purposes.

H.R. 5541. An act to provide for emergency relief for small business concerns in connection with fixed-price Government contracts.

H.R. 6461. An act to amend certain provisions of the Communications Act of 1934 to provide long-term financing for the Corporation for Public Broadcasting, and for other purposes.

H.R. 7862. An act to amend the Farm Credit Act of 1971 relating to credit eligibility for cooperatives serving agricultural producers, and to enlarge the access of production credit associations to Federal district courts.

H.R. 8631. An act to amend the Atomic Energy Act of 1954, as amended, to provide for the phaseout of governmental indemnity as a source of funds for public remuneration in the event of a nuclear incident, and for other purposes.

H.R. 10555. An act for the relief of Mrika Mrnacaj.

H.R. 11172. An act to insure that the compensation and other emoluments for any person filling the vacancy on the Federal Maritime Commission caused by the resignation of Commissioner George Henry Hearn shall be those which were in effect on January 1, 1975, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore.

ENROLLED JOINT RESOLUTION SIGNED

At 7:04 p.m., a message from the House of Representatives by Mr. Berry announced that the Speaker has signed the enrolled joint resolution (S.J. Res. 121) to provide for quarterly adjustments in the support price for milk, and for other purposes.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. STONE).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BEALL, from the Committee on Commerce, with an amendment to the title:

S. 180. A bill for the relief of Charles Hammond, Junior (Rept. No. 94–576).

By Mr. ABOUREZK, from the Committee on Interior and Insular Affairs, with amendments:

S. 1659. A bill to provide for the disposition of funds appropriated to pay a judgment in favor of the Grand River Band of Ottawa Indians in Indian Claims Commission docket numbered 40–K, and for other purposes (Rept. No. 94–577).

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

H.R. 10792. An act for the relief of Jana Hlavaty (Rept. No. 94–579).

By Mr. CANNON, from the Committee on Rules and Administration, without amendment:

S. Res. 330. A resolution authorizing supplemental expenditures by the Committee on the Judiciary for inquiries and investigations (Rept. No. 94–578).

By Mr. WEICKER, from the Committee on Commerce, with an amendment:

S. 1941. A bill to increase the protection afforded animals in transit and to assure the humane treatment of animals, and for other purposes (Rept. 94–580).

By Mr. JOHNSTON, from the Committee on Interior and Insular Affairs, with amendments:

S. 1640. A bill to provide for the establishment of the Santa Monica Mountains and Seashore Urban Recreation Area in the State of California, and for other purposes (Together with minority and additional views) (Rept. No. 94–581).

S. 847. A bill to establish the Seward National Recreation Area in the State of Alaska, and for other purposes (Rept. No. 94–582).

By Mr. HASKELL, from the Committee on Interior and Insular Affairs, with an amendment:

S. 507. A bill to provide for the management, protection, and development of the national resource lands, and for other purposes (Rept. No. 94–583).

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

S.J. Res. 156. An original joint resolution prohibiting certain assistance to and activities in Angola (Rept. No. 94–584).

EXECUTIVE REPORTS OF COMMITTEES

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

By Mr. RANDOLPH, from the Committee on Public Works:

Brig. Gen. Richard Martin Connell, Corps of Engineers, to be a member of the California Debris Commission.

Col. Frederick Gore Rockwell, Jr., Corps of Engineers to be a member of the California Debris Commission

Col. Henry Augustus Flertzheim, Jr., Corps of Engineers, to be a member of the California Debris Commission.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. STENNIS, from the Committee on Armed Services:

George Bush, of Texas, to be Director of Central Intelligence.

Robert Ellsworth, of New York, to be a Deputy Secretary of Defense.

William I. Greener, of Virginia, to be an Assistant Secretary of Defense.

Thomas C. Reed, of California, to be Secretary of the Air Force.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. STENNIS, from the Committee on Armed Services:

Matthew J. Perry, Jr., of South Carolina, to be a judge of the U.S. Court of Military Appeals.

Mr. STENNIS. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nomination of Maj. Gen. Thomas H. Miller, Jr., USMC, to be lieutenant general and Lt. Gen. Wallace H. Robinson, Jr., when retired, to be lieutenant general in the U.S. Marine Corps. There are 20 Reserve officers in the Navy for permanent promotion to the grade of rear admiral—list beginning with Robert N. Colwell. I ask that these names be placed on the Executive Calendar. In addition, I ask that Col. Wayne Bridges, USAR National Guard's appointment as Reserve commissioned officer in the grade of brigadier general be placed on the Executive Calendar.

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

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of December 10 and 11, 1975, at the end of the Senate proceedings.)

Mr. STENNIS. Mr. President, also from the Committee on Armed Services, I report favorably the 2,480 promotions in the Army to the grade of colonel and below beginning with Virginia M. Barr; the 32 promotions in the Army in the grade of lieutenant colonel beginning with Claude T. Barlow and the 1,017 appointments and promotions in the Reserve of the Army and National Guard beginning with Robert M. Baker. In the Air Force, there are 169 for promotion to the grade of colonel and below in the medical and dental corps beginning with Frank W. Berry, Jr.; 30 appointments to the grade of captain and below beginning with Mary J. Auton; and, 43 in the Air Force and Reserve of the Air Force in the grade of colonel and below beginning with George G. Mitchell. Since these nominations have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

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

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of December 9, 1975, at the end of the Senate proceedings.)

By Mr. PROXMIRE (from the Committee on Banking, Housing and Urban Affairs):

Stephen M. DuBrul, Jr., of New York, to be President of the Export-Import Bank of the United States.

J. Charles Partee, of Virginia, to be a member of the Board of Governors of the Federal Reserve System.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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

Ex. D, 81st Cong., 1st Session; and

Ex. J. 88th Congress, 1st Session: Inter-American Convention on Granting of Political Rights to Women (Ex. D., 81st Cong., 1st session) and the Convention on Political Rights of Women (Ex. J. 88th Congress, 1st session) (Exec. Rept. No. 94–20).

Samuel W. Lewis, of Texas, to be an Assistant Secretary of State.

Thomas O. Enders, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada.

STATEMENT OF POLITICAL CONTRIBUTIONS

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Enders, Thomas O.
Post: Ottawa.
Contributions:
1. Self, none.
2. Spouse, none.
3. Children and Spouses, none.
4. Parents, none.
5. Grandparents, none.
6. Brothers and Spouses, none.
7. Sisters and Spouses, none.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate

THOMAS O. ENDERS.

William J. Porter, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Saudi Arabia.

STATEMENT OF POLITICAL CONTRIBUTIONS

Nominee: William J. Porter.
Post: Jidda.
Amount: None.
1. William J. Porter, none.
2. Eleanore (Henry) Porter, spouse, none.
3. Eleanor Anne (Porter) Clark, daughter, Gentry Clark, spouse, none.
William J. Porter, Jr., son, Elizabeth Mary (Whittemore) Porter, spouse, none.
4. Sarah (Day) Porter, mother, none.
5. No living grandparents.
6. No living brothers.
7. No sisters.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge the information contained in this report is complete and accurate.

WILLIAM J. PORTER,
Ambassador.

(The foregoing nominations from the Committee on Foreign Relations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

EXTENSION OF TIME FOR COMMITTEES TO FILE REPORT

Mr. HARTKE. Mr. President, I ask unanimous consent that the Committee on Commerce and the conference committee on the rail reorganization bill be given permission to file the report until midnight tonight.

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

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that today, December 18, 1975, he presented to the President of the United States the following enrolled bills:

S. 622. An act to increase domestic energy supplies and availability; to restrain energy demand; to prepare for energy emergencies; and for other purposes.

S. 848. An act to amend section 2 of the National Housing Act to increase the maximum loan amounts for the purchase of mobile homes.

S. 1922. An act to amend the act of July 7, 1970 (84 Stat. 409) to authorize appropriations to the Secretary of the Interior without reference to the agencies involved.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H.J. Res. 406) to provide for the presentation by the United States to Israel of a statue of Abraham Lincoln to be donated by Leon and Ruth Gildesgame, of Mount Kisco, N.Y., was read twice by its title and referred to the Committee on Foreign Relations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. PERCY (for himself and Mr. ROBERT C. BYRD):

S. 2812. A bill to reorganize the executive branch of the Federal Government to eliminate excessive, duplicative, inflationary, and anticompetitive regulation. Referred jointly, by unanimous consent, to the Committee on Government Operations and the Committee on Rules and Administration.

By Mr. ROBERT C. BYRD:

S. 2813. A bill to amend section 1362 of title 18, United States Code, relating to the injury or destruction of communication lines, stations, or systems. Referred to the Committee on Finance.

By Mr. LONG (for himself and Mr. BENTSEN):

S. 2814. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for the expense of filing forms required by Federal law. Referred to the Committee on Finance.

By Mr. HUGH SCOTT:

S. 2815. A bill to amend the Internal Revenue Code of 1954 to provide that the current withholding tables will remain in effect until March 15, 1976. Ordered placed on the Calendar.

By Mr. MONTOYA:

S. 2816. A bill to amend the Railroad Retirement Act of 1974 with respect to the annuities payable under such Act to the widows of retired railroad employees. Referred to the Committee on Labor and Public Welfare.

By Mr. STEVENS:

S. 2817. A bill to authorize the Secretary of Commerce to assist in the construction of certain facilities. Referred to the Committee on Commerce and the Committee on Banking, Housing and Urban Affairs, jointly, by unanimous consent.

By Mr. MORGAN:

S. 2818. A bill to amend section 1915 of title 44, United States Code, to exempt from the provisions of section 1909 of such title those libraries of the highest appellate court of a State which have been designated as depository libraries. Referred to the Committee on Rules and Administration.

By Mr. NELSON (for himself, Mr. MONDALE, Mr. HUMPHREY, Mr. JOHNSTON, Mr. BROCK, Mr. MCINTYRE, and Mr. DOLE):

S. 2819. A bill to amend the Internal Revenue Code of 1954 to revise and improve certain provisions thereof relating to estate and gift taxes. Referred to the Committee on Finance.

By Mr. DOLE:

S. 2820. A bill to amend title 5, United States Code, to change the method of computing annuities of employees with at least 5 but less than 20 years of service as law enforcement officers or firefighters. Referred to the Committee on Post Office and Civil Service.

By Mr. STEVENS (for himself and Mr. GRAVEL):

S. 2821. A bill to amend title 5, United States Code, to provide that certain air traffic specialists be considered as air traffic controllers for retirement and certain other purposes. Referred to the Committee on Post Office and Civil Service.

By Mr. KENNEDY (for himself, Mr. MONDALE, and Mr. PELL):

S. 2822. A bill to extend the provisions of the Rehabilitation Act of 1973 for 2 years. Referred to the Committee on Labor and Public Welfare.

By Mr. HUDDLESTON:

S. 2823. A bill to amend section 502(c) of the Rural Development Act to assist small farmers in upgrading their farming operations. Referred to the Committee on Agriculture and Forestry.

By Mr. HELMS:

S. 2824. A bill to provide for increased employee ownership of business and accelerated capital formation. Referred to the Committee on Finance.

By Mr. CHURCH (for himself, Mr. TOWER, Mr. PHILIP A. HART, Mr. MONDALE, Mr. HUDDLESTON, Mr. MORGAN, Mr. GARY HART, Mr. BAKER, Mr. MATHIAS, and Mr. SCHWEIKER):

S. 2825. A bill to make unlawful the entering into a conspiracy to assassinate a foreign official outside the United States, or the attempted assassination of a foreign official outside the United States, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. PERCY:

S. 2826. A bill to incorporate United Service Organizations, Incorporated. Referred to the Committee on the Judiciary.

By Mr. PELL:

S. 2827. A bill to require the establishment of safety standards for snowmobiles, and for other purposes. Referred to the Committee on Commerce.

By Mr. INOUYE:

S.J. Res. 155. A joint resolution establishing the Hawaiian Aboriginal Claims Settlement Study Commission, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

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

S.J. Res. 156. An original joint resolution prohibiting certain assistance to and activities in Angola. Placed on the Calendar.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PERCY (for himself and Mr. ROBERT C. BYRD):

S. 2812. A bill to reorganize the executive branch of the Federal Government to eliminate excessive, duplicative, inflationary, and anticompetitive regulation. Referred jointly, by unanimous consent, to the Committee on Government Operations and the Committee on Rules and Administration.

(The remarks of Mr. PERCY on the introduction of the above bill are printed earlier in today's RECORD.)

By Mr. ROBERT C. BYRD:

S. 2813. A bill to amend section 1362 of title 18, United State Code, relating to the injury or destruction of communication lines, stations, or systems. Referred to the Committee on Finance.

(The remarks of Mr. ROBERT C. BYRD on the introduction of the above bill are printed earlier in today's RECORD.)

By Mr. LONG (for himself and Mr. BENTSEN):

S. 2814. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for the expense of filing forms required by Federal law. Referred to the Committee on Finance.

(The remarks of Mr. LONG and Mr. BENTSEN on the introduction of the above bill are printed earlier in today's RECORD.)

By Mr. MONTOYA:

S. 2816. A bill to amend the Railroad Retirement Act of 1974 with respect to the annuities payable under such act to the widows of retired railroad employees. Referred to the Committee on Labor and Public Welfare.

Mr. MONTOYA. Mr. President, today I am introducing legislation which, when enacted would go a long way toward easing the financial difficulties of a significant portion of our older Americans.

The bill which I am proposing today would allow the surviving spouse of a retired railroad employee to receive a pension equal to that of the deceased spouse. This is what happens in several other pension plans, and it seems only just that railroad employees should be treated in the same manner.

Health costs, food costs and Housing costs are the three places where inflation has been the worst in recent years. These same areas are the ones which account for the largest share of the older Americans' budget. Under the current law, the surviving spouse of a railroad employee is expected to be able to live more cheaply than the unmarried retired employee. The current situation often results in the surviving spouse living in a state of near poverty.

My friend, Congressman CLAUDE PEPPER of Florida, has introduced this measure in the House, where it is pending before the Committee on Foreign and Interstate Commerce. I hope that my colleagues in both the House and Senate will agree with me that this legislation is important and that both will act in an expeditious manner to assure that railroad families receive the benefits they worked so long to secure.

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

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

S. 2816

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Railroad Retirement Act of 1974 (88 Stat. 1327) is amended by adding at the end thereof the following new subsection:

"(j) Notwithstanding any other provision of this Act, whenever a retired employee receives an annuity under this Act in an amount that is larger than the amount that would be payable to the widow of such employee, the amount payable to such widow shall be the amount which would have been payable to the retired employee but for his death.".

SEC. 2. The amendment made by the first section of this Act shall apply with respect to annuities accruing, under the Railroad Retirement Act of 1974, for months beginning after the date of the enactment of this Act.

By Mr. STEVENS:

S. 2817. A bill to authorize the Secretary of Commerce to assist in the construction of certain facilities. Referred to the Committee on Commerce and the Committee on Banking, Housing and Urban Affairs, jointly, by unanimous consent.

Mr. STEVENS. Mr. President, today I am introducing the Small Community Hydroelectric Generating Facility Assistance Act. This bill would provide Federal loan guarantees to small communities for the purpose of financing the construction of hydroelectric generating facilities. There is considerable need in several areas of the United States for the development of hydroelectric power sources.

Southeast Alaska is a prime example of an area in which there is a serious need in small communities for hydroelectric power. Presently, most of these communities in southeast Alaska are dependent upon diesel-powered generators for the production of electricity. Needless to say, the energy crisis which our Nation is now facing has drastically increased the cost of diesel fuel. As a result, diesel-generated electricity is very costly to produce and is expensive for the consumer to purchase. In addition, this method of producing electricity eats up fossil fuel, which is a valuable energy resource and is now in critical demand in our country.

At the same time, these communities of southeast Alaska have access to an abundant natural resource which now is going to waste but could be utilized to solve the problem of electrical production. The resource is water and the solution is hydroelectric power.

Mr. President, this bill would enable certain small communities to obtain loans on the private market for the purpose of constructing hydroelectric projects at affordable interest rates. Federal guarantee of these loans would make this possible.

This bill outlines the requirements for Federal loan guarantees for the construction of hydroelectric generating facilities. Construction projects are eligible for a Federal loan guarantee under the bill upon a determination by the Secretary of Commerce that the following criteria have been met:

First. The construction of the hydroelectric facility is essential to the economic development of the area;

Second. Without a Federal loan guarantee, necessary financing on reasonable terms could not be obtained for the construction;

Third. The project must be economically viable. That is, the prospective earning power of the facility to the area makes the project a sound economic investment; and

Fourth. The total obligations for such a project must not exceed $100 million. Under the bill the Secretary of Commerce may guarantee a loan for up to 90 percent of this amount.

The bill further provides that only those bonds, notes, or other obligations which are made on reasonable terms under reasonable interest rates can qualify for Federal guarantees.

Under this bill the Secretary of Commerce also is authorized to grant an interest subsidy on certain of the federally guaranteed loans for hydroelectric facility construction.

Mr. President, I would again like to stress the importance of hydroelectric power to small communities in certain areas of the United States. I feel this bill would solve many of the problems now confronting these communities in their efforts to achieve reliable, low cost power.

Mr. President, I ask unanimous con-

sent that the text of my bill be printed in the RECORD.

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

S. 2817

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Small Community Hydroelectric Generating Facility Assistance Act."

SEC. 2. (a) The Secretary of Commerce is authorized to enter into necessary agreements to guarantee the bonds, notes, or other obligations (including interest thereon) of any State or local public body issued for the purpose of financing the construction of a hydroelectric generating facility (including pre-licensing costs), upon determination that—

(1) the construction of such facility is essential to the economic development of the area;

(2) the total of the obligations for each such facility to be guaranteed does not exceed one hundred million dollars;

(3) the provisions of Federal and State law relating to such construction will be complied with;

(4) without such guarantee, in the amount thereof, necessary financing on reasonable terms could not be obtained for such construction;

(5) such obligations are to be paid in not to exceed 50 years;

(6) the prospective earning power of such facilities, including all benefits to the area, makes the project economically viable; and

(7) the construction and operating plans for such facility provide for sound engineering designs and procedures and fiscal management.

(b) Only bonds, notes, and other obligations which are issued or made on reasonable terms and which bear a reasonable interest rate (as determined under regulations of the Secretary) shall be eligible to receive a guarantee under this Act. No guarantee under this Act shall apply to so much of the principal amount of any bond, note, or obligation as exceeds 90 percentum of the cost of the project with respect to which such bond, note, or obligation is issued or made.

SEC. 3. The Secretary is authorized under such rules and regulations as he may prescribe to pay as an interest subsidy on loans which are guaranteed under the provisions of this Act amounts which are necessary to reduce the rate payable by the borrower to the rate determined under Section 2 of this Act.

SEC. 4. Payments required to be made as a consequence of any guarantee of subsidy by the Secretary of Commerce pursuant to this Act shall be made by the Secretary of the Treasury from funds hereby authorized to be appropriated in such amounts as are necessary for such purpose. There are further authorized to be appropriated such sums as are necessary to administer this Act.

Mr. STEVENS. Mr. President, I have cleared this with the chairman of the two committees involved:

I ask unanimous consent that the bill which I am introducing be jointly refered to the Committee on Commerce and the Committee on Banking, Housing and Urban Affairs.

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

By Mr. MORGAN:

S. 2818. A bill to amend section 1915 of title 44, United States Code, to exempt from the provisions of section 1909 of such title those libraries of the highest appellate court of a State which have been designated as depository libraries. Referred to the Committee on Rules and Administration.

Mr. MORGAN. Mr. President, by passing Public Law 92–368, the Congress responded to problems caused by the increasing weight of Federal law and regulations in the work of State courts. It was realized that it was of the utmost importance to make sure that law and law-related documents published by the Government Printing Office be made available on a routine basis to the State courts of highest appeal.

To get this done as a matter of course, and to avoid endless special-ordering and high costs, it was felt that the libraries of the State supreme courts should be made part of the Federal Depository Libraries System. This would use an existing apparatus under which documents are routinely distributed. Public Law 92–368 accomplished this by amending title 44 of the United States Code, which creates the depository libraries.

This was an attempt to solve a communications problem between Federal and State legal bodies, and not to serve the purpose, per se, of insuring safe storage and public access for Government publications. Hence the law specifically exempts the State high court libraries from having to comply with regulations having to do with library size and location, special care, public access, and nondisposal of documents. These were inappropriate to the intention of providing the State supreme courts with the information they needed. Such court libraries are for the use of the court, and not the public, and ought to be able to dispose of unwanted materials.

In accordance with the intent of Congress, the Acting Public Printer promulgated rules in 1972 for the State courts. State court libraries were exempted not only from size and location criteria, from providing any special care or custody, and from keeping the documents permanently, but also from making reports to the Superintendent of Documents on these matters.

In 1974, however, with an administrative change at the Government Printing Office, the State supreme courts began to be inspected by agents of the Printing Office, and to be required to make periodic reports.

These reports consist almost entirely of questions asking whether the libraries have been in compliance with those very regulations from which the State court libraries are exempt—those dealing with size and location, public access, and the safety and permanence of storage. Thus the small staffs of State supreme court libraries are made to respond to inspection and information demands which make no sense. This is a great waste, since the information does not apply to court libraries, and can, therefore, be of no use to the libraries or to the Printing Office itself.

Mr. President, in order to remove any possible interpretation that depository libraries of State courts are exempt from provisions of title 44, United States Code, section 1911, yet must report on their compliance with these provisions under section 1909, I am proposing an amendment to the title. This bill would amend section 1915 of title 44 to exempt such libraries from section 1909 as well as section 1911, thus making the original intent of Congress quite clear.

By Mr. NELSON (for himself, Mr. MONDALE, Mr. HUMPHREY, Mr. JOHNSTON, Mr. BROCK, Mr. PACKWOOD, Mr. MCINTYRE, and Mr. DOLE):

S. 2819. A bill to amend the Internal Revenue Code of 1954 to revise and improve certain provisions thereof relating to estate and gift taxes. Referred to the Committee on Finance.

SMALL BUSINESS ESTATE AND GIFT TAX REFORM ACT

Mr. NELSON. Mr. President, as chairman of the Select Committee on Small Business, I am pleased to introduce a bill entitled the "Small Business Estate and Gift Tax Reform Act."

The bill has the following features:

First. It would double the size of the estate tax exemption, from $60,000 to $120,000 in three $20,000 stages—in 1976, 1978, and 1980;

Second. The lifetime gift tax exclusion, presently at $30,000, would rise to $60,000 immediately, in 1976;

Third. In order to give a farmer or businessman additional flexibility in transferring productive property, the bill would permit a combined use of these two provisions—partially in 1976 and fully in 1980;

Fourth. In recognition of the contributions of wives to agricultural and other family enterprises, the bill would allow transfer of the first $240,000 of business and other property to a surviving spouse free of tax at death;

Fifth. The option to deferral estate tax payments under section 6166 would become more accessible and less expensive by permitting substitution of a lien on the assets of the business for the personal liability of the executor, and expanding the definition of closely held business to 15 partners or shareholders;

Sixth. Stock redemption possibilities under section 303 of the Internal Revenue Code, would be expanded to 10 years, and the penalty against participation in more than one business would be removed;

Seventh. A farmer or other small entrepreneur would be permitted to reduce the value of his property for estate tax purposes by restricting its future use; and

Eighth. The Treasury Department would be instructed to recommend to the Congress within a year additional legislative and administrative estate and gift measures which could further encourage the continuity of small, family, and locally controlled farms and businesses.

When the present $60,000 estate tax exemption was established in 1942, it was not the intent of the estate and gift tax statutes to force families to divest themselves of the small, independent businesses they had founded and nourished over the years. However, because of inflation and other changes in the econ-

omy since 1942, the law has acquired that unintended effect. The purpose of this bill is to remove this consequence and to move back toward what the Congress had in mind when this legislation was enacted.

A technical explanation of each provision is contained in the section-by-section analysis accompanying this statement.

NEED FOR CHANGES ESTABLISHED IN HEARINGS

The proposal is based upon 10 days of hearings in Washington, D.C., and extensive testimony in 4 days of field hearings in Minneapolis, Minn., Eugene, Oreg., and Milwaukee and LaCrosse, Wis., by our committee,[1] and in cooperation with the Financial Markets Subcommittee of the Senate Finance Committee, under the chairmanship of the Senator from Texas (Mr. BENTSEN)[2] and the Joint Economic Committee under the chairmanship of the Senator from Minnesota (Mr. HUMPHREY).[3]

The subject of estate taxes has grown very technical and complex—and that is one of the difficulties. But one simple fact stands out: small businessmen have told us that they "cannot afford to die owning a small business." Inflation has increased the value of business and farm assets 224 percent since the $60,000 exemption was enacted in 1942. The income tax exemption has been increased several times since then, a total of 50 percent. The estate tax exemption, however, has not been touched since that year. The fixed-dollar amounts of both the estate and gift tax exemptions have placed businessmen in a straitjacket. Because of this steeply graduated Federal estate tax on one side, and the prospect of a tax-free exchange of stock with a large company on the other, prudent small businessmen who want their businesses to be continued by their families are under terrific pressure to merge their farms and businesses into a larger company, or to sell them out. Indeed, it would be hard to devise a more efficient device for systematically snuffing out independent businesses and eliminating continuity of small family, and local enterprises than the combined effects of Federal estate taxes, capital gain taxes and income taxes which presently exists in this country.

The combination of these three taxes have made merger and consolidation widespread and pervasive. A special study in 1967 revealed that 52 percent of all the companies having assets between $10 million and $25 million—a growth band of the economy—disappeared through merger in that year.[4]

Authorities have observed that mergers more than any other single economic factor, explain the existing structure of many American industries.[5] These taxes are thus a prime factor in bringing about mounting aggregations of wealth—in this instance in the hands of large, conglomerate corporations. That is a result exactly opposite to the purpose for which the estate tax was enacted.

This bill is intended to once again provide a practical alternative to merger for many small businessmen and family farmers who wish to pass the product of their lifetimes of work along to their heirs or employees or another local small firm. It would accomplish this by adjusting the value of the estate and gift tax exemptions toward their real worth in 1942, and by introducing additional flexibility in planning for these transfers. There have been suggestions that gifts to heirs have been underutilized by businessmen and farmers. One of the reasons is undoubtedly that the $30,000 exemption is obsolete. The bill emphasizes the doubling of the lifetime gift exemption in an attempt to encourage family gifts to children wishing to take over a business or farm while the parents are still able to give advice and assistance during the transition period.

HISTORICAL BACKGROUND

The estate tax is a minor Federal tax from a revenue standpoint. Over the past 5 years, it has stabilized at about 2 percent of Federal tax receipts. Yet it generates an enormous amount of anxiety, paperwork, and complexity. It is creating economic and social problems, particularly for small business owners and family farms, and the question that has emerged from our studies is this: "Is it really worth it to impose these burdens on people of more and more modest means with each passing year?"

For the past 33 years, since the estate tax laws were last revised in 1942, this area of the tax law has lain unrevised and largely unexamined.

In 1942, only 17,000 estate tax returns were filed, approximately one for every 60 deaths. In 1972, the last year for which we have statistics, 175,000 such returns were required, one out of every 10 estates.[6] According to witness Robert Oelke of Minneapolis before joint hearing of the Small Business Committee and the Joint Economic Committee:

> The present Federal estate tax exemption was established at a time when a loaf of bread cost a dime, a fine automobile could be purchased for less than $1,000, and good farmland was available for $100 per acre or less. If a man left his wife and children with an aggregate of $100,000 in assets, he was thought to have secured their financial future. Today bread approaches 50 cents a loaf, a cheap car is $4,000, and it is not unusual for farmland to be traded at $1,000 per acre or more. Whereas an estate of $60,000 generated no estate tax 30 years ago, an estate representing the same purchasing power today would bear the burden of a Federal estate tax well in excess of $20,000. . . . It is long past time for the Congress to acknowledge the eroding effect which inflation has had on the $60,000 estate tax examination . . . .[7]

According to the Joint Economic Committee, inflation has increased 224.1 percent from 1942 to mid-1975.

Farming is one of the most heavily capitalized of U.S. industries, but similar trends in the price of raw materials, land, buildings and equipment affect manufacturing and most other businesses, small and large.

As a result of inflation and rising demand for food in the world, the value of assets on the average American farm soared from a modest $51,000 in 1960 to nearly $170,000 in 1974. In 1975, the average cost of farmland exceeded $1,000 per acre in six States and was approaching that figure in four more.[8] The following table summarizes the valuation of U.S. farms:

Number of farms (1974):	Average assets per farm
2,821,000 (total)	$169,744
600,000	250,000
240,000	[9] 350,000

This means that not just the wealthy but the average farmer, as well as the average business person, must be concerned with the painful and often lethal bite of Federal and State estate and inheritance taxes.

It is difficult for most people to imagine the impact of combined Federal and State death taxes upon farmers who bought their land 30 or 35 years ago for $50 per acre, as did Tim Velde of Granite Falls, Minn.; or $60 an acre as many in Kansas and Missouri did a generation ago.

One authority estimated that in his part of the country less than one-third of farmers had wills, and even fewer had done any estate planning; and that many of them went into "shock" when they learned the current value of their properties and the estate and inheritance tax consequences.[10]

HOW MANY SMALL BUSINESSES AND FARMS WILL SURVIVE?

The family farmer of the 1970's is thus confronting the situation which long ago became apparent to the small businessman. Having spent a lifetime building value into his enterprise, he finds the estate will need large amounts of cash to pay Federal and State death taxes if he wants his heirs to have the business. But small businesses and farms typically do not generate large amounts of cash. Many of them are borrowed and mortgaged to the hilt.

The crunch is even greater if there are several children, because the one who wants to continue the farm or business must buy out the other heirs at the same time he is paying the taxes.

The fact that 1 estate out of every 10 is required to file an estate return is evidence that the occurrence of these problems is becoming commonplace. That means 10 times as many persons must be concerned than in 1942, a growth far outpacing the rise in population. It means cost burdens, which are proving insuperable for a growing number of farms and small commercial businesses. Even those which survive must expend significant amounts of energy and money to prepare for the estate tax collector.

A recent survey by the U.S. Department of Agriculture revealed that of 76 Iowa landowners questioned, 91 percent would not have enough liquid assets in their estates to pay administration costs and taxes, and thus might not be able to pass the farm on to their sons or daughters. In our August hearings on the west coast, Earl Pryor of the Oregon Wheat Growers League testified that one farm in every three is being sold to satisfy inheritance taxes.[11] Also, hearings in the Midwest in October and the Midsouth this month contained extensive testimony along the same lines. All of this squarely raises the question of how

Footnotes at end of statement.

many smaller and independent businesses will be able to survive the financial gauntlet which the estate tax/capital gain tax/income tax combination has created.

Certainly if the owner can afford to pay for estate planning services and is young and healthy and affluent enough to be able to afford insurance, then there are certain avenues to continuing the business. However, no one knows how many owners are too old for insurance or cannot qualify.

Therefore, we cannot tell whether a rate of attrition of family agriculture and small business will be in the range indicated by this information. But, anything approaching this magnitude over the next few years should, in my view, be totally unacceptable from the standpoint of national policy. Mass exodus from family farming and family business would be plainly and flagrantly unfair for the people involved. It would put an end to independent business and agriculture as a significant element of our economy, and that would be ruinous for our economic, social, and political institutions.

LEGISLATION IS URGENT FOR SMALL BUSINESSES AND SMALL TOWNS

Mr. President, let us start revising the estate tax and the gift tax immediately.

While the $60,000 exemption enabled a farmer or business owner in 1942 to pass along to his heirs a home, an automobile, and a substantial part of his business, the $60,000 can be absorbed today by the family residence alone.

In addition to this general escalation of the price level, small businessmen and farmers face special problems which other taxpayers do not. First, the steep graduation in the estate tax, on top of a completely outdated exemption, is pushing most businesses and farms into a danger zone where estate and inheritance tax brackets make retention of the business or farm impossible.

The assets involved are needed for the owner to make a living for his own family and often to support others. If the family cannot keep the business intact, they must look elsewhere for sustenance. In our economy, that increasingly means a big city, a big company, a big union, or big government. Between 1950 and 1974, half—2.8 million—of the farms disappeared in the United States.[12] The migration of population from rural areas to big cities weakened the institutions and lowered the quality of life in both the country and the cities.

Smaller business and farm assets are not as liquid as stocks, bonds or general-purpose real estate. It is not well known that only about 6,000 of the 1.8 million corporations and 13 million U.S. businesses have stock which is actively traded by the public. People having their savings in this kind of stock, can raise money in a week through a stock exchange. A chosen number of shares can be sold under well-established procedures to raise additional money for taxes.

But, the problems of selling a business after the founder and his special talents are gone can be monumental. There is often the sharpest type of controversy over valuation. Money must usually be raised in large quantities over short periods of time. Under these circumstances, it is little wonder that many businessmen take the easy, painless, tax-free merger exit from the business world.

THE MATHEMATICS OF MERGER

Stock acquired in a merger, under the present law, is free of both income tax and estate tax, so the tax on this type of transfer of business assets is zero. A sale of the business during life incurs a capital gains tax of up to 35 percent. In comparison, the estate tax reaches 35 percent of a taxable estate of $500,000—$175,000—and 39 percent of a taxable estate of $1 million—$390,000. So, the mathematics are conclusively against the continuity of small and independent firms and farms.

This kind of tax structure has, for the span of an entire generation, been mowing down local independent businesses and potential competitors. It has discouraged continuity of such firms in the hands of a family or closely held group, and has pushed them toward mergers with the largest corporations, those with publically listed stock.

As a country, we have not addressed ourselves to the consequences of this pattern. We have not counted the cost of excess prices because of the elimination of competition. We have not thought about the social cost of people working for big organizations, rather than preserving their greater self-expression and independence as owner of a smaller business. We have ignored the costs to communities across the Nation which are being drained of their vitality as their finest enterprises may be transferred into the hands of absentee owners, who may know little and care less about local charities, schools, churches, and communities.

BILL IS A VEHICLE FOR CONSIDERATION OF VITAL QUESTIONS

We hope that the hearings on this measure can open up vital social and economic questions underlying the estate tax system to public discussion.

In our view, estate tax reform for small business and family farms is a necessity to permit small business owners and farmers to dispose of their property as they wish; to allow their children or employees to carry on these enterprises if they so desire; to inhibit further large-scale shifting of assets from smaller, independent businesses into large and conglomerate businesses; and, in summary, to restore the situation as Congress envisioned it when the present legislation was enacted in 1942.

The policy of taxing estates should be rational. We should have a clear idea of what is considered to represent "excessive wealth." There are no justifiable criteria for that determination now. The standards we used 33 years ago are completely out of date in 1975.

If we could agree upon a rule of thumb that $10 of assets created $1 of earnings, or something along these lines, we might begin to think in terms of the amount of assets that would support a businessman or farmer who is willing to take the risks of the economy and the weather, and thus creates jobs for other people, instead of working for salary or wages and leaving the risks to others. We could then shape our tax laws accordingly. But, apparently no such method exists at the present time. Once an approach was developed, our ideas and calculations could be refined and the tax law could compensate periodically and reasonably for inflation and other relevant economic forces. We could also advance confidently to deal with the technical inequities of the statute, regulations, and practice in this field.

In the absence of landmarks, we are proposing this bill in hopes that Congress and the administration and the private sector can move swiftly to improve these proposals through the legislative process and join together with Congress to help develop meaningful estate tax reform for small business owners and farmers and all smaller estates.

We certainly acknowledge that this bill is not the "last word." But, at least, it is a forward step, a point of departure and a vehicle for systematic consideration of these issues. We have consulted with experts inside and outside of Government in drafting this bill, and we gratefully acknowledge their advice and efforts.

ESTATE AND GIFT TAX REFORM IS OVERDUE AND SHOULD BE ENACTED BY THIS CONGRESS

As a result, we feel that the proposals in this bill are realistic, are justified on the basis of evidence in the record, and entitled to further consideration by the tax-writing committees of Congress and the executive branch. We would, of course, welcome comment and criticism of the measure with a view to finally evolving responsible and effective legislation in this area.

We find no disagreement on the proposition that change in this area is long overdue, that it is critically needed, and that a large proportion of the burdens, inequities, and complications of the estate tax fall upon the small businessman, the small farmer, and the small estate.

The sure way to change the historic character of our free enterprise system from reliance on independent, imaginative small businesses and family farms to absolute dependence on massive corporations is to neglect tax reform after discovering proof that the present system is undermining our values and institutions.

We ask Congress to address itself now to a study of what the estate tax structure is in the long-range best interest of smaller enterprises as a part of our free, private enterprise economy and our democratic society, and to strengthen both by acting upon the basic relief provisions of this proposal during the 94th Congress.

FOOTNOTES

[1] "Small Business Tax Needs," Hearings before the Select Committee on Small Business, U.S. Senate, February 4, 5 and 20, 1975. "Economic Problems of Small Business in the Northwest United States," Hearings before the Select Committee on Small Business, August 25, 1975. "Economic Problems of Small Business in the Midwest," Hearings, October 14 and 15, 1975.

[2] "Small Business Tax Reform," Joint Hearings before the Select Committee on Small Business and the Financial Markets Sub-

committee, Senate Finance Committee, June 17–19, 1975; September 23–25, and November 13, 1975.

[3] "Impact of Federal Estate and Gift Taxes on Small Businessmen and Farmers," Joint Hearing before the Select Committee on Small Business and the Joint Economic Committee, August 26, 1975.

[4] Studies by the Staff of the Cabinet Committee on Price Stability, January, 1969, page 75.

[5] Ibid.

[6] Statistics of Income, 1972 Estate Tax Returns, Internal Revenue Service Publication 764 (4–75), page 1.

[7] Joint Estate and Gift Tax Hearings, Minneapolis, loc. cit. page 45.

[8] "Small Business Tax Reform," Hearings, loc. cit., p. 689.

[9] "Increasing Impact of Federal Estate and Gift Taxes on the Farm Sector," U.S. Dept. of Agriculture, Agric. Economic Report No. 242, July 1973, page 5.

[10] "Taxes Complicate Keeping Farm in the Family," by Jean Haley, *Kansas City Times*, July 5, 1975; Reprinted "Small Business Tax Reform," Hearings June 17–19, 1975, pages 659–62. The estimate of the proportion of farmers having wills was made by James Logan, former dean of the University of Kansas Law School and specialist in farm estate problems.

[11] "Economic Problems of Small Business in the Northwest United States," Eugene, Oregon, August 25, 1975, page 71.

[12] Number of U.S. farms:

1950	5,648,000
1974	2,821,000
Average acres per farm:	
1950	213
1974	385
Average value per acre:	
1950	$76
1974	354

Statistical Abstract of the U.S., 1974, pp. 597 and 604.

Mr. NELSON. I ask unanimous consent that the bill be printed in the RECORD, together with an analysis of the bill.

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

S. 2819

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Small Business Estate and Gift Tax Reform Act".

(b) Table of Contents.—

Sec. 1. Short title; table of contents.
Sec. 2. Increase in amount of estate tax exemption.
Sec. 3. Bequest, etc., to surviving spouse.
Sec. 4. Valuation of restricted farm and scenic property.
Sec. 5. Increase in amount of gift tax exemption.
Sec. 6. Changes in present law applicable to closely-held businesses, etc.
Sec. 7. Changes in present law applicable to stock redemptions to pay death taxes.
Sec. 8. Study of hardship extension and other provisions.

SEC. 2. INCREASE IN AMOUNT OF ESTATE TAX EXEMPTION.

(a) In General.—Section 2052 of the Internal Revenue Code of 1954 (relating to estate tax exemption) is amended to read as follows:

"SEC. 2052. EXEMPTION.

"(a) In General.—

"(1) Exemption.—For purposes of the tax imposed by section 2001, the value of the taxable estate shall be determined by deducting from the value of the gross estate an exemption of the amount applicable under paragraph (2).

"(2) Amount.—The amount of the exemption allowed by paragraph (1) is—

"(A) $80,000, for estates of decedents dying after December 31, 1975, and before January 1, 1978,

"(B) $100,000, for estates of decedents dying after December 31, 1977, and before January 1, 1980, and

"(C) $120,000, for estates of decedents dying after December 31, 1979.

"(b) Transfer of Gift Tax Exemption.—In the case of the estate of a decedent whose liability for tax under chapter 12 (relating to gift tax) for all taxable years was determined without regard to the specific exemption allowed under section 2521, the value of the taxable estate for the purposes of the tax imposed by section 2001 shall be determined by deducting from the value of the gross estate, in addition to the amount deducted under subsection (a), an amount equal to the maximum amount of the exemption from the gift tax imposed by chapter 12 which would have been allowable to the decedent under section 2521 for the last taxable year of the decedent had he transferred property by gift that year. This subsection applies to estates of decedents dying after December 31, 1979.

"(c) Denial of Exemption Where Taxpayer Elects to Use Amount for Gift Tax Exemption Purpose.—In the case of the estate of a decedent who, as a taxpayer who, for any taxable year, elected to claim the exemption allowed by subsection (a) of this section as an exemption under section 2521, the exemption allowable under this section to the estate of such decedent under subsection (a) shall be reduced by an amount equal to the amount claimed under such election.".

(b) Effective Date.—The amendments made by this section apply with respect to the estates of decedents dying after the date of enactment of this Act.

SEC. 3. BEQUEST, ETC., TO SURVIVING SPOUSE.

(a) In General.—Section 2056(c)(1) of such Code (relating to limitation on aggregate of deductions) is amended by striking out "50 percent of the value of the adjusted gross estate, as defined in paragraph (2)" and inserting in lieu thereof "$240,000, plus 50 percent of so much of the value of the adjusted gross estate, as defined in paragraph (2), as exceeds $240,000".

(b) The amendments made by this section apply with respect to the estates of decedents dying after the date of enactment of this Act.

SEC. 4. VALUATION OF RESTRICTED FARM AND SCENIC PROPERTY.

(a) In General.—Section 2031(a) of such Code (relating to definition of gross estate) is amended by adding at the end thereof the following: "In determining the value of real property held by the decedent as farming property or scenic open property, any covenant or condition which effectively prevents the property from being used for any other purpose for any period of time shall be taken into account."

(b) Effective Date.—The amendment made by this section applies with respect to the estates of decedents dying after the date of enactment of this Act.

SEC. 5. INCREASE IN AMOUNT OF GIFT TAX EXEMPTION.

(a) In General.—Section 2521 of such Code (relating to specific exemption from gift tax) is amended by—

(1) striking out "in computing taxable gifts" and inserting in lieu thereof "(a) In General.—In computing taxable gifts",

(2) striking out "$30,000" and inserting in lieu thereof "$60,000", and

(3) adding at the end thereof the following:

"(b) Transfer of Estate Tax Exemption.—A taxpayer may elect, at such time and in such matter as the Secretary or his delegate may prescribe, to claim an additional exemption in computing taxable gifts for a calendar quarter equal to the amount of the exemption which his estate would, but for such election, be allowed under section 2052(a) upon his death.".

"(c) Gift Tax Exemption for Gift to Spouse.—Section 2523(a) of such Code (relating to gift to spouse) is amended by striking out "one-half of its value" and inserting in lieu thereof "so much of its value as does not exceed $240,000, plus one-half of so much of its value as exceeds $240,000".

(b) Effective Date.—The amendments made by this section apply to calendar quarters beginning after the date of enactment of this Act.

SEC. 6. CHANGES IN PRESENT LAW APPLICABLE TO CLOSELY-HELD BUSINESSES, ETC.

(a) An increase in Period for Payment of Estate Tax for Estates Involving Closely-Held Businesses.—Section 6166(a) of such Code (relating to extension permitted) is amended by striking out "(not exceeding 10)" and inserting in lieu thereof "(not exceeding 15)".

(b) Lien on assets of closely held business in lieu of executor's bond.—

(1) Imposition of lien.—Section 6165 of such Code (relating to bonds where time to pay tax or deficiencies has been extended) is amended by adding at the end thereof the following: "In the event of an extension of time for payment of a State tax under section 6166, the Secretary or his delegate may, at the election of the taxpayer, impose a lien on such with the assets of the closely held business on what such extension is based as may be necessary in lieu of the bond which he may require under the preceding sentence."

(2) Discharge of fiduciary.—Section 2204 of such Code (relating to discharge of fiduciary impersonal liability) is amended by inserting at the end of subsection (a) and at the end of subsection (b) the following: "For purposes of this subsection, a lien imposed under the last sentence of section 6165 shall be treated as a bond."

(c) Effective Date.—The amendments made by this section apply to the estates of decedents drying after the date of enactment of this Act.

SEC. 7. CHANGES IN PRESENT LAW APPLICABLE TO STOCK REDEMPTIONS TO PAY DEATH TAX TAXES.

(a) Increase in Period Within Which Distributions in Redemption of Stock to Pay Death Taxes Must Be Made.—Section 303(b)(1) of such Code (relating to period for distribution) is amended to read as follows:

"(1) Period for distribution.—Subsection (a) shall apply to amounts distributed after the death of the decedent and before the end of the period within which final payment of the tax imposed by section 2001 must be made (including any extensions thereof)."

(b) Eligibility of Certain Corporations for Section 303 Stock Redemption Rules.—Section 303(b)(2)(B) of such Code (relating to distributions and redemption of stock to pay death taxes) is amended by striking out "75 percent" each place it appears and inserting in lieu thereof "50 percent".

(c) Effective Date.—The amendments made by this section apply to the estates of decedents dying after the date of enactment of this Act.

SEC. 8. STUDY OF DEFERRAL AND EXTENSION AND OTHER PROVISIONS.

(a) The Secretary or his delegate shall study the effect of the provisions of section 6161(a)(2) and section 6166 of the Internal Revenue Code of 1954 (relating to hardship extensions of the time for payment of estate tax and installments thereof and extensions of time for payment of estate tax where estate consists largely of interest in closely held business) and the regulations prescribed thereunder on decisions to continue a small

business or closely held business, including farming business rather than to sell or liquidate such business. The study shall include, but not be limited to, a survey of how such sections and the regulations thereunder are applied in the different Internal Revenue Districts and the impact of the present sections and regulations upon the continuity of such enterprises. The Secretary or his delegate shall submit a report of his findings and conclusions to the Congress within 12 months after the date of enactment of this Act, together with such recommendations for legislation as he deems appropriate.

(b) The report described in subsection (a) shall contain findings, conclusions, and such recommendations for legislation, or otherwise, as the Secretary or his delegate deems appropriate upon the general subject of the impact of estate, gift, and related tax provisions of the Internal Revenue Code and Regulations thereunder upon smaller business, and how these provisions should be modified to encourage the prospect of preserving the continuity of smaller, independent, and locally owned businesses and farms in order to strengthen the free enterprise system and the overall economy of the nation. In performing these studies, the Secretary or his delegate shall consult appropriately with the Small Business Administration and private organizations of smaller and independent business persons and farmers.

SECTION-BY-SECTION ANALYSIS OF THE SMALL BUSINESS ESTATE AND GIFT TAX REFORM ACT

OVERALL PURPOSE

The objective of the bill is to reform the structure of estate and gift taxes, particularly as they apply to owners of smaller and independent businesses and farms, in light of inflation of 224.1% from 1942 when present provisions were enacted to June 30, 1975. The intent is to provide smaller businessmen and farmers greater opportunities to pass their enterprises along to their heirs, so that the local and independent character of these activities can be preserved.

SECTION 1—SHORT TITLE

The first section states the title of the bill for identification. It also sets forth a table of contents of the bill's provisions, which can be described, in non-technical language, as follows:

Section 1—Title.

Section 2—Increase in Estate Tax Exemption.

Section 3—Increase in the Amount Which May Be Transferred Tax-Free to Surviving Wife or Husband.

Section 4—Reduction in Estate Tax Valuation Based on Scenic and Use Restrictions.

Section 5—Increase in Gift Tax Exemption.

Section 6—Improvements in Sec. 6166, 10-Year Deferral Provision.

Section 7—Improvements in Sec. 303, Redemption of Stock to Pay Death Taxes.

Section 8—Study of Law, Regulations, and Administration of Secs. 6161 and 6166 Deferrals, and General Study of Impact of Estate and Gift Tax Provisions on Smaller Business.

SECTION 2—INCREASE IN ESTATE TAX EXEMPTION

This would increase the estate tax exemption from its present level of $60,000, which has been in effect since 1942, to $120,000. If the 1942 figure is adjusted for inflation during this period, it would rise to approximately $146,000. This has been reflected in the Internal Revenue Code in such ways as an increase in the personal income tax exemption of 50%.

The proposal is to increase the exemption in three stages:

to $80,000 in 1976;

to $100,000 in 1978; and

to $120,000 in 1980.

This phasing would reduce the initial revenue impact of the bill, and provide experience as to its impact as it develops, as a basis for evaluation.

In the last stage, from January 1, 1980, the gift tax exemption could also, to the extent unused during life, be added to the estate tax exemption available at death.

This proposal is intended to operate in connection with the increase in the gift tax exemption (Sec. 5) and the increase in tax-free transfers between husband and wife (Sec. 3).

SECTION 3—INCREASE IN THE AMOUNT WHICH MAY BE TRANSFERRED TAX-FREE TO SURVIVING WIFE OR HUSBAND

The present law allows a deduction for one-half of all the property passing to a surviving spouse. This proposal would permit a transfer of up to $240,000 to be free of estate tax. Above that level, transfers would be subject to the existing 50% provisions. The would recognize the contribution of the spouse in building a family business and is an attempt to avoid double taxation in the descent of business property from one generation to another.

An additional major benefit intended is eliminating complexity and costs over marital deduction provisions on the part of relatively small estates of small business owners, farmers, and others.

There is a counterpart provision in Sec. 5(c) of the bill as to gifts between spouses.

SECTION 4—REDUCTION IN ESTATE TAX VALUATION BASED ON SCENIC AND USE RESTRICTIONS

This proposal is designed to make it more feasible for business property, including farms and ranches, to be continued in the same uses after the death of the original entrepreneur. As real estate development intensifies around such business property, the valuation increases. This often raises the estate taxes substantially, making it more likely that the property must be sold to realize enough cash to pay the tax.

This proposal would provide an avenue for resolving this problem by recognizing, within the Internal Revenue Code, the right of farmers and businessmen to enter into covenants, or grant easements to appropriate authorities, restricting property to desired uses for a period of time of their own choosing. To the extent such restriction effectively reduces the value for development, it is contemplated that such sums will reduce the estate tax value. This, in turn, should reduce the taxes and enhance the possible continuity of the enterprise in its small business character.

SECTION 5—INCREASE IN GIFT TAX EXEMPTION

The present one-time lifetime gift tax exemption is $30,000, plus a $3,000 annual exclusion per donee. The section would not change the $3,000 annual gift. However, it would recognize inflation by increasing the lifetime gift allowance to $60,000. This is a key feature of the proposal. The full increase would be effective immediately in 1976.

The bill would encourage a gift of business property while the businessman or farmer was still alive to assist his family members, employees or other recipients during the transition period. The possibilities, in this area, would be increased further by Subsection (b), which would make the amount of the estate tax exemption available as an added gift tax exemption. This would result in further latitude for the entrepreneur in this respect.

SECTION 6—IMPROVEMENTS IN SEC. 6166, 10-YEAR DEFERRAL PROVISION

This section proposes to expand the definition of a closely held business, presently contained in Sec. 6166, by raising the permissible number of partners or shareholders to 15.

It would be in line with previous small business legislative proposals to increase the number of "Subchapter S" shareholders to 15, which was approved by the House Ways and Means Committee on August 1, 1974. It would allow closely held businesses to seek fresh capital and talent by bringing in additional shareholders, without loss of deferral privileges to major owners.

It also proposes removing a major obstacle in the use of the present deferral mechanism by relieving the executor of the requirement of a personal bond for the payment of the deferred taxes. Instead, it would substitute a lien on the business assets of up to 150% of the deferred tax.

SECTION 7—IMPROVEMENTS IN SEC. 303, REDEMPTION OF STOCK TO PAY DEATH TAXES

This section would expand the effects of Sec. 303 of the Internal Revenue Code regarding redemption of stock of a small busi-Sec. 303 of the Internal Revenue Code redemption period from the present three years to a maximum of 10 years, which is parallel to the maximum deferral period of Sec. 6166.

It is also proposed that the eligibility requirement for stock ownership multiple businesses by reduced from 75% to 50%. This is intended to eliminate the penalty which the present section places on an entrepreneur who wishes to diversify his holdings beyond one smaller business.

SECTION 8—STUDY OF LAW, REGULATIONS, AND ADMINISTRATION OF SECS. 6161 AND 6166 DEFERRALS, AND GENERAL STUDY OF IMPACT OF ESTATE AND GIFT TAX PROVISIONS ON SMALLER BUSINESS

The present Sec. 6161 standard for deferral of "undue hardship" has been criticized as overly stringent. The regulations pursuant to this section recognize that a forced sale can be considered as such an "undue hardship." However, there are questions as to why the deferral provisions of 6161 and 6166 are so little used under present law. The premise of this section is that this area needs to be reviewed. It is contemplated that statistics be gathered nationally as to the operation of the two deferral provisions. The Treasury would be instructed under this section to pinpoint the strengths and weaknesses of the deferral provisions and also to look beyond them to assess the impact of the entire estate and gift tax system on the continuity of smaller and independent businesses, including farming, and to formulate legislative and other recommendations which would encourage the continuity and independence of small and independent enterprise.

Mr. MONDALE. Mr. President, I am very pleased today to join with Senator NELSON as primary sponsor in introducing the Small Business Estate and Gift Tax Reform Act. Many of the provisions in this bill resulted from testimony received last August in hearings that I chaired in Minnesota along with Senator HUMPHREY. We heard then from a number of small businessmen and farmers about the problems they face in paying Federal estate taxes and of the severe burden this could place on their estates and their heirs.

In some cases, our witnesses testified, it could prove necessary to sell part or all of a family farm or business in order to pay estate taxes. This could hurt everyone—the family that loses its farm or business, the community that loses the support and concern that local ownership brings, and our national economy, as concentration pushes out competition.

If we are to have the healthy competition needed to continue strong, noninflationary economic growth, we must do all

we can to keep family farms from being taken over by huge corporate farming operations and to keep independent and innovative small businesses from being taken over by large outside corporations.

Our estate and gift tax laws are intended in part to prevent excessive concentration of wealth. Yet, in their applications to small businesses and family farms, they may inadvertently be increasing it.

This bill would increase the size of the estate tax exemption from its present $60,000 to $120,000 by 1980, and it would increase the lifetime gift tax exclusion immediately from $30,000 to $60,000. The present level of the estate tax exemption has remained unchanged since 1942. Yet prices during that period have increased 224 percent. Increasing this exemption to $120,000 would help to make up for this erosion in its real value since 1942. These two provisions, used together, would increase substantially the value of a small business or farm that could be transferred tax free to heirs. In addition, the bill contains a special provision that permits the transfer tax free of the first $240,000 of business or other property to a surviving spouse.

The bill contains several other features that would enable small businessmen and farmers more easily to pass on their businesses and farms to their families. These provisions would ease the cash shortage problems often faced by those who inherit family businesses and farms and make it unnecessary for them to sell these enterprises in order to pay the estate taxes.

Mr. President, these small businessmen and farmers have often devoted major parts of their lives and their resources to these endeavors. In many cases, one of their strongest desires is to transfer these businesses or farms to their heirs at their deaths. This bill would permit these aspirations to be fulfilled. I urge my colleagues to give it their support.

By Mr. DOLE:

S. 2820. A bill to amend title 5, United States Code, to change the method of computing annuities of employees with at least 5 but less than 20 years of service as law enforcement officers or firefighters. Referred to the Committee on Post Office and Civil Service.

Mr. DOLE. Mr. President, last year we gave our approval to a bill, H.R. 9281—later enacted as Public Law 93–350, to provide Federal law enforcement and firefighting personnel a special 2½ percent retirement computation formula in recognition of the special service which they perform. In doing so, however, we failed to recognize the substantial inequity that would result from promising the incentive credit on a full 20 years of service in such capacity.

In order to correct that oversight, I am introducing today legislation which, if enacted, would extend appropriate annuity credit to retiring Federal employees who have at least 5 years' service as law enforcement or firefighter personnel, but who have not completed 20 years. This would be consistent with the full credit given congressional employees under the higher 2½ percent formula after they have served 5 years. (5 U.S.C.A. 8339 (b))

As the law now stands, Government employees who have performed "hazardous duties" for fewer than 20 years are penalized merely because they fail to reach the magic benefit line. Even though they were exposed to the same dangers, subjected to the same perils, and employed in the same high risk endeavors for our Nation, they receive no recognition if, for one reason or another, they choose or are compelled to leave such service 1 day before their 20 years is up.

Although the Civil Service Commission is on record as opposing preferential computation formulas as a reward for particular kinds of service, it seems to me that as long as the law provides for such treatment, all those entitled should receive it. If they do not, we are going to find ourselves in the business of suppressing lateral movement of these types of Government employees, as well as discouraging the initial recruitment of qualified personnel who may not wish to commit themselves for a full 20 years in such a demanding profession.

In addition to the recruitment argument, it is my belief that the change I am proposing could also operate to help retain qualified and experienced personnel within the Government by encouraging them to stay in, or return to, civil service rather than the private sector. Too often, now, for example, a firefighter or law enforcement officer who has put in perhaps 10 years of service and decides that it is not in his own or his family's best interest to continue for another 10 years, would have just as much motivation to go to private industry as to another Government agency.

It seems to me that 5 years is a reasonable minimum to expect of a career-oriented professional and that, in many instances, we are promoting morale problems and indifference among 15- to 20-year agents who are "putting in their time" simply because of the leverage being held over them by the 20-year requirement. Again, I think we could have a much more dedicated, effective, and inspired contingent of Federal officers if they knew they could transfer at any time from a hazardous position and still receive full credit when they eventually completed a total of 20 years with the Government.

Since the bill I am proposing would become effective upon enactment, any problem of recomputation for those already retired would be avoided. Moreover, Federal service retirement computations are done on an individual basis anyway, and no additional administrative burden would be imposed.

Any measure designed to eliminate an existing inequity should, Mr. President, receive the priority consideration of the respective congressional committees to which it is referred. It is in the hope that this recommendation will receive the early and favorable action of the Congress that I submit it for consideration.

I ask unanimous consent that the bill be printed in the RECORD.

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

S. 2820

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 8339(d) of title 5, United States Code, is amended by inserting "(1)" immediately after "(d)" and by adding at the end thereof the following new paragraph:

"(2) The annuity of an employee retiring under this subchapter with at least 5 years but less than 20 years of service as a law enforcement officer or firefighter, or any combination thereof, is computed under subsection (a) of this section, except that the annuity of such employee is computed with respect to the service of such employee as a law enforcement officer or firefighter, or any combination thereof, by multiplying 2½ percent of his average pay by the years of that service.".

(b) Section 8339 (h) of such title is amended by striking out "section 8336(d)" and inserting in lieu thereof: "section 8336 (d) (1)".

SEC. 2. The amendments made by this Act shall become effective on the date of enactment of this Act.

By Mr. STEVENS (for himself and Mr. GRAVEL):

S. 2821. A bill to amend title 5, United States Code, to prove that certain air traffic specialists be considered as air traffic controllers for retirement and certain other purposes. Referred to the Committee on Post Office and Civil Service.

Mr. STEVENS. Mr. President, today I am introducing legislation which will equalize the retirement benefits of flight service station specialists—often referred to as air traffic control specialists—to those of the air traffic controllers. The 92d Congress passed legislation which was subsequently signed into law—Public was 92–297 (liberalizing the retirement and other benefits for air traffic controllers. Flight stations service specialists were not included under this act.

These individuals, as with the air traffic controllers, professional objective is to provide for the safe, orderly, and rapid movement of aircraft throughout this Nation. The FSS specialists' primary functions are threefold, first, to provide preflight pilot briefings, including weather briefings; second, provide emergency flight assistance; and third, provide airport advisory service where such service is available.

In addition, new duties have been added to the FSS specialists' responsibility since the Air Traffic Controller legislation of 1972. For example, many FSS are now delegated authority to: First, issue clearance for special VFR operations when weather conditions are below VFR minimums; second, provide VFR recommendations when, in the judgment of the FSS specialist, weather conditions preclude safe flight; third, provide inroute weather advisory service designed to provide pilot with information which will allow him to avoid areas of adverse weather; and fourth, in some cases provide approach control services to all categories of aircraft. All of these duties were previously the responsibility of air traffic controllers exclusively. I cite these

responsibilities merely to emphasize the significance of flight service station specialists in assisting the pilots of this Nation and their passengers to fly safely throughout skyways. These individuals should be treated equally with the air traffic controllers and my legislation would bring this about.

I ask unanimous consent that the text of my legislation be printed in the RECORD.

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

S. 2821

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2109 of title 5, United States Code, relating to the definition of air traffic controllers, is amended to read as follows:

"SEC. 2109. Air Traffic Controller

"For the purpose of this title, 'air traffic controller' or 'controller' means an employee of the Department of Transportation who is actively engaged in the separation and control of air traffic, who is actively engaged in providing preflight, inflight, or airport advisory service to aircraft operators, or who is the immediate supervisor of any such employee, in an air traffic control or flight service station facility.".

SEC. 2. Section 8335(f) of title 5, United States Code, does not apply to a person appointed to a position before the date of the enactment of this Act which, by reason of the enactment of this Act, is an air traffic controller position.

SEC. 3. This Act shall become effective at the beginning of the nineteenth day after the date of the enactment of this Act.

By Mr. KENNEDY (for himself, Mr. MONDALE, and Mr. PELL):

S. 2822. A bill to extend the provisions of the Rehabilitation Act of 1973 for 2 years. Referred to the Committee on Labor and Public Welfare.

Mr. KENNEDY. Mr. President, I am introducing this bill to extend the Rehabilitation Act for 2 years and to adjust the authorization level upward to meet the cost of inflation.

Just a few days ago, the House passed H.R. 11045 which is similar to the measure I propose today. However, I believe the House authorization in reality fails to adequately meet the spiraling rate of inflation.

Thus, the House bill would authorize $740 million for fiscal year 1977 and $760 million for fiscal year 1978 for the basic State grant vocational rehabilitation program. The current level of spending approved in the regular fiscal year 1976 HEW appropriations bill is $720 million. The level of anticipated inflation is 8 percent. Therefore, the level of spending to prevent a reduction of services should be $780 million, the level I have included in the 2-year bill I am introducing today.

For the same reasons, this bill raises the other important research and training and innovative programs by the same amounts.

Ultimately, I believe a more appropriate level for fiscal year 1978 will be somewhat higher. However, during the course of the oversight activity planned for next session I am sure that we will receive a better estimate of the fiscal year 1978 needs.

I want to emphasize that while I believe higher levels of appropriation are needed along with a 2-year extension, the desire of the vocational rehabilitation groups for certainty in their planning for fiscal year 1977 has been the dominant factor in our consideration.

For that reason, I intend to support and have cosponsored Senator RANDOLPH'S 1-year extension. This would be the only measure possible of being passed before we recess. However, I intend to work in conference and in our negotiations with the House to see that the higher figure for fiscal year 1977 is in the final version of the legislation. And early next session a full extension or at least 2 years would be considered following our oversight hearings.

Every indication has been that only a 1-year waiver can be obtained from the Senate Budget Committee, a situation that clearly limits our flexibility in action this late in the session.

Let me express however, the reasons why I believe the legislation I am submitting responds more fully to the needs of the handicapped in Massachusetts and and Nation.

In testimony this year, the administration has urged lower funding levels and also the elimination of the innovation and expansion grant program. This attitude reflects the same callous view of the previous administration which sought to seriously impede our efforts to provide adequate services to the handicapped. We were able to pass the Rehabitation Act of 1973 only after a pocket veto and the overriding of a second veto.

The lower level of funding recommended by the administration along with the elimination of this program represents a false sense of priorities and false view of economy.

Every possible cost-benefit analysis has shown that the rehabilitation program provides benefits to individuals and to the Nation far greater than the actual cost of the program. Estimates of the ratio of benefits to costs over the long run actually range as high as $35 returned to the Federal Treasury for every Federal dollar of investment.

In Massachusetts, there are some 30,000 people in the vocational rehabilitation program. Each year, some 6,000 are rehabilitated and provided the skills to permit them to compete in the outside world.

We know that in Massachusetts, it cost some $25 million to rehabilitate those individuals; yet they now earn some $29 million in salaries every year.

Across the Nation, in fiscal year 1975 State vocational rehabilitation agencies served 239,624 handicapped individuals, and rehabilitated 324,039 persons. The number of people served by the program represents an 8.4 percent increase over fiscal year 1974, and all indications point to similar increases this year. Since the inception of the State-Federal program of vocational rehabilitation, over 4,000,000 handicapped people have been rehabilitated.

This Federal-State program has for over 55 years linked these two levels of governments in a cooperative merger to rehabilitation programs and services which assist physically and mentally handicapped individuals to become employable. No greater government commitment to the people of our Nation can reap so much in terms of sheer human satisfaction and reward, and yet cost so little. I am proud of this outstanding record of accomplishment.

The Rehabilitation Act which I seek to extend today contains tested and successful programs which have been improved over the years since 1973. For example, the act authorizes research programs to develop new and innovative methods of applying up-to-date technological, medical, and psychological developments to rehabilitate handicapped persons.

In addition to such research programs, the Rehabilitation Act provides training programs to insure the availability of skilled manpower needed for the expansion and improvement of vocational rehabilitation services for the disabled. Also, vocational training service projects, which are at the heart of the act, train handicapped individuals in occupational skills so that these persons can get back on their feet and fulfill long-held dreams of contributing to the growth of the Nation and leading productive lives.

One of the more innovative aspects of the Rehabilitation Act is the focus upon projects to improve services to severely handicapped individuals—including the older blind and deaf whose maximum potential has not been reached. This, I am assured, will be a focus of the oversight hearings to be held next year.

As many of my colleagues know, State allotments for the basic program are computed in part on the specific dollar authorization for that program as provided in the Rehabilitation Act. With the advance State allotment, information which for the most part has been available in the past, State rehab directors have been able to plan effectively for the orderly growth of their programs and to estimate and appropriate sufficient State funds to match available Federal support. This we must continue.

To impress upon Congress the crucial need handicapped clients as well as State vocational rehabilitation directors have informed me of the importance of extending as soon as possible the authorization for Federal support of State programs of vocational rehabilitation services. This bill will achieve that goal.

By Mr. HUDDLESTON:

S. 2823. A bill to amend section 502(c) of the Rural Development Act to assist small farmers in upgrading their farming operations. Referred to the Committee on Agriculture and Forestry.

HELP FOR THE SMALL FARMER

Mr. HUDDLESTON. Mr. President, I rise today to introduce S. 2823, a bill to assist small farmers in upgrading their farming operations.

This bill would amend title V of the Rural Development Act of 1972, which already authorizes research and extension to assist small farmers, but the administration has never implemented this provision.

The intent of this bill is to reinforce the commitment of Congress toward preserving the small farm.

I realize that some experts would argue that there is no point in trying to help those farmers who are operating farm units which are too small to sustain a family entirely.

But I take a different view.

Most of these farmers are already relying for part of their income from off-farm jobs. The point is that many of these jobs pay very little, and the small farmer remains in the backwash of the American economy. That is to say that even though many of these producers attempt to operate their farms and work off the farm, the combined income from these sources is still not adequate.

I am not so foolish as to propose a program of assistance that would maintain a pretense that somehow through research and extension a small unit can necessarily be made to provide the total support for these people.

But I do believe that by following the precepts of extension and cooperative State research that are now decades old, many small farms can begin to produce more income for their owners, thereby making these farmers more economically independent.

Ever since the Great Depression, American agriculture has undergone an enormous revolution. Thirty million people have left the farm for the city. A more mechanized agriculture has created a situation in which farm units have to be larger to be profitable.

I am not proposing here some sort of fallacious "back to the farm movement," but rather to give those Americans who were able to remain in rural America the freedom to decide where they will live. My distinguished colleague from Minnesota (Mr. HUMPHREY) used to call this "Freedom of Residence."

Let us face it, after the many economic upheavals that have occurred in American agriculture in recent decades, those who remain on the land are largely there, because they desperately want to be.

They cling tenaciously to their too-few acres, because for them agriculture is a way of life as well as a way of doing business.

If we can help them stay on the land—if we can give them freedom of residence—by simply refocusing our present activities slightly, then it would be foolish, cruel, and uneconomical not to take the appropriate steps.

The tragedy of New York City's present economic state, and sprawling urban ghettos across the face of this land are living testimony to the fact that the mass migration of people from the farm to the cities was not without a cost to the Nation and local governments of tens of billions of dollars.

Therefore, it would seem fitting to me that we say something more to the small farmer than "Adapt or die." To take the actions called for in this legislation would help the rural economy, and save the cities the agony of still more welfare receipients added to their populations.

But beyond the question of population migration is the question: "Who shall own American agriculture?" Better phrased, the question might be, "How many shall own American agriculture?"

In a paper on the "Changing Nature of U.S. Cattle Feeding" last year, Joseph C. Meisner and V. James Rhodes of the University of Missouri reported:

> As a result of the expanded size of feedlots in recent years, the cattle-feeding industry is now much more concentrated than several years ago. USDA data show approximately 2,000 feedlots produce over two-thirds of the nation's beef. However, individual firms are found to own more than one feedlot. Seventeen firms were noted to be supplying one-eighth of the nation's fed beef. Data based on 1972 levels showed three-percent of the nation's fed beef being produced by two cattle feeding firms.

For my part, I cannot get too excited about the scare term, "corporate agribusiness." Many family farms have incorporated for purposes of good management, and agriculture is after all a business.

But the Department of Agriculture reports that the number of farms with sales of $100,000 and over increased from 23,000 in 1960 to 115,000 in 1974. In 1960, these farms accounted for less than 1 percent of all farms, but for over 17 percent of the value of farm products sold. By 1974, farms of this size represented about 4 percent of all farms, but produced about 47 percent of the total value of farm products sold.

Certainly it is fair to ask, "How big is too big?"

In my State of Kentucky the average total of products sold according to 1974 USDA estimates was $11,045 per farm. In the Nation, the average was $33,041 per farm.

We have about 2.7 million units which are classified as farms by the census, but about 1.1 million of these produce 90 percent of the food and fiber.

As Lauren Soth, a distinguished editor of the Des Moines Register says:

> The character of the industry is different We don't even know what to call farming anymore. Is broiler production in industrial setups farming? Is the California factory-of-the-field, producing fruits and vegetables farming, or something else? When agribusiness firms do everything from the soil preparation to the harvesting, what part is farming, and what part is non-farm business?"

I believe in, and I will continue to support a strong American agriculture. It is essential for our nutritional well-being, for our international trading posture and for the future of the world. And, in order to remain strong, American agriculture must be economically strong.

But when I see data which shows that a 500-steer feedlot is about as big as the economies of size will allow increased efficiency; when I see that a 700-acre farm in Iowa is about as big an operation as can be maintained and continue to reduce overhead and operating costs; then I wonder what the need may be for more and more bigness.

I am not saying here that we should divide up the big farms and parcel the land out to the small operators. By and large a farm is about as big as a family operator's abilities to manage it properly and acquire more land.

But I would submit that certain Federal policies are contributing toward bigness, while the Department of Agriculture tends to forget that family farmer which Abraham Lincoln charged it to protect.

In regard to taxes, for instance, Soth says:

> You might expect that Federal income taxation would give an advantage to small farmers as compared with large farming businesses. Farm-produced food, fuel and rental value of homes are largely not taxed. These non-money sources of real income are more important for family farms than for the bigger farms.

But using evidence produced by the U.S. Treasury Department, Soth turns this around and says:

> With the cash accounting privilege, of course, farm firms can deduct against current income, expenditures for land development, soil conservation, irrigation and other capital outlays. This permits building up assets without paying taxes, or, in effect, an interest-free government loan.

Government tax policies have further made it difficult for a father to will his farm to his son, and they have created a system in which wealthy non-farmers own large segments of the cattle business.

It would appear from the evidence that tax breaks for the small farmer help his "farm factory" competitors even more.

Evidence would also seem to indicate that the larger the farms in any given area of the country, the fewer people there are spending farm income in smaller communities, and therefore, the communities located near large-farm areas tend to be in greater peril of economic distress.

Finally, one might ask if it is possible to provide useful information on a timely basis to assist the small farmer. For those farmers who have off-farm employment, this may mean contacting him at night or on weekends. For some who have not had the benefit of much education, the teaching process might tend to be laborious.

Jerry G. West and K. C. Schneeberger, of the University of Missouri, answered this question to my satisfaction in a paper on research and education needs of those living on small farms.

They said:

> Speculation is widespread that we are about to lose one million of our farms. They are about to be defined out of existence. For example, one prognosticator expects all units with less than $2,500 gross sales to be excluded through revision of the census definition of a farm. The ironic aspect of this is that such farms will not actually disappear. The problems of these farm families, along with numerous others with only slightly larger farming operations will continue to exist. It is the thesis of this paper that such problems are much more important than suggested by the resources allocated to them by our profession (agricultural economics).
>
> The phrase "the top one-third of the farms produced 90 percent of all agricultural products" is widely used. On the other hand, very seldom does one read about the large percentage of people who live on the farm that account for only 10 percent of the gross sales. If small farms are defined as those with gross sales of less than $10,000, two-thirds of the farm population lived on such farms in 1964. If "people problems" rather than "commodity problems" are our real concern then certainly the small farms should be an important clientele group for our research and education efforts.

As with many other problems, the relative importance of small farms varies from one geographical area to another. For example, in West Virginia small farms, as defined above, comprised 94.8 percent of all farms in 1964, while in Iowa, only 43.0 percent had less than $10,000 gross sales. . . .

Small farms are not nearly so important in terms of the resources involved but even here their resources cannot be ignored. In 1965, they contained 39 percent of the land in farms, 34 percent of the productive assets, and 38 percent of the rural labor used on farms. Recent ERS (Economic Research Service) projections for 1980 indicate small farms will continue to employ a sizable quantity of resources. The projections indicate that approximately 15 percent of the productive assets and nearly 20 percent of the land and labor will be on farms grossing less than $10,000.

Although the contribution of small farms to total gross or net income from farming in the United States is relatively small, the income is important to the individual family. For all farms grossing less than $10,000 in 1970, net income from farming comprised approximately 20 percent of the income available for family living. . . .

Lack of concern for small farms is often excused with the argument that nonfarm income is the important source of funds for family living. This is true. But the income from the combined sources is relatively low. Data from the Farm Income Situation indicates that families on farms grossing less than $10,000 had an average net income from combined farm and off-farm sources of less than $9,000 in 1970. In contrast, those grossing more than $10,000 had an average income of over $15,000. A USDA study of 1966 income tax returns provided similar results. It concluded:

"In general, persons reporting small farm profits had lower incomes from combined farm and off-farm sources than did those with larger profits. For example, fewer than 10 percent of people with profits of less than $5,000 reported a combined income of $10,000 or more."

The situation is even more disturbing than indicated by average figures. On a large proportion of small farms, agricultural enterprises actually make a negative contribution. Detailed income and expenditure data from the population of farm operators in a two-township area in central Missouri indicated that farm earnings were negative for 25 of the 72 farms grossing less than $10,000.

West and Schneegerger go on to point out that educational programs such as the rapid adjustment program sponsored by the Tennessee Valley Authority are proof that much can be accomplished by helping small farmers.

Secretary Butz is fond of saying that by 2000 we will have to produce twice as much food to feed the world's growing population. It seems to me that we cannot do this by ignoring 39 percent of our farmland.

A recent report entitled "Some Problems Impeding Economic Improvement of Small-Farm Operations: What the Department of Agriculture Could Do" has the following recommendations:

The Department should:

Identify small-farm operators in their productive years who depend on the farm as their primary source of income and categorize them according to their resources, abilities, educational experiences, and willingness to improve their operations by using available technology and efficient management practices.

Estimate the costs and benefits of programs needed to extend training and technical assistance to small-farm operators having the potential for improvement and present the information to the Congress for its consideration.

Examine the potential for research uniquely designed to improve the economic position of small-farm operators and, if such potential exists, consider the priority of such research in relation to other federally funded agricultural research.

Establish procedures for (1) evaluating the economic and social impacts of future research that could greatly change the productivity, structure, and/or size of existing farms, and (2) determining the assistance small-farm operators would need to plan for and adjust to the resulting changes.

The GAO report concludes:

The consensus of knowledgeable government and nongovernment people is that, although various factors contribute to small-farm operators' having relatively low volumes of farm sales, failure to use available technology and efficient management practices effectively is a primary reason many have lower volumes of farm sales than they might have and a major factor limiting improvements in their farming operations.

Although some publicly supported extension and research projects have related to the needs of small-farm operators, the Department and landgrant college have not made a concerted effort to solve problems impending the economic improvement of small-farm operations. Also they have not adequately (1) evaluated the economic and social impacts of production-efficiency research nor (2) determined the assistance that small-farm operators need to plan for and adjust to changes brought about by such research.

Demonstration projects sponsored by cooperative extension organizations and the Tennessee Valley Authority have shown that some small-farm operators are capable of increasing the productivity of their land and increasing their incomes. The type and intensity of assistance provided, and resulting accomplishments, differed widely between their projects as did the abilities and resources of participating farmers.

More complete data on small-farm operators is needed to determine the type and extent of assistance which would be useful and to provide the basis for planning extension and research programs oriented to the specific, known needs of small-farm operators. Such programs could aid in meeting the world's food and fiber needs as well as increasing these farmers' incomes.

An article appeared in the April 1, 1975, edition of Area Development Interchange, a newsletter published by the National Area Development Institute, which outlined research carried out regarding farm size by Earl Heady and Steven Sonka. 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:

STUDY FINDS SMALL FARMS MAY BENEFIT RURAL AREAS MOST, THOUGH HIGHER PRICES RESULT

A study of Farm-size structures indicates that benefits to rural areas may be greater from an agricultural system made up solely of farms having less than $10,000 in gross sales.

The study compares the results in terms of factors such as farm income, food prices, cropland value and rural economic activity, of systems composed of all large farms, all medium-sized farms, all small farms or a range containing operations of all three sizes in a mixture appropriate to current trends. Conducted by the North Central Regional Center for Rural Development at Iowa State University, the study defines large farms as those with gross sales over $40,000, medium farms as those with gross sales between $10,000 and $40,000, and small farms as those having gross sales ranging from $2,500 to $10,000.

Using a linear programming model containing 275 equations and 2,061 real variables, the study finds that the small-farm alternative results in higher returns per acre of land, higher total farm incomes, and increased economic activity in nonfarm sectors dependent on agriculture.

At the same time, however, the all-small-farm system would cause the highest food prices and lowest net income per farm of any of the alternatives.

In contrast, a farming structure characterized by large farms only implies lowest food prices and requires fewest resource inputs, but provides the lowest return to cropland, lowest total farm income and has the smallest income-generating effect on other economic sectors.

Specifically, the study states that on a national basis the low farm prices of the large farm alternative could lead to a decrease in income generation by 16 percent. The small farm system, with food prices approximately 18 percent higher than the large farm structure, could result in 34 percent higher secondary income effects than the large farm system, and 17 percent higher than the percent-day trend. Prices under the current mix of farm sizes are estimated about 9 percent lower than under the small-farm alternative.

The study's authors Earl O. Heady and Steven T. Sonka also note that while the large farm alternative requires fewest resource inputs, unless those freed resources are used in the local community fewer rural businesses may be required. In addition, they state that the lower per-acre returns to cropland provided by large farms indicate potential financing difficulties for many rural institutions.

Outcomes for the medium-farm and current-mix alternatives are less extreme than those of either the large-farm or small-farm cases. Results of the former two farming structures are generally similar, and fall midway between those of all large and all small farms. Their similarity in outcome implies, according to the study, that society could be as well served by an agricultural system made up of all medium-sized farms as by one with a wide range of sizes.

The authors conclude the study by mentioning some policy implications of their findings. Noting that policies designed specifically to alter the farm-size structure have rarely been enacted, they point out that policies adopted to achieve other goals do nonetheless affect the size of farms. They consequently urge policy makers to consider these results when pursuing such other goals.

The publication *Farm-Size Structure and Off-Farm Income and Employment Generation in the North Central Region* is available from the North Central Regional Center for Rural Development, Iowa State University of Science and Technology, 107 Curtiss Hall, Ames, Iowa 50010. Copies are free upon request.

Mr. HUDDLESTON. The response of the Department of Agriculture to the GAO report was similar to its implementation of the small farmer section of the Rural Development Act. Negative.

The Department said incomes of small farmers would not necessarily rise as a result of a concerted effort in a small farmer program, and therefore, no further action on the GAO recommendation is expected.

It seems to me that this kind of response gaves credence to allegations that the Department of Agriculture has become the home province of factory farms and big food companies.

Now Secretary Butz has said that most of his budget goes for "welfare programs" such as food stamps and child nutrition. That is correct. The Congress had to drag the Department kicking and screaming to get into nonfarm rural development, and now it uses rural development as an excuse not to help small farmers.

It seems to me that if USDA is only to be concerned with commercial agriculture, then we ought to make it a bureau within the Department of Commerce and get on with the business of helping rural people.

But Abraham Lincoln charged the USDA to be the peoples' department, and that is what I believe it must be. And it can be.

The Department and its cooperating State agencies are uniquely structured at the ground level to provide all kinds of assistance to all kinds of rural people. These agencies have done this in the past, and they must continue to do it in the future.

The bill I am introducing today amends section 502(c) of the Rural Development Act to provide for small farm extension, research and development programs. It establishes a small farm extension, research and development program that consists of the following:

First. A comprehensive study and survey to identify small farmers, and to determine their resources, abilities, education, and experience.

Second. A program designed by the USDA and the Cooperative Extension Services for improving operations of small farmers.

Third. Procedures for providing for regular updating of the study, survey, and program.

Fourth. Research and development with respect to measures for upgrading small farmer operations.

Fifth. The Secretary of Agriculture is required to submit an annual report on his stewardship of this program.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

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

S. 2823

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 502(c) of the Rural Development Act of 1972 (86 Stat. 657) is amended to read as follows:

"(c) Small Farm Extension, Research and Development Programs.—(1) Small farm extension and research and development programs shall consist of the following:

"(A) A comprehensive study and survey by the Secretary conducted through the Federal-State Cooperative Extension Services to identify small farmers in each State and to determine their resources, abilities, education, and experience, and the willingness of such farmers to upgrade their farm operations through improved farm management practices, improved agricultural production techniques, improved farm machinery technology, improved products, and improved cooperative agricultural marketing practices.

"(B) The development and implementation of a program by the Secretary and the Federal-State Cooperative Extension Services for improving operations of small farmers by means of the measures referred to in subparagraph (A) for upgrading small farmer operations.

"(C) The establishment of procedures for evaluating the social and economic consequences of the program described in subparagraph (B).

"(D) The establishment of procedures for regular periodic updating of the study and survey provided under subparagraph (A).

"(E) Research and development with respect to measures referred to in subparagraph (A) for upgrading small farmer operations.

"(F) An annual report by the Secretary to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture and Forestry of the Senate regarding the extent to which the objectives of the program provided for in this subsection are being achieved and the effectiveness with which such objectives are being achieved.

As used in this subsection, the term 'small farmer' means any person who depends on farming as his primary source of income, whose gross annual sales from farming operations are less than $20,000, and whose income from non-farm sources is less than $5,000.".

By Mr. HELMS:

S. 2824. A bill to provide for increased employee ownership of business and accelerated capital formation. Referred to the Committee on Finance.

EMPLOYEE BUSINESS OWNERSHIP AND CAPITAL FORMATION ACT OF 1975

Mr. HELMS. Mr. President, today I am introducing the Employee Business Ownership and Capital Formation Act of 1975. This legislation is based upon the concepts popularly known as the Kelson Plan. And it is in many respects similar to the so-called Employee Stock Ownership Plans—ESOP's.

The purpose of the legislation is twofold: First, it provides a mechanism to encourage corporations to give stock in the company to employees, without discrimination in favor of management or any other class. It is predicated upon the belief that if our traditional American free enterprise system is to continue to work, and work well, a greater portion of the labor force must have a piece of the action. By allowing all employees of a company to share in its ownership and its profits, we will be encouraging individual initiative and economic productivity, as well as contributing to the prosperity and indivdual dignity of the average worker.

Second, this legislation, through the creation of corporate tax deductions for gifts of stock to employees, will generate capital funds for the company. These funds will provide the vitally necessary capital for plant expansion, environmental protection, compliance with the Occupational Safety and Health regulations, the installation of more energy-efficient equipment, and any of the host of other capital needs. Of course, as these capital expenditures are made, as existing plants are expended and new ones constructed, jobs will be created. As pollution abatement equipment is installed, the impact of industrialization on the environment will be minimized. As more companies come into full compliance with the OSHA regulations, the safety and health of the working people of this country will greatly improve. And, as industry begins to use energy in a more efficient manner, our national dependence upon foreign countries will be lessened. The achievement of these other important goals is not easy, and it certainly is not free. It requires capital investment. Where will the necessary funds come from?

We are told that at present our economy is suffering from a serious shortage of capital funds. Even as electric rates soar, plans to construct new generating plants are being canceled for lack of funds. The high cost of energy is depriving industry of the capital it needs to purchase more energy-efficient equipment, and at present the costs created by the environmental protection and OSHA regulations are contributing to the inflationary spiral and to unemployment. If we as Americans are to enjoy the better life that we are all seeking for ourselves and our children, we must find the vitally necessary money to pay for it.

The Senator from North Carolina is not alone in his concern about the critical shortage of capital funds. Informed commentaries on the seriousness of the situation are being presented at every turn. The economists at the New York Stock Exchange in their "most likely" scenario, envision a $500 billion gap between business investment demand and the supply of savings—capital funds—over the period from 1974 to 1985. And, on June 25, testifying before the House Ways and Means Committee, General Electric Co. chairman, Reginald H. Jones, estimated that total capital requirements of nonfinancial corporations "will average $312 billion a year during the period 1977 through 1980, compared with $210 billion in 1974." Those figures included normal working capital required to buy raw materials and meet payrolls. But investment in fixed capital assets alone will rise to $536 billion by 1983, according to Wharton Econometric Forecasting Associates models, compared to $194 billion in 1973.

A Brookings Institution study calculated that—

Adding up all the capital necessary for all the projects that either promise a profitable private return or appear high on someone's list of social priorities for the rest of the seventies, yields a total of $2 trillion.

And, projecting capital demand 5 years further into the future, Treasury Secretary, William E. Simon, has suggested that "cumulative investment needs between 1974 and 1985 will range from $4 to $4.5 trillion." Obviously, unless business can come up with the necessary funds, we will not be able to meet pressing demands for energy, environmental protection, and other high priority needs.

To understand the seriousness of the situation not only for the decade ahead but for the present as well, compare the standing of the United States to other industrialized countries of the world. On April 1, the U.S. Treasury Department reported that:

The United States ranking in real economic growth is among the lowest of the industrialized countries because a relatively low share of its output is being allocated to investment.

For example, during the period 1960 through 1973, the Treasury Department reported that the total share of our national output devoted to fixed investment averaged 17.5 percent compared to 35.0 percent for Japan, 25.8 percent for West Germany, 24.5 percent for France, 18.5 percent for the United Kingdom, and 20.5 percent for Italy. Indeed, the Treasury Department reported that:

The U.S. share of total national output devoted to . . . fixed investment . . . was lower than in any of the 11 major industrialized nations . . . studied.

What is more according to the Treasury report—

This lag in U.S. investment over the past 13 years has contributed to relative lower rates of advance of productivity and national output.

The report noted that:

This disparity in investment effectively lowered rates of advance in living standards of the average consumer in the United States, created shortages in basic materials industries during periods of economic expansion and added substantially to the inflationary consequences of high employment in recent years.

The Treasury Department further pointed out that:

The falling share of U.S. resources allocated to investment has limited job opportunities because had the growth of plant and equipment exceeded that of the labor force, more jobs would have been required to utilize that increased capacity.

Finally, the report concluded that:

The policy implications for the U.S. point towards encouragement of capital formation by minimizing tax disincentives, use of accounting methods which adjust earnings for replacement cost of capital and elimination of tax barriers to the flow of capital into productive uses.

In short, there is an obvious agreement among economists that: First, capital funds are in short supply at present, and second, our national capital needs will intensify dramatically during the decade ahead.

On May 7, Treasury Secretary Simon told the Senate Finance Committee that:

We must not only replace and modernize existing facilities but also add new capacity, particularly in many of our most basic industries.

And, as every Member of Congress is aware, simply from viewing recently enacted legislation, in addition to our requirements for capital investment for economic recovery, we must find the money to finance a multitude of economic and social programs in both the public and private sectors. Whether one agrees with these programs or not, whether one voted for or against them, they are now on the law books. They will have to be paid for, and that will claim an increasingly large share of capital investment.

With stepped up Federal programs dealing with a wide variety of problems ranging from unemployment to energy efficiency, to environmental protection, to social development and health care, competition for capital funds will continue to intensify rapidly. And, as Business Week noted over a year ago—

In an economic sense, there can be no shortfall of savings (capital)—the market simply adjusts through higher interest rates and rising prices, and the excess investment demand is choked off. But this may well threaten national priorities in housing, energy, and mass transit.

In short, we in the United States are continuing, year after year, to demand more of everything. We want a cleaner environment, a greater level of energy independence, better transit facilities, improved housing, safer working conditions, more advanced health care, new consumer goods, and income security for our retirement years. We in America are demanding a better life, not for a select few but for every citizen of every background and station. The haunting question remains: How in heaven's name are we going to pay for it?

Amid all the gloom and prophesies of doom, there is a solution. And, in a very real sense that solution is a product of the kind of imagination and ingenuity that has made America the great Nation that it is. This solution is evolved out of the principles associated with the Kelso plan and the employee stock ownership plans—ESOP's. And, not surprisingly an increasingly large segment of both the public and private sectors believe that the answer to the dilemma resulting from this intensifying capital crunch is to be found in a program that encourages increased employee ownership of corporate businesses through providing tax incentives to stimulate that ownership. Of course, the important by-product of the corporate tax deductions used to encourage the employee business ownership is what accountants call retained earnings—but for our purposes we should call it capital for investment.

At present, there are three basic sources of private savings capital available to corporate enterprises. They are: First. Retained earnings, where the corporation saves part of its profits instead of paying it out to stockholders in dividends; Second. Selling additional stock in the corporation; and third. Long-term borrowing from lenders, either by selling bonds or obtaining more conventional loans.

The Employee Business Ownership and Capital Formation Act that I am today introducing stimulates job creation and capital formation by making it feasible to expand the first two sources of capital savings: retained earnings and issuance of additional stock, in a new and unique way. Expanding on the Kelso and ESOP concepts, it addresses our serious need for capital funds while providing a strong incentive to corporate America to bring the previously disenfranchised worker into the firm as a stockholder, who will receive tax-free dividends and thereby share in the profits that result from his labor.

This bill adds a new section to the Internal Revenue Code allowing corporations to give their employees stock in the corporation each year in an amount equal to 25 percent of the employee's salary or $25,000, whichever is the lesser. The maximum amount that can be given to an employee during his entire life with the corporation is $500,000, or an amount equal to 5 percent of the outstanding securities of the corporation, whichever is the lesser.

In order to encourage the employees to hold the stock and therefore to retain an ownership interest in the company, all dividends paid on the stock will be excluded from taxation as long as the employee or his spouse—in the event of the employee's death—continues to own the stock. However, if the employee wishes to sell the stock, he is free to do so although the tax exemption on dividends does not pass on with the sale.

No income tax would result to the employee at the time of the gift of the stock; but when it is sold, so much of the gain realized on the sale of the stock as is equal to the value when given to the employee would be includable in the employee's gross income. Any value of the stock in excess of the amount of the value when given would be taxed to the employee as a capital gain. There is no recapture provision respecting dividends paid to the employee or his spouse on such stock. Rather, such dividends are entirely free from taxation.

Of course, if the employee owned the stock at the time of his death, it would be included in his estate, and under the present Federal Estate Tax law, a new tax base would be created for the stock at that time. If the employee made someone a gift of the stock, applying present tax law, the recipient of the gift would take the stock at the employee's tax base. And, if the stock were sold by the recipient, the proceeds would be subject to the recapture provisions mentioned with respect to the employee.

It should be pointed out that the bill contains the same minimum participation standards and the same prohibition against discrimination that favors executives and high-salaried employees that was written into the Employee Retirement Income Security Act of 1974. This double safeguard will insure that all of the employees of a company benefit from this employee business ownership plan, not just management.

Any such gifts of stock to employees will be tax deductible to the corporation, subject to the limitations contained in section 404(a)(3) of the Internal Revenue Code. That is to say, the total deduction to the corporation shall not exceed 15 percent of the compensation otherwise paid during the taxable year to all employees under the plan.

If a company purchases the stock from the employee, that portion of the purchase price that is in excess of the value of the stock when given is deductible. This provides an incentive for smaller corporations, whose stock has a limited market, to purchase it from the employee, if the employee wishes to sell and

cannot find a buyer. Under no circumstances would the employee be required to sell his stock.

The bill applies to the common stock of the corporation. But if the corporation has more than one class of common stock outstanding, the bill insures that the securities are distributed from the common stock possessing the greatest percentage of the voting power of all stock entitled to vote; or from stock issued by the corporation which is convertible into such a class no later than one year after the termination of the recipient's employment.

Additionally, the bill amends the Employee Retirement Income Security Act of 1974 to exclude qualifying employee business ownership plans from the requirements of the labor provisions of the Act—other than the reporting and disclosure rules—since those provisions are either not applicable to such plans or a plan which is created under this bill must by definition satisfy those requirements.

Since stock issuances under employee ownership plans are tantamount to a gift as opposed to a sale, the staff of the Securities and Exchange Commission has taken the position that they are exempt from the registration provisions of the Securities Act of 1933. However, since the position of the staff is not binding upon the Commission, the bill adds a securities exemption favoring the issuance of securities pursuant to this act, if the issuer is a reporting company and if issuances are limited to 1% of the outstanding securities during any 12-month period. Similarly, a provision is added permitting the resale of the stock by the employee or a remote purchaser of the employee stock. Otherwise, of course, the stock would be of limited value to the employee.

Finally, a conforming amendment is made to the Securities Exchange Act of 1934 permitting the issuing company to repurchase employee stock. As stated, this is to encourage smaller companies to insure that there will be a market for the stock if the employee wishes to sell it.

So, Mr. President, that is the technical explanation of this very simple, yet very important legislation. It offers corporations tax deductions for stock which they give to employees on a nondiscriminatory basis. This is stock which the employee owns immediately. It is not held in trust or otherwise encumbered with restrictions. The employee may sell the stock the day he receives it. Or, he may hold it and receive tax-free dividends. When he dies, he may leave it to his spouse, so that for the rest of her life she may also receive tax-free dividends.

On the corporate side of the ledger, the corporation will be able to generate tax deductions which will provide the needed capital for plant expansion, pollution abatement equipment, compliance with OSHA regulations, energy conservation programs, and a host of other capital needs. In short, it will permit corporations to have more money to invest. This investment will in turn create more jobs to be filled by more employees, who will be able to receive more gifts of stock under this Employee Business Ownership Plan, so that they too will have a "piece of the action," an investment in the future of America.

By Mr. CHURCH (for himself, Mr. TOWER, Mr. PHILIP A. HART, Mr. MONDALE, Mr. HUDDLESTON, Mr. MORGAN, Mr. GARY HART, Mr. BAKER, Mr. MATHIAS, and Mr. SCHWEIKER):

S. 2825. A bill to make unlawful the entering into a conspiracy to assassinate a foreign official outside the United States, the assassination of a foreign official outside the United States, or the attempted assassination of a foreign official outside the United States, and for other purposes. Referred to the Committee on the Judiciary.

Mr. CHURCH. Mr. President, I am introducing today, along with my distinguished colleague, Senator TOWER, the vice chairman of the Select Committee on Intelligence, and the distinguished members of that committee, Senators HART of Michigan, MONDALE, HUDDLESTON, MORGAN, HART of Colorado, BAKER, MATHIAS, and SCHWEIKER, a bill making it a Federal crime to assassinate a foreign leader in peacetime, or to conspire or attempt to do so.

This bill represents the culmination of months of work by the Select Committee. In the summer of this year, the Select Committee took up the investigation of U.S. involvement in alleged assassination plots against foreign leaders, continuing the task begun by the Rockefeller Commission. In its long investigation the committee heard over 100 witnesses. It studied thousands of documents and amassed a record of sworn testimony almost 10,000 pages long. On November 20, the committee issued an interim report—adopted by unanimous vote—on these assassination plots.

In its report, the committee recommended the enactment of the bill introduced today, which was set out as an appendix to the committee's report. As the committee found, the need for a law banning assassination is clear. On this point, as Oliver Wendell Holmes once said, "a page of history is worth a volume of logic." That page of history, I submit, is embodied in the select committee's report. Assassination plots by U.S. Government officials did happen. It would be irresponsible not to do all that can be done to prevent their happening again. Laws express our Nation's values; they deter those who might be tempted to ignore those values and they stiffen the will of those who want to resist temptation.

The select committee's investigation and report establishes that assassination must never again be considered in time of peace by the U.S. Government. Witnesses who testified before the committee denounced assassination as immoral, described it as impractical, and reminded us that an open society, more than any other, is particularly vulnerable to the risk that its own leaders may be assassinated—something of which we hardly need to be reminded.

Our view that asassination has no place in America's arsenal is shared by the administration. President Ford, when he asked the committee to study the allegations of U.S. involvement in assassination plots, stated:

> I am opposed to political assassination. This Administration has not and will not use such means as instruments of national policy.

Despite this general agreement that the United States must not engage in assassination, present law provides criminal sanctions only with respect to the assassination of foreign officials who are visiting the United States. There is no statute making it a crime to assassinate a foreign leader outside the United States. The bill I am introducing today is designed to close this gap in the law.

In addition to the moral and practical reasons for outlawing assassination, there is an important constitutional principle at stake. Assassination is nothing less than an act of war. Assassinations have set off great wars in the past. World War I was brought on by assassination, and history provides other examples of great conflicts among states begun by the murder of a foreign leader. As all Senators are acutely aware, our Constitution wisely places the power to declare war in the Congress. That design of the Framers of the Constitution is circumvented whenever agents of the executive branch—whether in the White House or the intelligence agencies—feel free to plot and carry out assassinations. The criminal sanctions in this bill will strengthen the checks and balances that, in our constitutional system, should surround those steps that may lead us into war.

Some may ask whether this bill would prevent the President from acting in a case of dire necessity, when the survival of the country may be at stake. Some have cited the case of Adolph Hitler as an example. In a grave emergency, the President has a limited power to act, not in violation of the law, but in accord with his own responsibilities under the Constitution to defend the Nation. As the Supreme Court has stated, the Constitution "is not a suicide pact." This bill leaves the President's constitutional powers intact.

But it is equally clear that any action taken by the President pursuant to his constitutional powers which are in apparent conflict with the law are subject to congressional review. It is a fundamental principle of our constitutional system that any such Presidential action is checked and limited by Congress, including Congress' impeachment power.

Mr. President, I ask unanimous consent that the text of this bill and part V entitled "Recommendations of the Select Committee's Report" on alleged assassination plots be printed in the RECORD.

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

S. 2825

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 18 United States Code, is amended by adding

immediately after Section 1117 the following new section:

"§ 1118. Conspiracy to assassinate foreign official outside the United States; attempted assassination of foreign official outside the United States; assassination of foreign official outside United States.

"(a) If any officer or employee of the United States or any other person while within the United States or the special maritime and territorial jurisdiction of the United States, conspires with any other such officer, employee or person to kill any foreign official because of such official's political views, actions or statements, while such official is outside of the United States and such jurisdiction, and one or more such officers or employees or persons does any overt act within the United States or such jurisdiction to effect the object of the conspiracy, each shall be punished by imprisonment for any term of years or for life.

"(b) Whoever being an officer or employee of the United States, or a citizen of the United States, while outside the United States and the special maritime and territorial jurisdiction of the United States, conspires with any other such officer or employee or with any other person or persons to kill any foreign official, because of such official's political views, actions or statements, while such official is outside the United States and such jurisdiction, and one or more such officers, employees, citizens or other persons does any overt act to effect the object of the conspiracy, shall be punished by imprisonment for any term of years or life.

"(c) Whoever being an officer or employee of the United States, or a citizen of the United States, while outside the United States and the special maritime and territorial jurisdiction of the United States, attempts to kill any foreign official, because of such official's political views, actions or statements, while such official is outside the United States and such jurisdiction, shall be punished by imprisonment for any term of years or life.

"(d) Whoever being an officer or employee of the United States, or a citizen of the United States, while outside the United States and the special maritime and territorial jurisdiction of the United States, kills any foreign official, because of such official's political views, actions or statements, while such official is outside the United States and such jurisdiction, shall be punished as provided under sections 1111 and 1112 of this title, except that any such officer or employee or citizen who is found guilty of murder in the first degree shall be sentenced to imprisonment for life.

"(e) As used in this section, the term—

"(1) 'officer or employee of the United States' means any officer or employee, whether elected or appointed, in the executive, legislative, or judicial branch of the Government of the United States (including the District of Columbia) and its territories and first degree shall be sentenced to imprisonber of the armed forces;

"(2) 'foreign official' means a Chief of State or the political equivalent, President, Vice President, Prime Minister, Premier, Foreign Minister, Ambassador, or other officer, employee, or agent; (a) of a foreign government with which the United States is not at war pursuant to a declaration of war or against which United States Armed Forces have not been introduced into hostilities or situations pursuant to the provisions of the War Powers Resolution; or (b) of a foreign political group, party, military force, movement or other association with which the United States is not at war pursuant to a declaration of war or against which United States Armed Forces have not been introduced into hositilities or situations pursuant to the provisions of the War Powers Resolution; or (c) of an international organization;

"(3) 'foreign government' means the government of a foreign country irrespective of recognition by the United States;

"(4) 'international organization' means a public international organization designated as such pursuant to section 1 of the International Organizations Immunity Act (22 U.S.C. 288);

"(5) 'citizen of the United States' means, in addition to a United States citizen, any national of the United States, and any person who has been and is classified as an alien admitted to the United States as a permanent resident under the laws of the United States."

SEC. 2. The analysis of chapter 51 of title 18, United States Code, is amended by adding at the end thereof the following:

"1118. Conspiracy to assassinate foreign official outside United States; attempted assassination of foreign official outside United States; assassination of foreign official outside United States."

V. RECOMMENDATIONS

The Committee's long investigation of assassination has brought a number of important issues into sharp focus. Above all stands the question of whether assassination is an acceptable tool of American foreign policy. Recommendations on other issues must await the completion of our continuing investigation and the final report, but the Committee needs no more information to be convinced that a flat ban against assassination should be written into law.

We condemn assassination and reject it as an instrument of American policy. Surprisingly, however, there is presently no statute making it a crime to assassinate a foreign official outside the United States. Hence, for the reasons set forth below, the Committee recommends the prompt enactment of a statute making it a Federal crime to commit or attempt an assassination, or to conspire to do so.

A. GENERAL AGREEMENT THAT THE UNITED STATES MUST NOT ENGAGE IN ASSASSINATION

Our view that assassination has no place in America's arsenal is shared by the Administration.

President Ford, in the same statement in which he asked this Committee to deal with the assassination issue, stated:

"I am opposed to political assassination. This administration has not and will not use such means as instruments of national policy. (Presidential Press Conference, 6/9/75, *Weekly Compilation of Presidential Documents*, Vol. II, No. 24, p. 611.)"

The witnesses who testified before the Committee uniformly condemned assassination. They denounced it as immoral, described it as impractical, and reminded us that an open society, more than any other, is particularly vulnerable to the risk that its own leaders may be assassinated. As President Kennedy reportedly said: "We can't get into that kind of thing, or we would all be targets." (Goodwin, 7/18/75, p. 4)

The current Director of Central Intelligence and his two predecessors testified emphatically that assassination should be banned. William Colby said:

"With respect to assassination, my position is clear I just think it is wrong. And I have said so and made it very clear to my subordinates. (Colby, * * * 5/21/75, p. 89)"

Richard Helms, who had been involved in an assassination plot before he became DCI, said he had concluded assassination should be ruled out for both moral and practical reasons:

"As a result of my experience through the years, when I became Director I had made up my mind that this option * * * of killing foreign leaders, was something that I did not want to happen on my watch. My reasons for this were these:

"There are not only moral reasons but there are also some other rather practical reasons.

"It is almost impossible in a democracy to keep anything like that secret * * *. Somebody would go to a Congressman, his Senator, he might go to a newspaper man, whatever the case may be, but it just is not a practical alternative, it seems to me, in our society.

"Then there is another consideration * * * if you are going to try by this kind of means to remove a foreign leader, then who is going to take his place running that country, and are you essentially better off as a matter of practice when it is over than you were before? And I can give you I think a very solid example of this which happened in Vietnam when President Diem was eliminated from the scene. We then had a revolving door of prime ministers after that for quite some period of time, during which the Vietnamese Government at a time in its history when it should have been strong was nothing but a caretaker government * * *. In other words, that whole exercise turned out to the disadvantage of the United States.

"* * * there is no sense in my sitting here with all the experience I have had and not sharing with the Committee my feelings this day. It isn't because I have lost my cool, or because I have lost my guts, it simply is because I don't think it is a viable option in the United States of America these days.

"Chairman CHURCH. Doesn't it also follow, Mr. Helms—I agree with what you have said fully—but doesn't it also follow on the practical side, apart from the moral side, that since these secrets are bound to come out, when they do, they do very grave political damage to the United States in the world at large? I don't know to what extent the Russians involved themselves in political assassinations, but under their system they at least have a better prospect of keeping it concealed. Since we do like a free society and since these secrets are going to come out in due course, the revelation will then do serious injury to the good name and reputation of the United States.

"Would you agree with that?

"Mr. HELMS. Yes, I would.

"Chairman CHURCH. And finally, if we were to reserve to ourselves the prerogative to assassinate foreign leaders, we may invite reciprocal action from foreign governments who assume that if it's our prerogative to do so, it is their prerogative as well, and that is another danger that we at least invite with this kind of action, wouldn't you agree?

"Mr. HELMS. Yes, sir. (Helms, 6/13/75, pp. 76–78)"

John McCone said he was opposed to assassinations because:

"I didn't think it was proper from the standpoint of the U.S. Government and the Central Intelligence Agency. (McCone, 6/6/75, p. 15)"

B. CIA DIRECTIVES BANNING ASSASSINATION

Helms in 1972 and Colby in 1973 issued internal CIA orders banning assassination. Helms' order said:

"It has recently again been alleged in the press that CIA engages in assassination. As you are well aware, this is not the case, and Agency policy has long been clear on this issue. To underline it, however, I direct that no such activity or operation be undertaken, assisted or suggested by any of our personnel * * *. (Memo, Helms to Deputy Directors, 2/6/72)"

In one of a series of orders arising out of the CIA's own review of prior "questionable activity," Colby stated:

"CIA will not engage in assassination nor induce, assist or suggest to others that assas-

sination be employed. (Memo, Colby to Deputy Directors, 8/29/73)"

C. THE NEED FOR A STATUTE

Commendable and welcome as they are, these CIA directives are not sufficient. Administrations change, CIA directors change, and someday in the future what was tried in the past may once again become a temptation. Assassination plots did happen. It would be irresponsible not to do all that can be done to prevent their happening again. A law is needed. Laws express our nation's values; they deter those who might be tempted to ignore those values and stiffen the will of those who want to resist the temptation.

The Committee recommends a statute[1] which would make it a criminal offense for persons subject to the jurisdiction of the United States (1) to conspire, within or outside the United States, to assassinate a foreign official; (2) to attempt to assassinate a foreign official, or (3) to assassinate a foreign official.

Present law makes it a crime to kill, or to conspire to kill, a foreign official or foreign official guest while such a person is in the United States. (18 U.S.C. 1116–1117). However, there is no law which makes it a crime to assassinate, to conspire to assassinate, or to attempt to assassinate a foreign official while such official is outside the United States. The Committee's proposed statute is designed to close this gap in the law.

Subsection (a) of the proposed statute would punish conspiracies within the United States; subsection (b) would punish conspiracies outside the United States. Subsection (b) is necessary to eliminate the loophole which would otherwise permit persons to simply leave the United States and conspire abroad. Subsections (c) and (d), respectively, would make it an offense to attempt to kill or to kill a foreign official outside the United States.

Subsections (a), (b), and (d) would apply expressly to any "officer or employee of the United States" to make clear that the statute punishes conduct by United States Government personnel, as well as conduct by private citizens. In addition, subsection (a), which covers conspiracies within the United States, would apply to "any other person," regardless of citizenship. Non-citizens who conspired within the United States to assassinate a foreign official would clearly come within the jurisdiction of the law. Subsections (b), (c), and (d), which deal with conduct abroad, would apply to the United States citizens, and to officers or employees of the United States, regardless of their citizenship. Criminal liability for acts committed abroad by persons who are not American citizens or who are not officers or employees of the United States is beyond the jurisdiction of the United States.

"Foreign official" is defined in subsection (e)(2) to make clear that an offense may be committed even though the "official" belongs to an insurgent force, an unrecognized government, or a political party. The Committee's investigation—as well as the reality of international politics—has shown that officials in such organizations are potential targets for assassination.[2] Killing, attempting to kill, or conspiring to kill would be punishable under the statute only if it were politically motivated. Political motivation would encompass acts against foreign officials because of their political views, actions, or statements.

The definition of "foreign official" in section (e)(2) also provides that such person must be an official of a foreign government or movement "with which the United States is not at war pursuant to a declaration of war or against which the United States Armed Forces have not been introduced into hostilities or situations pursuant to the provisions of the War Powers Resolution." This definition makes it clear that, absent a declaration of war or the introduction of United States Armed Forces pursuant to the War Powers Resolution, the killing of foreign officials on account of their political views would be a criminal offense.

During the Committees hearings, some witnesses, while strongly condemning assassination, asked whether assassination should absolutely be ruled out in a time of truly unusual national emergency. Adolf Hitler was cited as an example. Of course, the cases which the Committee investigated were not of that character. Indeed, in the Cuban missile crisis—the only situation of true national danger considered in this report—assassination was not even considered and, if used, might well have aggravated the crisis.

In a grave emergency, the President has a limited power to act, not in violation of the law, but in accord with his own responsibilities under the Constitution to defend the Nation. As the Supreme Court has stated, the Constitution "is not a suicide pact." (*Kennedy* v. *Mendoza-Martinez*, 372 U.S. 144, 160 (1963))

During an unprecedented emergency, Abraham Lincoln claimed unprecedented power based on the need to preserve the nation:

"* * * my oath to preserve the Constitution to the best of my ability, imposed upon me the duty of preserving, by every indispensable means, that government—that nation—of which that Constitution was the organic law. Was it possible to lose the nation, and yet preserve the Constitution? By general law, life and limb must be protected; yet often a limb must be amputated to save a life; but a life is never wisely given to save a limb. I felt that measures, otherwise unconstitutional, might become lawful, by becoming indispensable to the preservation of the Constitution, through the preservation of the nation * * *. (*The Complete Works of Abraham Lincoln*, Vol. X; pp. 65–66.) (Nicolay and Hay, Eds. 1894.)"

Whatever the extent of the President's own constitutional powers, it is a fundamental principle of our constitutional system that those powers are checked and limited by Congress, including the impeachment power. As a necessary corollary, any action taken by a President pursuant to his limited inherent powers and in apparent conflict with the law must be disclosed to Congress. Only then can Congress judge whether the action truly represented, in Lincoln's phrase, an "indispensable necessity" to the life of the Nation.

As Lincoln explained in submitting his extraordinary actions to Congress for ratification:

"In full view of his great responsibility he has, so far, done what he has deemed his duty. You will now, according to your own judgment, perform yours. (Abraham Lincoln, Message to Congress in Special Session, July 4, 1861.)"

FOOTNOTES

[1] The recommended statute is printed in Appendix A.

[2] For example. Lumumba was not an official of the Congolese government at the time of the plots against his life, and Trujillo, even though the dictator of the Dominican Republic, held no official governmental position in the latter period of his regime.

By Mr. PERCY:

S. 2826. A bill to incorporate United Service Organizations, Incorporated. Referred to the Committee on the Judiciary.

Mr. PERCY. Mr. President, I am introducing a bill to provide a Federal charter for the United Service Organizations. The work of this nonprofit, civilian, voluntary institution is well known to all of us. For years, USO centers have provided homes away from home for millions of Americans, as Bob Hope reminded us when he testified recently on behalf of an identical bill in the House—I understand, incidentally, that House Members became caught up in the spirit of Bob Hope's annual Christmas show and considered chartering him as a national institution. Without addressing the merits of that proposal, Mr. President, I would like to indicate briefly why I consider the USO uniquely qualified for the distinction of a Federal charter.

First, it would provide congressional recognition that we have a permanent need for the USO, in peacetime as well as during wars. The need is the same, whether the ranks of our Armed Forces are filled by volunteers or with draftees. There is a need in our great cities, like New York and Chicago, where USO centers receive strong public backing. And there is an equally important need wherever our military personnel are assigned, in smaller towns and cities across this Nation and in a number of countries overseas. The USO is a broadly based, national institution. It provides a wholesome link between our civilian society and the often self-contained world of the military.

Providing a Federal charter for the USO would not alter the institution's character in any way. The USO now receives limited logistical aid from the Defense Department, mainly for such matters as delivering supplies to some of its centers. A Federal charter would recognize the mutually supportive relationship between the military establishment and the USO. But the USO would remain what it is: a civilian, voluntary organization.

Moreover, the added recognition conferred by a Federal charter would facilitate USO campaigns for public contributions. And it would be easier for the USO to negotiate with public officials abroad in order to establish and maintain centers where American service personnel are serving. For all of these reasons, Mr. President, I believe that the USO is uniquely qualified for the important distinction of a Federal charter.

By Mr. PELL:

S. 2827. A bill to require the establishment of safety standards for snowmobiles, and for other purposes. Referred to the Committee on Commerce.

Mr. PELL. Mr. President, I am today reintroducing legislation proposed during the 93d Congress that would provide for improved safety in the manufacture, operation, and use of snowmobiles.

As those of us living in the Northern tier of States are aware, the use of snowmobiles has increased dramatically over the past 5 years. It is estimated by the industry that there are currently more than 2 million snowmobiles in use in these areas.

While there is no question that this industry has contributed substantially to the economies of many States, including my own State of Rhode Island, as well as providing many hours of enjoyment and outdoor recreation for millions of individuals, the increased use of snowmobiles has also tragically been respon-

sible for an alarming number of injuries and fatalities across the country.

In addition, the increasing use of snowmobiles has raised much concern over the environmental impact of such outdoor activity, especially on wildlife and wilderness areas.

As I have noted, the dramatic growth in the snowmobile industry has not been without a tragic price. During the 1972–73 season, the Consumer Product Safety Commission estimated the number of emergency room injuries related to snowmobile use was 18,900—this figure rose to more than 26,000 for the 1974–75 season and is expected to rise substantially again this year. Fatalities during this same period as reported by the National Safety Council rose from 156 to 170.

On the basis of information available from the Consumer Product Safety Commission and the National Safety Council, snowmobile accidents fall into several patterns. They appear largely the result of collisions with fixed or moving objects, especially when driving on or beside public roads. In addition, excessive speed, unfamiliarity with the machine, and riding on unfamiliar terrain or near bodies of water account for a high percentage of accidents. Other factors include driving while intoxicated, after dark, or too close to another snowmobile, and malfunctions of the machine.

Mr. President, the legislation I am proposing would remedy some of these major concerns through the establishment of minimum safety standards for snowmobile manufacturers, and by restricting the operation of these machines on public lands so that the environment and the rights of other users are protected. In this regard, I wish to strongly commend the snowmobile industry, and specifically the International Snowmobile Industry Association for their efforts to accomplish these goals through the establishment of minimum snowmobile safety standards for manufacturers, as well as the encouragement of safe snowmobile use by urging extensive safety training programs for operators. This work has unquestionably contributed toward the safer use and operation of snowmobiles, and specifically, in reducing the percentage of accidents attributable to equipment failure or malfunction.

Recognizing that most snowmobile accidents and fatalities are largely the result of vehicle operation and use especially, by individuals under the age of 20 years, I am also proposing a new section in my legislation that would provide up to $1 million from the highway trust fund for the establishment of a snowmobile safety training program. This effort would include, but not be limited to, a voluntary snowmobile safety training program for youths 18 years old and under, a voluntary inspection program for snowmobiles, similar to that sponsored by the U.S. Coast Guard, and technical assistance to States in the establishment of individual safety training programs that would encourage the design/use of environmentally safe snowmobile trails. The snowmobile safety training program would be developed jointly by the National Park Service and the Bureau of Outdoor Recreation who share responsibility in this area.

Mr. President, snowmobiles have a capacity to contribute to the work and recreational life in our country. But even the most ardent snowmobilers today recognize the desirability and indeed the necessity of reasonable restraints and regulations to protect snowmobile users, the general public and our environment from unnecessary injury and damage. This is the object of this legislation, and I hope my colleagues and the snowmobile industry will support my efforts to achieve these goals.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2827

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Snowmobile Safety Standards Act of 1975".

DEFINITIONS

SEC. 2. For the purposes of this Act the term—

(1) "snowmobile" means a self-propelled vehicle, having a weight of not more than 1,000 pounds, intended for off-road travel, primarily on snow, and which is driven by a track or tracks in contact with the snow, and steered by a ski or skis in contact with the snow;

(2) "helmet" means a snowmobile crash helmet meeting or exceeding the specifications established by the Consumer Product Safety Commission for such devices pursuant to section 3 of this Act;

(3) "Commission" means the Consumer Product Safety Commission established pursuant to section 4 of the Consumer Product Safety Act (15 U.S.C. 2053); and

(4) "dbA" means $20 \times \log_{10}$ of the ratio between the root means square pressure of a given sound and the reference root mean square of 0.0002 microbar as registered on the A-weighted network for A-weighting frequency response specified in the American National Standard S 1.4–1971, or subsequent revisions thereof, of the American National Standard Institute.

SNOWMOBILE AND HELMET SAFETY STANDARDS

SEC. 3. (a) The Commission shall establish consumer product safety standards for the performance, design, and construction of snowmobiles and helmets pursuant to its authority under section 7 of the Consumer Product Safety Act (15 U.S.C. 2056). Such standards, which may be revised in accordance with experience and technological advances, shall include the requirements prescribed under subsections (b) and (c).

(b) Snowmobiles shall be equipped, at a minimum, with the following—

(1) a forward-facing white headlight of sufficient illumination and power to permit the snowmobile operator to distinguish objects at a distance of 200 feet;

(2) a red tail light which is visible from a distance of 500 feet;

(3) a reserve power system, as soon as technologically feasible, sufficient to operate simultaneously both the headlight and tail light of any snowmobile for a period of one hour without operation of the engine;

(4) clearly and conspicuously visible from a distance of 200 feet from all directions, registration numbers which may be required by any State law;

(5) a combination of lights, reflex reflectors, and reflective materials which will permit wide-angle visibility of any snowmobile from all directions both day and night with distance, visibility, and luminosity, at a minimum, comparable to that required for bicycles and passenger vehicles on the highway under standards established by the Consumer Product Safety Commission, or the Department of Transportation, as the case may be;

(6) a throttle control mechanism which automatically returns the snowmobile engine to idle after the operator releases the throttle;

(7) an emergency control system which shall include, but not be limited to—

(a) a device for automatically stopping the engine in the event of a malfunction of the throttle control mechanism; and

(b) an emergency stop switch designed to provide an instantaneous interruption of the engine or disconnection of the drive train system from the engine or both;

(8) a windshield of transparent material that extends above the head of the seated snowmobile operator and is of sufficient strength to withstand impact and deflect stationary objects encountered at normal snowmobile cruising speeds;

(9) a noise suppression system sufficient to reduce the operating noise level of any snowmobile to 78 dbA at 50 feet when measured in accordance with the practices recommended by the Society of Automotive Engineers;

(10) a braking system which shall be capable of stopping the snowmobile in a distance not to exceed 40 feet when the snowmobile is operating at a speed of 20 miles per hour and at the same relative deceleration rate from such other speeds; and

(11) adequate shields and guards over the power driven parts of the engine and drive train, clutch, and drive systems, with the exception of the snowmobile sprocket systems, so as to prevent their physical contact with the operator or bystanders.

(c) Helmets shall, at a minimum, provide user-wearer protection from collision or other harmful contact and protection from harmful sound levels for both brief and prolonged periods of exposure to such sounds.

RESTRICTIONS ON USE OF SNOWMOBILES ON PUBLIC LANDS

Sec. 4. (a) (1) Any individual who operates or is a passenger in a snowmobile or who is being towed or otherwise propelled by a snowmobile being operated on the public lands of the United States shall wear a helmet, whenever such snowmobile is in operation.

(2) It shall be unlawful for any individual who operates or rides as a passenger or who is being towed or otherwise propelled by a snowmobile being operated on the public lands of the United States to carry any firearm on his person or on or attached to his snowmobile or on or attached to any other device which is towed or otherwise propelled by any snowmobile.

(b) It shall be unlawful for any individual—

(1) to operate any snowmobile at a speed in excess of 10 miles per hour while such snowmobile is within a distance of 100 feet of any pedestrian, building, or any hiking or ski trail;

(2) to use any snowmobile to chase or in any other manner to disturb wildlife; or

(3) to operate any snowmobile within any area which has been designated a wilderness area, or cultural or historic site.

(c) Nothing in this section shall be construed to limit the authority of the Secretary of the Interior or his delegate to control or otherwise limit the use of snowmobiles on the public lands of the United States whenever, in his judgment, such use would have a deleterious impact upon any such lands.

PENALTY

SEC. 5. A violation of any of the provisions of section 4 (a) or (b) of this Act is a mis-

demeanor punishable by imprisonment for not more than 15 days, a fine of not to exceed $100, or both, for each such violation.

SNOWMOBILE SAFETY TRAINING PROGRAM

SEC. 6. (a) The Secretary of the Interior through the National Park Service and the Bureau of Outdoor Recreation shall establish a National Snowmobile Safety Training Program. Such program shall include, but not be limited to—

(1) instruction of snowmobile operators who are 18 years of age or younger;

(2) technical assistance in the establishment of snowmobile safety programs in the several States of the United States;

(3) the design and maintenance of environmentally safe snowmobile trails;

(4) a voluntary snowmobile safety inspection program; and

(5) such other technical assistance as the Secretary of the Interior may direct.

(b) Assistance may not be provided under this Act to any State that does not impose and enforce a requirement that any individual who operates or is a passenger in a snowmobile or who is being towed or otherwise propelled by a snowmobile wear a helmet.

(c) There are authorized to be appropriated out of the Highway Trust Fund such sums, not to exceed $1,000,000 in any one fiscal year, as may be necessary to operate the National Snowmobile Safety Training Program established by subsection (a).

(d) Notwithstanding section 209(f)(1) of the Highway Revenue Act of 1956, the Highway Trust Fund shall be available for making expenditures to meet obligations resulting from assistance provided under the National Snowmobile Safety Training Program established by subsection (a).

EFFECTIVE DATE

SEC. 7. The provisions of section 4(a)(1) shall become effective 30 days after the date on which the Consumer Product Safety Commission promulgates final regulations for helmet standards under section 3(b) of this Act. All other provisions of this Act shall become effective on the date of the enactment.

By Mr. INOUYE:

Senate Joint Resolution 155. A joint resolution establishing the Hawaiian Aboriginal Claims Settlement Study Commission, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. INOUYE. Mr. President, exactly 82 years ago today President Grover Cleveland, in a message to this body outlining his reasons for refusing to submit a Treaty of Annexation of the Hawaiian Islands to the U.S. Senate, stated the following:

But in the present instance our duty does not, in my opinion, end with refusing to consummate this questionable transaction. It has been the boast of our Government that it seeks to do justice in all things without regard to the strength or weakness of those with whom it deals. I mistake the American people if they favor the odious doctrine that there is no such thing as international morality, that there is one law for a strong nation and another for a weak one, and that even by indirection a strong power may with impunity despoil a weak one of its territory.

By an act of war, committed with the participation of a diplomatic representative of the United States and without authority of Congress, the Government of a friendly but feeble and confiding people has been overthrown. A substantial wrong has thus been done which a due regard for our national character as well as the rights of the injured people requires we should endeavor to repair.

Mr. President, the full repair of that injury is still the unfinished business of this Government. I am therefore introducing on this anniversary of that message to the Senate a joint resolution which expresses the sense of the Congress that wrongful acts were committed by agents of the Government of the United States and, by which acts, dominion over the people and the kingdom of Hawaii and domain over the lands formerly owned in common by the Hawaiian aboriginals were acquired by the United States. The joint resolution provides further for establishing the Hawaiian Aboriginal Claims Settlement Commission to secure proper redress of the grievances arising from that action.

My concern over this issue is not of recent origin. Over the years, I have had numerous meetings with representatives of aboriginal Hawaiian peoples in my State. In recent years an organization called ALOHA—Aboriginal Lands of Hawaiian Ancestry—was organized for the specific purpose of pursuing a proper redress of the wrongs committed by agents of the U.S. Government in the overthrow of the lawful government of the Hawaiian Islands and their reigning monarch, Queen Liliuokalani, in 1893, and the subsequent annexation of those islands as an incorporated territory of the United States.

In March 1973, I requested the Library of Congress to do a study of the similarities and differences between the Hawaiian situation and that which had earlier been resolved by the Congress involving the Alaskan Natives. This study served to further strengthen our belief that a just claim exists and that a means can be found for the proper redress of these ancient grievances. The case of the Hawaiian aboriginals is no less strong and the kinship is further recognized by the willingness of the Alaskan Natives to lend not only moral support but monetary support to the Hawaiian peoples in their struggle.

As noted in House Report No. 92–523 which accompanied the Alaska Native Claims Settlement Act of 1971:

Aboriginal title is based on use and occupancy by aboriginal peoples. It is not a compensable title protected by the due process clause of the Constitution, but is a title held subject to the will of the sovereign.

That report went on to note that:

It has been the consistent policy of the United States Government in its dealings with Indian Tribes to grant to them title to a portion of the lands which they occupied, to extinguish the aboriginal title to the remainder of the lands by placing such lands in the public domain, and to pay the fair value of the titles extinguished. This procedure was initiated by treaties in the earlier part of our history, and was completed by the enactment of the Indian Claims Commission Act of 1946. That act permitted the Indian Tribes to recover from the United States the fair value of the aboriginal titles to lands taken by the United States (by cession or otherwise) if the full value had previously been paid.

The Indian Claims Commission has not been available to the Hawaiian aboriginals. Except for the Hawaiian Homes Act of 1920 under which the U.S. Government designated 189,000 acres of Territorial, not Federal land, for the Hawaiian people, no action for restitution has been taken. No moneys were provided even for the administration of the Hawaiian Homes Act and today, some 55 years later only some 40,000 acres have been awarded to the Hawaiian natives and then only in the same sense that those few Hawaiians receiving awards have been given legal squatters rights to the few acres of land awarded them. Additionally, much of that very limited land is unsuitable for either agriculture or home construction.

It is not my purpose here to give a full history of the efforts and failures of the Hawaiian aboriginals to achieve a just settlement for grievances now almost a century old. I am confident that hearings will amply demonstrate that agents of the U.S. Government were responsible for the loss of dominion and domain on the part of the Hawaiian aboriginals and that they and their descendants never received proper compensation.

It is my purpose to establish by means of this joint resolution a clear statement that a wrong has been committed; that such wrong has never been redressed and further to establish a vehicle in the form of the Hawaiian Aboriginal Claims Settlement Study Commission for the purpose of recommending to the Congress the extent of our unmet obligations and the means by which that obligation can be met.

I am well aware that the measure which I introduce here today is but a first small step in that process. There are many among the Hawaiian people who seek to approach such redress of their grievances more directly with a detailed legislative proposal outlining the amount and means by which redress shall be achieved and also who shall be qualified to receive compensation and how it shall be distributed. I am personally convinced that while the deliberations involved in formulating such a proposal have had much merit, the matter is of such complexity and importance and so dependent upon convincing the Congress of the merits of the claim, that the establishment of an independent Commission, as proposed in this measure, to recommend to the Congress the amount and the structural format necessary to meeting our obligations is an essential first step to their eventual success. The cause is just. Action is long overdue.

Mr. President, I ask unanimous consent to have printed in the RECORD the text of the joint resolution and an article on this subject entitled "Hawaiians Fight To Avoid Saying Aloha to a Heritage" which appeared in the November 8, 1975, issue of the National Observer, an editorial entitled "The Case for ALOHA" from the June 20, 1974, Honolulu Advertiser, as well as the letter of transmittal and the resolution adopted by the Alaska Federation of Natives which was forwarded to the Senate Committee on Interior and Insular Affairs.

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

S.J. RES. 155

Whereas, in the year 1893, the United States Minister accredited to the sovereign

and independent Kingdom of Hawaii, acting wholly without the authority or knowledge of Congress or the President, unlawfully conspired with a small group of non-Hawaiian residents of that kingdom, including citizens of the United States, to overthrow the indigenous and lawful government of Hawaii; and

Whereas, in pursuance of such conspiracy, the United States Minister and the Naval Representative of the United States, also acting without authority, caused the armed forces of the United States to be put ashore and deployed in support of the overthrow of such indigenous and lawful government, and that the United States Minister thereupon extended diplomatic recognition to a provisional government formed by the conspirators without the consent of the people or of the lawful government of Hawaii, which provisional government was sustained solely by the armed forces of the United States; and

Whereas, on December 18, 1893, in a message to Congress, President Cleveland did report fully and accurately on these illegal actions, which statement acknowledged that by an Act of War, committed with the participation of a diplomatic representative of the United States and without the authority of the Congress, the Government of a peaceful and friendly people was overthrown and that substantial wrong was thus done which a due regard for our national character as well as the rights of the injured people requires that we endeavor to repair; and

Whereas a claim for repair of these wrongs to the Hawaiian people was presented to the Government of the United States of America by Queen Liliuokalani, the lawful monarch of Hawaii and on July 15, 1893, a petition for redress was also presented by the Hawaiian Patriotic League, representing Aboriginal citizens of Hawaii; that in 1898, Hawaii was annexed to the United States, and by such annexation, among other things, the United States acquired ownership of vast landholdings that had been common property of the Hawaiian Aboriginals prior to the overthrow of their indigenous government; and

Whereas some 83 years have now passed without the wrongs done the Hawaiian Aborginals have been repaired: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Congress hereby declares it is now necessary that a fair and just settlement of the claims of the Hawaiian Aboriginals founded on the lawless, fraudulent and forceful acts of agents of the United States, by which acts the lawful indigenous and sovereign government of the Kingdom of Hawaii was overthrown; the independence and sovereignty of the Hawaiian people were denied; and dominion over the people and Territory of Hawaii and domain over the extensive lands formerly owned, in common, by the Hawaiian Aboriginals were acquired by the United States, which thereby turned to its advantage the illegal acts of its agents.

(b)(1) For the purpose of accomplishing such settlement referred to in subsection (a) of this section, there is hereby established the Hawaiian Aboriginal Claims Settlement Study Commission (hereinafter referred to as the "Commission").

(2) The Commission shall be composed of eleven members appointed as follows:

(A) Six members appointed by the President of the United States from recommendations of the Governor of Hawaii; and

(B) Five members appointed by the President of the United States.

(3) The Commission shall elect a Chairman and Vice Chairman from among its members.

(4) Six members of the Commission shall constitute a quorum. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(5) Each member of the Commission shall serve without compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by such member in the performance of his duties.

(6) The first meeting of the Commission shall be called by the President within the sixty-calendar-day period following the date of the approval of this resolution.

(7) Subject to such rules and regulations as may be adopted by the Commission, the Chairman shall have the power to—

(A) appoint and fix the compensation of an Executive Director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of such title; and

(B) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals.

(c) Each Federal department, agency, and instrumentality is authorized to furnish the Commission such data, reports, information, and other resources as the Chairman of the Commission may request.

(d) The Commission shall give its fullest attention and consideration to the needs and concerns of the Hawaiian Aboriginals, and make a full and complete study with a view to determining, with finality and certainty, the nature of the legitimate claims of, and the extent of the injuries to, the Hawaiian Aboriginals by reason of the action referred to in subsection (a) of this section.

(e) The Commission shall, within the twelve-month period following the date of the approval of this resolution, submit an interim report to the Congress concerning the activities of the Commission during the period preceding such report. The Commission shall, on or before the expiration of the twenty-four month period following the date of the approval of this resolution, submit a final report to the Congress setting forth the findings and results of such study, including the recommendations of the Commission as to the manner in which, and the extent to which, such claims should be settled by the Federal Government so as to meet the economic and social needs of the Hawaiian Aboriginals.

(f) Upon the expiration of the sixty-day period following the submission of such final report, the Commission shall cease to exist.

(g) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this resolution.

HAWAIIANS FIGHT TO AVOID SAYING . . . ALOHA TO A HERITAGE

(By John Peterson)

Arthur Kinney is a 71-year-old Hawaiian who likes to talk about his race, culture, heritage, and the grass hut he grew up in on the island of Maui. "Those huts are like so many things—the last one disappeared in 1914," he says. "I guess a lot of us are realizing these days that we have already lost too much of our past to simply try to hold on to what we have left. There's an old Hawaiian saying: 'When the white man came to our islands, they had the Bible and we had the land. Now we have the Bible and they have the land.'

"People say the reason is that the Hawaiian is lazy and stupid. That's not true. It is true that Hawaiians have been cheated, fooled, and robbed so often that many have become lackadaisical and no longer beat their heads against a stone wall."

The courtly gentleman is president of ALOHA (Aboriginal Lands of Hawaiian Ancestry), a group of about 30,000 Hawaiians who seek $1 billion and hundreds of acres of land in reparations from Congress for the usurpation of their islands by the Nineteenth Century U.S. colonizers.

The drive for reparations is but part of a resurgence of interest here in the condition and prospects of Hawaiians. Sure, these are the islands that the airline and hotel industries tout as the home of the beautiful hula dancers, the skillful surfers, and the happy-go-lucky beach boys. But too many of the dancers and surfers speak only a "pidgin" English, and fewer than 15 per cent of those who enter school ever graduate from high school.

Full-blooded Hawaiians and part Hawaiians—"calico Hawaiians"—make up 10 to 20 per cent of the State's 750,000 population, depending upon whether you accept the conservative estimate of the U.S. Census Bureau or the more accepted figure of about 140,000 that the Hawaiians use. Yet Hawaiians account for about half of all welfare recipients and inmates in correctional institutions. They own only about 1 per cent of the state's privately owned land.

Behind these statistics lies a story of a culture very nearly forgotten and now badly maligned by the tourism industry. "The airlines and hotels perpetrate fraud through the U.S. mails every day. It's all bull ----," says Pete Thompson, an instructor in the Hawaiian ethnic-studies program at the University of Hawaii's Manoa campus.

"We take pride in what is Hawaiian," says Collette Machado, a community-college counselor-recruiter in the government's housing projects near the campus. "But even our musical instruments we call Hawaiian aren't really; the ukulele came from Portugal. You know, my family speaks pidgin, they don't know Hawaiian." In fact, hardly anyone speaks the Hawaiian language except those students who have sparked its revival in the schools.

The Hawaiian movement dates only to about 1970. "What the blacks and American Indians have been doing is what made us realize what has been happening to us," says Davianna McGregor, another young Hawaiian-studies instructor.

The Hawaiians have not staged a Watts or a Wounded Knee, but that prospect concerns some officials. "I see a deep cleavage that could lead to a severe confrontation," says one highly placed state official. "I'm part Hawaiian, and I don't like what this preoccupation with our cultural identity is doing to Hawaii. There's further divisiveness now, I call the Hawaiian movement Zionistic."

Nearly all Hawaiians proudly explain that Hawaiians can never agree on anything. "We're all individualists," says Winona Rubin, a counselor at the well-endowed Kamehameha School, which is run solely for youngsters with Hawaiian blood. "That's what is so exciting about the Coalition of Hawaiian Organizations. Never before have the different Hawaiian groups [some estimates say there are more than 100] been able to get together."

A WONDERFUL OPPORTUNITY

Ms. Rubin is also directing the Hawaiians' initial efforts to finance projects under the U.S. Native American Program (NAP), which could funnel millions of dollars into educational, health, economic-development, and housing projects. Congress voted Hawaiians equal status with Indians and Eskimos only this year. "All of our programs will be aimed at making Hawaiians self-sufficient," says Ms. Rubin. "It's a wonderful opportunity for us. We have never known, for example, how many Hawaiians there are, and we really don't know what is most needed for them now."

The NAP designation and its promise of funds, and the more distant promise of reparations through ALOHA's efforts, are expected to give substance to the movement. But it is the coalition, formed in the spring of 1973, that provides the form and forum. Even the handful of Hawaiian radicals—"Saul Alinsky disciples," one observer describes them—embrace the coalition.

Ad hoc groups protesting this development or that action by the state pop up continually. They fight the construction of freeways, the building of more high-rise condominiums, and the manner in which the Hawaii Homes Commission (HHC) administers the 189,000 acres it is charged with doling out to Hawaiians. The HHC was established by Congress in 1921, but it was never given any money and was, instead, charged with financially independent operations. The result is that more than half of the acreage is leased to non-Hawaiians, generally corporations, to generate funds for the commisison's operations.

IT IS A MESS

Martha "Billie" Beamer, HHC chairperson, is part Hawaiian, and she agrees with much of the criticism of the commission. "Some Hawaiians have been on the waiting list to get homestead lands from us for more than 20 years," she says. "In the 53 years of the commission, all of the land should have been awarded to the Hawaiians. It's a mess. I'm going to take the entire system into court. When the critics say we have failed, they are right. But the commission's supposed to do too much—and all without funds."

The HHC reflects congressional admission that the "haoles"—Caucasians—did indeed owe the Hawaiian people something. Hawaii is, after all, another saddening example of what happened to a native race after the white man arrived. (British Capt. James Cook arrived in 1778, the New England missionaries in 1821.) There were an estimated 300,000 Hawaiians in Cook's time, but by 1870 disease had reduced their numbers to about 50,000. Today there are only about 8,000 full-blooded Hawaiians, most of them living in "disadvantaged" pockets scattered throughout the islands.

ANGER AND FRUSTRATION

In many ways the Hawaiians never recovered. The proposal for planning funds that the Ad Hoc Hawaiian Committee submitted for NAP funds says: "For all their proud graciousness, the Hawaiians are a depressed people who have seen the keenly acquisitive Yankee traders take their land and resources, and the disciplined Chinese and Japanese forge ahead in every kind of endeavor. Many young Hawaiians today feel anger and frustration over these events and a need to take corrective action. . . ."

Randall Hongo, a Hawaiian graduate student, wrote in a respected 1972 report, "Strangers in Their Own Land," "The modern island myth of the lazy, fun-obsessed, dumb Hawaiian has become a living, breathing self-image in some Hawaiian adolescents." Hongo adds that Hawaiian youths feel alienated from the schools and believe themselves inferior to other ethnic groups, and that this feeling is reinforced because education is not valued in the tightly knit Hawaiian homes.

"The fear in Hawaiians of losing [their] ethnic identity, is well known. There is deep concern over the loss of language, traditions, skills. One Hawaiian schoolteacher expressed it sadly. . . . 'I fear the Hawaiian will soon exist as a cultural entity no more.' The sentiment is so open and prevalent, it does not have to be documented by extensive research."

RESEARCH ON HAWAIIANS

Hong's pamphlet, written in collaboration with a California educator, has received much of its stature because it is one of the few books or reports on Hawaiians written by a Hawaiian. In early 1973 Katherine Wery, a financial-aids counselor at the University of Hawaii, received financing for student researchers to assist in her researching the question, "Where are the Hawaiians?" "We knew there were not many of them on this main campus," she says, "but we didn't know how many were in the university system."

The report concludes that Hawaiians make up about 10 per cent of the enrollment of all campuses but only 4.4 per cent on the main campus. "The Hawaiians even told us," she says, "that they would rather go to school on the mainland." And she agrees with Hongo, who writes that the Hawaiian does not like to compete, especially with the Japanese-American and haole.

A. Van Horn Diamond, the first Hawaiian to be executive director of the state AFL-CIO, sees the lack of contemporary Hawaiian heroes as a major problem.

It is difficult to describe the station of Hawaiians in the islands. Though many are disadvantaged, certainly many are not. One is the state's chief justice, another is Honolulu's chief of police, and Ms. Beamer's position with the HHC makes her a member of the governor's cabinet. Too, there are still many "royalists" who trace their blood lines back to the last reigning monarch, Queen Liliuokalani, who was overthrown by white planters in a bloodless coup in 1893.

ORGANIZING THE NATIVES

The young instructors in the university's Hawaiian ethnic-studies program are attempting to organize the Hawaiians in the "disadvantaged" pockets, many of them on the windward side of Oahu and in the direct path of developers. They lease land the major corporations wish to utilize to greater profit. There is, too, an effort by what some Hawaiians call the "neomissionaries" to get involved in the Hawaiians' struggles. "I don't like the methods Life on the Land [Hawaii's activist environmental organization] uses," says ALOHA's Kinney. Adds Machado, "they're all Japanese and haoles."

Hawaiians relish retelling their old sayings, and when they do they usually describe how, eventually, Hawaiians must remain individuals. For example: "There's an old Hawaiian saying," says labor leader Diamond, "that says Hawaiians are like crabs in a pot. One almost makes it clear to the top when another pinches him and pulls him back down with the rest of them." The unstated moral, of course, is that the pot must be tipped over so that all can escape at once.

[From the Honolulu Advertiser, June 20, 1974]

THE CASE FOR ALOHA

Not since Hawaii won statehood have the people of these islands embarked on a more important educational campaign than the one currently being launched in Washington, D.C.

Again the aim is fair and equal treatment.

The ALOHA (Aboriginal Lands of Hawaiian Ancestry) association is seeking to win support for a bill to pay reparations for Hawaiian lands taken by the U.S. after the overthrow of the monarchy in 1893.

The organization plans a national program to win support for its cause, which has both parallels and differences with one in Alaska whose native peoples were granted reparations by Congress in 1971 after a long legal struggle.

The material goal of ALOHA is $1 billion, plus return of any Federal land declared surplus, a category that some day might include the island of Kahoolawe.

But the goal is also justice for a Hawaiian people who lost not only land but independent nationhood when Queen Liliuokalani was deposed.

Legally, the case is clear that this was accomplished with the help of then U.S. minister to Hawaii and American military forces. Among other things, there is the damning report of a former Georgia congresman, J. H. Blount, sent by President Grover Cleveland to Hawaii to investigate. In a special message to Congress in December, 1893, Cleveland acknowledged the misuse of U.S. power.

ALOHA has won considerable support for its mixture of zeal and intelligent approach. For example, while perhaps 150,000 living Hawaiians and part-Hawaiians would be beneficiaries under ALOHA's bill, the basic proposal is for a system aimed at continuing help for the Hawaiian community for generations to come.

Money and any land provided by Congress would go to a Hawaiian Native Corporation. All pure and part Hawaiians would receive equal shares of stock that could not be sold and would revert after death to the corporation for distribution to newborn Hawaiians. The corporation would both invest for profit and conduct education and social programs for Hawaiians.

That makes excellent sense to us here in Hawaii. History shows, however, that it takes more than a just cause and good proposal to get a claims bill through Congress, and especially one of this proportion.

So the challenge in Washington is one of making the Hawaiian case in terms meaningful to members of Congress. That calls for support from all in Hawaii for many months, perhaps years.

The week's appeal comes during the anniversary week of Queen Liliuokalani's personal plea in Washington in 1898 against annexation and for the return of lost crown lands.

Hawaii is now part of the United States, and few would change that. But that does not mean the nation can't atone with money, land and justice to a people who lost much out of relative weakness, unsophistication in Western ways, and great hospitality in these, their islands.

ALASKA FEDERATION OF NATIVES, INC.,
Anchorage, Alaska, November 20, 1975.

SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
New Senate Office Building,
Washington, D.C.

DEAR SIR: At our recent statewide Convention of the Alaska Federation of Natives, Inc., held during the period of October 23–25, 1975 at Anchorage, Alaska, duly authorized delegates voted passage of AFN, Inc., Convention Resolution Number 75–19 (Enclosed).

The AFN, Inc. is in strong support of the claims entered by the aboriginal people of Hawaii and requests your attention and support toward a quick and just settlement.

Your efforts and time concerning this matter are appreciated.

Sincerely,

JAKE LESTENKOF,
Executive Vice President, Land Claims.

CONVENTION RESOLUTION NO. 75–19

Whereas, the aboriginal peoples of Hawaii, through their descendants, are attempting to exercise their legal claims against the United States of America; and

Whereas, the Native people of the State of Alaska have been granted a settlement by the Congress of the United States; and

Whereas, the Native people of Alaska believe in the rights and privileges as defined in the Constitution of the United States,

Now therefore be it *Resolved,* that the Alaska Federation of Natives, Inc. duly assembled on this 25th day of October, 1975 fully supports the legal claims of the descendants of the aboriginal Hawaiian people and urges that the Congress of the United States take expeditious action in a fair and honorable settlement.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 1145

At the request of Mr. PHILIP A. HART, the Senator from Massachusetts (Mr. BROOKE) was added as a cosponsor of S. 1145, a bill to provide amnesty to persons who failed or refused to register for the draft.

S. 1173

At the request of Mr. CURTIS, the Senator from Oklahoma (Mr. BELLMON) was added as a cosponsor of S. 1173, a bill to amend the Internal Revenue Code of 1954.

S. 1379

At the request of Mr. FANNIN, the Senator from Washington (Mr. JACKSON) was added as a cosponsor of S. 1379, to amend the Internal Revenue Code of 1954 to provide for tax credits for certain applications of solar energy equipment, and for other purposes.

S. 1745

At the request of Mr. MATHIAS, the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. 1745, the Defense Economic Adjustment Act.

S. 2088

At the request of Mr. MATHIAS, the Senator from New Hampshire (Mr. MCINTYRE) was added as a cosponsor of S. 2088, a bill to prohibit the use of dogs by the Department of Defense in connection with the research, testing, development, or evaluation of radioactive, chemical, or biological warfare agents, and to require the Department of Defense to develop and use, where feasible, alternative, nonanimal methods of experimentation.

S. 2502

At the request of Mr. MANSFIELD (for Mr. Moss), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Pennsylvania (Mr. SCHWEICKER) were added as cosponsors of S. 2502, a bill to reform electric utility rate regulation, to provide for more effective planning of bulk power facilities, to assure reliability of bulk power supplies, to strengthen State electric regulatory agencies, and to establish the Federal Energy Commission.

S. 2522

At the request of Mr. TAFT, the Senator from Colorado (Mr. HASKELL) was added as a cosponsor of S. 2522, a bill to amend the Securities and Exchange Act of 1934 to provide for the disclosure of certain information relating to persons intending to file tender offers, and for other purposes.

S. 2535

At the request of Mr. EAGLETON, the Senator from New York (Mr. JAVITS) was added as a cosponsor of S. 2535, to amend title VII of the Education Amendments of 1974 to provide for a program of distribution of inexpensive books to schoolchildren.

S. 2712

At his own request, the Senator from Nebraska (Mr. HRUSKA) was added as a cosponsor of S. 2712, a bill to amend the National Labor Relations Act to provide for a freedom of choice in labor relations for journalists.

S. 2766

At the request of Mr. ROTH, the Senator from Arizona (Mr. FANNIN) was added as a cosponsor of S. 2766, a bill to establish procedures for oversight of social research and development by Federal agencies.

SENATE RESOLUTION 306

At the request of Mr. NELSON, the Senator from Mississippi (Mr. EASTLAND), the Senator from Kentucky (Mr. FORD), the Senator from Maine (Mr. HATHAWAY), the Senator from Wyoming (Mr. MCGEE), the Senator from Minnesota (Mr. MONDALE), and the Senator from Ohio (Mr. TAFT) were added as cosponsors of Senate Resolution 306, designating at the Department of the Treasury and in the Congress an expert on long-range tax simplification and tax reform for small business.

SENATE RESOLUTION 333

At the request of Mr. STEVENSON, the Senator from Michigan (Mr. PHILIP A. HART), the Senators from North Carolina (Mr. HELMS and Mr. MORGAN), the Senator from Oklahoma (Mr. BELLMON), the Senator from Maryland (Mr. BEALL), the Senator from New Mexico (Mr. DOMENICI), the Senator from South Dakota (Mr. ABOUREZK), and the Senator from South Carolina (Mr. HOLLINGS) were added as cosponsors of Senate Resolution 333, relating to the conflict in Angola.

SENATE CONCURRENT RESOLUTION 66

At the request of Mr. HATFIELD, the Senator from Maryland (Mr. BEALL) and the Senator from Maine (Mr. MUSKIE) were added as cosponsors of Senate Concurrent Resolution 66, declaring as national policy the right to food.

SENATE CONCURRENT RESOLUTION 77

At the request of Mr. CURTIS, the Senator from Virginia (Mr. WILLIAM L. SCOTT) was added as a cosponsor of Senate Concurrent Resolution 77, relating to the authority of the Federal Trade Commission to prescribe rules preempting State and local laws.

SENATE RESOLUTION 334—SUBMISSION OF A RESOLUTION RELATIVE TO EX OFFICIO MEMBERS OF THE COMMITTEE ON APPROPRIATIONS

(Referred to the Committee on Rules and Administration.)

Mr. PELL (for himself, Mr. WILLIAMS, Mr. RANDOLPH, Mr. KENNEDY, Mr. MONDALE, Mr. CRANSTON, Mr. HATHAWAY, Mr. JAVITS, and Mr. STAFFORD) submitted the following resolution:

S. RES. 334

Resolved, That paragraph 6(a) of rule XVI of the Standing Rules of the Senate is amended by adding at the end of the table therein the following:

"Committee on Labor and Public Welfare.

For the Department of Labor, the Department of Health, Education, and Welfare (except matters relating to welfare under the jurisdiction of the Committee on Finance), The National Science Foundation, the Community Services Administration, the National Foundation on the Arts and the Humanities, Equal Employment Opportunity Commission, National Labor Relations Board, National Mediation Board, Legal Services Corporation, and health and safety in mines."

Mr. PELL. Mr. President, today I am submitting a resolution to amend the Standing Rules of the Senate to secure ex officio representation for the Committee on Labor and Public Welfare, on the Committee on Appropriations.

The practice of ex officio representation on the Committee on Appropriations was inaugurated in 1922. At that time, such membership was extended to three representatives from each of seven Senate committees: The Committee on Agriculture and Forestry, the Committee on Post Office and Civil Service, the Committee on Military Affairs, the Committee on Naval Affairs, the Committee on the District of Columbia, the Committee on Commerce, and the Committee on Foreign Relations.

The Senate rules were amended in 1946 after the Legislative Reorganization Act of 1946 reduced the number of Senate committees from 33 to 15, in order to reflect changes in committee title and function. At that time, ex officio membership was provided for the Committee on Agriculture and Forestry, the Committee on Civil Service, the Committee on Armed Services, the Committee on the District of Columbia, the Committee on Public Works, and the Committee on Foreign Relations.

In 1951, ex officio membership was given to Senate members of the Joint Committee on Atomic Energy; in 1958 ex officio membership was given to the Committee on Aeronautical and Space Sciences; finally, in 1974 ex officio membership was granted to the Finance Committee for consideration of matters related to the International Trade Commission.

At present, nine committees have ex officio representation. This resolution would extend this limited and specified representation to the Committee on Labor and Public Welfare.

Legislation from this committee is complex in its particulars and broad in its scope. With the implementation of the new Senate budget procedures, I believe it becomes particularly important to fully coordinate appropriations and authorizations, especially in terms of the intent behind programs which we authorize.

I believe that it would be to the advantage of the integrity of the legislative process—to the intent of the legislation itself—to allow this ex officio membership.

SUSPENSION OF DUTIES ON CERTAIN SILK—H.R. 7727

AMENDMENT NO. 1316

(Ordered to be printed and to lie on the table.)

Mr. BROOKE (for himself, Mr. DOMENICI, Mr. MCINTYRE, Mr. RIBICOFF, Mr. PACKWOOD, Mr. PELL, Mr. CASE, Mr. MATHIAS, Mr. SYMINGTON, Mr. BAYH, Mr. HUMPHREY, Mr. GARN, Mr. MONTOYA, Mr. MOSS, and Mr. JAVITS) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 7727) to extend for an additional temporary period the existing suspension of duties on certain classifications of yarns of silk.

AMENDMENTS NOS. 1317 THROUGH 1320

(Ordered to be printed and to lie on the table.)

Mr. KENNEDY submitted four amendments intended to be proposed by him to the bill (H.R. 7727), supra.

AMENDMENT NO. 1321

(Ordered to be printed and to lie on the table.)

Mr. JOHNSTON submitted an amendment intended to be proposed by him to the bill (H.R. 7727), supra.

AMENDMENT NO. 1322

(Ordered to be printed and to lie on the table.)

Mr. LONG submitted an amendment intended to be proposed by him to the bill (H.R. 7727), supra.

AMENDMENT NO. 1323

(Ordered to be printed and to lie on the table.)

Mr. MATHIAS. Mr. President, I submit an amendment and will offer it in the nature of a substitute.

This is a simple measure designed to prevent any increase in withholding and estimated tax payments by individuals as of January 1, 1976, which is less than 2 weeks away.

This is neither a tax cut nor spending ceiling proposal. I do not propose to increase the standard deduction or provide a tax credit for taxpayers or their dependents. My amendment does not extend or eliminate the earned income credit that was provided in the 1975 cuts. With this amendment, I am simply attempting to find shelter for the American people so they may avoid becoming innocent casualties caught in the middle of a political cross-fire between the President and a Congress of opposing parties, both of whom seem to be thinking only of next year's elections.

My amendment may be viewed as a Christmas cease-fire: an opportunity for both sides to disengage. While my amendment will make it possible for the President and the Congress to return to their respective camps, this amendment will not end the conflict. My amendment leaves a time bomb ticking in the middle of the battlefield. While employers and certain individuals will be able to use the withholding tables now in effect to assure that withholdings remain constant, each individual's tax liability will be allowed to revert to the 1974 level should the Congress and the President fail to work out a permanent solution to this problem by July 1, 1976. Therefore, it will be imperative that we reach some agreement on the level of tax reductions and the spending ceiling before the middle of next year. I think that we should be able to accomplish this objective. By July 1976, the Congress will have had a chance to review the President's fiscal year 1977 budget request and will have reached a decision with respect to a spending ceiling and a revenue floor as provided by the Budget and Impoundment Control Act.

But, to wittingly allow $16 billion in additional withholdings to be taken from the American people on New Year's Day borders on a retreat from responsibility.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 1237

At the request of Mr. MCINTYRE, the Senator from New Jersey (Mr. CASE), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Utah (Mr. GARN), and the Senator from Minnesota (Mr. HUMPHREY) were added as cosponsors of amendment No. 1237, the Solar Energy Tax Credit Amendment of 1975, intended to be proposed to the bill (H.R. 7727) to extend for an additional temporary period the existing suspension of duties on certain classifications of yarns and silk.

AMENDMENT NO. 1287

At the request of Mr. CRANSTON, the Senator from Tennessee (Mr. BROCK) was added as a cosponsor of amendment No. 1287, intended to be proposed to the bill (H.R. 10284) to amend title XVIII of the Social Security Act.

ANNOUNCEMENT OF CONTINUATION OF HEARINGS ON S. 1439, THE EXPORT REORGANIZATION ACT OF 1975

Mr. RIBICOFF. Mr. President, I wish to announce that the Senate Committee on Government Operations will resume hearings on S. 1439, the Export Reorganization Act of 1975, on January 19, 20, 29, and 30.

The hearings again will be chaired on an ad hoc basis by the distinguished Senator from Ohio, Senator GLENN.

The bill, which was introduced by the distinguished ranking minority member of the committee, Senator PERCY, and joined in by Senator GLENN and myself, is being substantially modified to meet objections of the executive agencies, particularly with respect to nuclear safeguards, and to reflect the significant organizational arrangements that have been made recently in the executive branch to promote communication and coordination with the new Nuclear Regulatory Commission with respect to review and licensing of nuclear exports.

The hearings will begin each day at 9:30 a.m. in the committee hearing room, room 3302, Dirksen Senate Office Building.

GOVERNMENT OPERATIONS COMMITTEE HEARINGS ON INTELLIGENCE OVERSIGHT

Mr. RIBICOFF. Mr. President, I wish to announce that the Government Operations Committee hearings on proposals to create a new intelligence oversight committee scheduled to begin January 13, 1976, have been postponed due to the change in the Senate schedule. The hearings will be held January 21, 22, 23, 26, 27, and 28, beginning at 10 a.m. in room 3302 of the Dirksen Building. Witnesses will include Senator BAKER, Senator CHURCH, Senator EASTLAND, Senator NELSON, Senator TOWER, Congressman ASPIN, Congressman GIAIMO, Congressman HARRINGTON, Mr. Robert F. Ellsworth, Department of Defense, Mr. Clarence Kelly, Director of the Federal Bureau of Investigation, Mr. Nicholas Katzenbach, Mr. John McCone, and Mr. Dean Rusk. The names of additional witnesses will be announced later.

ADDITIONAL STATEMENTS

KILPATRICK ON GOVERNMENT REGULATION: THE NEW NATIONAL NIGHTMARE

Mr. FANNIN. Mr. President, the distinguished columnist, Mr. James Jackson Kilpatrick, has written some excellent articles on the problems associated with Government regulation which I wish to bring to the attention of my Senate colleagues.

In Mr. Kilpatrick's view, America has entered the age of the regulators, when more and more ordinary business decisions are being made, not by managers who are influenced by profit-and-loss considerations, but by Government officials without management responsibilities who are subject to neither marketplace nor political restraints. This age is steeped in the belief that all problems can and should be solved by a compassionate "big brother" Government. Unfortunately, says Kilpatrick, people gradually surrender their liberties under the delusion that, "if a little regulation is good, more regulation is better." The result is the tangled web of rules and regulations and the complicated scheme of agencies, boards, bureaus, commissions, departments, and offices that comprise the ominous Federal bureaucracy today.

Mr. Kilpatrick vividly describes the process of growth and development of Government regulation:

> The vice of regulation is that it follows an inexorable process: first a little, then a lot. Within the Congress—and the State legislatures are not materially different—there develops what John Randolph called the legislative itch. On the body politic a rash is seen; it must be scratched. Statutes tumble upon statutes, head over heels, pell-mell, laws upon laws, and these laws must be administered. They must be interpreted, construed, amplified, extended, and enforced. Enter the regulator. He is a decent man, more often than not, eager to do good. But his passion is to regulate. It becomes a consuming passion.

In these articles, Mr. Kilpatrick discusses how Government regulation actually suffocates America because "the regulatory power of the state pervades both business life and human conduct." Kilpatrick provides specific examples demonstrating that today's small businessmen are suffocating under the oppressive burden of paperwork and overregulation, which the public, in turn,

must pay for in the form of inflated prices for goods and services they need and in the scarcity of essential products they use.

Kilpatrick examines the record of one of Washington's newest agencies, the Consumer Product Safety Commission. He discusses the effects of three different regulations promulgated by that agency designed to promote product safety—a mandatory standard for swimming pool slides; a standard for bathtubs; and a standard for power lawnmowers. He also discusses the infamous case involving an importer of Oriental decorative dolls, wherein the CPSC drove the company to the brink of bankruptcy simply because their dolls had pins in them which, the Commissioners said, could be dangerous to children, while ignoring the fact that in the 12 years the company had been in business, not a single complaint had been filed with either the Commission or the company complaining about the pins. This is by no means an atypical "horror story" of the harmful effects of overregulation on society by kindly and beneficent Government.

It is true that benign purposes and social concerns generated much of today's regulatory activity. No one will argue against promoting product safety or clean air or a healthier environment. But, as Mr. Kilpatrick demonstrates in these articles: "It is the needless, wasteful, suffocating, solicitous, petty regulations that leech the blood from our national life." It is hoped that the regulatory reform program of this administration and the legislative proposals now before the Congress are not "too little, too late" efforts to save America from the excesses of its own Government.

Mr. President, besides being a fine writer and an articulate commentator, columnist Kilpatrick is a seasoned observer of the Washington scene. I think his criticisms of "the new national nightmare" created by Government regulators will be of interest to my colleagues as they debate and examine the subject of regulatory reform.

Mr. President, I ask unanimous consent that the complete text of the three articles by Mr. Kilpatrick, as they were published in the Arizona Republic, Nation's Business, and the Freeman magazine, be printed in the RECORD.

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

THE NEW NATIONAL NIGHTMARE

(By James J. Kilpatrick)

The tip point is among the most familiar phenomena of our everyday life. A child discovers the tip point of a tricycle and a teetertotter. A boatman perceives the turning of a tide. A baseball umpire will take so much sass from a player and then no more. At a certain point, matter will boil, freeze, crystallize, or jell. The tip point is the moment at which conditions change not in degree, but in kind, or in direction.

Two hundred years after our free society began, we are close to such a tip point now. We are within a drop or two of the critical moment at which freedom crystallizes into regimentation, when the people no longer are masters of government, but government is master of the people.

The dangers are widely perceived, but they are separately and not collectively perceived. It is the occluded vision of the man who cannot see the forest for the trees. Doctors see one part of the picture, educators another, businessmen yet another. We dwell in small rooms, in little shut-off cells, and sometimes we labor to breathe. "It is stifling in here," we complain. And we are not always aware that air is being sucked from the next room also. Yet the atmospheric changes are so slow, so gradual, so apparently insignificant, that we seldom complain at all. We do not understand what is missing: It is the very air of freedom.

Thomas A. Murphy, chairman of General Motors, recently spoke to the National Association of Accountants. As a businessman, he spoke from his own small room:

"Our economic system, founded with our nation 200 years ago, has come more and more under government control. Very conspicuously in the marketplace, the government, by mandate and edict, is substituting its sovereignty for that of the individual consumer. Government, rather than the buying public, is increasingly determining the kinds of products and services offered for sale, and government regulations are influencing their costs and consequently their prices. What is of greatest concern is that each intrusion of government, because it takes decision-making power away from the individual consumer, diminishes his economic freedom."

Dr. Murray L. Weidenbaum, director of American Business, notes a "second managerial revolution." The first such revolution saw the rise of professional managers, as distinct from owners. "This new revolution is far more subtle. It involves the shift of decision-making from managers, who represent the shareholders, to a cadre of government officials, government inspectors, government regulators." [See "Where Overregulation Can Lead," *Nation's Business*, June, 1975.]

THE AGE OF THE REGULATORS

The last word is the key word: regulators. If we were to give a name to the ominous new age that lies ahead, the age beyond the tip point, we might well term it the Age of the Regulators. A part of the ominous aspect of the approaching era is that many Americans see nothing ominous in regulation. It is a friendly word. We are favorably inclined toward a regular fellow. We shy from the irregular. The dictionary lumps regular with "normal, typical, natural," as in "a regular pulse." A regulated life is popularly thought to be a good life.

This very complaisance contributes to the creeping oppression. "The people never give up their liberties," said Edmund Burke, "but under some delusion." Here the delusion is that, if a little regulation is good, more regulation is better. On the sound premise that freedom cannot exist without order, a fallacious conclusion is erected: the more order, the more freedom. It does not work that way.

The enveloping process begins with a perceived ill. Thalidomide. Smog. Racial discrimination. The fly-by-night private school. The fire ant. The rickety ladder. The dangerous toy. In our struggle toward a more perfect society, it is altogether natural and desirable that ills be remedied. A boy drowns at summer camp; a little girl dies when her nightgown catches fire. Such tragedies pluck at the heart; and compassionate government responds.

But the vice of regulation is that it follows an inexorable process: first a little, then a lot. Within the Congress—and the state legislatures are not materially different—there develops what John Randolph called the legislative itch. On the body politic a rash is seen; it must be scratched. Statutes tumble upon statutes, head over heels, pell-mell, laws upon laws, and these laws must be administered. They must be interpreted, construed, amplified, extended, and enforced. Enter the regulator. He is a decent man, more often than not, eager to do good. But his passion is to regulate. It becomes a consuming passion.

Out of the perceived ill of thalidomide came the straitjacketing procedures that now govern new drug applications; and these procedures have stifled the drug industry. Out of the perceived ill of smog came the staggering array of environmental controls—controls that have accomplished some good and have added billions of dollars to the cost of consumer goods.

REVERSE DISCRIMINATION

The perceived ill of discrimination has produced the new egalitarianism. Its purpose is to redress old wrongs with new wrongs. Thus, Boston writhes in the unhappiness of racial-balance busing. At Washington University in St. Louis, the chancellor is given four days to sign a 30-page statement of conciliation or be denied a $1.8 million contract. Athletic directors are commanded to rewrite their budgets. The Supreme Court holds that "great deference" must be accorded the "guidelines" of the Equal Employment Opportunities Commission. Whole states embark upon the neuterization of their codes, solemnly amending chairman to read chairperson.

Increasingly, the process pervades the field of health care. At Kettering Medical Center, near Dayton, the regulators descend. The hospital is new, sparkling, modern, safe, efficient; it has met or surpassed every state and local building requirement; it has been professionally accredited. But the regulators are not pleased: The windows are wrong, the airflow system is wrong, the kitchen doors are wrong. And these deficiencies must be corrected at once, never mind the cost, or else—!! Or else Kettering will not be reimbursed for Medicare and Medicaid patients.

Kettering is not alone. Scores of hospitals face the same threat.

One of the busiest agencies in Washington is the Consumer Product Safety Commission. Its mimeographs run night and day. Here the regulators, in an altogether typical week, are concerned with book matches, lawn mowers, television receivers, playground equipment, bicycle brakes, and baseball bat grips. The regulators are concerned with carpets, cigarette lighters, and a prototype child-resistant closure for use by the elderly. They will regulate these things.

Committees of the House of Representatives are at war over FIFRA. This is the Federal Insecticide, Fungicide, and Rodenticide Act, administered by the Environmental Protection Agency. In their zeal to regulate, the FIFRA regulators set up a toll-free telephone network to generate complaints of pesticide misuse. To some members of the House, this is an "indefensible informant system." To others, it is a justified step in pesticide regulation.

Our regulators, state or federal, have this in common: They mean to be obeyed. The smallest offender cannot be ignored, lest larger offenders be encouraged. Thus, in Ohio, the regulators of education have cracked down upon the Tabernacle Christian School in Greenville and brought criminal prosecution against 15 disobedient parents. It is of no consequence that the children in this fundamentalist school are achieving at levels higher than comparable students in public schools. The school does not comply with regulations. Whip it into line!

TOCQUEVILLE'S WARNING OF DEMOCRATIC DESPOTISM

More than a hundred years ago, Alexis de Tocqueville visited the young American republic. He returned to France and between 1835 and 1839 delivered himself of that great work, "Democracy in America." Toward the end of volume II, he reflected upon "what sort of despotism democratic nations have to fear." It would be a different kind of despotism, he thought, from the despotism of old. "It would be more extensive and more mild;

it would degrade men without tormenting them." Looking far ahead, he foresaw a nation populated by an innumerable multitude, all absorbed in their own affairs, preoccupied with "the petty and paltry pleasures with which they glut their lives."

This was De Tocqueville's terrible vision:

"Above this race of men stands an immense and tutelary power, which takes upon itself alone to secure their gratifications and to watch over their fate. That power is absolute, minute, regular, provident, and mild. . . . For their happiness such a government willingly labors, but it chooses to be the sole agent and the only arbiter of that happiness; it provides for their security, foresees and supplies their necessities, facilitates their pleasures, manages their principal concerns, directs their industry, regulates the descent of property, and subdivides their inheritances. What remains, but to spare them all the care of thinking and all the trouble of living?

"Thus it every day renders the exercise of the free agency of man less useful and less frequent; it circumscribes the will within a narrower range and gradually robs a man of all the uses of himself. The principle of equality has prepared men for these things; it has predisposed men to endure them and often to look on them as benefits.

"After having thus successively taken each member of the community in its powerful grasp and fashioned him at will, the supreme power then extends its arm over the whole community. It covers the surface of society with a network of small, complicated rules, minute and uniform, through which the most original minds and the most energetic characters cannot penetrate, to rise above the crowd. The will of man is not shattered, but softened, bent, and guided; men are seldom forced by it to act, but they are constantly restrained from acting. Such a power does not destroy, but it prevents existence; it does not tyrannize, but it compresses, enervates, extinguishes, and stupefies a people, till each nation is reduced to nothing better than a flock of timid and industrious animals, of which the government is the shepherd."

A magazine recently counted 63,444 federal regulators. It put the cost to consumers of federal regulation alone at $130 billion a year. The regulatory network spreads and grows; the tip point approaches; and De Tocqueville's nightmare consumes the American dream.

GOVERNMENT OVER-REGULATION SUFFOCATING AMERICA

(By James J. Kilpatrick)

WASHINGTON.—President Ford has latched onto a popular issue in his declared intention to reduce the over-regulation of American life.

It will be a wonder if he gets anywhere, but even the possibility is marvelously appealing.

In an ideal society, according to our American concepts, the regulatory powers of government would be sharply limited. The state would exercise its authority only in cases of clear and present danger to the public health, safety and welfare. Otherwise, government would let the people lead their own lives, for good or ill, and leave "regulation" largely to the marketplace and to the common law.

Manifestly, today's society is far removed from that ideal. The regulatory power of the state pervades both business life and human conduct. The process functions like one of those fantastic breeder reactors, whose astonishing property is to create its own fuel as it goes along. The regulatory power is a kind of gas; it expands by natural law.

In his recent speech to members of the National Federation of Independent Business, Mr. Ford made a promise: "I hear your cries of anguish and desperation. I will not let you suffocate."

The anguish and desperation are quite real. Suffocation is precisely the right image.

Today's businessman, small or large, scarcely can breathe in the oppressive atmosphere of over-regulation.

The paperwork burden alone is beyond belief. Even in the smallest company, the daily routine is a routine of licenses, permits, applications, reports, returns and forms, forms, forms.

If the Federal Trade Commission succeeds in imposing its ponderous "line of business" reporting requirement, the nation's largest corporations will stagger under the load.

This colossal statistical program would give employment for the next century to perhaps 10,000 clerks, typists, programmers, inspectors, analysts, supervisors and computer specialists—all of them industriously compiling data of no use to anyone.

It is a fair surmise that over-regulation of the automobile industry contributed heavily to the recession. The regulators demanded an ignition-seatbelt interlock, which the people despised. They demanded over-sized bumpers, which added to weight. They demanded catalytic converters, which shot up costs.

Thanks chiefly to Sen. James Buckley, R-N.Y., the hated interlock has been banished but the other regulations remain. Car prices have soared out of sight, and the whole economy suffers.

A couple of years ago, Congress created the Consumer Product Safety Commission. It is the busiest little factory in town.

The Occupational Safety and Health Administration builds its own empire.

Among the current bureaucratic battles is a war between OSHA and the Environmental Protection Agency over permissible noise levels in industry. If OSHA wins, it will cost industry, which is to say the public, $14 billion; if EPA wins, it will cost us $35 billion.

Every day the Federal Register spews forth scores, hundreds, thousands of amended regulations, proposed regulations, and final regulations. Mr. Ford said the last count of Federal forms found 5,146 in regular use. State and local bureaucracies have at least as many more.

The forms are meant to be understood by computers. Ordinary citizens, taxpayers and employers understand them murkily, if at all.

To be sure, most of this busywork has some plausible basis in health, safety or welfare. None of us wants to be cut up by a power mower, or compelled to breathe dirty air. The government's police powers reasonably may be invoked in the name of pure drugs and uncontaminated meat. Only the most doctrinaire libertarians would put an end to all regulations.

It is needless, wasteful, suffocating, solicitous, petty regulations that leech the blood from our national life.

What Mr. Ford condemns is the hoity-toity, high-and-mighty notion that Big Daddy knows best. He condemns the barely concealed attitude that the people are but sheep, and the government their shepherd. These notions and attitudes provide the fuel that keeps the engines of government going.

Mr. Ford's aim is to throttle them back. His effort probably won't succeed, but in the name of a free society, it is worth a try.

CARRYING GOVERNMENT PROTECTIVENESS TOO FAR

(By James J. Kilpatrick)

Once upon a time, or so the dog-eared story goes, a young scholar was asked to write a review of a book entitled, "Birds of the Antarctic." He wrote a splendid review. "This book," he said, "told me more about penguins than I really wanted to know."

The Consumer Product Safety Commission, one of the newest and most industrious agencies in Washington, is promoting safety with the same encompassing zeal. It is perhaps telling us more about safety then we really want to know.

This agency was created by the Consumer Product Safety Act, signed into law by President Nixon on Oct. 27, 1972. The five-member commission, headed by Richard O. Simpson, commenced operations the following May. In the pecking order of official Washington, the independent agencies occupy the catbird seat. They fly high above the sparrow offices and starling divisions of the established departments—not in terms of protocol or social prominence, but in terms of their autonomy.

The 1972 act transferred to the new commission several functions that had been administered by other agencies. In this fashion, the agency inherited enforcement of the Federal Hazardous Substances Act, the Poison Prevention Packaging Act, and the Flammable Fabrics Act, and a few other miscellaneous duties. In its own right, the commission obtained a breathtaking mandate from Congress. Some types of products are not within the commission's purview, but it is to oversee countless consumer products manufactured, imported, distributed, and sold at retail within the United States, to prevent "unreasonable risk of injury." The law lays sweeping requirements upon manufacturers and dealers to keep records, to report hazardous conditions, and to respond to the commission's orders.

No one knows how many consumer products are embraced in the commission's domain, simply because the fact is unknowable. In September, 1973, the commission released a "consumer product hazard index," based upon the frequency and severity of injuries reported to hospital emergency rooms. The index began with bicycles, stairs, doors, cleaning compounds, tables, and beds. The index wound up with such items as children's books, diapers, pot holders, and slide projectors. There were 369 classifications in all.

The commission's best guess, based chiefly upon daily reports from 119 hospital emergency rooms, is that some 20 million persons are injured every year in "product-related" accidents. The figure appears regularly in commission literature and crops up constantly in the commissioners' speeches. Not quite so much publicity is given to a corollary finding: In roughly 80 to 85 percent of these accident cases, the fault lies not with the product, but with the user thereof. The drunk who sprains an ankle in a fall from a ladder has suffered a product-related accident, but the offending product, statistically speaking, is the ladder, not the booze.

During the first few months of his chairmanship, Mr. Simpson traveled about the country rattling a fearsome saber. He warned businessmen repeatedly that his inspectors would be searching for violations of the Consumer Product Safety Act, and he promised to provide "motivation" against future violations by prosecuting to the fullest extent of the law. One such motivation, he said, is a prison term. "Whereas corporations can pay civil penalties, people who work for corporations pay criminal penalties," he said. "I am personally inclined in a criminal proceeding to seek out the board chairman or the corporate president, in addition to other officials, because I believe they are in the best position to assure corporate compliance with CPSC regulations."

It hasn't worked out quite that way. The Justice Department has filed three criminal cases under the Flammable Fabrics Act, but no board chairmen have wound up in the dock. The criminal penalties (fines up to $50,000 and prison terms up to one year) remain in the law, and Mr. Simpson insists the commission is ready to demand them in an appropriate case. Meanwhile, other activities proceed apace.

One of the commission's major responsibilities is to prepare and promulgate man-

datory standards for product safety. The first such standard came forth on Sept. 16. It is a standard for swimming pool slides. To a newsman's observation that swimming pool slides would not appear to rank high among those public concerns justifying the full weight, majesty, and dominion of the United States government, Mr. Simpson responds by saying cheerfully that he wouldn't have given first priority to swimming pool slides, either. But the National Swimming Pool Institute and a major slide manufacturer petitioned for promulgation of an official standard, so now the rule is out for public comment.

Under the proposed standard, on the top step of every swimming pool slide a legend must appear: "Look out for people and objects below. One person only." On the third step is to appear an additional instruction: "Legs and arms forward." On slides for use in water four feet deep, or deeper, a sign in red, light blue, and black must advise all users: "Deep water. Swimmers only. Careless belly slides can cause injury." To the observation that this is a great deal for a six-year-old first-grader to read, Mr. Simpson says adults can read the signs, and it is mostly adults who break their necks on swimming pool slides, anyhow.

The commission also is actively at work on a mandatory standard for bathtubs. This is a slippery matter. In an effort to get some expert data to work on, the commission retained a firm of consultants in Cambridge, Mass., to make a study of bathtub and shower accidents. The study cost the taxpayers $142,000. It was a full-dress affair, requiring three principal authors, four "researchitects," and nine consultants. This is how the research proceeded:

"First, a literature search was performed, and significant factors associated with bathtub injuries were identified and prioritized. Second, this data was expanded to a series of 17 accident scenarios, representing all the common factors in the accident system. Third, intervention strategies were developed in response to the accident scenarios, and performance guidelines for safer bathroom products were considered. . . ."

The consultants' most remarkable conclusion was that "slips and falls are by far the most frequent type of bathtub accident, and these slips and falls frequently occur while entering or leaving the tub or while changing between a sitting and standing position." The foremost intervention strategy, it appears, is a slip-proof bottom for the tub. Meawhile, consumers should be taught how to take baths safely.

A third mandatory standard in the commission's mill is a standard for power lawn mowers. The proposal is being developed under a contract between the commission and Consumers Union, to the accompaniment of some low moans of dismay from the Outdoor Power Equipment Institute. On down the line are standards for television sets, book matches, extension cords, and space heaters. By 1982 the commission hopes to have 100 mandatory standards in operation, aimed at alleviating 75 percent of the product-related, preventable accidents.

Some of the commission's enforcement activities have drawn congressional criticism. One case involved the Bradley Import Co. of Los Angeles. Bernie Hartstein, president of the company, had built up a thriving business by importing ornamental, decorative dolls from Japan, and later, from Korea. These were not toy dolls; they did not cry, wet their diapers, blink their eyes, or move their limbs. They were not meant to be dressed and undressed. Many of the dolls were sold to brides as favors for their bridesmaids. These were the kind of dolls you find in glass cases at flossy gift shops.

None of this mattered to the Consumer Product Safety Commission. On July 9, 1974, without preliminary hearing or warning, U.S. marshals swooped down on the Bradley warehouse and confiscated nearly 80,000 dolls. This was at the very peak of the Christmas order season. Mr. Hartstein places his loss in sales at $600,000. And what was the terrible hazard that was thought to justify driving a businessman to the edge of bankruptcy? The dolls had pins in them. That was the be-all and end-all. In order to hold the elaborate costumes in place, the Oriental dollmakers had used a few pins.

In the 12 years that Mr. Hartstein had been importing and selling a half a million such dolls, not a single complaint had reached him of the pins hurting anyone. The commission had received no complaints, either. But a doll is a doll is a doll and, under commission regulations having to do with banned articles "intended for use by children," no pins may be placed in "any doll, stuffed animal, or other similar toy."

Mr. Hartstein went to court, of course, and won hands down. Judge Louis C. Bechtle held that the dolls in question plainly were never intended for use by children. He ordered the confiscated dolls released. A U.S. circuit court sustained his ruling. The experience cost Mr. Hartstein a small fortune in legal fees, and he still is fighting the unrepentant commission in a companion case in Ohio.

Chairman Simpson is understandably unwilling to talk about the Hartstein case, since the litigation is in fact still pending, but he agrees in principle that persons who are damaged by the commission's errors in judgment or plain mistakes should be entitled to sue for redress. Sen. James L. Buckley of New York is trying to push such a provision through Congress. Mr. Simpson supports the Buckley bill. "We could be," says the chairman, "a very dangerous agency."

By his own description, Mr. Simpson is a conservative Republican. He is as reasonable an administrator as one could ask for, and he is doing his best to keep the commission's activities channeled strictly to "unreasonable risks of injury." While he defends the agency's information program specifically mandated under the law, he has been known to wince at some of the baby-talk reminders that flow from the press office: "Never ice skate close to open bodies of water. . . . Avoid driving cars on ice. . . . Sledders should never hook rides on the bumpers of cars. . . ."

The commission has asked for a budget for fiscal '77 of $54.8 million, permitting a staff of 1,226. Present levels are $42.8 million and 1,024 permanent positions. Chairman Simpson looks hopefully to the day, perhaps seven or eight years hence, when the commission can be abolished or vastly reduced in size. By that time, its 100 mandatory standards should be working. Meanwhile, a kindly and beneficent government will continue to instruct a docile people in how to strike matches and how to take baths.

S. 622 FAILS TO OFFER LONG-TERM SOLUTIONS TO ENERGY PROBLEMS

Mr. GARY HART. Mr. President, 2 years ago, in response to the oil embargo, Congress adopted short-term measures of price controls, allocation authority, and entitlements to deal with the emergency at hand. Yesterday we voted on the energy conference report aimed at providing the basis for long-term solutions to the energy crisis by phasing out controls and promoting energy conservation.

I reluctantly concluded that I could not support the bill. Instead of providing a firm foundation for long-term energy policy, the conference bill offered temporary pricing measures and ineffective conservation programs which will only exacerbate the energy problem and impede the adoption of more adequate long-term solutions.

Conservation programs are a necessary and integral part of any national energy policy. However, the provisions in S. 622 are too weak and do not provide sufficient grounds for supporting the bill.

The auto efficiency standards will not require the automobile industry to do more than respond to recent trends in consumer demand. The average efficiency requirement of 18 miles per gallon in 1978 are substantially equivalent to the 17.6 efficiency of 1976 cars currently being sold. Furthermore, the increase in standards to 20 miles per gallon by 1980 is insignificant when viewed in the context of a 25 percent efficiency increase in the past 2 years.

The conference report contains worthwhile provisions to facilitate consumer and industry efforts to conserve energy. However, these programs cannot stand alone as effective measures. Unless consumers and industry fully realize that energy prices will rise—that the age of cheap gasoline and cheap electricity is over, efficiency labeling and voluntary industry efficiency targets will have only a negligible impact on consumption.

For this reason, I believe the conference report's rollback in oil prices will not bring the Nation closer to energy self-sufficiency. Furthermore, the rollback will only serve to reduce industry efforts to find and develop new petroleum reserves.

While I understand and appreciate the arguments that higher prices contribute to industry profits at the expense of consumers, I believe that the problem of income distribution are better solved through progressive tax revisions. Energy policy designed to control the distribution of wealth is at best ineffective and most likely counterproductive.

The conference report's oil pricing provisions fail in several other aspects.

First, the administration control over the details of further price controls will only create industry uncertainty and have a substantially unsettling effect on efforts to explore and develop.

Second, in spite of claims to the contrary, if the report does not provide for a phase-out of oil price controls, a 12-percent rollback plus 10 percent per year increase will result in an average price of about $10.50 when all controls expire 40 months from now. This price will most likely be substantially below the price of imported oil and the Nation will then be faced with the problem of devising yet another decontrol program. This is no long-term solution to the energy crisis.

Third, it is very likely that the administration will promulgate price regulations that will have a devastating impact on independent producers and competition in the industry. The 12-percent price rollback is translated into a 20-percent reduction in the price of new oil. Independent producers who find and develop 80 percent of the Nation's new oil will be hit the hardest by this rollback. In the past months, I have been a strong

supporter of congressional efforts to increase competition in the petroleum industry.

A price rollback at this time only increases my conviction that vertical divestiture legislation is vital to the survival of competition in the oil and natural gas industry.

Supporters of S. 622 argue that failure to pass the bill will result in immediate decontrol. In the context of our current economic recovery, immediate decontrol would be far worse than the passage of S. 622. However, my vote against the bill is predicated on the firm belief that further work by both the Congress and the President can and will result in a better long-term solution to the Nation's energy problems.

VERMONT ASBESTOS GROUP, INC.

Mr. STAFFORD. Mr. President. As a member of the Senate Environmental Pollution Subcommittee, I am constantly exposed to arguments that environmental controls are harmful to the economic health and development of our nation. These arguments have grown in number during our long deliberations on amendments to the Clean Air Act, particularly in view of our Nation's prolonged period of inflation and high unemployment.

I am not unaware of the impact of the cost of pollution control efforts on the health of our Nation's economy, but neither am I unaware that there are times when that impact is overstated in an effort to bolster the argument of one side or another.

Because I know that I and my colleagues on the Senate Public Works Committee will continue to hear this argument, and because I know all of my colleagues in this Chamber will be exposed to similar arguments when the clean air amendments are reported to the floor, I would like to share a Vermont experience with my colleagues.

About 2 years ago, the GAF Corp., which operated an asbestos mine and plant in Lowell, Vt., announced that it was going to close down that plant because the Environmental Protection Agency had ordered it to install pollution control equipment estimated to cost about $1 million. GAF said its analysis of the economics of the operation, including the cost of the pollution control equipment, made continued operation an uneconomic venture.

That decision appeared to be a tragic blow to the 180 employes of the operation and to virtually all other residents of the surrounding rural area. The plant was the only industry in the area, and its closing threatened economic disaster.

But, Vermont Yankee faith and determination have combined to produce just the opposite result.

Employees of the plant purchased the operation from GAF; installed the necessary pollution control equipment, and have saved not only their own jobs—but have produced profits for themselves along the way.

The story of this remarkable achievement was reported in a recent issue of the Burlington, Vt., Free Press, under the headline: "The Impossible Asbestos Scheme Succeeds."

I commend the story to my colleagues and to others as an example of Vermont Yankee ingenuity and also as a case study in a positive response to our efforts to protect the quality of the air we all breathe.

I ask unanimous consent that the article from the Burlington, Vt., Free Press of December 14, 1975, be printed in the RECORD.

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

THE IMPOSSIBLE ASBESTOS SCHEME SUCCEEDS

(By John Read)

LOWELL.—Raoul Snider has worked at the mine here most of his life. At age 61 he is beginning to enjoy the fruits of his labor.

On Friday, along with 180 other workers at the Vermont Asbestos Group Inc., Snider received a 100 per cent return on the investment he made only nine months ago—an investment made to save his job, knowing he might never see his money again.

What some had regarded as an impossible scheme, has now become the kind of success story uncommon in these economically tenuous times. And Snider and his fellow workers find they are shareholders in an employee-owned company which appears to have nowhere to go but up.

"Things just seemed to break our way," said Snider, who with his wife Theresa took time out from bowling at the Missisquoi Lanes outside of Lowell one night last week to talk about the mine.

"My only regret now is that I didn't buy more stock," Snider said with a smile.

Last year Snider faced the prospect of losing his machinist's job at the mine where he has worked for the past 24 years. In February 1974 the GAF Corp., which then owned the mine, said it could not afford the estimated $1 million worth of pollution-control equipment required by the Environmental Protection Agency to keep the asbestos mine and mill open. The operation was scheduled to close March 12.

"At my age what would I have done? Sit in an easy chair and collect unemployment," Snider said.

To save their jobs, the employes, with some trepidation, decided to buy the mine from GAF and run it themselves.

Snider recalled: "When you get older you get timid. This idea of us buying the mine seemed like a big step. But I talked to my wife and we thought, 'by buying the stock I'm buying my job' and even if it doesn't work I have another year at work, and something more toward my retirement."

Theresa Snider remembered being apprehensive about the purchase, which she discussed with her three children. Two of her sons had worked in the mine themselves.

Like her husband, her only regret now is that the family didn't buy more stock.

In the spring, following a series of complicated financial maneuvers involving loans from a consortium of seven banks, and credit from the state's bonding authority, the employes bought the mine for $400,000. It was just three days before GAF was scheduled to close the 2,300-acre facility which straddles the mountain between the towns of Eden and Lowell.

All the employes of the company bought stock, which sold at $50 per share. Two thousand shares were sold, with a limit of 100 shares per person.

The mine purchase has given Snider and his fellow workers much more than a year of work and something more towards retirement.

Strikes and accidents at competing Canadian mines, where most of the world's asbestos is found, as well as shutdowns at some California operations, have increased the demand for the fibrous mineral and driven its price 50 per cent higher than it was when the employes acquired the mine.

Top grade asbestos fiber now sells for about $850 per ton. Lesser grades sell for about $66 per ton. However, much of the Lowell deposit is the high grade fiber.

The company's high profits, combined with other factors like prompt payment by customers, have enabled the Vermont Asbestos Group Inc. to clear all the debts incurred from the purchase of the mine and the installation of the required pollution control equipment. The entire package of debts at the time of purchase included a $400,000 note taken back by GAF, $100,000 raised by the sale of capital stock, and $400,000 advanced the company by the seven banks, which had made a long-term commitment of $1.5 million. It was estimated it would take five years to pay off these liabilities.

But, according to company president Jerome Hammang, having paid the 100 per cent dividend to stockholders, "the firm is presently debt-free."

"The only thing anyone would have to pay now is the interest on money they might have borrowed to buy stock," he said.

Moreover, Dennis E. Eldred, the company's plant engineer said, "basically all' of the equipment required by the EPA has been installed in the mill where the asbestos is extracted from the quarried rock. He also said a project to comply with recently amended EPA regulations is under way. This would involve control of dust at points where rock which has been milled is dumped.

Yet for the Lowell mine workers, many of whom have grown up beneath the scarred face of Belvidere Mountain, and to whom the plume of asbestos dust which once streamed from the mill was a familiar sight, the EPA regulations never made sense.

Though exposure to asbestos dust has been linked by physicians to a rare form of cancer, and to asbestosis—a respiratory disease found in workers whose lungs have been damaged by breathing the jagged asbestos fibers—there is a standing joke among the workers that starvation will kill you faster than the dust.

The mine's success also has been good for Lowell, which derives more than half of its tax revenue from the mining company.

Rep. Alvin Warner, D–Lowell, now the owner of the Missisiquoi Lanes and a director of Vermont Asbestos Group, left the mine in 1961 after having worked there 13 years.

He recalled that in the old Eden Mill, an earlier operation used when rock was being quarried on the west side of the mountain, "you couldn't see a light bulb a few feet away, the dust was so thick."

Warner said his health is still good, and noted the average retirement age in the region is 71.

Before the mining operation was purchased by the workers there had been reports of 16 cases of asbestos-associated diseases in mil workers at the Lowell operation.

However, plant engineers said a byproduct of the pollution control equipment, required to abate dust emission, has been a cleaner work environment, and said there are ongoing efforts to make the work areas even cleaner and safer.

Nevertheless, work at the mine is not easy. The asbestos-bearing rock must be lossened from 40-foot cliff faces by blasting, and is then loaded in dump trucks by huge electric shovels. Electric sholves are used because diesels would be difficult to start in the winter cold of the mountains.

From the mountain it is transported by truck on roads created from tons of waste rock, called tailings, to a series of crushers, linked by conveyer belts, leading to the mill. There the valuable fiber is extracted from the

rock and bagged, and the gravel-like tailings are transported by conveyors to a mountain of wastes.

In the past the tailings could be used for road surfacing. However, EPA regulations now prevent this use since it is thought that car tires would pick up the tiny fibers remaining in the rock and throw them into the air.

The company is studying the possibility of finding a profitable use for the waste, perhaps using it to make fireproof wallboard. However, plant engineers said such product development is only in embryonic stages.

Although it has been widely reported that Vermont Asbestos Group should net $1 million before taxes this year, Hammang is shy about discussing the firm's projected profits. He would say only that "he could not deny" that the $1 million figure is a fair estimate.

The reason for the corporate president's reluctance to discuss the firm's financial good fortune: Stating the Company's profits seems to be an open invitation to would-be entrepreneurs eager to find a use for VAG's excess revenues, say the mine's managers.

R. K. White, a senior vice president, said he has even received calls at home from people "seeking small business loans."

Hammang said the company is planning to diversify into some other industry in an effort to maintain profits when the asbestos in Belvidere Mountain runs out. The productive life of the mountain's ore body has been estimated at 10 to 15 years.

Hammang said the search for other investments is being "carefully conducted" by the company, working in conjunction with investment counselors.

"We want to make the right decision and it may take a while," Hammang said.

But prosperity also has visited certain other problems on Vermont Asbestos Group.

Notoriety has brought a steady stream of journalists to the one-story company offices at the mine site a few miles from Lowell.

All the major television networks have been to the mine, trailing their large camera crews. Officials of the Ford Foundation have visited, as has a film crew working on an educational documentary. For a while, company spokesmen said, it was not unusual for the company to receive several requests a day for interviews or picture-taking privileges.

Despite its financial success the company concedes there are still problems to be ironed out particular to the nature of an employee-owned operation.

While some personnel refer to the company as a "family," others say there still exist some of the traditional tensions and suspicions between labor and management.

Eldred, who has been with the company for 12 years, said that in the early stages of the new operation, "the guy on the line sure kept his eye on the 'white hats.'" White hats are management personnel, a term held over from the days of GAF ownership when different job classifications were denoted by the color of a person's hard hat.

However, Eldred said the suspicion has lessened in recent months.

Snider, like many of the other men at the mine, probably would not have moved from the town where he was born and raised, no matter what had happened to the mine.

"We never worked up here for big wages. We stay because we have a happy life," he said.

Snider said he isn't going out to buy a Cadillac with his dividend check, but with a wink he added, "There are some that could."

FINANCIAL DISCLOSURE

Mr. MONTOYA. Mr. President, under Senate rules, I have been filing annual financial statements with the Secretary of the Senate and with the Comptroller General of the United States. This is the only financial disclosure requirement under the law, and I have complied with it since its inception.

In the past, I never felt the need to make by personal financial holdings public because my honor and integrity had never been seriously questioned by my constituents who reelected me to the Congress time and time again since 1957.

Two recent events, however, and the result of them, have caused me to examine the idea of making public my financial holdings and information on my income and property taxes.

One event was Watergate and its aftermath. At the end of the Watergate hearings, there was definitely a strong distrust of Government and of public officeholders. The other event concerned the U.S. Internal Revenue Service, IRS, and the questions recently raised about the Service and about my taxes.

During this period, there were those who resorted to innuendos and who drew false implications because I had not disclosed my holdings. But I have struggled too hard as a businessman and as a public officeholder to permit these antagonists to have a field day at my expense. Whatever measure of success I have achieved has been done through legitimate and ethical means. I can say without qualification that I have never cast a vote or used my position in public office to benefit myself financially.

So, partially as a result of the aftermath of the Watergate hearings, and primarily as a result of the false implications that were thrown at me during the recent controversy concerning the IRS, I am today taking this action.

I do, however, feel that I owe it to the majority of my constituents who trusted me to reassure them that their trust was well placed. I also owe it to those who may have some doubts to dispel any doubts which they may have about my honesty and integrity.

I am also doing this in spite of the fact that my Federal income tax returns have been given a clean bill of health by the Internal Revenue Service. And, in doing so, I hope to quiet those who have been clamoring for me to publicly disclose my financial holdings. This clamoring could place doubts in the minds of people about my holdings and taxes. And I want to remove any doubts that may exist.

Most of my income is derived from rents and leases from real estate holdings, most of which I acquired before coming to Congress. In fact, two-thirds of my real estate holdings were acquired prior to 1967. And most of the properties acquired since then were accumulated from revenues from the older properties. In addition to income from my real estate holdings, I have income from stocks and bonds purchased through the New York and American Stock Exchanges with the exception of some shares of stock in the Rio Grande Valley State Bank in Alameda, N. Mex.

I am including for the CONGRESSIONAL RECORD a summary of my Federal and State income taxes, and property taxes paid for the past 3 years. In listing my properties and financial holdings, I have purposely omitted placing a value on them, because the value of the holdings is immaterial to the issue of whether there is a conflict of interest. I am also including personal property. And to the best of my knowledge, the items listed below cover all my properties and financial holdings as of November 15, 1975:

Year	Federal income taxes	State income taxes	Real estate taxes	Total paid
1972	$35,618.73	$6,020.73	$13,030.67	$54,670.13
1973	22,584.46	3,999.76	12,957.12	39,501.34
1974	33,945.04	5,625.00	12,136.38	51,706.42

My real estate holdings consist of the following:

One-half interest in Lots 3 and 4, Fort Marcy Addition, Santa Fe, New Mexico. A Chevron station is on the land.

One-half interest in Parking Lot Addition, Santa Fe National Bank. (The interest is only in the land).

Lots 74 and 75, Marcy Heights Residence, Santa Fe, New Mexico, together with an eight-room house and furnishings.

Tract of land (55 acres), and a five-room rental house, Peña Blanca, New Mexico.

Thirty-one unit motel (known as the Linda Courts), that includes a warehouse, cafe, apartments, and the land.

One-fourth interest in a tract of land facing the Las Vegas highway, Santa Fe, New Mexico.

One-half interest and ¼ interest in two tracts of land, respectively, facing Cerrillos Road, Santa Fe, New Mexico.

Ten-room house (residence, furnishings and lot), 5403 Surrey Street, Chevy Chase, Maryland.

Piggly Wiggly store and lots, Cordova Road and San Pedro, Santa Fe, New Mexico.

Ranchitos Shopping Center, Fourth Street N.W., Albuquerque, New Mexico.

Lots (tracts 2 and 3A), Linda Vista Addition, Santa Fe, New Mexico.

Two-thirds interest in office building (Fisk Building), Roswell, New Mexico.

Lots in San Juan County, Farmington, New Mexico.

One-half interest in Payless Shoe Store Building, Clovis, New Mexico.

One-half interest in Cordova Shopping Center, Santa Fe, New Mexico.

My stock and bond holdings consist of the following:

Allegheny Airlines, Inc., 200 shares.
Bank Securities, Inc., 800 shares.
Braniff International Corp., 400 shares.
Continental Airlines, Inc., 345 shares.
Greyhound Corporation, 1,200 shares.
Philadelphia Electric Co., 2,764 shares.
Rio Grande Valley State Bank, 1,140.
Southern Company, 1,053 shares.
Virginia Electric and Power Co., 1,000 shares.
Fitchburg Gas & Electric Light Co., 1 bond.
State of Israel, 2 bonds.
New York State Urban Development Corp., 2 bonds.
Liberty Loan Corp., 1 bond.
UTS Tax Exempt Securities Trust, 10 bonds.

Other properties and personal assets: One airplane, four cars, life insurance policy, and congressional retirement fund. Funds in savings and checking accounts and some notes receivable.

SALT TALKS

Mr. BUCKLEY. Mr. President, since November of 1974, the United States has been engaged in an effort to negotiate firm language which would implement

the agreement reached between Secretary Brezhnev and President Ford at their summit meeting at Vladivostok. To date, this effort has been unsuccessful. In the meantime, based upon reports from various sources, we appear to be yielding ground to a dangerous degree while the Soviets continue to disregard critical terms of the existing accords.

The first area of concern relates to our negotiating position with respect to the limitation of strategic arms. I would like to summarize some of my major worries because I fear that an unnecessary and divisive debate may result from the one-sided terms the administration appears willing to propose to the Soviet Union. I would like to be specific in this regard.

First, the United States is willing to permit the lopsided silo limitations of the first round SALT accords to carry over into SALT II. This means that the Soviet Union will be permitted not only to deploy 50 percent more ICBM silos than the United States, but because the Soviets are allowed significantly larger missiles than the United States, their total missile payload advantage will be even more lopsided than they had at the time the SALT accords were ratified in 1972. If the Soviet Union continues to replace its SS–9's and SS–18's and its SS–11's with SS–17's or SS–19's, and the Congress does not provide funds for a new land-based ICBM replacement for the Minuteman missile to offset a part of this growth, the Soviet Union will have a land-based missile payload capacity of 11.7 million pounds to only 1.1 million pounds for the United States. If Soviet engineers and scientists are merely able to match the 1965 vintage warhead design which the United States now deploys, the Soviet Union could translate this payload advantage into 10 times as many warheads as the United States. This clearly is not what the Congress intended when it appended the Jackson amendment to the ratification of the 1972 SALT accords, which called for essential parity in a future agreement. Thus, the first priority of our SALT negotiators should be to correct this imbalance. Unfortunately, our negotiators appear willing to retreat from this essential prerequisite.

Second, I am concerned that the U.S. position on the issue of the Backfire bomber has collapsed. Engineering analysis of the capabilities of the new Soviet bomber and its new air-to-surface missile, the AS–6, clearly indicates that it has the capability to reach all important targets in the United States. Until recently, this had also been the position of the U.S. Government, and in my view, we properly have refused to accept the Soviet position that the Backfire is an aircraft solely designed for the Eurasian landmass, and not for intercontinental attack. Unfortunately, in the face of Soviet intransigence, we are about to advance a proposal that essentially reverses our earlier position. Rather than require that the Backfire be counted among Soviet strategic nuclear delivery systems under SALT II, we are now ready to propose that the Backfire be counted only if it is based on the network of Arctic staging bases on the northern rim of the Soviet Union closest to the North American continent.

This is the most transparent coverup of the collapse of our negotiating position. Backfire bombers, normally deployed in the Soviet interior, can, of course, be deployed at these bases on very short notice. There can be no agreement acceptable to the Congress which does not classify the Backfire as an intercontinental bomber.

Third, our position on the cruise missile is one which reflects an undue zeal to reach an agreement without regard to the consequences for the long-term security needs of the United States. The cruise missile is one of the most important additions made in recent years to our defense capability. Because of the great flexibility of deployment of the cruise missile, and modern guidance technology, cruise missiles armed with conventional or nuclear warheads may be able to replace nuclear weapons in many military applications. Yet, the United which would have the effect of eliminating the U.S. strategic cruise missile program while permitting the Soviets to maintain their deployment of more than 2,000 cruise missiles, and provide an incentive for them to deploy more. By proposing limitations on cruise missiles with respect to range or payload of the missile, the United States is constrained because of the fact that we must deploy a cruise missile with a range in excess of 1,500 nautical miles if it is to be able to penetrate Soviet air defenses to reach Soviet targets which are far inland. By way of contrast, however, most major U.S. targets are located in coastal areas readily accessible to shorter range submarine-launched cruise missiles.

The Soviet Union already has a large number of cruise missiles which are classified as having a range of under 1,500 miles based on low altitude flight profiles. But if they are flown at their most efficient flying altitude, they can have a range which is as much as six times their range at low altitudes. Thus, a Soviet cruise missile, which is classified as having a range of 1,500 miles, could, because of the total lack of serious air defense in the United States, be launched from distances of 6,000 miles. Stated differently, the agreement which we are proposing on cruise missiles is simply unverifiable by any means known to man. We are better off without any cruise missile limitation than one which cannot be verified.

Finally, there is the issue of the failure of the Soviet Union to comply with the terms of the first round SALT accords. More than a year has elapsed since I raised the issue of Soviet noncompliance with the SALT accords. The revelations this week by the House Select Committee on Intelligence Operations has added further confirmation to that which was already widely known in the intelligence community; namely, that the Soviets have violated major portions of the first round accords to the point where it is clear that any future agreement must be fully verifiable. No reliance whatever can be placed on Soviet good faith. Let me briefly review a few of the violations:

First. They have attempted to prevent verification of their compliance with the terms of the SALT I accords through concealment, camouflage, clandestine experimentations, and other techniques, all in violation of article XII of the ABM Treaty.

Second. They have deployed a new generation of ICBM's which are approximately 50 percent larger than permitted under the definition of "light" missiles provided the Senate during hearings on the SALT accords.

Third. They have conducted a clandestine program to upgrade their air defense system to an ABM system. They now have in place the SA–5 system consisting of high-powered transportable radars and 1,100 launchers, each with 6 reloads, which has benefited from more than 60 illegal ABM experiments.

Fourth. Important details about the Soviet submarine construction program is now being concealed so that we may not be able to reliably determine, among other things, whether or not the Soviet submarine is being equipped with multiple warhead missiles.

I recognize, Mr. President, that there are those who maintain that these violations are not really violations, because the language of the SALT I accords can be twisted and stretched to accommodate just about anything the Soviets have chosen to do. The fact is, however, that they plainly violate the interpretations placed upon the agreements by their American negotiators at the time they were ratified by the Senate. They violate the accords as interpreted for us. They clearly breach the spirit of the agreements in their most important aspects. I do not see how any other face can be placed on the matter.

What deeply concerns me is that we may have learned little from this experience. This is why I think it is vitally important, Mr. President, that the President be put on notice that the Senate will not ratify another SALT agreement without asking all the hard questions, and insisting on full disclosure of every collateral understanding. Above all else, we must avoid self-imposed deadlines that will serve to rush us into another ill-conceived agreement that will serve to consolidate the enormous advantages the Soviets achieved through SALT I. Above all, we must think through our strategic posture, and determine how best to achieve the goal of essential strategic parity on a fully verifiable basis. Anything short of this could prove suicidal.

AMENDMENTS TO H.R. 10284 REGARDING PREPAID HEALTH PLAN STUDY AND MEDICARE REIMBURSEMENT TO VA HOSPITALS IN CERTAIN SITUATIONS

Mr. CRANSTON. Mr. President, I would like to express my appreciation to the members of the Finance Commitee, particularly the chairman (Mr. LONG), the Senator from Georgia (Mr. TALMADGE), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Indiana (Mr. HARTKE) for the consideration and cooperation they offered me

with regard to two amendments I had brought to their attention and had asked be brought up during the Finance Committee executive session markup of H.R. 10284. I am most pleased that these two amendments are included in that bill as reported from that committee and as passed by the Senate yesterday, and am deeply grateful for the support of all the committee members in accepting these amendments.

STUDY OF PREPAID HEALTH PLANS

Mr. President, one amendment would permit HEW to award a grant to the State of California, which a technicality prevents HEW from making. This grant would support a study in California of prepaid health plans providing services to medicaid beneficiaries. California is unique among all the States in that it has pioneered in encouraging the development of prepaid health plans—sometimes referred to as health maintenance organizations—to provide comprehensive health coverage to those eligible for medicaid.

The rapidity with which these plans were developed some 2 years ago in California and the lack of effective State guidelines and regulations governing eligibility for a State contract created some difficulties, and some unfortunate failures to provide quality health care to enrollees. These defects have been the subject of reports of the General Accounting Office, the Legislative Analyst of the California Legislature, and the Joint Legislature Audit Committee of the California Legislature, and have been the subject of an investigation and hearings conducted by the Senate Committee on Government Operations under the leadership of the Senator from Washington (Mr. JACKSON).

Currently, Governor Brown has moved to develop strong guidelines to assure that prepaid health plans under contract with the State to provide health services to medicaid beneficiaries will be managed on a cost-effective basis, and will provide good quality health care to their enrollees.

In conjunction with this restructuring of the prepaid health plans which contract with Medicaid—in California called MediCal—the California Department of Health has applied to HEW for a grant to fund a study of a broad mix of prepaid health plans throughout the State with a view to developing a system for evaluating the quality of care provided by such plans, and to provide data to develop a system for determining appropriate prospective reimbursement levels. The findings of this study would be applicable to all the States in the Nation.

The study involves the collection of data from several prepaid health plans of varying sizes and varying geographical locations, serving a mix of rural and urban enrollees in population groups representing the full range of medicaid beneficiaries and utilizing differing financial mechanisms for provider reimbursement. Among the plans to be studied is the Foundation for Medical Care in Sacramento, an individual practice association made up of 800 physicians and 20 hospitals in a five county area around Sacramento, serving 36,000 enrollees. This foundation is reimbursed by the State at $26 for each medicaid eligible individual enrolled in the plan, and, in turn, reimburse physicians associated with the foundation on a fee-for-service basis. The comparative data which this group can contribute to the study is essential if the study is to be comprehensive and useful in comparing the effectiveness of various mechanisms for providing health care on a prepaid basis to medicaid beneficiaries.

Unfortunately, the Foundation for Medical Care in Sacramento has recently been adversely affected by the sharp increase in the cost of health services, and it estimates it will lose about $800,000 in the period July through December 1975.

A portion of the grant HEW plans to make to the State of California Department of Health is intended to cover these losses. The General Counsel's Office of HEW, however, has been of the view that HEW cannot award a grant to cover costs incurred previously, because of language in the Social Security Act stating that no grants can be awarded to fund demonstration projects without 30 days, advance notice to the chairman of the Senate Finance Committee and the House Committee on Ways and Means. Lawyers outside of the HEW General Counsel's Office have suggested that this opinion reflects too narrow a view of the law.

Because of the HEW General Counsel's interpretation, HEW was reluctant to award the grant, although the study has the full support of all the relevant agencies and services of HEW. To correct this impasse, Senator JACKSON, who has become well acquainted with the issue through the hearings his Government Operations Subcommittee conducted, suggested that an amendment be offered to the Social Security Act which would permit HEW to award this grant. I agreed with him and was delighted that Senator RIBICOFF kindly agreed to describe the situation to the other members of the Committee on Finance and to offer the amendment permitting the grant to be made.

I am confident the results of the study which will now be able to go forward will provide valuable information to the Nation on the most effective means of providing quality health care to medicaid beneficiaries.

Mr. President, I ask unanimous consent that an excerpt from the Finance Committee report on H.R. 10284—No. 94-549—describing this provision, pages 13-14, be printed in the RECORD at this point.

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

GRANTS TO DEMONSTRATE APPROPRIATE MECHANISMS FOR CAPITATION PAYMENTS

(Section 9 of the bill)

Under present law the various State medicaid programs can make capitation payments to Health Maintenance Organizations (HMO's) which contract in advance to provide services to enrolled medicaid recipients. The use of this type of arrangement has occurred most prevalently in the State of California.

Over recent years, audits by the General Accounting Office and extensive investigative activities by the Senate's Government Operations Committee have shown that the basis on which payments have been made to these organizations is not necessarily reasonable. Officials of the State of California have agreed with this judgment and have applied to the Department of Health, Education, and Welfare for a grant in order to support a program to develop appropriate mechanisms to measure the true cost of providing health care services through HMO's and to measure the quality of services so provided. The results of this HEW-grant-supported project would be used to structure a reasonable payment mechanism for HMO's in California and other States.

One key aspect of the project for which HEW grant support has been sought would include measuring the costs of providing care in an individual practice association—a type of HMO which, while receiving prepaid capitation payment from the State, would continue to pay its member physicians on a fee-for-service basis.

State officials maintain that cost data from this type of HMO is essential to any valid study.

There is one large-scale operating independent practice association in the State, the Sacramento Foundation for Medical Care. This foundation involves over 800 physicians and 20 hospitals and is providing prepaid health services to more than 36,000 medicaid enrollees. Because of an unalterable fixed payment rate set by State law, the State has been unable to pay the foundation an amount fully equal to the costs of providing care for the medicaid enrollees. However, State officials want to pay the foundation a rate sufficient to cover its costs so that it can continue to operate and so that its unique costs data can be used as a part of the overall study.

A problem has arisen in that the General Counsel of HEW has ruled that the section of the social security law which authorizes cost and quality evaluation studies does not allow for any funding of costs already incurred for providing patient care.

This provision would clarify existing law and congressional intent so as to specifically allow in this case for the payment of such retroactive costs where these payments are necessary to assure that the individual practice association can continue in a study, carried out by a State agency aimed at developing a rate setting methodology for HMO's.

The total grant from HEW to the State of California would call for payments of approximately $5.2 million. Of this amount, approximately $1.6 million will be used for conducting the rate setting experiment with the foundation and approximately $700,000 of this $1.6 million will be used to reimburse the foundation for health services provided from July 1 to December 31, 1975.

MEDICARE REIMBURSEMENT TO VA HOSPITALS

Mr. CRANSTON. Mr. President, the other amendment I offered and which the committee has adopted would permit medicare reimbursement to a Veterans' Administration hospital under certain circumstances which very rarely occur. Covered would be those instances where an individual eligible for medicare is treated in a VA hospital on the good-faith assumption, both on the individual's part and that of the hospital that he is a veteran who is eligible for VA hospital care under title 38 of the United States Code. Under title 38, if this situation occurs, the patient or his estate is liable to reimburse the VA for the cost incurred, and under the Social Security Act, medicare cannot reimburse either

the patient or his estate for the care provided in any VA or other Federal hospital.

Recently, this situation was brought to my attention by the family of a medicare beneficiary which had been billed for a substantial sum covering his hospitalization in a VA hospital. As chairman of the Subcommittee on Health and Hospitals of the Veterans' Affairs Committee, I joined with the committee chairman (Mr. HARTKE) in writing to the chairmen of the Finance Committee and its Subcommittee on Health, Senator LONG and Senator TALMADGE, respectively, to bring this situation to their attention and proposing that a very tightly drawn amendment which would permit the payment of these costs be considered during the Finance Committee meeting. I am most grateful again that the committee agreed to do this and accepted our amendment in H.R. 10284 as reported.

Mr. President, I ask unanimous consent that the text of the letter Senator HARTKE and I sent to Senator LONG and Senator TALMADGE, as well as an excerpt from the committee report describing this provision, pages 12–13, be printed in the RECORD at this point.

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

COMMITTEE ON VETERANS' AFFAIRS,
Washington, D.C., December 3, 1975.

Hon. RUSSELL B. LONG,
Chairman, Committee on Finance, U.S. Senate, Washington, D.C.

Hon. HERMAN E. TALMADGE,
Chairman, Subcommittee on Health, Committee on Finance, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Recently a case was brought to our attention of an elderly Medicare beneficiary who was admitted to a VA hospital for emergent care prior to a determination of veteran eligibility, who received care there for several months, and who was ultimately determined ineligible for such care. Because of the error, which was made without any intention to defraud, the patient's estate is now being billed by the Veterans Administration for $5,000. Section 1814(c) of the Social Security Act leaves no alternative to the VA, and the patient's estate is liable for the debt under title 38, United States Code.

To avoid any recurrence of this unfortunate situation, we recommend that your Committee consider the adoption of an amendment to H.R. 10284 which would permit reimbursement to a VA hospital for hospital care rendered in carefully defined circumstances such as that of the case brought to our attention. We are advised this situation occurs rarely and that the costs would be negligible.

Enclosed is a draft amendment (made retroactive to cover the above case) for such consideration during Committee markup of the House bill.

Your assistance in adding this provision to H.R. 10284 would be very much appreciated.

With warm best wishes.

Sincerely,

ALAN CRANSTON,
Chairman, Subcommittee on Health and Hospitals.

VANCE HARTKE,
Chairman, Committee on Veterans' Affairs.

MEDICARE PAYMENTS TO VETERANS' ADMINISTRATION HOSPITALS IN CASE OF "GOOD FAITH" ERROR

(Section 7 of the bill)

Under present law, payments may not be made under part A of medicare to any Federal provider of services, such as a Veterans' Administration hospital, where such institution is otherwise obligated by law to render care at public expense.

The committee has had its attention called to circumstances in which an individual, entitled to part A benefits, was admitted to a veterans' hospital with both the hospital and the beneficiary believing the patient was eligible for such care and was subsequently found to be ineligible for care as a veteran. Following such a determination, the Veterans' Administration is required, by law, to recover the costs of such care from the patient (or his estate, if the patent is deceased).

The committee amendment would permit payment by the medicare program to VA hospitals for care rendered to a part A beneficiary in certain circumstances. Payment may be made only when (1) the beneficiary is admitted to the VA facility in the reasonable belief that he is entitled to have service furnished to him by the VA free of charge; (2) the authorities of such hospital and the beneficiary acted in good faith in making such admission; (3) that the beneficiary is, in fact, not entitled to care in the facility free of charge; and (4) the care was provided while those operating the facility remained unaware of the fact that the individual was not eligible for VA benefit or before it was medically feasible to arrange a transfer or discharge.

Payment for services would be in an amount equal to the charge imposed by the Veterans' Administration for such services, or (if less) reasonable costs for such services (as estimated by the Secretary following consultation with the Chief Medical Director of the Veterans' Administration).

FOUR QUESTIONS BY A STUDENT OF ECONOMICS

Mr. TAFT. Mr. President, earlier this month, the very distinguished Chairman of the Board of Governors of the Federal Reserve System, Dr. Arthur Burns, gave a fine address at the fall commencement of the University of Akron.

Dr. Burns mentioned several problems which have been plaguing this country: inflation, Federal deficits and undue monetary expansion, unsound finance in Government and industry alike, and continued dependence on foreign oil.

But inflation is easing, States and cities are reexamining their budgets, and with luck, so will the Federal Government later in the year under the new budget process.

Chairman Burns has several suggestions as to what we might do to speed recovery. We in Congress, and all citizens, should increase our knowledge of economics. Citizens should take a more active interest in government, but we must stop turning to Washington for solutions to all our problems, and instead use market forces to encourage competition through careful shopping and insistence on quality. We can contribute a full day's work for a full day's pay.

The Chairman's most important suggestion is this:

First of all, we can curb any latent discontent or cynicism we may feel about the motives of our fellow citizens in business or government. Americans, by and large, are a moral people who have wrought economic miracles by seeking to improve themselves, their families, and their communities.

Dr. Burns is right. We must stop fighting each other, blaming each other for bad harvests that were due to bad weather, or for high energy prices forced upon us from overseas. Americans must learn to work together.

It is with great pleasure that I ask unanimous consent that the Chairman's remarks be printed in the RECORD.

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

FOUR QUESTIONS BY A STUDENT OF ECONOMICS

(By Arthur F. Burns)

I am very pleased to join this audience in honoring the graduating class of The University of Akron. Some of you receiving a degree today will continue with your formal education; others will embark on business or professional careers. But whatever your plans for the future, our Nation's economic and political condition will inevitably remain a matter of concern to you.

Recently, I received a letter from a college student named Rebecca who posed several blunt questions concerning our Nation's economy. First, Rebecca asked, "What was the biggest economic setback this year?" Second, "What has been the biggest economic boost this year?" Third, "What plans are being made to get the U.S. out of the red?" Fourth, "What can we as citizens of the U.S. do to help the economic situation?"

These are thoughtful questions, and they are not easy to answer with confidence or precision. But they undoubtedly express the concerns of many of our citizens, and I want to take advantage of this occasion to share with you my attempt to answer Rebecca's earnest inquiry.

Turning to the first question, the list of candidates for the greatest economic disappointment of 1975 is regrettably quite long. During the past year, we experienced a severe recession. The physical output of our national economy declined sharply before recovery got under way. The unemployment rate rose to levels not seen in a long generation. Inflation continued at a disconcerting pace. The deficit in the Federal Government's budget exploded. Interest rates on municipal securities soared. And efforts to move our Nation towards independence in the field of energy made little progress.

While all these developments have been disappointing, the persistence of inflation at a time of such widespread unemployment of labor and of capital harbors the most troublesome implications for our Nation's future. True, the advance of the general price level moderated significantly during the first half of 1975. More recently, however, the upward climb of prices has begun to accelerate again. Since mid-year, wholesale prices have been rising at an annual rate of a little over 10 per cent. Price markups in various depressed industries—such as aluminum, steel, and autos—convey a clear warning that our long-range problem of inflation is unsolved.

By now, many Americans are well aware of the profoundly disruptive consequences of inflation for our country. The inflation from which we continue to suffer got under way more than ten years ago and eventually became a dominant feature of our economic life. As wage and price increases quickened, seeds of trouble were sown across the economy. Rapidly rising prices eroded the purchasing power of workers' incomes and savings. Speculative fever mounted. The con-

struction of new homes, condominiums, and office buildings proceeded on a scale that far exceeded the underlying demand. Managerial practices of business enterprises became lax and productivity languished. Corporate profits—properly reckoned—kept falling. And as businessmen reacted to fears of shortages and still higher prices, inventories of raw materials and other supplies piled up.

It is these basic maladjustments that led to the recent economic decline—the deepest since World War II. This slump has entailed enormous human and financial costs, and we have as yet only partly recovered from it. The behavior of prices in recent months is therefore very worrisome. Not only are the incomes and savings of our people still being eroded, but revival of confidence in the economic future is being hampered by fears of a fresh outburst of double-digit inflation. If such a development occurred, it would ultimately plunge us into an economic recession even more serious than the one we have just experienced.

I therefore believe that control of inflation requires a higher priority in managing our economic policies than it is as yet receiving. We cannot expect inflation to be brought under control if the Federal Government continues to run huge budget deficits or to permit money and credit to expand unduly. We must also face up to the hard truth that competition has become less intense in many of our private markets. If an unemployment rate of 8 or 9 per cent is insufficient to bring inflation to a halt, then our economic system is no longer working as we once supposed. In the future, governmental efforts to achieve economic progress will need to encompass structural reforms as well as responsible monetary and fiscal policies.

Let me turn next to Rebecca's question concerning the most beneficial economic development this year. Once again, there is no shortage of plausible candidates. The recovery in business activity since the spring has been quite vigorous.

Indeed, the rise during the third quarter in the physical volume of our national output was the largest in many a year. Since March the number of people employed has risen by 1½ million. The recovery in stock prices since the beginning of the year has been heartening to investors. The decline in interest rates from the extraordinary heights of 1974 has brought a measure of relief to business borrowers and home buyers. And the turnaround in our foreign trade from a deep deficit to a large surplus has helped to make the dollar once again a highly respected currency around the world.

These recent shifts of economic fortune deserve, and they are in fact receiving, much attention. But another and less widely noticed development—namely, rediscovery of the need for prudence in the conduct of financial affairs—is likely to prove of greater and more lasting benefit to the American people.

During the past year, we have seen the consequences of more than a decade of neglect of the principles of sound finance. Some major business corporations and many smaller ones have fallen into bankruptcy. A number of real estate investment trusts and some airlines are in serious trouble. Many individuals have lost their life's savings by making careless investments. Not a few of our Nation's commercial banks face the possibility of large losses on dubious loans. And various State and local government units are now finding it difficult, if not impossible, to raise new money through our financial markets.

More than any other single event, the agony of New York City has made the consequences of financial mismanagement apparent to the entire nation. A Federal budget deficit in the neighborhood of 90 billion dollars, which is in prospect for this fiscal year, may stagger the imagination; but few of our citizens can grasp its impact on their daily lives. Everyone, however, can relate to what has been happening in New York City—with thousands of municipal workers being dismissed, the number of policemen and garbage collectors dwindling, the subway fare going up, taxes rising, interest on outstanding municipal securities being scaled down, pension benefits being readjusted, and free tuition in the city's colleges placed in jeopardy.

Our country has been divided on the issue of whether, or under what conditions, Federal financial assistance to New York City is justified. But those who favor Federal assistance, as well as those who are opposed, agree on this much: that what happened to New York must not happen in our community or in our state. New York's dramatic encounter with bankruptcy may therefore mark a major turning point in the management of fiscal affairs in our country—certainly at the local and State level, and perhaps at the Federal level as well.

State and local governments are now busy reexamining their financial condition. Many of them are cutting back on postponable or avoidable expenditures, and raising taxes as needed. Proposals for bond issues are being appraised by the citizenry with a more critical eye. And recognition is growing across the country that the New York City crisis is just one manifestation of the lax financial practices that spread through the business, financial, and governmental sectors over the past ten to twelve years.

Fortunately, these unsound practices are now being corrected in our business firms and banks, as well as by State and local governments. This curative process is not without some pain. Capital for risky ventures is harder to obtain nowadays and it is also more costly. But this return to standards of prudent financial management has been an essential step in rebuilding the foundation for a durable prosperity.

I now come to Rebecca's third question: What plans are there for ending the persistent stream of Federal budget deficits? This concern with the need to restore order in our national fiscal affairs is shared, I believe, by the great majority of our people. To be sure, the swelling of the deficit this year reflects the deep recession of economic activity—which reduced Federal revenues, besides increasing outlays for unemployment benefits, welfare payments, and related programs. But the Federal deficit was large even before the recession started; it has continued year after year, in both good times and bad; and it has largely resulted from inadequate attention to the consequences of excessive governmental spending.

Of late, there have been some encouraging changes in the Federal budgetary process. A major reform of Congressional procedures was set in motion by the Congressional Budget Act of 1974. In the past, revenue decisions by the Congress were separated from its spending decisions, and the latter were handled in piecemeal fashion. The result was that budgets just happened; they were not planned. Under the new Budget Act, Congress must assign priorities to the various outlays and set an over-all limit on spending in relation to expected revenues. Hence, Congressional decisions on expenditures will in the future be integrated with decisions on revenues. The discipline imposed by these new procedures offers hope, I believe, of reducing the chronic bias toward deficits in the Federal budget.

So, too, does the initiative of the President in recommending that Federal expenditures be cut next fiscal year by $28 billion below the level that they would otherwise reach. The basic principle underlying this expenditure proposal is sound, and I hope Congress will support it.

Once we put an end to the rapid upward spiral of Federal spending, budget deficits are likely to run smaller or vanish entirely. When the government no longer pours more money into the economy than it withdraws in tax revenues, it will have removed the single most important cause of inflation in our times. Moreover, when the government no longer absorbs so large a portion of private incomes, private capital investment will tend to increase more rapidly. Improved productivity, lower product prices, and a higher standard of living will therefore be fostered.

Let me now turn to Rebecca's final and most challenging question: What can we as citizens do to help the economic situation? This question is so difficult because our economic situation has numerous dimensions—the level of production, the extent of unemployment, the level of prices, the distribution of incomes, the profitability of investment, the state of the environment, and so on. Improvement in any one of these respects need not be accompanied by improvement in others. The question is also difficult because what any one of us can do depends on his personal situation—whether we work at home or in a business, whether we are farmers or miners, journalists or scientists. Moreover, as you well know, even experienced economists who have similar social objectives frequently disagree on what can or should be done to improve economic conditions.

Nevertheless, there are some principles of life that all of us can observe with the conviction that we will be helping our Nation's economic situation.

First of all, we can curb any latent discontent or cynicism we may feel about the motives of our fellow citizens in business or government. Americans, by and large, are a moral people who have wrought economic miracles by seeking to improve themselves, their families, and their communities. We have demonstrated across the years that hope is perhaps the most powerful of all economic forces, and that a spirit of purpose can give meaning to human energy and overcome a lack of material resources.

Second, everyone of us can surely improve his understanding of economic phenomena. Education is a never-ending process. The intellectual excitement of the classroom need not be lost, and should not be lost, as we move on in life. The economic problems of today are profoundly challenging, and there will surely be new ones tomorrow. As citizens we need to strive for dependable knowledge of economic realities, so that we can make wiser decisions in the marketplace and in the voting booth.

Third, we can become more actively involved in the political process of our Nation—by electing officials at all levels of government who demonstrate a serious and informed awareness of our economic problems, by communicating our thoughts on public issues to our representatives with the clarity of conviction, and by holding them responsible for their actions.

Fourth, we can avoid the temptation to implore the Federal Government to solve every economic and social problem through the expenditure of public funds. We are a compassionate people, and I trust we will remain so. It is understandable that we attempt to muster our collective resources to aid the less fortunate among us. Yet we must take great care not to weaken the spirit of self-reliance that has been instrumental in releasing the creative and productive energies of the American people.

Fifth, we can impose discipline on our business enterprises through our daily decisions in the marketplace. The power of the consumer to force business firms to price competitively and to improve their products must never be underestimated. We as consumers can help to keep the spirit of price competition alive by shopping carefully and avoiding impulse buying.

Finally, every American can experience the satisfaction that comes from honest effort—by putting in a full day's work for a full day's pay, whether it be work in a factory, a scientific laboratory, a corporate office, a governmental agency, or wherever one may labor. "Sweet is the sleep of a laborer," so sang Ecclesiastes. Centuries later, Carlyle reminded us that "there is a perennial nobleness . . . in work," that indeed "a man perfects himself by working." The rewards of work accrue, of course, to the public at large as well as to the laborer; for the more we produce by the day or by the hour, the more surely will the standard of living of the American people improve.

The needs of the American economy today are large and compelling. Some of you graduates will approach these needs as liberals, others as conservatives. Some of you doubtless believe in free enterprise, others may aspire to a welfare state, still others may seek the nationalization of our industries. But whatever your philosophic or political attitudes may be, I hope you will recognize that your dreams of a good society have no chance of fulfillment unless our government conducts its financial affairs responsibly. This condition is essential to bringing an end to the inflation that has been raising havoc with our economic institutions; it is essential to the restoration of a lasting prosperity; it is essential also to the preservation of our democratic system.

THE FOOD INDUSTRY ANTITRUST REPORTS ACT OF 1975

Mr. McGEE. Mr. President, I am pleased today to join in sponsoring the Food Industry Antitrust Reports Act of 1975, S. 2802.

As part of the 1966 report by the National Commission on Food Marketing, entitled "Food from Farmer to Consumer," I noted we had barely begun to comprehend the implications arising out of the growth of the great food chains. Now, 10 years later, we view those implications with a greater degree of alarm—with more worry than the "worrisome portent" I mentioned a decade ago.

It is time now to grease the wheels and accomplish those things left undone by the Congress, an inaction warned against by the Commission.

As you know, Mr. President, it was my legislation which created the National Commission on Food Marketing. Today I speak in support of the proposed Food Industry Antitrust Reports Act of 1975. We must not now be guilty of accusations against the Congress that it never follows up on things.

This bill calls for: Examination of the makeup of various food industries—including possible trends toward vertical integration—conglomerate and multinational predominance and antitrust exemptions.

Examination of regulated transportation in order to determine its effect on food prices.

A yearly indexing of competition in the food industry accompanied by specific recommendations to promote competition—to be done by the Federal Trade Commission and the Justice Department—and,

Annual reports by various agencies on antitrust activities in the food industry with definitive commitments from the violators to cease such activities.

The problem is this, Mr. President: Food prices have been and continue rising sharply while, at the same time, the food producers—our farmers and ranchers—receive a decreasing proportion of the dollar spent on food products. The studies and actions proposed in the Food Industry Antitrust Reports Act of 1975 will go a long way in eliminating these gross inequities.

At this time I ask unanimous consent that my statement as published in the National Commission on Food Marketing report of 1966 be printed in the RECORD.

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

STATEMENT OF GALE McGEE

The National Commisison on Food Marketing findings and conclusions are prudent and valid insofar as they reflect the status of food marketing in the United States today. But I am profoundly troubled by what I see as ominous portents for the future. To my mind, nothing characterizes the American food industry of today more than the element of revolutionary, sweeping change. The American food industry on July 1, 1966 is not the same as it was when the Commission was created 2 years ago, and I suspect it will not be the same even the day after our report is received by the President and the Congress.

I have been moved to submit these brief and separate views because I do not want the Commission's report to mark the close of intensive evaluation and re-evaluation of our food marketing system. While nothing in the report warrants extreme alarm, so nothing in the report warrants smugness or self-congratulation by either industry or Government. It is imperative that this report not be used to condone complacency in the marketing world. For while the Commission's study could not exhaustively probe the disturbing forces at work in the wake of the supermarket phenomena, it at least has opened for us a view that is not without its worrisome portents. To neglect those portents will be to place in jeopardy the constructive forces of a healthy marketing system in our American economy.

Change, even revolutionary change, is not in itself either good or ill. The accumulation of market power can readily lead to the oppression of both consumers and producers. But it need not do so if we are alert, if we shun dogmatism, and if we remain ready to fashion appropriate, regulatory tools with which to preserve and channel competition to the benefit of the economy as a whole.

As disclosed in the Commission report, we have barely begun to comprehend the implications arising out of the growth of the great food chains. I am not so much concerned with the relatively few cases in which market power of the chains is deliberately employed in predatory schemes. But size inevitably begets power, and inordinate power tends to subvert the freeplay of market forces, of supply and demand, upon which we have traditionally relied to insure producers and consumers equity in the marketplace.

The central role in our food distribution system is occupied by food retailing. Over the past several decades the balance of power has increasingly shifted to retailers at the expense of farmers, processors, and consumers. The concentration of economic power among food retailers has progressed furthest in local metropolitan markets where, in some cases, as few as four retailers account for practically all supermarket sales. These developments in local markets presage what may occur in regional and national markets. In truth, since World War II there has been a steady trend toward increasing concentration in national food store sales. And our investigation demonstrated that in many cases food manufacturers are being subjected to intense competitive pressures by food retailers.

Often food manufacturers have responded to changes in the structure of food retailing by attempting to gain market power of their own so as to countervail the power of large food retailers. Many manufacturers have increased their size through mergers and acquisitions, and the largest are spending enormous amounts on promotion and advertising. Some of the largest food manufacturers appear to be more than holding their own in the struggle for market position. But the struggle between giant food manufacturers and retailers has created such a harsh environment that most small manufacturers are finding it increasingly difficult to grow and survive. It may be that we are on the threshold of a new era in food distribution, one in which raw market power rather than economic efficiency will determine the outcome of the competitive race. If so, it is imperative that we plan ahead for the guidelines and regulations to govern such a change before disaster strikes.

It is not clear what the ultimate impact of these developments will be on farmers and consumers. But the best available evidence indicates that the recent structural changes have already had an adverse impact on them. Food retail margins have swollen enormously in the period since about 1954, as price competition increasingly has given way to nonprice competition. The margins of the largest chains have grown by about one-fourth since 1954. Translated into dollars and cents, this means that if the gross profit margins of all retailers had grown by a like amount, the food marketing bill in 1965 would have been about $2.5 billion greater than if the retail gross profit margin had not risen. This would have involved an enormous increase in the food marketing bill to be paid by consumers and farmers. Fortunately, however, the gross profit margins of small chains and independent retailers did not rise as rapidly as those of large chains.

The modern supermarket may be the marvel of the Western World, but our studies disclosed that today the typical supermarket of the largest chains has higher distribution costs than did the small stores operated by these chains before the occurrence of the supermarket revolution in the 1930's. American consumers have a vital stake in these developments because they spend over $60 billion each year in food stores. As a result, each time prices rise by 1 percent, about $600 million is added to the annual expenditures of American housewives. Farmers have an even greater stake in these developments because experience teaches that increased marketing costs bear most heavily on them. If a 1 percent increase in marketing margins is pushed back to farmers, it could cost them about $500 million a year.

Our studies have not developed all of the answers as to why gross profit margins of large chains have grown so dramatically in recent years. Their overall profit margins have not grown correspondingly. However, overall gross and net profit margins tell only part of the story. Our records show that some large chains operate numerous stores for sustained periods of time at a loss and at small gross profit margins, particularly in markets where they have small market shares. It further shows that when a retailer has a strong market position in a market, he may enjoy sustained high net profits without having his market position eroded by competitors.

Our studies also show that another area of central importance to the future of food distribution is the growth and survival of affiliated independent retailers. They further show that many of these groups are ex-

tremely unstable and are experiencing high mortality rates. Most small retailers are heavily dependent on cooperative and voluntary wholesaling operations. It is, therefore, imperative that these groups be made as viable and effective as possible.

Agriculture in this country encompasses that part of the economy which produces raw crop and livestock products to meet the Nation's food needs. With some few exceptions agriculture has concerned itself only with production. It has not engaged in processing or final merchandising. The farmers in our country traditionally have been proprietors, and as such sold their products to market firms. There appears to be a definite trend toward removing the production and marketing of farm products from the hands of farmers and transferring them to the direct control of processing firms. At this time nearly all broiler production, more than half the turkey production, and nearly half the egg production have moved into the control of nonfarm firms. Both turkey and eggs seem headed for further takeover. Still others are likely to follow.

As this trend develops commodity pricing as a guiding mechanism is increasingly abandoned. The value of such a price system rests not only on its efficiency but on its impersonal, self-regulating property and its built-in protection of the negotiating independence of each individual and firm. Under this system each seller of farm products enjoys the protection of being able to bargain with several of many possible buyers. As integration continues, central direction by large integrated combines is substituted for market pricing and the individual farmer can no longer freely and fairly negotiate on price.

In the livestock industry, concern has been expressed about the increase in packer feeding. I share this concern. During the last 10 years, the volume of packer feeding of cattle has about doubled. Packer feeding is not in my view conducive to a healthy economic environment for the cattle industry. This type of vertical integration undermines the market price system as the basic system providing rewards and incentives in livestock production and marketing. It puts the packers actively into the feeding industry, the industry from which it buys. It provides packers with an opportunity to use their own cattle as a lever to increase their market power. The farmer on the other hand is reduced to a supplier of feed grains or of young feeder livestock and to the status of mere contractor to the contracting packers.

If livestock feeding is transferred to packers, the principal livestock enterprises under the managerial control of agriculture would be reduced to the production of feeder stock and dairying. And there is no reason to assume integration of livestock would stop with the feeding enterprise. It seems certain that it would eventually extend to the production of feeder cattle, pigs, and lambs as well.

The Commission's work will serve as a valuable guide to public policy regarding our food distribution system. For example, our antitrust agencies have been given a clear mandate for more vigorous antimerger enforcement in food retailing and food manufacturing. Our staff appeared to be of one voice in urging that a more vigorous merger policy be employed in preventing mergers by large food chains and by large manufacturers. But most important of all, our studies revealed that our food distribution system is being transformed in ways which are only imperfectly understood, both in terms of their causes and consequences. Therefore, the Commission's most important longrun policy conclusion is that a high priority be placed on maintaining a high level of "information about market structure and competition in the food industry," by the agency best qualified to perform this job. The Commission, therefore, concluded that "in order that the Congress, the executive branch, and the public will be fully informed, we believe that the Federal Trade Commission should be charged with making a continuing review of market structure and competition in the food industry and report annually thereon to Congress."

This conclusion was based on the recognition that the Federal Trade Commission was best qualified to perform this function in an objective and responsible manner. Although this will require a modest increase in the staff of the Federal Trade Commission, it is imperative that this job get under way immediately. For if it does not, much of the pioneering work of the National Commission on Food Marketing will have been wasted.

One final warning would seem to be in order based upon the experiences in the Commission's study. That is the built-in tendency within the industry and those dependent upon the industry to resist all studies, investigations, or to withhold critical information necessary to the fullest grasp of the problems at hand. Admittedly, this poses the traditional and well-understood questions of trade secrets and corporate privacy. But it is difficult to see how the public interest can be fully served and/or protected without clear access to all the facts. It is to be hoped that the necessary discipline and forthrightness which the complexities of modern marketing require will not be withheld because of past traditions or a history of reluctance to protect the public interest.

When we are talking about the food industry, let it not be forgotten that it grosses between $60 and $80 billion a year, that it employs many millions of wage earners, and that indirectly it influences the lives, the jobs, and the economy of a much larger segment of our country's life than does any other single force in the American economy. Because of the massive impact of huge concentrations of marketing power upon all segments of the population in general, the time has come for the public interest to receive the first priority and to transcend where necessary the outmoded protections heretofore accorded the private sector.

If we are to achieve this approach realistically, we must divest ourselves of the old cliches, concepts, and fetishes that tend to inhibit our freedom of comprehension.

SENATOR ROTH SPEAKS OUT ON ENVIRONMENTAL LEGISLATION

Mr. PACKWOOD. Mr. President, my distinguished colleague from Delaware, Senator ROTH, recently made a fine speech before the Delaware Brandywine Association, Inc., in which he praised the environmental strides we have made over the last 6 years in Congress. Yet, more importantly, Senator ROTH has stated his firm support to continue pursuing those environmental goals and programs which will protect and enhance this country's quality of life.

Whether it is the establishment of the Environmental Protection Agency, the Council on Environmental Quality, the Clean Air Act, or the Coastal Zone Management Act, Senator ROTH has stood behind these meritorious congressional actions to protect our environment.

The greater issue before the Congress today, however, is the possible modification of some of our original environmental acts. In his speech, the Senator from Delaware has made his commitment to protect the integrity of our environment and attempt to reach a balance between the competing interests working on current environmental legislation.

I am sure that is the goal we will be striving to maintain, and I applaud Senator ROTH's commitment to meet this challenge in the coming months.

I ask unanimous consent that the text of Senator ROTH's recent speech be printed in the RECORD.

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

REMARKS BY WILLIAM V. ROTH, JR., OCTOBER 23, 1975.

Good evening.

This has been a wonderful evening for me and I want to thank you. I've had the opportunity to visit with all of you as friends and neighbors.

We're working for common goals in the Brandywine River Valley. This is a beautiful region where nature has really done its handiwork.

As most of you know, my family and I live near the Brandywine watershed—down the road just a few miles in northern Delaware. So it's a real honor and privilege for me to be here tonight to participate in this significant and happy celebration—the thirtieth anniversary of the Brandywine Valley Association.

Your Association which some have termed the grandfather among watershed associations, has much to be proud of. The accomplishments listed on the invitation to this meeting show that you have succeeded admirably in achieving the objectives of your Association. I heartily congratulate you for these many solid achievements.

Yet, it was not until five years ago that the interest of society at large became so captured by a concern for the preservation of the environment that effective public action at long last became possible. Because of your work over the years, and that of others who shared your early concern, the American public has finally come to understand that one of the most important needs of our age is to learn how to live with our natural environment, and not be in conflict with it.

This is a land where, two centuries ago, men and women of commitment and courage staved off the British and the harshness of natural elements to carve out a land free from all forms of oppression and tyranny. Yet, today, unfortunately many Americans don't want to accept the realities and the challenges of living in the 1970's. Many still refuse to face up to the demands necessary today to assure our hard-earned freedom and independence in the future.

When I reflect upon the way we Americans have befouled our evironment I'm reminded of a statement by that well known comic strip character Pogo when he exclaimed, "We have met the enemy and he is us." Now that we recognize the enemy is us in our battle to protect our environment, we must also recognize that a befouled environment has resulted from our failure in the past to take proper protective measures as we developed an industrial economy that is the envy of the world. As a result, we are today witnessing a proliferation of wastes injected into the air, into the water, and into the land—wastes which have simply overtaxed the capacity of our natural systems to absorb and dissipate.

But we can't turn back the calendar. We can't step back in history like that mythical Connecticut Yankee in King Arthur's Court. Challenges must be met and overcome. Eighty million Americans now occupy the area that 200 years ago was our original 13 colonies serving 1/100th that amount.

What were problems of taming the wilder-

ness, clearing the land and harnessing rivers and streams have become problems of preservation, of conservation, of these very elements. Of course, this is why the role played by your Association and others like it is so critical today.

The United States has been blessed by two great resources—a brave and creative people and an abundance of natural resources. Working in harmony, these two have brought advancement not imagined by the prophetic writers of earlier years.

But when the proper balance between progress for man and preservation of nature is lost—then disaster threatens our future. We've seen that when man oversteps his use of nature, floods, land-slides, erosion and air and water pollution strike back. The goal of the conservationist becomes clear—he must restore and secure a proper balance between man's need for social and technological advancement and for preservation of the irreplaceable qualities of our natural environment.

The truth is that everything in nature is interrelated. As Dr. Lewis Thomas has observed in his book "The Lives of A Cell," "We are not the masters of Nature that we thought ourselves; we are as dependent on the rest of life as are the leaves or midges or fish. We are part of the system. Who knows . . . movements might start up for the protection of ourselves as a vulnerable endangered species."

Fortunately, while initially slow in recognizing environmental problems we have now begun taking serious affirmative action, and no man in the Congress has done more to help protect our environment than former Senator Cale Boggs. Wherever you go among environmentalists his legislative accomplishments in this field are well known but it's a shame he hasn't been given the public recognition that is his due.

Through the diligence, dedication and persistence of such men and women as Cale Boggs we have made excellent progress toward coming to grips with the management of our environment by passing basically sound and effective environmental legislation. I am pleased to have been a strong supporter of environmental legislation.

Since 1968 at the Federal level we have created the Council on Environmental Quality, the Environmental Protection Agency, the National Oceanic and Atmospheric Administration. Beginning with 1970, we have seen passage of the Clean Air Amendments, the Federal Water Pollution Control Act Amendments, the Coastal Zone Management Act, (the Marine Protection, Research and Sanctuaries Act), the Federal Insecticide, Fungicide, and Rodenticide Act Amendments, the Endangered Species Act Amendments, the Marine Mammal Protection Act and just recently the Safe Drinking Water Act—to name a few.

Amendments to a number of these Acts are now pending in appropriate committees. Some of these proposals are controversial in nature. The most controversy I believe will arise with the Clean Air Act and the pesticides act.

Serious questions have been raised under the Clean Air Act as to whether there should be extensions of deadlines for automobiles and industrial plants to meet emissions and air quality standards; whether degradation or the lowering of air quality should be permitted in areas where air quality is cleaner than minimum requirements of the Act. Farmers and others are complaining that rulings under the pesticides legislation are an adverse impact, and must be modified. It is too early to determine what the committees will recommend.

As one member of Congress I want to make certain that we continue to move ahead in these important legislative areas. However, we cannot be shortsighted in our endeavors to protect and enhance our environment. We must take into account the interlocking needs of our nation.

This raises a matter of great concern to me and that is the ability of a democracy to arrive at a consensus. As I have stated I am a strong believer that this nation must learn to harmonize its way of life with nature. I strongly disagree with those who would turn their backs on the recent progress we have made in the environmental area. But it does disturb me that there are too many in this nation—businessmen, labor leaders, consumers, or environmentalists—who are developing what I call tunnel vision, who are unwilling to consider the legitimate concerns of others; who are unwilling to help develop a national consensus on current problems that will enable us to move forward in their solution.

I am a member of the Trilateral Commission which works to strengthen relations among the great democracies of the world. It is made up of government officials, business and labor leaders and distinguished scholars from Europe, Japan, Canada and the United States.

Its conferences and the studies it has commissioned show wide agreement that Western democracies are in serious trouble today. Many thoughtful observers question whether they have the capacity to cope with rapid social and economic changes, whether they have the ability to make hard decisions necessary to deal with the problems of the economy, the environment and energy, whether they can persuade their people to make the sacrifices which are necessary.

I for one am deeply disturbed that too many in this nation fail to see the need for reconciling the diverse and legitimate needs of this nation.

As we move ahead and clear the decks for more and more accomplishments in protecting the environment we must come to realize that over the long pull there should be no inherent conflict between our energy, environmental and economic goals. Environmental goals should be achieved in the most efficient way possible with an absolute minimum impact upon the economy, employment, industry, food supply, energy and capital. In like fashion we should seek economic, physical and energy growth with the least adverse impact upon our environment.

I fully subscribe to a statement by President Ford shortly after he entered the Presidency when he said, "I do not accept the dismal proposition that pollution is the inevitable price of prosperity nor that we must compromise the environment to gain economic growth. We cannot enrich our lives by impoverishing our land. We can raise both the standard of living and the quality of life."

I should like to turn briefly to the question of land use legislation. I have come to the conclusion that this is a matter for state and local, rather than Federal action. Frankly, the efforts of the Federal government in the recent past to dictate the building of refineries and a superport, with little consideration as to the impact on Delaware gives me little confidence in permitting Washington to move into their area. I think the people of Delaware should have the principal voice as to how Delaware is developed. I do think land use planning is essential, but I believe it should be carried out at local, state and in some instances, regional levels. It is here that the needs and problems are best understood. It is here that we're best equipped to cope with them. I would urge the Brandywine Valley Association to provide leadership in the planning area and do what you can to prevent a Federal takeover of this all-important function.

I want to congratulate you for your efforts in making effective use of sewage sludge. What to do with sewage waste is a growing problem and the Delaware reclamation project as well as your efforts to increase agricultural yield through the use of sludge are commendable and innovative approaches toward solving this problem. As a matter of fact for the past couple of years John Bryson, Delaware's Secretary of Natural Resources and Environmental Control and I have been fighting to prevent EPA from pulling out of Delaware's resource recovery demonstration project, where solid waste will be converted to fuel for power generation and compost for agricultural purposes.

Since serving in Congress I've been particularly interested in the area of government efficiency. Government can best be characterized by duplicating programs, bureaucratic red-tape and paperwork. EPA is no exception. I am pleased to say that there are signs that EPA is seeking at least in some areas to simplify its procedures. Yesterday, the Delaware Committee of 100 met in my office with representatives of EPA and there was agreement in several areas as to steps that could be taken to simplify the grant system. If EPA follows through, these changes could be significant not only in eliminating paperwork, but expediting the construction of waste treatment facilities and creating jobs now in the construction industry. Much also needs to be done in eliminating duplication and overlapping programs. I have introduced legislation to give the Executive branch authority to consolidate similar programs, subject to Congressional veto. I would like to think this legislation might be enacted into law, as it could be a major step to improve government efficiency, but it is too early to make any predictions.

I am hopeful that Congress will adopt legislation that I have introduced in the Senate to give EPA authority to delegate certification or approval responsibilities to the states for municipal waste treatment plant construction. It makes no sense to have several layers of approval when states now have established environmental agencies with competent staffs. This legislation is supported by EPA. I regret that I cannot be encouraging at this time as to any significant changes in the area of environmental impact procedures.

In closing, I am convinced that, in the years ahead, any real and lasting environmental progress must come as a result of state and local initiative and private action. And I agree with Russell Train, Administrator of U.S. Environmental Protection Agency, when he stated he regards the Federal role as focusing more and more, not simply on developing national standards, and regulations, and guidelines, but as encouraging and assisting in every way possible the developmet of joint Federal, state and local decisionmaking processes that can enable the citizens of this country to really come to grips with environmental issues and, by making intelligent tradeoffs between environmental and other needs and goals, to open up for increasing numbers of Americans the opportunity to enjoy both a higher standard of living and a higher quality of life.

On this point, I should like to quote the famous environmental author, Rene DuBos, for his wonderfully balanced perspective on man and his place in the natural scheme of things (as well as for his assessment of man's future within that scheme if he will but have the wits to work with, instead of at cross purposes with econological law.)

In an essay in the Smithsonian Magazine, Dr. DuBos wrote as follows: "We are hardly ever passive in front of the natural world; we alter it and fence it to create environments to suit our ambitions and limitations. In fact, men have always recognized or imagined patterns in the bewildering opulence of nature—and they have humanized the

earth according to the patterns that they perceive . . . I believe that by inserting our dreams and aspirations into ecological determinism, we can enrich the earth and diversify its manifestations by imposing human order on it and bringing out its hidden potentialities. We can manipulate the raw stuff of nature to shape it into environments which are ecologically sound, economically profitable, esthetically rewarding and favorable to the growth of the human spirit."

I share—as I hope you do—this reasoned statement of man's capacity to continue to live as man in responsible harmony with the world about him.

PROVIDING FOR THE REFUSAL OF NONIMMIGRANT VISAS

Mr. STONE. Mr. President, yesterday, December 17, 1975, I introduced S. 2803, a bill to amend the Immigration and Nationality Act to provide for the refusal of nonimmigrant visas in certain instances.

The text of my introductory statement appeared on page 41236 of yesterday's RECORD. I ask unanimous consent that the text of the bill be printed in the RECORD at this time.

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

S. 2803

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 221 of the Immigration and Nationality Act (8 U.S.C. 1201) is amended by adding at the end thereof the following new subsection:

"(j) The Secretary of State shall determine on a yearly basis, which, if any, countries whose citizens otherwise qualify to receive nonimmigrant visas, discriminate in the issuance of nonimmigrant visas to United States citizens on the basis of race, color, religion, sex, or national origin. Upon a determination that a country so discriminates, the Secretary of State shall direct that no nonimmigrant visas be issued to citizens of such country other than to accredited diplomats, members of their immediate families, attendants, servants, and their personal employees. Any such determination shall be reviewed by the Secretary of State every six months to establish whether such discrimination continues. The President may, if he determines it to be in the national interest, direct that this subsection be waived in the case of individual applicants. Any such waiver shall be reported to the Congress within thirty days after such determination.".

LABOR RELATIONS FOR JOURNALISTS

Mr. HRUSKA. Mr. President, it is with pleasure that I join Senators FANNIN, THURMOND, and LAXALT in cosponsoring S. 2712, a bill which would amend the National Labor Relations Act to provide for a freedom of choice in labor relations for journalists.

This bill, Mr. President, accords well with my own measure, S. 1178, the Fully Free Press Act of 1975.

Both proposals are designed to guarantee the first amendment rights of journalists, both in the print and electronic media.

S. 2712 would exempt persons employed as newspaper and magazine columnists or radio and television commentators and critics from the exclusive representation provisions of the National Labor Relations Act.

These provisions can be found in section 9(a) of the act, or section 159(a) of title 29, United States Code, which reads in relevant parts as follows:

Representatives designated or selected for the purposes of collective bargaining by the majority of the employees in a unit appropriate for such purposes, shall be the exclusive representatives of all the employees in such unit for the purposes of collective bargaining in respect of pay, wages, hours of employment, or other conditions of employment . . .

Mr. President, this matter has been before the courts. Commentator William F. Buckley, together with National Review, Inc., brought suit against the American Federation of Radio and Television Artists—AFL–CIO—challenging the constitutionality of the requirement that a journalist join and pay dues to the union and maintain membership in good standing or be denied his right to comment on public affairs.

Subsequently, the plaintiffs were joined by Commenator M. Stanton Evans and the liberal columnist, Nat Hentoff. Still later, the American Civil Liberties Union joined as amicus curiae.

The plaintiffs were successful in the Federal district court but were reversed in the Second Circuit Court of Appeals. The Suprmee Court denied a petition for a writ of certiorari.

Thus, Mr. President, the remedy must lie with the Congress. As Mr. Justice Douglas observed:

When Congress authorizes an employer and union to enter into union shop agreements binding and enforceable over the dissents of a minority of employees or union members, it has cast the weight of the Federal Government behind the agreements just as surely as if it had imposed them by statute.

Clearly, Mr. President, the Congress never intended that this Government should license either the press or individual journalists. Yet that is precisely what the present situation amounts to.

Many segments of the press consider that journalism is under attack on a number of fronts. Pending before the Supreme Court is a Nebraska case involving the difficult issue of free press against fair trial. The Court, in its wisdom, will decide that case.

What S. 2712 seeks to do is to protect the rights of journalists to speak and feters of compulsory unionism. It has the support of many thoughtful columnists and commentators, as Senator FANNIN demonstrated in his remarks in the Senate on November 20—CONGRESSIONAL RECORD, pages 37582 to 37585.

Finally, Mr. President, I ask unanimous consent to have printed in the RECORD an interview with Mr. William Buckley which appeared in the June 1971, edition of Nation's Business and which sets forth in greater detail the problems of enforced unionism on working journalists.

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

[From Nation's Business, June 1971]

WILLIAM F. BUCKLEY, JR., ON COMPULSORY UNIONISM

William F. Buckley, Jr. is one of the most articulate voices of the conservative cause in America, championing individual responsibilities and rights.

He has a variety of outlets—a column that appears in over 300 newspapers; the magazine, *National Review,* which he founded; books; the lecture circuit and his television interview show, "Firing Line."

Many of his fans think Mr. Buckley is at his best on television, where his gestures and facial expressions underline his sharp wit and mastery of the English Language.

But he's appeared on his show since its beginning under a particularly rankling condition—that he belong to a labor union or be barred, in effect, from appearing on television.

Now, he is counterattacking.

Mr. Buckley has filed a federal court suit challenging the constitutionality of collective bargaining agreements that make him an involuntary member of the American Federation of Television and Radio Artists (AFTRA), an AFL–CIO union.

"A writ of indenture" is what he calls his compulsory unionism.

The National R'ght to Work Legal Defense Foundation is backing him in the suit, and he's invited other radio and television personalities to join him in the battle.

He discusses the court case, and his views on some other issues, in this interview with a Nation's Business editor.

Mr. Buckley, why have you brought this suit against compulsory unionism?

Well, the basic argument is an extremely simple one—that the right of free speech is especially singled out for protection by the First Amendment to the Constitution of the United States; that it is inconceivable that the Constitution, having forbidden to Congress the right to encumber one's freedom of speech, should permit Congress to pass a law which, in turn, allows somebody else to encumber freedom of speech.

We take the position that what Congress can't do, AFTRA can't. And therefore, if AFTRA interprets a law of Congress as enabling it to do just that, either it has misinterpreted the law or the law as passed was unconstitutional.

Were there other grounds in addition to the First Amendment rights?

Yes—the right of association, the right to pursue an occupation of your own choice, and deprivation of liberty and property without due process of law.

What is your opinion of compulsory unionism in general, in addition to that in radio and television?

I am opposed to it. I am opposed to all monopolies and oligopolies. I have written over the years, spoken over the years in opposition to compulsory anything where there is a practical alternative.

What was the genesis of your program, "Firing Line"? Why did you want to become host of a television talk show?

To ventilate the conservative point of view.

Did you think the talk shows then on the air went too far in the liberal direction?

I didn't think, I knew. I had been on all of them, and I saw them.

Your show went on the air in 1966. At what point did AFTRA arrive on the scene?

AFTRA arrived in the fall of 1964. The AFTRA people called up and told my secretary that I must join.

Why did they call that early?

I suppose they got word of the idea for the talk show. In 1964, Robert Kline, who is an independent producer, got a backer who agreed to finance a half-dozen trial balloons,

using facilities at the New York World's Fair. We did three or four, after which the backer pulled out.

What happened?

He was terribly disappointed because his idea of a successful confrontation between me and Arthur Schlesinger Jr. was one that ended with Schlesinger throwing his arms in the air and saying, "I apologize for all of my sins."

Since it didn't work quite that way, the backer lost interest, and the show didn't go on the air. Kline went around to look for other backers and had it just about organized when I decided to run for mayor of New York. So the whole thing was put in abeyance for one year.

Was the AFTRA issue also put in abeyance?

No. AFTRA renewed its demands in the spring of '65 and told me I had to join.

But the show, at that point, had never appeared on the air?

No, but AFTRA had heard it was going to be launched. And, because I made guest appearances on other shows, I was told I must join AFTRA irrespective of whether the "Firing Line" series ever went on the air.

What was your reaction to that?

A negative one. I called up the greatest lawyer in the world. He said I had to join; i.e., that they had the raw power to keep me from broadcasting. So it was simply a matter of acquiescing or being read out of the medium.

What did the union promise to do in your behalf? What benefits were supposed to flow to you from your membership?

I didn't read all their stuff, but essentially what they said was that they would negotiate a basic rate and I would never get paid less.

That, as a matter of fact, was a solid contribution because I usually wasn't paid anything at all.

But I have always maintained that if I want to go on the air for nothing, I should be permitted to do so, and that if I want to get paid, I have a right to negotiate my own honorarium.

What initiation fee did you have to pay when you joined?

$200.

Is AFTRA engaged in activities that you object to?

Sure.

Does it support causes, for example, that you oppose?

I am not aware whether it suggests to its conscript membership that they ought to vote for this guy or vote for that guy or whether it gives some sort of subterranean help to this guy or that guy.

But it is very active, for instance, in pressing its demands. AFTRA called a strike two or three years ago which had us all listening to network vice presidents giving the news and the weather reports.

So AFTRA is not above using muscle in order to press demands, nor above disciplining those members who are less than fully compliant with instructions.

When AFTRA says, "Get on the picket line tomorrow," they mean: "Get on the picket line tomorrow." And when they say, "Don't cross it," they mean: "Don't cross it." And they are capable of inflicting draconian penalties on anybody who is disobedient.

You have referred to this form of compulsory unionism as "a writ of indenture." What do you mean by that?

I mean that the AFTRA people have a total hold over me which they are unilaterally in a position to use. Without consulting me, they can tell me what I can't do. They can tell me that the only alternative I have is simply to stop using facilities which some people think of as at least semipublic in nature.

At one point, you tried to resign from AFTRA. What was the outcome?

I sent representatives who told AFTRA I wanted to resign and asked would they permit me to do so. They said they would not.

So my colleagues asked, "Would you run him off the air if he did?" The answer was that if I withdrew from the union, AFTRA would instruct stations with which it has contracts—which is, for all intents and purposes, all stations—to stop broadcasting "Firing Line."

So the next step was the filing of the lawsuit last January. Did anything specific bring it to a head?

No. The timing was, to a considerable extent, a matter of backing. I had been in negotiation with various people over a period of two or three years on getting the backing to bring the suit. It was and is impossible to foretell exactly how much it is going to cost. And I was not in a mood to pledge my entire financial future, on which National Review depends, to the cost of this lawsuit.

So, I didn't want to go into it unless I knew that the backing would be forthcoming. That took a long time and a very careful examination of the constitutional issues involved in my case. And, when finally everything did check out, I don't think we delayed very much. The lawsuit was filed two or three months after we decided that everything was O.K.

You have invited other commentators, particularly liberals who have been outspoken in defense of First Amendment rights and other liberties, to join you in this suit. What type of response have you received from them?

Sluggish. Eric Sevareid of CBS reported on Jan. 21 that he had asked his lawyers to look into the documents of the case. He must have slower lawyers than I have because, so far as I am aware, they haven't yet advised him. At least, he hasn't said Yes and he hasn't said No.

We've had, however, very direct action from one or two people—Nat Hentoff, the liberal author and columnist for *The Village Voice,* for instance, and James Jackson Kilpatrick, who writes from the conservative viewpoint. Tom Wicker of *The New York Times* sent me $50 and authorized me to advertise the fact he had done so.

I think a lot of liberals are really vexed. On the one hand, they have the tradition of permitting labor unions to do anything they want to do—because of a sort of class identification between liberals and the labor movement. On the other hand, they are visibly upset by the lucidity of the reasoning in this lawsuit. And that is why there is torment.

The New York Times can't write about it coherently, so confused are they by it.

The American Civil Liberties Union, which has long held that there is no violation of constitutional rights in union shop arrangements, has said it would review its position in the light of your suit. Have you heard any more from the ACLU?

No, I haven't. But I know it is going to be an uphill fight to get its support.

My guess is that the executive director of the ACLU is favorably disposed to this case, but that he is going to face a lot of trouble from those old trade union types who put in a lot of money to keep ACLU alive. Never mind the Bill of Rights, they aren't going to want to see themselves identified with anything as scabbish as this.

Do you see a conflict here between the ACLU's basic avowed purpose of protecting individual rights and the coercion involved in compulsory unionism such as a union shop?

Yes, yes. The ACLU does a lot of foolish things and has often attempted to absolutize the provisions of the Bill of Rights. If you do that, it seems to me, you pretty well make them incoherent. But I don't think it requires the absolutization of the First Amendment to reach the conclusion that nobody ought to be required to belong to any organization in order to appear on television or radio and say whether he is for or against the Common Market.

What sort of public responses have you had to your suit?

I am just back from a lecture trip and I went nowhere on 10 college campuses where the subject wasn't raised.

There is an extraordinary knowledge of the lawsuit all over the country and a tremendous amount of curiosity about it. The students are fascinated by it.

They think it is perfectly O.K. to take a position contrary to the labor union. This doesn't make you a scab or a fascist, or anything of the sort, in their minds. It may very well be that that is because the younger generation is less identified with the labor unions as a matter of class solidarity.

What other impressions did you glean on your trip about the mood of students, after the upheavals of the past two or three years?

I have a feeling that students are less sold than they were a year ago on the utility of demonstrations. They know that the Viet Nam war is winding down, and they know that they didn't have a hell of a lot to do with it—it was winding down anyway.

Also, I think there probably is a certain sense of embarrassment over the lengths they went to in protesting the Cambodia incursion, which turned out to be a rather conventional military operation. All their apocalyptic talk in May of last year now sort of drifts around like fugitive mines after the war's end. And there are those of us mean enough to remind them of those mines.

It doesn't mean that students are now all integrated with the Administration. They don't like Nixon, they don't like Reagan, they don't like the Establishment, as I understand it. But I think they are less disposed than they were to sort of move around licentiously and figure they can ring in a new order.

As a television personality yourself, how do you react when the Vice President and others question the objectivity of some of the news media, particularly network television?

I think it is the greatest redundancy in the history of our time. It has been obvious to me for a great many years that the networks tend to be biased. It is more interesting to observe the reactions than the charge.

In what way are the networks biased?

Liberal; a left-liberal position.

If you could implement just one change in the way that television news and commentary is given, what would it be?

I would encourage a conscious search for intelligent and well-informed people who don't go along with the *Zeitgeist,* who would be on the air on a fairly regular basis.

For instance, Howard K. Smith—who dissented from the general opposition to Viet Nam—made an enormous difference in just the fact that he was there occasionally to say a few things on ABC.

I wish there were somebody like that to put other issues into focus on all the networks.

MODEL INMATE EMPLOYMENT PROJECT

Mr. EAGLETON. Mr. President, the difficulties jail inmates face in finding meaningful employment upon release cuts to the very core of our Nation's crime problem. Recidivism keeps both the crime rate and the cost of incarcera-

tion climbing—and the chance for safer streets plummeting.

The Chamber of Commerce of Greater Kansas City was the first chamber in the United States to commit itself to encouraging businesses and industries to provide equal employment opportunities for ex-offenders. Together with Jackson County, Mo., and a trial project funded by the Law Enforcement Assistance Administration, LEAA, called the Model Inmate Employment project, MIEP, significant progress is being experienced in breaking the cycle of repeat offenders in Kansas City.

According to a Kansas City Star editorial of July 15, 1974—

Of the 50 or so prisoners in the employment project program since it started last March, four or five have been arrested. But that is much better than the record that can be expected from ordinary jail releases.

This approach of reducing crime by finding jobs for ex-offenders is nothing new. What is unique about MIEP is that it is keyed to careful selection and preparation of inmates. Counseling, testing, and training are combined to help inmates find a job commensurate with his or her skills and capacities.

Although it has been estimated that over 3 million inmates pass through county jails yearly, they are rarely exposed to correctional reform efforts. A recent study of the Jackson County jail population showed that most were under 25 years of age, unemployed or working at a job beneath their potential, and had been in jail twice before on charges of nonviolent crimes. Clearly the best chance for halting this type of inmate pattern is while the inmate is young and before he has committed an offense that will result in a prison term.

MIEP, which also operates in two other counties in the Nation on a pilot basis, has a national advisory board comprised of representatives from the National Association of Counties, American Bar Association, National Jail Association, National Alliance of Businessmen, U.S. Jaycees, and the U.S. Chamber of Commerce.

The program operates in three phases: preemployment training, job development/placement, and followup after release. As the project was designed to be replicated elsewhere and, since county jail budgets are traditionally meager, project costs were kept low. Each of the three national sites, including Jackson County, was provided three staff members—a project manager and two assistants. Community agencies and other resources are fully utilized, negating duplication of efforts and correspondingly increased costs.

MIEP operates directly out of the county correctional facility. Services are provided to sentenced inmates 30 to 90 days before release, parole, or work release.

Before entering the first phase of MIEP, an inmate is screened and tested for job aptitude and interest. He is then enrolled in preemployment training. This aspect of the program is designed to prepare inmate clients for reentry into society. A 4-week segment of classes on various topics is provided, with subjects that include money management, banking, personal identity, family planning, housing, health care, community services, personal appearance, law, criminal justice processes, job interview techniques, filling out job applications, industrial safety practices, employer loyalty, promptness, and how to get along with fellow employees.

These classes are conducted by individuals from the community who have expertise in each respective area, and volunteer their time on a monthly basis to the program.

Following testing and prerelease preparation, a client is placed in a job matched to his employment interest. First-year statistics show that the average salary earned by project clients in the three pilot areas to be $3.11 per hour plus fringe benefits. Retention on this first job was over 60 percent. Because of the professional job development and career counseling provided, an inmate client stands a much greater chance of obtaining employment with an opportunity for advancement. These same efforts are, no doubt, responsible also for the 4-percent recidivism rate of project clients.

Followup is provided to clients after release for 90 days to 6 months. However, this time may be extended, depending on individual needs. Employers see this as another positive aspect of MIEP, whereby a client-employee will be given assistance in the community until he is able to "make it" on his own. Many other project clients are provided assistance in areas of education, job training, legal assistance, medical services, family counseling, transportation, tools, and other services.

Statistics for the first year of the Jackson County project, ending in December 1974, show that over 100 clients were placed at a starting salary of over $3 per hour plus fringe benefits. Retention on the job was over 70 percent and recidivism was under 4 percent.

In both economic and human terms the price of incarcerating people is high. Now MIEP is proving that "correction" can have a meaning to both the county inmate and the business community.

Mr. President, I want to commend the Greater Kansas City Chamber of Commerce, Jackson County, and the LEAA for their innovative efforts.

EASING THE HATCH ACT AND PROMOTION POLITICS

Mr. FONG. Mr. President, I wish to call special attention to a column by Joseph Young which appeared in the Washington Star yesterday under the heading "Easing the Hatch Act and Promotion Politics."

Rarely has a knowledgeable writer on this subject described so effectively what is so dangerously wrong with overhauling the Hatch Act, the law which prohibits involvement by Federal workers in partisan political activities.

The veteran columnist, who has covered the "Government beat" for more than 25 years, makes a most persuasive case against H.R. 8617, the bill now before the Senate.

He points to the disastrous consequences for the 2.8 million Federal civil service and postal employees should the bill become law.

To those who argue that politics already exists in the Federal career service and consequently overhauling the Hatch Act will not change anything, Young replies:

We agree that sometimes there are political factors involved in appointments and promotions in Federal career jobs. And there always will be, to some degree, whether the Hatch Act is overhauled or not.

But our point is that if the Hatch Act is gutted, then the political impact on the career service will be multiplied a thousandfold.

The irregularities that exist today and which existed during the Watergate era, will be like child's play compared to what it would be if government employees are given the green light to become political partisans and engage freely in all forms of political activity.

Young warns further, if H.R. 8617 becomes law:

And those careerists who chose to play the political game would suffer the consequences when a new political administration came into power. Those who lived by the sword would die by the sword.

I ask unanimous consent to have Joseph Young's column of December 16 printed in the RECORD.

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

EASING THE HATCH ACT AND PROMOTION POLICIES

(By Joseph Young)

During the Nixon administration a Treasury career employe was highly recommended by his boss for promotion to a key career job in the department.

When the boss made the recommendation to the division chief, that worthy asked, "Is he a Republican?"

The employe's boss was nonplussed. "I don't know," he confessed. "I didn't think it made any difference."

"Well, it does to us," said the chief. "Let's find out."

"How can you, short of asking him point-blank?" asked the boss.

"Easy," said the chief. "Let me show you how."

Whereupon, he asked for the career employe's home phone number. When he got it, he dialed the number and the employe's wife answered the phone.

"This is the Committee to Re-Elect the President," the chief lied smoothly. "Would you like to contribute some money to re-elect President Nixon?"

"Nixon!" exclaimed the wife. "That dirty so-and-so. I wouldn't give him a plugged nickel!" she added, slamming down the receiver.

Turning to the employe's boss, the chief said, "Well, there's your answer. Your employee is definitely not a Republican."

P.S. The employee did not get the promotion.

Why do we relate this true story now?

Well, we feel it is very timely, what with Congress ready to revise the Hatch Act in order to give federal and postal employes the right to engage freely in partisan politics. The House already has approved the bill and the Senate is due to act on it next month.

Proponents of the bill no doubt can use our story to bolster their argument that politics already exists in the federal career service and consequently overhaul of the Hatch Act won't change anything.

We agree that sometimes there are political factors involved in appointments and promotions in federal career jobs. And there always will be, to some degree, whether the Hatch Act is overhauled or not.

But our point is that if the Hatch Act is gutted, then the political impact on the career service will be muliplied a thousandfold.

The irregularities that exist today and which existed during the Watergate era will be like child's play compared to what it would be if government employes are given the green light to become political partisans and engage freely in all forms of political activity.

We respect the views of those who contend that government employes should not be treated as second-class citizens when it comes to participating in the political affairs of their country.

But it seems to us that the alternative is very much worse. The political climate and atmosphere that would permeate government would make the term "career service" a gross misnomer. Politics rather than merit would be the byword in determining government careers.

And those careerists who chose to play the political game would suffer the consequences when a new political administration came into power. Those who lived by the sword would die by the sword.

CHILD AND FAMILY SERVICES ACT OF 1975—S. 626

Mr. KENNEDY. Mr. President, legislation on the Child and Family Services Act pending before the Congress is designed to establish fundamental policy for the effective delivery of needed services to our Nation's children and to their parents. As a member of the Senate Subcommittee on Children and Youth, I know that experts in the field of child and family services believe this legislation is properly designed to support and strengthen families. Representatives of social service agencies, church groups, and others who are deeply committed to the interests of our Nation's families have strongly supported the provisions of this important legislation.

Yet, there have been substantial charges aimed at the bill that I cosponsored along with 28 other Senators. And I share the concern of Senator WALTER MONDALE, the author of this bill, in the need to provide an adequate response to the charges and allegations that in no way address the real intent or purpose of the provisions included in the legislation.

Since 1971, when I joined with other Senators to cosponsor similar legislation, I have been deeply concerned about the need to enact legislation for a program that promises to address the serious demand to offer access to health, education, and child care services that many families want for their children but often cannot afford.

Prenatal health care and early medical screening and treatment to detect and remedy handicapping conditions, and day care services for children of working mothers, are the most essential services authorized in this bill. I fully believe that our Nation's needy families deserve to receive the attention and care that this legislation is prepared to offer.

For that reason, I ask unanimous consent to have printed in the RECORD a copy of a memorandum that addresses the familiar, but erroneous charges against the bill. And I am also including a section-by-section analysis of S. 626, the Child and Family Services Act of 1975.

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

MEMORANDUM: ATTACKS ON CHILD AND FAMILY SERVICES BILL

1. Unsigned Flyers entitled: "Raising Children—Government's or Parents Right?

ATTACK

"There is before Congress legislation known as the Child and Family Services Act of 1975 (Senate: S. 626 and House: H.R. 2966). If passed it would take the responsibility of the parents to raise their children and give it to the Government."

FACT

This bill would in no way take the responsibility for child rearing away from parents. All programs authorized in the bill (S. 626 and H.R. 2966, Section 2(a)(2)) "must build upon and strengthen the role of the family and must be provided on a voluntary basis only to children whose parents or guardians request such services." In addition, any practice which would "infringe or usurp the moral and legal responsibilites of parents or guardians" is specifically prohibited (Section 504(a)).

ATTACK

"Child Advocacy Clause. In the Congressional Record we read: 'If, in the judgment of those who are in charge of such a program (the State by way of the Secretary of Health, Education and Welfare), parents are not doing a good job, the advocate (a "specialist" appointed by the government) would enter the home and direct the education, even within the home. And, if the parent would object, the authority in the home would, DeFacto, be transferred to these advocated (sic).'"

FACT

While this material may have appeared in the Congressional Record (although an exhaustive Record search has failed to discover it), it is categorically false to contend that: (a) such language appears in S. 626 or H.R. 2966; (b) such beliefs are held or advocated by any of the sponsors of S. 626 or H.R. 2966; or (c) that any "child Advocacy clause" of any kind appears in the bill (See "Special Note on the Congressional Record" below).

ATTACK

"Charter of Children's Rights of the National Council of Civil Liberties is becoming a part of this Child Development Act."

The flyers go on to list the following items in this charter, alleging that they can "be found on page 44138 of the Congressional Record":

"(1) All Children have the right of protection from, and compensation for the consequences of any inadequacies in their homes and backgrounds. (Note: In other words, never punish your child because he may come back to you with a civil suit.)"

"(2) Children have the right to protection from any excessive claims made on them by their parents or authority. The question was asked, by way of example, what do you mean by the fact 'Excessive claim', and the example was given. If the mother or father asked the child to take the garbage out and the child doesn't want to the parents have no right to insist on it.'"

"(3) Children have the right to freedom from religious or political indoctrination. That means that you have no right to insist on taking them to church, if they do not wish to go. That also means they have the freedom to insist that they be taught nothing, or any ideas, about God."

"(4) Children shall have the freedom to make complaints about teachers, parents and others without fear of reprisals. This speaks for itself."

FACT

No such language or "charter" has ever been proposed, included or even considered for the Child and Family Services Act or any related piece of legislation. This "charter" initially surfaced during Senate debate on December 2, 1971 on the Conference Report on the Office of Economic Opportunity Act which included child care provisions. Senator Carl T. Curtis (R-Nebraska), an opponent of this measure, said, "In England, child development advocates have gone so far as to draft a charter of children's rights." Curtis continued by reading from something he called the Charter of Children's Rights" of "the British Advisory Center of Education and the National Council for Civil Liberties." Thus, these so-called "rights", never included in this legislation, and were never advocated by sponsors of this legislation. In fact, the "Council" cited is not even an American organization. (See "Special Note on the Congressional Record" below).

S. 626 and H.R. 2966 specifically state in Section 504(a) that "Nothing in this Act shall be construed or applied in such a manner as to infringe upon or usurp the moral and legal rights and responsibilities of parents or guardians with respect to the moral, mental, emotional, physical, or other development of their children. Nor shall any section of this Act be construed or applied in such a manner as to permit any invasion of privacy otherwise protected by law, or to abridge any legal remedies for any such invasion which are otherwise provided by law."

ATTACK

"Can the Government Take Away Your Children? Comprehensive child development, the Soviet-style system of communal child rearing which almost became law in this country in 1971 is once again being pushed through Congress. The current bills H.R. 2966 (House of Representatives) S. 626 (Senate), are virtually identical to the original act passed in 1971, but fortunately vetoed by the then president, Nixon. Now it is known as the Child and Family Services Act of 1975 and any changes are merely cosmetic."

"In vetoing the original bill which would have removed children from their parent's instruction shortly after birth, Mr. Nixon said that it would weaken the American family by committing 'vast moral authority of the national government to the side of communal approaches to child rearing over against the family oriented approach.'"

"We are in serious danger of 'Sovietizing' the education of our children if we let the Child and Family Services Act of 1975 pass. Those who support this Act in the Congress are convinced that it will 'Sail through the House.'"

FACT

This charge is of course, absurd and irresponsible. The sponsors of the bill have carefully drafted it to protect the rights of parents and their children:

First, participation in the program is completely voluntary. Children cannot participate without the specific request of a parent or legal guardian (Section 2(a)(2) and Section 106(b)(1))

Second, the bill prohibits any practice which would "infringe upon or usurp the moral and legal rights and resposibilities of parents or guardians." (Section 504(a))

Third, a child cannot be tested unless the parent or guardian is informed and given the opportunity to exempt the child from testing. (Section 504(a))

Fourth, unlike the public school program,

the child and family services programs are totally voluntary.

ATTACK

"According to the Congressional Record, the intent of the bill is for the government to be responsible . . . for the nutritional interests of your child, for all psychological interests of your child."

FACT

This statement is totally inaccurate and irrelevant to the legislation.

The intent of the bill is (Section 2(b)) "to provide a variety of quality child and family services in order to assist parents who request such services, with priority to those preschool children and families with the greatest need, in a manner designed to strengthen family life and to insure decision-making at the community level, with direct participation of the parents of the children served and other individuals and organizations in the community interested in child and family service (making the best possible use of public and private resources), through a partnership of parents, State and local government, and the Federal Government, building upon the experience and success of Headstart and other existing programs." (See "Special Note on the Congressional Record" below).

In fact, the bill specifically prohibits any medical or psychological examination or treatment unless a child's parent or guardian provides written permission (Section 504 (c)).

ATTACK

"The following excerpts are taken from the Congressional Record: 'What is at issue is whether the parent shall continue to have the right to form the character of the children or whether the state, with all its power and magnitude, shall be given the decisive tools and technique for forming the young lives of the children of this country.'"

"'As a matter of child's rights, the government shall exert control over the family because we have recognized that the child is not the care of the parents, but the care of the state (sic). We recognize further that not parental, but communal forms of upbringing have an unquestionable superiority over all other forms. Furthermore, there is serious question that maybe we cannot trust the family to prepare young children in this country for this new kind of world which is emerging.'"

"This all smells of Communism. This is what in fact has been and is being done in Soviet Russia. This is what can become the law of our land, if the Child and Family Service Act of 1975 is passed by the Congress. We elected this Congress, but do we know what they are attempting to do to our freedoms and our rights?"

FACT

These citations, if they did in fact appear in the Congressional Record, are diametrically opposed to the purpose and intent of the bill.

First, the programs are completely voluntary. (Section 2(a)(2) and Section 106(b)(1))

Second, the precisely stated purpose of the legislation is to "strengthen family life," not weaken it. (Section 2(b))

Third, the program is to be operated locally, not by the national government. (Section 104)

Fourth, the bill contains specific prohibitions against any practice infringing on the rights and responsibilities of parents. Section 504(a))

(See "Special Note on the Congressional Record" below).

SPECIAL NOTE ON THE CONGRESSIONAL RECORD

Throughout this leaflet, the "Congressional Record" is cited. The Congressional Record has the ring of an official pronouncement to it. But, anyone who has ever even glanced at the Record knows that it contains not only the debates in the House of Representatives and Senate but also speeches and material simply "inserted" into the Record. Any Member of Congress has the right to insert material in the Record, and therefore, the assertion that a statement is "according to the Congressional Record" is meaningless since the Record itself makes no statement of policy. Policy statements are made by the Members of Congress quoted in the Record.

This flyer provides a good example of the abuse of the citation of the Congressional Record. Senator Curtis of Nebraska included as part of his remarks on a bill considered by Congress in 1971 some material which he attributed to an organization in a foreign country. By misleading citation, the flyer implies that this material appeared in the Congressional Record this year and that it represents the contents of the bill. The bill's sponsors had never before seen this material.

CHILD AND FAMILY SERVICES ACT

(By the U.S. Senate Subcommittee on Children and Youth)

NEEDS

The infant mortality rate in the United States is higher than that of 13 other nations.

Each year an estimated 200,000 children are struck by handicaps which could have been prevented if their mothers had received early health care.

Forty percent of the young children of this country are not fully immunized against childhood diseases.

Sixty-five percent of all handicapped preschool children are not receiving special services.

There are only one million spaces in licensed day care homes and centers to serve the six million preschool children whose mothers are working.

PROPOSED SERVICES

The bill authorizes funding for local communities and parent organizations to choose among a wide variety of child and family services, including: prenatal health care; medical treatment to detect and remedy handicaps; nutrition assistance; and day care services for children of working mothers. The bill does *not* provide for compulsory preschool education.

PARENT CONTROL

Participation in all programs is totally voluntary, and limited to children whose parents request services.

All programs would be selected, established and controlled by parents whose children participate.

FAMILY STRENGTHENING

The bill states that "the family is the primary and most fundamental influence on children" and that "child and family service programs must build upon and strengthen the role of the family".

The bill has been specifically endorsed as family strengthening by a wide range of civic and religious organizations including the Catholic Church, the Baptist Church, the United Methodist Church and the Lutheran Church.

CHILD AND FAMILY SERVICES ACT OF 1975, S. 626

SECTION-BY-SECTION ANALYSIS

Section 1

Section 2

Statement of Findings and Purpose.—Finds that "the family is the primary and most fundamental influence on children; that child and family services must build upon and strengthen the role of the family and must be provided on a voluntary basis only to children whose parents request them" with priority for preschool children with the greatest economic and human need; that there is a lack of adequate child and family services; and that there is a necessity for planning and operation of programs as partnership of parents, community, state and local governments, with appropriate federal supportive assistance.

Purpose is to "provide a variety of quality child and family services in order to assist parents who request such services, with priority to those preschool children and families with the greatest economic or human needs, in a manner designed to strengthen family life and to insure decision-making at the community level" and provide decision-making with direct parent participation through a partnership of parents, State, local and Federal government.

Section 3

Authorization of Appropriations.—Authorizes $150 million for fiscal 1976 and $200 million for FY 1977 for training, planning, and technical assistance and $500 million in FY 1977 and $1 billion in FY 1978 for program operation. Headstart would be funded under separate authority, and its funding protected by a requirement that no operational funds could be appropriated for this new program unless and until Headstart is funded at the level it received in FY 1975 or FY 1976, whichever is higher.

Forward funding is authorized.

TITLE I—CHILD AND FAMILY SERVICES PROGRAMS

Section 101

Establishes Office of Child and Family Services in HEW to assume the responsibilities of the Office of Child Development and serve as principal agency for administration of this Act; and Child and Family Services Coordinating Council with representatives from various federal agencies to assure coordination of federal programs in the field.

Section 102

Financial Assistance.—Define purposes for which federal funds can be used: (1) planning and developing programs, (2) establishing, maintaining, and operating programs, including part-day or full-day child care in the home, in group homes, or in other child care facilities; other specially designed programs such as after-school programs; family services, including in-home and in-school services; information and referral services to aid families in selecting child and family services; prenatal care; programs to meet special needs of minorities, Indians, migrants and bilingual children; food and nutrition services; diagnosis of handicaps or barriers to full participation in child and family services programs; special services for handicapped children within regular programs; programs to extend child and family service gains, including parent participation, into the elementary schools; (3) rental, renovation, acquisition, or construction of facilities, including mobile facilities; (4) preservice and inservice training; (5) staff and administrative expenses of councils and committees required by the Act; and (6) dissemination of information to families.

Section 103

Allocation of Funds.—Reserves funds proportionately for migrant and Indian children, not less than 10% for services to handicapped children, and not less than 5% for monitoring and enforcement of standards.

Allocates the remainder among the states and within the states, 50% according to relative number of economically disadvantaged children, 25% according to relative number of children through age five, and 25% according to relative number of children of working mothers and single parents.

Allows use of up to 5% of a state's allocation for special state programs under Section 108.

Section 104

Prime Sponsors.—States, localities, combinations of localities or public and non-

profit organizations are eligible to serve as prime sponsors.

The bills current provisions establish performance criteria for prime sponsor; demonstrated interest in and capability of running comprehensive programs, including coordination of all services for children within the prime sponsorship area; assurances of nonfederal share; establishment of a Child and Family Service Council (CFSC) to administer and coordinate programs.

Public or private nonprofit organizations can serve as prime sponsors with priority on governmental units. Any locality or combination of localities which submits an application meeting the performance criteria may be designated prime sponsor if the Secretary determines it has the capacity to carry out comprehensive and effective programs. The state may be designated prime sponsor for all areas where local prime sponsors do not apply or cannot meet the performance criteria, provided that the state meets the performance criteria and divides its area of jurisdiction into local service areas with local child and family services councils which approve the relevant portions of the state's plan and contracts for operation of programs within the local service areas.

The Secretary may fund directly an Indian tribe to carry out programs on a reservation. He may also fund public or private nonprofit agencies to operate migrant programs, model programs, or programs where no prime sponsor has been designated or where a designated prime sponsor is not meeting certain needs.

Directs the Secretary to designate an alternative to any prime sponsor discriminating against minority group children or economically disadvantaged children.

Provides opportunity for Governor to comment on prime sponsorship applications and provides appeal procedure for applicants who are disapproved.

The sponsors want to particularly emphasize that as the bill is considered they intend to invite the testimony of representatives of Federal, State, and local government, as well as other experts, with respect to the best allocation of responsibility among various levels of government which will insure parental involvement, local diversity to meet local needs and appropriate State involvement to assure coordination and maximum utilization of available resources.

Section 105

Child and Family Service Councils.—Sets forth composition, method of selection, and functions of councils. Half of members must be parents, selected by parents of children served by programs under the Act. The remaining members appointed by the prime sponsor in consultation with parent members, to be broadly representative of the general public, including representatives of private agencies in the prime sponsorship area operating programs of child and family services and at least one specialist in child and family services. At least one-third of the total council to be economically disadvantaged.

A State prime sponsor must establish councils at the state level and for each local service area. Parent members of the state council to be selected by parent members of local councils.

Council approves goals, policies, action and procedures of prime sponsors, including planning, personnel, budgeting, funding of projects, and monitoring and evaluation.

Section 106

Child and Family Service Plans.—Requires that prime sponsor submit plan before receiving funds. Plan must "provide that programs or services under this title shall be provided only for children whose parents request them"; Identify needs and purposes for which funds will be used; give priority to children who have not reached six years of age; reserve 65 percent of the funds for economically disadvantaged children, and priority thereafter to children of single parents and working mothers; provide free services for children of families below the Bureau of Labor Statistics lower living standards budget and establish a sliding fee schedule based on ability to pay for families above that income level; include to the extent feasible, children from a range of socioeconomic backgrounds; meet the special needs of minority group, migrant, and bilingual children; provide for direct parent participation in programs, including employment of parents and others from the community with opportunity for career advancement; establish procedures for approval of project applications with priority consideration for ongoing programs and applications submitted by public and private non-profit organizations; provide for coordination with other prime sponsors and with other child care and related programs in the area; provide for monitoring and evaluation to assure programs meet federal standards; where possible, supplement funds provided by this Act with assistance from other sources.

Requires that the Governor, all local education agencies, Headstart and community action agencies have the opportunity to comment on the plan.

Establishes appeal procedures if plans are disapproved.

Section 107

Project Applications.—Provides for grants from prime sponsor to public or private organizations to carry out programs under the prime sponsor plan pursuant to a project application approved by the CSFC.

The project applicant must establish a parent policy committee (PPC), composed of at least 10 members with 50% parents of children served by the project, at least one child care specialist, and other representatives of the community approved by the parent members. The PPC must participate in the development of project applications and must approve basic goals, policies, action and procedures of the applicant, including personnel, budgeting, location of center, and evaluation of projects.

The application must: provide for training and administrative expenses of the PPC; guarantee free services for economically disadvantaged children with fees according to the fee schedule for other children; assure direct participation of parents and other family members, including employment opportunities; provide for dissemination of information on the project to parents and the community; and provide opportunities for the participation of children, regardless of participation in nonpublic school programs.

Section 108

Special Grants to States.—Authorizes special grants to the states on approval of Secretary, to establish a child and family services information program to assess goals and needs in state; to coordinate all state child care and related services; to develop and enforce state licensing codes for child care facilities; and to assist public and private agencies in acquiring or improving such facilities. A state must establish a Child and Family Services Council to receive a special grant.

Section 109

Additional Conditions for Programs Including Construction or Acquisition.—Allows federal funding for construction or acquisition only where no alternatives are practicable, and provides federal funding for alteration, remodeling, and renovation. Provides that no more than 15% of a prime sponsor's funds may be used for construction; that no more than half of that may be in the form of grants rather than loans, limited to public and private non-profit agencies, organizations, and institutions.

Section 110

Use of Public Facilities for Child and Family Service Programs.—Requires that federal government and prime sponsors make available for child and family service programs facilities they own or lease, when they are not fully utilized for their usual purposes.

Section 111

Payments.—Provides 100% federal share for planning in FY 1976, 90% federal share for fiscal 1977 and 1978, 80% for subsequent fiscal years. Provides 100% federal share for programs for migrants and Indians, and allows waiver of part of all of non-federal share where necessary to meet needs of economically disadvantaged children.

Non-federal share may be in cash or in kind. Revenues generated by fees may not be used as non-federal share but must be used by prime sponsor to expand programs.

TITLE II—STANDARDS, ENFORCEMENT, AND EVALUATION

Section 201

Federal Standards for Child Care.—Authorizes a national committee on federal standards, with one-half parent participation, to establish standards for all child care services programs funded by this or any other federal act. The 1968 Interagency Day Care Requirements would continue to apply until such standards must be consistent with the 1968 Requirements.

The Secretary must submit the proposed standards for approval to the Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor. No prime sponsor or project applicant is allowed to reduce services below these standards.

Section 202

Development of Uniform Code for Facilities.—Requires a committee to develop a uniform minimum code dealing with health and safety of children and applicable to all facilities funded by this Act.

Section 203

Program Monitoring and Enforcement.—Requires the Secretary through The Office of Child and Family Services, to establish an adequately trained staff to periodically monitor programs to assure compliance with the child care standards and other requirements of the Act.

Section 204

Withholding of Grants.—Provides procedure for withholding of funds to programs which have failed to comply with standards or requirements of the Act.

Section 205

Criteria With Respect to Fee Schedule.—Requires Secretary to establish criteria for adoption of the schedule based on family size and ability to pay with considerations for regional differences of the cost of living. The criteria must be submitted for approval by the Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor.

Section 206

Evaluation.—Requires the Secretary to make annual evaluations and report to Congress on federal child family services activities.

TITLE III—RESEARCH AND DEMONSTRATIONS

Section 301

Research and Demonstration.—Authorizes child and family services research and requires that the Office of Child and Family Services coordinate research by federal agencies.

TITLE IV—TRAINING OF PERSONNEL FOR CHILD AND FAMILY SERVICES

Section 401

Preservice and Inservice Training.—Provides for training of personnel, including

volunteers, employed in programs assisted under this Act.

Section 402

Technical Assistance and Planning.—Provides technical assistance to child and family services programs.

TITLE V—GENERAL PROVISIONS

Section 501

Definitions.—Defines terms used in the Act.

Section 502

Nutrition Services.—Requires that procedures be established to assure adequate nutrition services in programs under the Act, including use of Section 13 (special food service programs) of the School Lunch Act and the Child Nutrition Act.

Section 503

Special Provisions.—Anti-discrimination provisions, including separate provisions on sex discrimination. Requires that programs meet the minimum wage. Prohibits use of funds for constructing, operating, or maintaining facilities for sectarian instruction of religious workshop.

Section 504

Special Prohibitions and Protections.—States that "Nothing in this Act shall be construed or applied in such a manner as to infringe upon or usurp the moral and legal rights and responsibilities of parents or guardians with respect to the moral, mental, emotional, physical, or other development of their children. Nor shall any section of this Act be construed or applied in such a manner as to permit any invasion of privacy otherwise protected by law, or to abridge any legal remedies for any such invasion which are otherwise provided by law."

Section 505

Public Information.—Requires that all applications, plans, and written material pertaining thereto be made available to the public without charge.

Section 506

Repeal or Amendment of Existing Authority and Coordination.

Section 507

Acceptance of Funds.

ANGOLA

Mr. THURMOND. Mr. President, today the Senate will continue to debate the question of Angola. In my opinion, this is a serious situation with implications which reach far beyond Angola. In my opinion, the Soviet interference in Angola questions their commitment to détente.

Mr. President, Mr. Rowland Evans and Mr. Robert Novak have written an excellent column pointing out the dangers of Congress tying the President's hands in this situation. I ask unanimous consent that an article by Mr. Evans and Mr. Novak entitled ". . . . And the U.S. Response" which appeared in the December 18, 1975, issue of the Washington Post be printed in the RECORD.

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

. . . AND THE U.S. RESPONSE

Behind the Congressional rush to tie the Ford Administration's hands on Angola lies a more ominous problem now hotly debated at highest levels: how can the United States compete against the political offensive of its rival superpower, the Soviet Union?

That political offensive is certainly not centered on rich, strategically placed Angola. The newly independent state on Africa's west coast is only one example of Moscow's offensive. The Kremlin's battle plan includes rising pressures on Yugoslavia, more complete economic domination of Eastern Europe and political-economic forays almost everywhere the world map reaches.

Angola, in the view of high administration officials, exactly defines the agonizing problem of how the U.S. should respond. As such, it reflects a superpower in decline, still recovering from the Indochina debacle and unable even to approach the speed and unity of its reaction to Soviet pressure after World War II.

The stampede to isolationism by anti-administration Democrats such as Sen. Birch Bayh of Indiana, a leading Presidential candidate, seems politically expedient, compounded by dangerous ignorance.

In a Nov. 28 statement, Bayh equated U.S. "involvement in the brutal civil war in Angola" with "intervention" of the Soviet Union, Cuba, Communist China and South Africa. He also equated small (up to $50 million) U.S. aid for anti-Soviet political movements with incomparably larger U.S. involvement in the earliest stages of the Vietnam war.

In fact, the Soviets for years have financed the popular movement for the liberation of Angola (MPLA) in the absence of any U.S. involvement at all with any other Angolan faction. Washington's policy had been to support the Portuguese, whose original plan for slower Angolan independence was wrecked by the 1974 revolution in Portugal.

The Congressional rampage against President Ford's comparatively modest efforts to slow the MPLA's rise to total political power carries ominous implications for the whole world, not just the "third" or uncommitted world. It symbolizes U.S. inability to respond to Soviet challenges because of the ravages of Vietnam and ten years of internal political upheaval.

Actually, it is extraordinarily difficult to prescribe the correct U.S. reaction to the Soviet challenge in Angola, including its portentous decision to use 3,000 Cuban troops and technicians. That helps explain the decision of Nathaniel Davis, now Ambassador-designate to Switzerland, to resign as Assistant Secretary of State for African Affairs.

Davis objected to Secretary of State Henry Kissinger's decision to send clandestine aid through CIA channels to neighboring Zaire for use in the Civil War against the Soviet-backed MPLA. He reasoned that the Soviets were too far ahead in Angola for any other political faction to win, particularly with Peking withdrawing once Angola achieved independence.

Many U.S. officials agreed with Davis. But Kissinger and the President agonized over the world political impact of the U.S. appearing impotent to challenge Soviet penetration of one of Africa's most strategically important countries. He opted for U.S. aid, not really hoping it would change the course of the Civil War but seeking to enhance the non-communist bargaining position for a political solution.

Such subtleties are entirely lost on Sen. Bayh. He and other Democratic presidential hopefuls appear intent on cashing in on the tragic legacy of Vietnam. They show no interest in a U.S. policy to reassure a world fearful that the U.S. is fading as a super power, leaving the field to the Soviet Union.

Precisely such fears strain the Washington-Peking connection. The Communist government of China, led by power-conscious realists, is far more worried than are the Birch Bayhs of American politics about signs of U.S. decline. So, too, are realistic Communist bosses in Yugoslavia, wary of rising Soviet pressures in anticipation of aging Marshal Tito's death; Tito has ordered a massive education program to remind all party cadres of heavy post-war Soviet pressure against Yugoslavia.

Simultaneously, Moscow is tightening its hold over Eastern Europe. According to Communist sources, the Soviets feel more freedom today than before Vietnam to demand economic concessions from Eastern Europe.

In response, the U.S. has devised no sure way to slow the Soviet global offensive or make credible efforts toward slowing it. Détente was enshrined in the theory that Moscow, like Washington, genuinely desires a mutual respite from costly and frequently bloody competition. Angola suggests Moscow has different fish to fry, a frightening fact that Birch Bayh may soon have to deal with.

SPENDING THE TAXPAYERS' DOLLARS WISELY

Mr. STEVENSON. Mr. President, the distinguished chairman of the Senate Budget Committee, Senator MUSKIE, made an important speech to the Council on National Priorities and Resources which I call to the attention of my colleagues. In his remarks, Senator MUSKIE rightly reminds us that efficient, well managed, cost effective, equitable, and responsive government must be recognized as an essential national priority. Throwing more money after pressing social problems is not the answer. Spending our moneys more wisely is. Senator MUSKIE suggests that Congress subject all Federal programs to continuous review to determine how effectively we are spending the taxpayers' dollars. The Budget Reform Act is rightly seen as only the first step in Congress exercising its historic duty to control the pursestrings of Government.

Mr. President, I ask unanimous consent that Senator MUSKIE's speech be printed in the RECORD, and I urge all my colleagues to read and heed his words.

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

REMARKS BY SENATOR EDMUND S. MUSKIE

After this first year, there is little doubt that congressional budget reform is a giant step forward.

We've established the precedent that Congress will see overall spending and revenue targets.

We've established that these targets mean something. Time and again on the floor of the Senate, we've demonstrated that forcefully.

And we've established the resources and process needed to bring Federal spending more into line with public spending priorities.

Obviously, we're still learning and refining the budget process. We don't start playing hardball until next year. But we can take a great deal of satisfaction in the success already accomplished.

In the conference program, I was asked to speak on the "Five Year Action Agenda" for the budget committees.

That's a tall order.

And the best way to fill it is to outline briefly the major initiatives already begun:

We're continuing to pursue forcefully a spending program that meets our number one need—jobs. We're not going to be stampeded by the Presidential spending cut proposal that would meat-axe both effective and ineffective programs alike.

Next, we're using the process to determine where the Federal dollar is being spent—by function, rather than agency. This is the only way to see the total picture of Federal services—the costs, the services, who delivers the services, and who benefits.

Along that line, we're using the process to determine the economic impact of tax and regulatory policies.

And finally, we'll use the information to readjust spending priorities more in line with real needs.

Already, we've reduced Presidential budget figures for defense and foreign military aid, despite heavy lobbying that would have been more successful without the process. And in turn, we increased the figures for health care, social security and other human services.

With those major initiatives underway in the next five, I foresee a dramatic change in Federal spending patterns.

But the budget process is just one step in a broader effort that I want.

More spending for human services won't automatically mean *better* human services.

For every one in this room has seen well-intentioned, badly needed programs ruined by a Federal bureaucracy that is too expensive, too inefficient and too unresponsive.

We have seen too often a cruel hoax played on people who expect and need help, but are still waiting.

We have seen too often a system develop that benefits those *in* it more than those who *need* it.

And we are now reaping the whirlwind of public acrimony with politicians who can see no farther than the same, shop-worn, old answers that got us the mess we have now.

I noted that this was a major theme of the National Democratic Issues Convention in Louisville last month. John Gilligan, in fact, was a major spokesman for that theme.

Plainly, they voiced a theme that has rarely been so widely accepted by the American people.

For the people just don't trust government to do the simple, day-to-day tasks that need to be done. Simple tasks like processing claims, investigating complaints, mailing checks, collecting on accounts, or just being sympathetic to someone are not being done.

As Bill Moyers said recently, "I find a growing number of people who question whether anything matters, whether anything works, whether anyone listens, whether anyone cares."

And until the American people see hard evidence—real results—they won't support willingly any major new Federal programs.

Perhaps we can sneak some programs by, as we did when we passed ones without knowing or telling what would be the ultimate costs. We might be able to congratulate ourselves for our parliamentary skills.

But we'd just be going down that same path that led us to where we are now—with little public confidence that government really cares how taxes are spent.

Our intentions were good, mind you. Our intentions were to help solve deep social problems. In the process, we helped many millions of people who otherwise would not have been helped.

But now this inattention to performance is holding us back. If we really want to gain on these growing problems, we've got to make government work better.

For that reason, I will soon introduce a spending reform to find how effectively, as well as how much Federal money we spend.

Here's how it would work:

Related programs—no matter what agency has them—would come up for review every four years. And if they aren't doing their job or duplicate better-run programs, they could be put out of business.

By the end of every four years, all programs would have been reviewed

This would apply not just to grant programs. Many already are limited by time. It would apply to virtually every department and independent agency, as well as so-called "uncontrollable" programs.

During the process, we would question the most basic assumptions about agencies and programs.

To help with that, we would subject all programs and agencies to zero-based budgeting. We would not assume that appropriations are deserved next year, just because there were appropriations made this year.

Rather, Congress could consider the impact of cutting budgets or eliminating them entirely—as well as expanding them.

The act would expand the use of the General Accounting Office, the Congressional Budget Office, and congressional committees to find programs which can be consolidated right now.

And finally, the act would require a list of all authorized programs without appropriations. Right now, scores of "dead" programs exist without staff, without money, just cluttering up the place. Most of these should be terminated immediately.

The purpose of the act, however, is not to propose a grand design for a new government structure. We know the present one is inadequate. But there's no magic organizational chart around now to solve all our problems.

The major congressional problem is that we need a review process—that builds on the budget process—that focuses where to draw organizational lines—and to keep redrawing them.

We need a process that can periodically shake up our government structure—to improve and expand programs, as well as eliminate some.

In doing this, we must discard the old assumptions and fears of the unknown—the fears that somehow we have more to lose than gain through change.

For I know that many of you are probably suspicious of any effort to review the current system. We've all got a lot of years of hard work invested in the system.

In recent years, we've seen consolidation and effectiveness become code words for deep cuts—for shutting down good programs—for neglecting people, rather than helping them.

Yet we heard the same suspicions and fears from liberals when budget reform was considered. And we now see the opportunities that good budget work has presented.

In the same way, we can add to new spending priorities, new effectiveness. We can insure that we get what we pay for.

We can begin to achieve a health program that provides decent and affordable care for everyone. The Federal health care budget is already $40 billion. State and local governments spend billions more. In fact, as a nation, we already spend more per capita on health care than any other nation.

We just don't spend it well enough.

We can begin to achieve a welfare system that gives direct aid to people, rather than passing through a bureaucratic filter.

Too much of it goes for administrators, contractors, and other middle-men.

This year, the Federal Government will spend over $150 billion for income security programs.

It's obvious that we don't spend it well enough.

We can begin to achieve better assistance to State and local governments. We can help reduce the oppressive paperwork that results from the over 1,000 aid programs that now exist. We need to make sure that money goes for services and not for grantsmanship.

We already spend over $50 billion in aid to State and local governments.

We just don't spend it well enough.

Coupled with the new budget process, this spending reform would bring new opportunities to confront directly the problem of government performance.

For I see efficient government as an end in itself. Well-managed, cost-effective, equitable and responsive government is in itself a social good.

Franklin Roosevelt said 39 years ago, "a government without good management is a house built on sand."

He realized then that the less overhead—the less fragmentation—the more even distribution of services—the less paperwork and delay—the more each citizen can benefit from government.

We must recognize this problem as a national priority just as important as the problems of poverty, inequality and joblessness.

And when we talk about reordering national priorities, we must make clear that we also mean better government.

We must realize that this undramatic but imperative task must be accomplished—especially for the sake of those who depend on government.

Last month in Maine, I talked with several elderly people, whose only support comes from Social Security checks. They are now paying the price of our mismanagement. Their resources—their lifelines are fixed and dwindling.

And while we neglect the real problems, their lives are slipping away from them.

We won't help them by simple solutions or empty promises or by ignoring the mismanagement that victimizes them. We can help them only by facing up to waste, bureaucratic inertia and unresponsiveness.

It is an undramatic and not very exciting call.

But it is imperative. And it is the only way that we can again make government the great organizer of our resources.

It's up to us to make government work again. Only we can restore performance that will generate a new confidence in government.

Only then can we again tap the great moral potential of the American people for common sacrifice for the goal of dignity for all citizens.

ST. JOHN'S UNIVERSITY HONORS HIRAM FONG

Mr. MATHIAS. Mr. President, on Monday, December 15, St. John's University, of Jamaica, N.Y., recognized the unusual achievements of our distinguished colleague, the senior Senator from the State of Hawaii, HIRAM LEONG FONG, by awarding him an honorary degree. This 105-year-old institution of learning has joined seven other colleges and universities by conferring upon Senator FONG the degree of doctor of laws.

Senator FONG now has nine doctorates—a J.D. as the result of his studies at the Harvard University School of Law, a doctor of humane letters degree from Long Island University, 1968, and seven doctor of law degrees conferred on him by the University of Hawaii, 1953; Tufts University, 1960; Lafayette College, 1960; Lynchburg College, 1970; Lincoln University, 1971; University of Guam, 1974; and now St. John's University.

The citation for the doctor of laws degree from St. John's University notes Senator FONG's "dominant concern" in "fostering international understanding and human brotherhood." I ask unanimous consent that the full text of the

citation be printed in the RECORD at this point.

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

CITATION FOR DOCTOR OF LAWS, SENATOR HIRAM L. FONG

Sixteen years ago in 1959, when the senatorial elections took place in the State of Hawaii, Hiram Leong Fong was elected to the United States Senate as the first American of Asian ancestry. His profoundly dedicated service not only to the people of his own constituency but also to the general welfare of his fellow man in all areas of life won him re-elections to the same prestigious office both in 1964 and 1970. Born in the Kalihi District of Honolulu in 1907, Hiram Leong Fong was the seventh of eleven children of Mr. and Mrs. Lum Fong, who were both immigrants from Kwangtung Province, China. His boyhood was obviously not without struggle as he picked algarroba beans for sale as cattle feed and caddied a nine-hole round of golf for twenty-five cents. A graduate of both Kalihi-Waena Grammar School and McKinley High School, he earned his Bachelor of Arts degree from the University of Hawaii. Eventually he received his Doctor of Jurisprudence degree from Harvard Law School in 1935, and immediately thereafter entered into public service. His long and distinctive career began by serving three years as Deputy Attorney for the city and county of Honolulu. The following fourteen years witnessed service in the Legislature of the Territory of Hawaii, including four years as Vice Speaker of the House of Representatives and six years as Speaker. A wide range of legal knowledge and experience combined with his total dedication to public affairs well equipped him to serve admirably in the United States Senate from 1959 to the present. Senator Fong emerged from World War II as a Major in the U.S. Army Air Corps and is now a retired Colonel in the Air Force Reserve. His dominant concern in so much of his work has been directed to fostering international understanding and human brotherhood. He spares no effort in providing our own Center of Asian Studies with manifest interest and sustained support. St. John's University derives great pleasure in paying tribute to this esteemed statesman and gentleman of noted accomplishments by conferring upon Hiram Leong Fong, *honoris causa*, the degree of Doctor of Laws.

December 15, 1975.

Very Rev. JOSEPH T. CAHILL, C.M.,
President.

Mr. MATHIAS. Mr. President, the action of St. John's University at this time recalls to mind Senator FONG's long record of public service in many fields which has brought him this recognition so far from his island home.

He has been an elector for the Hall of Fame.

In 1960, he was the recipient of a national award for outstanding service to brotherhood from the National Conference of Christians and Jews.

In 1963, he was awarded a Citation for Meritorious Service by the National Association of Retired Civil Employees.

In 1970, he was the first citizen of Hawaii to receive the Horatio Alger Award for outstanding success in law, business, and public service despite humble beginnings.

Also in 1970, the Japanese American Citizen League awarded him a citation for outstanding public service and he was awarded the Social and Rehabilitation Service Medallion for work on behalf of disabled citizens.

In 1971, he received the Golden Plate Award from the American Academy of Achievement.

In 1973, the Organization of Chinese Americans, Inc., presented him with a plaque for his outstanding services to the Nation.

In 1974, he was the recipient of the "Certificate of Award" for his "example of good citizenship" from the national society, Daughters of Founders and Patriots of America.

Also, in 1974, the Pacific Asian Studies Association awarded him its Certificate of Service for his outstanding contribution to the promotion of understanding and unity among the peoples of the Pacific Asian World.

Knowing Senator FONG as well as I do, I should like to add to this record some additional information further substantiating the reasons why he has retained the confidence of the people of Hawaii for so long.

As a lawyer, he founded the law firm of FONG, Chinese; Miho, Japanese; Choy, Korean; and Robinson, Caucasian-Hawaiian. He resigned from the firm after taking office as U.S. Senator.

He has been active in many service and civic organizations, including the Kalihi Community Improvement Club; the Army, Navy, and Civilian Young Men's Christian Associations; Downtown Improvement Club; Parent-Teachers Association; Boy Scouts; Chinese-American Club; Warriors of the Pacific; Commercial Associates; University of Hawaii Alumni Association; Harvard Club of Hawaii; Chinese Civic Club; Chamber of Commerce of Hawaii; Chinese Chamber of Commerce; and other similar groups.

He is a member of the Kau-Tom Post of the American Legion, and Post 1540 of the Veterans of Foreign Wars. He was designated a member of the Board of Visitors of the U.S. Military Academy at West Point, in March 1971. In April 1974, he was appointed a member of the Board of Visitors of the U.S. Naval Academy, Annapolis.

He was elected a delegate from Hawaii to the Republican National Conventions in Chicago, 1952, 1960; San Francisco, 1956, 1964; and Miami, 1968 and 1972. In 1964 and 1968, his name was placed in nomination as favorite son candidate from Hawaii for the office of President of the United States.

He was elected to the U.S. Senate on July 28, 1959. Sworn into office August 24, 1959, he is the first American of Asian ancestry to be elected to the U.S. Senate. The senior Senator from Hawaii has been reelected U.S. Senator on November 3, 1964, and on November 3, 1970.

In the Senate, he has continued his pattern of leadership and service. Senator FONG is a member of the following Senate committees:

Post Office and Civil Service (highest ranking Republican).
Ex-Officio Member of all Subcommittees:
Civil Service Policies & Practices.
Compensation and Employment Benefits.
Postal Operations.
Appropriations (Fourth Ranking Republican).
Subcommittees:
Agriculture and Related Agencies (highest ranking Republican).
Defense (fourth ranking Republican).
HUD-Independent Agencies (third ranking Republican).
Labor, Health, Education, Welfare and Related Agencies (third ranking Republican).
State, Justice, Commerce, the Judiciary and Related Agencies (second ranking Republican).
Treasury, Postal Service and General Government (Ex-Officio on Post Office items—third ranking Republican).
Judiciary (Second Ranking Republican).
Subcommittees:
Antitrust and Monopoly (second ranking Republican).
Constitutional Amendments (highest ranking Republican).
Constitutional Rights (third ranking Republican).
Immigration and Naturalization (highest ranking Republican).
Juvenile Delinquency (third ranking Republican).
Patents, Trademarks and Copyrights (second ranking Republican).
Refugees and Escapees (highest ranking Republican).
Special Committee on Aging (Highest Ranking Republican).
Ex-Officio Member of all Subcommittees:
Housing for the Elderly.
Employment and Retirement Incomes.
Federal, State, and Community Services.
Consumer Interests of the Elderly.
Health of the Elderly.
Long-Term Care.
Retirement and the Individual.

He was appointed by the Vice President in January 1975 to serve on the Commission on Revision of the Federal Court Appellate System.

He represented the United States as a delegate to the 150th anniversary celebration of Argentina's independence in 1960.

In 1961, he was appointed a member of the U.S. delegation to the Canada-United States Interparliamentary Conference; in 1965, 1967, and 1968, he was again named to this conference.

He was appointed U.S. Observer at the Commonwealth Parliamentary Association Meeting in Wellington, New Zealand, in November 1965.

He was appointed Official U.S. delegate to the 55th Interparliamentary Union World Conference in Tehran, Iran, in September 1966. He was appointed official U.S. delegate to the 61st Interparliamentary Union World Conference in Tokyo in 1974.

He represented the U.S. as a delegate to the Ditchley Foundation Conference in England in January 1967.

He was appointed U.S. delegate to Mexico-U.S. Interparliamentary Conference in Honolulu in April 1968.

He participated as a presidentially appointed member of the U.S. congressional delegation to the People's Republic of China in 1974. In October 1974 Senator FONG made a factfinding and inspection tour of U.S. State and Defense Department installations in Japan, Okinawa, Korea, and the Republic of China as well as the island of Guam and the Trust Territory of the Pacific.

In addition to all of this civic and political activity Senator FONG operates a banana and papaya farm and a fish pond; raises cattle, avocados, lichees, macadamia nuts, and mangoes.

All these achievements, I am certain, are in a large way due to his good fortune

in being married for the past many years to the lovely, charming Ellyn Lo Fong, a graduate of the University of Hawaii with a bachelor of education degree and a former school teacher.

He is the happy father of four children: Hiram, Jr., who served as a captain with the U.S. Army in Vietnam, 1967–68, and is presently a practicing attorney in Honolulu and a member of the Hawaii State House of Representatives; Rodney L., a graduate of California-Western University Law School in San Diego, Calif., and a member of the bar of the State of Hawaii, and now manager, Kaalaea Farms, Kaalaea, Hawaii; Merie-Ellen—Mrs. William Mitchell—a 1970 graduate of Goucher College in Towson, Md., with a master's degree from Wellesley College, Wellesley, Mass.; and Marvin-Allan, a 1970 graduate of Lynchburg College, Lynchburg, Va., formerly at Finance Realty Co., Ltd., Honolulu, and now attending California-Western University Law School. Senator and Mrs. Fong are the proud grandparents of three grandchildren, Jennifer, daughter of Janet and Hiram Fong, Jr.; Chelsea, daughter of Pasty and Rodney L. Fong; and Emily, daughter of Dr. and Mrs. William Mitchell. And, any day or any moment, Sandra and Marvin Fong expect their first child. They have returned to Hawaii to await his or her birth. I am sure I can speak for my colleagues in wishing for them a healthy, happy child to carry on the proud Fong tradition.

D.C. TEACHER SHIFTS STIR HARDLY A RIPPLE

Mr. ABOUREZK. Mr. President, an article in Tuesday's Washington Star points out some of the continuing difficulties that the D.C. public schools are having in implementing federally mandated teacher transfers under the title I program. I believe that this article will be of interest to my colleagues and I ask unanimous consent that it be printed in the RECORD.

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

[From the Washington Star, Dec. 16, 1975]

D.C. TEACHER SHIFTS STIR HARDLY A RIPPLE

(By Lorenzo Middleton)

After four years of confusion and controversy over federally mandated mid-year teacher shifts in the D.C. schools, this year's transfers have been accomplished with barely a riple, officials said yesterday.

About 60 full-time elementary and junior high school teachers and staff workers have been transferred this year for the "equalization" and "comparability" of pupil spending among the schools.

In addition, more than 100 part-time teachers have been shifted in a two-week move completed yesterday.

The transfers this year involved far fewer staff changes nad classroom disruptions than in the past four years, said Mildred Cooper, chief of the Office of Planning Research and Evaluation. "We tried to be as least disruptive as possible."

Most of the schools contacted by The Star agreed that the changes went smoother this year than in the past, but a teacher from Richardson Elementary in Far Northeast complained that her school was stripped of all but one of its special education teachers by the transfers.

"All we have left is a music teacher," said Linda Feldman, a first-grade teacher who complained of the loss of full-time language arts and reading teachers and part-time physical education, math, instrumental music and art teachers at the school. Last year, she said, the school lost its science and foreign language teachers as well as two classroom teachers.

Cooper pointed out that enrollment at Richardson has dropped by more than 100 students since last month, and that principals decide whether to keep classroom teachers or special teachers when transfers are called for.

Cooper said this year's teacher losses at Richardson, which receives Title I federal aid, were caused by "comparability" changes mandated by law. She said the law requires yearly shifts in instructional personnel to insure that Title I schools do not receive less local funding than do non-Title I schools.

About 46 elementary and junior high schools gained or lost teachers this year under the comparability regulation.

BUREAUCRACY CAN BE A DRIP

Mr. BAKER. Mr. President, Ponce de Leon would surely have been outraged by an article which appeared in the Washington Post on December 17, 1975. The magnificent bronze fountain, that currently makes its home in the back yard terrace of the Shoreham-Americana Hotel may be denied posterity, without even so much as a splash.

The London Bridge has been moved to Arizona. A hotel wants to make a tennis court out of a handsome old fountain, filled with a wellspring of memories. In this day and age, it is a sad commentary that no one would even raise an eyebrow at the suggestion that the Alamo be moved to Chicago.

Surely there is a home for this fountain somewhere in the Nation's Capital. Although offers have been made, the National Park Service seems to be drowning in its own environmental impact studies. By displacing a fountain of our youth, the excessiveness of Government in this instance is crystal clear. We must not allow the preservation of this treasured symbol of antiquity to go down the drain.

Mr. President, I ask unanimous consent that the Washington Post article be printed in the RECORD.

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

A FOUNTAIN, ANYONE?

Some months ago this newspaper printed the picture of a handsome fountain that can spurt water 75 feet high and surround the jet with a round waterfall, 40 feet in diameter. The bronze fountain is now in the back yard of the Shoreham-Americana Hotel, which wants to replace it with a tennis court and is willing to donate it to anyone who wants it. Rosslyn wanted it. The citizens of Rosslyn and Arlington's Bicentennial Commission thought the fountain would look mighty fine on the traffic circle in front of Rosslyn as you come off Key Bridge. The Bicentennial Commission thought it could raise anywhere from $150,000 to $175,000 to have the fountain moved and installed. We looked forward to seeing it across Key Bridge. That monolithic clump of highrises needs a little touch of something and a big fountain, we thought, would be just right.

But the National Capital Park of the National Park Service, United States Department of the Interior, thought otherwise. A fountain, explained Messrs. Richard L. Stanton and Edward Peetz of the Park Service, would be difficult to maintain. Maintenance, at any event, would cost money (about $11,000 a year) and money is in short supply these days. What is more, fountains splash water and if the wind is right (or wrong, as the case may be) some of the water might splash on the windshields of passing automobiles and detract the drivers inside. And who knows, anyway, how long that traffic circle would remain, with all the talk of building bigger and better freeways. Also, any fountain would require the approval of the National Capital Planning Commission, the Commission of Fine Arts and the preparation of an environmental impact statement under the provisions of the National Environmental Policy Act of 1969. Now, if the good people of Rosslyn would consider some daffodils, the Park Service said, they might be able to dig some up.

That seems to leave the Shoreham with a fountain it doesn't want. It is, as we said, a lovely fountain. And it's free for the asking, and the taking away, and the upkeep costs.

OKLAHOMA SENATORIAL ELECTION CONTEST

Mr. CANNON. Mr. President, it has been brought to my attention that the ranking minority member of the Committee on Rules and Administration made a statement in the Senate on Tuesday, December 16, with regard to the Oklahoma senatorial election contest. This was followed by a statement and submission of materials on Wednesday, December 17, by the junior Senator from Oklahoma, Senator BARTLETT.

As the Senate well knows by this time, on Monday, December 15, 1975, the Committee on Rules and Administration, by a vote of 5 to 3, determined to report to the Senate its inability to determine the outcome of the Oklahoma senatorial election in view of the multiple violations of Oklahoma statutes in Tulsa County on November 5, 1974. The committee is requesting that the Senate take this matter under consideration and, if it cannot reach a determination as to who won the Senate seat, declare that a vacancy exists so that a new election may be held under Oklahoma law.

Mr. President, I ask unanimous consent that the full text of the motion agreed to within the Rules Committee be printed at this point in my remarks.

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

RULES COMMITTEE MOTION

The Committee on Rules and Administration of the Senate of the United States hereby finds and declares:

That Article 1, Section 5, of the Constitution of the United States establishes the Senate of the United States as the Judge of Elections of its own Members;

That the Committee on Rules and Administration, in the exercise of such Constitutional responsibility, and pursuant to direction of the Senate of the United States, has reviewed the contested election of November 5, 1974, for the office of United States Senator from the State of Oklahoma, has received and reviewed the results of an investigation by its staff, and has held hearings at which all interested parties were provided an opportunity to be heard;

That the evidence before the Committee conclusively demonstrates that at the said

election of November 5, 1974, the election machines of Tulsa County, Oklahoma, were not in conformance with the laws of the State of Oklahoma, in that the candidates for United States Senator were listed after the candidates for State office in violation of 26 O.S. section 277 (c), the machines did not provide straight-party voting devices in violation of 26 O.S. Section 274, and 545 of 640 machines had affixed prominent instructions as to use of straight-party voting devices, which devices were not available for use by the voters;

That experts and other witnesses who appeared before the Committee offered testimony as to the effects of these violations of the laws of the State of Oklahoma upon the results of the election for United States Senator, and further data regarding such effects were received by the staff during its investigation and hearings;

That the evidence offered on behalf of Petitioner, Ed Edmondson, is that the results of the election were in fact affected by the violations of the laws of the State of Oklahoma, and that were it not for the violations of law, there is a high probability that Ed Edmondson would have received sufficient votes in Tulsa County to win in the statewide election;

That the testimony offered on behalf of Senator Henry Bellmon disputes the witnesses for Ed Edmondson as to methodology and conclusions.

In view of the foregoing findings and declarations, the Committee on Rules and Administration reports to the Senate of the United States its inability to determine the outcome of the contested November 5, 1974 election for the office of United States Senator from the State of Oklahoma, and requests that the Senate of the United States exercise its Constitutional responsibility under Article I, Section 5, of the Constitution as the Judge of Elections of its own Members, to determine the outcome of the contested November 5, 1974, election for the office of United States Senator from the State of Oklahoma, and, if unable to so determine, to declare a vacancy exist in such office in order to enable a special election to be held in accordance with the laws of the State of Oklahoma governing Special Elections.

Mr. CANNON. Mr. President, much of the material and argument submitted for the RECORD by the senior Senator from Oregon and the junior Senator from Oklahoma have been before the Committee on Rules and Administration. These matters were fully considered by the committee and most, if not all, were answered during the committee's deliberations. The Senator from Oregon is repeating arguments which were rejected within the committee. First of all, I was explicit in stating to the committee in response to the Senator from Oregon that I was not rejecting out of hand the decisions of the courts of Oklahoma. It must be kept in mind that the Supreme Court of Oklahoma specifically found that the election in Tulsa County was not carried out in accordance with law, but violated sections of the Oklahoma statutes on elections. Second, and more important, we have had presented to the committee a great deal of new and convincing evidence regarding the election contest which was never before the courts of Oklahoma nor considered by them.

At the appropriate time, not now, when the Senate is striving to complete its business before the Christmas recess, we will provide the Senate with a full documentation that was presented to the committee, including presentations by both sides. At the same time, the committee report will be submitted to the Senate; and, I assume, there will be a minority report. We specifically determined to hold this matter in abeyance until the next session of Congress, rather than impede the flow of business during these last few days. I regret that I had to take the time of the Senate to make this partial response to the very one-sided and partly inaccurate statements to which I have referred.

HENRY P. CHANDLER

Mr. MATHIAS. Mr. President, it was with great sadness that I learned of the death of Mr. Henry P. Chandler on Friday, December 12. Maryland has lost one of its most distinguished and most respected citizens.

Mr. Chandler was the esteemed first Director of the Administrative Office of the U.S. Courts. He was well known throughout the United States in judicial and legislative circles for his intellect, his superlatively high standards, complete integrity and great personal warmth and charm. The late Judge Learned Hand of the U.S. Court of Appeals, Second Circuit, one of the great jurists of all time, once wrote to Mr. Chandler, in part:

In many years of official life I have never met anyone who prevented his personal interests so completely from entering into what he did. Not only that, but you were always alert to see that what was needed was at hand, and there was a pervasive feeling of intelligent compromise without the least shadow of pedantry that in my personal experience has been unique. I often wonder whether they will ever get your equal.

Mr. Chandler has left an indelible imprint on the American scene and we feel a keen sense of loss in his passing. He will be greatly missed, although he will never be forgotten by those who knew him. I join his many friends in extending Mrs. Chandler, to his daughter Mrs. Gibbons, and to all members of his family my deepest sympathy.

Mr. President, I ask unanimous consent that the article from yesterday's Washington Post, detailing some of the highlights of his career, be printed in the RECORD.

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

[From the Washington Post, Dec. 17, 1975]

HENRY CHANDLER, 95, DIES, FIRST U.S. COURTS DIRECTOR

Henry P. Chandler, 95, first director of the administrative office of the United States Courts, died Friday after a long illness at Suburban Hospital in Bethesda.

Born in Indian Orchard, Mass., Mr. Chandler attended Stanford University for two years before returning to Massachusetts and graduating magna cum laude from Harvard University in 1901.

In 1901, he joined the faculty of the University of Chicago as an English teacher, debating coach and secretary to the university's founder, President William Rainey Harper. Mr. Chandler graduated from the University of Chicago law school magna cum laude in 1906, and joined the Chicago law firm of Tolman, Redfield and Sexton.

Mr. Chandler practiced law with the firm until 1939, when he was appointed by the U.S. Supreme Court under Chief Justice Charles Evans Hughes to become the first director of the newly created administrative office. Mr. Chandler served under four Chief Justices—Hughes, Harlan Fiske Stone, Fred M. Vinson and Earl Warren—until his retirement in 1956.

In 1957, Mr. Chandler made a study of the territorial courts of Hawaii and recommended a bill for their more effective regulation to the Supreme Court of the Territory, which was enacted, in part, by the territorial legislature in 1959.

In 1959, he was appointed by the Supreme Court of Illinois as the first court administrator for that state, and served until 1960.

While practicing law in Chicago, Mr. Chandler was president of the Chicago Bar Association from 1938 to 1939, and was active in civic projects, serving as president of the City Club of Chicago, 1923–24; president of the Union League Club, 1932–33; president of the Civil Service Association of Illinois, and a trustee of Hull House.

As director of the administrative office of the United States Courts, Mr. Chandler was responsible for the collection of statistics, the direction of efficiency studies and the performance of business chores under the direction of the Judicial Conference of the United States.

Mr. Chandler was also concerned with the development of the federal probation system, which was transferred in 1940 from the Department of Justice to the administrative office.

In 1963, Mr. Chandler published a 210-page report entitled, "Some Major Advances in the Federal Judiciary System (1922 to 1947)."

In 1907 Mr. Chandler married Helen Firman Mack, who died in 1930.

He is survived by his second wife, Olive of the home at 5703 McKinley St., Bethesda; a daughter, Margaret Gibbons of Wilmette, Ill.; three grandchildren, and four great-grandchildren.

The family suggests that memorials to Mr. Chandler may be made to the Organ Fund of the Bradley Hills Presbyterian Church.

PLENTY OF GAS HERE SOMEWHERE?

Mr. ABOUREZK. Mr. President, the Congress has just sent the President a bill which slightly rolls back the price of oil. The rollback represents a tiny fraction of the current, cartel-based price we pay for domestic oil. Even with this rollback, the ceiling on oil prices would be far above the actual cost of production. Of course, that fact has been totally obscured by the press and the oil companies. The press treats the oilmen's propaganda as fact.

For example, in an early Washington Post story on S. 622's pricing section, the reporter wrote:

The changes would let the oil price ceilings go higher and would allow for the expected extra cost of pipeline oil from Alaska's North Slope.

This is false. Every indication is that production costs for the North Slope will be less. Using the word pipeline implies that the price set by S. 622 would include transportation, but the ceiling price applies to crude oil at the wellhead. It does not matter whether it is pipeline oil, or tanker oil, or oil in a barrel.

I was happy to see that some people are aware of this. A letter to the Washington Star makes the same point about another article:

The wide public acceptance of completely false statements is at the heart of America's energy crisis.

The public acceptance is formed gradually and subtly, as oil company propaganda, misrepresentations, and evasions filter into seemingly objective articles and become accepted as fact merely because they are endlessly repeated as fact.

Mr. President, I ask unanimous consent that this letter be printed in the RECORD. Mr. Breecher's attempt to speak out deserves as wide an audience as possible.

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

PLENTY OF GAS HERE SOMEWHERE?

Thomas Love's thoughtful "In Focus" article on "Gas Deregulation" (Dec. 6) contains the statement: "In any case, the limits of America's supply of natural gas will probably be reached within a generation".

Now the wide public acceptance of this completely false statement is at the heart of America's energy crisis. It reflects very clever and lavishly financed oil company and OPEC propaganda which has misled many very knowledgeable people, including apparently Mr. Love. Our government, to its discredit, has never done anything effective to set matters straight, so the oil company propaganda has succeeded only too well.

In reality, the natural gas (and the oil as well) are there in the U.S. for many generations. But the large oil companies would find it much more profitable for themselves (in terms of final per share net after-tax profits for the company as a whole, and that's what counts) to import liquefied natural gas from overseas at $2.50 or more per 1000 CF and keep the present shortages, which inevitably drive up all natural gas prices as consumers are becoming desperate.

Exactly that development has already taken place in the case of oil. Every American family of four pays $500 per year in taxes (yes, taxes) to foreign governments for a commodity that is in vast worldwide oversupply and that we could produce here if only it were in the financial interests of the companies to do so. Instead, the oil majors act, for what amounts to a fat fee, as the tax collectors for the OPEC governments, and our legislation actually induces them to do just that.

If you read the fine print of oil company jargon, it indicates that, at present rates of exploration, "proved reserves" of oil and natural gas will be exhausted in the U.S. in another 25–30 years. That's literally true, but completely misleading. "Proved reserves" is a word of art which has no resemblance to oil and natural gas in the ground or under the sea. And present exploration activity for new fields is steadily declining in the lower 48 states and off-shore, again the very contrary to what oil company advertising intimates.

What has made the gigantic oil and gas coverup possible is that those knowledgeable about the rather complicated affairs of the large oil companies (what's involved is 75 percent finance and taxes, and only 25 percent production and marketing) are either present or future high-paid employees of the oil companies, or of OPEC, or else they are beholden to the international oil cartel and its agents, the oil majors, as their lawyers, bankers, or as recipients of campaign contributions.

Some others won't speak out because they have a government career or reputation to protect, as was my own case. We all want to eat, and eat well.

CHARLES H. BREECHER.
REHOBETH BEACH, DEL.

(NOTE.—Mr. Breecher, a foreign service officer for many years, was economic counselor to the U.S. delegation to NATO, and, prior to his retirement last year, director of development planning in the security assistance bureau of AID.)

AMERICA'S ENERGY REALITIES

Mr. BAKER. Mr. President, since the oil embargo of 2 years ago, one of the most complex issues confronting the Congress has been the uncertainties surrounding America's energy needs. Only in the last week, the attention of my colleagues has been drawn to the ERDA authorization bill, the Price-Anderson Act, and, of course, S. 622, commonly called the energy bill. All of these measures will exert an important influence on America's energy policies in the future.

During the course of debate on these and other measures, I have been consistently reminded of the Congress need for exposure to adequate, unbiased information. In this regard, my attention was attracted some time ago to the development of a study designed to analyze America's energy realities.

This report, about to be published as a print of the Joint Committee on Atomic Energy, is authored by Dr. Herman Franssen, an analyst in science and technology at the Congressional Research Service, Library of Congress. I believe it to be an important contribution to the continuing dialog on America's energy needs.

Focusing on the timespan of 1975 to 1985, Dr. Franssen has entitled his work, "Toward Project Interdependence: Energy in the Coming Decade." He systematically analyzes the problems and complexities of securing adequate energy supplies in a recovering and, hopefully, expanding economy. From his analysis, Dr. Franssen concludes that, at least through 1985, the country will grow increasingly dependent on imported sources of energy. He further concludes that if we ever hope to abate the implications of such dependency, our only viable alternative is the full utilization and development of our coal and nuclear potential.

While I am not technically qualified to certify in detail the validity of Dr. Franssen's conclusions, I believe the report merits serious consideration. If for no other reason, I believe that the credibility of the Congress will depend to no small extent on how well we acquaint ourselves with the intricacies of the energy problem. In addition to Congress, however, I commend this report to the attention of the appropriate agencies in the Federal Government and to the American people as a whole in hopes that it will contribute to a general understanding of the problem.

Prior to the publication of "Toward Project Interdependence," I asked the Administrator of FEA, Mr. Frank Zarb, to review the report and make whatever comments he deemed appropriate. Mr. Zarb was kind enough to respond; and I respectfully request unanimous consent, Mr. President, that his response, together with my letter of transmittal to the Joint Committee and a copy of the executive summary of the report, be printed in the RECORD.

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

U.S. SENATE,
COMMITTEE ON COMMERCE,
Washington, D.C., December 16, 1975.

Hon. JOHN O. PASTORE,
Chairman, Joint Committee on Atomic Energy, Washington, D.C.

DEAR MR. CHAIRMAN: Dr. Herman Franssen, Analyst in Science and Technology at the Library of Congress, has prepared at my request a report entitled, "Toward Project Interdependence: Energy in the Coming Decade." I believe the report to be of significant importance. I think that it should be of great interest not only to the Joint Committee on Atomic Energy, but to the Congress and the public as well.

While I am not prepared to certify the validity of all the conclusions reached by Dr. Franssen nor necessarily the priorities and emphasises he describes, nevertheless, I believe that the report is important and would be a worthwhile publication by the Joint Committee. I request that it be authorized for printing as a Committee document.

Sincerely,

HOWARD H. BAKER, Jr.

FEDERAL ENERGY ADMINISTRATION,
Washington, D.C., December 18, 1975.

Hon. HOWARD H. BAKER, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BAKER: As you know, I have recently reviewed a draft of a study entitled "Domestic Energy Supply and Demand: Past, Present and Future" prepared by Dr. Herman Franssen of the Congressional Research Service. In general, we find the study a thorough and insightful analysis of the future world energy environment and agree with the thrust of its major international implications.

We believe, however, that the study is somewhat pessimistic concerning the future import dependence of the United States. Our most recent analyses suggest that U.S. import dependence could be considerably lower than the 10 million barrels/day Dr. Franssen foresees. Moreover, the establishment of strategic reserves, combined with a realistic set of domestic energy policies, will provide the United States with adequate protection from an embargo.

I appreciated the opportunity to discuss the study with you and enjoyed talking to you.

Sincerely,

FRANK G. ZARB,
Administrator.

TOWARD PROJECT INTERDEPENDENCE: ENERGY IN THE COMING DECADE, EXECUTIVE SUMMARY

PROJECT INDEPENDENCE

Almost exactly a year ago, in November 1974, the Federal Energy Administration released Project Independence Blueprint (PIB) to the Nation. It held out prospects that the Nation could achieve energy independence by 1985, provided the price of domestic oil would be allowed to rise to $11 per barrel and the Government would initiate an accelerated leasing schedule in the Atlantic and Pacific OCS and tap the potential resources of the Naval Petroleum Reserves.

Under the PIB energy supply base case, little could be done to prevent further deterioration of the domestic energy supply situation until 1977, when Alaskan oil is expected to come on stream. At a price of $7 per barrel, domestic oil supply would

be about 8.9 million b/d, and at $11 per barrel, domestic supply would increase to 12.8 million b/d. Optimistic analysis of the contribution of coal, nuclear energy, natural gas and other energy sources, led PIB to conclude that even without major efforts to increase oil and gas production from offshore areas, imports of oil could be limited to 3.3 million b/d, or about one-half of the current volume of imports, by 1985.

An accelerated domestic supply scenario called for additional leasing of OCS lands off the Atlantic and Pacific coasts, and tapping of Naval Petroleum Reserves. At a price of $7 per barrel, the Nation could not only eliminate foreign imports, but in fact produce a surplus for the export market. Shale oil was expected to add another one million b/d to domestic supplies.

Natural gas was projected at 24.8 TCF under the PIB energy supply base case, and 25.5 TCF under the accelerated leasing program. Estimates for coal run between 900 million and 2.1 billion metric tons, and nuclear energy was projected to contribute between 204 and 275 GWe, depending on assumptions made.

On the demand side, PIB assumed that the United States can have a real increase in GNP of 5 percent annually with an energy demand of 2.5 percent annually beginning now.

CRS REPORT

On the demand side this study disagrees with the contention that a GNP growth rate of 5 percent annually can be achieved with a 2.5 percent energy growth per year. In the past growth rates have been closely related to fluctuations in the GNP. For example, during the 1920–33 depression, when the decline in industrial production was severest of any period in the history of the Nation, energy consumption fell substantially. When the economy improved again, energy consumption followed a similar pattern. The same close relationship between GNP and energy growth rates was noticeable during each one of the post-war recessions.

Given time, institutional change, and sufficient investment in research and development programs, energy consumption per unit of GNP can possibly be reduced considerably. However, it seems highly unlikely that the PIB conservation scenario can be achieved by 1985 without harming the economy and/or causing a substantial adverse impact on our lifestyles.

It is impossible to forecast economic growth rates for the next ten years with any degree of accuracy, and consequently accurate energy growth rates cannot be projected. Assuming the possibility of high, low and medium growth rates over the period 1975–85, and the probability of some successful energy conservation measures without dramatically altering our lifestyles or limiting GNP growth rates to socially undesirable levels, this study assumes energy growth rates ranging from 2.0 to 4.0 percent. Most observers tend to agree that 4 percent growth rates would be close to recent experiences prior to the 1973 Arab oil embargo, which are not likely to reoccur in view of Arab supply constraints, high prices, and current projections of sustainable GNP growth rates. While a number of recent studies have concluded that sound GNP growth rates of 4 percent or more can be achieved with energy growth rates of no more than 2 percent, there is currently no evidence that such a large reduction in energy growth rates can be achieved without doing great damage to the economy or drastically changing lifestyles. Energy growth rates of 2.8 to 3.1 percent per year for the next decade seem more probable. These growth rates assume acceptable levels of economic growth of between 3.0 to 3.5 percent, and some success in the country's efforts to decouple energy growth from GNP growth rates. At the projected energy growth rates, energy demand will be : (in millions b/d oil equivalent.)

ENERGY GROWTH RATES SCENARIOS FOR 1977, 1980, 1985

[In percent]

	2.0	2.5	2.8	3.1	3.5	4.0
1977	37.6	38.0	38.3	38.5	38.8	39.1
1980	39.9	40.9	41.6	42.2	43.0	44.0
1985	44.0	46.3	47.7	49.1	51.0	54.0

DOMESTIC SUPPLY OF ENERGY

[Domestic energy supply scenario has been projected for the 1975–85 period—In millions of barrels per day oil equivalent]

Source	1973	1977	1980	1985
Oil [including natural gas liquids]	10.1	[1] 10.0	11.0	12.0
Natural gas	10.6	8.9	8.0	8.9
Coal	6.4	7.4	8.2	9.7
Nuclear energy	.4	1.6	2.4	2.8
Hydropower and synthetics	1.4	1.4	2.0	2.8
Total domestic supply	28.9	29.3	31.6	38.7

[1] Assumes complete decontrol of oil.

Without decontrol of oil, production is expected to continue to decrease to 9.5 million b/d by 1977. After 1977 production will rise again due to availability of Alaskan oil. Natural gas production has been projected to continue to decline at least until the early 1980's, when Alaskan gas (and possibly some synthetic gas) will come on stream. Projections for 1985 are cautiously optimistic, especially for oil and nuclear energy. It assumes no further cancellations of nuclear plants between 1975 and 1985, and successful discovery and early production of OCS oil from new leases in the Gulf of Mexico and many of the most promising frontier areas. Finally, the 1985 domestic supply scenario assumes that the oil equivalent of 1 million b/d of synthetic fuels (syncrude, syngas, and shale oil) will be marketed.

Any difference between domestic supply and demand must be made up by importing additional liquid hydrocarbons, especially oil, the "swing fuel" par excellence. It is uncertain if any natural gas will still be supplied by Canada by 1985, and the volume of liquid natural gas (LNG) from Algeria and other foreign countries cannot be projected at this time due to a number of uncertainties. The price of imported LNG and dry natural gas is likely to be close to the world market oil equivalent price.

Any attempts to arbitrarily slice foreign oil imports will most probably result in higher unemployment, lowering of the GNP, and a great deal of discomfort for the American people. Assuming annual energy growth rates of 2.8 to 3.1 percent, oil and gas imports will rise rapidly until 1977. By the end of 1977 some 600,000 b/d of Alaskan oil is expected to be produced. Between 1977 and 1980 imports are likely to grow, but at a much slower pace, until the early 1980's when foreign oil imports could reach their highest level. If, however, the cautiously optimistic domestic supply scenario for 1985 cannot be attained due to additional shortfalls in one or more sources of domestic energy supply, imports could very well continue to grow with no end in sight.

PETROLEUM IMPORTS: 1977, 1980, 1985

Year	2.8 percent energy growth per year	3.1 percent energy growth per year
1977	9.0	9.2
1980	10.0	10.6
1985	9.0	10.4

SOURCES OF SUPPLY

U.S. imports of oil have gradually grown from 0.9 million b/d (13 percent of consumption) in 1950 to 6.0 million b/d (37 percent of consumption) in 1974. Natural gas imports have remained relatively small at less than 5 percent of domestic consumption. Whereas almost all imported natural gas comes from Canada, oil imports for years have come from more than 20 countries around the world. Until recent years, however, more than half of the foreign oil was obtained from "secure" sources in the Western Hemisphere, in particular from Canada and Venezuela. In view of domestic supply problems in Canada and Venezuela, oil imports from traditional Western Hemisphere suppliers will decline significantly within the next few years. This fact, coupled with projected increased future demand for foreign oil, will make the United States much more dependent on Eastern Hemisphere oil. A careful analysis of current worldwide oil reserves leads to the inevitable conclusion that the U.S. will become highly dependent on oil from the Middle East and North Africa during the coming decade.

DEMAND BALANCED SCENARIO OF U.S. PETROLEUM IMPORTS BY REGION FOR 1977, 1980, 1985

[In thousands of barrels per day]

	1974	1977	1980	1985
Western Hemisphere:				
Canada	1,083	400	140	0
Venezuela	1,178	1,100	1,000	1,000
Other Western Hemisphere	865	1,160	1,500	1,700
Total Western Hemisphere (oil)	3,126	2,660	2,640	2,700
Canadian natural gas: Optimistic forecast (in thousands of barrels per day oil equivalent)	450	450	450	450
Total, Western Hemisphere (oil and gas)	3,576	3,110	3,090	3,150
Eastern Hemisphere:				
Nigeria	701	800	1,000	1,000
Other Africa south of Sahara	81	120	225	325
Southeast Asia	320	430	560	700
Middle East and North Africa:				
Iran	519	800	1,000	900–1,000
Arab countries	976	3,740–3,940	4,125–4,725	2,925–4,225

Imports from the Middle East and North Africa, which amounted to slightly less than 20 percent of total imports in 1974, will probably grow to 50 percent or more just two years from now. The implications of this new reality are manifold, and include:

1. The possibility of yet another Arab oil embargo, or a reduction of available oil for export, if peace does not come to the Middle East soon. The Sinai agreement may be a first step in the right direction, but it is only a partial solution to a multi-faceted problem, calling for successful negotiations with a number of interested parties other than Egypt and Israel.

2. An oil embargo in 1977 could result in a GNP loss of $39 to $56 billion, and additional unemployment of 1 to 1.5 million, if the embargo were to last for six months. A domestic economic disaster of such proportions would most certainly spread to Western Europe and Japan, even if those nations would not become targets of another oil embargo. Hopes for major economic recovery from the current worldwide recession would be dashed under these circumstances.

3. The ever larger volume of foreign oil would have to be shipped—at least for some years to come—in foreign bottoms. The already low ratio of oil shipped in domestic tankers (less than one-fifth of total imports) would drop even further.

4. Growing dependence of the United States on Middle Eastern oil would tempt the oil cartel to raise prices as soon as the current surplus capacity begins to dry up. At some point in the not too distant future, the United States may have to compete for available supplies with its allies and other oil-importing countries. Tension among oil importing states would increase if several of the major oil producers decided in favor of lowering production to stretch available reserves. Many oil producing nations in the Middle East and North Africa, especially those countries with low populations and limited capital-absorptive capacity such as Saudi Arabia, are in a position to reduce oil output substantially without suffering any adverse impact on their domestic economies.

5. Potential national security problems related to the defense of vital supply lines from the Middle East to the United States. Strategic planners remember too well that U.S. success in denying the Japanese access to their raw material suppliers on the continent of Asia shortened the Second World War significantly. Soviet efforts to obtain bases in East Africa and possibly Angola are no coincidence.

6. Potential environmental damage to the coastal zone as more small tankers will crowd available port facilities.

7. Increased reliance on foreign oil could affect the Nation's leverage in foreign policy. Energy shortfalls may well become the "Achilles heel" of United States foreign policy in the same way as agricultural shortages are for the U.S.S.R.

MIDDLE EAST DEPENDENCE INEVITABLE?

The Middle East produces about 37 percent of the world's oil, consumes only 2 percent, and controls 70 percent of the oil export markets. While both Western Europe and Japan have been highly dependent on Middle Eastern oil for several decades, the United States has only in recent years entered the era of dependence on oil imports from that part of the world. Rather than limiting their dependence on Middle East oil, there is sufficient evidence to state that the three industrial giants together will not only remain dependent, but will in fact increase their dependence on Middle East oil.

Much has been said about energy self-sufficiency in the Western world, but Melvin Conant, Deputy Director of the FEA for International Relations has recently said that even if major discoveries equivalent to the North Sea and North Slope finds were made now, we could not expect their coming into the world market on a scale of any importance for five or even ten years. In order to make a significant dent in the role of the Middle East as a supplier of oil, we would have to find this much oil every year, according to Conant. Over the past 35 years, if one excludes the Middle East and Nigeria, the non-Communist world has not even approached that figure in terms of annual average rates of discovery. In fact, despite the North Sea and North Slope finds, our annual rate of discovery outside the Middle East has only been about 50 percent of our yearly oil consumption level.

Moreover, in view of recent pessimistic U.S.G.S. and industry estimates of remaining undiscovered recoverable oil and gas resources in the United States, and less than optimistic forecasts of worldwide ultimate recoverable petroleum resources outside the Middle East and the Communist world, it seems realistic to maintain that dependence on Middle East oil will continue until the industrial world has found and produced adequate new alternative sources of energy.

Temporary OPEC oil surpluses and successful oil discoveries in the North Sea should not blind us to the realities of the world. The current OPEC surpluses are primarily due to a major recession in the entire industrial world, which was only in part caused by the quadrupling of the price of oil. The United States is well on its way toward economic recovery, Japan is following, and Western Europe is expected to start its recovery early next year. Economic recovery in the industrial world will once again stimulate demand for oil.

The rate of increase of demand for OPEC oil is likely to be slower than during the 1960's and early 1970's for a number of reasons. In the first place, the higher prices of oil are likely to continue to have a downward effect on demand. Secondly, most economic forecasters project GNP growth rates for the remainder of the 1970's to be lower than those during the pre-embargo "boom" years. Thirdly, the United Kingdom will become energy independent by the early 1980's, and Norway will become an exporter of oil. The availability of North Sea oil will probably stabilize Western European demand for Middle East oil until the early 1980's. Japanese demand for Middle East oil will continue to rise, but some of the increased demand will be met by oil imports from the People's Republic of China. The United States is the only major industrial power whose dependence on Middle East oil will grow dramatically over the next decade.

CONSTRAINTS ON SUPPLY AND POSSIBLE SOLUTIONS

During the decade of the 1960's and early 1970's the industrial nations relied on the Middle East and North Africa to supply the difference between non-Communist world demand for oil and supply from areas other than the Middle East and North Africa. At the lower pre-1973 prices of oil, the oil producing nations of the Middle East and North Africa have indeed met growing world demand by continuing to increase supplies. The new high world market prices of oil, however, have added a new dimension, making it much more difficult to forecast oil supplies for the decade ahead. Some countries with ample reserves, large populations, ambitious development plans and subsequent large capital absorptive capacity, are indeed likely to continue to increase, or at least stabilize oil production at pre-embargo levels. Iran and Iraq are among those countries. Several other countries around the Arab Gulf have low populations and limited capital absorptive capacity.

Among those countries are Saudi Arabia, the United Arab Emirates, and Kuwait. At the new high prices of oil some of these nations need produce only a fraction of their physical capacity to meet domestic economic development and military needs. Saudi Arabia, for example, might be able to meet all domestic economic development and military requirements by producing slightly more than one-third of current physical capacity. Some of the Arab Gulf countries have already initiated policies to conserve domestic resources by setting a limit on annual production. Kuwait was the first nation to do so, but several others are contemplating a similar oil conservation policy. It serves a dual purpose of maintaining high world-market prices for the commodity, while conserving precious fossil fuels for the future.

If John Moody and other well-known geologists prove correct, world oil production might peak in the late 1980's or early 1990's. It seems questionable at this time that the industrial nations by then will have succeeded in producing sufficient alterntaive sources of energy to replace dwindling world oil production. Hence, a policy of conserving oil for future, leaner years, may in the end prove more profitable for OPEC. The alternative, maximizing production now, would have the effect of lowering the world market price, and providing the oil producers with low populations and limited capital absorptive capacity (primarily around the Arab Gulf) with enormous amounts of foreign exchange to be invested in the industrial world. Are they willing to supply the industrial world with the oil they need during the period of transition from a basically fossil fuel economy to an economy based on other sources of energy, and if so, under what conditions?

So far, Saudi Arabia, the smaller Gulf states and other countries in the above category have been willing to run substantial surpluses on their trade balances, and have put their money primarily in short-term investments in the West. The nations of the Middle East are aware that a serious worldwide oil shortage will play havoc with the economies of the industrial world, and they have no desire to see this happen. The nations of the Middle East are in the midst of ambitious economic development plans, which will increase the degree of interdependence between them and the industrial world. The industrial countries, on the other hand, should work together in removing some of the most obvious obstacles to closer cooperation between Middle East oil producers and oil consuming nations. Among the more important steps to be taken by the industrial nations are:

(a). Assistance in bringing about an early solution to the Arab-Israeli conflict along the lines proposed by moderate elements on both sides;

(b). Efforts to remove Arab fears that their direct investments will in fact serve as hostage capital, limiting Arab leverage in determining oil production levels. Oil consuming nations could do much in creating new international arrangements and guarantees of foreign investment, designed to reduce politically inspired uncertainties.

(c). Agreement to assist oil producing states in their modernization process, which will require massive transfers of technology to those countries. Modernization and industrialization of oil producing states will inevitably result in growing interdependence of oil producing and consuming nations. The former will in due time become major suppliers of refined oil products, petro-chemicals, and a great many energy-intensive products to the industrial world. The latter in turn will find a growing market for advanced technology products.

Facing growing dependence on imported oil for at least one more decade, the industrial nations can hardly afford a policy of confrontation with the producing nations. Instead, they should maintain as harmonious relationships as possible with the oil producing states and work to limit external disturbances which could threaten the se-

curity of oil supplies to the industrial world. The producers, on the other hand, need to understand that nations aspiring rapid economic development have a stake in the peaceful and orderly development of the oil industry and in the maintenance of a viable economy in the consumer nations. Consumers and producers of oil can no longer afford to go separate ways. All nations need to work together to resolve problems which affect all countries in an era of growing global interdependence.

FREEDOM OF INFORMATION ACT CASES INVOLVING THE IRS

Mr. KENNEDY. Mr. President, in 1955 a representative of the Treasury Department testified before the House Special Subcommittee on Government Information, observing:

The Government's business is the people's business. That is why we have no reservations about the public's right to know, with a minimum of restriction, what its Government is doing and why. Almost 10 years later another Treasury witness, this time appearing before the Senate Administrative Practice and Procedure Subcommittee, reemphasized those sentiments:

We assert, without reservation, that it is important for all citizens and, particularly for citizens directly affected by the action of administrative agencies, to be fully informed as is reasonably possible with respect to all aspects of Government agency activities.

Nonetheless, according to a former IRS official who testified before the Administrative Practice Subcommittee last year, when Congress finally moved to enact the Freedom of Information Act in 1966, the IRS participated in the executive branch's efforts to block action on and then to subvert the impact of the legislation.

It was little wonder, then, that the Service was slow to implement the requirements of the Freedom of Information Act. In its 1972 report on Administration of the Freedom of Information Act, the House Committee on Government Operations found that "The delays and frustrations faced by citizens trying to use the Freedom of Information Act are nowhere more apparent than in the attempt by a Seattle, Wash., couple to get information from the Internal Revenue Service." In subsequent legislative hearings in the Senate on proposals to amend the FOIA, I asked Congressman MOORHEAD, who chaired extensive FOI oversight hearings, which agencies had the poorest record of making information available to the public. He replied that the Internal Revenue Service was "among the worst."

In the various debates on the 1974 Freedom of Information Act Amendments, the Service was referred to occasionally to illustrate reasons supporting specific proposed changes. Unresponsiveness, delay, and the need for multiple lawsuits on the same issue characterized IRS handling of many requests for information. By setting administrative deadlines, prescribing certain information to be contained in responses, and generally giving the FOIA teeth, the amendments were intended to assist the public in its efforts to disgorge information from all Federal agencies, including the Internal Revenue Service.

Last year the Administrative Practice Subcommittee held 2 days of hearings on access to IRS information, with both public and agency witnesses discussing practices and policies relating to disclosure of information by the Service. At those hearings we focused specifically on five categories of information: The IRS Manual, statistical material, taxpayer compliance measurement program data, letter rulings and related memorandums, and investigatory records. I recently asked the Service for an update on the status of disclosure practices as to each of these areas, and I received a brief response which I will insert at the end of this statement.

On two prior occasions I inserted in the CONGRESSIONAL RECORD lists of cases decided and pending under the Freedom of Information Act (vol. 121 CONGRESSIONAL RECORD pp. 28428 and 29990). The IRS has provided me with a complete list of FOIA cases in which the Service is involved, and since these were not included in the earlier lists, I will ask that they be included here also.

Mr. President, I believe that the Internal Revenue Service still has a long way to go to bring their disclosure operations up to a fully responsive level mandated by the letter of the Freedom of Information Act and certainly the spirit of that law. The Administrative Practice and Procedure Subcommittee will continue to follow developments at that agency, with a view toward bringing their everyday practice into conformity with those welcome expressions of support for open government put forth by Treasury spokesmen at congressional hearings over the past 20 years.

I ask unanimous consent that the letter and list of cases referred to above be printed in the RECORD.

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

INTERNAL REVENUE SERVICE,
Washington, D.C., December 3, 1975.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Administrative Practice and Procedure, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In your letter of September 26, 1975 you asked for the current disclosure status of: (1) the Internal Revenue Manual, (2) statistics, (3) taxpayer compliance measurement program data, (4) letter rulings, and (5) investigatory records. You also asked for a list of Freedom of Information cases involving the Service, including the type of records sought and the disposition in decided cases. Information on these items follows:

1. *Internal Revenue Manual:* The entire Internal Revenue Manual is now available to the public for inspection or copying except for particular lines or phrases in certain ADP handbooks that apply to tolerances, enforcement techniques, or criteria. Also, a limited amount of material formerly contained in the Internal Revenue Manual has been transferred to "Law Enforcement Manuals." Law Enforcement Manuals also contain information on tolerances, enforcement techniques and criteria which, if disclosed, would seriously impede the exercise of our law enforcement responsibilities. Hence, these manuals are withheld as exempt under the Freedom of Information Act. In total, they comprise only 186 pages or less than 1 percent of the manual instructions that we issue to our employees.

2. *Statistics:* As discussed in the succeeding section, the Service is making available statistical tabulations relating to the Taxpayer Compliance Measurement Program. At the present time, approximately 1.3 million pages of such tabulations are being released to a member of the public.

In addition, it is the Service's policy to make available under the Freedom of Information Act statistics relative to operating procedures. All statistics are provided, however, only to the extent that they do not reveal the identity of taxpayers.

3. *Taxpayer Compliance Measurement Program:* Reports, analyses, and various internal memoranda referring to Phases II, III, and IV of the Taxpayer Compliance Measurement Program, as well as the statistical output tabulation relating to these phases, have been made available under the Freedom of Information Act.

4. *Letter Rulings:* The matter of release of previously issued letter rulings is still the subject of litigation (see enclosed listing of Freedom of Information cases). Additionally, the Ways and Means Committee is considering legislation which would establish a plan for disclosing future, as well as previously issued, letter rulings.

Because of this unsettled legal situation, the Service cannot determine whether or not requests and/or appeals for letter rulings should be granted or denied. The Service, therefore, defers action on these requests at the present time. However, the requesters are advised that, pursuant to the Freedom of Information Act, they may file an administrative appeal or suit in District Court as the situation dictates.

5. *Investigatory Records:* To the extent that the investigatory records relate to the individual requesting them, the Service is making such records available so long as they do not fall within any of the subsections of exemption 7.

6. *Freedom of Information Cases:* See enclosed list.

If we can be of further assistance in this matter, please let us know.

With kinds regards,

Sincerely,

DONALD C. ALEXANDER,
Commissioner.

Enclosures.

FREEDOM OF INFORMATION ACT INJUNCTION SUITS UNDER 5 U.S.C. 552(a)(3) AGAINST THE INTERNAL REVENUE SERVICE AS OF OCTOBER 21, 1975

Case, documents sought, and disposition:

1. Abel v. IRS: C.D. Cal. Civil No. 70–786–1H, Books and records of the IRS, Government's motion to dismiss granted for failure to describe identifiable records.

2. American Society of Travel Agents, Inc. v. IRS: D.D.C. Civil No. 72–629, Technical Advice Memoranda, Dismissed.

3. B. & C. Tire Co. v. IRS: N.D. Ala. Civ. No. 72–629, Investigatory records, Dismissed.

4. B. & C. Tire Co. v. IRS: 376 F.Supp. 708 (N.D. Ala. 1974), Investigatory records, Summary judgment for Government.

5. Bernstein v. IRS: S.D.N.Y. 74 Civil 2804, Technical Advice Memoranda and background documents, Pending.

6. Brandon v. IRS: D.D.C. Civil No. 74–1083, Documents regarding Special Services Staff, Documents sought were produced.

7. Computal Corporation v. IRS: N.D. Ill. Civil No. 71C 396, Manual material, Dismissed.

8. Chamberlain v. Alexander, S.D. Ala. Civil No. 7742–73–P, Manual material and investigatory records, Pending.

9. Church of Scientology of California v. IRS: C.D. Cal. Civil No. 74–3465, Investigatory records, Pending.

10. Chavkin v. IRS: S.D.N.Y. 75 Civ. 398, Informant's communication, Pending.

11. Donlon v. IRS; Williams v. IRS: 479 F.2d 317 (3rd Cir. 1973), Investigatory records, Government's assertion of exemption upheld.

12. Etheridge v. IRS: 74–1 U.S.T.C. 9354 (N.D. Ga. 1974), Manual material and investigatory records. Dismissed.

13. Fruehauf Corporation v. IRS: 75–2 U.S.T.C. 87, 619 (6th Cir. 1975), Private letter rulings and Technical advice memoranda, Order for plaintiff—affirmed by Sixth Circuit. Petition for certiorari has been filed.

14. Glickman, Lurie, Eiger & Co. v. IRS: Civil No. 4–75–303, U.S. D.C. Minn., Fourth Division (Unreported opinion), Investigatory records, Summary judgment for Government.

15. Giacalone v. IRS: E.D. Mich. Civil No. 5–71–723, Investigatory records, Pending.

16. Hawkes v. IRS: 507 F.2d 481 (6th Cir. 1974), Manual material, Decision for Government reversed on appeal. On remand, decision for plaintiff, which Sixth Circuit affirmed.

17. Imbrunone v. IRS, 379 F. Supp. 256 (E.D. Mich. 1974), Manual material, Ruled in favor of the Government.

18. Klayman v. IRS, D.D.C. Civil No. 75–1584, Letter rulings and Technical advice memoranda, Pending.

19. Knobbe v. IRS, D. Kan. Civil No. 75–156–C6, Letter rulings and determination letters, Pending.

20. Lo, Chou, and Asian-American Recreation Club, Inc. v. United States, IRS, and CAB N.D. Cal. C75–0269, Investigatory records, Dismissed.

21. Long v. IRS, 349 F. Supp. 871 (W. D. Wash. 1972), Manual material and investigatory records, Investigatory records denied to plaintiff. Manual material provided to plaintiff.

22. Long v. IRS, 349 F. Supp. 871 (W. D. Wash. 1972), Statistical records, Judgment for plaintiffs.

23. Long v. IRS, W. D. Wash. Civil No. C74–7245, Statistical records, Case pending but records provided to plaintiffs.

24. Long v. IRS, W. D. Wash. Civil No. C74–5295, Statistical records, Case pending but records provided to plaintiffs.

25. Long v. IRS, W.D. Wash. Civil No. C75–131S, Statistical records, Case pending but records provided to the plaintiffs.

26. Long v. IRS, W.D. Wash. 75–228S, Statistical records, Case pending. Certain records provided plaintiffs while other considered exempt.

27. Mirich v. Alexander, E.D. Mich. Civil No. 473035, Investigative reports pertaining to an accident, Pending.

28. Mason v. Alexander, E.D. Va. Civil No. 75–577–A, Investigatory records, Pending.

29. Nader v. IRS, D.D.C. Civil No. 1851–72, Background records relating to Revenue Ruling, Decision for Government.

30. Owen v. IRS Civil No. 75–0391, D.D.C., Private letter rulings, Dismissed.

31. Peacher v. IRS, D.D.C. Civil No. 8–72, Manual material, Dismissed.

32. Philadelphia Newspapers Inc. v. United States, D.D.C. Civil No. 75–1383, Letter rulings, Pending.

33. Ries v. IRS, D.D.C. Civil No. 75–0639, Letter rulings, Pending.

34. Sahley v. IRS, E.D. La. Civil No. 75–1831, Investigatory records, Pending.

35. Schwartz v. IRS, 511 F.2d 1303 (D.C. Cir. 1975), Inter-agency memoranda relating to $1.00 check-off, Decision for Government.

36. Shakespeare of Arkansas, Inc. v. IRS, W.D. Ark. Civil No. F–75–41–C, Letter rulings and Technical advice memoranda, Pending.

37. Shea v. IRS, D. Conn. Civil No. N–74–S, Inter-agency memoranda relating to Hartford-ITT merger, Dismissed.

38. Swift v. IRS, N.D. Ga. Civil No. C75–77R, Inter-agency memoranda, Pending.

39. Tax Analysts and Advocates and Thomas F. Field v. IRS, 505 F.2d 350 (D.C. Cir. 1974), Letter rulings and index to digest card system relative thereto, On appeal the court ruled that private letter rulings were not exempt but technical advice memoranda were exempt.

40. Tax Analysts a nd Advocates and Thomas F. Field v. IRS, D.D.C. Civil No. 75–0650, Letter rulings issued since July 4, 1967 and the digest card system relating thereto, Pending.

41. Tax Reform Research Group v. IRS, 74–1 U.S.T.C. 9374 (1974), Confidential comments on regulations, Decision for plaintiff.

42. Tax Reform Research Group v. IRS, D.D.C. Civil No. 74–216, Records of White House Communications particularly as to the so-called "Friends and Enemies" List, Pending.

43. Virginia Independent Schools Ass'n. v. Commissioner, D.D.C. Civil No. 75–0925, Background material on proposed Revenue Procedure, Pending.

44. Warren v. IRS, N.D. Tex. Civil No. 2–74–133, Investigatory record, Pending.

AVIATION HIGH SCHOOL—NEW YORK CITY

Mr. JAVITS. Mr. President, among the variety of purposes which education serves, there is an increasing interest and need to focus attention on its capacity to relate effectively to the world of work—to provide career oriented training which prepares our citizens for opportunities to enter the labor force in worthwhile occupations.

While much must be done to improve the relationship of education to work, we have some exemplary programs already in existence that serve as benchmarks to guide our efforts.

I am pleased to note that in New York City there is such a program. Located in Long Island City, Queens, Aviation High School provides its students, in addition to general academic courses, sound vocational training to work effectively in mechanical, electrical and other technical fields within aviation and related industries.

Specifically, there are three points I should like to emphasize in which Aviation High School fulfills important needs. First, this school offers quality education, providing its graduates with opportunities to enter employment or to pursue further studies including at the college level. Second, Aviation High is interrelated with its target industry, drawing heavily on aviation specialists in the field to design and update its technical curriculum. Third, Aviation High extends broad educational opportunities, with fully 66 percent of its current enrollment composed of students from ethnic minorities. In short, Aviation High School exemplifies those effective career training programs to which we must increasingly direct our attention and efforts.

Mr. President, an article by Peter A. Janssen recently appeared in the New York Times Magazine which describes this exemplary career training school. I ask unanimous consent that this article be printed in the RECORD.

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

[From the New York Times Magazine, Dec. 7, 1975]

LET'S HEAR IT FOR AVIATION HIGH

(By Peter A. Janssen)

The school is flanked by a gas station and a men's clothing factory, across the street from the elevated subway tracks, in an industrial section of Long Island City. Next to the seven-story school building of glass and brick, some 16 airplanes, including a biplane, two helicopters, two twin-engine Beechcrafts and two reconnaissance drones left over from the Vietnam war, are scattered about a hangar and an apron. The whole, with its 2,700 students, is the Aviation High School, an exemplar of a flourishing new trend in career education.

In the past, most vocational schools had a well-deserved reputation as dumping grounds for blacks, Puerto Ricans and other minorities who were not regarded by most educators as college material. All too often, the vocational schools "trained" students for jobs that did not exist with equipment that was hopelessly outdated, or were used as a means of tracking students away from the more desirable high schools—and, as a consequence, into the least desirable jobs. A few years ago, however, many educators turned to "career education" as a means of effecting a reform in education generally. About 40 percent of all American high-school students were enrolled in a general curriculum which usually was a watered-down college-prep course that did not prepare students for either college or a job. Sidney P. Marland, then Commissioner of Education, called the prevailing general curriculum "an abomination," and quickly became the main spokesman for career training. The reformers promoted the idea that the institutional barriers between school and work should be broken down; that an end should be put to the secondary-school lockstep that was sending an ever-growing number of high-school graduates unquestioningly to college; and that high schools should train all students for a decent way to earn a living, whether they went on to college or not.

Today, the trend toward career education has received a boost from many educators—and parents—who are taking a second look at the merits of college. While four years at a public college now cost about $11,000, and more than $25,000 at a private college, the economic advantages of a college degree are shrinking. In 1969, men over 25 with a college degree earned 53 percent more than men with only a high-school diploma; by 1973, they earned only 40 percent more, and Harvard economist Richard B. Freeman predicts that by 1979 they will earn just 30 percent more.

With the end of the military draft, a smaller proportion of high-school graduates is going on to college or joining the armed forces. Increasingly, young people are leaving high school and going to work. Their presence on the job market gives extra impetus to upgrading the shopworn vocational and technical schools. And in the sour economy of the past few years, the trend toward career education has become a nation-wide boom.

New York has 23 technical and vocational high schools, currently with 305,486 students, or 14 percent of the city's high-school enrollment. Applications to these schools ran last year at double the number of openings, and those who get in seem to stay. Attendance, which often dips below 60 percent in the general high schools, runs about 75 percent in the vocational schools. The Board of Education claims that two-thirds of the

vocational graduates get jobs in the fields they studied.

For all that, many of the vocational schools suffer from a lack of focus, offering vague courses in "office practices" or "career development"; many still struggle along with hopelessly outdated equipment—for instance, teaching television repair on black-and-white sets. The city's five "unit-trade" high schools, however, are a different story. Each of these concentrates on a single industry—aviation, automobile, fashion, printing, and art and design—and directs its training and technology towards a single goal. These specialized schools attract students with a particular desire to learn

Aviation High School, one of a half dozen high schools in the country specializing in the aerospace industry, has a record that is far above the city average even for the vocational schools. Last year, 4,750 seventh and eighth-grade students applied for Aviation's 850 places. Attendance was 96 percent, and Aviation principal Santo J. Frontario says he had more job offers (at $4.50 to $5.20 an hour) for last June's graduates than he had takers. The reason for Aviation's apparent success is that it offers both a highly technical job-training program—with plenty of cooperation and leadership from the aviation industry—and a solid college-bound curriculum. Students can take technical courses and graduate with both a diploma and a Federal Aviation Administration certificate of competency as air-frame or power-plant mechanics; or, in the senior year, they can take the "advanced placement" course with college-level physics labs, avionics (dealing with electronic instruments) and calculus, and earn the F.A.A. certificate, a diploma, and a leg up on college.

In addition, Aviation runs several dozen afternoon and evening courses for adults trying to land entry-level jobs. During the day, students from other schools come to use Aviation's unique shops and equipment; many students from Aviation and other high schools also sign up for after-school courses to get extra job training.

Eddie Luisi, an Aviation junior who is having only mild success in growing a mustache, stays two hours after school to take a paint-spraying course. This winter he will get a certificate of competency in paint spraying, and then he'll enroll in something else. "When I graduate, I'll have these things all piled up," he says. "I can work anywhere. I'll get a diploma and a license from the F.A.A., I'll have three or four of these certificates; I can go to college, the Air Force, work as a technician. Right now I don't know what I want to do, but I know I'll be ahead of a lot of other guys."

Perhaps because of the ever-present glamour of flying or the oft-mentioned $10-an-hour wage for airline mechanics with two years' experience, Aviation's students are uniformly enthusiastic about their school. Waiting for a bus outside the building one warm fall afternoon, Horacio Felgueiras, a sophomore, proudly and without any prompting declared, "It is the best school in New York City." A group of friends agreed, gleefully slapping Felgueiras' outstretched palm every time he mentioned anything remotely connected with the school. "For one thing," he said, "you get a job." Slap, slap. "JFK, LaGuardia." Slap, slap. "You know, $10 an hour." Slap, slap, slap.

Enthusiasm about Aviation is anything but a coincidence. Indeed, it is the result of a highly developed system of recruiting, admission and student motivation and control. The school is open to all city pupils graduating from the eighth and ninth grades. Every fall, Aviation's counseling office sends thousands of brochures and letters to public and private junior highs throughout the city. Frontario speaks at dozens of junior highs during the year, and he puts on at least one open house, so that parents, prospective students and counselors can see for themselves what Aviation is all about. "We work at recruiting," says Frontario. "We want to ensure that we get the largest possible pool of applicants." This fall, some 1,500 people turned out for a Friday evening open house; after visiting the shops and talking with teachers, they were shown a 28-minute, 16-mm. color film extolling the school's virtues.

The film was made in 1965; a new one has been shot and only awaits final editing. It is anything but subtle. The film opens with a DC–10 taking off, and cuts to the plane landing and taxiing toward a passenger terminal. The camera zooms in for a close-up of the co-pilot. "Hi, I'm George Wilson, first officer of American Airlines. I'm a graduate of Aviation High School, class of '62. My mechanical and technical training at Aviation High School provided me with a sense of direction and a foundation upon which to build my career." The highly professional film continues with more success stories and interviews with old grads who are airline executives, pilots and mechanics.

To apply to Aviation, students fill out a standard Board of Education form, and take a written test at the school dealing with math, science and spatial relationships. They are then interviewed by Frontario, an assistant principal or a guidance counselor. "The interview is the most important part of the screening," says Antonio Pepenella, who has been a counselor for 16 years and is in charge of admissions. "That's how we tell about motivation." Aviation puts far more emphasis on a student's desire to learn and his ability to live by the rules than on his brilliance. "We don't take kids who are more than two years retarded in reading," says Pepenella. Frontario says, "We stress accuracy, workmanship, attendance, punctuality. We're vitally concerned about a boy's ability to assume responsibility for his actions."

Finally, all applications are spread out on two long wooden tables in a conference room, arranged in descending order of the test scores. A 12-member committee goes through the piles, with Pepenella and Frontario making the final decisions. Last year, 3,984 applicants took the written test, 1,600 were accepted and 850 were enrolled. "A lot of kids from parochial schools use us as insurance in case they don't get into their diocesan high school," Pepenella said. "But 90 percent of the kids we accepted from ninth grade in public schools actually came."

If, as occasionally happens, the screening process fails and a student does not fit in, he is invited to leave. (This works both ways; some students are astonished at Aviation's rules and regulations, and want out.) Each year, about 10 percent of the entering students are "transferred out."

Aviation does not seem to suffer from racial discrimination. About 38 percent of the students this term are Puerto Rican, 16 percent are black, 12 percent are Oriental and 34 percent are white. (Frontario has a Spanish-language cassette for his 15-minute slide and tape show when he recruits in heavily Puerto Rican schools.) However, another form of discrimination seems to be at work: The school does not have a single female student, although six are scheduled to come parttime for some shop courses in February. "A few girls passed the test and applied," says Frontario. "So I asked their parents in and showed them the shops and classes and all the boys, and then they said their daughters didn't want to come. Can't say as I blame them."

Starting with the 10th grade, an Aviation student spends half the day in shop courses and the other half in academic work. The school day, longer than in many New York high schools, runs from 8 A.M. to 2:56 P.M. and is divided into nine 45-minute periods. The only free period is lunch. There is no study hall or other free time.

The curriculum, of course, is dictated by Board of Education requirements. But two other agencies also control Aviation's technical courses: the F.A.A., which stipulates a specific curriculum for its certificate, and the Aeronautic Educational Advisory Commission, a group of 47 airline, union, management, military and other aviation-related men who meet at the school three or four times a year to review courses, discuss the job market and offer feedback on how graduates are performing. Commission members also make summer jobs available for Aviation teachers—keeping them up-to-date on industry demands and equipment—and donate supplies to the school.

In the 10th grade, students work in airframe, sheet-metal and basic-electricity shops. In the 11th grade, they move on to airplane motor assembly and oxyacetylene and heliarc welding; in the 12th to jet engines, turbines and turboprops, hydraulics and machine-tool operations. Wearing white coveralls with a flying letter A stitched on the back, students work on "live" engines in the hangar and test jet engines in two small labs behind huge soundproof doors.

Much of the training prepares students for jobs outside aviation. In the 11th-grade electrical shop, for example, Alvin Gorlick, who graduated from Aviation in 1963, teaches the fundamentals of wiring a circuit. Students strip a circuit board clean, and then rewire it. Gorlick has worked some summers as a mechanic for Allegheny, National and Mohawk airlines, "but I can do anything. Some summers I do air-conditioning or heating. These kids learn those same skills. If they can't get a job in aviation, they'll be able to get a job someplace."

For students who do want jobs in aviation, the school offers an "extended 12th year" program to the top 50 graduates. They can come back for six months and work in shops full-time. If they pass a qualifying test, they earn a second F.A.A. technician's license.

Not all the courses are oriented to shop and job. One elective English course for college-bound students is "Male-Female Relationships, or Sexuality Through Literature." Recently Martha Sussman, one of the few women teachers in the school, was perched on her desk discussing the previous night's assignment—a story about Mark, 19, a counselor at a summer camp, and Emily, 16, a young camper. At the end of the summer, Mark and Emily have an affair.

As Principal Frontario and Vice Principal Bob Grant quietly escort a visitor into the back of the room, Mrs. Sussman is explaining that "probably the worst thing you can do when you engage in sex is to want something to happen but you're too embarrassed to tell your partner." Frontario groans; Grant struggles with his packet button; Mrs. Sussman flushes but gamely struggles on. "The worst thing in the world is to be naked with someone, exposing yourself in every way, but still to be afraid to ask them a question." The class, 33 teen-age boys, nods in agreement.

"What are your thoughts about women taking steps to avoid pregnancy?" Mrs. Sussman asks.

A Puerto Rican boy: "In my country, it's very hard for a girl to get a prescription for a pill or any help from a doctor."

Another boy, affecting a superreasonable tone of voice: "It's both their responsibility."

Mrs. Sussman guides the discussion from intercourse to other rites of passage, the class hanging on every word, until she is saved by the bell.

In addition to the standard Regents' requirements for academic courses, Aviation offers a dozen or so electives. The more popular: "The Adolescent in Literature," "Exploring the Film" and "Horrors, Witches and

the Supernatural." Some 60 students are enrolled in the intense advanced placement program.

Aviation's teachers often use a blend of the Socratic method and practical examples. Frank Cordaro, who has taught at the school for 11 years (after 20 years in the Navy in aircraft maintenance), was leading 21 seniors through "The Theory of Lift" in a chemistry lab. Cordaro scrawled diagrams on the blackboard and gestured with a 2-foot-long wooden model airplane.

"Will the take-off run be longer at JFK or at Denver?"

"Denver," came the reply from several students.

"Why?" asked Cordaro, calling on a boy in the rear.

"Because the air has less density in Denver. High altitudes—less lift."

Cordaro ran through the effects of weather on density: Air expands in heat, becoming less dense and offering less lift. "O.K. We're at Mexico City on a hot day. Are we going to have difficulty getting it off the ground?"

The class chorused "Yes," as Cordaro moved the model plane through a prolonged, low-level take-off.

After class, he explained: "I keep talking with the kids, asking them questions all the time to see if they're getting the stuff. It's also pretty effective to use a lot of visual aids like the model plane. The kids pick it up faster."

Paul Casella, who has been at Aviation for your years (after several years as an Army helicopter crew chief), was teaching a senior class in "Ground Operations." Eighteen boys perched on benches in the hangar, almost under the wing of a jet fighter. Casella ran a short movie showing how to service a private plane when it lands at a small airport; the proper hand signals to use in leading it to the service area; how to chock the wheels, fill the gas tank and check the tires. He then had the class practice hand signals.

"When you're on the ground walking a plane to the service area, why should you always look behind you?" he asked.

A sturdy boy, with "Mean Machine" written on the back of his coveralls, replied: "For Christ's sake, if you don't look where you're going, you'll walk into a propeller."

"Yeah, or you could trip on something, and before he noticed that you weren't there, the pilot could roll over you. It's happened." Casella said that later in the week the class would taxi a single-engine Cessna out of the hangar onto the apron and start up the motor—"and I want everybody to know exactly what they're doing."

Throughout the school, Aviation has 172 certified teachers; 72 of them are certified F.A.A. air-frame and power-plant mechanics as well. One F.A.A. regulation that is causing some trouble requires that shop classes contain no more than 25 students. Frontario got a special extension last February permitting Aviation's shops to go up to 28 pupils, the maximum stipulated in the United Federation of Teachers contract. The U.F.T. maximum for high-school academic courses is 34; Aviation's classes usually are one or two below that.

Like the students, most of Aviation's teachers are uncommonly loyal to the school. Indeed, 35 are Aviation graduates. Aviation opened at the Manhattan High School of Aviation Trades in 1937, on Second Avenue and 63d Street. Frontario, who was born on the Lower East Side and graduated from P.S. 40 and Stuyvesant High School, joined it a year later. He helped plan the present building.

To a large degree, most schools are a reflection of their principals. Frontario, a licensed mechanic, pilot and F.A.A. examiner who "flies as often as I can," is polite, direct and businesslike. He was a colonel during the Second World War, flying B–17's in North Africa and Italy, and there is no doubt today about who runs the show at Aviation; almost everyone in the building defers to Frontario on any question of substance. Frontario works in "the industry" during the summer; this year he evaluated training programs for Pan Am.

The school's ability to produce graduates who land good jobs depends largely on the equipment in its shops. Frontario says Aviation's per-pupil spending is the same as in other vocational high schools. Aviation's operating budget is $3.1 million from the Board of Education this year. Frontario estimates that the budget has been cut about 15 or 20 percent lately. "They started cutting five years ago and I stopped counting," he says. "I can't even tell what the total cut is now."

The cuts that particularly hurt are in expendable supplies. In 1965, for example, the board allocated $47,000 for such supplies; this year the budget is $22,000. Teachers in after-school welding shops say they are now allotted one bottle of gas per class. "Now we show a film that's supposed to teach welding," says one bitterly.

Teachers say that most of the shop equipment is old, but good. "Most of the equipment I use comes from the 50's or early 60's, but it's still being used by the airlines," says Dominic Ciociari, who teaches advanced machine shop at Aviation and works during the summer as a pilot for Air Jamaica.

Frontario gets the most out of Aviation by motivating the student. Most, of course, already are motivated by the prospect of the F.A.A. certificate and a decent job. But Frontario uses other techniques to guarantee interest. At graduation, for example, each student with 100 percent attendance is given a gold lapel button in the shape of wings, plus a plaque. (Frontario always wears his wings.) Last spring 65 graduates won their wings. If a student attends four terms without missing a day he is given silver wings; last June, 165 days, out of a graduating class of 515, got silver wings.

The wings ceremony has a mystique of its own. In a ritual not likely to be duplicated in many other American high schools, an Aviation senior leads the wings winners in reciting the Mechanics' Creed:

"I shall hold in sacred trust the rights and privileges conferred upon me as a wings recipient mechanic. In discharging this trust, I pledge myself never to undertake work or approve of work which I feel to be beyond the limits of my knowledge, nor shall I allow any noncertified superior to persuade me to approve aircraft or equipment as airworthy.

"I realize the grave responsibility which is mine to exercise my judgment on the airworthiness of aircraft and equipment. I therefore pledge unyielding adherence to these precepts for the advancement of aviation and for the dignity of my vocation."

On top of the motivation of the wings, students are required to start each day with 15 minutes in their home room while attendance is taken. The last five minutes of the day they report back for "checkout," while attendance is taken again. "This," says Frontario, "controls what other schools call 'selective attendance.' "

In many ways Aviation is like other high schools. It has the normal signs marking the Down Only and the Up Only stairs, and the P.A. system at the end of each period sounds like a submarine dive signal. But, in a scene more familiar to the 50's than the 70's, the school drill team, 60 strong, practices marching around the yard every afternoon. The drill team was very big this fall in the Columbus Day parade.

"These kids are some of the best in the city," says Vice Principal Grant. "They're good-natured, and that's unusual for high-school kids." Victoria Clark, an English teacher and adviser to Aviation Log, the student paper, agrees: "They're not particularly radical. They're really more or less ultraconservative. They're very pragmatic kids interested in getting jobs."

Whether Aviation graduates actually get the jobs they train for is open to some interpretation. Antonio Pepenella, the admissions director, who doubles as senior counselor, says, "The aviation industry does not have as many jobs as we would like. Also, if the kids want jobs in airlines they have to leave the New York area, and most of them don't want to do that. But things are picking up. We went through a worse period a few years ago."

When asked about jobs, Frontario pulls out a poll of last June's 515 graduates. Of the 258 who responded, 148 were enrolled in some kind of higher education for further technical training (most at City University under Open Admissions); 35 were studying liberal-arts courses; 16 were working full-time in nonaviation jobs; six were working full-time in aviation jobs; six were working part-time but looking for full-time jobs; 29 were unemployed and looking for jobs; 10 had joined the armed forces, and eight who answered the poll did not say what they were doing. There is no way to tell, of course, what happened to the 257 graduates who did not answer the poll.

Is Aviation worthwhile if only six out of 515 graduates are known to be working in aviation jobs? Frontario and many teachers claim that many more uncounted students are in the aviation industry, and that those who did not get aviation jobs immediately are well prepared to work in other fields. Frontario says he had 112 job offers in all parts of aviation last spring—"not as good as in the past, but I still had more jobs than I was able to fill." Many jobs involved working for subcontractors (where graduates would never see an airplane) or moving from New York. Frontario estimates that half of Aviation's graduates end up working in aviation, but he has no solid evidence to back this up.

Aviation graduates who do land jobs tend to perform quite well. Enrico Bello, general foreman for Trans World Airlines and himself an Aviation graduate, says, "They do a fine job. The school teaches fundamentals very well." Patrick Marinelli, maintenance director at Kennedy for Pan Am, and also an Aviation graduate, says, "Young guys get a lot of theory at Aviation; they know how to think, and we like that. We train them ourselves to our own way of doing things, but they already have good basics. We'd rather hire them than people who've been in the Air Force four or five years. The Air Force people have been doing it the wrong way all that time, and it's hard to retrain them." Anthony Vasko, general foreman for technical services for Eastern (yet another Aviation graduate), praises the school's products: "They are really a highly motivated bunch."

The *esprit* and enthusiasm that permeate the school are testimony to its success. Schools such as Aviation are not the entire answer to reforming the nation's high schools, but they certainly offer one alternative. If nothing else, Aviation can point to the pride of its students. Says Claude Laleau, a junior: "If you want to get something out of school, you can get it here."

FAMILY REUNION FOR INDOCHINA REFUGEES

Mr. KENNEDY. Mr. President, in the finest tradition of the American people, the United States has extended a warm hand of friendship and help to the Indochina refugees who have come to our shores. All those involved in the Indochina refugee resettlement program—the voluntary agencies, the President's interagency task force, and the countless individual Americans who have offered their help—deserve great credit for their

efforts in recent months on behalf of Indochina refugees.

However, this fine record of humanitarian service is being tarnished by the growing difficulties many refugees are facing in terms of family reunification. Needless impediments have developed in the parole program for Indochina refugees in securing family reunion, which has been a central humanitarian objective in our national immigration policy.

My office has received pleas from scores of Indochia refugees in the United States seeking help in obtaining permission to bring their parents, children, and other family members into the United States. In the confusion and chaos of the evacuation from Saigon, countless families were split, and today some members of the family have been resettled here while others are in Third Countries seeking to rejoin their family in America.

A recent case that came to my attention illustrates the problem. A 16-year-old girl was separated from her family during the evacuation of Saigon in April, and she arrived in Camp Pendleton a few days later. Not knowing whether her family was able to leave Vietnam, and feeling isolated and alone, she opted to travel to Canada where she had a relative. Several days later the remainder of her family—her father and mother and sister—arrived in Camp Pendleton, and after some searching the girl reestablished contact with them.

However, the Immigration and Naturalization Service has ruled that the girl is "resettled" in Canada, and she has not been given permission to enter the United States and rejoin her family in California.

Mr. President, I find such a case an outrageous situation, and I am dismayed that the lack of clearly defined policies and guidelines governing the continuing parole program is bringing unnecessary personal hardship for many refugee families.

This week I wrote to the Attorney General urging that he clarify the parole authority, and to instruct the Immigration and Naturalization Service to act expeditiously on family reunification for Indochina refugees. There is no excuse for delay.

After consultations with Congress, a parole authority for 150,000 Indochina refugees was granted. The total number of refugees in the United States has not yet reached that ceiling, and so I urge the Attorney General and INS to proceed with the parole authority for Indochina refugees—particularly in behalf of family reunions.

Mr. President, I ask unanimous consent that the text of my letter to the Attorney General 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., December 15, 1975.

Hon. EDWARD H. LEVI,
Attorney General,
Department of Justice,
Washington, D.C.

DEAR MR. ATTORNEY GENERAL: I am writing to express the concern I share with others in Congress over the growing difficulties in the continuing parole of Indochina refugees into the United States under Section 213(d)(5) of the Immigration and Nationality Act, as amended. Especially distressing are the needless impediments to family reunion, which has been a traditional humanitarian objective of our national immigration policy.

As you probably know, in recent weeks there has been a great deal of discussion over this matter within Congress, the Executive Branch, the voluntary resettlement agencies and elsewhere. And the lack of clearly defined policies and guidelines for governing the parole program, and the bureaucratic paralysis in resolving individual cases, has not only produced confusion in the public mind, but also considerable personal hardship for many refugee families.

Information available to the Subcommittee on Refugees from its own files, the President's Interagency Task Force on Indochina Refugees, the United Nations High Commissioner for Refugees (UNHCR), the Department of State, and several voluntary agencies, suggest that the bulk of those currently seeking resettlement in the United States wish to join family members already here, and that some additional resettlement needs are also present, in the main, among the growing number of refugees in Thailand. All of these displaced people are under the mandate of the UNHCR, who has assumed a major responsibility for their temporary care and maintenance, and for their eventual repatriation or resettlement in the initial receiving countries or elsewhere.

I fully recognize various constraints in the continuing parole of Indochina refugees, and the apparent lack of any firm consensus over the initial objectives of the parole program. The record suggests, however, that a ceiling of 150,000 persons was generally understood by all parties concerned, and that, in pursuit of various humanitarian objectives within this ceiling, in recent months the Executive Branch and the Department of Justice have often taken expeditious steps to accomplish these objectives.

As one who has long advocated flexible guidelines and procedures to facilitate the expeditious movement of refugees to the United States—especially for the humanitarian purpose of family reunion—I wanted to recommend that the Department thoroughly review the current guidelines and procedures governing the parole of refugees from Indochina, and that the Immigration and Naturalization Service take immediate steps to facilitate the reunion of families and the parole of a reasonable number of additional refugees under the mandate of the UNHCR. It is my understanding that this humanitarian objective can be accomplished within the general parole ceiling of 150,000 persons, that funds are available to assist this movement, and that private voluntary agencies also have sponsors readily available to assist in the resettlement of any new arrivals.

The Department of Justice and the other components of the President's Interagency Task Force deserve much credit for their efforts in recent months in behalf of the Indochina refugees. The anticipated closing of the reception areas by the end of this month attests in part to these efforts. But in viewing these good efforts, I am extremely hopeful that our country will not lose sight of our remaining obligations toward the new arrivals on our shores, and our continuing responsibilities for helping to meet the urgent family reunion and resettlement needs among certain refugees now in Thailand and other areas.

I appreciate very much your consideration, and look forward to hearing from you soon. Best wishes.

Sincerely,

EDWARD M. KENNEDY,
Chairman, Subcommittee on Refugees.

PEOPLE-TO-PEOPLE HUMANITARIAN AID GOES TO VIETNAM

Mr. HATFIELD. Mr. President, on next Monday evening, December 22, a planeload of medical supplies and clothing will leave New York for Vietnam. This is a small token shipment of materials collected by several church groups and others throughout America, and sent as a people-to-people act of reconciliation. Permission had to be sought, and was granted, for the sending of humanitarian relief shipments from the Treasury and Commerce Departments, because of the trade embargo still in effect, which prohibits any trade with Vietnam. I will continue to press for the removal of this embargo as an absolutely essential step toward resolving the outstanding issues between the Government of Vietnam and our own Government, including any unanswered questions concerning the MIA's, and to fully normalizing relations.

Surely during this Christmas season we should be moved as a government and a people in acts of humanitarian concern toward a people whose country was torn assunder through years of war. I ask unanimous consent that a statement describing this compassionate act be printed in the RECORD. I also ask that a statement by leaders of the Catholic, Protestant, and Jewish communities in America urging a policy of reconciliation with Vietnam, including the removal of the present trade embargo, also be printed in the RECORD.

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

"FRIENDSHIPMENT" PLANE BOUND FOR VIETNAM—25 TONS OF "PEOPLE-TO-PEOPLE" AID LEAVING THE UNITED STATES THIS WEEK

An airplane leaves New York December 22, bound for North Vietnam on the third anniversary of the Christmas bombings of Hanoi which virtually destroyed the Bach Mai Hospital. Tonight's flight carries, not bombs, but 3½ tons of antibiotics, medical equipment, sweaters, and health kits, sent as part of a people-to-people aid campaign called Friendshipment. Twenty-two tons of blankets and clothing left by ship for Haiphong, North Vietnam on Saturday, December 20th.

Details of the shipments were revealed today at a New York press conference by representatives of several cooperating organizations in the Friendshipment campaign.

Friendshipment involves thirty-five church, peace, and civic organizations which are fulfilling Vietnamese requests for emergency medical aid and reconstruction materials. Included in the 3½-ton shipment today were: sweaters, gathered by the American Friends Service Committee; medical equipment provided by the Bach Mai Hospital Relief Fund; health kits donanted by Church World Service; and medicine purchased by Clergy and Laity Concerned.

Also included in the air shipment were antibiotics and 200,000 kits for screening venereal disease, provided by the Mennonite Central Committee, along with microscopes purchased by the United Methodist Church's Committee on Relief, a division of their Board of Global Ministries. (Detailed list attached.)

The materials are all being sent in response to recent requests by the Vietnamese and are consigned to the Red Cross Society of Vietnam which will distribute the aid according to need.

In addition to today's flight, Friendshipment reported it has sent 22 tons of clothing and blankets by ship Saturday, December 20th, arriving in Haiphong Harbor, February 6th. These items were an additional contribution from Church World Service, a voluntary relief agency of the National Council of Churches. CWS has also made substantial contributions through the Fund for Reconstruction and Reconciliation in Indochina, an international effort of the World Council of Churches, providing several million dollars more toward the reconstruction of Vietnam.

The American Friends Service Committee's part in today's Friendshipment consists of nearly 3,000 sweaters to help children—five to twelve years old—fend off the chilly winters in Vietnam. The sweaters, many of them hand-made, were donated by people across the nation. If purchased new, they would cost over $15,000.

The AFSC learned of the urgent need for sweaters during discussions with officials in Vietnam in September. The Quaker organization already has shipped sixteen-and-a-half tons of acrylic yarn to Haiphong so the lone sweater factory in North Vietnam can produce 50,000 additional sweaters.

The purchase of antibiotic medicines for leprosy and psychiatric use, as well as the screening tests for venereal disease, resulted from a request made of a Mennonite delegate to Vietnam who recently met with health officials in Saigon and Hanoi. One American legacy in Vietnam is massive venereal disease, affecting more than 300,000 women.

The Bach Mai Hospital Relief Fund, Inc. has already sent over a million dollars worth of medical aid to rebuild the Bach Mai Hospital which was nearly destroyed in the bombing raids three years ago today. The EKG machine and microscope in today's flight are part of the continuing commitment of the Bach Mai Fund to help meet the medical needs of the Vietnamese people.

As part of its contribution to Friendshipment, Clergy and Laity Concerned, an interfaith peace group, is sending Opthalmic Bacitracin (eye ointment). The medication is for released political prisoners in South Vietnam, many of whom suffer from serious eye disease due to long periods of confinement in unsanitary conditions.

Don Luce, Clergy and Laity Concerned's Co-Director, has been closely associated with the cause of the political prisoners of the Theiu regime ever since 1970 when he discovered the tiger cages on Con Son Island while on a fact-finding visit with two American Congressmen.

Because trade to Vietnam is currently restricted by the United States, each of the Friendshipment groups sending materials had to apply for licenses from the Treasury and Commerce Departments for permission to ship their relief supplies. An end to the present trade embargo could come soon if Congress would pass proposed legislation, submitted last week, by the House Subcommittee on International Trade and Commerce, chaired by Rep. Jonathan B. Bingham (D-NY).

Other organizations around the country are currently raising funds and collecting more materials for subsequent shipments to Vietnam in January and February. They include: Ad Hoc Coalition for a New Foreign Policy; Another Mother for Peace; Bishop's Call for Peace and Self-Development of Peoples, United Methodist Church; Committee of Responsibility; Disciples Peace Fellowship; Episcopal Peace Fellowship; Fellowship of Reconciliation; Friends of Indochina Organizing Committee; Health-PAC; Indochina Mobile Education Project; Indochina Resource Center; International Children's Fund; Inter-Religious Foundation for Community Organization; The Thomas Merton Center; National Council of Churches, Division of Church and Society; National Interim Committee for a Mass Party of the People; People to People Program, Christian Church, Disciples of Christ; Puerto Rican Socialist Party; SANE, SOS Vietnam: A Time for Healing, International Committee; Union of Vietnames in the United States; United Methodist Church Women's Division and World Division; Vietnamese-American Reconciliation Center; Vietnam Resource Center; War Resisters League; Women Strike for Peace; and Women's International League for Peace and Freedom.

DESCRIPTION OF CONTENTS OF FRIENDSHIPMENT LEAVING BY PLANE DECEMBER 22, 1975, FROM NEW YORK TO HANOI

Church World Service: 5,520 lbs. Health kits, $8,250.

American Friends Service Committee: 1,304 lbs. Sweaters, $1,957.

Clergy and Laity Concerned: 61 lbs. Eye ointment, $1,500.

Bach Mai Hospital Fund: 90 lbs. EKG machine, $1,000; 87 lbs. Microscope, $1,000. Antibiotics, $5,000.

Mennonite Central Committee, 150 lbs. Antibiotics, $5,000; 600 lbs. RPR (VD) Kits, $13,068.

United Methodist Committee on Relief: 50 lbs. 2 Microscopes $2,300.

Totals: 6 Agencies, 7,815 lbs., $34,074.

Via Ship, 12/20/75, New York to Haiphong, Church World Service, 22 tons Blankets & Clothing, $59,550.

RECONCILIATION AND RECONSTRUCTION OF POSTWAR INDOCHINA

(Statement Issued by the Interreligious Committee of General Secretaries composed of the Chief Executive Officers of the U.S. Catholic Conference, National Council of Churches and the Synagogue Council of America.)

The Catholic, Protestant and Jewish communities of America greeted with relief and happiness the news of the final silencing of guns and the end of the destruction in Indochina. Many of us have long decried the devastation which has been visited upon the land and people of Indochina during the past ten years.

The Jewish-Christian tradition places strong emphasis upon reconciliation and healing after periods of corporate conflict. When the war is over, we must work at making the peace. It is time for America to turn its attention to binding up the wounds of war both at home and abroad. Nothing is to be gained by maintaining an atmosphere of hostility between the nations. Sitting together at the table of nations and opening communication are certain paths to understanding and reconciliation.

To begin the process of reconciliation, we should examine first the need for post-war reconstruction of the lands devastated by war. Currently, an embargo stemming from the Trading with the Enemy Act limits humanitarian aid and prevents shipments of tools and small machinery to the people of Indochina. This embargo, which prevents the free flow of assistance to the people of North Vietnam, South Vietnam and Cambodia, prevents genuine efforts by the American people to express their concern for healing the wounds of war.

The Trading with the Enemy Act was created in 1917 to prevent support for the Germans against whom we had declared war. To those on the "Z" list, it prevents the exportation of any materials without Treasury Department license; further, a license from the Commerce Department is required if goods are to be shipped from the United States.

The Act has been perpetuated by Presidents for purposes which go beyond its original aim. It appears to be used today to prevent the economic reconstruction of the Democratic Republic of Vietnam, the Republic of South Vietnam, and Cambodia. Licenses have been granted solely for shipment of medical supplies. They have generally been denied for shipments of simple equipment which might help the people reclaim lands uncultivated for years so as to begin to return crop production to pre-war levels.

Private agencies attempting to give relief to war victims in Indochina have met with delay and denial in response to their applications for purchase and shipment of assistance materials for Indochina. The Bach Mai Hospital Relief Fund was forced to delay shipment of life-saving medical equipment and medicines for more than nine months pending a U.S. Government decision. The American Friends Service Committee, which applied for and received licenses to purchase not only medical supplies, but also reconstructive materials such as fish nets, rototillers and lathes for building wooden limbs, was then denied a license to ship those items because the U.S. government deemed them economic assistance. The Mennonite Central Committee, which has operated a service agency in South Vietnam for ten years and has supplied materials for humanitarian assistance and reconstruction in the past, was denied a license to purchase $75,000 worth of rototillers to reclaim land for agricultural production. Only in the last few days were these license applications reconsidered and granted, but such applications continue to be considered only on a case-by case basis.

While Cuba is also on the same "Z" list, many evidences of ending that embargo are apparent. Trade with the Soviet Union and China, once also on the highly restricted list, is now open to all but strategic materials. We view flexibility in American policy toward the new governments in Saigon, Hanoi, Phnom Penh, and Vientiane as the best way to regain their friendship, assure their independence and help satisfy unresolved problems of providing information on civilian and military personnel missing in action.

A national examination of conscience may be necessary to create the atmosphere for reconciliation. We encourage our constituents to recall the generous assistance of the United States to Germany, Japan and Italy after World War II. We encourage them to recognize that, to build peace and prevent war, communications must be available; whatever prohibits communication must be removed.

Specifically we propose:

(1) that U.S. government restrictions on private aid shipments to Indochina be removed because they impede citizen action for alleviating suffering and for contributing to the social-economic reconstruction of Indochina.

(2) that the United States withdraw its veto against the seating of the Democratic Republic of Vietnam and the Republic of South Vietnam at the United Nations as a first step to opening communication with those countries with whom we must now establish peace.

(3) that negotiations for normalizing relations between the United States and the nations of Indochina begin at once.

(4) that while appropriate government aid for humanitarian and medical assistance and reconstruction should be negotiated by the Administration, and legislated by Congress, private efforts to heal the wounds of war by the religious community and private citizens be encouraged.

We seek the normalization of relations between our nations as soon as possible. To this end we urge that the trade embargo be lifted, that negotiations for appropriate massive government reconstruction relief begin, and until such aid is forthcoming,

that the citizenry support private efforts for a people-to-people aid program for the victims of the war. This voluntary effort would contribute significantly to healing the wounds of the war.

COVERT FINANCING

Mr. CRANSTON. Mr. President, a few days ago I mentioned on the floor a new book by Lou Fisher of the Library of Congress. It is entitled "Presidential Spending Power." A subtitle might well be "How Congress Dropped the Purse Strings." For the book describes all the ways Congress has given up to willing Chief Executives and bureaucrats its power over the purse under the Constitution.

Today, we are again discussing covert funding of Angolan political factions by the CIA out of the Defense Department budget. It might well be called "foreign policy by contingency fund."

I ask unanimous consent to print in the RECORD an excerpt from the chapter on "Covert Financing" in Mr. Fisher's book. It describes several nefarious corners in the Federal budget.

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

SECRET FUNDS

Confidential funding is overt to the extent that such funds are cited in appropriation bills. In that sense the appropriation is public while the expenditure and auditing are concealed from Congress and the public. Secret funding, in contrast, is covert at every stage: from appropriation straight through to auditing.

An early case of secret funding involved President Madison. Concerned that certain territory south of Georgia might pass from Spain to another foreign power, he asked Congress for authority to take temporary possession. Voting in secret session, in 1811, Congress provided $100,000 for that purpose. The public did not know of the action until years later, in 1818, when Congress published the secret statute.

Secret funding was employed during World War II to develop and produce an atomic bomb. Administration officials contacted three leaders of the House of Representatives: Speaker Rayburn, Majority Leader McCormack, and Minority Leader Martin. An additional $1.6 billion was needed to manufacture the bomb, an amount the Administration wanted without "a trace of evidence" as to how it would be spent. Clarence Cannon, chairman of House Appropriations, and John Taber, ranking majority member, agreed to make an inscrutable appropriation. Some of the money was tucked away under two accounts: "Engineer Service, Army" and "Expediting Production." Only a handful of Congressmen knew how the money was being used. About $800 million was spent before some members of House Appropriations knew of the project.

CENTRAL INTELLIGENCE AGENCY

The Central Intelligence Act of 1949 contained extraordinary authority over the transfer and application of funds. It provided that sums made available to the CIA "may be expended without regard to the provisions of law and regulations relating to the expenditure of Government funds. . . ." For objects of a confidential nature, expenditures could be accounted for solely on the certificate of the CIA Director, with each certificate deemed a sufficient voucher for the amount certified. In addition, rather than appropriating funds directly to the CIA, Congress authorized the agency to transfer to and receive from other Government agencies "such sums as may be approved by the Bureau of the Budget" for the performance of any functions or activities authorized by the National Security Act of 1947. Other agencies were authorized to transfer to or receive from the CIA such sums "without regard to any provisions of law limiting or prohibiting transfers between appropriations."

This transfer authority converts a number of appropriation accounts into a vast mixing bowl. Although explicit sums are voted for departments and agencies, that tidiness is quickly upset by siphoning off agency funds and funneling them to the CIA. The funds for the CIA are initially appropriated to the Defense Department. After the chairmen of the Appropriations Committees inform OMB of the level of the CIA budget, OMB approves the transfer of that amount from the Defense Department to the CIA.

The total budget of the entire U.S. intelligence community has been estimated at $6 billion a year. A study by *Newsweek* in 1971 reported that a dozen agencies employed 200,000 and spent some $6 billion annually. Senator Proxmire released comparable figures in 1973. The CIA portion came to $750 million. The largest amount for the intelligence community was $2.8 billion for the Air Force, followed by the National Security Agency with $1 billion. Other amounts: $775 million each for the Army and Navy intelligence activities, $100 million for the Defense Intelligence Agency, and $8 million for the State Department. Intelligence expenditures of the FBI, the AEC, and the Treasury Department were not estimated.

Current criticism of the CIA results from its evolution as an intelligence-gathering agency, confined to foreign activities, to that of a participant-catalyst of military and political operations. Harry Howe Ransom, the leading scholar on the subject, writes that nothing in the public record "nor in such archives as are accessible (for example, in the Truman Library) suggests that Congress ever intended to create or knew that it was creating an agency for para-military operations and a wide range of foreign political interventions." Senator Stennis, during debate in 1974, said that he came to the Senate soon after the original CIA bill was passed "and there was *nothing* clearer around here, not anything that sounded louder, than the fact that the CIA act was passed for the purpose of foreign intelligence." He said he was "shocked and disappointed and considerably aroused" when he learned of CIA's involvement in the Watergate affair.

During the last decade the CIA has come under heavy fire for its secret funding of private organizations, Radio Free Europe and Radio Liberty, military operations in Laos, domestic intelligence gathering, and financial support in Chile for opponents of Allende.

With regard to private organizations, in 1967 it was reported in the press that the CIA had been secretly subsidizing religious organizations, student groups, labor unions, universities, and private foundations. President Johnson appointed a three-member committee, headed by Under Secretary of State Katzenbach, to review the relationship between the CIA and private American voluntary organizations. The committee reported that covert CIA assistance had been made available by the last four Administrations, dating back to October 1951. It recommended that "no federal agency shall provide any covert financial assistance or support, direct or indirect, to any of the nation's educational or private voluntary organizations." President Johnson accepted the committee's statement of policy and directed all agencies of the Government to implement it fully.

A footnote in the committee's report explained that its statement of policy did not entirely close the door to covert financing of private voluntary organizations. Exceptions might be necessary: "Where the security of the nation may be at stake, it is impossible for this committee to state categorically now that there will never be a contingency in which overriding national security interests may require an exception—nor would it be credible to enunciate a policy which purported to do so. In no case, however, should any future exception be approved which involved any educational, philanthropic, or cultural organization."

The CIA continued to finance the broadcasting that had been conducted by Radio Free Europe (to Eastern Europe) and by Radio Liberty (to Soviet Russia). In 1971 Senator Case estimated that several hundred million dollars had been expended from CIA budgets over the previous decades to fund the two radios. He introduced legislation to require that, in the future, the two stations be subject to annual appropriations by Congress. Starting with a continuing appropriation act in 1971, funding for the two radios has been overt. A GAO report revealed that between 1949 and mid-1971 the Federal Government had spent $482 million in covert funds to support the two radios.

Senator Case, member of both the Appropriations and the Foreign Relations Committees, had to rely on an article in the *Christian Science Monitor* to learn that the Administration had agreed to finance Thai troops in Laos. Further investigation by Senate staff members disclosed that the CIA was covertly financing Thai troops fighting in northern Laos. The cost of the operation ran to several hundred million dollars a year. An amendment by Senator Symington, to establish a ceiling of $200 million on U.S. expenditures in Laos during fiscal 1972, had to be raised to $350 million. Symington later said that the secret war in Laos was done without knowledge on the part of members of the Senate Armed Services Committee.

CONGRESSIONAL OVERSIGHT

A five-man Senate Armed Services subcommittee, responsible for reviewing CIA activities, met with CIA witnesses twice in 1970. not at all in 1971, and only once in 1972. The other CIA subcommittee in the Senate, located in the Appropriations Committee, did not have a more attractive record. With regard to CIA operations in Laos, Senator Ellender (at that time chairman of the Appropriations Committee) said he "did not know anything about it." He did not ask, in his oversight function, whether CIA funds were being used to carry on the war in Laos: "It never dawned on me to ask about it." This frank exchange then took place between Senators Ellender and Cranston:

Mr. CRANSTON. I am sure I never would have thought to ask such a question. But it appeared in the press that perhaps that was happening. I would like to ask the Senator if, since then, he has inquired and now knows whether that is being done?

Mr. ELLENDER. I have not inquired.

Mr. CRANSTON. You do not know, in fact?

Mr. ELLENDER. No.

Mr. CRANSTON. As you are one of the five men privy to this information, in fact you are the No. 1 man of the five men who would know, then who would know what happened to this money?

The fact is, not even of the five men, and you are the chief one of the five men, know the facts in the situation.

Mr. ELLENDER. Probably not.

House supervision of the CIA does not appear to be much better. Congressman Norblad, in a floor statement in 1963, said that he had been on the CIA subcommittee of House Armed Services: "We must annually—one time a year, for a period of 2 hours in which we accomplished virtually nothing."

Congressman Nedzi, chairman of that subcommittee in later years, suggested in 1971 that only the Budget Bureau and the Kremlin had a full understanding of intelligence activities: "Perhaps they are the only ones. We simply don't have that kind of detailed information. . . . I have to be candid and tell you I don't know whether we are getting our money's worth." A step toward closer review was taken by the Committee Reform Amendments of 1974, which expands the jurisdiction of the House Foreign Affairs Committee to include oversight functions of "intelligence activities relating to foreign policy." Beginning February 21, 1975, the CIA began sharing budget details with the entire defense subcommittee of House Appropriations, rather than a select few from that subcommittee.

With respect to the budgets of the U.S. intelligence community, several proposals have been advanced for greater legislative control. In 1971 Senator Symington proposed a ceiling of $4 billion for expenses of the CIA, the National Security Agency, the Defense Intelligence Agency, and for "intelligence work performed by or on behalf of the Army, Navy, and the Air Force." The motion was rejected by a vote of 56 to 31. Part of the opposition came from those who considered Symington's language too broad, possibly applying even to tactical intelligence. No one could suggest a means of distinguishing between intelligence needed to conduct a battle and intelligence to be covered by the $4 billion. Rather than approach the issue from this abstract conceptual plane, Members of Congress could have proceeded on a more down-to-earth level by simply naming the agencies and bureaus to be made subject to the budget ceiling.

Congress did succeed, in the Foreign Assistance Act of 1971, in placing restrictions on CIA expenditures and transfer authority. The Act imposed a ceiling of $341 million for assistance to Cambodia. The statutory language was broad in its coverage. Notwithstanding any other provision of law, no funds authorized to be appropriated by the Foreign Assistance Act of 1971 or any other law could be obligated in any amount in excess of $341 million for the purpose of carrying out directly or indirectly any economic or military assistance for Cambodia. The effect was to limit CIA's ability to transfer its funds to supplement the Cambodian operation. (For further background on this legislation, see pages 107–10.)

As a means of imposing a more general control on the CIA, Senator McGovern introduced a bill in 1971 to require publication in the budget of "proposed appropriations, estimated expenditures, and other related data" for the CIA. Each of the items would be shown as a single sum. Furthermore, the bill would have prohibited the CIA from spending funds that had been appropriated for other departments or agencies. The standard practice has been to inflate certain military appropriation accounts, allowing the superfluous funds to be transferred to the CIA and other intelligence agencies. "As a result," noted McGovern, "we are led to believe that some programs are better financed than, in fact, they are. We have no way of knowing what these programs and agencies might be."

Similar criticism has been voiced by other Senators. During debate in 1971 on the defense appropriation bill, Senator Fulbright remarked that when "you look at an item in this bill you wonder if it is really the amount of money for the A–14, for example, or if it is for the NSA. One cannot tell what it is." One Senator told me that in one of his economy drives he made an attack on a particular appropriation. Later he received a call from a colleague, who sat on one of the oversight subcommittees, and was advised that the money was actually for the CIA.

To appropriate directly to the CIA would preserve the integrity of other accounts and make for more rational debate and decision by Congress. But how would Congress know that a lump sum amount would be too much or too little unless it knew how the money was to be spent? Congress imposed one restriction in 1974 when it prohibited the CIA from spending funds for operations in foreign countries, "other than activities intended solely for obtaining necessary intelligence. . . ." The restriction can be lifted if the President finds that an operation is important to the national security and reports to Congress on the nature and scope of the operation. In 1975, Senator Proxmire introduced a bill to authorize the GAO to audit and analyze the expenditures of intelligence agencies.

Would publication of the *aggregate* budget figures for the intelligence community jeopardize national interests? CIA Director Colby, as well as his predecessor James Schlesinger, testified that the release of such information would not violate national security. Colby said that the question was basically up to Congress, adding that he had found Congress "at least as responsible on this as our friends elsewhere in government, and we have, as you know, shared with Congress some very sensitive material which has been successfully protected by the Congress." He volunteered the view that the American constitutional structure might require publication of more budget information than might be convenient from a narrow intelligence point of view. However, after he was confirmed as CIA Director, Colby was quoted by Senator Pastore as being opposed to revealing the size of his agency's budget: "Please do not do this. If you want to make my job easier, please do not do this."

Schlesinger was asked about the CIA budget during his nomination hearing as Secretary of Defense. He expressed some misgivings at releasing a "free floating figure, unsupported and unsupportable in public," possibly inviting flat percentage cuts in intelligence activities. But he felt that publishing a gross figure would have only a "minimal" effect on security concerns. While he would be more concerned about the component figures, "for the gross national intelligence program figures I think we could live with that on a security basis, yes."

LITIGATION

Pressure for public funding of the CIA has been building from yet another source: the courts. William B. Richardson, a resident of Greensburg, Pa., sought judgment to declare the Central Intelligence Act in violation of the Statement and Account Clause of the Constitution. He had written to the Government Printing Office in 1967 to request the document which would satisfy that clause. He examined available Treasury documents but could find no listing of CIA expenses. His administrative remedies exhausted, he turned to the courts.

In 1968 a U.S. District Court in Pennsylvania held that Richardson lacked standing to raise a justiciable controversy. A month later, in the church-state case of *Flast* v. *Cohen*, the Supreme Court substantially broadened the grounds on which taxpayers could establish standing, but the district court holding against Richardson was affirmed by the U.S. Court of Appeals for the Third Circuit. The Supreme Court denied certiorari to review the Richardson case; only Justice Douglas supported his motion for review.

Richardson initiated a new suit in 1970, this time asking that a three-judge court be convened to determine the constitutionality of the CIA act. Once again the district court decided he lacked standing. Moerover, the subject matter raised "political questions in a governmental sense and the subject is not open to a United States District Court for adjudication in any manner." Up to that point Richardson had been blocked by three procedural hurdles: standing, jurisdiction, and justiciability.

But this time he was successful when he brought the matter to the court of appeals. On July 20, 1972, by a 6–3 vote, the circuit court vacated the district court ruling and directed that a statutory three-judge court be designated to adjudicate the issue. Judge Max Rosenn, writing the opinion, underscored the importance of the Statement and Account Clause:

A responsible and intelligent taxpayer and citizen, of course, wants to know how his tax money is being spent. Without this information he cannot intelligently follow the actions of the Congress or of the Executive. Nor can he properly fulfill his obligation as a member of the electorate. The Framers of the Constitution deemed fiscal information essential if the electorate was to exercise any control over its representatives and meet their new responsibilities as citizens of the Republic.

The Supreme Court agreed to review the procedural aspects of the case, i.e., whether Richardson had standing to request a three-judge court. A separate writ of certiorari by Richardson, urging the Court to examine the substance and constitutionality of the issue, was rejected.

The Court's decision was handed down June 25, 1974. Chief Justice Burger, writing for a 6–3 majority, held that Richardson lacked standing to maintain his suit. Relief was available, noted Burger, through the electoral process. If citizens felt that Members of Congress were delinquent in performing their duties, they could elect others to produce the publication of CIA expenditures. In a dissenting opinion, Justice Douglas denied that Congress was at liberty to suspend a constitutional provision. To claim that Congress had the power to read the Statement and Account Clause out of the Constitution, he said, was "astounding."

OTHER DARK CORNERS

Beyond the question of confidential and secret funds lie other veiled areas of the Federal budget. Before discussing a few examples directly under the President, brief consideration can be given to a regulatory agency: the Federal Reserve System. Although it spends half a billion dollars a year, its funds are not appropriated by Congress. Nor is there any auditing by GAO. By buying and selling Government securities held in its portfolio, the "Fed" derives income from interest on the bonds. Federal Reserve earnings in calendar 1973 came to $5 billion. After deducting $495 million for its operating expenses, plus additional amounts for dividends to banks, losses on securities, etc., it returned the balance ($4.3 billion) to the Treasury. The House of Representatives passed legislation in 1974 to provide for a measure of GAO auditing, but no action was taken by the Senate.

FREE WORLD FORCES

The financing of the war in Vietnam illustrates how billions can be spent for programs known to a handful of Congressmen. In September 1966, President Johnson expressed his "deep admiration as well as that of the American people for the action recently taken by the Philippines to send a civic action group of 2,000 men to assist the Vietnamese in resisting aggression and rebuilding their country." Other announcements from the White House created the impression that not only the Philippines but also Thailand, South Korea, and other members of the "Free World Forces" had shown a willingness to sacrifice blood and resources in the stand against Communism.

Hearings held by the Symington subcom-

mittee in 1969 and 1970 revealed that the United States had offered sizable subsidies. The Philippines received river patrol craft, engineering equipment, a special overseas allowance for its soldiers, and additional equipment to strengthen Filipino forces at home. It cost the United States $38.8 million to send one Filipino construction battalion to Vietnam. Senator Fulbright remarked that "all we did was go over and hire their soldiers in order to support our then administration's view that so many people were in sympathy with our war in Vietnam." Although the Philippine government denied that U.S. contributions represented a subsidy or a fee in return for sending the construction battallion, a GAO investigation confirmed that *quid pro quo* assitance had indeed been given. Moreover, there was evidence that the Johnson Administration had increased other forms of military and economic aid to the Philippines.

The Symington subcommittee also uncovered an agreement that the Johnson Administration had entered into with the Royal Thai Government in 1967. The United States agreed to cover any additional costs associated with the sending of Thai soldiers to Vietnam: payment of overseas allowances, modernization of Thai forces, and the deployment of an anti-aircraft Hawk battery in Thailand. After the Foreign Ministry of Thailand denied that U.S. payments had been offered to induce Thailand to send armed forces to Vietnam, the GAO reported that U.S. funds had been used for such purposes as training Thai troops, payment of overseas allowances and payment of separation bonuses to Thai soldiers who had served in Vietnam. The GAO estimated that the United States had invested "probably more than $260 million in equipment, allowances, subsistence, construction, military sales concessions, and other support to the Thais for their contribution under the Free World Military Assistance program to Vietnam."

Subsidies were also used to support the sending of South Korean forces to Vietnam. Assistance included equipment to modernize Korean forces at home, equipment and all additional costs to cover the deployment of Korean forces in Vietnam, additional loans from the Agency for International Development, and increased ammunition and communication facilities in Korea. To assure that the dispatch of men to Vietnam would not weaken the defensive capabilities of the Republic of Korea, the Johnson Administration agreed to finance the training of forces to replace those deployed in Vietnam, and to improve South Korea's anti-infiltration capability. From fiscal 1965 to fiscal 1970 Korea's military presence in Vietnam cost the United States an estimated $927.5 million.

The legal basis for assistance to Free World Forces in Vietnam derived from legislation passed in 1966. Funds were made available to support Vietnamese "and other free world forces in Vietnam and related costs . . . on such terms and conditions as the Secretary of Defense may determine." Assistance was broadened in 1967 to include local forces in Laos and Thailand. Reports on such expenditures were submitted only to the Armed Services and Appropriations committee of both Houses. The general language of the statutes did not reveal the types of financial arrangements the Administration might enter into, or with what country. Staff members who had access to the reports told me they did not know the nature and dimension of financing the Free World Forces until hearings were held by the Symington subcommittee.

MILITARY ASSISTANCE

On the basis of a GAO report, Senator Edward Kennedy announced that money appropriated for refugee programs, for public health, agriculture, economic and technical projects, and for the "Food for Peace" program, had been diverted to pay for CIA-directed paramilitary operations in Laos. The term "refugee" was a euphemism created by the Agency for International Development to describe the development and support of those operations. Hearings in 1972 confirmed that AID funds had been used to supply Lao military and paramilitary forces with food and medical care and supplies.

Hearings by the Joint Economic Committee in 1971 highlighted the fact that nearly $700 million in Food for Peace funds had been channeled into military assistance programs over the past six years. Since 1954, when the Food for Peace (P.L. 480) program was enacted, $1.6 billion of those funds had been allocated to military assistance. Statutory authority existed, but few Members of Congress were aware that Food for Peace was such a capacious vehicle for military assistance. Nor could they have gained that understanding by reading the budget, which described Food for Peace in these terms: "The United States donates and sells agricultural commodities on favorable terms to friendly nations under the Agricultural Trade Development and Assistance Act (Public Law 480). The program combats hunger and malnutrition, promotes economic growth in developing nations, and develops and expands export markets for U.S. commodities." Senator Proxmire castigated the use of rhetoric by the Administration to conceal the nature of the Food for Peace program. "This seems to me," he said, "to be kind of an Orwellian perversion of the language; food for peace could be called food for war."

The budget itself was deceptive in how much was spent for military assistance. For example, 1971 outlays for military assistance were estimated at $1.175 billion in Defense Department funds, plus an additional $504 million in supporting assistance. The apparent total: $1.679 billion. However, Senator Proxmire obtained from the Pentagon its estimates for military assistance for fiscal 1971: $3.226 billion in the Military Assistance Program, Military Assistance Service Funded, and related programs; $600 million in supporting assistance; $7 million in additional public safety programs; $143 million in Food for Peace funds used for common defense purposes; and $2.339 billion for military export sales. Under that calculation the total rose to $6.317 billion.

Even when Congress appropriates overtly it can act "in the blind" by providing funds for activities that are justified in vague terms by the Administration. In 1972 Congressman Harrington declared that the defense authorization bill contained $830 million that members of the Armed Services Committee "know nothing about. Some of the members of the Armed Services Committee, including the gentleman from New York (Mr. Stratton) and myself have asked for and been refused information. . . ." Three members of that same committee ocmplained in 1973 that the military assistance program for Vietnam and Laos had been "pro forma justified" to the committee. In the words of one member: "All of the backup figures for the $1.185 billion allegedly justified are *Secret* Classified. I haven't seen the figures and the Committee has no idea what program is justified in this area." The dispute continued in 1974 when Snator Fulbright charged that $490 million in military assistance was hidden in the Pentagon's budget. The money was earmarked for "War Reserve Materials"—stockpiled equipment and munitions destined for Vietnam, Thailand, and Korea.

Although the Statement and Account Clause can be interpreted to allow room for a modest amount of confidential funding, particularly in the diplomatic area, we have reached the point where probably $10 billion to $15 billion in the Federal budget is obscured because of confidential funds, secret funds, or cryptic budget justifications. Members of Congress cannot act intelligently on vast portions of the budget because they are denied basic data. Their constituents cannot hold the Members accountable because the issues and amounts are obfuscated. Elementary accounting practices by the GAO are rendered impossible.

In Federalist 58 James Madison claimed that the power over the purse "may, in fact, be regarded as the most complete and effectual weapon with which any constitution can arm the immediate representatives of the people, for obtaining a redress of every grievance, and for carrying into effect every just and salutary measure." Without public knowledge, without public debate, we have traveled far from that basis underpinning of democratic government.

INVENTORYING NATURAL RESOURCES ON NAVAL PETROLEUM RESERVES NO. 4 (PET–4)

Mr. STEVENS. Mr. President, the Senate and House Conferees are now considering H.R. 49. One important aspect of this bill deals with the study and exploration to be continued in Naval Petroleum Reserve No. 4.

Dr. Max Brewer, a scientist and a former Alaska Commissioner of Environmental Conservation who is now a consultant on environmental and Arctic problems, wrote a probing and informative article on the natural resources in Pet–4. The article was published in the November 23 issue of the Anchorage Sunday Times. Dr. Brewer explains that far more time, money, and effort have been expended studying and exploring the surface resources of Pet–4 than the subsurface resources.

I believe this article sheds light on the problems which the conferees are now facing. I ask unanimous consent that this article be printed in the RECORD.

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

INVENTORYING NATURAL RESOURCES ON NAVAL RESERVE NO. 4 (PET–4)

(By Max C. Brewer)

In recent years there has been much speculation concerning the natural resources thought to exist within Naval Petroleum Reserve No. 4 (Pet–4). These speculations, and the speculative numbers advanced by various individuals and agencies, have been repeated so often and have been quoted so often that they are now accepted, without question, by much of the public as being fact.

This often rampant speculation has obscured much of what we do know about PET–4 and has glossed over much that we don't know about the area. This confusion has been compounded by the many "weekend" surveys by agency personnel. The popular books and articles, written by those who have made "quickie" trips to the North only to come way as "instant Arctic experts", also have not been too helpful in advancing knowledge about the region.

Much of the conjecture about Pet–4 concerns oil and natural gas, wildlife, and the people and their culture. To some it may come as a surprise that far more is known about the wildlife, the people, resources, and the surface values of Pet–4 than is known about the subsurface resources. The reason is two-fold: (1) far more money has been spent on basic and applied research in the biological, physical, and social sciences than has been spent on petroleum exploration within the PET–4 area; and (2) it takes a lot of money to drill a single well of any appreciable depth.

Over a period of 28 years the Navy's Office of Naval Research alone has spent $69 million in the support of scientists from many universities, both domestic and foreign, doing basic research on the North Slope and the adjacent seas. ONR provided an additional $8 million for new facilities at the Barrow laboratory.

Other Federal agencies have spent several additional tens of millions of dollars on basic and applied research in Northern Alaska, most of it within or adjacent to PET–4.

All in all, something over $100 million has been spent by the Federal Government on basic and applied research concerning wildlife, tundra, people and other aspects of the environment in Northern Alaska. This compares with the $47.6 million spent for the exploration for oil and or natural gas, during the period 1944–1953, and the $7.5 million provided by the Congress for the first year of further exploration in 1974. Unlike the case at Prudhoe Bay, where the expenditures for scientific research occurred after the discovery of commercial deposits of oil and natural gas, the expenditures for scientific research on PET–4 have preceded significant economic discoveries. They also are continuing, on a concurrent basis, with the exploration of the Reserve.

Speculation has suggested that PET–4 could contain 10 to 33 billion barrels of oil and that the Arctic Wildlife Range could contain up to 20 billion barrels of oil. In each case this speculation is based on the number of cubic miles of sediments in each area and in the proportionate amounts of oil found in sedimentary basins in other areas of the world.

Similar geological-geophysical procedures also have been used to estimate the potential petroleum deposits in the outer continental shelf areas of the United States. Recently, some of the latter estimates have been drastically revised downward. However, until PET–4, or any of these other areas, is explored by actually drilling promising geological structures, their potential petroleum resources remain only a conjecture.

Many of the early wells on PET–4 were drilled in areas where there were known oil or natural gas seeps. Most of the wells were shallow and were drilled to obtain geological information. Only two wells penetrated to the medium well depths at which the Prudhoe Bay field was hit. This is next to nothing, as regards an exploratory program in an area almost as large as the State of California. In those days the Navy was looking at the entire North Slope for exploration. It also is interesting to note that the Navy already had a drill rig and camp set up for drilling near the Shaviovik River, just east of Prudhoe Bay, when the exploration program was recessed in 1953.

There are three known oil fields on PET–4. Only one, the Umiat field, has sizeable reserves, perhaps 70 to 100 million barrels, much of which is confined to the permafrost zone. The permafrost also introduces many uncertainties as regards production. While this would be an exciting discovery down south or even in the Cook Inlet area, by itself it does not even economically warrant building a spur pipeline over to the Alyeska pipeline in Northern Alaska.

Two other, but small, oil fields were discovered on PET–4 about 1950. One, at Cape Simpson, has estimated reserves of 12 million barrels all located within the permafrost zone. The oil occurs at a very shallow depth, about 300 feet. It naturally seeps to the surface in places on land, and probably seeps to the surface under the water in Smith Bay in the Beaufort Sea. One of the oil seeps on land has formed a tar pit which, over the years, has trapped animals in much the same manner as the famous California tar pits. Years ago the Native people used to sack the tar from the Cape Simpson seeps and take it to Barrow to use for heating.

While the Cape Simpson oil field would be a financially rewarding addition to a person's backyard down south, economically it is not very exciting on the North Slope. The Fish Creek oil field, near Cape Halkett, was penetrated by only one well and its extent is unknown.

Four small natural gas fields, including the one near Barrow, also were discovered on PET–4. In each case, because of their size, they are of interest only locally. The Navy also discovered a major natural gas field at Gubik, just outside of PET–4, near where the Colville River turns from its easterly direction to flow north to the Beaufort Sea. This field could supply the heating requirements of the Fairbanks area for many years.

The Navy made a preliminary engineering survey of this possibility and obtained cost estimates for a small natural gas line from the Gubik field, through Anaktuvuk Pass, to Fairbanks in the mid 1950's. That line would have made living in the Pass much more comfortable. However, because of the estimated cost, about $42 million, and the economics involved, the project never got beyond the preliminary engineering stage.

While these are encouraging "shows" indicating the possibility of significant petroleum potential on PET–4, actual exploration to date hasn't yet even begun to provide the information necessary to make decisions. Even the Navy's proposed seven-year exploration and inventorying program will only provide a modest amount of information, as far as indicating what the extent of the subsurface resources of PET–4 might be. However, it should shed considerable light as regards the potential validity of the speculative numbers which are randomly tossed around. The exploratory program, unlike either development programs or pipeline construction, while very expensive, does not require the great influx of personnel needed for the other programs.

One of the intriguing aspects of the Navy's proposed program is that the exploration and inventorying of the petroleum potential of NPR–4 would occur with the government, through the Congress, maintaining its options as to whether development of any oil fields found should occur, when it should occur, and how it should occur. Some members of Congress have suggested using this approach, rather than leasing before exploration, in the case of the outer continental shelf areas. These options are not available under the government's existing leasing programs, such as are contemplated for the Beaufort Sea. Those leases to industry are for the exploration, development and production of any petroleum found.

The Prudhoe Bay area was leased for petroleum exploration before we knew much about the wildlife and other surface resources in the area. The Arctic Wildlife Range was established before we actually knew anything about the subsurface resources in that area. On PET–4 we have the opportunity to obtain both the surface and the subsurface inventories before the Congress makes a final decision regarding the use or uses of the lands.

We already know quite a bit about lemmings, the caribou, the eider ducks, the peregrine falcons, the tundra, the permafrost, and the socio-economic problems of the residents on PET–4. We are continuing to obtain more information about these aspects. Now we need a realistic inventory of the subsurface values of the area.

THANKSGIVING PRAYER

Mr. MORGAN. Mr. President, my good friend, the Reverend Ollis Revels offered a prayer this past Thanksgiving, before his congregation in the Baptist Church in Arden, N.C. The prayer was of unusual quality, and one of the members of the congregation sent it to me.

Reverend Revels is a very thoughtful man, concerned about the democratic process and about serving the people well, which he as a minister and we as elected officials are supposed to do.

As you might expect, his prayer for the Nation on Thanksgiving would well serve as a reminder, to us here in Washington, of what our duty is, even as it makes us thankful and renews our hopes.

For this reason, Mr. President, I ask unanimous consent that Mr. Revels' prayer be printed in the RECORD.

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

A THANKSGIVING PRAYER

(By Rev. Ollis Revels)

Eternal God, Our Heavenly Father, we assemble during this thanksgiving season to thank you for the blessings of our daily life. We thank you for liberties won by men of courage and honor and preserved by men of high principle and great faith.

For 200 years we have enjoyed the freedom to think, to read, to speak, to worship. We are blessed above all peoples since time began. We pray for the wisdom to use our many resources for the good of all men. Save us from pride and self-centeredness. Drive all bigotry, prejudice, and selfishness from our personal lives. Guide our leaders, political, religious, social, and educational in selfless service. Give us leaders who seek the place of service more than the pedestal of honor and fame.

This is your world and we are your stewards. May our great material blessings be tools in our hands to shape a better world for those who will follow in years to come. Help us to truly make America one nation under God.

Through Jesus Christ, our Lord. Amen.

NO COMMITTEE COVERUP

Mr. GARY HART. Mr. President, in recent days there have been charges that the Senate Select Committee on Intelligence covered up certain personal relationships involving President Kennedy. As a member of the select committee, I reject these charges. The committee decided that these relationships were not significant to the committee's assassination investigation. The full committee, both Republicans and Democrats, concurred with this decision. Yet, despite this unanimous view by the committee, there have been charges that the chairman of the committee, Senator CHURCH, attempted to cover up these relationships to protect President Kennedy. This was not the case. And, the vice chairman of the committee, Senator JOHN TOWER, has recently stated that charges of a coverup are "not * * * sustainable on the facts." Senator TOWER also stated:

I think Senator Church has been totally fair and honest on this.

I cite Senator TOWER here to demonstrate, for all those who want to know the truth about this matter, that neither Republicans nor Democrats believe there has been a coverup by any member of

the committee, including Chairman CHURCH.

I commend Senator TOWER for setting the record straight on this matter. I ask unanimous consent that the Washington Post article "No Cover-Up on Kennedy, TOWER Says," which appeared in Wednesday's Washington Post, be printed in the RECORD.

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

NO COVER-UP ON KENNEDY, TOWER SAYS

The ranking Republican on the Senate intelligence committee yesterday supported claims by the Democratic chairman that there was no effort to cover up a friendship between President John F. Kennedy and a woman also closely tied to the underworld.

Sen. John G. Tower (R-Tex.), vice chairman of the panel chaired by Sen. Frank Church (D-Idaho), told reporters the charges of a cover-up are "not . . . sustainable on the facts."

"I think Frank Church has bent over backward not to even give the appearance of covering up," Tower said. "I think he has been totally fair and honest on this."

He also said he does not think Church—who is expected to announce his candidacy shortly for the 1976 Democratic presidential nomination—has used the committee to further his political ambitions.

Church acknowledged Monday that his committee had found evidence of a close friendship between Kennedy and a young woman during 1961 and 1962 at the same time she was involved with two organized crime figures who were working with the CIA on a plot to assassinate Cuban Premier Fidel Castro.

The committee, in its recent report on CIA assassination schemes, simply said it had learned that a "close friend" of the Kennedys was also a "close friend of the late Sam Giancana and John Roselli, two prominent organized crime figures.

The person was not identified by name or by sex.

(The Washington Post broke the story on Nov. 16 and identified the friend as Judith Campbell and said she had been in frequent contact with Kennedy for more than a year—a relationship that ended after then-FBI Director J. Edgar Hoover learned of her Mafia associations and told the President.)

UNITED STATES-GERMAN DISAGREEMENT ADVERSELY AFFECTS NATO STANDARDIZATION

Mr. EAGLETON. Mr. President, the NATO Ministerial Conference was concluded last week with the standard call for increased cooperation among the allies. Particular emphasis was again placed on the need to standardize weapons systems used by NATO.

Participants at the conference pointed to the $10 to $15 billion in costs attributable to NATO's failure to accept weapons commonality. And the litany of benefits standardization will bring—common equipment, reduced logistical support costs, cooperative training efforts, expanded production lines, and shared research and development expenses—was again widely trumpeted.

But behind the scenes the standardization concept is in trouble due in large part to the refusal of our European allies to bear a larger share of the arms burden, and to the tendency on the part of the American military services to see the value of standardization only when American weapons are standardized. The result is that the theory of common weaponry, like motherhood, is espoused openly and frequently while, in practice, unmet expectations are creating considerable tension.

I will discuss one facet of the problem today—the effort to build a main battle tank for NATO. The story behind this effort is symptomatic of the difficulties which beset the standardization concept.

Mr. President, in December 1974, 1 year ago, the United States and the Federal Republic of Germany signed a memorandum of understanding agreeing to competitively test and evaluate American and German prototypes for a next-generation main battle tank. The two countries agreed that they had a common interest in obtaining the most cost-competitive tank for the U.S. Army as well as in promoting "equipment stabilization in U.S./NATO forces" that is, standardization.

The parties to the agreement—the U.S. Army and the German Defense Ministry—promised that the "comparative test and evaluation" would be conducted without prejudice. The tank chosen would presumably be the best available for U.S. and NATO purposes.

Confident that the agreement was signed in good faith, the German Government proceeded to invest approximately $25 million—not a small part of the German defense budget—to modify their Leopard II tank to meet U.S. Army specifications. At the same time, confident that the agreement would satisfy the "politicians" who were pushing standardization, the U.S. Army proceeded full speed ahead with its XM–1 tank program.

It should be noted here that in addition to agreeing to meet U.S. requirements, some of which the Germans found unnecessary, Germany also agreed that if the U.S. Army chose the Leopard II, it would be built in the United States. No American jobs would be lost.

In May of this year Congress got into the picture and the Senate Armed Services Committee adopted a proposal by Senator CULVER to slow down the Army's headlong rush into the advanced development phase of the XM–1 program. The committee report pointed out that if a decision on the winning prototype was not scheduled until March 1977, then the Army did not need the money to move the XM–1 into an advanced program phase—a phase normally reserved for systems well on their way to production. The report also stated:

The committee is concerned that the Army's plan to make a source selection of the U.S. tank candidates about 8 months prior to any decision on the German Leopard II tank candidate would basically invalidate the competition. The committee, therefore, recommends that the Army continue the development effort of both U.S. contractors until the evaluation of the Leopard tank is completed and a decision can be made with all of the candidates considered.

The Senate's position on the tank did not get beyond the House-Senate conference, but the threat to the XM–1 program was by now perceived as real by the Army. It was all right to sign an agreement, but when Congress began to translate that agreement into a slowed-down program, the Army felt it had to fight back.

The result was an all-out effort to downplay the seriousness of the competition. The German tank was vastly inferior, Members of Congress were told. It was not cost-effective. The Leopard II would not even be delivered on time for the competition.

The Army finally got its way when the House-Senate conference on the defense appropriations bill approved its request to fund the full-scale XM–1 development program to begin in July, a full 8 months before the completion of the German-American competition. In practical terms, by March 1977 when the winning tank would be selected, the U.S. Army would have spent over $100 million for XM–1 advanced development engineering, including fiscal 1977 money.

If by chance the Leopard II were to be selected at that time, the Army would have to come before Congress and explain why a total of over $300 million had been expended on the XM–1 program. Nothing could be more prejudicial to the choice of the Leopard II than that haunting reality.

The U.S. Army's tactics, designed mostly to effect congressional decisions, have placed great stress on our relations with Germany. So much stress, in fact, that the larger issue of NATO standardization is now being seriously questioned.

On November 6, for example, the Director of Armaments of the German Foreign Ministry, Mr. Hans L. Eberhard, wrote to our Director of Research and Engineering, Dr. Malcolm Currie, to express his government's concern about the U.S. Army's activities. Mr. Eberhard wrote that "a fair comparison—of the tanks—is a matter of genuine concern to us." He pointed out that—

the Federal Republic of Germany is spending the not insignificant amount of more than 70 million German marks to comply with prerequisites which are considered necessary by the U.S. Army . . .

Mr. Eberhard said that he objected to tests conducted by the Army which misrepresented the true characteristics of the Leopard IIAV. He complained that he had not been advised of such testing in accordance with the agreement.

More importantly, Mr. Eberhard expressed his concern that the Army would go ahead into full-scale development before the Leopard II had been evaluated:

It is a matter of concern to me to find that the U.S. Army is again entertaining the idea of concluding a development contract for additional XM–1 prototypes at a time when the Leopard II . . . has not been tested. It appears to me that in proceeding in this manner, we would jointly forego the opportunity to save time and money.

Mr. Eberhard concludes his November 6 letter with a plea to Dr. Currie to prevail upon the U.S. Army "to test the end product of the Leopard II–AV main battle tank without any reservations and in a fair manner."

I have written to the Secretary of Defense today to ask him to intercede directly in this matter by canceling the

Army's plan to go ahead with advanced development on the XM–1 in July. It is my strong belief that only this positive action will allay German fears that the competition will be heavily biased in favor of the American tank. In addition, putting the brakes to this program will permit Congress to carefully consider the merits of the XM–1.

Mr. President, in an earlier letter, Mr. Eberhard complained to Dr. Currie about a British-American decision to go forward with the American 105 millimeter tank gun over a 120 millimeter smooth bore German weapon and a 110 millimeter British weapon. Mr. Eberhard points out in an October 31 letter that, when measured against the future threat, the 120 millimeter gun was "the only one to meet all performance requirements."

It should be noted that selection of the German gun would have resulted in a per-unit cost increase of some $23,000 for the XM–1 and would have added a $63 million development cost to the program. It is, therefore, likely that on a present-day cost-effectiveness basis the American decision was a correct one.

But this is a matter for Congress to watch closely. If the 120 millimeter gun is, as the Germans claim, necessary for the threat of the 1980's, then the Army will no doubt seek to retrofit the XM–1 with a similar weapon later, at considerable expense to the taxpayer.

Mr. President, the issues raised by this German-American experiment are troubling, for they reflect an inability to work out common problems.

Perhaps it was wrong for our side to have agreed to the joint competition knowing the intensity of the Army's desire to build an American tank. Perhaps, knowing the difficulties, it was wrong for the Germans to have asked to compete.

One thing is clear: This particular joint venture is the source of great friction between our two countries. There could well be a spillover into other areas of our defense relationship. Certainly the NATO alliance will not benefit from the spectre of its two most important member-nations in a posture of disagreement.

Mr. President, the controversy over the German-American competition, as important as it is to relations between our nations and to the concept of standardization, does not address the central questions: What characteristics should a new NATO tank possess? Should it be heavy or light, small or large, agile or less agile? And, more broadly, what is the proper mix of ground combat weapons?

These are fundamental questions that NATO should collectively address. But as the alliance organization is now structured, the chance that NATO will even study its ground combat requirements in the near future is as remote as the possibility that the U.S. Army will select the Leopard II. So long as NATO countries insist on sacrificing common security objectives to the tradition-ladened proclivites of their respective military services, the consideration of real-world defense requirements will be secondary.

Beyond tanks themselves, American attitudes with respect to standardization may well be forcing our European allies into a closed arms market. Only last December, for example, a number of governments attending the assembly of the Western European Union proposed that the European Common Market be extended to the field of weapons production. The consensus at that meeting was that West European defense should be based on the production and purchase of European arms.

In this sense, the conspiracy to undermine standardization when European equipment is involved could well backfire on our own military services and their industrial counterparts. While there is still time for cooperative effort, our civilian leadership in both the administration and Congress should make a major effort to bring our Government's actions on standardization in line with our stated policy.

SAUDIS FUND $650,000 SOLAR ENERGY PROJECT

Mr. ABOUREZK. Mr. President, I ask unanimous consent that an article from the newsletter of the Institute of Gas Technology, "International Gas Technology Highlights," be placed in the RECORD. It appears that Saudi Arabia, which has the world's largest known petroleum reserves, and which can claim at least as much sunshine as any nation on earth, is funding a solar heating and cooling system in the United States, or more specifically in the town of Reston, Va. The United States has an entire agency, ERDA, which has special responsibility to fund and develop such energy sources. And, Reston, Va., is a subsidiary of Gulf Oil Corp.

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

SAUDIS FUND $650,000 SOLAR ENERGY PROJECT

The Univ. of Petroleum and Minerals in Dhahran, Saudia Arabia, will fund a $650,000 project by the architectural firm of Davis, Smith, and Carter, Inc., to design and build a solar heating and cooling system for the $2.9 million Terraset Elementary School in Reston, Va. The money will be used for research, development, and the construction of the structure, piping, storage tanks, and absorption chillers. In return the university will study the building as a model for cooling by solar power. The 60,000-sq-ft school will be covered with an insulating layer of dirt so that heat generated by people and lights will not be lost. Evacuated tube solar collectors developed by Owens-Illinois, Inc., will gather solar energy to heat water which will be piped to three 10,000-gal storage tanks. The energy will heat the building during the night and generate chilled water to eliminate unwanted heat during the day. The insulation layer is expected to bring energy savings of 70%, with another 10–12% conserved by the solar system. Davis, Smith, and Carter won the 1975 Owens-Corning Design Award for Energy Conservation for the project. The 990-pupil school should be completed by February 1977.

TAX CUT VETO

Mr. MOSS. Mr. President, I am deeply troubled by the President's veto of the tax cut. This is another blow to an already fragile economy that is struggling to recover. The President's action suggests that election politics are more important than the health of the Nation's economy. It is most regrettable that he has opted for confrontation rather than the compromise proposed by Congress. Public confidence, a vital element in our economy, is already tattered and will not be helped by this action which poses more conflict in Government and uncertainty in the economy.

The President said he vetoed the tax cut proposed by Congress because Congress would not agree now to a deeper tax cut in fiscal 1976 and 1977 and a spending ceiling for 1977 which does not begin until next October. But the President wants us to buy a "pig in a poke." He insists that Congress set a ceiling now on spending for fiscal 1977 before we have seen any of the component parts of his budget and long before anyone can predict with any certainty the economic situation the Nation is likely to experience nearly a year away. To pretend that ceilings are a function of bookkeeping, is to ignore reality.

I strongly support actions to limit the growth of Federal spending in fiscal 1977. But this can only be accomplished effectively by identification of specific expenditure cuts which the President has not done. Spending ceilings were proposed and enacted by Congress in 5 of the 6 years between 1967 and 1972. But because such ceilings were never combined with specific expenditure reductions they were ineffective in controlling spending. The last such failure in 1972, led directly to the new budget process Congress initiated this year.

Making economic forecasts and budget estimates months in advance is far from being an exact science. And we cannot ignore the administration's track record on economic predictions and budget estimates. For the last 12 years, the administration's budget has misestimated expenditures an average of 7 percent annually. This is about $28 billion of the $395 billion budget ceiling the President is talking about for 1977. A year ago this same administration was recommending a tax increase to balance the budget for fiscal 1976. Some of us in Congress pointed up the glaring need to address the recession as well as inflation. In February this year, the administration did a turn around, and submitted a budget to Congress which included a tax cut and called for a $52 billion deficit.

The President's proposal involves boom-bust economics. A larger tax cut in January would stimulate the economy for the next 9 months but the spending cuts starting next October would force a more substantial drop in the economy—a real net loss—in the next year. Compared to the tax cut recommended by Congress, estimates indicate the President's proposal would:

Increase GNP $8 billion annually by the third quarter 1976, but then reduce GNP over four times that amount—$37 billion—annually beginning fourth quarter 1977. For the average family, this means an increase in disposable income—

after taxes—at an annual rate of $82 next year, but then a reduction of 4½ times that amount—about $380 annually—beginning in the fourth quarter of 1977. What family wants to get so little in one year in order to give up so much each succeeding year?

Reduce unemployment by about 200,000 by the third quarter of 1976 but then add another 600,000 to the unemployment roles by the end of 1977.

Such harsh swings in the economy are already responsible for a lot of the current inflation and unemployment.

The question is not whether there should be a tax cut. The Congress agrees on that. The question is not whether there should be a ceiling. The law requires a ceiling and Congress will set one for fiscal 1977 as it did this year. The question then is whether the ceiling should be set in accordance with the budget law next May—after Congress has received and considered the President's budget and the CBO report on the economic and program options—or whether we should act without the necessary data and pick a figure out of the air that is meaningless. It boils down to whether we are going to be realistic and responsible or whether we are going to play politics with the Nation's economy.

Just what is a valid ceiling remains an open question until a determination can be made of the Nation's needs, the actual economic picture for a period which is many months away, and until specific cuts are identified.

I am confident that some economies are possible through program cuts and better management of existing programs. I support efforts to reduce Federal spending. But we should act responsibly and not in a way which would abort or destroy the new budget process—the very mechanism created to get the budget under control.

I am hopeful that Congress will act positively to override the President's veto so we can end the turmoil, reassure Americans about our commitment to fiscally responsible government, and continue economic recovery.

GENOCIDE CONVENTION WOULD NOT BE RETROACTIVE

Mr. PROXMIRE. Mr. President, the first human rights treaty passed by the United Nations General Assembly was the Genocide Convention. The purpose of this document is to make genocide an international crime whether it is committed in war or peacetime. This treaty attempts to prevent the destruction of a national, racial, ethnic or religious group by killing, causing serious bodily or mental harm, restricting births, forcibly transferring children or inflicting upon the group conditions of life designed to cause its physical destruction. It is a treaty which is in complete accordance with the high principles of our Nation.

The record should be clear on one point, however. The intent and provisions of this treaty are prospective in nature. They cannot be applied retroactively. In this way the treaty cannot be used as a propaganda forum unearthing "alleged" atrocities. Rather this treaty seeks to firmly establish the principle that genocide is a crime that transcends national boundaries and is a loss for the entire world community.

Mr. President, I urge my colleagues to associate themselves with this noble effort.

SENATOR BAYH'S ADDRESS ON AMERICAN POLICY IN THE MIDDLE EAST

Mr. HUMPHREY. Mr. President, my good friend and distinguished colleague from Indiana, Mr. BAYH, recently delivered a very thoughtful speech on the Middle East which I would like to bring to the attention of the Senate. In his remarks, Senator BAYH discussed his disagreement and disappointment with the recent U.N. vote condemning Zionism. I share his strong belief that the General Assembly action will hinder the effectiveness of the world body and only increase international tensions.

Senator BAYH also expressed his concern that American policy of arms sales to countries throughout the Middle East and the Persian Gulf could endanger the future security of Israel and further inflame tensions in the region. Senator BAYH's analysis is one that all of us should contemplate. The administration's policy of unlimited arms sales to OPEC nations and OPEC allies must be curtailed. I have introduced legislation with the distinguished Senator from New Jersey (Mr. CASE) to bring rationality and greater congressional oversight to American arms grant and sales programs. We are currently marking up the legislation in the Foreign Assistance Subcommittee of the Foreign Relations Committee.

Although this legislation is badly needed, the policy of burgeoning arms sales to the Persian Gulf can only be corrected in the near term by executive branch policy. Senator BAYH and I believe that the long-range implications of our policy cannot be forgotten in the pursuit of short-term objectives.

Mr. President, I ask unanimous consent that the text of Senator BAYH's remarks before the Beth Sholom Congregation on December 7 be printed at this point in the RECORD.

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

SPEECH OF SENATOR BIRCH BAYH

Jews all over the world have just celebrated the festival of Hanukah. This holiday commemorates the victory of the Jewish forces under Judah Maccabee over the Assyrians. But in reality, it is not so much a celebration of a military triumph as it is of a re-dedication of the human spirit.

The miracle of this holiday is that in the ruins of a desecrated temple, liberators found a small container of consecrated oil for the holy lamp—not nearly enough for the period of purification. But the oil miraculously burned for eight days and the desecrated temple was restored.

Last month another temple was desecrated, but I fear that there was no Judah Maccabee to restore it.

I am speaking, of course, of the United Nations, a temple we once proudly regarded as the world's last best hope for peace.

There is a paradox in the votes of the 72 countries that supported the condemnation of Zionism.

Many of these countries gained sovereignty through movements of national liberation.

Yet Zionism is the national liberation movement of the Jewish people—the expression of the independence of a brave people.

The explanation of that paradox lies in politics—the politics of oil and politics of self interest.

For American Jews, two dates are venerated—1776 and 1948—the American Revolution and the victory of Jewish nationalism which culminated in the establishment of the State of Israel. The parallels between those two historical events are worth pondering.

Here were two immigrant societies composed of people seeking refuge from religious persecution.

Two nations composed of a bewildering variety of national groups.

Two states ringed by hostile neighbors but united by noble principles rather than by the uniformity of origin or by an accident of history.

How could the place of the world's oldest Republic be anywhere but at the side of its youngest democracy?

How could one place of refuge ever forsake another haven of exile?

The bonds of affection between the United States and the State of Israel are not contrived nor artificial, they stem from a common set of principles and beliefs.

This affinity is not a recent invention, but lies deep in the mutual harmony of those things which are simultaneously American and Jewish. This harmony was expressed almost 200 years ago by our second president John Adams who wrote:

"The Jews have done more to civilized men than any other nation. If I were an athiest, and believed only in blind eternal fate, I would still believe that fate had ordained the Jews to be the most essential instrument for civilizing the nations."

In George Washington's celebrated letter to the Jewish Congregation of Newport, Rhode Island in 1790, the basic identity of what is American and what is Jewish was eloquently expressed when Washington wrote: "The government of the United States gives to bigotry no sanction and to persecution no assistance." We must do no less today.

These are principles which many nations claim to profess but few honor in practice. Among the few are the United States and Israel. But it is here that the paradox of the 72 votes for the vicious U.N. resolution becomes irony. Look at those 72 votes and you find among them countries whose regimes have imprisoned and executed their own people in great numbers for political reasons.

Countries in which dissenting opinion may not be expressed.

Countries which deny basic human freedom.

Countries which refuse the right of emigration.

Countries which build walls around themselves to prevent their citizens from leaving and ideas from entering. Countries where it's a crime to be a social democrat or a capitalist.

Countries where it's not safe to be a Christian or a Jew.

It is they who stand indicted by their false accusation. It is they who are condemned by their ignoble charges.

It is they who are racist by unfairly and inhumanely equating Zionism with racism.

The U.N. vote has given us a test and a standard by which to judge the moral precepts of the countries of the world.

To have stood at Israel's side on November 10 confers a privileged status on a nation. History will confirm the soundness of their judgment and the consistency of their principles.

I regret to say that this tragic vote in

the U.N. took place scarcely a week after Egyptian President Sadat addressed a Joint Session of the Congress of the United States.

If his mission here was the quest for peace, the vote that followed did little to ensure the achievement of that goal.

President Sadat adopted a conciliatory tone in his address to the joint session.

He called for understanding and moderation in terms that are difficult to criticize.

He reiterated his argument that the Palestinian question is at the heart of the Mideast dispute and asserted the right of the Palestinians for their own state.

This argument has now gained a measure of acceptance as a general principle.

But we encounter major problems with that notion as long as the Palestinians and their allies assert a claim that conflicts directly with the sovereignty of the State of Israel.

The so-called Arab moderates—President Sadat among them—suggest the possibility of a West Bank Palestinian state. This would consist of that territory which was not part of the original State of Israel but has been administered by Israel since the 1967 war.

Let us take President Sadat's statements at face value. Let us assume that he would support a Palestinian state which comprises only this territory.

Can he guarantee the peaceful intentions of the Palestinians once they are installed on the West Bank?

But more important, is he in the position to guarantee that these borders will be forever fixed and frozen?

The answer is no.

President Sadat cannot guarantee a restraining hand on Yassir Arafat, neither can he guarantee permanent borders for a West Bank Palestinian state.

The only person who can guarantee restraint, the only person who can renounce territorial ambition is Yassir Arafat.

And he does not recognize Israel's sovereignty. So what we have are statements of moderation from the many who have no control over the situation, and unremitting hostility from the man who does.

This is not the basis of the speedy solution that President Sadat has advocated.

I would like to believe that President Sadat is a man of good will.

But Sadat's goodwill is little comfort to a nation which is asked to yield territory to a movement which has sworn to destroy it.

Israel's sovereignty is not negotiable. It is a minimum condition for a Middle East settlement.

Until such a settlement is reached the United States must maintain the military strength of Israel and assist in her economic development.

That is why I am committed to supporting the $2.2 billion in military and economic assistance to Israel.

This military assistance is not just a "shopping list" for military equipment. It is the essential ingredient in maintaining the military balance of power between Israel and her Arab neighbors. And that favorable balance is essential to deterring Arab aggression and maintaining the fragile peace.

Moreover, we must recognize how fragile that peace is and precarious the balance of forces has become . . . and will be in the future.

A strong Israel is still the best deterrent to aggression and the best hope for a lasting peace agreement. Only a strong Israel can afford to make the concessions necessary for negotiations to continue. Only a strong Israel can afford to make the concessions necessary for negotiations to continue. Only a strong Israel can persuade the Arab states that it is better to strive for peace than renew war.

Unfortunately, the Ford Administration has failed to recognize the emerging arms imbalance in the Middle East; an imbalance that threatens to grow more unequal in the next five years.

In assessing the balance of forces in the area, the Ford Administration counts only the weapons in the hands of those states that actually confront Israel on its borders and completely discounts the military threat posed by Jordan. The Pentagon, moreover, has neglected to project the possibility of changed circumstances in Lebanon.

Accordingly, it is only the military forces of Egypt and Syria that the Administration sees fit to take seriously in analyzing the military balance.

The failure to take into account all of the potential belligerent states has serious implications for the future. This is so especially in light of the fact that history has proven the military importance of those states which have contributed both troops and weapons to those who directly confront Israel.

We need look back no further than the Yom Kippur War to understand the fact that the Arab world beyond Egypt and Syria are not disinterested bystanders in the arena of conflict. Jordan, which the Administration sees as being virtually neutral, sent two of its best armored brigades to Syria in the 1973 war. Jordanian units were deployed along with Syrians in the attack on Kuneitra and 100 Jordanian tanks assisted in the assault.

Iraq, whose forces are also not computed in the Pentagon's inventory of forces arrayed against Israel sent 20,000 men and 320 tanks against Israeli soldiers in the Golan Heights. Iraqi MIG's operated against the Israelis early in the war and the Iraqis transferred a squadron of aircraft to Egyptian air fields.

Saudi Arabia, the lynchpin of Secretary Kissinger's conservative Arab coalition—did not act in a conservative manner in the Yom Kippur War. A Saudi brigade of 3,000 soldiers was sent to and now is permanently stationed in Syria.

Kuwait, Tunisia, Morocco, and Sudan, although physically remote from the conflict sent forces and equipment which freed Egyptian forces to participate in the assault on the Suez Canal.

Libya, by virtue of the huge amount of oil revenues which it received has become the arsenal of Islam. Colonel Hadaffi turned over 40 mirage jets to the Egyptians and supplied them with 100 tanks.

There are other mysterious omissions—the North Korean pilot who flew air defense sorties for the Egyptians; the Pakistani pilots, North Vietnamese missile technicians, Cuban tank officers, and Yugoslav tanks—these too, do not appear in the strategic balance.

We can do nothing about the huge disparity in populations between Israel and its adversaries.

We can do little to prevent the Soviet Union from shipping arms to the Middle East.

We have no power to halt the transfer of arms from one Arab state to another.

But, must we contribute to the growing disparity of forces by our own shipments of arms to the Arabs?

It is nonsense to assert that the huge number of weapons that we are currently selling to Saudi Arabia will not have an effect on a future conflict.

Last month the State Department admitted that the F–5 interceptors that we sold to Saudi Arabia are participating in military manuevers in Syria and are operating out of Jordanian bases.

Iran is also said to be training Egyptian pilots in the operation of the F–4 which is the basic weapon in the Israeli strategic inventory.

Are we so naive to think that weapons sold by this country to Arab states will be used for parades or ceremonial purposes? For whatever political reason the Administration has chosen to supply weapons to the Arabs, their military value is clear. Whether they are among the so-called "confrontation states" or deep in the Arabian peninsula, the Arabs have now shown an ample disposition to make common cause against Israel and it ill-behooves this country to help lengthen the odds against any ally.

Aside from President Sadat's conciliatory gestures to the United States and his warm regard for his "good friend Henry", what evidence do we have that the Arabs are now disposed to be more gracious toward Israel or even to tacitly acknowledge its rights to exist?

By the November 12th vote in the U.N.?

By the connivance of the Syrian Army with the terrorists who took the lives of three rabbinical students in November?

Certainly not by the continuous efforts of the Arab boycott agency, which is headed by one of President Sadat's countrymen, to dictate the commercial policies of American corporations and meddle in the internal affairs of the United States. What is the word you use to describe an organization which makes a condition for an American company doing business with an Arab state an agreement not to do business with Israel?

What terms do you employ with people who use the secondary boycott against companies that do trade with Israel?

What is the proper phrase that sums up the denial of certain markets to American companies because their management or ownership is predominantly Jewish?

What word captures the essence of a policy which says that American commercial flight crews must submit baptismal certificates for layovers of more than 48 hours in Riyadh?

The word, I submit to you, is chutzpah—sheer unmitigated gall!

How does this government dare to refuse to disclose the efforts of the Arabs to blackmail American companies into compliance with their blacklist?

How does the Commerce Department dare to circulate official requests for contract bids that contain discriminatory clauses? How does the Pentagon dare to negotiate training contracts with the proviso that no Jewish military personnel be involved?

How can a private corporation be expected to stand up to this shameless extortion if the United States government itself gives sanction to it?

Since when has the balance of payments argument outweighed the principle of equal protection of the laws?

Bill Simon's deputy in the Treasury Department says that if the Senate passes a bill prohibiting the President from considering race and religion in foreign assignments, it would antagonize the Saudi Arabians.

The Undersecretary of Commerce said that such a bill would divert Arab oil to other countries.

If these excuses have a familiar ring to them it is because they are the same ones used to justify inaction on the emigration of Soviet Jews.

Is our moral leadership in the world now held so cheaply that we trade principle for petro-dollars and decency for detente?

It is the internal affairs of the United States that are being compromised by this official intolerance, and this practice of meekly submitting to Arab dictates on the rights of our citizens must be halted.

It was a problem such as this that George Washington must have had in mind when he wrote to the Jews of Newport almost 200 years ago and said that we would "give bigotry no sanction and persecution no assistance."

The larger question here is the congruence between what we say and what we do.

It has been said of us that as a people we are honeycombed with moral impulse.

Morality, like politics, does not stop at the water's edge. Our principles are not fashioned for domestic consumption only. We need no tortured rationalizations for the support of Israel. We require no reassurances that our friendship for her is prudent. We demand no extensive evidence of her good faith as a democracy.

The bonds that link us together are unspoken.

The affinity that we share is implicit.

The precepts which unite us need no restatement.

The identity of our values requires no reappraisal.

It is the spiritual alliance of the country that gave democracy to the world and the nation that gave God to mankind.

NATIONAL READING IMPROVEMENT AMENDMENTS

Mr. EAGLETON. Mr. President, I am very pleased that the Senate passed H.R. 8304, as amended, last night.

The House amendments providing authority to continue existing right to read programs were contained in the original Senate version of the national reading improvement program, which Senator BEALL and I sponsored in 1973. I believe it is important to accept the House provision to reserve money appropriated under section 705 for this fiscal year because the appropriations process has already been completed for this program. However, in the remaining 2 years of the life of the bill, it is essential that these two programs have separate authorizations so that the already limited funds for school-based reading programs are not diverted for other purposes.

I would also like to stress that, by providing flexibility in the application requirements under part A of section 705, we do not intend to diminish the importance of preservice and in-service training programs for teachers. I do understand that such a requirement can be overly burdensome on a small project, but I would not expect that the training program requirement would be waived except in such cases.

Mr. President, I am particularly pleased that the bill contains an authorization for a low-cost book distribution program. Again, the original Senate version of the National Reading Improvement Act contained a similar authorization for financing the cost of the Federal share of programs to purchase inexpensive books for distribution by sale, loan, or gift to individual schoolchildren.

On October 20 of this year, Senators BEALL, PELL, and myself introduced a proposal, S. 2535, which is virtually identical to the House-passed provisions for this program. It would authorize the U.S. Commissioner of Education to contract with a national organization whose primary purpose is to motivate children to read, which would in turn subcontract with local community groups or local schools, to provide an inexpensive book distribution program. The program is patterned after the successful Reading is FUNdamental program—RIF.

Under the able leadership of Mrs. Robert McNamara, RIF originated in Washington, D.C., in 1966. In 1971, RIF operated 18 programs. The program has been so successful that the number has now risen to 400. Although to date the funding for the program has been exclusively from the private sector, it has become apparent that the program cannot continue to grow without some Federal support.

Let me emphasize that this is not a Federal giveaway program. Every community or school which wishes to participate must match the Federal share dollar for dollar. Let me also assure everyone that the Federal Government will not dictate what books are to be used in these programs. The national contractor has the responsibility for making arrangements with publishers to provide books at substantial discounts, but actual book selection will be made at the local level.

In my view, this type of reading motivational program is one of the most important steps that Congress can take to alleviate the illiteracy problem in this country. In 1973, Dr. Daniel Fader, a witness before the Education Subcommittee, persuasively presented the case for building reading motivation by making interesting reading materials readily available to children. Working under a grant from the U.S. Office of Education, he brought newspapers, magazines, and inexpensive paperback books into the classrooms of a junior high school in the District. He found that many of his "illiterate" students were capable of reading when given materials of interest, and that many of them became enthusiastic readers.

The expansion of the RIF program, and the responses of children involved in RIF reemphasize the significant contribution this program can make.

In summary, this legislation makes it possible to continue existing right to read programs, corrects some technical errors contained in Public Law 93–380, and provides an additional authorization for a program which has been proven of significant value in teaching children to read.

ADOLESCENT ABUSE

Mr. MONDALE. Mr. President, for several years the Subcommittee on Children and Youth, which I chair, has taken a deep and active interest in the growing and appalling problem of child abuse in this country. I believe that the work of the subcommittee has helped to contribute to an important new awareness and willingness to confront this terrible problem and to solve it.

One sign of this new awareness is the recent conference on adolescent abuse which was held at the University of Minnesota. This meeting helped to focus on a particular aspect of the problem—abuse of the adolescent child.

This conference was particularly important because, as the director of the national child abuse prevention and treatment program said in his remarks, it is particularly difficult to define and diagnose abuse of adolescents.

I ask unanimous consent that a St. Paul Pioneer Press article on this conference be printed in the RECORD.

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

[From the St. Paul (Minn.) Pioneer Press]

ADOLESCENT ABUSE CALLED MORE COMPLEX AREA THAN CHILD ABUSE

(By Carol Lacey)

Although 20 to 30 percent of child abuse victims are between 14 and 18 years of age, virtually nothing has been done to discover the causes or to search for solutions to the problems of adolescent abuse and neglect.

That's why the National Institute of Mental Health (NIMH) decided to grant funds for a special University of Minnesota conference on the problem, NIMH executive Ira Lourie said Thursday at the conference's opening session.

Public interest for such a conference is evident in the enrollment; more than 100 persons were turned away because Nolte Center for Continuing Education, location of such conferences, couldn't accommodate them. However, a number of visitors joined registrants for Douglas Besharov's keynote address, which was moved to Mayo Memorial Auditorium to allow greater attendance.

Although a power failure forced Besharov, director of the National Center for Child Abuse and Neglect in Washington, D.C., to deliver most of his speech in the dark, he managed to shed some light on the critical problems of adolescent abuse and neglect and raise questions for further deliberation by conferees.

He urged participants to share their experience during the small workshop sessions and then to bring back ideas to their social service agency and apply them—and ultimately, perhaps, begin to develop some system and support for dealing with adolescent abuse openly and effectively.

"The issue of child abuse for all children is terribly complex," he said. "It involves some of the most difficult theoretical and treatment issues."

But, he continued, the problems of adolescent abuse and neglect are even greater, because they are laced with ambiguities and uncertainties, many of them stemming from the adolescent's position on the threshold between childhood and maturity.

Much past neglect of adolescent abuse, he suggested, might be explained by the sheer difficulty of deciding, case by case, what is "abuse" and what is inadequate parenting.

Unreasonable corporal punishment sounds like a simple category, he said. It's not hard to realize that one shouldn't shake a tiny baby or hit him on the head or abuse his genitalia. It's easy to say "no blood . . . no bruises."

And, although it may be hard to believe that there is "torture of adolescent children in the medieval sense," it isn't difficult to recognize that "we have to do something about it."

Yet, he asked, how about a father who raises welts with a belt buckle beating of his son who has stolen a car? Or, what should be done with a father who, in the course of an argument with his teen-aged daughter, slams the door—accidentally—on her hand and broke all her fingers?

Had he done that to another adult, he would have been hauled into court for assault. Besharov said, and the judge most likely would have given him a suspended sentence and said: "Don't ever do that again."

But, he continued, a child protection worker wouldn't say that "because she would know that might happen again."

"How do we decide if corporal punishment is reasonable?" he asked. "Is it reasonable if the child isn't seriously injured? How about those cases when the child escapes injury only by the grace of God? Or when a child is injured accidentally in the course of reasonable corporal punishment?

"When a father comes home after a round

of drinking and hits an adolescent who just happened to be up and around, full force across the mouth for no apparent reason, do we call it child abuse or alcoholism?" he asked.

Even more difficult to deal with is neglect. "For many adolescent children the necessities of life—food, clothing, shelter—are either denied or provided in a totally inadequate manner," Besharov said.

Then there's the problem of kids thrown out of the home, not just runaways, but kids literally locked out. "They don't get along very well with their parents, but yet they don't want to leave," he said. "Their parents, however, try to abandon them by extra-legal means."

When this happens to kids under 10, it's called "abandonment," he said. But, older children in this predicament are called "ungovernable . . . PINS (Persons in Need of Supervision)."

Sexual abuse is another prevalent aspect of the problem. "It occurs much more than we know," he said. "But, it's important to distinguish among different levels of sexual type behavior. Not all is abuse and neglect."

"Incest between parent and child is clearly a serious matter," he said. "But, I assume fondling goes both ways.

In order for parents—and society—to begin to deal effectively with adolescent abuse they must begin to understand why it happens.

"Parenting is easy when you have easy kids to raise," he said. "But when children start acting out, parents have limited responses and when they start acting out seriously, they have even more limited responses."

MEETING OF THE WESTERN EUROPEAN UNION

Mr. MOSS. Mr. President, for the benefit of the Senate I ask unanimous consent that a copy of my letter to the Vice President reporting on the meeting of the Assembly of Western European Union which I attended by his appointment be printed in the RECORD.

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

DECEMBER 16, 1975.

Hon. NELSON A. ROCKEFELLER,
Vice President of the United States, President of the U.S. Senate, Washington, D.C.

DEAR MR. PRESIDENT: Pursuant to your appointment it was my honor to represent the Senate and the Congress of the United States on December 1st and 2nd at the Assembly of Western European Union meeting in Paris. I addressed the Assembly on United States-European cooperation in space. In addition, there were meetings with the Chairman and members of the Assembly's Committee on Scientific, Technological and Aerospace Questions.

Both in my speech and in answers to questions from members of the Assembly, I emphasized that our civilian space program is based on full dissemination of information and open sharing of results. I stated that continued cooperation in space depends on each party paying its share of the costs. For example, this Nation is willing to bear the development costs of a launcher, but we expect full reimbursement of the direct and indirect costs of launching a satellite for the European Space Agency, one of its member countries, or any other country.

The Europeans were very interested in the initial efforts under way in the United States to explore generations of electricity in large satellites and then beaming it to earth. There are real possibilities here for joint research that should be explored.

There is considerable interest in Europe about the depletion of ozone in the upper atmosphere and a growing realization—which I stressed in my speech—that international cooperation is the only way to deal with this potentially worldwide problem.

During my brief stay in Paris, Mr. President, I also met with Roy Gibson, the Director General, and other officials of the European Space Agency. They briefed me on the progress of Spacelab, which ESA is developing to fly in the U.S. Space Shuttle beginning in 1980. Spacelab development is proceeding well. Program managers in Europe and here expect some problems to arise later in the mating of two such complex and advanced spacecraft as the Shuttle and Spacelab, but they are confident these difficulties can be overcome.

I also met with Professor Maurice Levy, President of the French Space Agency, and Michel Bignier, the Director General.

In conclusion, Mr. President, my visit to the Assembly of Western European Union was highly successful. Both the Europeans and I came away with a renewed awareness of the many opportunities available through continued cooperation in space. In this way we can expand our knowledge of the earth and the universe and also seek solutions to the problems of energy and environment that confront us on both sides of the Atlantic.

Sincerely,

FRANK E. MOSS,
U.S. Senator.

CHILD AND FAMILY SERVICES BILL

Mr. MONDALE. Mr. President, I have spoken several times over the past few months about the dishonest propaganda campaign against the Child and Family Services Act.

I am pleased that a number of newspapers in Minnesota and across the country have investigated the charges contained in the widely circulated, unsigned flyer, and based on the results of their investigations, have written editorials clearly denouncing this dishonest attack.

I would particularly like to bring to the attention of my colleagues and the public four of the editorials that appeared in the Minneapolis Star, the New Prague Times, the Minneapolis Tribune, and the St. Louis Post-Dispatch. I ask unanimous consent that they be printed in the RECORD.

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

[From the Minneapolis Tribune, Dec. 12, 1975]

DAY CARE OPPOSITION VIRULENT—AND FALSE

"This bill . . . is being subjected to one of the most distorted and dishonest attacks I have witnessed in my 15 years of public service," said Sen. Walter Mondale in a Senate speech last month. The bill to which the Minnesota Democrat referred is one that would increase federal support for day-care programs. Mondale is the Senate sponsor, and Rep. John Brademas, D-Ind., is the sponsor of the House version. The attacks are contained in an anonymously, but widely, circulated flyer that seems to be part of a well-organized campaign to discredit the bill.

The flyer's main argument is that the Mondale-Brademas bill would take child-rearing out of the hands of parents and "would give the government, rather than the family the right to control child development." To back that argument, the flyer cites passages from four-year-old issues of the Congressional Record—taking them out of context, sometimes piecing them together, never indicating that instead of being facts they are the unsubstantiated opinions of a previous day-care bill's opponents.

Even vigorous opponents of the Mondale-Brademas bill have denounced the flyer. A spokesperson for one opposition group noted that the flyer is counterproductive because its arguments are so easily discredited. They certainly are: The bill makes it clear that participation in any program would be strictly voluntary and that policies for both sponsors of day-care programs and the individual projects themselves would have to be set by councils on which parents would make up at least half the membership. Moreover, the bill would expressly forbid any interference with "the moral and legal rights and responsibilities of parents."

The need for more and better day-care programs is clear. According to the U.S. Labor Department's Women's Bureau, nearly 27 million youngsters under age 18 had working mothers last year, an increase of 1.2 million since 1970. About 6 million of those children were of pre-school age, but there were spaces in licensed day-care facilities for only about 1 million of them. And the number of children needing day care is growing faster than the facilities: By 1985, the Women's Bureau estimates, there will be 6.6 million mothers with children under age 5 either working or looking for work. The Mondale-Brademas bill would go a long way toward helping provide the care those children are going to need. We hope it isn't scuttled by the virulent—and false—campaign now being waged against it.

UNSIGNED CIRCULAR IS REPLETE WITH FALSEHOODS AND MISREPRESENTATIONS

Customarily when an anonymous letter is received at The Times, it is consigned forthwith to the round file, with or without reading. That is standard practice in newspaper offices.

However, an unsigned mimeographed flyer came to our attention recently which is being widely circulated throughout the country and which calls for refutation and repudation. The mimeographed circular bears no name, no address and no source of identification. That in itself is reprehensible and lacking in courage of conviction. It is wholly a collection of misrepresentations and downright falsehoods.

The anonymous flyer castigates the proposed Child and Family Services Act of 1975 alleging, in brief, that this legislation would deprive parents of parental direction and control of their children and Sovietize the youngsters in some kind of communal system.

In a speech delivered before the United States Senate on November 19, Senator Walter F. Mondale of Minnesota, one of the sponsors of the bill in Congress, declared:

"Contrary to these unsigned allegations, the child and family legislation contains nothing that changes or affects the legal relationship between parents and their children. Instead, it simply offers to families—on a totally volunteer basis—access to health, education and child care services which they want for their children but often cannot afford. It offers prenatal health care and early medical screening and treatment to detect and rectify handicapping conditions, and day care for children of working mothers, and the bill specifically limits eligibility for these services to "children whose parents or guardians request such services"—S. 626 section 2(1), (2), section 106(b).

"In addition, this legislation is deliberately and carefully designed to provide parental control of any services offered. Thus, the bill requires that all programs funded

would be selected, established and controlled by the parents of the children participating in them."

In the Congressional Record of that day, Senator Mondale categorically listed and refuted each and every one of the allegations made in the anonymous circular, with citations from the wording of the Child and Family Services Act.

Anyone who has known and watched Fritz Mondale's career from his early activities in public affairs, through his service as Minnesota attorney general and now a United States Senatorship knows full well that he could not be a party to any such program as the anonymous circular falsifies. The people of Minnesota have demonstrated their confidence and trust in Walter F. Mondale by overwhelming majorities at each election in which his name has appeared on the ballot.

It is truly regrettable that able, honest and conscientious public servants who cosponsored the Child and Family Services Act in the Congress must be subjected to such unfair, anonymous misrepresentation—but it appears that is the burden which we place upon them.

[From the St. Louis Post-Dispatch]

ATTACK ON CHILD CARE

Four years ago this month, Congress sent to then President Nixon a bill that would have established a comprehensive national child care system by offering a wide range of educational, nutritional and medical services for preschool children. In vetoing it, Mr. Nixon described the legislation as "the most radical" bill to be passed by the Ninety-second Congress and claimed that it "would commit the vast moral authority of the national government to the side of communal approaches to child rearing against the family-centered approach."

In fact, of course, the bill would have done nothing of the kind. It would have made these services available to any American family that chose to use them, and while poverty-level families would have had access to them for free, all other facilies, which is to say a vast majority of Americans, would have been required to pay according to a sliding scale. Although federally-funded day care program for low-income families have been in existence for some time—indeed were ongoing at the time of Mr. Nixon's veto—no comprehensive child care system has been established.

Such services are envisioned in legislation introduced this year by Senator Mondale of Minnesota and Representative Brademas of Indiana, and like the earlier bill, the consequences of which Mr. Nixon so cruelly distorted, this one also is being subjected to venomous misinterpretation. Mr. Mondale describes the campaign to discredit the legislation as one of the most "dishonest attacks I have witnessed in my 15 years of public service."

Basically, the Mondale-Brademas bill is similar to the 1971 proposal and a successor which died in Congress the following year. It would authorize the Government to designate local or state "prime sponsors" to disperse federal funds for the support of a wide variety of child care programs, all of which would have to meet federal standards. "It is not enough," says Mr. Mondale, "simply to provide mind-numbing, custodial care for children while their parents work, or health and educational services that are third rate . . ."

A key provision of the legislation prohibits any infringement on the "moral and legal rights and responsibilities of parents or guardians with respect to the moral, mental, emotional, physical or other development of their children." Despite this unequivocal language, a flyer is being distributed anonymously in many parts of the country accusing the bill of attempting to "sovietize" education and turn the control of children over to the Government. As a result of the flyer, some congressmen report receiving as many as 700 letters opposing the bill.

Moreover the flyer contains a pastiche of citations from the *Congressional Record* on what opponents to the 1971 bill said then in congressional debate. This hodgepodge is presented not as opinion but as fact of federal policy, thusly: "As a matter of the child's right, the Government shall exert control over the family because we have recognized that the child is not the care of the parents, but the care of the State. . . . Furthermore, there is serious question that maybe we cannot trust the family to prepare young children in this country for the new kind of world that is emerging."

It would be highly unfortunate if such vicious attacks on the Mondale-Brademas bill were to interfere with a rational debate on its merits. The need for expanded child care services ought to be manifest. In 1974, for example, 34.4 per cent of all married women with children under six were employed, and the percentage of unmarried working mothers of preschool children was far higher. With time, these percentages will increase.

Making comprehensive child care services available to these women on a voluntary basis, while recognizing their ascendant rights as parents, strikes us as scarcely a surrender to any "communal" system. To the contrary it would seem sensible national policy.

[From the Minneapolis Star]

THE SABOTAGE OF CHILD CARE

Increased federal support for "child care," which includes day care but embraces a mix of services, is potentially one of the most significant social needs in a nation where more and more mothers with young children not only must, but want to, work. In general, we support it.

Unfortunately, the current state of the debate in Washington is one of confusion that began with President Nixon's veto in 1971 of a bill developed by Sen. Walter Mondale on the specious ground that it fostered "communal" as opposed to "family-centered" child care.

The decision to use any kind of child care, including the traditional reliance on grandparents, is, of course, voluntary. But since the veto an intense, virulent campaign has stirred up opposition to Mondale's current bill. For example, the false charge is made that, somehow, the bill would give children the legal right to disobey their parents!

The upshot is that the measure (coauthored by Rep. John Brademas, D-Ind.) is bogged down. If the proposal for a $1.85-billion three-year program did pass, it would face a veto that probably couldn't be overridden. Mondale and his supporters could simply delay, or they could scale it down. But the tragedy is that the attacks, described by Mondale as the "most distorted and dishonest" he's seen during his public career, have made reasoned consideration impossible.

Isn't that lamentable when there are debatable aspects of the program that ordinarily would be ironed out? For example, on the role of schools, on the need for a full array of services. On the size of the price tag itself. Too, some supporters of day care centers doubt the need for a high ratio of staff to children, although Mondale fears overworked supervisors could provide only "mind-numbing custodian care" that would do more harm than good.

The fact is that child care and day care centers are here to stay. The federal government is already in the field with scattered programs. William L. Pierce of the Child Welfare League contends "a lot of it is a very lousy kind of care."

That's where the debate should start.

Granted, this isn't the best time to talk about more government spending on anything, but Mondale has a worthy cause that has been sabotaged by irrational attacks.

S. 1145, THE NATIONAL RECONCILIATION ACT

Mr. PHILIP A. HART. Mr. President, I ask unanimous consent that the able Senator from Massachusetts (Mr. BROOKE) be added as a cosponsor to S. 1145, a bill to provide amnesty to persons who failed or refused to register for the draft, refused induction into the armed services, or who were absent without official leave from the armed services during the Vietnam War era.

Mr. President, Senator BROOKE's decision to join with my colleagues, Senators ABOUREZK, GRAVEL, HATFIELD, MCGOVERN, NELSON, and me in cosponsoring this legislation to grant a general and unconditional amnesty to Vietnam war objectors is both welcome and heartening. Coming at a time when the question of amnesty seems to have moved from the public consciousness, I respect the careful thought and reflection which brought him to this decision. His support will be a valuable asset to all of us seeking to alleviate the suffering of those who, because of their objection to the Vietnam war, are still unable to live freely and fully in this country.

Notwithstanding the clamor of other issues, it is fitting that we pause on the amnesty question at this time of year. In yesterday's New York Times, James Reston asks us to consider "A Christmas Amnesty" and I ask unanimous consent that this article be printed in the RECORD at the conclusion of these remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 1.)

Mr. PHILIP A. HART. As Mr. Reston so aptly points out, both the President and the Congress have declined to give the plight of these men, our own refugees, even the same degree of consideration we have shown for the rights and liberties of citizens of other countries. He correctly chides us that this is unfinished business in the "urgent problem of how to bind up the Nation's wounds." Further, we are reminded that amnesty is scarcely without precedent in this country, and that it is no less needed or important several years after the fact than it is at the cessation of war. Our country is still not whole, and that is a tragedy when it is within our power to make it so.

Over these holidays, I would ask that my colleagues in the Senate put themselves in the shoes of those young men—some now not so young—and their families, for whom there has yet to be peace. And I urge that they follow the fine example set by my friend from Massachusetts in giving amnesty the serious consideration it demands.

The article follows:

[EXHIBIT 1]

[From the New York Times, Dec. 17, 1975]

A CHRISTMAS AMNESTY?

(By James Reston)

WASHINGTON, Dec. 16.—Before we come to the end of the old year, and go on to cele-

brate the 200th anniversary of the Declaration of Independence in 1976, is it not possible at least to think about an unconditional Christmas amnesty for the defiant exiles of the Vietnam war?

Washington is not thinking about this now. It is preoccupied with the grievances, blunders and outrages of the past, and also, more and more, with the coming struggles of next year's Presidential election. It is concerned at the moment for human liberty in Uganda, but almost seems to have no concern or even pity for its own forgotten children.

It is odd that President Ford, who has got so far by the accidents and humanity of political life, should have missed this point. When he was sworn in as President on Aug. 9, 1974, he began his inaugural speech with these words:

"My fellow Americans: Our long national nightmare is over. Our Constitution works. . . . Here the people rule. But there is a higher power, by whatever name we call Him, who ordains not only righteousness but love, not only justice, but mercy."

Ten days later, on Aug. 19, 1974, in Chicago, he addressed the Veterans of Foreign Wars. "Unlike my last two predecessors," he said, "I did not enter this office facing the terrible decision of foreign war. But like President Truman and President Lincoln before me, I found on my desk . . . the urgent problems of how to bind up the nation's wounds, and I am determined to do that."

It was a good and even noble speech, and he tried to be faithful to it by offering a conditional amnesty to the Vietnam protesters. He suggested that they could work their passage back home by paying penance for wrongs they didn't admit. So they did not confess and did not come home, and at that point, the President and the Congress forgot them.

President Andrew Johnson, succeeding Mr. Lincoln, faced something of the same problem. Like President Ford, he proposed a conditional amnesty after the War Between the States, and also like President Ford, his compromise amnesties were rejected.

But finally, on Christmas Day, 1868, three and a half years after Appomattox, he cut across all the divisive arguments of the war with his Christmas Proclamation:

"I, Andrew Johnson," he said, "President of the United States, by virtue of the power and authority in me vested by the Constitution, and in the name of the sovereign people of the United States, do hereby proclaim and declare, unconditionally, and without reservation, to all and to every person who directly or indirectly participated in the late insurrection or rebellion, a full pardon and amnesty for the offense of treason against the United States, or of adhering to their enemies during the late Civil War, with restoration of all rights, privileges, and immunities under the Constitution and the laws which have been made in pursuance thereof."

Though this was a civil war rather than a foreign war, Andrew Johnson's unconditional amnesty proclamation was in many ways more difficult politically for him than President Ford's, but he faced it and the Congress and the nation accepted it. The tragedy now is that President Ford is not even thinking about it, and neither is the Democratic Party's Congress.

Part of the problem now is that neither party here is concerning itself about the true meaning of the word "amnesty." It is not an ethical word, meaning "forgiveness," but a practical word meaning "forgetfulness." It comes from the same root as the word "amnesia," a disturbance of memory, a blotting out of the past, which was precisely what President Ford seemed to be suggesting when he talked in his inaugural address about "love, justice, and mercy," and the "urgent problem of how to bind up the nation's wounds."

Things are different now, however, for President Ford. He is not concentrating on "love, justice, and mercy," but on Ronald Reagan, whose compassion for the Vietnam veterans is somewhat limited, and on the Democratic Presidential candidates, who are equally indifferent to this foreign tragedy.

Actually, the plight of the hundred thousand or so Vietnam exiles is really no big political issue. It is a sad story but the nation is paying no attention to it. Yet coming into the Bicentennial year, it could be put behind us by a Christmas amnesty. There are so many other important questions, but none more human or tragic.

"Our long national nightmare is over," President Ford said. "The urgent problem is to bind up the nation's wounds," but the nightmare won't really be over or the wounds really be bound up until our children come home.

WILD HORSES AND THE OVERGRAZING OF THE NATION'S PUBLIC LANDS

Mr. PACKWOOD. Mr. President, earlier this session I introduced S. 1923, to amend the Wild, Free-Roaming Horses and Burros Act of 1971, to insure that the Nation's public grazing lands are protected, and that this country's wild horses and burros are able to sustain their healthy populations. When I was traveling throughout Oregon during the August recess of Congress, I held an informal hearing on my bill, and the problems of the ever-increasing populations of wild horses and burros, in Burns, Oreg., August 13, 1975. A number of people and organizations presented excellent testimony during this hearing which I believe would be valuable to many people in evaluating the necessity of making possible changes in the 1971 act.

Overall, the need to address the problems of the growing populations of these free-roaming animals is threefold: First, the present populations of these grazing animals is resulting in the overgrazing of public and private rangelands. Not only is the present loss of available forage a threat to sustained quantities of food for wildlife, cattle, and the horses and burros themselves, but it is doubtful that much of these over-grazed lands can recover in the near future. Some estimates indicate that forage recovery is more than 10 years away for these lands, with the possibility of erosion and soil damage during this time period.

Second, the present management restrictions placed on the Bureau of Land Management in its efforts to control these herds are ineffective. Both the National Wild Free-Roaming Horses and Burros Advisory Board and many environmental organizations have recommended changes in these restrictions.

Third, the lack of control which is now placed on the expanding herds of wild horses and burros, which is resulting in significant population increases, poses a threat to the horses themselves.

I for one, Mr. President, am not out to see the destruction and ruination of the Nation's wild horses and burros. I am not seeking to allow the unlimited killing and harassment of these animals wandering upon the country's western lands. But I do believe we need to strike a balance between the size of these herds and the amount of grazing which we are to allow on the Nation's rangeland.

The simple problem with the existing law is that not enough wild horses and burros can be rounded up annually to offset the increasing numbers of these herds. In the interim, the rangeland of the Western States is becoming increasingly overgrazed. Moreover, the BLM's efforts to control the expanding populations of horses and burros has resulted in injury to riders attempting to corral the excess number of animals.

Mr. President, I ask unanimous consent that the following items be placed in the RECORD at this point to document the hearing which I held on this issue earlier this year:

First, a brief history and background of wild horses and burros.

Second, an outline of S. 1982.

Third, resolution by the National Wild Free-Roaming Horses and Burros Advisory Board urging the Secretaries of the Interior and Agriculture to destroy the excess numbers of wild horses and burros.

Fourth, similar resolutions urging amendments be made to the 1971 act to allow for the proper control and management of the country's populations of wild horses and burros.

Fifth, numerous letters of support for S. 1923.

Sixth, testimony offered during the informal hearing which I held on August 13, 1975.

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

A REPORT TO CONGRESS

BRIEF HISTORY AND BACKGROUND OF WILD HORSES AND BURROS

Today's horses and burros are not native to America. The first modern-day horses and burros were brought here by the Spanish conquistadors. Inevitably, some of these animals escaped and some were released to the wild. The wild horses originating from these early transplants earned the name mustang—a derivation of the Spanish word mestaño, meaning "wild." The Indians of the West seized the opportunities that horses and burros offered them for transportation and food, and established a horse-related culture that hastened the spread of horses throughout the West.

By the late nineteenth century, the wild horse population had reached such heights as to be considered a serious problem on Western rangelands and efforts were initiated to control their numbers. Some estimates placed the population at 2 million animals and more. From that point on, population control efforts steadily became more commonplace.

The Federal land Agencies, in their attempts to control grazing use and balance the numbers of animals with the capacity of the range, encouraged the removal of feral horses and burros from the public lands. The problem was real enough, when viewed in relation to competition for forage with livestock and native wildlife.

A simple matter of priority was exercised in terms of the land use philosophy of those times. At first, the animals were either captured and domesticated, or shot. Later, they came to have value for slaughter, and by the 1940's, captured animals were commonly processed for some commercial purposes. The 1940's saw the last of most large herds of horses. From 1950 on, except in a

few locations, control actions consisted of sporadic instances of shooting or capturing the scattered horses. In Nevada and portions of a few other States, however, the populations were large enough to support a few "commercial" capture operations.

Coincident with this time era came the expression of an organized national conscience in regard to the humane treatment of these animals and questioning whether or not there was just cause for their elimination. The first Federal law to deal specifically with these issues was the Act of September 8, 1959, which prohibited the use of motorized vehicles and aircraft and the polluting of waterholes in the capture or killing of wild unbranded horses and burros on public lands.

The 1959 Act dealt with the humane capture of wild horses and burros and perhaps was the major factor that began to alter the downward trend in feral horse numbers on the Western range. Although the capture and sale of horses and burros by private individuals was reduced, more people were concerned. The Federal Agencies reduced their effort toward removal of wild horses and burros on the public lands. Two national wild horse ranges were established by the Bureau of Land Management.

BACKGROUND PAPER ON MANAGEMENT OF WILD HORSES AND BURROS ON NATIONAL RESOURCE LANDS

LEGISLATION

The Act of December 15, 1971 (16 U.S.C. 1331 et seq.), hereinafter referred to as the Wild Horse and Burro Act or the Act, expresses the policy of Congress that wild horses and burros be protected from capture, branding, harassment or death and that they be considered in the area presently found as an integral part of the natural system of the public lands. Section 2 of the Act contains definitions and defines "wild, free-roaming horses and burros" as all unbranded and unclaimed horses and burros on public lands of the United States.

Section 3 places all wild free-roaming horses and burros under the jurisdiction of the Secretary of the Interior with respect to public lands administered by him through the Bureau of Land Management and the Secretary of Agriculture with respect to public lands administered by him through the Forest Service, for purposes of management and protection in accordance with the Act and requires that wild horses and burros be managed in a manner that is designed to achieve and maintain a thriving natural ecological balance on the public lands. All management activities must be at a minimal feasible level and have to be carried out in consultation with the State's wildlife agency.

Section 3 also provides for destruction of old, sick, or lame animals or excess animals in a humane manner and provides for capture and removal of excess animals for private maintenance under humane conditions. Finally, Section 3 prohibits sale of the remains of decreased animals for consideration.

Section 4 requires the Secretary to remove the animals from private lands upon request of the landowner and requires individuals who maintain the animals on private lands to notify the Secretary and supply him with an approximation of the number of animals maintained.

Section 5 permits recovery of horses and burros on the public lands by individuals claiming ownership only if permissible under the branding and estray laws of the State.

Section 6 authorizes the Secretary to enter into cooperative agreements necessary for furtherance of the purposes of the Act.

Section 7 required appointment of a joint advisory board to provide advice on any matter relating to wild horses and burros.

Section 8 makes certain actions pertaining to wild horses and burros a crime subject to a $2,000 fine and/or imprisonment for 1 year, and provides law enforcement authority. These actions include conversion or wilful removal of a wild horse or burro from the public lands without the Secretary's authority, maliciously causing the death or harassment of an animal, processing or permitting the processing of the remains into commercial products, sale of a wild horse or burro or remains thereof, and wilful violation of regulations.

Section 9 clarifies that nothing in the Act authorizes relocation of wild horses or burros on new areas.

Section 10 requires that the Secretary of the Interior and the Secretary of Agriculture submit a report to Congress containing a summary of actions taken under the Act and recommendations.

MANAGEMENT PROBLEMS UNDER THE WILD HORSE AND BURRO ACT

Population Control—Overgrazing

The control of wild horse and burro populations is the most critical and controversial issue in managing the animals. They are hardy animals with no natural enemies. In many areas they are the dominant creature competing for space, water and forage. In the southwest, for example, Bighorn sheep, an endangered species, may not come to drink around springs while burros are present. Burros require several times as much dry forage as Bighorn sheep and, if not controlled, they will diminish the forage value of areas so that they are uninhabitable by the sheep. Wild horses and burros are known to exist on some 50 million acres of public lands administered by the Bureau of Land Management and the Forest Service in 10 Western States. The number of such animals using public lands is substantially greater than preliminary estimates made just prior to passage of the Act. At that time, based upon available data, it was estimated that there were approximately 17,000 wild horses and 10,000 wild burros on lands administered by the BLM. Expanded and improved surveys reveal the BLM estimates were low. Populations are growing now at an annual rate of between 18 and 30 percent. In certain areas, expanding wild horse populations are a major factor contributing to the declining range conditions. Populations estimates for both horses and burros on national resource lands based on an inventory as of May 1, 1975, are:

State	Horses	Burros	* Animals claimed Horses	Burros
Arizona	109	2,134	4	---
California	3,373	2,147	321	---
Colorado	697	---	---	---
Idaho	865	9	14	---
Montana	314	---	110	---
New Mexico	6,543	104	6,463	64
Nevada	21,868	691	5,268	50
Oregon	6,928	20	1,209	---
Utah	1,671	** 78	1	---
Wyoming	7,291	---	725	---
Total	$49,658	$5,183	14,115	114

* Includes animals claimed, proof of ownership still has to be determined under sec. 5 of the Wild Horse and Burro Act.
** Includes 8 mules.

The BLM is constantly improving its inventory techniques and accumulating data on these wild free-roaming animals. Inventory estimates are released periodically.

The Bureau Planning goals provide that optimum numbers of wild horses be determined for general areas they inhabit. In making this determination, the needs for soil and water protection, domestic livestock, maintenance of environmental quality, wildlife and other factors are considered, and, when necessary, domestic livestock numbers are adjusted or excluded to insure that adequate forage and other biological requirements are reserved for wild horses and burros.

Aside from the questions of overgrazing on Federal lands and conflicts with wildlife and other resource values, the increasing numbers of wild horses and burros present a problem to private owners whose lands are also used by the animals. Due to the provisions of the Wild Horse and Burro Act, private owners must depend on the Federal Government to remove animals from their lands.

Alternatives

Under present law there are three alternatives for controlling wild horse and burro populations: wild horses and burros may be relocated to other areas; they may be removed for private maintenance under an agreement to assure proper care for the animals; or they may be destroyed in a humane manner if no other method of control is practical.

Under the private co-operative maintenance arrangement the animals retain their status as wild free-roaming horses and burros and the United States is required to oversee the maintenance of the animals regardless of where they have been transported. We currently have two cases where we have retrieved the animals and are checking charges of inhumane treatment. Experience has been that people are often not interested in receiving the animals subject to such continual oversight. Furthermore, monitoring the maintenance of the animals is difficult and costly.

In addition, the Act of September 9, 1959 (18 U.S.C. 47(a)) prohibits use of aircraft or motorized vehicles to round up wild horses and burros to determine ownership or for management purposes.

Efforts to gather animals to determine ownership for management purposes have generally been unsuccessful since the only methods legally available at present are round-ups with the use of domestic saddle horses or trapping at water holes. Capture of the animals has been further complicated by the rough terrain and the enormous expanses of public domain.

Pursuant to Section 10 of the Wild Horse and Burro Act the Secretary of the Interior and the Secretary of Agriculture submitted a joint report on administration of the Act, including recommendations for legislation and other actions. Among other things, the Report (a copy of which is attached) recognizes the need for amending the Act to provide a more workable legislative framework for capture, relocation, removal, and disposal of excess animals.

Specific Actions

In order to correct overgrazing conditions within the confines of the present law, as an interim measure, BLM's field offices were instructed to initiate plans to control wild horse populations at the 1971 level (the date the Act was passed) where vegetative and other conditions warrant such action, pending completion or updating of multiple-use planning to determine optimum numbers of wild horses, wildlife, and livestock.

The BLM has conducted gathering operations in Oregon, Montana and Nevada to remove excess horses causing damage to the vegetative resources on the national resource lands. Approximate numbers removed are: Oregon—135; Montana—55; and Nevada—80 to date from the 400 contracted in the Stone Cabin Valley Water trapping. A few problem animals have been removed elsewhere.

These horses were removed because their number had increased to the point that there was not enough food available for the grazing animals on the particular allotments. These animals were in competition with other wild horses, domestic livestock and wildlife for the forage available.

As discussed later, other gatherings of privately owned animals have occurred in

accordance with Section 5 of the Act providing for recovery of horses or burros on the public lands by persons claiming ownership of such animals.

POPULATION ESTIMATES OF WILD HORSES AND BURROS—A COMPARISON OF JANUARY 1974 TO MAY 1975

[Over the 16-month period total population increase was 21 percent]

State	Estimated numbers of animals*			
	Horses		Burros	
	BLM	FS	BLM	FS
JANUARY 1974				
Arizona	115	7	10,000	36
California	3,000	828	3,200	209
Colorado	500	----	----	----
Idaho	500	34	8	6
Montana	325	8	----	----
New Mexico	7,550	207	80	5
Nevada	20,000	1,174	1,000	13
Oregon	5,265	215	16	----
Utah	1,000	45	50	3
Wyoming	4,411	23	20	----
Subtotal	42,666	2,541	14,374	272
Total	(45,207)		(14,646)	

State	Animals claimed			
	Horses	Burros	Horses	Burros
MAY 1975				
Arizona	109	2,134	4	----
California	3,373	2,147	321	----
Colorado	697	----	----	----
Idaho	865	9	14	----
Montana	314	----	110	----
New Mexico	6,543	104	6,463	64
Nevada	21,868	691	5,268	50
Oregon	6,928	20	1,209	----
Utah	1,670	**78	1	----
Wyoming	7,291	----	725	----
Subtotal	$49,658	*5,183	14,115	114
Total	(54,841)		(14,229)	

NUMBER OF CLAIMS FOR HORSES AND BURROS ON NATIONAL RESOURCE LANDS

[Administered by the Bureau of Land Management and the number of animals claimed under sec. 5 of the Wild Horse and Burro Act]

State	Claims	Animals	
		Horses	Burros
Arizona	5	9	20
California	3	305	----
Colorado	5	74	----
Idaho	7	42	----
Montana	10	133	----
New Mexico	1,494	7,523	36
Nevada	75	6,854	64
Oregon	24	1,310	*2
Utah	8	150	----
Wyoming	30	765	*1
Total	1,661	17,165	123

*Mules.

WILD HORSES AND BURROS AMENDMENTS ACT: S. 1923

SUMMARY OF MAJOR PROVISIONS, ET AL.

1. Allows the Secretary of Interior or his officials to use or supervise the use of helicopters and other motor vehicles (of ground support activities only) to round-up the excess numbers of wild horses and burros.

2. Allows the Secretary to sell or donate excess numbers of captured animals, not including those to which claims of private ownership have been made and sustained by the appropriate State Agency, to private organizations or individuals.

3. Re-opens for ninety days the opportunity to file claims of private ownership of uncaptured wild horses or burros.

4. Waives the imposition of any trespass or other fee, penalty, or charge, against the claimant receiving a horse or burro which has been captured and returned to him or her.

5. Adds an additional action prohibited under the Wild Horse and Burro Act of 1971, so that no medical testing or research can take place on captured wild horses or burros. Fails to distinguish between live animals and dead carcass.

RESOLUTIONS: NATIONAL ADVISORY BOARD ON WILD FREE-ROAMING HORSES AND BURROS

Whereas, populations of feral horses are increasing at rates of 10 to 25 percent annually and that each reproductive year of inaction causes loss of a great national trust in wildlife and rangelands, and

Whereas, the delays in establishing desired levels of feral animals populations on public lands are foreseen for the future,

Be it *Resolved*, that the Secretaries act immediately to reduce feral horse populations in areas where management plans are current and that they reduce other populations to the 1971 level. In the event that Congress has not provided funds or modification of Public Law 92-195 to allow removal of horses and burros and placement in foster care, we recommend that horses and burros be disposed of as provided in Section 3c of PL 92-195 to protect the habitat.

Whereas, during the 3 years that the wild Horse and Burro Act of 1971 has been in force populations of these animals have increased dramatically; and

Whereas, these increases in equine populations have resulted in overgrazing and severe damage to the ecological balance of the public lands and whereas if populations are allowed to continue to increase this damage will become extreme; and

Whereas, the impending worldwide food shortage gives emphasis to the urgent need to manage and conserve the Western rangelands as a resource for food production; and

Whereas, certain provisions in the Act have the effect of severely restricting the Federal Agencies in effectively keeping horse numbers at a level which will prevent deterioration of the ranges.

Now, therefore, be it *Resolved:* That the National Wild Horse and Burro Advisory Board urges the Secretaries, and through them the Congress of the United States, to modify the Act in a manner which will:

Authorize the Secretary to sell or donate excess animals to individuals or organizations on written assurance that such animals will receive humane treatment; place a statute of limitations on claims or ownership of branded or unbranded horses except those animals which entered the public lands after the effective date of these changes; give serious consideration to the use of intensive management areas as a management tool for these animals with appropriate restitution for the grazing privileges lost.

Passed unanimously.

Whereas, helicopters are recognized as an essential and humane tool in management of wildlife throughout the world.

Now, therefore, be it *Resolved:* That the National Wild Horse and Burro Advisory Board urges the Secretaries, and through them the Congress of the United States, to modify the Act in a manner which will allow the use of motorized equipment and helicopters under direct supervision of the Secretary or duly authorized official or employee of the Department in management of wild horses and burros.

BUREAU OF LAND MANAGEMENT,
Portland, Oreg., September 30, 1975.

Hon. BOB PACKWOOD,
6327 New House Office Building,
Washington, D.C.

DEAR SENATOR PACKWOOD: In response to your recent request we are submitting information on the accident which recently occurred in Malheur County during a wild horse gathering.

Mr. Bob Bailey, Burns, Oregon, is a temporary employee of the Bureau of Land Management. Mr. Bailey is by profession a rancher and has ridden in wild horse roundups for many years prior to passage of the Wild Horse Act. He was initially hired by BLM last year (September 1974) to lend his knowledge and skill to BLM in an attempt to gather a herd of wild horses in Harney County. Mr. Bailey has been employed seasonally by BLM to help on other wild horse roundups. On September 17, Mr. Bailey and several BLM employees were attempting to gather some wild horses near Malheur Cave, southeast of Burns, Oregon. Bailey's horse fell and rolled over him causing severe injury. Fortunately, a BLM helicoper, used in the fire control program, was available nearby. Shortly after the accident occurred, the helicopter pilot was called on the BLM radio net and was able to immediately move Bailey to the hospital at Burns. Mr. Bailey's injuries required that he be moved again to Boise where he underwent surgery to repair internal damages and remove his spleen. Presently, Mr. Bailey is recovering in the hospital and is in satisfactory condition. He remains on the government payroll and is receiving appropriate compensation during his recovery.

Enclosed are copies of news releases, newspaper clippings and the doctor's report.

This accident points out the hazards of attempting to gather wild horses and burros using less than modern techniques. Since passage of the Wild Horse Act, BLM, in Oregon, has gathered 139 horses declared to be excess above the carrying capacity of the rangelands. These 139 horses were caught in five authorized gatherings. All of the horses have been caught using saddle horses and riders. Several of the riders are skilled cowboys hired temporarily to assist in the capture.

In the five gatherings, we have had ten instances where horses fell with their riders while in pursuit of wild horses. One of the horses was killed instantly of a broken neck. The rider luckily was thrown clear and suffered only bruises. In another case, a rider seriously hurt his knee when his horse ran into a juniper tree. Eight saddle horses have been injured. One horse had all of its front teeth knocked out when it fell during a chase. Another horse suffered severe overexhaustion and nearly died. Nearly all of the horses used have suffered minor injuries, cuts or bruises.

We think that these matters should be pointed out to the public and to Congress so that legislation to allow more modern techniques could be allowed. As Director Berklund has stated publically, we think helicopters could do the job cheaper and in a more humane manner than the presently allowed methods.

Thank you for your interest in this matter.

Sincerely yours,

———,
Acting State Director.

BUREAU OF LAND MANAGEMENT,
Washington, D.C., October 29, 1975.

Hon. BOB PACKWOOD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PACKWOOD: This letter is in response to your inquiry of October 16 concerning wild horses in Oregon.

Wild horses definitely are not a vanishing species nor do they face extinction. In Oregon, the number of horses on national resource lands was approximately 6,900 as of May 1, 1975. A copy of the most recent inventory of populations in other States is enclosed for your information.

In grazing allotments in Oregon, expanding numbers of wild horses are creating a serious conflict by being in direct competition for forage with domestic livestock and wildlife. The increase in horses and their inten-

sity of use in preferred areas can have a harmful effect on the range vegetative resources. Perennial plant species under heavy grazing give way to annual plant species in unnatural competition situations. Annual plants are less effective in providing soil and watershed protection than perennials. As watershed protection declines, topsoil will be lost to erosion. Density and diversity of wildlife will decline as the habitat deteriorates.

If we were to wait until such time as the horses were starving to death, the soil and plant community relationship would be altered to the point that recovery is slow and the potential optimum production is lower than the original productivity of the area. There are classic examples of such situations in existing literature.

Domestic livestock grazing is controlled on national resource lands by issuance of annual licenses while the number of wildlife is controlled by bag limits and the length of hunting seasons. Wild horse numbers must be controlled similarly to domestic livestock and wildlife to maintain a balanced ecological relationship on the national resource lands. The present methods of controlling wild horses as revealed at the Burns hearing have proven to be ineffective and costly.

A horse generally requires more pounds of forage per day to sustain it than a cow. The reasoning for this is that a horse is larger and more active than a cow with a different digestive system. Being a large, agile animal having both upper and lower teeth, which a cow or sheep does not have the horse becomes highly competitive for any available forage.

The grazing season in Oregon for domestic livestock averages approximately 6 months on national resource lands. The majority of these domestic animals go onto the Federal range usually around the first of May and most are off by the first of November each year. The wild horses and wildlife, however, must rely on enough forage being available to sustain their food supply year-long in their grazing areas. Weather conditions may also restrict the size of areas upon which wild horses and wildlife may graze during the winter months.

Sincerely yours,

GEORGE L. TURCOTT,
Associate Director.

STATEMENT OF OREGON FISH AND WILDLIFE COMMISSION RELATING TO WILD HORSES IN OREGON

The Oregon Fish and Wildlife Commission is becoming increasingly concerned in regards to the impact of wild horses on habitat of native wildlife species. It has been documented that wild horse numbers are increasing at a rate of 20 to 25 percent annually. Big game animals utilize the same ranges as wild horses and severe competition for forage and water is becoming increasingly apparent. Murderers Creek Wildlife Management Area is a prime example.

The 39,000 acre Murderers Creek Area was purchased in 1972 primarily for mule deer winter range, but benefits for other wildlife species will also be provided. Wild horses are becoming an ever increasing problem to attainment of management objectives on the area. Increasing at a rate of 25 percent annually, horses are competing with resident wildlife for both forage and water. One elk winter range was nearly denuded from excessive grazing by wild horses.

Other areas with either existing or potential conflicts between wild horses and resident wildlife include the Stockader, Mahogany Mountain and Westfall Units within the Bureau of Land Management's Vale District. Waterholes are gradually becoming mudholes by the trampling and wallowing of wild horses in the Lakeview District. If the present trend continues unchecked, range overuse will result in drastic reductions in wild horse numbers as well as decreasing populations of native wildlife.

At present, the managing agencies do not have the tools to effectively manage wild horse populations. This is a must for total resource management on public lands. Two primary amendments are needed to the present Act to provide necessary management flexibility: 1. use of motorized vehicles to aid in the round up of surplus animals, and 2. the authority to grant ownership of surplus animals to individuals or organizations.

Helicopters and other motorized vehicles are the most effective and practical means available for round up of wild horses. Alternatives available for roundup under existing laws are not only ineffective, they require extravagant expenditure of funds which makes large scale operations prohibitive.

The present method of placing surplus animals in custody of the public through the cooperative agreement process is cumbersome and ineffective. People are reluctant to accept custody and responsibility of wild horses under the restrictions imposed by the Act, especially when such horses are still theoretically under control of the Federal Government.

Without the two preceding amendments, management agencies not only have difficulty capturing wild horses, they have no practical means of transferring ownership of the few animals that are captured.

We appreciate the opportunity to comment on this important issue.

JOHN MCKEAN,
State Director.

BOARD OF COMMISSIONERS,
Lakeview, Oreg., June 11, 1975.

Senator BOB PACKWOOD,
Senate Office Building,
Washington, D.C.

DEAR SENATOR PACKWOOD: Recently we read in various newspapers where you are going to introduce legislation where aircraft and helicopters can be used in control of wild horses and burros.

We would like to commend you for introducing this bill as it certainly is needed in order to manage wild horses and burros. According to BLM officials, wild horses are doubling in numbers every four years and if this trend was to continue very long, the range lands on the western states would be over populated with wild horses and burros.

In Lake County lumbering and livestock operations are the major industries. A high percentage of the livestock use range lands and if wild horses were left uncontrolled it would have a severe impact on the livestock industry and our economy as well as affecting the management of federal lands in following the multiple use concept.

Again, we want to commend you for introducing this legislation, which is so necessary for overall management of our national resource lands.

Very truly yours,

DON FITZGERALD,
Commissioner.

SOIL AND WATER
CONSERVATION DISTRICT,
Burns, Oreg., August 13, 1975.

The Harney Soil and Water Conservation District Board makes the following recommendations for the control and management of wild horses.

1. The number of wild horses should be reduced to a number no greater than what they were before the passage of the Wild Horse Act.

2. The agencies that manage the land wild horses roam on shall be allowed to use motorized vehicles to manage the wild horses.

3. That the surplus in the wild horse herds beyond the agreed on number shall be disposed of by sale for pets, work animals, or other economic or commercial use.

4. The wild horse should be managed so they remain an aesthetic factor in the environment.

5. In those areas where the wild horse herds, before the passage of the Wild Horse Act, were in numbers that were destructive to the environment, in these areas the animals numbers should be reduced to a number that will be compatible with good management of the range for livestock and other wild animals.

This statement is agreed by District Board.

JOHN CAMPBELL,
Chairman.
RUSSELL PENGELLY,
Secretary.

NATIONAL ASSOCIATION OF CONSERVATION DISTRICTS 1975: WILD HORSES AND BURROS

The Wild Free-Roaming Horse and Burro Act (Public Law 92–195 of December 15, 1971) delegated to the Secretaries of Interior and Agriculture the authority and responsibility for protection, management and control of wild free-roaming horses and burrors on public lands administered by the Bureau of Land Management and the U.S. Forest Service.

There are now approximately 27,000 wild horses and 14,000 wild burros, unbranded and unclaimed, grazing on the public lands administered by BLM and the Forest Service. These animals have few natural enemies and are known to reproduce at a rate of 20 to 25% each year, thus doubling population every few years.

These wild horses and burros can seriously compete with wildlife and domestic livestock for forage if they are not properly managed as to distribution and numbers. P.L. 86–234 prohibits the use of aircraft and motorized vehicles to capture wild horses and burros, and P.L. 92–195 provides penalties for those guilty of using aircraft to harass or kill any wild animal, bird, or fish. However, the use of aircraft (helicopters or fixed wing) is the most efficient and humane method of herding, capturing, or coralling wild horses and burros.

P.L. 92–195 prohibits the transfer of title of excess wild horses and burros to the public, and permits only private maintenance of these animals under the jurisdiction and custody of the Secretaries, making disposal of these animals to individuals or organizations very difficult. These restrictions greatly hamper proper protection, management and control of wild horses and burros and their habitat used in common with wildlife and domestic livestock.

The NACD urges Congress to enact legislation amending the Wild Free-Roaming Horse and Burro Act to (1) authorize the Secretaries of Interior and Agriculture to use aircraft to provide for the protection, management and control of wild free-roaming horses and burros, such use to be in accordance with humane procedures prescribed by the Secretaries; and (2) authorize the Secretaries of Interior and Agriculture to sell or donate, without restriction, excess horses or burros to individuals or organization.—Adopted.

HARNEY COUNTY STOCKGROWERS
ASSOCIATION,
Burns, Oreg., August 13, 1975.

The Stockgrowers are not against having wild horses on our public land, but are against having the number build up to the point where they are causing an economic hardship to our local communities. If allowed to increase at 20–30% per year, they would eventually take over our range land.

The economic and tax base of our local community is dependent on a viable livestock industry. We would like to see a balance of wild horses, wildlife and domestic livestock on public land.

Therefore:

The Harney County Stockgrowers wish to make the following recommendations for the management of wild horses on public lands.

1. That the use of motorized vehicles especially aircraft, including helicopters should be allowed for management purposes of the animals.

2. The wild horse herds should be managed in a manner that is compatible with other uses under the multiple use concept on public lands. In areas where the animals are doing destructive damage to the forage or soil resources, or are in undue competition with wildlife or permitted livestock, these animals should be removed or reduced in number to the point where no undue conflict occurs.

3. That the agency charged with management of the animals be allowed to sell, transfer to private ownership, or dispose of for economic or commercial use.

JOHN CAMPBELL,
President.

IDAHO CATTLEMEN'S ASSOCIATION,
Boise, Idaho, August 5, 1975.

Senator BOB PACKWOOD,
Portland, Oreg.

DEAR SENATOR PACKWOOD: The Forest and Public Lands Committee of the Idaho Cattlemen's Association met formally on August 1, 1975 to discuss S. 1923.

While previous commitments prohibit us from attending the hearing in Burns, Oregon on August 13, 1975, we would like you to consider our comments in this letter.

Considering the fact (Bureau of Land Management Statistics) that there are now some 50,000 wild horses on the public lands of Idaho, Arizona, California, Colorado, Montana, New Mexico, Nevada, Oregon, Utah, and Wyoming and acknowledging the impact that these horses have on the range, the wildlife and the domestic livestock grazing on those public lands, we agree that severe ecological imbalances will occur.

We fully support S. 1923 and urge it's passage in the United States Congress and it's approval by the President of the United States.

We are convinced that wild horses have to be managed as well, or better, than other public land uses and we believe that S. 1923 will enable the Bureau of Land Management to satisfactorily protect, manage and control wild free-roaming horses and burros on public lands.

Sincerely yours,

BILL SWAN,
Chairman, Forest & Public Lands Committee.

OREGON ENVIRONMENTAL COUNCIL,
Portland, Oreg., May 12, 1975.

Hon. ROBERT PACKWOOD,
6327 New Senate Office Building,
Washington, D.C.

DEAR BOB: We understand that you are considering an amendment to the Wild Horses Act which would enable the use of aircraft as a management tool in the roundup of "excess" horses. Our Wildlife Committee has considered this matter and feels that the use of helicopters as a management tool in horse roundup is acceptable.

It is the Committee's feeling that this is a humane and acceptable way to round up these horses. However, the Committee feels that the use of fixed wing aircraft is not acceptable. We will accept only helicopters as a management tool. The reason for this is that fixed wing aircraft have a tendency to cause the horses to run to excess while helicopters can much more gently "nudge" and "steer" the wild horses to the corral without panicking them and causing them to take flight.

Therefore, we urge you to support the amendment for the use of helicopters in the roundup of wild horses and oppose any language that would allow fixed wing aircraft. We understand that there are certainly times when it is difficult to obtain helicopters for roundup purposes, but they can easily be trucked into nearby sites for use. We hope this extra management tool for the Bureau of Land Management will provide the assistance they need for proper handling of the wild horse resource.

Sincerely,

LARRY WILLIAMS,
Executive Director.

OREGON ENVIRONMENTAL COUNCIL,
Portland, Oreg., June 13, 1975.

Hon. ROBERT PACKWOOD,
New Senate Office Building,
Washington, D.C.

DEAR BOB: Thanks very much for sending me a copy of the Wild Horses and Burros Amendments Act. I am very pleased with the amendments you proposed.

It appeared to us that the major issue here was whether or not fixed wing aircraft should be used in the roundup of wild horses. I am extremely pleased that you have specifically written the bill to limit the roundup by air to helicopters. Also, the limitation of motor vehicles for ground support purposes is also excellent.

We appreciate your interest in helping to alleviate this knotty problem.

Best regards,

LARRY WILLIAMS,
Executive Director.

AUG. 13, 1975.

The Harney County Chapter of the Izaak Walton League wants to go on record in support of the recommendations of the Harney County Soil and Water Conservation District Board for the control and management of wild horses.

RUSSELL PENGELLY,
Vice President, Harney County Chapter Izaak Walton League.

OREGON HIGH DESERT STUDY GROUP,
St. Paul, Oreg.

The Wild Horse and Burro Act of 1971 was intended to insure both protection and proper management of wild horse and burro populations. The law states that the Secretary of the Interior and the Secretary of Agriculture "shall manage wild free-roaming horses and burros in a manner that is designed to achieve and maintain a thriving natural ecological balance on the public lands."

It has been pointed out that 97% of all grazing pressure on public lands excluding that of native wildlife comes from livestock grazing and that only 3% can be attributed to wild horses and burros. However, these figures represent an average for the entire West. It is the belief of the Oregon High Desert Study Group that in local situations wild horses and burros, if left unmanaged, can be a very real and significant threat to the ecological balance.

To insure high range quality there must be well-coordinated management of all factors affecting range quality including livestock, native wild animals and wild horses and burros. High range quality and reasonably healthy native wild animal populations are of prime importance to the Oregon High Desert Study Group. We further feel that native wild animals are a more significant part of our national heritage than the introduced wild horse and burro and that maintenance of reasonably healthy native wild animal populations should take precedence over both livestock production and wild horse and burro populations.

Proper management of wild horses and burros requires adequate knowledge, management tools and funding. We believe that more research is needed to elucidate the relationships between wild horses and burros, native wild animals, livestock and range quality. In addition, we feel that the present law does not provide reasonable management tools for proper management of wild horse populations. We further feel that the Bureau of Land Management in the state of Oregon is underfunded and is unable to carry out its management responsibilities adequately.

The Oregon High Desert Study Group is aware that providing government agencies with additional management tools increases the possibility of abuse and indiscriminate harvesting of wild horses and burros. There is evidence that illegal and inhumane harvests have occurred in states neighboring Oregon. However, our direct experience with the Bureau of Land Management is limited to the state of Oregon, and they have shown themselves to be both responsible and competent despite being underfunded and understaffed.

Therefore, the Oregon High Desert Study Group supports the following recommendations of the National Advisory Board for Wild, Free-roaming Horses and Burros:

(1) that in the foreseeable future the total number allowable shall, in general, be limited to a number approximating the number of free-roaming horses and burros in existence at the time of the passage of the Act.

(2) that there be greatly increased funding to do the necessary research to properly manage wild horses and burros on public lands.

(3) that there be an amendment to the law that would explicitly permit transfers of surplus animals to private ownership with adequate provisions for the welfare of the animals.

(4) that legislation be sought to allow the use of aircraft, including helicopters, in the state of Oregon, in the inventory and removal of excess wild horses and burros, provided that each and every aircraft have an employee of the management agency in it.

(5) that the Bureau of Land Management, or management agency, be allowed to dispose of the carcasses.

Because of insufficient information available to us, the Oregon High Desert Study Group has no further statement to make at this time concerning additional recommendations of the National Advisory Board. However, we recommend that the Bureau of Land Management be given significantly greater funding in order for them to properly manage public lands in Oregon.

COLLEEN GOODING.

HARNEY COUNTY FARM BUREAU POLICIES FOR 1975

(By Don Barnes)

We favor the multiple use of federal lands. Management of federal lands should recognize that definable land areas have dominant use capability which should be recognized within the concept of multiple use.

Government agencies should manage and control wild horses and burros, following the same guidelines that have been set up for domestic livestock so as to prevent overgrazing and damage to watersheds.

We recommend that the government agencies responsible for wild horses observe the following considerations:

(a) Domestic livestock grazing permits should not be reduced or eliminated as a result of these horses being on the public lands.

(b) Numbers should be controlled so as not to deteriorate the range.

(c) A means of regulating numbers of these animals must be worked out.

Hearing held by Senator Bob Packwood at the Harney County Courthouse, Burns, Oreg., August 13, 1975.

TESTIMONY BY JOSEPH J. THACKABERRY

I am Joseph J. Thackaberry residing at Boise, Idaho. I am a professional land man-

agement consultant (range consultant) with offices at 528 Idaho Building, Boise, Idaho. I am self-employed on a consulting basis and work on range matters throughout the Intermountain region consisting principally of Idaho, Oregon, Nevada, Utah, Wyoming, and California.

I give this testimony on my own behalf and in behalf of several clients who have asked me to do so. Clients who have requested that I speak in their behalf at this hearing are as follows:

Little Cattle Company, Emmett, Idaho.

Spring Valley Livestock Company, Caldwell, Idaho, with range in Oregon and Idaho.

Whitehorse Ranch, Fields, Oregon.

Henry-Rust, Inc., Boise, Idaho, with range in Oregon.

Allied Land and Livestock Company, Frenchglen, Oregon, and Elko, Nevada.

Zimmerman Ranching Company, Round Mountain, Nevada.

The 25 Corporation, Inc., Battle Mountain, Nevada.

Henry Filippini, Jr., Battle Mountain, Nevada.

Uinta Livestock Corporation, Woodruff, Utah, with range in Utah and Wyoming.

Midland-Dunton Sheep Company, Rock Springs, Wyoming.

On behalf of myself and those just mentioned, I advocate and recommend the amendment to the Act entitled "An Act to Require the Protection, Management, and Control of Wild Free Roaming Horses and Burros on Public Lands", approved December 15, 1971 (Public Law 92-195), such amendment as contemplated by Senate Bill 1923 introduced by Senator Bob Packwood.

A brief summary of my professional qualifications is as follows:

I graduated from the University of Idaho in 1952 with a Bachelor of Science Degree in Forestry with major work in Range Management. I worked for the Bureau of Land Management in Oregon and Idaho until 1957 at which time I entered the range consulting business dealing with all phases of public and private land management dealing principally with Buerau of Land Management lands, Forest Service lands, State lands, and private lands. I am engaged in the consulting business to this date.

I have been directly involved in many range adjustments, referred to as range adjudications, in the state that I work in and mentioned above. The adjudication process is a process carried on by the Bureau of Land Management by which the demand for range use is determined, the carrying capacity of the range in question is determined, and the demand for range use is adjusted to range carrying capacity. In many instances, demand for range use included reasonable allowances for wildlife and, in some instances, wild horse populations known at that time. The range adjudication process carried on by the Bureau of Land Management started in the early 1950's and was completed in the late 1960's. In most cases the adjustment to carrying capacity brought grazing privileges down to or near the range carrying capacity as determined by range survey. In most instances, with very little deviation, all the range carrying capacity determined to be available was allocated to domestic livestock, wildlife, and wild horses known at the time. There was no excess carrying capacity that went unobligated or unused.

During the years that followed the adjudication process, many range improvements were installed on the federal range such as fences, water developments, range reseedings, and sagebrush spraying. These range improvements increased range carrying capacity and, in most instances, this increased carrying capacity was restored to those range operators who sustained the downward adjustment in the initial adjudication process. In most recent years more intensive management systems have been developed and are being developed, such as rest rotation grazing systems and deferred rotation grazing systems, which improve range condition and carrying capacity. With increases from these improved management systems, restoration of initial downward adjustments were restored to the various ranch operations involved. Here again the full amount of available carrying capacity that was determined to be available after increases from range reseeding, spraying, and improved management systems, was fully obligated with vary little, if any, excess carrying capacity.

With the Wild Horse Annie Act of 1959 and the Wild Horse and Burro Protection Act of 1971, the means of controlling wild and stray horses and burros on public lands by private individuals and the Bureau of Land Management and Forest Service were dramatically curtailed. As a result, horse and burro populations have drastically increased in many areas of the public lands, this increase to the extent that today those very ranges that went through the adjudication process are again being overgrazed, range condition is deteriorating, and range trend is down. The amount of overgrazing is for the most part in direct proportion to the increased horse and burro populations which exert additional demand for range forage over and above that which is properly determined as available for grazing use.

This is just a simple matter of logic that by establishing carrying capacity for a known population and then have a portion of that known population to become uncontrollable and increasing causes an overobligation to the range at an ever-increasing rate.

The principal reason for the increase in wild horse and burro populations is due to the inability of individuals and agencies to gather excess numbers with the limitations and restrictions presently existing on the method of gathering such excess animals.

In the past individuals and agencies periodically gathered excess animals with the assistance of aircraft. The banning of the use of aircraft for gathering these excess numbers virtually impossible.

In many instances, the wild horses and burros are running in areas of rough, broken country or large expanses of open country in which gathering of these animals is virtually impossible or impractical by using horseback methods. In an effort to gather these excess animals with just the means of men on horseback, the good horses required for this type of work are, in many instances, crippled or destroyed, the riders are subject to serious injury, and very limited numbers of animals are actually gathered. The horses that are gathered are gathered at a cost as high as $700 per head.

I have contacted BLM District and State Office personnel in an effort to secure data on horse populations in the areas where I have worked. In Oregon, based on 1975 inventory, the population by District is as follows:

District	Horses	Burros	Total
Lakeview	1,235	--	1 235
Burns	2,738	20	2,758
Vale	2,565	--	2,565
Prineville	360	--	360
Medford	30	--	30
State total	6,928	20	6,948

Overall for the State, there is an indicated 18 percent increase per year.

In the Vale District, with the approximate 2,500 horses as indicated above, there is indicated a 23% annual increase. The wild horse population in the Vale District is situated in thirteen different herd areas of which approximately 1,800 animals are situated in three of the thirteen herd areas. The largest of these herd areas containing the largest number of animals is the Sheephead-Barren Valley herd area with 1,146 animals. Rate of increase on this herd area is undetermined. Livestock operators in this area are taking substantial amounts of voluntary non-use on their grazing privileges and are finding that the active use paid for is not available and find it necessary to remove their livestock from the range earlier than planned.

The second largest herd in the Vale District is the Three Fingers herd consisting of approximately 444 animals. These horses are increasing at the rate of an estimated 20-25% per year. This herd area is in the Three Fingers Allotment lying generally on the east side of Owyhee Reservoir. These horses are situated in a very steep, broken terrain with rather severe soil limitations. Vegetative and soil conditions are deteriorating within the herd area. Also within this herd area there is situated the bighorn sheep population and this same area is considered a critical deer winter range. Range for this wildlife population is deteriorating. The wild horse numbers in the Three Fingers area have been controlled many times in the past, but only through the aid of aircraft. In the Three Fingers area it is the plan to reduce this herd to approximately 120 horses.

The Burns District has a total of 2,738 horses with an indicated annual increase of approximately 27%.

The South Steen's herd area situated on the south end of Steen's Mountain based on January, 1975, inventories indicates approximately 576 animals with an annual increase of approximately 25%. This herd is competing with livestock and wildlife in the lower range areas. There are indications of excessive competition between horses, cattle, and wildlife in the low areas that are the winter range concentration areas of deer. Bitterbrush, being the staple winter feed for deer in several areas, is overused and in a few areas showing indications of part of the plant dying.

The Catlow Valley herd situated west of the South Steen's herd has 344 horses with an indicated annual increase of approximately 19%. This Catlow Valley herd area is a salt desert shrub type which is rather fragile due to soil and water limitations. There are dead and dying forage species in portions of this herd area. Yearlong grazing by horses is the most detrimental practice of grazing on the salt desert shrub type.

The Desert-Tule Springs herd, which is situated east of Steen's Mountain, consists of approximately 450 horses. This herd is involved with the adjacent Barren Valley-Sheephead herd in the Vale District.

The State of Nevade contains the largest wild horse and burro population by state in the West. The 1975 inventory indicates approximately 25,924 animals with an indicated increase of 19.6% per year.

The Battle Mountain District has 3,869 horses and burros with an indicated 18% increase per year. Within the Battle Mountain District is the Stone Cabin herd area with approximately 810 animals. More than half of the range area is considered to be in poor condition and range trend is down. The plan is to reduce this herd to 410 animals.

The Bald Mountain area south of Battle Mountain has 116 horses with an indicated 12% annual increase. Range condition is fair to poor and trend is down. This area is extremely dry and lacking in livestock water for which there is severe competition between wild horses and domestic livestock.

The Winnemucca District has the largest number of horses and burros in the State of Nevada with 7,164 animals with an indicated increase of approximately 20% per year.

Within the Winnemucca District the Owyhee Desert herd, situated in northeast Humboldt County, consists of approximately 1,353

animals with an indicated annual increase of approximately 22%. This range area was adjudicated and reduced to carrying capacity and a rest rotation system of management implemented. With the increased horse numbers the range condition is declining and range trend is down. It is estimated the range is over obligated by 45% due to the increased horses. In other words, the range is being used 145% of indicated carrying capacity. It is the plan to reduce this herd to approximately 770 animals.

One of the principal goals of the Bureau of Land Management and Forest Service is to implement an improved management system, either being a rest rotation system or a deferred rotation system. Horse herds in these allotment management plans greatly reduce or eliminate the effectiveness of the improved management systems in that the horse numbers cannot be manipulated and managed, such as domestic livestock can be manipulated and managed.

In the Elko District of Nevada there are approximately 3,202 horses with an indicated annual increase of approximately 20%.

Idaho has two grazing districts with wild horses. The Salmon District has one herd in the Challis area with a December, 1974, inventory of approximately 356 animals with an indicated increase of 28% per year. The projected population number of this herd in 1980 is 1,356 horses without control. It is planned to reduce this herd to approximately 150 horses although this number is subject to change.

In the Boise District there are 512 horses in eighteen different herds. Indicated increase rate is 21% per year.

In Wyoming I have done most of my work within the Rock Springs District. Within the Rock Springs District is the Green River Resource Area with the city of Rock Springs situated approximately in the center. Within the Green River Resource Area there are approximately 3,736 horses with an indicated increase of approximately 20% per year. Virtually all of these horse herds in the Green River Resource Area are situated in areas that have been recently reduced to carrying capacity and with these increased numbers the ranges are again being overgrazed.

Data available for total BLM administered lands taken from the Range Condition Report prepared for the Senate Committee on Appropriations prepared by the Bureau of Land Management dated January, 1975, gives 1974 horse and burro inventories as 42,666 horses and 14,374 burros for a total number of 57,040 animals. The indicated increase is 20–25% per year. It is projected this population will double in four years without control.

Based on a 20% increase, the population for BLM administered lands today is 68,400 horses and burros.

It is imperative that a means of controlling wild horse and burro populations be developed or made available in order to stop the ever increasing downward condition and trend of public lands. The use of a helicopter in gathering excess wild horses and burros from public lands is the most humane, economical, and practical means of controlling these excess animal numbers.

HEARING ON SENATE BILL 1923

My name is Charley Otley. I am a rancher and I live in Diamond, Oregon. I am here to testify in favor of S.B. 1923. I am representing the Oregon Cattlemen's Association and myself.

S.B. 1923 in my opinion, would enable the B.L.M. and individuals to control the fast growth in numbers of the wild horses and burros, that the act of 1971 allowed to grow out of context of good range management. The population increase of these animals is, I think, underestimated. The damage these animals are doing is also underestimated. These animals are on the range the year around and in many cases it is a small area where it is impossible to migrate from summer to winter range. This means the animals are all over this area when the ground is soft and the grass is starting to grow. They run in herds and tramp out the grass and also graze the grass before it gets a good start. This creates stunted growth. This Bill would allow the reduction of the number of animals on year around grazing, so the damage would be much less.

It is my opinion that the "Wild Horse and Burro Act of 1971" was very detrimental to range conservation. Also, people supporting the Act of 1971 mislead a lot of people by telling them they could drive out and see the beautiful wild horses, which is not the case. The truth, is these horses in most cases, take off and run over a hill out of sight when anyone approaches. They would be too far away for good pictures, much less a good look. These horses are not beautiful horses at all, they are inbred and their conformation is bad. These horses are renegade horses, that started from domestic herds that became wild. They are a mixture of draft horses to anything that might have been on the range. They are in comparison to a mongrel dog as far as breeding is concerned.

S.B. 1923 would allow the gathering of the over production of these animals by the aid of helicopters, which would be the humane way to reduce the numbers to a minimum for good range management. This Bill would also allow the Government to dispose of the ownership of these animals, which is not the case under the Act of 1971.

I am in full agreement with S.B. 1923 and I appreciate the opportunity to testify in it's behalf. Thank you.

GLIDE, OREG., *August 10, 1975.*

GENTLEMEN: As one who grew up on a farm where horses were used both for pulling farm equipment and riding I have a deep respect for their intelligence and sensitivity. I firmly believe that the use of airplanes and helicopters in rounding them up has much the same affect on them that strafing did on helpless people trying to escape from their beleaguered cities. . . . They had absolutely no defense whatever. When a horse cannot use his natural defenses of kicking, biting, running and hiding it becomes terrified. . . . And a terrified horse is a crazy horse. He is completely out of control . . . his own or anything elses. Let's use natural means in these roundups . . . Other horses!

Sincerely,

Mrs. M. C. DEMENT.

STATEMENT OF BILL LANE, MANAGER, WOLFSEN MC RANCH, ADEL, OREG.

We also have a wild horse problem.

The Wolfsen MC Ranch has grazing permits on BLM land in Oregon and Nevada. Our horse problem in Oregon is on the Beatty Butte allotment, located in South Eastern Lake County and South Western Harney County. The problem in Nevada is on the Sheldon Refuge.

The Beatty Butte allotment is a large one of around 600,000 acres. We have no allotment management plan for this area. We have 27,693 A.U.M.'s in this allotment for cattle. We have a full time crew of cowboys in managing the cattle on this allotment. We use a management plan of turning out in the Spring at different areas each year, and of moving the cattle to other locations when the water and feed get short. Water is a problem. Last year we contributed $10,640 to the BLM in a co-operative agreement for the development of 18 water holes.

This was for the distribution of antelope, cattle, deer, sagehens and wild fowl. I didn't mention wild horses but they will be in the area.

The first inventory of wild horses was taken in October of 1971. At that time there were 234 horses. An inventory has been taken each year since 1971, showing an increase in numbers. The inventory of 1974 was 482 and the August inventory of 1975 was 611 horses, an increase of 26.8 percent.

We have had an increase of 175 head on the Sheldon Refuge since 1973.

We have no issue with wild horses only that they be managed and the number one management problem is their numbers. We hope that you will do all that you can to supply the BLM with the proper tools and funding to do this job.

This issue of wild horses is no closer to being settled now than it was two years ago. We must look beyond the horses to the natural resource that is being used and not managed properly. It is too damned bad that every one concerned, on both sides of the issue, can't take something from the subject matter and use it. That is a little common horse sense and less politics.

VIEW POINT RANCHES,

Silver Lake, Oreg., August 13, 1975.

SENATOR PACKWOOD: Wild horse encroachment within the Vaughn Well Pasture, Lakeview BLM District has become a severe problem and we need assistance in gathering the horses.

Since 1972, View Point has contributed $32,500 toward the improvement of the Vaughn Well Pasture in water development and fencing. Fire Lake is year round water.

The horse population since the water development has increased from zero to 105 head. The production of the Vaughn Well Pasture is set at 3,897 acres. To feed the 105 horses will require 2,520 acres or 65% of the forage production.

We have used helicopters in the round up of cows and calves successfully.

———, ———,

Manager.

HON. SENATOR PACKWOOD: I believe that gathering so-called wild horses with helicopters not only is the most humane way, but also is by far the least costly. The necessity of increased gathering of these horses is very important as they are increasing at an alarming rate.

With ever increasing numbers of people starving throughout the world it is absolutely essential that cattle be allowed to play their most important role of converting this forage to food.

JIM SET.

TESTIMONY OF ANDREW CUNNINGHAM

Senator Packwood, Ladies and Gentlemen, I am Andrew Cunningham and I am speaking for the ranchers that operate in the Three Finger Allotment, Mahogany Grazing Unit, Malheur County. We are in full support of Senator Packwood's bill to permit the use of helicopters to round up excess horses and the transfer of ownership of them.

We all know of the population explosion of these horses and the harm they are doing to the rangelands and the pressure they are putting on the wildlife and domestic livestock in these areas. I think it has been agreed that there must be some control and gathering of these horses. So I thought I would talk on two subjects that might be overlooked: the humane aspect and the economics of gathering horses.

We live in an area where there has always been horses. After the second World War professional horse wranglers came in and gathered the horses down to a very few. Then by the early sixties they had multiplied until they were taking over again. It fell upon the ranchers to keep them under control.

We ran them from then until the Wild Horse Act became law. We ran them in every way possible: horseback to traps or lassing, straight wing aircraft and helicopter. Now I'm here to tell you there is no comparison

as to the ease and humane way of handling horses . . . a helicopter's maneuverability can move horses with less stress and harm than any way we know.

When you run horses horseback you have to stay right after them, hell bent for leather, so they won't have a chance to stop and come back over you. You know you also have to be a little nuts so that if they turn wrong and there is a rock pile and a wash between you and turning them you go through the rock pile and over the wash to turn them. This is mighty hard on saddle horses and sometimes men. We were lucky—we never killed anyone but there were many spills and crippled saddle horses.

In a tight area you show up on horseback and these range horses will sometimes do anything—like running through fences and things like that. They won't do this with a helicopter. You can start them far enough away that they can all get started together and after the first spurt will settle down and move easy. You can maneuver them where you want. For instance the last year we ran was in the spring and we brought a bunch of horses out of the Yellow Jackets and across Shadscale Flot towards our Three Finger trap. We crossed Shadscale and one little colt wasn't keeping up so we pulled back and the old mare turned around and came back to the colt. Then we just took the rest of the horses on to the trap. You couldn't begin to do something like this running them any other way. I have heard stories about shooting horses with buckshot from straight wing aircraft because they couldn't move them or they were kegged up somewhere. You don't need to do this with a helicopter because you can go right down to them. You move in on them on their level with all that noise, wind and dust they're going to go somewhere!

To conclude: we know from experience that there is no more humane way to handle horses than with a helicopter.

The economics of running these horses is ridiculous. It is costing the B.L.M. 5 to 8 hundred dollars a horse to gather them under the present bill. We figured the other night that at 500 times the 1300 excess horses in Malheur County it would take $650,000.00 to gather them. You take this times the counties that have horses and it runs into the millions! I know this isn't far off because the B.L.M. has mentioned this millions figure. Not only that but the B.L.M. has to keep track of all the horses that they give away and take care of any that are given back to them. So this figure could spiral up and up over the years.

Some people think that this is fine . . . The Federal Government has an unexhaustible amount of money, but that is wrong. You and I, the taxpayers, know that the more the government spends the more it is going to cost us.

I know that these horses can maintain themselves. With the right management and execution we can have our horses, our wildlife, our cattle business and protect the valuable range resources without this tremendous cost.

The last year we ran horses we hired a helicopter, rode with it to help in the knowledge of horse handling and lay of the land. In 8 days we gathered 238 head, 10% of these were branded horses that we turned over to their owners. I can't think of a horse we hurt and we had many observers, including the Malheur County Sheriff. Then we sold the rest of the horses and paid off $4,000.00 for the helicopter bill and had $1,500.00 to pay the rest of the expenses. I know that expenses have gone up but so has the value of horses.

We can see nothing wrong with taking these horses to a sale yard and auctioning them off to whomever wants them, of course, with the restriction of non-abuse or experimental use.

We harvest the deer, antelope and even the bighorn sheep so why not the excess horses.

No country, not even this great land, can go on with this extravagant, giveaway, deficit spending and not collapse. There has to be a change and a new start and this is a way to start.

MALHEUR COUNTY LIVESTOCK ASSOCIATION.

Hon. SENATOR PACKWOOD: My name is Bob Skinner. I am a rancher from Jordan Valley, Oregon, and chairman of the Public Lands Committee of the Malheur County Livestock Association. We appreciate the opportunity you are providing for us to present some of our views and concerns regarding the Wild Horse and Burro Act, and also, to comment on Senator Packwood's proposed bill that would make certain amendments to this Act.

The Malheur County Livestock Association at a meeting in Vale, Oregon (Aug. 1973) made recommendations to maintain wild and free-roaming horse and burro numbers at the December 1971 level, which was the inventory on the date of the enactment of the bill. Later, at the November 1974 annual meeting in Ontario, Oregon, a resolution was passed that would, in effect, allow use of motorized vehicles in the round-up of these animals and also allow for their sale or transfer of ownership. We feel both of these actions are basically in support of Senator Packwood's bill, and we strongly endorse his efforts.

As livestock men, we agree whole-heartedly with the provision made for the humane treatment of the animals, but realize that in handling any type of wild animals, accidents are a definite possibility, both to horses and men. This is one of our reasons for requesting the privilege of using helicopters for wild horse round-ups. The other factors, or course, being (1) cost, and (2) effectiveness.

Furthermore, we think that the feature of the bill eliminating trespass fees is vital. Where a considerable number of these animals are branded and/or privately owned, this would provide an opportunity to reclaim animals that owners were unable to gather due to restrictions imposed by Federal law and regulations.

It is not our goal or purpose to eliminate completely the use of Federal range by wild horses and burros, but a policy that allows numbers to grow at the present alarming yearly rate of approximately 28% is certainly inconsistent with the intent of the Vale Project which encompasses Malheur County. The Vale Project is, to my knowledge, the largest and most intensive range improvement project in the world. As you well know, it is considered one of the best, if not *the* best, illustration of what can be done to rehabilitate a badly denuded desert area. It is being used world-wide as an example by many range managers to show what can be done to improve forage and water for livestock and wildlife, as well as to create a stable or improving soil condition. Many millions of dollars of public funds have been expended to show what progress can be made by various range improvement practices and treatment methods. The results of the Vale Project have exceeded our highest hopes, but these expenditures will now be a total loss to the degree to which we allow horses to over-populate, over-graze, and destroy forage needed by our wildlife and livestock. The damage to soil conditions and water shed, caused by year long use by too many horses, would also be one of the most important considerations.

In our county alone, horse numbers have grown from just over 900 head in early 1972, to over 2400 head in 1975 and at the present time, consume over 29,000 AUM's (Animal Unit Months) of forage per year. At a reasonable daily gain rate of 1.25 lbs. per day, this converts to over one million lbs. of cattle (live weight) that will not go into America's meat supplies. Another four years of horse population increases at this same rate, and we could conceivably have about 6500 wild horses in Malheur County consuming approximately 78,000 AUM's of forage. This would convert to approximately 3 million lbs. of cattle. And amidst all this, we hear rumblings of famine and increasing costs of meat for our consuming public.

To be realistic, such sudden and drastic increases in horse population are very unlikely because, if we don't manage numbers to a reasonable level, Mother Nature will, and hundreds of starving horses during the winter season is not what we consider to be humane treatment.

We feel very strongly that a properly managed and controlled wild horse herd is a definite possibility in Malheur County, provided adequate and proper control measures are implemented in the near future. Judging from past years of experience with large herds of horses in this particular area, we are certain that disaster awaits us if we are not provided with adequate control methods.

ROBERT H. SKINNER,
Chairman, Public Lands Committee.

JORDAN VALLEY, OREG.

TESTIMONY BEFORE SENATOR BOB PACKWOOD ON THE USE OF HELICOPTERS TO HERD WILD HORSES AND BURROS

Suppose legislation was passed to turn the great plains into a huge buffalo preserve and make a requirement that all visitors wear a loin cloth and a single white turkey feather. Sounds silly doesn't it but then to a degree that is what happened when congress passed the wild horse and burro act. It has been estimated that 40,000 plus head of horses and burros are now on the public domain in the western states. They are reproducing at a rate of 20% a year and that is 8,000 new mouths to feed each year. At the rate they are reproducing in a few more years all the range improvements made over the past 40 years, since the passage of the Taylor Grazing Act, will be destroyed.

We can't stand by and let irresponsible leigslation destroy what we have worked so hard to develop over the years. Nobody knows horses better than we ranchers since they are a vital part of our ranching business. We know that even a small bunch of ranch horses can destroy the pastures they use if they aren't watched. When we find that we have too many horses we say that we are "horse poor" and get rid of the excess.

I have had the opportunity to run horses only once and that was an experience I'll never forget. It was my grandfathers stud bunch that hadn't been corraled for several years. I was riding a hardmouthed white horse and had orders to turn the horses away from a fence if they came my way. I saw them coming and started down a steep lava strewn hill trying to cut them off. The horse ran away and I was scared as hell that he'd fall but he didn't. When I hit the bottom of the hill I came in behind the horses and they hit the fence. One colt got his neck in between the top wire and the fence posts. He ran for about 100 feet with his neck between the wire and posts popping the clips off as he went. When he finally stopped his neck was nearly cut off. Another young horse tried to jump the fence, bashed into another, and fell on top of a fence post. He was lucky because the post only cut him in the side but it could have impaled him just as easily.

In Africa game preserve managers have had similar bad experiences herding animals with saddle horses, automobiles and fixed wing aircraft. They have found the

ideal management tool in the helicopter and now use it in herding everything from zebras to elephants. The helicopter is capable of hovering, darting about and in general out maneuvering the animals. They claim that the helicopter is the most humane tool for herding animals and safest for the handlers.

If the helicopter is good enough to herd zebras in Africa I feel it the best thing to use in herding horses and burros in the Western United States.

MIKE HANLEY.

TESTIMONY TO SENATOR BOB PACKWOOD

For the amendment to the Act entitled, "An act to require the protection, management, and control of wild free-roaming horses and burros on public lands."

My name is Sally Fryer. I live at 280 18th St. N.E. in Salem, Oregon. I am testifying on behalf of the Central Cascades Conservation Council, a Salem based group of Conservationists. While our main objective is the preservation of wild lands in the Central Cascades of Oregon, and principally the Congressional designation of our own proposed "Hidden Wilderness," our members have taken numerous trips into the desert and they feel that the control of wild free-roaming horses and burros is important enough to warrant our special attention. We are very grateful to you, Senator Packwood, for the concern you have shown in this area, and, therefore, the work you have done on SB #1923.

I have reviewed the Bill, and find it to be very reasonable and acceptable. I do, however, question the use of the words, "food production" at the end of section (a) on page one of the Bill. The meaning of these words could be easily misconstrued, and over-grazing could take place. "Managing and conserving the Western rangelands as a resource for other wildlife preservation" should be given particular emphasis. Perhaps the words "in a way that is consistent with present management objectives" should be substituted for "as a resource for food production and other wildlife preservation." Mention should then be made of maintaining adequate watershed, adequate wildlife habitat, and appropriate recreational opportunities, as well as sound grazing practices.

I have also reviewed the Oregon High Desert Study Group's statement on SB #1923 and am in complete agreement with their comments. I would like to emphasize that we qualify our endorsement of BLM's use of helicopters for removal of excess wild horses and burros to the use of these methods in Oregon only. We have been in support of the Oregon BLM's management policies, but are not familiar with the administrative practices of the BLM from the other states.

PAISLEY UNIT OF BLM

BLM RANGE SURVEY

The changing capacity on the desert to the North East of Paisley the ZX Ranch was allotted an available supply of feed on federal lands for 4000 animal unit months, excluding wild game, at that time ZX entered into a cooperative agreement with the BLM to build certain water holes and fence a certain area that would supply water and control of these 4000 AUM's.

In 1966 when adjudication proceedings were under way there were 68 head of horses in this area of use or an equivalent of 816 AUM's.

The past three years even with amplifying existing water holes putting in several new water holes, drilling 3 new wells, all at the cost of several thousand dollars to ZX and other cattlemen plus, building many miles of new fence to control the grazing and livestock movement, ZX finds the feed for 4000 AUM's is not available because the horse population has increased from 68 to 228 head since 1966 or an increase from 816 AUM's to 2736 AUM's taken by the horses.

This means a reduction in forage available to cattle, a reduction in red meat production and additional inflation in the price of red meat available to the American public say nothing of the deterioration of the range from over grazing and more specifically curtailing of feed and water available to antelope herds in this area. We request that this amendment S. 1923 to Public Law 92–195 be put into effect as soon as possible wherein the wild horse population may be curtailed or the ranges will soon be in worse shape than they were 15 years ago when there were no fences for livestock movement control.

Livestock simply cannot be gathered effectively under current Public Law S. 1923. The amendment to Public Law 92–195 (1971) will allow the use of equipment necessary to gather the horses in a manner that will limit the possibility of injury both to the horses and the personnel gathering them.

TESTIMONY OF JOAN BOLSINGER, VICE PRESIDENT, INTERNATIONAL SOCIETY FOR THE PROTECTION OF MUSTANGS AND BURROS

Gentlemen: My name is Miss Joan Bolsinger. I live in Roseburg, Oregon, and am a teacher at Eastwood Elementary School. Since January, 1971, I have been deeply involved in efforts which led to passage of PL 92–195 for the protection, management and control of wild horses and burros on public lands.

PL 92–195 received overwhelming support from the public and was passed without a single dissenting vote in Congress, making it a virtual mandate of the people to eliminate the traffic in equine flesh.

A recent letter from Mrs. Velma B. Johnston, President of ISPMB, states as follows:

"Enactment of legislation as proposed in S–1923 would negate PL 92–195 insofar as the intent of the 92nd Congress is concerned, and nullify PL 86–234, passed in 1959, which prohibits the use of aircraft and mechanized vehicles. Emasculating the two laws as proposed, by restoring the expedience of aircraft capture and opening the door to commercial slaughter by transfer of title without restrictions, will lead to a repetition of that abhorrent era that resulted in the removal of hundreds of thousands of wild horses and burros from our public lands, this time with the "blessing" of Congress.

It is an injustice to the vast numbers of Americans who supported both the 1959 Act and the 1971 Act to tal e a narrowly restricted view of what is said to be the Act's limiting provisions, namely inability to effectively control without use of aircraft and inability to effectively dispose of animals unless title is conveyed without restrictions."

Section 1 of S 1923 states the reason for the proposed amendments: "That the Congress hereby finds that the population of wild free-roaming horses and burros have increased dramatically and that such increases in equine populations have resulted, in part, in overgrazing and damage to the ecological balance of the public lands. The Congress further finds that, if such horses and burros are allowed to continue to increase, such damage will become more severe.

Neither ISPMB nor I, oppose reductions in wild horse and burro populations where range is found to be in poor condition, but we do ask that proportionate reduction be made in domestic livestock use.

Using figures from the Department of Interior's book, Public Land Statistics, it has been determined that wild horses account for only 2.9% of grazing pressure in the ten western states where they are found, while domestic livestock account for the remaining 97.1%. In the state of Oregon this ratio has been quoted at 6% wild horse use and 94% domestic livestock. Is it not ridiculous, then, to expect the public to believe that "increases in equine populations" are to blame for overgrazing and damages to the ecological balance of the public lands?

Again quoting from Mrs. Johnston's letter:

"In further support of our position as to the real cause of public land deterioration is the Bureau of Land Management's Task Force Report on "Effects of Livestock Grazing on Wildlife, Watershed, Recreation and Other Resource Values in Nevada—April 1974" released late last summer. While it deals with the situation in Nevada, BLM Director Curt Berklund pointed out that information from similar evaluation reports from other Western States indicates that findings in the Nevada report are not unique to our state. Among other charges made by the Bureau's own task force were that generally, the objectives (of the BLM) were dominated by, and oriented toward, satisfying the wishes, even dreams, of the livestock operators; that severe overgrazing and other aspects of poor range management on public lands have led to loss of wildlife habitat, destruction of cultural sites, and damaging erosion; that stream riparian habitat where livestock grazing is occurring has been grazed out of existence or is in severely deteriorated condition.

"Too short a time has elapsed since passage of the Wild Horse and Burro Act of 1971 for wild horses and burros to be responsible for the severe damage we see all about us. Decades of over-use and abuse by domestic livestock operators brought the condition to a near-crisis, and co-incidentally, in terms of timing, passage of the Act has provided range users with something else to blame in lieu of their own mis-management . . . to be the scapegoats.

"This is not to indicate in any way that we condone habitat damage by any species, including wild horses and burros, but we believe the present situation should be brought into proper perspective."

In regard to the use of helicopters in the capture of wild horses, ISPMB, and I, stand firmly opposed to any such expediency. In discussions with numerous old timers familiar with wild horses, they unanimously condemn exposing the animals to the inadvertent stresses and possible injuries inherent in such an operation.

Concerning the comparative costs of helicopters vs. horseback roundups, horses are currently being gathered under contract with a private individual in Nevada at $26.50 per head, with little, if any stress on the animals.

With the letting of contracts to gather outside the land managements agencies it is assumed that this practice would continue. It is wondered, then, with the current shortage of personnel and funds, who would monitor every phase of that type of gathering?

If wild horses and burros are sold to private individuals or organizations without restrictions, what, then is to prevent "killer-buyers" from eventually obtaining them for pet-food slaughter? How is the Secretary of Interior to determine that the animals are, indeed, receiving "humane treatment"? In my opinion, it is pure fallacy to even suppose that this would be possible.

Finally, it is to be wondered if there can be Congressional action to amend PL 92–195 when it is in jeopardy through the declaration of the unconstitutionality by the federal judges in New Mexico and the subsequent appeal to the Supreme Court?

On Feb. 28, 1975, a 3 judge federal panel in Albuquerque, N.M., declared the Wild Horse and Burro Act of 1971 "unconstitutional" and permanently enjoined the government from enforcing it. This ruling was appealed by the U.S. Dept. of Interior and the suit is now pending in the U.S. Supreme Court.

On July 28, 1975, the Nevada Dept. of Agriculture impounded 75 wild horses which had been rounded up in Stone Cabin Valley as the first of a 400-head removal project by BLM under provisions of PL 92–195. Homes

had been found for all the animals, but when recipients arrived, they were informed the law was "unconstitutional" and the horses belonged to the state. There will doubtless be suits brought in this case. (Meanwhile, the 75 horses were released for humane reasons.)

In yet another case, the American Horse Protection Ass'n. of Va. sought an injunction against BLM in the Nevada round-up, from U.S. District Court Judge John J. Sirica, who then granted a government request to shift the case to the Federal court in Reno, Nev.

In view of these facts, any proposal at this time for amendment of PL 92–195 seems an exercise in futility, as well as a great waste of time and money. Would we not be better advised to await the outcome of these various litigations before taking any further action in this matter?

Respectfully submitted,

JOAN BOLSINGER.

NEIGHBORHOOD HOUSING SERVICES

Mr. PERCY. Mr. President, in 1967, together with every Republican then a Member of the Senate, I introduced housing legislation providing for home ownership for lower income American families. Simultaneously, 100 Republican Members of the House, led by William Widnall, introduced legislation patterned after my bill. Through a period of 2 years of negotiations and markup, the principle of this legislation was enacted into the 1968 Housing Act, though severe compromises were made, in order to gain support, in the implementation of the program. Despite serious shortcomings in the program, almost half a million American families of lower income level own their own home today, housing well over 2 million people.

Unfortunately the full ramifications of the plan originally introduced were never implemented. The principles have been adopted, however, by a group in Pittsburgh called Neighborhood Housing Services. The success of this program is apparent and has been incorporated into an article in the November 18, 1975 issue of Planning magazine.

I ask unanimous consent that this article be printed in the RECORD.

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

NEIGHBORHOOD HOUSING SERVICES: EVERYBODY'S GETTING SOMETHING OUT OF IT

(By Robert Cassidy)

Neighborhood Housing Services of Pittsburgh is one of the most innovative, important, and successful housing programs in operation today. It's so successful that cities across the country are scrambling to duplicate what Pittsburgh has done in its Central North Side, the target area for the NHS program. But before I get too detailed, let me describe two cases that underscore the human side of NHS.

A few years ago Mr. Smith (a pseudonym), a Central North Side homeowner, got hurt on his job. He was laid up in the hospital for months, his doctors fearful that he might never walk again. Smith had to sue his employer for damages; meanwhile, he had no income and could not make the payments on his house and a car he had bought before the accident. Through NHS he got a loan to cover his debts and didn't have to pay anything until he settled his claim against his employer two years later.

Mrs. Johnson (a pseudonym), a 71-year-old cancer victim, was living on welfare and social security. By the time she paid her mortgage and other expenses, her food budget was only $12 a month—not enough to buy food stamps. She wrote President Nixon for help; he replied that there was nothing the government could do. Then NHS stepped in, refinanced her home with a no-interest mortgage, paid off the back taxes, and got her mortgage payments down to $35 a month. This left her with $92 a month with which to buy food stamps.

Without Neighborhood Housing Services, neither Mr. Smith nor Mrs. Johnson would have had anyone to turn to for help.

NHS was started in 1968 by a group of Central North Side residents, most of them women, who were fed up with dilapidated houses (90 per cent of them built before 1940), rats, rotten treatment by slumlords, and the refusal of banks to make loans and mortgages in the neighborhood. Since then, NHS has been one of the key components in an overall action plan that has "turned around" the Central North Side from an area where the overwhelming majority of the houses had serious code violations to one where most of the houses have been brought up to code. The Federal Home Loan Bank Board, which regulates mortgage lenders, and HUD have been so impressed with Pittsburgh's NHS that they are using it as a prototype for programs in 28 other cities.

NHS is built on a partnership composed of citizens, city officials, and lending institutions. The citizens provide broad public support for the upgrading of the neighborhood and agree to work cooperatively with the city and the lenders. In Pittsburgh, eight of the 15 board members of the NHS's nonprofit corporation (which runs the organization) are local residents, many of them associated with block clubs and other civic groups, assuring a firm grassroots base for the program. City involvement includes a comprehensive housing inspection program that is "sensitive" to the needs of the individual homeowners; the complete renovation of nearby West Park (at a cost of $1 million); two new schools (the first new schools built in the city in 40 years); new mercury-vapor street lights, repaved streets, and street trees; and the demolition of many dilapidated houses.

Lender involvement means 23 institutions donating some $230,000 (as of last December) to cover the NHS's administrative costs. All of the institutions must be committed to making "bankable" (normal-risk) loans in the neighborhood, although four of the lenders—the ones represented on the NHS board—have been making most of the loans in the Central North Side.

One other group is involved: foundations and corporations, which make grants to the NHS toward a high-risk revolving loan fund, so that NHS can make low-interest (zero to six per cent), low-monthly-payment loans to "unbankable" people like Mr. Smith and Mrs. Johnson. The fund has reached the $850,000 level, most of it from the Sarah Mellon Scaife Foundation.

"It all got started because of one block club," said Dorothy Richardson, a community leader with experience in school reform and the Community Action Program, and now NHS president. "We planned to clean up 24 houses in a courtyard near where I live. We got the landlord to agree to the plan, and he gave us the spray and stuff to kill the rats and cockroaches. We got through five houses and ran out of the stuff, and he reneged on his promise.

"A blind lady was living in one house, and all the roaches wound up in there—more roaches than I have ever seen. We called the police, and they called the health department, and they called the media. The landlord retaliated by trying to evict the blind lady." Outraged by the landlord's action, the residents got together to form CASH, Citizens Against Slum Housing.

The problems faced by the CASH members were really part of a much larger set of problems afflicting the Central North Side. A rundown area of equal parts black and white population about two miles from downtown, the Central North Side in the late 1960s was surrounded by massive demolition. "They tore out 5,000 houses in this valley for I–279," said Thomas Jones, NHS executive director, as we drove down the right-of-way for the still-to-be-started highway. Other demolition was going on for a neighborhood development project and for Allegheny Center, an urban renewal project built by the Aluminum Center, an urban renewal project built by the Aluminum Company of America. Altogether, Jones said, some 8,000 housing units were taken off the market in the area surrounding the Central North Side. Within the area, Allegheny Hospital was taking up land and housing for expansion. The result was severe overcrowding and competition for existing housing, with landlords taking advantage of the demand to convert already crowded units to still higher densities. At the same time individual homeowners found that their area had been red-lined by local lending institutions, so that they couldn't borrow money to make home improvements. And, Jones said, "There was a breakdown of public services. It was difficult to get the city to put in services and capital improvements."

CASH took their case to then-Mayor Joseph Barr. "Mayor Barr told us that there was no slum housing in Pittsburgh," said Richardson. "So we held six months of public hearings on slum conditions. Before we knew it, we were fighting for more health inspectors, stricter code enforcement, and so on." They also harassed the landlord who wouldn't give them the roach spray, picketing his house until he sold the 24 houses to a nonprofit group, which rehabilitated them.

Richardson and the CASH people knew that money was the key to success. "We wanted to get to the banks. They had the money. They just didn't want to give it to us," said Richardson. "We met with the bankers in the mayor's conference room. We met regularly for a year, until they began to understand our problems and we began to understand theirs." Out of that year of meetings came the basic idea for the NHS program.

Through last December, NHS had made 339 loans and 25 direct grants to homeowners from its high-risk fund, at zero to six per cent interest. Often, said Tom Jones, these loans were made on the worst properties on a block, thus stimulating adjacent homeowners to fix up their homes. And NHS has been able to encourage home ownership. "We had a lot of families who had been tenants for years," said Jones. "We got the landlords to sell to us cheap; then we packaged the mortgage with a home improvement loan, and now the tenants are homeowners."

NHS also employs "sensitive code enforcement," or what Jones calls a "housing deficiency analysis," to avoid the bad connotations of code enforcement. The city and Allegheny County inspectors try to be reasonable about what to expect in the way of enforcement. For example, if an elderly widow has been living in her house for 40 years with an outdated electrical system, the inspectors will not make her put in a new system—unless there is an immediate danger to her.

NHS is service oriented, too. They will help the homeowner with budget counseling, assist him with information on his construction needs, refer him to a reputable building company, and inspect the work during and after construction. For the past few years, the Pittsburgh NHS has taken on the role of general contractor for each job. To

make sure that the builders do a good job. NHS withholds 10 per cent of the total cost in an escrow fund, which is returned one year later—provided there are no reasonable complaints from the homeowner. (Jones said, "The builders didn't like it at first, but now they look at this as a forced savings account.") NHS also has a "lending library" of $6,000 worth of tools that any North Side resident can borrow to fix up his home.

The newest service is the home maintenance program. For $96 a year, NHS will service some 104 items on a home, give one free emergency call a year (on such things as broken water lines), and repaint the exterior trim once every three years. The pilot program is being funded by a $125,000 grant from the Ford Foundation.

With such a success story, it is no wonder that federal officials in Washington looked upon Pittsburgh's NHS as a model to be spread around the nation—especially after the Nixon administration cut off all categorical grant housing programs in 1973. The Federal Home Loan Bank Board, which regulates mortgages lenders, first sponsored pilot programs in five cities. All were successful. In 1974, HUD joined up, and the two agencies formed the Urban Reinvestment Task Force. The task force performs two major functions. It provides staff to help get a program on its feet, and it offers a one-time matching grant of $50,000 to $100,000 to kick off the revolving fund for each new NHS.

Cities hoping for an NHS program must meet certain requirements, according to David Elliot, a task force staff member. The target neighborhood must have 1,000 to 2,000 housing units (most of them in buildings with fewer than four units), a high degree (50 per cent or more) of home ownership, and strong citizen organizations. The neighborhood can't be so badly deteriorated that it is beyond saving. The city's lenders must agree to make all bankable loans in the neighborhood and must contribute to the operating expenses of the NHS. The city government must improve services and capital improvements. A high-risk revolving loan fund must be set up. "The program is not a panacea, and we're not suggesting it offers all the answers to urban housing problems," said Elliot. His boss, William Whiteside, adds that neighborhood improvement in NHS-type areas "really takes a coordinated strategy. The city has to improve service levels, do a good code enforcement job, and take care of public amenities. Individual homeowners have to believe that the neighborhood can be saved. Banks have to make loans. There's a lot of debate about how 'disinvestment' "—the code word for red-lining—"gets started. But if you're going to reverse it, it takes a massive approach." Besides Pittsburgh, there are 14 cities with NHS programs in operation and another 14 cities that have programs in the pipeline, Whiteside said.

The 14 with operational programs are: Baltimore, Boston, Chicago, Cincinnati, Cleveland, Dallas, Jamaica (New York), Kansas City (Missouri), Nashville, Omaha, Philadelphia, Plainfield (New Jersey), San Antonio, and Washington, D.C. The 14 in the pipeline are: Albuquerque, Atlanta, Birmingham, Bridgeport, Buffalo, Fort Worth, Hartford, Indianapolis, Ithaca (New York), Minneapolis-St. Paul, Phoenix, Racine (Wisconsin), St. Louis, and Tampa.

A nationwide study of NHS programs reveals that it is "a helluva good program," according to Roger Ahlbrandt, Jr., research director of ACTION-Housing, Inc., of Pittsburgh, which conducted the study for HUD. Ahlbrandt said there are two key elements to NHS's success: "First, you've got everybody involved. Second, the program wouldn't have worked if it had been a HUD or federally run program. The only reason the lending institutions got involved was because it was local, with citizen involvement."

Ahlbrandt also did an evaluation of the Pittsburgh NHS for HUD, along with staff member Paul Brophy. They concluded, "The effects of NHS extend beyond the initial actions of the citizens who spawned the code enforcement program and the direct loans made by the corporation. The presence of NHS in the community provided both financial and psychological support which played a role in the changing attitudes that were observed in the optimism expressed by residents toward the neighborhood." The ACTION-Housing study points out that NHS had its biggest effect in one particular section of the Central North Side where most of the high-risk loans were made. "It also had a definite effect on the bankers who were directly involved," said Ahlbrandt. "There's more awareness and interest on their part."

It should be emphasized, however, that NHS was not the only program serving the Central North Side during this period. The spinoff effects of nearby urban renewal projects—the $100 million Allegheny Center and the $63 million Three Rivers Stadium project—cannot be underestimated. The Pittsburgh History and Landmarks Foundation kicked in $325,000 in grants for the restoration of historic buildings, particularly in one section known as the Mexican War streets (named after battles of the Mexican War). AHRCO, a nonprofit housing corporation, pumped in another $3.4 million for residential rehabilitation on the North Side. Allegheny Hospital went through a major renovation program. A new community college was built in the area, and numerous other capital improvements were made by the city and Allegheny County. "There was a lot of activity occurring at the time," said Ahlbrandt. "It's very difficult to say which program was the most influential in making the changes that occurred." He added, "In the areas where NHS concentrated its activity, there is evidence that it did contribute to improvement."

Some of the original euphroia about the program may be wearing off, however. The Pittsburgh NHS is having trouble getting money for its high-risk fund. "The foundations tell us, 'You're the best program we've ever funded, but now it's up to someone else to get involved'," said NHS Director Jones. Dorothy Richardson is not overly concerned, though, pointing out that the fund is already up to $850,000, close to the $1 million target, and is "revolving" some $100,000 a year in repayments.

They're also having trouble "selling" the home maintenance plan. Only 75 families have signed up, Jones said, and he needs a thousand to make it economically feasible. And rehabilitation costs on recent projects have doubled, from about $3,000 a house in 1969 to $6,000 a house today, both because of inflation and "because we're in tougher areas," Jones said.

The program also has been criticized because of defaults in its high-risk loans. NHS has had to write off about $35,000 as uncollectable (out of more than $800,000 loaned). Fifteen per cent of the borrowers are also late in their payments. "I really don't get too concerned about that," said Dorothy Richardson. "I would expect that it will go down. The bankers had no idea what kind of deliquency rate to expect when we started out." NHS has hired a staff person to enforce collections, and they are no longer making debt-consolidation loans—the ones where most of the defaults were occurring. "We feel deep responsibility about getting our money back. It's not a giveaway program," said Richardson.

But somebody up there likes NHS. Recently, the city of Pittsburgh decided to devote $4.3 million of its $16 million in community development funds to a housing rehabilitation program similar to NHS's. NHS will administer the program in two of the three target areas. Half the money will be used to make direct high-risk loans in target neighborhoods. The other half will be used to subsidize the interest on short-term loans (less than eight years' term). It works this way: The banks will make the loan at, say, 12 per cent. The fund will subsidize the interest rate down to three per cent. In this way, the money can be spread around to make more loans—what the money boys call "leveraging."

Perhaps the biggest thing in NHS's favor is the psychological boost it has given everybody. Tom Jones says that "there's a change of attitude. When we first started, people wanted to move out. Now we have people who want to move in." A similar effect is being reported in other cities with NHS programs. Jeanne Davis, assistant director of the Cincinnati NHS, says, "We're particularly pleased that the program is having a ripple effect in the neighborhood. It's sort of like a happy disease. Ladders go up on one building, and then they go up on another building across the street." Syd Kennedy, an NHS board member in Dallas, reports that "we've reversed the deterioration and now we're on the upswing.

"What nice about NHS is that everybody feels it's their program," says Jones. "Everybody's getting something out of it."

THE NUCLEAR ARMS RACE

Mr. KENNEDY. Mr. President, last week our distinguished colleague from California (Mr. CRANSTON) addressed a meeting of the Arms Control Association. In it, he addressed frankly and concisely, many of the serious issues now at stake in the efforts to control the spiralling nuclear arms race. As he noted:

We are mesmerized by technology. We are way beyond considerations of defense and deterrence into the wild blue yonder of quantitative and qualitative arms race worthy of two nuclear alcoholics.

Mr. President, I ask unanimous consent that the full text of Senator CRANSTON'S remarks be printed in the RECORD.

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

SPEECH OF SENATOR ALAN CRANSTON

I first became concerned about the issues of peace when I watched the League of Nations fail and falter in 1935—40 years ago this fall—when Mussolini invaded Ethiopia. The cause of peace and the reduction of weapons are my primary public passion and gravest concern. I hope to help do something significant about this paramount issue of our times before I depart the Senate.

The fact that nuclear weapons are on the loose in the world is the most important issue confronting mankind—although it is not receiving the attention that it should. If we resolve that problem, we will have time to resolve many other problems that confront us. I think we have the time and the talent to resolve those other problems. But if we prove not to have the talent to deal with the nuclear threat in the limited time left to us, we can forget about the rest of the problems. So nothing could be more timely or more important for us to discuss on this occasion.

What happens, let me ask, to the comfortable superiority the United States and the Soviet Union enjoy over other nations when we are compelled to look beyond the differences, the disputes and the dangers of the moment and are forced to consider the nuclear probabilities—not possibilities—over the long term?

What happens when our narrow bi-polar

"realism" runs up against the inescapable realities of a multi-polar world—as it surely will, and soon?

Let me begin by providing a definition, asserting an assumption, stating a conclusion, and posing some other troubling questions.

The definition: National security means survival in the world of nuclear proliferation in the late 20th and early 21st centuries—by means consistent not only with the preservation of our lives, but of our liberties and of our pursuit of happiness.

The assumption: The use of nuclear weapons anywhere in the world can lead to a holocaust for all mankind.

The conclusion: Survival depends in good part, of course, upon whatever restraint the United States and the Soviet Union and other present nuclear powers can practice generally in avoiding war and specifically in avoiding the use of nuclear weapons if war breaks out.

It depends in equal measure upon what we do now and in the next few years, first, to check vertical and horizontal proliferation of nuclear weapons, and second, to reduce and finally to end all stockpiles of nuclear weapons.

The question: (I address each of these to each of you, individually) Do you believe with Harvard's Thomas Schelling that "We will not be able to regulate nuclear weapons around the world in 1999 any better than we can control the Saturday Night Special, heroin, or pornography today"?

Do you believe along with Schelling and your other experts quoted in a recent article in Harvard magazine, that some nuclear wars (plural) are likely to occur before this century's end?

Do you believe with George Kistiakowsky that nuclear war is more likely in the next 25 years than a disaster with a nuclear-power reactor blow-up?

These men and others who share their views are reacting, of course, to the spread of nuclear bombs like an epidemic disease—with expectations that by the end of the century there will be several thousand reactors around the world, each producing enough material to build a bomb a week.

And they fear that a harsh and dictatorial world government—restorting to brutal methods and obliterating many of our most precious democratic values—may be mankind's solution to the nuclear threat.

Two more questions:

Do you believe that no nation can deliver what might be intended as a massive preemptive strike without automatic and catastrophic radiation and other environmental consequences to itself?

Do you believe that no nation, anywhere, can safely assume that it could, somehow, benefit from a large-scale nuclear exchange between other powers—or at the least escape unscathed?

The President of the National Academy of Sciences, Phil Handler, reaches these negative conclusions as a result of a recent report entitled "The Long-Term Worldwide Effects of Multiple Detonations of Nuclear Weapons".

If your answer is "yes" to any or all of these questions, then it is time for you and all of us to go out into the streets and to the summit, time for us to stand on the corners and walk the byways of the world, to grapple with the greatest threat that exists to human survival.

Surely we cannot accept what Tom Halsted recently suggested for the sole purpose of arousing us—I know he didn't mean this seriously—and what others, perhaps half-seriously, have proposed:

"Maybe the only thing is to wait for the accident or small war, and hope that it will generate world-wide interest in really trying to do something."

In the name of God, there need not be, there must not be, another Hiroshima, another Nagasaki, to remind us of the surrealistic power of the nuclear genie!

If we are not very, very careful, the arms control community and the citizenry generally will reach the point where we begin to accept as plausible and inevitable what so many military experts are already planning—how to fight "limited" nuclear wars, how to protect the United States against "brushfire" nuclear wars, and how to "win" strategic wars.

Once we capitulate to this course, once we start thinking in these terms, once we cross this threshold, we will have small hope indeed of averting nuclear catastrophe.

If we are to avoid the ashes of cataclysm, we must assert out of the ashes of cynicism our faith in our ability to shape our destiny.

Alfred North Whitehead stated the moral imperative: "Duty arises from our potential control over the course of events."

So what is the task before us?

Well, there is SALT with its present rather unexciting prospects.

In talks with the Soviet Union, we are so caught up with socalled "practical problems"—such as whether we get this weapon system or deny the Soviets that one—that we are losing sight of our original purpose.

We engage in what Representative Les Aspin recently called "rear-guard actions" when he urged us to keep our larger purposes in mind lest our actions become utterly meaningless.

Would we be better off with a SALT-free diet for a while?

Should we skip the ceilings—scrap SALT II—and take a new look way down the road?

SALT is on a 5 to 10 years basis, after all.

Here we are in the last quarter of this century—we have survived that long. But we are still nibbling away on an ever-bigger piece of cheese.

The U.S. and the U.S.S.R. today have about 40–50,000 nuclear weapons each. Most of these are larger than the Hihoshima bomb, which killed 66,000 people at once and many more after radiation sickness set in.

We don't know exactly how many we've got today, or what their effects would be—beyond deadly.

Consider the facts, with which all of you are familiar:

1. In delivery systems, the United States presently has 1,054 ICBM's, 656 SLBM tubes, and 533 "heavy" bombers. The Defense Department hopes to add at least 10 Trident submarines to our ballistic missile forces. With each carrying 24 SLBM's, this would add a total of 240.

This country now has 966 MIRV launchers. Present programs and long-range plans could increase this figure to 1,286.

The Soviet Union presently has 1,576 ICBM's, 772 SLBM tubes, and 160 "heavy" bombers. It is estimated that the Soviets now have 60 MIRV launchers with programs that will provide a large increase in this number.

2. In warheads, the United States now has 6,794 missile warheads, 5,810 of which are MIRV. Our present programs and long-range plans will lead to an estimated 11,674 missile warheads, 10,690 of which will be MIRV's.

The Soviet Union presently has more than 2,628 missile warheads, 340 of which are MIRV warheads. The Soviets plan a vast expansion in the number of their MIRV warheads.

So much for statistics.

With staggering figures like these, of what relevance are the dizzy heights of the Vladivostok ceilings: 2,400 for the total launchers and 1,320 for MIRV launchers?

We could forego much of this and still possess a forbidding retaliatory force capable of destroying just about everybody.

As George Rathjens has pointed out—and this is a valid criticism of one part of a resolution I've introduced with Senators Brock and Mathias—a 20 percent mutual reduction in nuclear weapons could be offset in less than a year as a result of accuracy improvements by us and the Soviets!

In short, both of us have fogotten why we possess our costly defense structures, and why we are negotiating in regard to them.

We are mesmerized by technology.

We are way beyond considerations of defense and deterrence into the wild blue yonder of a quantitative-qualitative arms race worthy of two nuclear alcoholics.

There are political, diplomatic and purely military reasons to question the Vladivostok ceilings and the defense arsenals that will be maintained under them.

We and the Soviets agreed to set the numerical limits very high—so that our planned procurements are not affected, and their procurements remain as planned. Nice symmetry there.

The MIRV launcher limits are too high to decrease in any significant way whatever threat MIRV deployment may appear to pose for the strategic balance.

There are no restraints for qualitative improvements—so the arms competition can continue unabated in spite of Vladivostok.

Actually, the high limits may provide both sides an unfortunate license and justification to build up to higher limits than they might otherwise have contemplated.

More troubling are the arms control issues raised by the structure of the arsenals and the psychology of the arms race itself.

In defining "equivalence" between the U.S. and Soviet defense machines, it is difficult to determine whose judgments are important, and what affects those judgments.

As a recent Office of Technology Assessment study put it:

"This confusion could lead to attempts by both sides to match what it fears the other side might deploy for both military and political reasons. Weapons purchased for 'political' purposes might undermine the stability of the military balance. For example, if either side develops a silo-killing capability to enhance the 'perceived' capabilities of its force, it could cause the other side to fear the military capability which this force had for a pre-emptive attack."

Here lies, I believe, the flawed reasoning behind former Secretary of Defense Schlesinger's political arguments for a larger defense budget.

Mirror images are created by all this.

Currently, neither side has a credible capability to destroy a large fraction of the other's fixed, hard ICBM silos. But if we—under Vladivostok—can develop a force with a credible capability to destroy some significant part of the Soviet ICBM force for the alleged purpose of increasing the flexibility of our strategic forces—that's the reason advanced for the latest effort here—this force may be perceived as an important first step towards the development of a first strike force conceivably capable of destroying all opposing ICBM's.

Such a program would thus invite the same Soviet response as would a major U.S. counterforce program.

This, I submit, is the fatal flaw in Schlesinger's "counterforce" strategy.

It is tragically true that the recent history of SALT has primarily been one of ratification rather than restriction of the accumulation of strategic arms.

Despite this, I believe there are solid reasons for trying to get a SALT II agreement—reasons that transcend any doubt about the obvious holes in the Vladivostok ceilings.

There is value simply in keeping the process of SALT alive because the negotiations

are a symbol, or an example, of both powers trying to do something about vertical proliferation.

They provide an opportunity for us and the Soviets to exercise self-restraint.

Secondly, there are some significant arms control benefits that may attend SALT II if it is close to the original Vladivostok accord.

Simple principles and measures of strategic equality were established.

They placed an upper limit on worst case projections of the number of strategic delivery vehicles which the Soviet might deploy.

Our present and planned defense structure was certainly protected under the original concepts of the accord.

And it set the framework for reductions, because a ceiling does not have to be a floor.

It should be noted that with no SALT II in 1976, and the expiration of SALT I in October, 1977, each side at the present pace of the arms race may have heightened the other's fear of a "first strike" capability against land-based missile forces with ensuing instability and consequent greater waste of resources.

And, difficult as they are now, the differences over Backfire and cruise missiles would be infinitely more difficult to resolve in 1977, after testing has occurred and substantial numbers of the latter are deployed.

Finally, a convicing reason for moving ahead on SALT II is that our present on-again-off-again, semi-negotiation posture—I think that's all we can call it—encourages proliferation.

Perhaps SALT II is a necessary way station on the road to a SALT II embodying reductions in nuclear weaponry.

If so, we should get on with it, because steady state agreements over time encourage cheating and new interpretations, while qualitative advances undermine quantitative limits.

Unless any halt or ceiling is only an interim matter, it is worth very little—if anything.

I question the advisability of reaching any further arms agreements with the Russians unless they embody standstills or reductions, rather than ceilings higher than the stance at the time of the negotiations.

Of course, SALT II is in doubt at this point.

What can be done about the deadlock?

I'll make a few suggestions:

1. The Soviet Backfire bomber should not be counted as a strategic bomber, but—contrary to the Soviet position—we should not accept that either Backfire or refueling tankers be deployed in such a way as to threaten the continental United States.

2. The United States should delay the testing of long-range cruise missiles, thereby providing an opportunity for meaningful negotiations leading to a ban on their deployment and production applicable to both sides.

Both sides should agree to stop development and deployment of the short-range cruise missiles both of us have embarked upon. Air-launched cruise missiles mounted on bombers could be counted as mirved launchers under the 1320 limit. Backfire and cruise missiles tie together—one need only contemplate Backfires carrying cruise missiles.

These weapons must be dealt with under SALT II, not put off until later.

Once the tests have gone forward, it will, of course, be too late.

And that is reason enough for Henry Kissinger to go to Moscow, and for us to proceed with SALT II.

As Richard Burt has written in the Washington Post: "The central problem is not what SALT will do to the cruise missile, but what weaponry like the cruise missile will ultimately do to SALT."

In Senator McGovern's apt phrase, cruise missiles can "turn a triad into a centipede."

Conventionally-armed cruise missiles, as well as nuclear-tipped ones, could be used in strategic attacks against the United States and the Soviet Union.

While perhaps raising the nuclear threshold, weapons like the cruise missile could lower the overall inhibition to use force.

Beyond the immediate concerns of SALT II, we must move on to the pursuit of reductions under SALT III—and thereby set an example in controlling vertical proliferation among the two superpowers.

This idea is embodied in Senate Concurrent Resolution 69, the resolution Senators Brock, Mathias and I introduced in October.

I urge you to give it your critical attention and to give us your advice, as some of you already have.

It attempts to develop a Congressional position on both vertical and horizontal proliferation.

For what will SALT between the U.S. and U.S.S.R. really mean if the two of us are confronted by the pepper of a growing list of nuclear powers in the world?

Moscow and Washington's security depend upon both bilateral restraint and curbs on multi-lateral spread.

We must convince the world we don't want a nuclear war. And I don't think we've convinced the world, yet.

We must end this hypocritical pose before other nations: "Do as we say, not as we do."

Every time we raise the spectre of actually using nuclear weapons, we lose credibility in the eyes of the non-nuclear states.

Briefly, our resolution, after addressing SALT, urges a comprehensive agreement between the U.S. and U.S.S.R. ending all underground nuclear explosions under adequate verification; urges a halt on further transfers of nuclear technology to countries not accepting IAEA safeguards; urges an agreement among suppliers to reprocess plutonium in secure regional centers—as Henry Kissinger recently suggested; and urges a halt in the production of weapons grade material for weapons use under a verification system, followed by the sharing of the products of the nuclear enrichment facilities of the major powers with those nations who accept IAEA safeguards.

Our resolution thus provides incentives for non-nuclear states by offering nuclear energy in return for abstaining from nuclear weapons.

We recognize, of course, that Congressional resolutions have little impact unless they articulate a policy that is grounded on practical possibilities.

We are presently working with Senator Symington, the Chairman of the Arms Control Subcommittee of the Foreign Relations Committee, in a search for some further and more concrete proposals designed to place reliable restraints on nuclear proliferation.

Here are a few suggestions:

1. The supplier nations, who have been meeting in London, must get a grip on the process of proliferation while they still have the opportunity.

All the suppliers must join together to induce importing nations to accept strict safeguards.

Is this country pressing hard enough to get other suppliers to set high standards?

Why should the talks be so secret that we cannot even begin to answer this question?

We have to lead in putting the long-term survival interests of our nation and the world ahead of short-term commercial deals, ahead of short-term political-diplomatic considerations, and ahead of short-term security factors which fade into relative insignificance when placed in a more thoughtful perspective.

The suppliers must encourage those countries that believe they need nuclear energy to develop and accept national policies that will greatly reduce—if possible eliminate—the threat that peaceful technology will become weapons technology.

There should be a firm agreement among all suppliers that there will be no nuclear exports to countries that won't accept appropriate safeguards over all their nuclear facilities.

2. The recycling and enrichment processes have to be internationalized.

Perhaps the International Atomic Energy Agency should own, manage, and control them.

I'm well aware of the weaknesses of the IAEA. But I gather it does very well, considering what it was created to do and what it was expected to do.

It needs strengthening, however—more manpower, more technical skills, more whistle-blowing authority.

The IAEA could be given a strong role in the designing of nuclear facilities to be sold to other countries, from the point of view of facilitating international inspection. URENCO (the German, Dutch, and British consortium) is setting a valuable example. While designing the proprietary part of its facilities to exclude inspection, it has made all the input and output areas accessible to IAEA inspection.

The United States will be in a unique position to set a good example for other suppliers when, in February, our government begins negotiations to open up unclassified non-military facilities to the IAEA following up on "the President's offer" of 1967.

The United Kingdom and Euratom have agreed to do the same.

And Japan is close behind, seemingly ready to follow our example.

It seems to me that inspection may well be a key to really significant progress towards a solution to our problem—either inspection by national means or by international inspectors.

There was a report in the New York Times that gave a hint that the Soviet Union may be changing its position on inspection. The Times reported, in July, 1975, after Kissinger and Gromyko met in Geneva, that the Soviet Union had accepted the principle of an on-site inspection of nuclear explosions in connection with a U.S.–U.S.S.R. underground threshold treaty. I've been unable to obtain either verification of this report or any further details—but perhaps there is reason for slight hope here.

Actually, I don't anticipate any early breakthrough on on-site inspection, but perhaps it can come in good time. Inspection need not imply any use of force if violations are discovered. Inspection need not imply any violation of the sovereignity of nations in terms of enforceable international law. Inspection merely provides an opportunity to verify that international agreements are being observed. If a nation finds, through inspection, that international agreements are being violated, it can initiate matching violations.

Let me say that I believe the most reliable answer to the problem of international conflict of a nuclear nature lies in effective world law. But I see no present prospect of world law and the necessary institutions to enforce it emerging on the world scene in time to deal with the immediate dangers we all face.

I believe part of the long-range answer lies in strengthening the International Court of Justice and I've been working on that front with Senator Robert Taft of Ohio. Several measures we proposed have been adopted, and await implementation. And another international institution that often leads to despair—presently a lot of despair—but which I still believe holds much hope for

mankind is the United Nations. With its related agencies such as the IAEA, the UN provides the framework and the foundation for the effective worldwide institutions we need.

When I get gloomy about the UN, I like to talk to a man there—Deputy Under Secretary Robert Muller—of great hope and faith. He said recently: "The UN is the first universal, global instrument mankind has ever had, created at the precise moment when the world is becoming one unit in so many respects. Its 16 specialized agencies now cover almost every field of human concern. It is the central meeting ground for all the aspirations of man. It is an incipient brain of the human species—registering global dangers and tendencies, keeping world conditions and phenomena under constant review, fostering a better knowledge of our planet's resources and constraints. It has provided a talking place and a meeting ground during the worst periods of the Cold War. It has offered a covering lid for hot conflicts, a standstill for fighting, a separation of belligerents and a talking ground between them."

So let us keep on working to make the UN what it was intended to be, or better still, what it should be.

There are other ways—safe in terms of national security—in which we can provide leadership, and set a sound example.

Presently, this country and the Soviet Union, and several others, are scattering conventional "powder and gasoline" all over the world.

We aggravate local and regional conflicts through indiscriminate arms sales. Congress should apply our own national brakes on this. But, of course, it is an international problem requiring an international solution.

Let me mention one initiative in self restraint that I am working on, and hope to introduce soon. The Federation of American Scientists has proposed it, and your own board of directors has endorsed the general idea.

Essentially, I will be proposing a mechanism for involving Congress—through a super committee—in any decision to make any first use of nuclear weapons in the absence of an irrevocable launch by an adversary.

This legislation will be based on the assumption that the introduction of nuclear weapons into a non-nuclear conflict would, for all practical purposes, produce an entirely new war that would be enormously more dangerous to the United States and could result in the total destruction of the Republic.

I think that we, the first nation to develop and use nuclear power, have a particular responsibility to know what we are about in the nuclear decision-making process. I don't think we should leave the whole decision-making process finally in the lap of the President.

I look forward to receiving comments from you on the details of this proposal.

Let me go into one other matter that is a particular concern of mine.

I've been concerned about other aspects of our control over the use of nuclear weapons. When we ponder who possesses such weapons now—and who will probably possess them in the not-too-distant future—we can see the need for our setting an example of appropriate controls.

When Richard Nixon was inviting members of the House down to the White House, as impeachment was closing in on him, an event occurred that greatly alarmed two Congressmen who were present.

Nixon told this group of House members of his great efforts with Henry Kissinger to work for peace and he pointed out that his work for peace was far more important than any "little burglary" at Watergate. He got very emotional and then said, according to one House member there: "I can go into my office and pick up the telephone, and in 25 minutes 70 million people will be dead."

That may have been an exaggeration of the President's power. But when I heard about this episode and discussed it with two House members who were present, we wondered whether our controls over the President's power to "push the button" are adequate. I've done my best to find out. I've asked for briefings and they have somewhat reassured me. But given my own lack of total expertise—I should say any expertise—in the matter, I am still not completely certain that we have adequate controls.

To equip myself to deal more effectively with such problems, I've been spending a lot of time trying to learn how our nation made the decision to bomb Hiroshima and Nagasaki. From what I've learned thus far, I'm convinced that there was never serious consideration by any President of all the issues involved—no full, careful discussion of the moral considerations such as whether or not we should bomb innocent civilians, no adequate weighing of alternatives to dropping the bomb. I'm convinced that the issue was never really addressed by Franklin Roosevelt, who was sliding into death, and who indeed died before work on the bomb was completed and any final decision had to be reached. And I'm convinced that the new and inexperienced President Truman simply accepted the legacy he thought he had received from his predecessor.

Later Truman said: "The atomic bomb was no great decision—not any decision that you had to worry about."

The fact is that before that bomb was dropped, each of the Joint Chiefs of Staff advised that Japan could be forced to surrender unconditionally without using the bomb and without our invading Japan.

Among those who took this position were Admiral Leahy and Generals Marshall, Arnold, Eisenhower, and Lemay. That's Curtis Lemay, who afterwards said: "The atomic bomb had nothing to do with the end of the war."

General MacArthur, the supreme commander of the allied forces in Pacific, was not even consulted. He was simply informed that the bomb was going to be dropped. He, too, later declared its use was militarily unnecessary.

Well, then, why was the bomb dropped?

I've come to the unhappy conclusion that we bombed Hiroshima and Nagasaki far more for political diplomatic reasons than for military reasons.

I think our reasons were as follows, in this order:

1. To have maximum impact on the Soviet Union, to put them on the defensive and give us the upper hand in the post-war era.

2. To speed the end of the war, not primarily to save American lives but to limit Russia's growing role in the Far East if she entered the war against Japan.

3. Because some people had the feeling—and this gets back to Tom Halsted's non-suggestion—that it was necessary to drop the bomb for its shock value. They believed that demonstrating its horrible effects would reduce the possibility of its further use and impress us and the world with the need for controls.

4. Finally, (a lesser consideration, but nonetheless a factor) after the secret, furtive expenditure of more than $2 billion to produce this bomb, it was feared by those who had been responsible to one degree or another, that there might be a very unpleasant Congressional investigation. And unless we had used the bomb in an exceedingly dramatic and effective way, it was felt that it might be very difficult to justify the whole expensive venture!

With that kind of an historical record, we clearly must institute better controls and decision-making processes before another bomb—tactical or strategic—is ever again used by our country. We must do so, I believe, not only for our own safety but also to set an example that others may follow.

It would be of great help in regard to this decision-making process specifically, as well as to many other matters I've discussed, if we had effective funding of the Arms Control and Disarmament Agency—provided it, with your assistance, could develop the imagination and the creativity to devise new and innovative approaches to some of the problems we face, and practical refinements of some of the proposals presently under consideration.

Clearly, we must tame the arms race before it destroys us.

A GOOD RICE CROP

Mr. BELLMON. Mr. President, current reports of a good rice crop in Bangladesh are welcome news. For that fledgling country to be blessed with good weather and a favorable growing season helps the people of Bangladesh get on their feet and at least temporarily avert the threat of famine which has hung over that land since it won its independence. As one of the most densely populated countries in the world—and with one of the highest birth rates—Bangladesh can make use of this reprieve as a time to begin developing permanent solutions to its food problem.

The same reports of a good crop in Bangladesh carry information that the United States is dumping unwanted grain into that country through the Public Law 480 program bringing about a disastrous break in local grain prices. This serves as a major disincentive for future food production and thus increases the danger of famine next year and in the years that follow. Any action which reduces the incentive to produce must be looked upon as a serious threat to Bangladesh's capacity to feed its population in the future. Our Nation's policy should be to encourage, not hamper, food production in the third world.

The Public Law 480 program was intended to help countries that need food in time of difficulty. It was never intended to dump unwanted grain into a country that has an adequate supply.

For this reason, I have written letters to the Secretary of Agriculture and the Director of the Agency for International Development asking for an explanation. Mr. President, I ask unanimous consent that a copy of this correspondence and the newspaper article from the December 18, 1975, issue of the Washington Post be printed in the RECORD.

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

WASHINGTON, D.C.,
December 18, 1975.

Hon. EARL BUTZ,
Secretary, U.S. Department of Agriculture, Washington, D.C.

DEAR MR. SECRETARY: Attached is a copy of a newspaper article which appeared in the Washington Post on December 18, 1975. The article points out that the United States is currently sending "huge amounts" of grain into Bangladesh even though that country is harvesting its biggest crop in its history. According to the article, the American grain is seriously depressing prices received by

Bengali farmers. This will serve as a disincentive for future production and will have the effect of reducing future crops and exacerbating famine in years to come.

The PL 480 program is intended to provide food to countries where a food shortage exists. It was never intended to be used to depress domestic grain prices in developing nations. I would appreciate a full explanation of the rationale for continued shipments of American grain to Bangladesh.

Sincerely,

HENRY BELLMON.

WASHINGTON, D.C.,
December 18, 1975.

MR. DANIEL PARKER,
Administrator, Agency for International Development, U.S. Department of State,
Washington, D.C.

DEAR MR. PARKER: Attached is a copy of a newspaper article which appeared in the Washington Post on December 18, 1975. The article points out that the United States is currently sending "huge amounts" of grain into Bangladesh even though that country is harvesting its biggest crop in its history. According to the article, the American grain is seriously depressing prices received by Bengali farmers. This will serve as a disincentive for future production and will have the effect of reducing future crops and exacerbating famine in years to come.

The PL 480 program is intended to provide food to countries where a food shortage exists. It was never intended to be used to depress domestic grain prices in developing nations. I would appreciate a full explanation of the rationale for continue shipments of American grain to Bangladesh.

Sincerely,

HENRY BELLMON.

DACCA'S GOOD RICE CROP: NO ROOM

(By Lewis M. Simons)

DACCA.—There is some good news from Bangladesh for a change. Farmers in this poorest of Asian nations have begun harvesting a bumper rice crop, perhaps the biggest in history.

The overwhelmingly rural population should have enough to both eat and sell for the first time in years. City people already are paying less for rice than at any time since Bangladesh broke away from Pakistan four years ago.

Last year thousands starved to death in widespread famine. This year very few Bengalis need die of hunger.

But as is all too often the case in this land of misery, even news as good as this has its unhappy side.

First, there isn't enough warehouse space in the country to store both the big new crop and the continuing heavy flow of imported grain.

Second, low prices will undoubtedly discourage farmers and make them unlikely to plant adequate rice crops next year.

The United States has also had a bumper grain crop, and U.S. officials in Dacca and in Washington are at odds over whether the United States is doing Bangladesh a favor, by selling huge amounts of surplus grain here.

Within the Bangladesh government, Ministry of Food officials favor high import levels while Ministry of Agriculture officials do not.

"Bangladesh is a country of problems," Food Secretary Abdul Momen Khan lamented in a recent interview. "This is just one more problem for us."

Unless the month-old military government can somehow come up with emergency storage space or cut back the grain imports, hundreds of thousands of tons of rice will rot, be attacked by vermin or be smuggled out to India and Burma.

Air Vice Marshal M. G. Tawab, one of the three military rulers and also Minister of Agriculture, has appealed to the United States to rush in prefabricated warehouses. "We would give them space on airport tarmacs to set the buildings up," Tawab said recently.

U.S. agricultural experts consider the proposal too costly and impractical. "We'll put it to Washington," one specialist said, "but I'm sure the answer will be negative."

AID also favors slowing down the massive stream of American grain, even though AID sources privately concede that this would be against the interests of American farmers.

Prevalent thinking in the AID mission here is that American food imports should be used only for humanitarian and disaster relief. While Bangladesh is most certainly not going to be able to feed itself entirely, despite this year's fine crop, it needs less food than in recent years.

But the U.S. Agriculture Department and American congressmen representing farm interests want to continue pouring surplus American wheat and rice into Bangladesh, sources said. During the current fiscal year, Bangladesh is to receive 2.2 million tons of imported grain, about what it has received in each of the last four years. About 300,000 tons of this is scheduled to arrive in January alone. The United States supplies about half the country's food imports through Food for Peace sales.

These imports have sustained hundreds of thousands of Bengalis who would otherwise have starved. Bangladesh has also been a boon for U.S. grain farmers, brokers and exporters.

For example, according to U.S. sources in Dacca, when Bangladesh requested 400,000 tons of wheat this year, the United States insisted that 100,000 tons of that be rice, which sells for twice the price of wheat.

Since last spring, much of that rice has been shipped to Bangladesh by one of the most costly methods possible—aboard so-called "lighter-aboard-ship" vessels. Rice costs $105 a ton shipped aboard these ships, while the cost on conventional freighters is $25 a ton. Bangladesh pays for the shipping out of an $11 million U.N. emergency operations fund.

According to a highly informed source in Dacca, the Bangladesh embassy in Washington agreed to use this expensive shipping on the advice of the St. John shipping brokerage company. According to this source, who is intimately involved in Bangladesh food imports, the link between St. John and the Bangladesh embassy was Democratic Rep. Otto Passman, from rice-growing Louisiana, and a powerful proponent of Food for Peace sales.

The interests of American farmers in unloading their surpluses through concessional sales abroad coincides with those of the Bangladesh Food Ministry, which is in charge of distributing grain through ration shops.

The imports quickly make their way into the rationing network, while increased domestic production either creates gluts or leads to smuggling, according to Western specialists.

Domestic output has been high this year because of good weather and because farmers planted more after last year's widespread famine and resultant high prices.

A number of donor nations are appealing to Bangladesh to curb its rationing system and to raise the low ration price so that new domestic grain can move into the system more easily. They complain that at its traditional annual grain import rate of about 2 million tons, worth some $550 million, Bangladesh is a constant drain on world food supplies.

These donors also reason that large food imports discourage local farmers from producing more. If the ration price were increased, they claim, farmers would grow more rice.

GAO REPORTS PROBLEMS WITH TEMPORARY STUDY COMMISSIONS

Mr. PERCY. Mr. President, this past Friday, December 12, the Senate approved a bill (S. 2498) which would, among other things establish a National Commission on Small Business in America to study the competitive posture of small business and report back to the Congress within 2 years on recommendations to improve that posture.

The creation of such temporary study commissions has become fairly common in recent years. As a vehicle for indepth study on topics the Congress believes require further action, such commissions have been viewed as an effective means for laying the necessary factual and analytical groundwork for followup legislative action.

However, the General Accounting Office has recently issued a troubling report, titled "Better Followup System Needed To Deal With Recommendations by Study Commissions in the Federal Government," questioning the ultimate effectiveness of these study commissions. While the GAO does not question the quality of the work of these commissions, it does emphasize the fact that, once a report has been issued, more often than not that report receives little or no action on its specific recommendations. The problem, according to the GAO, is the lack of adequate followup procedures, both in the Congress and in the executive branch.

Because of the growing tendency of the Congress to create such study commissions ever more frequently, I believe it is time for us to begin to seriously explore the nature and consequences of this species of governmental institution. The GAO report is an important first step in this direction. For this reason, I ask unanimous consent that the short summary digest of this GAO report be printed in the RECORD.

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

COMPTROLLER GENERAL'S REPORT TO THE CONGRESS—BETTER FOLLOWUP SYSTEM NEEDED ON RECOMMENDATIONS BY STUDY COMMISSIONS IN THE FEDERAL GOVERNMENT

DIGEST

The Federal Government often uses special study commissions to examine problems or issues of national concern and to recommend action by the executive branch and the Congress.

In spite of the extensive study efforts and expenditure of large amounts of money, benefits expected from some of these studies are not being achieved because their recommendations are not being acted upon by the responsible Federal agencies.

This condition has been largely attributable to the absence of an effective followup system under which the executive branch would promptly take a position on the merits of commission recommendations and develop and execute a plan for adopting those which merit action. Also, because study reports sometimes take positions which members of the appropriate congressional committees do not find readily acceptable, they do not

always receive strong backing and interest in the Congress.

GAO recognizes that not all study commission recommendations merit implementation but believes such studies call for careful executive and legislative branch consideration.

GAO recommends that the Office of Management and Budget provide the necessary leadership in the executive branch to establish effective followup systems on study commission recommendations. (See p. 29.)

GAO also recommends that the Congress consider the following actions:

Legislation creating future study commissions specify as clearly as possible a commission's study objectives and an action program by the executive branch to evaluate recommendations and carry out those meriting implementation.

The Federal Advisory Committee Act be strengthened by requiring that the executive branch periodically report to the Congress on the status of action taken. This would be similar to the requirement in the December 1974 act creating the Commission on Federal Paperwork.

The appropriate House and Senate committees having jurisdiction in the area covered by a study commission hold hearings about the commission's findings and recommendations to provide oversight over the executive branch action program and development of necessary legislative changes. (See p. 29.)

GAO discusses two important study reports issued during the last 5 years which did not receive adequate consideration. These reports were issued by the Public Land Law Review Commission in June 1970 and by the National Water Commission in June 1973. (See chapters 2 and 3.)

Other similar examples, cited in this report, are the report by the National Commission on Urban Problems issued December 12, 1968, and the report by the National Commission on Materials Policy issued June 27, 1973. (See pp. 14 and 16.)

By contrast, effective procedures have been instituted to evaluate and implement the recommendations in the December 1972 report by the Commission on Government Procurement. A satisfactory followup system evolved with participation by both the legislative and the executive branch and GAO performing a monitoring role. This system could well serve as a model for taking action on similar future studies. (See p. 18.)

The Office of Management and Budget concurs with this report's purpose and goal and the need for increased efforts by all branches and levels of government to consider study commission recommendations. The Office, however, does not agree with GAO's recommendations for new legislation to require more formal followup systems. (See p. 32.)

The Department of the Interior also agrees with the general thrust of the report and recommendations but cautions that study commissions are only advisory and the merits of their recommendations should not be presumed. The Department claims it has made use of appropriate commission recommendations although such actions may not have been documented in the manner contemplated by GAO. (See p. 36.)

FOOD AND DRUG LAW IN THE UNITED STATES: A 200-YEAR PERSPECTIVE

Mr. PERCY. Mr. President, I would like to bring to the attention of my colleagues the speech given in October by Alexander M. Schmidt, Commissioner of the Food and Drug Administration, to the Symposium of the Centenary of the United Kingdom Food and Drug Act of 1875. The Commissioner's speech is a synopsis of food and drug laws in the United States for the past 200 years.

I ask unanimous consent that Dr. Schmidt's speech be printed in the RECORD.

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

FOOD AND DRUG LAW IN THE UNITED STATES: A 200-YEAR PERSPECTIVE

(By Alexander M. Schmidt, M.D.)

Thank you for inviting me to this celebration of the first century of effective national food and drug legislation in the United Kingdom. This is a meaningful occasion for the world, as well as your own country. First things always have a special significance, and this is why we celebrate anniversaries.

In the United States, we are looking forward to another anniversary—the 200th since our Declaration of Independence as a nation on July 4, 1776. And if my presentation today were to have an additional subtitle, it could well be, "From Independence to Interdependence." For we are living in a world of change which affects us all, and makes it necesary that we collaborate, rather than to go our separate ways. In that spirit, I am honored to be here, representing the United States Food and Drug Administration.

That our food and drug laws relate directly to yours is obvious; there is a distinct familiar resemblance. Soon after the colonists arrived in New England, they were enacting and enforcing bread laws similar to the "assizes" known in Britain since the days of King John and the Magna Charta. And in 1630, the Massachusetts Bay Colony prosecuted a newcomer from Holland, one Nicholas Knopp, ". . . for taking upon him to cure the scurvy by a water of noe worth nor value, which he solde att a very deare note." Not only was Knopp fined 5 pounds in this early drug misbranding case, he was also declared liable for suit by anyone who had paid money for the "said water."

Some of the laws enacted by the colonists were patterned after those of the home land, but very early the colonists were asserting their right as British subjects to enact their own laws aimed at specific local problems. Especially significant were rather numerous ordinances assuring the integrity of exports of food and other products. As a result of the concern for safe arrival of exported goods, it appears that consumers in Britain had more protection from the colonial food laws than did the producers in America. So we find the New York General Assembly in 1773, reacting to complaints about the poor quality of bread in New York City by requiring local bakers to use only flour that had passed the export inspection.

Colonial food laws, from the beginning, were quite diverse, largely indigenous, and while reflecting the heritage from English law, responded principally to the needs of producers and consumers in the 13 separate colonies. The resulting diversity in colonial laws was perhaps more apparent to the authorities of the mother country than to the colonists. Probably the first attempt to secure uniformity in these early colonial laws, including food laws, was a compilation made by the authority of the Duke of York in the reign of Charles II, and intended to be a model for all the colonies. It was not very successful.

After independence was achieved, our States individually continued enacting food, drug and other laws to suit their own conditions. One of the first was a food adulteration law passed by Massachusetts in 1785, which provided for the prosecution of "evilly disposed persons" who, "from motives of avarice and filthy lucre, have been induced to sell diseased, corrupted, contagious or unwholesome provisions to the great nuisance of public health and peace." This forthright and comprehensive food adulteration law was seriously weakened, however, by the phrase, "knowing the same without making it known to the buyer," thus joining the concept of willful intent to liability—something we are still struggling to straighten out.

The first national food and drug law for the United States was passed many years after (1906) the United Kingdom's laws of 1860 and 1875. The principal reason was "states' rights." Many Americans, including members of Congress, thought that food and drug protection, if needed at all, was a function for the States, and most States already had laws dealing with such matters. But other Americans, as early as 1875, saw the rapid industrial development and expanding transportation and marketing systems of the country, and knew it was necessary that the central government regulate interstate commerce in foods and drugs. Only a few years after the United Kingdom adopted its first food and drug laws, Federal legislation was being proposed and seriously considered in the United States. One of these bills had an interesting history.

Then, as now, there were critical reports in the press on both sides of the Atlantic about the quality and safety of food. In America, as in Britain, the reaction of industry could be summed up as a "qualified admission"—i.e., that certainly here was some contamination, but it was not nearly so bad as it was portrayed, and no hazard to health, else people would be sick or dying in the streets. At the same time, some in industry agreed that a Federal law to stop adulteration would be a good thing for business, as well as its customers. Reporting these sentiments, a dignified trade journal of the period, known as "*The Plumber and Sanitary Engineer*," announced a competition "for the best Act, accompanied by an Essay, designed to prevent injurious adulteration and to regulate the sale of food without imposing unnecessary burdens upon commerce . . ." Prizes totaling $1,000 were offered by the National Board of Trade, a predecessor of the U.S. Chamber of Commerce.

The winner of the first prize announced by the trade journal in a supplement to its December issue of 1880, was G. W. Wigner, not an American at all but one of Britain's leading public analytical chemists, and then Honorary Secretary of the Society of Public Analysts. Mr. Wigner had written extensive critiques of the 1875 Sale of Food and Drugs Act in his own country, and he embodied in his proposed law for the United States some of the improvements he thought should be made. The Wigner bill was introduced in Congress and became one of the early ancestors of the U.S. Food and Drugs Act of 1906. A similar bill was actually enacted in the State of Wisconsin.

A distinctive feature of the Wigner bill was the appointment of public analysts by boards of health, similar to the system adopted in your Act of 1875. Two reasons probably accounted for the failure to accept such a system in the United States—a lack of independent chemists, and the fact that the function was already being performed by the individual State laboratories.

From 1880 to 1900, more than 100 bills were introduced in the U.S. Congress to regulate foods and drugs. While special interests managed the passage of a number of minor laws: for example, to inspect tea, and to set standards for oleomargarine and butter, not until 1906 was a comprehensive law enacted. Why did it take so long?

The opposition was tremendous. The doctrine of State rights, still powerful in 1875; has already been mentioned as an obstacle. "Rugged individualism" was another. Many typical Americans considered themselves "too smart" to be fooled by hucksters of spurious products. The times were not yet right. They became so only with the turn-of-the-century leadership of Theodore Roosevelt.

Dr. Harvey W. Wiley, chief food chemist in the U.S. Department of Agriculture and the leader of the pure food and drug crusade in the United States, was aware of all this when, in 1902, he asked Congress for funds to finance a unique experiment. Its purpose was to determine and demonstrate the effects of food preservatives on the "digestion and health" of human volunteers. Intended as a serious, scientific study in toxicology, the novelty of the project nevertheless captured public interest and tremendous publicity, which Wiley turned to his advantage. His "Poison Squad" became a major factor in getting public support for the Act of 1906.

Wiley fed his volunteers massive doses of borax, formaldehyde, salicylic acid, copper sulfate, and even sulfurous acid! The general pattern was to begin with a 5-day period to secure data on the subject's normal condition, followed by 10 days of increasing dosage with the chemical, and 5 days of convalescence. The object was to give enough to produce overt symptoms. The case records were startling and at times amusing. The male human animal was seen to vary widely in tolerance to the various chemicals, including the effects of such accompaniments as whiskey before dinner, or cigars afterward.

Nothing could better illustrate the changes which have taken place in determining food safety than to compare Dr. Wiley's feeding huge doses to humans, with today's dosing of 50,000 mice with a few parts per billion.

The law of 1906 provided regulatory definitions of "foods" and "drugs," and prohibited their introduction into interstate commerce if misbranded or adulterated. It stopped the use of many harmful chemicals and brought great improvements in sanitation and labeling, but the next quarter century of change made it obsolete. The great depression of the 1930's aggravated the weaknesses of the 1906 law, and there were many. Debased foods and spurious drugs again became the target of public criticism. A book titled, "100,000,000 Guinea Pigs," became a best seller.

In 1933, the Commissioner of Food and Drugs sought the cooperation of Franklin Roosevelt's "New Deal" administration to sponsor a new and stronger law. Again, strong opposition was expressed by business interests, particularly to the possibility that FDA, rather than the more lenient Federal Trade Commission, would regulate the advertising of food and drugs. Finally, after a 5-year struggle, the Federal Food, Drug and Cosmetic Act was passed, in 1938. Reacting to a drug manufacturing error that cost over 100 lives, Congress required in the new law that the safety of new drugs be established by scientific studies performed prior to, and as a condition of, FDA approval for marketing. In addition, cosmetics and therapeutic devices were, for the first time, placed under FDA jurisdiction.

The 1938 law is still the bedrock of our regulatory system. It provided, among other things, that the FDA could set standards of composition for foods—known formally as standards of identity and quality. The law prescribed ingredient labeling for those foods not standardized. It prohibited the addition of poisons to food, but if addition to food of a "poisonous or deleterious substance" was necessary or could not be avoided, FDA could set safe limitations on the permissable amount of the substance.

The 1938 law did not remain unembellished for long. Unforeseen loopholes needed to be plugged, and new scientific discoveries mandated new approaches to the control of "poisonous substances." Particularly, there was still no requirement that the safety of pesticides or food additives be demonstrated before marketing. Any chemical could be used until the government proved in court that it was harmful. Toxic chemicals were turning up in foods with disturbing regularity, and hundreds of widely used substances lacked scientific evidence of their safety. The burden of proof was entirely on the government. Again, the FDA brought a bad situation to the attention of Congress; and, in 1949, a Select Committee of the House of Representatives, the "Delaney Committee," was appointed to investigate the use of chemicals in food and cosmetics. Out of their deliberations came three major amendments to the 1938 Act: the pesticide amendment of 1954, the food additive amendment of 1958, and a color additive amendment in 1960. Patterned after the new drug approval section of the 1938 Act, all three amendments applied the principle that the safety of ingredients and products should be determined before the public is exposed to them.

This fundamental change was one of the most important advances in social legislation during the past century. It made the manufacturer responsible for establishing the safety of his product and the government responsible for evaluating the evidence submitted. The burden of proof was shifted from the government to the manufacturer.

Mandatory pre-marketing clearance is today the dominant feature of the U.S. food and drug law, and we expect before long it will be applied to medical devices and cosmetics as well.

Tremendous benefits have resulted from pre-market testing. It prevented the drug thalidomide from becoming a major disaster in the United States. It stopped the use of overtly toxic and untested chemicals in foods, such as thiourea, monochloracetic acid or lithium chloride—to name three of the "horrors" exhibited in the 1950–51 Delaney Committee hearings previously mentioned. The requirement that effectiveness, as well as safety, be shown, added to the law in 1962, made it possible to clear the market of hundreds of questionable or worthless products, and to improve the label claims of thousands of others.

And although some critics disagree, premarket control seems to have had little adverse effect on the progress of technology. Thousands of new compounds and products have reached the market after passing the required safety examination. In fact, there is evidence that pre-marketing regulations have been a stimulant to technological progress. But there is also abundant evidence that technological developments continue to generate regulatory problems.

Just 15 years ago, you were commemorating the 100th anniversary of the United Kingdom's first general food law, the "Act for Preventing the Adulteration of Food or Drink." At that anniversary meeting, Commissioner George Larrick reviewed the FDA's effort to remove from the American market cranberries contaminated by an improperly used herbicide which had been found to cause cancer in laboratory rats.

The cranberry caper was but the first in a series of actions stemming from a proviso in the 1958 Food Additive Amendment. This proviso is the section which declares that "no (food) additive shall be deemed safe if it is found to induce cancer when ingested by man or animal." Now known as the "Delaney Clause," this section was initially opposed by the FDA and by scientists who argued that a food additive used at low levels need not be banned automatically simply because it had caused cancer when very great amounts were fed to test animals. Proponents of the section justified it on the basis that cancer experts have not determined how much or how little of a carcinogen will trigger the cancer process in a susceptible individual. Thus, they argued that no amount of such a substance could be judged safe for human use.

In 1962, the U.S. Congress amended the Delaney Clause to allow the use of carcinogenic substances, such as diethylstilbestrol (DES), in livestock feed if no drug residue could be detected by analysis of edible tissues from the treated livestock. The method of analysis used was to be approved by the government.

The original Delaney Clause prevented any exercise of scientific or regulatory judgment, which was precisely its intent. But in adding the 1962 proviso, Congress obviously intended to allow the economically important use of chemicals in livestock feed, even carcinogens such as DES if the safety of humans could be assured.

As the years went by, however, our analytical methods improved greatly. For example, the ability to detect DES advanced to the degree that one could measure parts per million, and then parts per billion. Thus, in 1973, the FDA banned the use of DES in cattle production because of the detection of trace amounts in some beef livers. That ban was set aside by a court because of an alleged procedural error on the part of the Agency.

DES is again being added to animal feed in the United States, and is occasionally being detected, in very small amounts, in beef livers. Seeking to carry out the intent of the amended Delaney Clause, the FDA is struggling to perfect a regulation stating how sensitive the approved analytical method used to detect chemical residues must be to insure safe use of a carcinogen in livestock feed. The proposal has resulted in substantial scientific discussion and disagreement. It is one of the most important, as well as complex, proposals ever issued by the FDA.

The use of DES as a growth promotant in animal feed presents a classic case in which the benefits of more cheaply abundant food need to be weighed against an indefinite risk. DES is, at present, perhaps the most interesting food regulatory problem we are now facing in the United States, and how we resolve the outstanding issues will predict how we will deal with the many similar regulatory problems yet to come.

The complications are increasing. The United States Senate has recently taken the unusual step of passing legislation that would ban the use of DES in animal feed. This is a fascinating regulatory development, which poses a number of questions and alternatives. First, the legislation could make things easy for everyone. No one has to think, or to exercise scientific judgment. The substance is simply prohibited. But what of all the other known carcinogens—and suspected carcinogens, mutagens and teratogens in food? Were we able to detect only a few molecules of exogenous DES in beef liver, would its use still be prohibited? Would any substance, found to be cancer-producing when fed at any amount to any animal species, be prohibited if we could find any trace of it in edible tissue? Can the benefit derived from a food additive be measured at all against the risk of its use? Is a 2 percent, 5 percent, or 10 percent gain in the efficiency of food production to be measured against the possibility of cancer being produced in one of a million persons eating the food? One in a hundred million? Five hundred million?

Clearly, balancing benefit and risk is a somewhat arbitrary and, therefore, judgmental practice. In the United States, we are trying to determine whether or not this judgment can be exercised and, if so, by whom. The FDA would like to find some means by which, in a publicly accountable manner, we could decide certain important risk-benefit questions. We have invited comment on this subject from the public, from scientists and from Congress. The answers we get are important and are, by and large, that most people are not willing to assume any known risk of cancer, however small, from eating food. Part of this reaction may stem from the current general distrust of the government to act in the best interest of the public, and part from the large amount

of public attention being given to the problem of environmental carcinogens. But for whatever reason, the current trend in the United States is to say "no known risk is acceptable," and to back it with legislation. The practical result is, of course, to prevent the exercise of judgment. One need not think, to implement legislation that absolutely forbids the use of a chemical.

This is obviously important to food regulation in our country, and, I would suppose, may well impact on other countries as well. The DES question is only one of a dozen or more in recent years in which definite benefits are confronted by indefinite or theoretical risks. Another we are now struggling with is whether or not bacon, because of nitrosamine formation, is an acceptable product for the American market. Far more certain, of course, is the risk of cancer from cigarette smoking, but it is an optional risk. It may well be, however, that simply the act of breathing subjects one to greater health hazards than does consumption of today's food additives.

Of one thing I'm certain. The only sure way out of the quandary is to be able to state with quantitative finality the risk posed by the use of DES, or nitrites, or by naturally occurring substances such as aflatoxins in peanuts. From quantification of risk can come a workable definition of the word "safe," with some type of quantitative measures that will allow an obvious and therefore acceptable benefit-risk evaluation to be made. We fly in airplanes because they are "safe" but "safe" is defined by the low number of deaths per million passenger-miles, not the total absence of risk.

Today the abundance of our food supply permits the luxury of trying to avoid any and all risk. We can afford to seek the ideal of absolute safety. In this anniversary meeting, we are celebrating the great progress made during the past 100 years in improving food safety. We have only to look back to the days before modern food science and food law, to see the progress made. But will our successors, looking back, 50, 75, or 100 years from now, be able to see any accommodation, or compromise, with that concept of absolute safety?

My purpose to now has been to review the evolution of food laws in the United States, giving a 200-year perspective. Now we should look ahead, for one of the purposes in reviewing history, and celebrating progress, is to anticipate the future.

Forty percent of all meals now eaten by Americans, whether consumed in restaurants, fas food service stations, or at home, have been prepared outside the home; and that percentage is rapidly increasing. Assuming this trend continues, we predict that in 10 years, 70 percent of all meals will be eaten away from home, or brought home ready to eat. A major fraction of the food consumed will consist of reconstituted substances, or be manufactured totally from raw materials such as fish, vegetable, or bacterial protein or amino acids. Totally synthesized food analogs will be commonplace. Raw materials may come from one country, be shipped to another for processing, and then be returned for consumption. International boundaries to commerce will be obscured, and a greater fraction of the food industry will be multinational.

Meanwhile, scientists will be discovering toxic reactions at the molecular level. Environmental scientists will prove that chemical pollution has reached everywhere. The need to conserve limited resources will have resulted in recycling within food chains, with the attendant dangers of toxic concentrations.

These are glimpses of the next few years that came from our planning process. Our next step was to think about what the FDA would have to do, in order to deal with the future as we see it.

As a result of this effort we have identified six broad areas of hazard, and believe their future priority order will remain about as they now are.

The first of these hazards is that of *food borne infection*. This hazard ranks where it does because of its continuing widespread incidence, and because of the high risk in some instances, such as botulism. We even predict the hazards of food borne infection will increase, as foods are synthesized, as they are manufactured in one place, consumed in others, and stored and moved repeatedly.

Further, it may be that contaminating organisms will become more and more resistant to available antibiotics, thus increasing the hazard of sepsis. New types of toxins will be discovered—we are just now beginning to evaluate the effects in man associated with the mycotoxins. In short, we see no alternative but to continue our remitting pressure against contamination of food by microorganisms.

The second class of hazards in terms of present importance, and perhaps one of even greater importance in the future, is *malnutrition*. Malnutrition at present is poorly measured and poorly understood. Biochemically provable nutritional deficiencies do occur in numbers sufficient to be of concern now, and when a larger part of our food supply is manufactured, the problems may increase. It is often not readily appreciated that we really do not know everything that should be included in artificially constituted foods, and in what amounts, if the analogs are to be nutritionally equal to traditional foods. We will need to know much more about trace minerals, to give one example, before we can wisely tell someone how much of each he has to put into his artificial meat.

We would consider the *environmental contaminants* next most important. These may or may not be from industrial sources. Mercury poisoning has been both industrial and natural. But the increasing pollution of our world, the recycling of valuable resources such as animal wastes, and the new uses of previously discarded products such as sewage, will increase still further the risk of serious hazard from environmental sources.

Naturally occurring toxicants are also likely to be concentrated, as we process and manufacture foods, and likely to survive future manufacturing processes that ignore the potential of this hazard. We all know, for instance, that many commonly consumed legumes contain toxic materials (which have, on occasion, been fatal) as part of their normal makeup. An example is the anticholinesterase found in potatoes. These foods are now safe for consumption only because the toxic materials are destroyed in cooking. At present, our best safeguard against this class of hazard is to adhere to traditional methods of food preparation and consumption, rather than to experiment too boldly with novel methds of preparation.

Pesticide residues might be made part of the earlier category of industrial environmental contaminants; but we distinguish them because of their toxicity, and because they are subject to their own regulatory scheme. Our principal concern here is not with our present regulatory methods, but with the fact that in many parts of the world pesticides are poorly controlled, if controlled at all. If all pesticides become ubiquitous, as did DDT, and if raw materials and finished foods are to move easily across borders, then the hazards from pesticides may increase dramatically.

Finally, we must list the hazards of *food additives*. Our priority ranking puts additives sixth—mostly because so much is known about many of them, and all are now, and surely will continue to be, well regulated.

These hazards, then, illustrate important food safety problems facing all nations. I suspect that to deal with the underlying issues effectively, our laws and procedures will have to be flexible. They will and should be modified from time to time, as they have been during the century we celebrate today.

As administrators of food and drug law, we are irrevocably and deeply involved in the dilemma of civilized man, who must have the technology to sustain both his lifestyle and his life, while at the same time he is concerned over unwanted consequences of the same technology.

Our laws may not cross international boundaries, but problems do, science does, and scientific solutions to problems must. New information moves instantly by satellite around the world. People move around the world at twice the speed of sound.

In such a world, independence must be replaced by a greater interdependence, as we all work together for the common good of the human condition.

RESOLUTION OF THE ARIZONA BREAKFAST CLUB

Mr. FANNIN. Mr. President, the following statement is a resolution passed unanimously by the Arizona Breakfast Club of Phoenix, Ariz. It calls for the United States to withdraw from the United Nations.

This resolution is not unusual; it is indicative of the feelings of many Arizonans that the United States is not getting a fair deal within the United Nations General Assembly. The United States pays the bills to support the U.N. and its programs; we house the U.N. and its diplomats; use our single General Assembly vote independently of political pressure and we receive little but contempt and derision from the large majority of our comembers in the General Assembly.

Obviously, this is not a situation which Americans can feel comfortable with and unless we observe more reasonable and responsible actions at the United Nations, we will draw closer and closer to total withdrawal from that organization.

Mr. President, I ask unanimous consent that the resolution of the Arizona Breakfast Club be printed in the RECORD.

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

RESOLUTION

The Arizona Breakfast Club unanimously passed the following resolution on December 6, 1975:

Whereas, none of the people in the United Nations are elected from their respective countries and;

Whereas, the United Nations headquarters in New York City are known to be also headquarters for Communist espionage and;

Whereas, a two-thirds voting majority of the General Assembly can be formed out of Nations which all together, pay only 5% of the United Nations Budget and;

Whereas, only two dozen Nations out of the total United Nations can be called Democratic Countries and;

Whereas, over 100 of these so-called Na-

tions have a population of less than New York City and 21 have a population of less than Maricopa County, each with voting power equal to the United States.

Therefore be it resolved, that the Arizona Breakfast Club instruct the Arizona Congressional Delegation to work for immediate United States withdrawal from the United Nations Organization.

COMMENTS ON ENACTMENT OF COMPREHENSIVE ENERGY BILL S. 622

Mr. PERCY. Mr. President, I have mixed feelings about passage of the comprehensive energy bill, S. 622. This legislation represents a compromise that is far from perfect, but in my judgment it is the best bill we could have passed under current conditions.

When my Republican colleagues and I met with the President in the Cabinet room on November 13, I suggested that he consider signing this compromise so we can end the long period of indecision on energy policy that has caused confusion and uncertainty for both consumers and the oil industry. I believe the oil price-rollback provision of this bill is unwise, but I am willing to accept it because the bill also provides for gradual decontrol of oil prices and a return to the free market.

Public disbelief about the energy crisis stems from Washington, where the deadlock over oil pricing and conservation has prevented agreement on a comprehensive energy policy. Incredibly, over 2 years after the Arab oil embargo was imposed we have done almost nothing to make ourselves and other oil consuming nations less vulnerable to blackmail by the oil-producing nations. We have done little in the area of energy conservation aside from the imposition of a national 55-mile-per-hour speed limit. Even more important, we have not formulated a vigorous policy on the development of new energy sources. In short, we have been drifting in a sea of uncertainty, hoping against hope that our energy problems will simply go away and that the good old days of readily available fuel will return.

Action on energy legislation requires an end to confrontation within the Congress and between the Congress and the President. Perhaps compromise is too much to ask from a Republican President and a Democratic Congress on the eve of an election year, but there is a lot more at stake than victory at the polls. Nothing less than the Nation's security and independence depends on creation of a comprehensive energy policy. Our course of action is clear.

First, I hope the President will sign S. 622. It is the best energy policy compromise achieved between Congress and the administration since the oil embargo 2 years ago.

The deadline for action on domestic oil prices is fast approaching. If this bill is not enacted, the price of domestic oil would be totally decontrolled. This could mean a sudden increase in fuel prices, thus causing a dangerous jolt to the uncertain economic recovery that is now underway, and even a stronger public reaction against the oil industry.

Furthermore, if this compromise bill fails to become law, we will have no energy price and conservation policy in this country. The President and Congressional leaders have been urging compromise on energy policy for months. We should grasp this opportunity.

This energy legislation calls for:

Gradual decontrol of all domestic oil prices over the next 40 months, with a temporary rollback in the average price.

Mandatory gas mileage standards for all cars, beginning with the 1978 model year, to encourage the auto industry to produce more fuel-efficient cars.

Energy-information labeling and efficiency standards for household appliances to spur a 20-percent increase in efficiency.

Creation of a strategic oil reserve to be used to meet national energy needs in the event of another embargo by oil-producing nations.

Second, the President should lift the $2 per barrel tariff on imported crude oil to meet the provisions of the new energy legislation. There is no evidence that this measure has either spurred conservation or made us less dependent on imported oil. We still import nearly 50 percent of the oil used every day in America. Statistics show that we are using nearly as much oil today as we used before the Arab embargo and the ensuing fivefold price increase in OPEC oil.

The tariff has been made obsolete by the most recent OPEC price increase that raised the price of imported oil about 10 percent. And the tariff only makes inflation worse because it affects the prices of all petroleum products. In addition, there is a serious question about the legality of the tariff. The Supreme Court has agreed to consider the question during its current session.

Third, we should take other actions to provide mandatory fuel conservation. I see no reason to continue the deductibility of State and local gasoline taxes on Federal income taxes. This is nothing more than a Federal subsidy for driving at a time when energy conservation is a national priority. If this provision is not considered now because of the rush of business, it should be enacted into law early next year. Furthermore, we should pass a 10 cents a gallon increase in the Federal gasoline tax with a rebate for essential driving. Such a tax increase, while it would certainly be painful, would have a significant impact on nonessential driving.

We also should require enforcement of the 55 mile per hour speed limit on the nation's highways. This speed limit is the law of the land and the Congress should not tolerate failure by any State to enforce it. Federal highway funds should be withheld from any State which fails to vigorously enforce this statute. It is estimated that this national speed limit saved over 26 million barrels of oil last year, not to mention the nearly 10,000 lives that were not lost because Americans were driving at slower speeds.

Mr. President, the time has come for the Nation to act on energy policy. Some will say we are making the wrong decision because of the temporary oil price rollback section of S. 662. But nearly everyone endorses certain of the conservation provisions of the bill and recognize that this legislation could lead to eventual decontrol of domestic petroleum prices.

As I have indicated, I am not in accord with the oil pricing provisions of this legislation. But I do believe that in the spirit of compromise and out of concern for the need for a national energy policy that we should act favorably on the comprehensive energy bill. I have written to the President to urge him to sign it into law.

TOWARD CLOSER COOPERATION WITH OUR EUROPEAN ALLIES

Mr. McINTYRE. Mr. President, I am seriously concerned about the future capability of NATO to continue as a credible deterrent to Warsaw Pact forces. My apprehension is growing as I have observed the accelerating erosion of our military posture vis-a-vis the Soviets.

In its simplest terms, Mr. President, while the Soviet Union is moving deliberately to modernize and expand its land, sea and air forces, the NATO alliance is bogged down with a diversity and multiplicity of national weapon systems, equipments and munitions. We, in the United States, are as much at fault as our European allies in tolerating this situation. This is primarily a reflection of the overriding pressures of national, protectionist policies for industry and labor, faltering economies, growing unemployment, as well as adverse political developments in several NATO countries.

I will not belabor this problem now, Mr. President, but we must all give it our most serious and continuing attention if improvements are to be made and if we are to reduce the estimated $10 to $15 billion wasted annually by ourselves and our allies because of these wasteful practices.

My purpose in speaking today is to bring to the attention of my colleagues in the Senate, in the House, to the Department of Defense and the American people the important results of the third annual trip made at my direction by Mr. Hyman Fine, a member of the staff of the Armed Services Committee, to our European allies to continue to promote the principles of cooperation, interoperability and standardization in the design, development and production of weapons and other military equipment and supplies.

Following the practice of the past 2 years, a copy of his report dated October 31, 1975, has been cleared by the Department of Defense for security and is available for general publication.

I ask unanimous consent that my letter of transmittal and the report be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. McINTYRE. Mr. President, when the Department of Defense's reply to this report is received, I will insert it in the

RECORD so that comments and actions resulting from the report will be made known.

In closing, Mr. President, I would encourage my colleagues to become more familiar with the importance of closer cooperation with our allies so that their support of this concept will lead to positive legislative actions to make this relationship more productive.

EXHIBIT 1

COMMITTEE ON ARMED SERVICES,
Washington, D.C., November 21, 1975.

Hon. DONALD RUMSFELD,
Secretary of Defense, Department of Defense, The Pentagon, Washington, D.C.

DEAR MR. SECRETARY: Mr. Hyman Fine, Professional Staff Member, has submitted a report on his trip to Europe relating to cooperative research and development, standardization and interoperability of equipment between the U.S. and our European allies.

The report, copy of which is attached, is comprehensive and includes numerous items of direct interest to the Department of Defense. Certain items require action to be taken by your office.

I request that the report and attachments be reviewed and cleared for security by December 12, 1975, so that it may be released by the Armed Services Committee. I would also appreciate your early comments on specific paragraphs, as applicable, including statements of actions planned to be taken.

A complete reply should be provided by January 31, 1976, to enable the committee to consider these matters during the review of the FY 1977 budget.

Sincerely,

THOMAS J. MCINTYRE,
Chairman, Subcommittee on Research and Development.

October 31, 1975.

REPORT ON EUROPEAN TRIP RELATING TO INTEROPERABILITY, STANDARDIZATION, COOPERATIVE RESEARCH AND DEVELOPMENT, AND PRODUCTION OF MILITARY EQUIPMENT

1. This was the third annual trip made to follow up on the results of previous trips, to visit several major defense contractors for the first time to explore opportunities for further cooperative efforts, and to visit military organizations and test facilities involved in military research and development. A major purpose involved a review of the industrial and organizational arrangements for U.S. Army adaptation of the French/German developed Roland II Short Range Air Defense Missile.

2. The visit included the following foreign government organizations:

Netherlands Ministry of Economic Affairs
Federal Republic of Germany Ministry of Defense
French Ministry of Defense
British Ministry of Defense

3. Visits were made to or meetings were held with the following foreign companies:

N.V. Optische Industrie (Netherlands),
VFW-Fokker (Germany),
Lüerssenwerft Shipyard (Germany),
Messerschmidt-Boelkow-Blohm (Germany),
Zeiss Optics (Germany),
AEG-Telefunken (Germany),
Mauser (Germany),
Aerospatiale (France),
Snecma (France),
Sagem (France),
Dassault (France),
CGE (France),
Redifon (England),
Link-Miles (England),
Hawker-Siddeley (England),
British Aircraft Corporation (England),
Rolls-Royce (England).

4. Visits were made to the French Naval R&D Facility at St. Tropez, and to ONERA, the French Aeronautical Research establishment. I also visited with U.S. and Allied NATO personnel and with the U.S. Ambassador to NATO.

5. My general observations resulting from the trip are as follows:

a. Without exception, the economic situation in the countries visited has become more serious since last year, to the extent that future commitments to the procurement of a number of U.S. weapon systems are now questionable. Continued inflation, increased unemployment, and internal political pressures are the major causes of this trend.

b. The expression "two-way street" is being widely used to emphasize the attitude of our allies that the U.S. must provide increased offsets or a greater share of manufacturing to Europe. It is clear that this will be the basis for any major interest on their part in weapon systems requiring compensation by the United States in the form of joint development, co-production or straight procurement. I was advised that a list of about 10 European developed items is being prepared by the Euro-group Ministers which will be submitted to test United States sincerity in accepting the philosophy of a "two-way street."

c. There is a very strong conviction about the need for greater efforts towards achieving the important benefits of interoperability and standardization including weapon system modular concepts. It was generally emphasized that the primary areas of concern are ammunition and guns. Other areas of major importance stressed, involving wide use and/or high consumption rates, include bomb-racks, ground and in-flight refueling receptacles, all forms of inter-communications equipment, and deck and aircraft cargo handling equipment.

d. As an alternative to the existing proliferation of Defense industry throughout Western Europe, there should be a concentration of effort by each country in those areas where it has the greatest technical expertise and manufacturing capability. This would have the effect of conserving very critical resources.

e. The different political, economic and social structures of the various European countries impose a set of constraints, including substantial immobility of their labor force, which results in the production of national military equipment some of which is not competitive either in performance or cost. This is also influenced by the overriding importance to each country of export sales.

f. There is a basic conflict, generally recognized, between the attainment of standardization and interoperability goals on the one hand, and the process by which the military planners of each country arrive at different hardware requirements. The basic cause is the historic process through which each country arrives at differing concepts and doctrines in the areas of strategy, tactics and logistics. Until the Alliance countries succeed in arriving at common concepts and doctrines, solutions to the interoperability and standardization problems can only be found on a piecemeal basis. The establishment of Eurogroup, an organization of the Alliance Defense Ministers, could help solve this basic problem because it is elevated to the highest level of political decision.

g. Our European allies are moving towards closer cooperation among themselves, which promises to improve their cohesiveness in political, economic and industrial terms. Joint development programs, such as MRCA and Alpha-Jet, can be expected to increase. This trend will lead towards greater unity among these countries which in turn will help the alliance in a number of ways. Interoperability and standardization will be achieved earlier and on a broader scale. European industry should improve its technological base and become competitive with U.S. industry, leading to an alliance development philosophy of competitive prototyping and competitive design. This will be a slow evolutionary process which may take many years.

h. As a matter of interest, the Europeans are concerned with the U.S. political system which finds the Congress frequently in disagreement with the Executive Branch of the Government. Under our system the Administration, in dealing with our allies, cannot guarantee that the Congress will support legislation or programs involving the authorization and appropriation of funds. Unlike Europe, where the party in power normally can speak for the legislature, in the United States, the Congress can elect not to support specific programs of the Administration relating to international agreements or commitments. This complicates the ability of our representatives to the Alliance to negotiate as readily as their European counterparts.

6. The following paragraphs address the various significant subjects which were discussed during the trip, some of which will require actions or commentary by the Department of Defense.

a. NATO Headquarters—U.S. Staff:

(1) Discussion of importance to Europeans of Section 814 of FY 1976 military procurement bill as reported by the conferees. This was emphasized as it affects standardization and the exceptions to "Buy American" provision of earlier legislation. I explained that these actions did not preclude programs with our allies provided the Secretary of Defense approves.

(2) The U.S. Nationals mentioned privately that the NATO European members have attached great significance to the Callahan report and consider it a statement of U.S. policy (despite denials by DOD and others that it is anything but a report by a contractor of the results of his study for the State Department). They consider it a basis for expecting the U.S. to buy military products made in Europe to offset their larger purchases from the U.S. I emphasized that the Callahan report should not in any way be considered a U.S. Government position.

(3) Mention was made by U.S. personnel of the UK/FRG program for a new tank (TANK 80) which is being studied as the planned replacement in Europe for Leonard II. Fundamental to the U.K. and German interest is an effort to reconcile their basic concepts of tank employment doctrine which may be very difficult.

(4) The U.S. personnel emphasized the importance that the Europeans attach to maintaining two sources within Europe for any major system or subsystem as a hedge against the loss of one source due to political or other factors.

b. NATO Headquarters—International Staff:

(1) The view was expressed that Europe should be encouraged to solve its own standardization/interoperability problems first. Otherwise, if we have free competitions based on cost-effectiveness, the U.S. will win, and this will be self-defeating in terms of solving European labor and balance of trade problems.

(2) It was stated that the use of the term "standardization" has become too widespread and hackneyed, and that identification and solution of specific problems on an individual case-by-case basis is the real approach to meaningful progress.

(3) Interoperability and operational compatibility are considered now to be more important than standardization which may or may not be affordable or desirable across the board.

(4) There was general agreement that if we could agree on a common, basic model of equipment, even with reduced performance, and then let each country produce it, we

would move a long way towards the recognized goal. In some cases, competition may force a less capable country to go its own way anyway, in order to save money by adopting a simpler piece of equipment.

(5) It was emphasized that there is a need for a system to establish common NATO requirements and a common solution to such requirements for specific items of equipment.

c. Netherlands Ministry of Economics:

(1) The Netherlands buy all of their major weapon systems, except for ships, from other countries. They build ships themselves.

(2) They have bought [deleted] Armored Infantry Fighting Vehicles from FMC Corporation. These are product improved M113s.

(3) They currently buy tanks from Germany, cannons from Switzerland, and jeeps and trucks from the U.K.

(4) Foreign companies based in the Netherlands are treated in the same manner as Netherlands companies because they provide employment to Netherlands workers.

(5) Unemployment is at 5 percent and is a very serious problem, particularly because their socialistic system enables people to stay idle and receive up to 90 percent of their wage.

(6) Companies in the Netherlands must compete for work. The Government does not directly subsidize industry and supports the concept of free trade.

(7) The Defense Ministry policy is to buy the best equipment at the lowest price. However, there must be some form of compensation by other countries including co-production, buying Netherlands military or civilian products, or any other means which would equalize the Netherlands balance of payments. One element in the formula for determining compensation is what has been bought from the Netherlands in the past. Compensation is a matter of specific negotiation which is complicated by the difficulty in determining the formula and basis for computation. The purchase of steel and medicine are illustrations of commercial transactions. The F-16 is an example of military indirect compensation through co-production.

(8) The Netherlands is considering the purchase of P-3 aircraft from the U.S., which is dependent upon compensation negotiations.

d. Netherlands-N.V. Optische Industrie "De Oude Delft"

(1) This is a privately owned company which is the largest manufacturer of image intensifier tubes in Europe. They employ about 1600 people at the facility visited in the Hague; have annual sales of about $50 million of which half is military.

(2) Fifteen percent of their sales is spent annually for research and development. Their military product line includes aerial reconnaissance, night vision devices (primarily passive), and laser rangefinders for artillery and tank use.

(3) Mention was made of a folding mirror concept which they have developed which may be of interest to the U.S.

(4) Passive night vision binoculars have been developed which would replace the periscope sights. They recommend that the U.S. Army consider this for evaluation.

(5) Orpheus Aerial Reconnaissance System. Proposal made to U.S. Navy by Lockheed to buy three sets of equipment for evaluation as an offset to Netherlands purchase of P-3C aircraft. A decision on this was pending at the time of the visit. It was mentioned that LTV has a pod in development which may be competitive.

e. Federal Republic of Germany Ministry of Defense. Mr. Hans Eberhard, Head of the Department of Armament, Dr. Trienes, Mr. Demm.

(1) The meeting was very cordial and informal and was followed in the evening by an informal reception at the home of Mr. Eberhard. The exchange of views was quite candid and emphasizes the excellent rapport which has evolved during the past three years of association and cooperation based on the common dedication to the Alliance objectives of interoperability, interdependence and standardization. Specific subjects discussed are indicated below.

(2) Cooperative Efforts—The difference in cooperating in areas of research, development and production were reviewed. Specifically, the difference between buying a weapon system and participating jointly in the development of a future program was pointed out by Mr. Eberhard. This distinction is important and the need for greater efforts in cooperative development as well as adopting competitive European developed hardware was emphasized. I was impressed by his statement that in the interest of achieving interoperability performance requirements could be reduced up to 15 percent. In discussing the two-way street, now popular in Europe and the Euro-group, Dr. Trienes made the point that one of the major obstacles is that the U.S. is united whereas Europe is not. There must be a political willingness for European countries to come closer together in order for them to be able to cooperate with the U.S. on a more equitable basis.

(3) XM-1/Leopard 2—Discussion covered both programs and confirmed the FRG expectation of providing a Leopard 2 automotive test rig by [deleted] for the comparative test with XM-1. I asked if Germany would agree to an approach which established a joint U.S./FRG program based on the following:

1. Joint establishment of test criteria.
2. Joint test of XM-1/L-2.
3. Joint evaluation or test results.
4. Agreement by both U.S. and FRG at the outset that both countries would adopt whichever tank won the competition. This could include combining certain major subsystems where practical (e.g. the turret).

Mr. Eberhard agreed that such an approach could be acceptable. [Deleted.] This issue is still unresolved.

(4) [Deleted.]

(5) SES/Deep Water Navy—In reponse to a question concerning any interest in participating in the Surface Effect Ship development, Mr. Eberhard explained that Germany doesn't have a policy or requirement for a deep water Navy. He felt that they wouldn't need ships that large in any event, in view of their shallow water coastal mission requirements. Since each Navy in Europe has a different concept of their roles and needs, this whole area is one which the NATO Defense Planning Committee should look at with the view of obtaining a coordinated or joint doctrine, rather than the relatively diverse uncoordinated current activities by each country.

(6) PHM—Mr. Eberhard said that the FRG was not fully decided on the Patrol Hydrofoil. It appears that the German Navy is split as to whether or not they want it. FRG also has budgeting problems which may affect this program. He said that in the October/November timeframe, discussions would be held on the need for the frigate and the PHM.

(7) Pershing II—I reviewed recent correspondence between the committee and Undersecretary Augustine with Mr. Eberhard. He was aware of current developments.

(8) AWACS—[Deleted.] It is understood that France has looked at it and shown some interest. Talks are to be held in December to attempt to reach a decision and to determine how to finance procurement. FRG would prefer that it be funded as a NATO program rather than attempt to fund it by individual country. [Deleted.] He asked if there were a possibility that if initial orders were made, but not finally approved, the U.S. could pick up the components as spares. He stated that the U.K. was working in this area. Mr. Eberhard has also asked Dr. Mann to direct the three FRG services to prepare joint requirements for AWACS. I asked if there could be significance, either in interest or in savings, if another aircraft were used in a NATO platform for AWACS. Mr. Eberhard did not feel that this was really feasible, nor would it save money because of the additional redesign and testing that would be required.

(9) LOFAADS—This Army program, now called ARGADS—Army Radar Gun Air Defense system—was discussed as being a prototype competition between 25 mm Bushmaster, GAU-8/30 mm, and Oerliken 35 mm Flakpanzer.

(10) ROLAND—The Roland missile program was discussed in detail including the tri-country negotiations underway.

(11) Hi-Energy Laser—I asked if the FRG had any interest in ongoing activities in this area, or if they would be interested in contributing funds to the program. (It was suggested that since Dr. Currie had not discussed this with Mr. Eberhard, a review of our program would be inappropriate at that time).

(12) Armbrust—Mr. Eberhard stated his understanding that Boeing had arranged for demonstration firings for the U. S. Army and Marine Corps. (This occurred in October, 1975.) The possibility of U.S. interest is unknown at this time.

(13) Smartroc—This was identified for possible FRG interest. FRG will consider for possible use on small ships.

(14) SAM-D—This was discussed, as on previous visits, for possible future adoption by FRG depending upon the results of current studies of the need for follow-on to the Improved Hawk system. I again stressed the complementary effect that European adoption of a SAM-D derivative would have on this program. The Germans continue to have a strong interest in a SAM-D type of system.

(15) Standardization of Ammunition—Mr. Eberhard strongly emphasized the importance of attaining this objective. This was a subject of common discussion and common concern throughout the entire European trip.

(16) Other programs briefly discussed include the Rocket Assisted Projectile,: Vulcan Phalanx with Redeye, and conventional submarines.

f. Germany—VFW-Fokker, Bremen:

(1) This is a trans-national aerospace organization with major plants in the Netherlands and Germany. Employs about 18,000 people with total annual sales of 1.4 billion Deutschmarks (about $400 million). The company is highly diversified in military and civilian aviation as well as in space programs. Produces short haul airliners, VFW-614, A-300 airbus, CH-53G helicopter, light aircraft, VAK-191B V/STOL aircraft, and participates in MRCA, and also a number of missile and space programs.

(2) U.S. Coast Guard has an ongoing competition for a medium range surveillance airplane (HX-XX). VFW has strong interest in this competition with the VFW 614 as a candidate. Rockwell is competing with the Sabreliner, and Grumman with the Gulfstream and Jetstar. The S-3A was mentioned as a possible offset if the VFW 614 wins. Lockheed is associated with VFW to modify, final outfit, and support the 614. USCG has $63 million available. (The USCG has cancelled the competition because the Rockwell proposal was not responsive and this left only one proposal, VFW, which does not provide required competition. There is concern that a revised RFP could reflect changed requirements (specifications) which could prejudice one or more competitive candidates.)

(3) If Sikorsky wins the UTTAS competition, VFW could be interested in participating as a candidate for the German attack helicopter in competition with MBB's BO-105/115.

(4) Work is being done on a supercritical wing, but VFW is unable to obtain detailed information from NASA on U.S. program.

(5) Work is being done on sandwich structures for airplane fuselage. U.S. Air Force may be interested in investigating this.

(6) VAK–191B—This VTOL airplane is no longer to be operated. As a last resort, the U.S. Navy and Army should consider acceptance as a research vehicle for tilt rotor (Army) or lift-lift-cruise technology.

(7) Remotely Piloted Vehicles (RPVs)—Germany only has interest in air-to-ground missions. VFW in the lead role, has joined with Dornier and MBB to pursue critical technologies now in Phase 1 which will take [Deleted.] Phase 2 will begin as soon as the German MOD is interested.

(8) MP 331 Woodenhull 450 ton mine hunters. This is a VFW conversion program involving 10 German ships (which are 10 years old) for use against bottom laid mines in coastal waters.

g. Germany—Lüerssenwerft, Bremen:

(1) This is an old, family-owned shipyard which has a long record of successful, profitable operation building private, commercial, and military craft of all sizes. The company has no indebtedness. The facilities are very modern, the work force is highly experienced and highly motivated.

(2) The company has capacity and experience to build aluminum hull boats up to sizes of the NATO PHM, the PF, or larger, as well as wooden hull boats such as torpedo boats and minesweepers. They could participate in any offset program involving Germany and the U.S. as well as other NATO allies.

(3) Boeing contacted the company some time ago in connection with participation in the NATO PHM program. Boeing was considering a proposal from Lüerssenwerft but had not responded at the time of my visit.

h. Germany—MBB Nabern:

(1) Roland Short Range Air Defense Missile—

(a) The facility is the German contractor in the French (Aerospatiale)-German joint program for development and production of Roland, which is being adapted for the U.S. Army under licensing arrangements with Hughes as prime contractor and Boeing as principal subcontractor.

(b) I emphasized how important the success of this program is to future U.S.-European cooperative development and production.

(c) I explained that my primary task during this European trip was to visit with French and German government and industry leaders concerned with this program; to determie the current status of cooperative program efforts; to determine the status of the government and contractor efforts to establish and maintain effective coordinating organizations, consistent with country-to-country agreements, so that problems encountered could be quickly recognized, surfaced and solved before they got out of control; and to impress on all participants Senator McIntyre's interest in this program.

(d) I offered to help in any way possible to resolve any problems which would be brought to my attention.

(e) I was satisfied with what I saw and heard, considering this is the early phase of the program, and I commented on the enthusiasm and motivation which Mr. Kuhlo and his people demonstrated during my visit. Mr. Kuhlo joined me in Paris later when I visited the Euromissile group which is the contractor organization combining the efforts of Aerospatiale and MBB.

(2) Other missile systems built by MBB Nabern include HOT and Cobra anti-tank missiles, the Milan weapon system, and the soldier fired Armbrust anti-tank missile.

(3) Ordnance being developed or produced include a General Support Rocket system, Light Accuracy Rocket Anti-Personnel (LARAP) random timing pop-up munition, Jumbo shaped charge warhead for bridge cutting and similar applications, and Strebo BD–1 Dispersion munition.

(4) Data Exchange Agreement (DEA) is now being developed with the U.S. Air Force for munitions. This will be followed up to determine the status.

i. Germany—MBB Schrobenhausen:

The visit to this ordnance test facility provided an opportunity to observe test firing of some high velocity, armor piercing, and shaped charged munitions which were very impressive. This activity should be of interest to DOD to keep up with new development tests which may have potential application to U.S. or perhaps joint NATO/U.S. requirements.

j. Germany—Carl Zeiss, Oberkochen:

(1) The plant and equipment were impressive, being modern in all respects and the technical competence of the contractor's people appeared to be of the highest caliber.

(2) Annual sales run about 500 million Deutschmarks (about $190–$200 million) of which about 10 to 15 percent is military. This involves about 7000 people. The company has two factories in the U.S. These are Schott in Duryea, Pennsylvania, which produces optical glass, and Titmus in Petersburg, Virginia, which is engaged in optics.

(3) Military products include instruments, periscopes for land vehicles and submarines, range measuring equipment including optical stereo lasers, day-night stabilized sights, servo electronics, aerial reconnaissance cameras and related equipment.

(4) Zeiss indicated an interest in competing for the XM–1 stabilized sight and range measuring equipment but stated that they were unable to obtain necessary information concerning characteristics. The U.S. Army should indicate what the situation is regarding the possibility of permitting Zeiss to participate and take appropriate steps to accommodate this interest.

(5) Zeiss is developing a [deleted].

(6) A unique approach has been developed for aerial reconnaissance which combines mechanics, electronics and optics. No U.S. company builds such equipment for aerodynamic photogrammetry. This may be of interest to our military services.

(7) Reconnaissance camera has been developed by Zeiss which includes 3 lenses that perform both the day and night function, and eliminate the distortion inherent in panoramic cameras used by the U.S. This should be looked into by DOD for potential mission requirements.

k. Germany—AEG, Telefunken Radio and Radar Systems Division:

(1) The plant and personnel were very impressive and compared well with comparable U.S. companies. Military sales of this Division approximate 80 percent of total sales. Programs involved with include NADGE, Fire Control Radar for F–105, and navigation radar (TRSN) for German Navy.

(2) Telefunken Mobile Search Radar (TRMS) is being developed for the German Navy and has potential tactical application for Army and Air Force use. It is a mobile, phased array, 3 dimensional air surveillance radar with digital processing. It has the potential for integration into existing and future information and command and control systems. There are other radar developments in Germany and in the U.S. which are competitive made by Sanders Associates, and Siemans (Germany).

(3) Improved Hawk—Telefunken has built up to 60 percent of the basic Hawk missile and has a small part of the Raytheon contract for Improved Hawk.

(4) Roland (European version)—Telefunken has contracts for command transmitter and receiver on-ground equipment, and the antenna and transmitter on the missile. These are common to Roland 1 and 2 and now are in pre-production.

(5) Advanced Point Defense System-Telefunken has teamed with Raytheon in proposing this to both the U.S. and German navies.

(6) Dual Mode Redeye or Stinger—Telefunken has made a joint proposal with General Dynamics.

(7) Electronic Fuzes—Telefunken is working with Motorola on the Light Artillery Rocket (ARTRAC).

(a) DM–55 anti-personnel fuze now in production is a first generation fuze. U.S. Army Harry Diamond Laboratory has kept up on this development by visits to Telefunken who claim that this has been a one way flow of German technology to the U.S. Lt. Colonel Brownfield (MAAG) said there is a Data Exchange Agreement being processed in DDR & E which will, when signed, make this a two-way exchange.

(b) MAZ Fuze for 76 mm Otomelora gun. Dual purpose, both mechanical and proximity. Useful against aircraft or ships. May be used with 35 mm weapon as follow-on for Flakpanzer.

l. Germany—Mauser, Karlsruhe:

(1) This company is part of the IWKA group of companies. Annual sales are 200 to 300 million Deutschmarks ($80 to 120 million). There are 5 divisions which employ 2,500 people.

(2) Products include weapons and ammunition, guns, land mines, turrets and machine gun mounts. Use modern tape operated manufacturing equipment.

(3) 27 mm gun for MRCA—[Deleted.] If successful, the gun will be used on British, French and Italian MRCA aircraft.

(4) RH–202 20 mm gun adopted by the Germans two years ago and will fit existing mounts.

(5) Caseless ammunition is being developed for the German Army.

(6) Mauser has been cooperating closely with General Dynamics Pomona Division for two years. They have a licensing agreement for 30 mm anti-aircraft machine guns and 25–30 mm weapons including the 27 mm gun for the MRCA. General Dynamics will manufacture the weapons and have rights for sales to third countries except in Europe.

(7) Close in Weapon System (CIWS)—[Deleted.]

(8) 7.62 rifle ammunition already adopted by NATO is an example of how standardization can work.

(9) Germany wants to standardize ammunition among its own Army, Navy and Air Force.

(10) Germany has no in-house laboratories to develop guns and ammunition as in the United States.

(11) There is a new program which the U.S. is supporting for a new standardized rifle. The size must be agreed upon by the U.S. and other NATO countries.

m. French Ministry of Defense—Mr. Laurens Delpech, Minister Delegate for Armament:

(1) General Impressions—[Deleted.]

(4) Torpedoes—I suggested that relatively small quantity production requirements made this a good candidate for cooperative production with obvious economies. Mr. Delpech agreed but said the French were unable to obtain data on the MM–48 from the U.S. and were being forced to develop their own wire guided torpedo with less capability. This is a prime candidate for standardization. The U.S. may be able to work out an arrangement for direct sale or co-production. This also would enable the French to use their R&D funds and people on other projects.

(5) Roland—I stated that a Congressional reduction in funds could be anticipated but this would not be a reflection on Congressional support of this program. I also explained that partial if not full restoration was possible in final Congressional action on the appropriation.

Mr. Delpech was concerned that the U.S. might depart too far from the European

design. I mentioned that there was great sensitivity to the importance of minimizing design changes and that this was being stressed by the Army, OSD, and the Congress.

[Deleted.] He concluded with the observation that the future success of standardization could depend in large measure on the success of the cooperative Roland program.

(6) AWACS—He acknowledged the capability of this system, having flown in the aircraft, but commented on the very high cost. France is conducting feasibility studies relating to possible requirements but has not considered this as yet for budgetary purposes. France is following the development of the Britain/German interest closely. In my view, a British commitment, followed by Germany, could be very significant to a French interest. This is especially true because of the employment concept in the Alliance defense planning.

(7) Artillery Ammunition—He emphasized as first priority, interoperability of ammunition followed by standardization of future artillery calibre. He complained that while France had modified their 155 mm field howitzer to use U.S. manufactured ammunition, the U.S. has not reciprocated. This was stressed as only one example of which there are many, and it explains his skepticism about U.S. intentions. He didn't feel that U.S. adoption of Roland was sufficient to convince him that we would change our previous attitude. But he appreciates the significance of Roland.

(8) Javelot—He mentioned a recent agreement with the U.S. for a joint 2 year development program at an estimated cost of $12 million to be shared equally. Thompson CSF is the French company. [Deleted.] This will compete with fast firing guns and will now require coupling with new technology radars and proximity fuzes for longer range capabilities.

(9) CBW—France is interested in discussions and possible data exchange agreements for defensive equipment.

(10) Armbrust—There is no real interest. Concern was expressed about the possibility of such weapons being stolen or otherwise obtained by terrorists. France has its own light anti-tank weapon.

(11) SAM–D [Deleted.] SAM–D is interesting but too costly and not an urgent requirement.

(12) Surface Effect Ships—France is following the U.S. program but has no specific direct interest. Would like to keep informed and exchange data.

(13) NATO PHM—France has no interest. Patrol and ASW missions on the two French coasts can be accomplished with aircraft and helicopters.

(14) Advanced Medium STOL Transport—I asked if France was interested in this development considering that the French Snecma CFM–56 engines could be used. There was no indication of specific interest, although there was no definite answer either way.

n. France—Aerospatiale Helicopter Division, Marignane:

(1) This main design, test and manufacturing facility and the facility at La Courneuve, which specializes in helicopter blades, constitute the Aerospatiale Helicopter Division. Next to Bell Helicopter in the U.S., it is the largest producer of helicopters in the free world. It employs about 8,200 people, has very modern facilities including computer and tape operated machinery, and produces a complete range of military and civilian helicopters including the Lama, Gazelle, Alouette 2 and 3, and Dauphin light helicopters, the Lynx and Puma medium helicopters, and the Super Frelon heavy helicopter.

(2) Aerospatiale Helicopter has international agreements with Sikorski (CH–53), Westland (Lynx) and MBB (glass fibre blades). It also has a number of licensing agreements with other countries for manufacture of Aerospatiale helicopters and components. It owns Vought Helicopters Corp., Dallas, Texas, which is primarily a marketing subsidiary.

(3) The company places great emphasis on maintaining a strong and flexible worldwide product support organization. This is consistent with the fact that the majority of its total sales is to other countries. Annual sales both domestic and export totaled 1.2 billion francs ($270 million) in 1974. They consider themselves equal to U.S. firms in servicing of foreign customers and ahead of other French or European industries.

(4) CH–53E—U.S. Navy heavy lift helicopter could be of interest to Aerospatiale for production in France and possibly in partnership with Westland if a military requirement develops in the future.

(5) Aerospatiale total export sales of helicopters equals the combined export sales of U.S. helicopter industry, but the balance is shifting toward the U.S.

o. France—Research and Development Flight Test Center, Istres:

(1) This is one of three annexes to the main Flight Test Center at Bretigny. These combined activities are manned by some 2,700 people and have 200 airplanes assigned. This is the counterpart of the U.S. Air Force Flight Test Center, Edward Air Force Base, California, and the Navy Flight Test Center at Patuxent River, Maryland.

(2) The annex at Istres employs 573 people and conducts tests on airplanes and engines, arresting systems, and simulation training as well as a test crew school.

(3) The French and German versions of the Alpha-Jet airplane were on display with the potential suit of ordnance laid out on the ground beneath each airplane. These aircraft were impressive and are to be used both in training and combat roles.

(4) A test cell demonstration was made of the GE/Snecma CFM–56 engine which is performing very well. Presentations were made by representatives of Dassault and Snecma of the Alpha-Jet, Larzac and CFM–56 engine.

p. France—Naval Ordnance Facility, Saint-Tropez (Torpedoes):

(1) is the research and development and production facility which designs, develops, tests and produces torpedoes for the French Navy and for export. It also includes a facility located at La Londe.

(2) Employs some 1300 people including only 14 military. Produces an average of [deleted] torpedoes of all types annually. Major torpedo components and subsystems are built by various French companies including Thomson CSF (homing heads), CIT-Alcatel (vehicles and whole torpedoes), Alsthom (electric motors, fuel cells), Saft-Sogea (electrometchanical elements), and Sagem and ECA (gyroscopes).

(3) Types of torpedoes under development or test include the [deleted] and various modifications to existing torpedoes. Studies are being conducted on anti-submarine torpedoes.

(4) In my opinion, as mentioned earlier in my report on the meeting with Mr. Delpech, France is substantially behind the United States in the development of torpedoes as well as mines. Because their quantity requirements are comparatively small, they do not approach the United States in production capability nor efficiency. In the U.S., industry largely develops and produces torpedoes and mines.

(5) A Data Exchange Agreement with the U.S. covers 12 categories of data on torpedoes. The French have been unable to obtain data on transducers due to classification involving countermeasures. The DEA does not cover complete torpedoes such as the MK 46 or MK 48.

(6) There are some relations with Germany and England but each country produces its own.

(7) France has no requirement for the U.S. Advanced Lightweight Torpedo, but is interested in the technology. This could be a candidate for a cooperative program.

(8) [Deleted.]

(9) Except for the need to work on torpedoes as a national program, the French efforts could make greater use of U.S. capability and save manpower and money. This is an area of technology, as well as mine warfare, where closer coordination between the U.S., France, Germany and England, and perhaps Italy, Norway and the Netherlands, could result in savings of resources while realizing the objectives of standardization, cooperative development and production, and interoperability.

(10) France is working with fuel cells as a means for torpedo propulsion. They believe it offers great promise over other propulsion means.

q. France—Naval Ordnance Facility, Brest (Mine Warfare):

(1) Representative from the Brest facility presented this program during the visit to the torpedo facility at Saint Tropez. Employ 150 people including 10 military and 10 civilian engineers.

(2) France, Netherlands and Belgium have joined in a new program to convert 5 mine sweepers to mine hunters. All will be involved in construction with France having technical direction responsibility.

(3) Mine Hunting—PAP 104 television wire guided system built by ECA to destroy mines. Has been bought by England, Germany and Norway. French consider this to be a highly advanced system.

(4) The French question the feasibility of the U.S. Captor mine.

(5) France has no requirement for helicopter mine sweeping.

(6) Mines—New offensive types are being developed for 1980 availability for the Augusta.

(7) Mines—Defensive are used against surface ships to protect French coast. Studies are being conducted on anti-sweeping and on more effective mines. France cooperates with Germany and has Data Exchange Agreement with the U.S. on defensive mines and minesweeping. France is satisfied with the operation of the DEA.

(8) Mines are only built under contract, in contrast to torpedoes.

r. France—Snecma. This engine company discussed the possibility of their M53 engine on the F–111 airplane as well as on the MRCA. This was planned to be discussed with General Dynamics during a forthcoming trip to the United States. This also could be an alternative for the future French AFC aircraft.

s. France—Euromissile. This is a bilateral trust formed jointly by Aerospatiale (France) and MB (Germany) for the purpose of contracting with Hughes as prime and Boeing as subcontractor for the U.S. Roland program:

(1) The entire time was spent in reviewing the program including the agreements between countries and companies, the organizations and procedures established to conduct the program including coordinating groups at all governmental and contractor levels. I was advised that the program was making good progress and that there were no major problems. (This story changed when I returned from the trip.)

(2) I impressed upon everyone present the importance of the success of this program to the future possibility of joint cooperative developments between the U.S. and Europe.

(3) I emphasized the need for all participants, government and industry, to dedicate themselves to the success of this program. I stated that Roland was the single major reason for my trip.

(4) I offered to continue to use all of my capabilities to make this program succeed.

(5) I also asked that I be advised of any significant problems as soon as they became known.

(6) The Euromissile team, with Mr. Striegel of MBB at its head, were impressive in their presentations as well as in their attitude concerning the future of Roland.

t. France—Compagnie General Electricite (CGE) Laboratory Center, Marcoussis:

(1) This is a very modern, well equipped research laboratory whose main R&D activity includes lasers, electronics and optics, materials, electrotechnics, and electrochemistry. This is publicly owned, on a world-wide basis, does $4 billion business annually (civilian and military), and employs 130,000 people including 9,000 engineers.

(2) The R&D laboratory visited employs 6,000 people and does $150 million annual business.

(3) The primary purpose is product orientation to promote sales.

(4) The Directorate of Research, Development and Testing is engaged in [deleted]. The French Government representative suggested identification of specific areas for the U.S. and France to pursue, and later to jointly pursue applications.

(5) [Deleted.]

u. France—Onera, Chatillon-sous-Bagneux:

(1) This is the French Aircraft Research Laboratory. Employs 1,880 people. Cooperative agreements cover relationships with the U. S. Air Force in the following areas:

(a) Wind tunnel techniques and testing methods.

(b) Correlation of aerodynamic parameters in transonic flow.

(c) Supersonic ramjet propulsion.

(d) Boundary layer control technology.

(e) Heat transfer to high mach number aircraft and missiles.

(f) Structures—Flight vehicle flutter and aeroelasticity.

(g) Flight vehicle structural tests.

(h) Propulsion testing and measuring techniques for air breathing engines.

(i) Diagnostic and measurement techniques of high enthalpy flows.

(j) V/STOL and STOL aircraft technology.

(k) Study of engine noise.

(2) Memorandum of Understanding established with U.S. Army on helicopter dynamics,

(3) Cooperative agreement reached with NASA on tilt rotors.

(4) Integrated ramjet Data Exchange Agreement recently signed covers technology but not specific programs. U.S. Air Force should explain how this agreement relates to the ASALM program. OSD should compare and provide comments on how French developments in supersonic rocket ramjet missiles compare with U.S. programs.

(5) Onera has test facilities for full scale testing of RPVs powered up to Mach 1. I was advised that the U.S. Air Force is interested and that this could lead to a DEA on RPVs.

v. British Ministry of Defense:

(1) Mr. G. H. Green, Deputy Under Secretary of State (Policy), Defense Procurement Executive, and Mr. G. C. B. Dodds, Assistant Under Secretary of State, International and Industrial Policy.

(a) Mr. Green defines broad policies for the procurement executive and works with Service Comptrollers for Sea, Air, Land, R&D. He has a counterpart Under Secretary for Requirements. In formulation of policy on budget, their Treasury representative sits in on deliberations to help set total dollar requirements.

(b) Mr. Green stated that within NATO, standardization is in fact now a "two-way street", e.g. MRCA with England, Germany and Italy. A major problem involves balance of payments when large dollar value items make it difficult to provide compensating offsets to purchases from the U.S.

(c) In development of the European Community, there is a need for a strong production base/employment. CNAD charter is to be limited to approach such problems. Issues such as these must be faced by NATO as a whole. Where problems are uniquely European, these must be solved by the European nations.

(d) [Deleted.]

(e) F-16—This was discussed relative to British interest. Mr. Green was doubtful. It would aggravate the balance of payment problems unless there was a licensing arrangement. England must have alternative measures of supply instead of buying the entire requirement from U.S. There is a need to preserve the technical/design capability in Europe. It is necessary to achieve agreements on requirements within NATO—then share design, development and production.

(f) There is no real British interest at this time in the XM-1, although they are following the program.

(2) Major General Knutton, Deputy Master General (Ordnance). [Deleted.]

(d) I asked if there was interest in Armbrust and in Flakpanzer. All missiles are in the Air Defense policy which they are rethinking.

(3) Mr. Reggie Anderson—Assistant Under Secretary of State (Sales). Responsible for U.S. sales. There was general discussion including AWACS and offsets needed. He was noncommittal on any interest in the NATO PHM.

(4) Sir Hermann Bondi, Chief Scientific Advisor (S.H.) and Mr. V. H. B. Macklen, Deputy Chief Advisor.

(a) [Deleted.]

(b) NATO PHM—Willingness and ability to get involved is relatively limited. Small numbers become questionable. Priorities are a problem. The PHM would be too low.

(c) Tank 80/XM-1/Leopard 2—He is keeping track of these. [Deleted.]

(d) AWACS—NATO effort—If U. K. is to contribute $200 to $300 million, there must be offsets. These could be Harriers, simulator work, or others. I suggested that British participation should not be as a unilateral national British program but as part of a NATO or Alliance program. A commitment but no funding by FRG to consider participation in the program at a future but undetermined time would be complementary. Even modest funding by FRG would make this a still stronger basis for acceptability by Britain.

(5) Rear Admiral Bridle—Assistant Comptroller of the Navy.

(a) PHM—No funds at present but will want to watch operations in the North Sea to learn from our experience.

(b) Discussed Harrier as an offset and the Sea Spray (Ferranti) [deleted] Radar for Lynx helicopter.

(6) Mr. A. R. M. Jaffray—Deputy Under Secretary of State (Air Systems). We discussed alternates to AWACS. He agreed that AWACS is the preferred solution, but they need to look at premiums and offsets. NATO cost-sharing is needed. They don't want a one or two nation buy. NATO Ministers will meet in December and will certainly discuss it. Offset candidates are simulator programs for the F-111, AWACS, B-52, and the A-10. This totals some $2 billion worth of effort. AWACS will have to be sold to U. K. Ministers.

w. England—Rolls Royce.

(1) Pegasus 11 Engine—Discussion of recent decision by British Government to buy 25 Harrier (AV-8A) marinized aircraft for the three thru-deck cruisers being built for the Royal Navy. This provides for program continuity and will facilitate the accommodation of U. S. requirements for an improved Harrier (AV-8B) or Advanced Harrier if and when they are approved, possibly for FY 1978. The British are aggressively promoting foreign sales of Harrier, and some of these appear to be materializing.

(2) Rolls is holding discussions with General Motors about a possible collaborative program on marine engines in the 10-15,000 and 27,000 shaft horsepower class. Possible engines include a derivative of TF-51, RB-244 and LM-2500. U.S. Navy is conducting a complete review of possible applications including hydrofoils and surface effect ships.

(3) RB-199 engine for MRCA was discussed. Program is making good progress with 4 airplanes flying. Over 5000 hours have been accumulated. Some problems were identified [deleted]. Discussions being held with various U. S. airplane manufacturers for possible interest.

(4) [Deleted.]

x. England—British Aircraft Corporation:

(1) Discussed various missile programs including Skua lightweight helicopter borne anti-ship missile, cruise missiles, and RPVs.

(2) Advanced Strategic Air Launched [deleted] Missile (ASALM)—The potential of this application to future requirements was discussed. BAC indicated that they would explore the possibility of joining with a U.S. company in this program.

y. England—Redifon Flight Simulation, Ltd., Crawley:

(1) This company and Link-Miles, covered in the next paragraph, are two leading companies involved in the growing flight simulator industry. Greater use is being made of simulators for training because of the high cost of flight training. Redifon has an agreement with American Airlines, who represents them in the United States.

(2) Greater efforts are needed to achieve standardization of simulator subsystems, and to minimize simulator costs without degrading performance.

(3) United Airlines are making increasing use of flight simulators but are behind American Airlines who have optimized this approach.

(4) Initial U.S. military interest was triggered by the high quality of Redifon's visual displays.

(5) Direct sales to U.S. Government was not considered possible because of the Buy America Act. Subcontract to Boeing provided the opportunity to consider accommodating military specifications. The need for offsets by the British also encouraged Redifon interest in the U.S. market.

(6) [Deleted.]

(7) They have a non-exclusive agreement with Singer to market Redifon products to U.S. military, so Redifon may bid directly.

(8) Redifon is bidding on the B-52 training simulator under an offset arrangement. They said that the RFP stipulates that all metals have to be melted in the United States. DOD should explain the reason for this requirement.

(9) A-10 Simulator—This is a pending Air Force procurement which is classified NOFORN and precludes foreign companies from bidding. This was discussed as to the need for this restriction and, in the interest of competition, of the possibility of removing it. One approach could be to subcontract to a U.S. company. Another would be to break out as a separate package, classified equipment comprising the NOFORN element, and make the remainder of the simulator available to domestic and foreign bidders.

(10) Redifon plans to subcontract parts of any future U.S. simulator contract to U.S. companies.

(11) Other future simulator programs anticipated as candidates for sales include AWACS, KC-135, B-52 Part Tasks (refueling), C-130 and F-5E (Saudi Arabia).

(12) Redifon facilities, organization and management personnel were very impressive. The company is modern in its appearance,

aggressive in attitude and highly motivated to realize a major segment of a rapidly growing world-wide market.

z. England—The Singer Company, Link-Miles Division, Lancing:

(1) Employs about 900 people, and had sales of $21 million this year, up from $18 million the previous year.

(2) Simulator subsystems, like motion simulators, are built in Binghampton, New York. This offsets subsystems built in England so that there is no effect on balance of payments between the two countries.

(3) CAE Montreal is the third major simulator company, developed by Link as a separate company and now has become independent.

(4) Link stepped into the U.K. picture and acquired Miles after Miles began to build up to provide competition for Redifon with British Government stimulation.

(5) For the KC–135, C–130, and B–52 simulator competitions, Link has the advantage of going through the Binghampton, New York plant if the Buy America Act governs these procurements instead of being subject to the Memorandum of Understanding pending between the U.S. and U.K. regarding offsets.

(6) Simulators can be built at lower cost in England than in the U.S.

(7) The facilities, organization and caliber of managing personnel at Link-Miles were equal to Redifon. Link-Miles also is very aggressive and highly motivated.

aa. England—Hawker Siddeley:

(1) I discussed the Harrier program in detail as previously explained in my meeting with Rolls Royce, paragraph w.

(2) Sale of Harriers total approximately 250 or which about half are to the British Air Force and Navy, and 114 to the U.S. Marine Corps. Approximately 60 remain to be delivered against the 250 total. Production now is 2 to 3 per month. Production lead time is about 30 months. The Royal Navy buy of 25 Harriers should take up the production slack beginning in mid-1976.

(3) Ten of the U.S. Marine Corps Harriers have stood unused at Cherry Point for over a year. The reason was not known and should be provided to the committee.

(4) Agreement between Hawker Siddeley and McDonnell Douglas on Harrier production was amended several months ago to cover the improved version, AV–8B.

7. Summary—

a. Significant progress has been made during the past three years in closer and more productive cooperation with our European Allies towards the goals of standardization, cooperative research and development, coproduction and interoperability. However, this early momentum is slow and must be accelerated. No single country or group of countries within the Alliance can achieve this. It requires the concerted efforts of all member nations.

b. In the United States, there is a visible and growing awareness and participation by industry in European cooperation which is responding to this need. Industry, labor and the taxpayer all will benefit from the avoidance of unnecessary U.S. Government spending on development of new equipment which our European partners already have developed. The adoption of European developed hardware by the United States is accompanied by licensing to U.S. companies and provides U.S. industry with sales and U.S. labor with work. Such European equipment can be selected only in open competition with U.S. developed equipment.

There is a need for greater understanding by U.S. companies, by labor, and by the public that these arrangements are advantageous to the United States. Many do not realize this and innocently oppose such cooperation.

The Senate Armed Services Committee has been very constructive in its actions, in its hearings, and its reports on legislation in publicizing the importance of this approach. Moreover, the Senate and the House have supported this concept and have authorized and appropriated funds for such programs as the European (French-German) developed Short Range Air Defense Missile, Roland, to make this a reality. However, much more has to be done to educate many members of the Congress who have not been fully informed about the advantages to the U.S. of cooperation with Europe.

c. The importance of making Roland a successful program cannot be overemphasized. This program involves two European companies, Aerospatiale (France) and MBB (Germany) and two U.S. companies, Hughes (prime) and Boeing (major subcontractor), and has the benefit of the highest level of government support in France and Germany. Our own Department of Defense provides strong support and the Congress has reacted positively by providing necessary funds. This is the prime opportunity, in real terms, for the entire European community to be convinced of the willingness, sincerity, and capability of the United States to adopt a European developed weapon system for U.S. forces. In this respect, every effort must be made to insure success. Failure would be a serious setback to future cooperation with our allies and, in my opinion, could weaken the alliance.

d. To contribute to the success of this program, I have met separately, since my return, with top representatives of both European companies, both U.S. companies, French and German Embassy representatives, and U.S. Army civilian and military leaders. I have also communicated with DDR & E. I have impressed them all with my readiness to assist them within the area of my responsibility, to elicit full cooperation from all parties having an active part in this program. Their collective attitudes have been positive and favorable. I will continue to follow the Roland program very closely and strive in every way possible to further the concept of cooperation with our Allies. This is one positive way to help maintain an effective future combat capability for ourselves and our allies in Europe by making more effective use of our limited resources.

NATIONAL CONSUMER COOPERATIVE BANK LEGISLATION ATTRACTS MUCH SUPPORT

Mr. McINTYRE. Mr. President, earlier this session it was my privilege to introduce S. 2631, a bill to create a National Consumer Cooperative Bank.

To date this measure and its counterpart in the House have attracted the bipartisan cosponsorship of 67 Members of Congress, as well as enthusiastic support from throughout the country.

Endorsements of the proposal have come from a wide range of consumer, credit union, and cooperative organizations, and to illustrate the dimensions of that support, I would like unanimous consent to have reprinted at the conclusion of my remarks accounts that have appeared in the newspapers and journals of such organizations.

Mr. President, the National Consumer Cooperative Bank that would be created by this legislation would be modeled after the Farm Credit System, that eminently successful institution established under the Federal Farm Credit Act of 1933.

The National Consumer Cooperative Bank would provide a loan source for new, as well as existing and expanding, cooperatives in order to help such co-ops "provide quality goods and services at a reasonable cost."

The aid would cover co-ops in consumer goods, housing, health credit and other fields, and would include programs of technical assistance and financing.

It would be launched with Government investment and would provide loans to cooperatives not now eligible to borrow from similar existing institutions.

Though the Government would supply the original capital, borrowing co-ops would gradually replace the Government-owned capital with their own and would thus acquire ownership of the bank as they build equity in it.

The bank would get its loan funds by selling securities to investors.

A Board of Directors appointed by the President with the advice and consent of the Senate will provide policy guidance for the bank. Initially, 7 of the 13 directors would be drawn from the Government—Cabinet members or other officers from departments involved in financial, cooperative and consumer-related affairs. Six of the initial directors would be from cooperatives.

But as the Government capital is retired, an increasing number of directors would be elected by co-ops using the bank. Eventually, the bank would be completely borrower-controlled.

Will it work, this system?

Mr. President, if the Farm Credit System upon which it is modeled is a valid example, it will, indeed, work. Every dollar of Government capital in the Farm Credit System has been repaid, and the system is now owned by farmers and their co-ops. Moreover, the Farm Credit System is now providing nearly $30 billion in credit every year.

What will a National Consumer Cooperative Bank mean to people? What will it mean to the Nation?

To answer those questions let me quote, in part, from one of the statements I would like to have reprinted in entirety at the close of my remarks. This statement is by Shelby Southard, a member of the board of the Consumer Federation of America, and it reads:

It is anticipated that with the establishment of a consumer cooperative-oriented bank, we, as consumers, can and will build an increasing number of strong cooperatives to solve many of our own problems. We will not only have a voice in running our own bank, but also have the advantage of having the availability of highly essential technical assistance. Through competition, we can start having a real impact on the economy and the world around us. We can improve the quality of the goods and services and facilities we see in everyday life. We can reduce the price spreads between producers and consumers. As a result, we will have less need to turn to government to set up costly and in most cases ineffective, regulatory agencies and government services.

Practical involvement in successful consumer cooperatives will increase our level of economic education and business know-how. Wide membership in successful consumer cooperatives in such fields as consumer goods, service, health, and possibly even new sources

of energy, can and will lessen our frustrations of feeling that we are the victims of big organizations and the high concentration of economic power.

Mr. President, I sincerely hope that the enthusiasm for S. 2631 expressed in this statement and in the other accounts that follow will encourage early hearings on this important measure when we reconvene in the next session. I ask unanimous consent that the articles be printed in the RECORD.

LEADERSHIP NEWSLETTER, CREDIT UNION NATIONAL ASSOCIATION, INC., MADISON, WIS.

Bills to create a National Consumer Cooperative Bank have been introduced in the House and the Senate with 66 bipartisan cosponsors. The bills are endorsed by the Cooperative League of the USA and its members.

Sen. Thomas McIntyre (D-NH), one of the principal sponsors, said thousands of individuals and hundreds of groups have renewed interest in developing food, health, housing and other types of cooperatives.

Included in the bills are provisions to stimulate the development of cooperatives. A self-help development fund would be created to provide capital for new cooperatives serving low-income people.

Seed capital would at first be in the form of preferred U.S. stock. Later, capital would be replaced with private funds. Most loan funds are expected to come from private sources.

The Senate and the House referred the cooperative bank bills to their respective banking committees. Hearings are not yet scheduled, but the Cooperative League is optimistic hearings will begin next year.

The proposed cooperative bank is an entirely different thing from the once-proposed National Credit Union Bank. Conceivably, though, as a type of cooperative, CUs could participate in some of its services.

WISCONSIN PEC NEWS, WISCONSIN ELECTRIC COOPERATIVE ASSOCIATION, MADISON, WIS.

Official support for a national consumer co-op bank is coming from the rural electrification program at both state and national levels.

A bill to do for urban co-ops what the Farm Credit System, the Rural Electrification Administration and other loan programs have done for rural areas, was expected to be introduced shortly after Oct. 20 by Sen. Thomas McIntyre of New Hampshire. Here's an excerpt from a letter on the subject by Walter Seaborg, acting general manager of WECA, the state association of electric co-ops:

"There are many cooperatives, especially in urban areas which do not have access to adequate capital resources. We know from our own experience that getting adequate credit either short term or long term, is a major factor in the growth of cooperatives."

The letter was addressed to the chairman of the Senate Banking Committee, Senator William Proxmire.

Robert Partridge, general manager of the National Rural Electric Co-op Association, has pointed out in similar communications that "this would strengthen the cooperative movement and anything that strengthens co-ops is of great interest to NRECA and its members."

The Co-op League emphasizes that "support for this bill will help bring about a strong mutually beneficial alliance between farmers and consumers."

MIDLAND COOPERATOR, MIDLAND COOPERATIVES, INC., MINNEAPOLIS, MINN.

A bill that would establish a National Consumer Cooperative Bank was introduced into both houses of congress this month.

The consumer cooperative bank concept was formulated by the Cooperative League of the USA after contributions to the proposal were sought from cooperatives throughout the country.

Midland Cooperatives and some of its member cooperatives were surveyed to add input to the bill.

The National Consumer Cooperative Bank would be patterned after the Farm Credit System, which was designed only for agricultural producers. To qualify to borrow from the Bank for Cooperatives, a part of the Farm Credit System, a cooperative must have at least 80 percent agricultural producers as members.

Therefore, some of Midland's member cooperatives cannot qualify for Bank Cooperatives loans.

It is these cooperatives and other types of cooperatives, such as housing and health care, that are seeking establishment of the National Consumer Cooperative Bank.

The purpose of the bank would be to provide a loan source for new, existing and expanding co-ops on a sound business basis. Dollars for lending would be borrowed from investors through the sale of bonds, debentures and notes. Initial government capitalization would be replaced steadily as borrower co-ops repaid their loans. This is the same manner in which the Farm Credit System originally was financed.

"The Federal Farm Credit Act of 1933 provided finances needed to stimulate cooperative development in rural communities. The success of the program speaks for itself," says Sigved Sampson, Midland's president and general manager.

"The government has been fully reimbursed for the advanced funds provided and the system is now completely owned by American farmers. We believe similar results can be achieved for the non-agricultural sector of our economy through the National Consumer Cooperative Bank."

SENIOR CITIZENS NEWS, NATIONAL COUNCIL OF SENIOR CITIZENS, INC., WASHINGTON, D.C.

The Executive Board of the National Council of Senior Citizens at its meeting Sept. 29 unanimously endorsed a resolution calling for passage of legislation creating a National Consumer Cooperative Bank.

The resolution followed a talk by a representative of the Cooperative League of the USA on the need for financial support from the federal government to enable the development of consumer co-ops "to provide quality goods and services at reasonable cost."

Such aid would cover cooperatives in consumer goods, housing, health, credit and many other fields, and would include programs of technical assistance and financing.

CO-OP CONSUMER, GREENBELT CONSUMER SERVICES, SILVER SPRING, MD.

A farmer-producer cooperator from the pork-raising region of Ohio told the urban-consumer members of a big Washington area cooperative recently, "You need a national consumer cooperative bank."

Speaking before the annual meeting of the 34,000-member Greenbelt Consumer Services, Frank Sollars told his city listeners that farm marketing and supply co-ops succeeded in great measure because of "strong financing through the Farm Credit System." He observed that consumer cooperatives do not have this advantage and probably will not really get off the ground as an important part of the economy until they do.

Sollars urged the consumer cooperative audience to support a bill now being prepared for introduction in Congress which would establish a national consumer cooperative bank patterned closely after the half-century old Farm Credit System. The bank would be launched with government investment and would provide loans to cooperative not eligible to borrow from similar existing institutions. Over the years, the government equity would be retired as cooperatives achieve ownership of their lending organization, as farmers and their co-ops finally did with their own.

"Co-ops should have no disadvantages," he said—"not in transportation, not in supply, not in financing. Urban co-ops have not had the help rural co-ops have had."

Sollars, chairman of the board of Nationwide Mutual Insurance Company, fifth largest auto insurer in the United States, has owned and operated a Fayette County, Ohio, farm for 33 years. He has served on the boards of several farm cooperative organizations, including Landmark, Inc., a large Ohio-based farm marketing and supply cooperative. He also is a member of the board of the Cooperative League of the USA.

The consumer co-op listeners liked what they heard, and adopted a resolution endorsing the bank legislation.

COOPERATIVE OIL FOR TROUBLED WATERS

(By Eugene R. Clifford, director, information/education, Cooperative League of the USA)

American enterprise is the world's best demonstration of private enterprise—when competition is vigorous and uninhibited, and so widespread as to be an effective built-in regulator of supply and quality and price.

When such competition is lacking in any sector of the economy, both the consuming public and the rest of the business community are pushed out of balance by the muscle of monopoly—the muscle that forces unilateral, self-serving standards for quality and supply, and provides freedom to ignore usual market pressures in matters of pricing.

This is the bald fact of life describing the oil industry in this country today.

Two groups of U.S. senators have urged legislation "to restore and promote competition in the petroleum industry," because three-fourths of it is tightly held by 16 large oil corporations. They propose that major firms must divest themselves of related operations that give them interlocking grips on every major aspect of the industry. Corporate owners have "a free hand to raise prices whenever they want," the senators claim.

Others point to massive reserves of crude oil identified on federally-owned lands, and urge that government should develop these basins and force down prices by demonstrating true costs of production and by adding substantially to available supplies.

There is still another way to free the corporate grip on oil.

All of the advantages of government development can be realized without fattening the government's role in our business and private lives. The appealing democratic concept of control in the hands of the people is not served exclusively by casting them in a political role and responding to their needs through government. It may be served even better by encouraging an economic role in which they respond to their own needs by joining together to serve themselves through cooperatives.

A cooperative is beautifully suited to the job of insuring fairness and honest treatment for those who use its services. It must be, because the users are the owners—the sole owners. Together, they decide about such things as quality and variety of services. Together, they decide about dollar matters, such as budgeting and investment for expansion. This is the fundamental control in business, and in a cooperative the members share it equally.

People all around the world—fifty million in the United States—use their cooperatives to provide things they need, such as farm marketing, processing and supply services; consumer goods with emphasis on quality and fair pricing; housing that often centers a variety of community services; health services that underscore prevention of illness rather than costly efforts to cure it; rural electric and telephone services; preschool child care; memorial societies whose purpose is to put sense and economy into the funeral business; credit unions which encourage thrift and pooled savings so that members can borrow from themselves at reasonable rates. Co-ops provide all of these and many other essentials of modern life.

Some major cooperatives have found a solid road to savings for members in the petroleum business, too. Several substantial farmer cooperatives are veterans in the ownership and operation of oil wells, refineries, pipelines and retail level distribution systems. Their *only* concern has been to guarantee adequate supplies of petroleum products for their members at the lowest possible cost. They have not raised alarms about artificial shortages, nor have they boosted prices to users unduly in order to inflate margins. They have no need to do this, because the users are the owners and have nothing to gain from misleading themselves or overcharging themselves.

Could this pattern work for consumers as well as farmer producers? Of course it could. It *is* working that way right now in one sense, as many of these major farm co-ops serve the *consumer* as well as the producer needs of their members, providing such basic as automobile gas and oil and fuel oil for home heating.

Nineteen of these people-owned organizations have joined together to form the International Energy Cooperative, which now serves as their collective approach to foreign oil producers. Their aim is to assure a supply of crude oil that will keep their refineries at work and their pipelines full to provide the end products their members must have.

Here is the successful cooperative pattern in the oil business. It is working right now, serving both consumer and producer needs. It can be adapted to broad consumer use, IF . . .

It can be adapted *IF* consumers can find access to the kind of financing needed to provide the facilities and equipment necessary to this kind of operation.

That's a big IF, but it's not an impossible IF . . . .

The Cooperative League of the USA and many supporting organizations, co-ops and others, are now urging passage of legislation (S. 2631) to establish a National Consumer Cooperative Bank. The bank would be tailored after the Farm Credit System and its Bank for Cooperatives which has financed farmer co-ops for a half century. Initial government capitalization would be gradually retired by users of the bank's services. and the final result would be consumer cooperative ownership of their own financial institution.

Impossible? Nonsense. This is exactly what happened in the case of the Farm Credit System. Every dollar of government capital has been repaid, and the system is now owned by farmers and their cooperatives. Does it work? Well, it is now providing credit at the level of $30-billion a year, free of dependence on government and borrowing its funds entirely from private investors.

Clearly, there is a solid resource of cooperative experience and expertise in the oil business. Patterns for successful operation are available. If the co-op bank legislation is passed, funds will be available too.

Then it will be up to the American consumers to decide if they finally must take a hand in managing the fair distribution of a natural resource which is dramatically enriching the few at a time when it remains unavailable on reasonable terms to the many.

CONSUMER FEDERATION NEWS, CONSUMER FEDERATION OF AMERICA, WASHINGTON, D.C.

(By Shelby Southard, CFA board member)

After testing the waters, and wading into the rapids in our fight to keep our heads above water midst rising prices, we consumers are finally ready to take the big plunge. The impetus was sparked by a comment from Ralph Nader at this year's Consumer Assembly, when conferees at the annual meeting of the Consumer Federation of America adopted a resolution favoring the establishment of a National Consumer Cooperative Bank. This Bank would be patterned after and would draw upon the experience and principles that have made the nearly 60-year-old user-owned Cooperative Farm Credit System so successful. That organization now lends $27 billion a year, and there's no reason to doubt we can do just as well.

At the meeting Nader pointed out that attempts to regulate business in our inflation and depression ridden economy usually end up with those to be regulated doing the regulating. It is a frustrating experience. He suggests that if consumers really want to have an effect on the economy they should build strong cooperatives to serve themselves the way they want to be served. He says what we need is a bank for consumer cooperatives to provide the necessary financing for such enterprises. How true.

We of the Cooperative League of the USA are proud that the Co-op League, in consultation with CFA and many other groups, is drafting such a proposal which it expects to be introduced in Congress soon. The proposed bill would establish the National Consumer Cooperative Bank to close the gaps between existing cooperative sources of credit for cooperatives.

How would this Bank work? It would not compete with existing cooperative scurces of credit. The Government would supply the original capital. Borrowing cooperatives would gradually replace the government-owned capital with their own and would thereby acquire ownership of this Bank as they build up equity in it. The Bank would obtain its loan funds by selling securities to investors. It would be under the policy guidance of a Board of Directors. At the outset, the Board would be appointed by the President with the advice and consent of the Senate. In recognition of the Government's major investment in the Bank, seven of these directors would be Cabinet or other from departments involved in financial, cooperative, and consumer-related affairs. Six appointees would be from cooperatives. As the Government capital is retired, an increasing number of directors would be elected by cooperatives using the Bank until it was completely borrower-controlled.

The Bank would be supervised by a small independent agency which would report to Congress and the public on the progress of its operations and how it meets the broad policy guidelines established by Congress. This agency would also supply much needed technical assistance such as feasibility studies, co-op board orientation, management and financial training—especially for small and new co-ops—to make sure the cooperatives use their credit wisely and operate on a sound business basis.

Any business needs to have a sufficient supply of risk or equity capital, usually supplied by the owners, to warrant creditors making loans to them. The Agency will, therefore, be responsible for the operation of a self-help revolving development fund that will be used largely to supplement member investments in the equity capital for new cooperatives and for those organized by or serving low income people. Such investments would only be made to cooperatives that have a workable plan to gradually repay the Government capital as members build up their investments in them.

It is anticipated that with the establishment of a consumer cooperative-oriented bank, we, as consumers, can and will build an increasing number of strong cooperatives to solve many of our own problems. We will not only have a voice in running our own bank, but also have the advantage of having the availability of highly essential technical assistance. Through competition, we can start having a real impact on the economy and the world around us. We can improve the quality of the goods and services and facilities we use in everyday life. We can reduce the price spreads between producers and consumers. As a result we will have less need to turn to government to set up costly and in many cases ineffective, regulatory agencies and government services.

Practical involvement in successful consumer cooperatives will increase our level of economic education and business know-how. Wide membership in successful consumer cooperatives in such fields as consumer goods, service, health, and possibly even new sources of energy, can and will lessen our frustrations of feeling that we are the victims of big organizations and the high concentration of economic power. We can develop our own consumer power!

PEOPLE POWER

America is grounded in the tradition of individual ownership of land, farms and businesses. With skyrocketing costs and the huge investments needed to get into business, widespread individual ownership is impossible. But people can and do still have the opportunity to own, control and operate businesses together through the proven mechanism of cooperatives. Together we can own and control much more of the businesses that serve us, if we but have the will to organize, to invest our time and money and have an adequate source of borrowed capital. A National Consumers Cooperative Bank, sensitive to our cooperative needs, can provide such loan financing if we show our representatives in Washington the need for it and explain to them how we can use it to solve many of our own problems without continuing to need huge outlays of taxpayer dollars.

WASHINGTON MEMORANDUM, NATIONAL CATHOLIC RURAL LIFE CONFERENCE, DES MOINES, IOWA

One of the finest examples of government support for self-help enterprises is the Cooperative Farm Credit System. That 60-year old program started with government financing which has been totally repaid and the system is now owned by the cooperatives which use it as a source of credit.

A proposal is now being developed which could create a similar system for consumer cooperatives. It would establish a National Consumer Cooperative Bank which would initially be funded by government loans. This capital would eventually be replaced as consumer co-ops repay their borrowings. It would be supervised by a new Cooperative Bank and Assistance Adminstration, which would also administer a $250-million Self-Help Deveopment Fund for new and low-income co-ops.

Bills to establish this National Consumer Cooperative Bank have been introduced in the congress. More information is available from the Cooperative League of the USA, 1828 L Street, N.W., Washington, D.C. 20036.

CAROLINA COUNTRY, NORTH CAROLINA ELECTRIC MEMBERSHIP CORP., RALEIGH, N.C.

Legislation to establish a National Consumer Cooperative Bank is envisioned as closing the gaps between existing sources of credit. The government would provide the original capital, but borrowing co-ops would gradually replace the federal capital with their own. Thus, the borrowers can acquire ownership in the bank as they build up equity.

Establishment of the bank would eliminate one of the major hurdles which must be cleared whenever consumer groups try to organize co-ops as a means of reducing the cost of goods and services—finding a source of financing. Setting up a cooperative can be a costly proposition, and most consumer groups have no source of credit for such operations.

Cost-conscious Americans are eager to organize co-ops in such diverse areas as food purchasing, auto repair, child care and health services. But only a few more than 200 consumer co-ops are now operating in the U.S. and their combined membership comprises less than one-fourth of one percent of the nation's population.

The National Consumer Cooperative Bank would provide the impetus needed to channel this widespread interest into functioning consumer-owned cooperative enterprises.

We hope congress will move swiftly to establish this important new source of financing for consumer cooperatives.

UNIVERSAL BUYER-MERCHANDISER, UNIVERSAL COOPERATIVES, INC., ALLIANCE, OHIO

(By F. L. Lair, executive vice president)

The main thrust of the National Consumer Cooperative Bank bill is to provide a source of financing for those cooperatives (nonfarm, urban, suburban) not eligible to borrow from the Farm Credit System's Bank for Cooperatives. It would provide the same services for consumer cooperatives as the Rural Electrification Administration and the Farm Credit Administration provide for farm and rural groups. The success of farmer cooperatives is due, in no small part, to the availability of sound financing through the cooperative Farm Credit System, and it is the aim of the proposed bill to achieve the same degree of success for producer-consumer cooperatives.

More and more people recognize the contributions of farmer cooperatives to rural America. The farmers, through their cooperatives, have improved their economic welfare and at the same time have created certain consumer benefits through improved quality standards and reasonable prices. Access to sources of sound financing and technical assistance from the cooperative Farm Credit System were keys to that achievement.

The American consumer needs every available tool to meet the challenges of today's spiraling inflation. By acting jointly through cooperatives, he can effect savings and benefits not otherwise available to him. The availability of a source for sound financing, solid counsel and careful monitoring of borrowers' operations will permit greater development of non-farm and urban cooperatives designed to provide the consumer his needed goods at a reasonable price.

Undoubtedly, passage of the National Consumer Cooperative Bank bill would add strength to the cooperative movement, since development of effective, financially sound consumer cooperatives with direct links to farmer cooperatives would provide an important asset in providing goods and services to rural and urban America.

TELEVISION VIOLENCE

Mr. MAGNUSON. Mr. President, today I received a Christmas card from a close friend that wished for "Peace on Earth." Last week I turned on my television and what I saw was not peace on Earth but murder, mayhem, and gratuitous violence. As we in the Senate and the rest of the Nation approach the Christmas season, the time of year for the joy of children and the gathering of families, I think it is useful to reflect on the impact of the single most important purveyor of violence in our society today—television programing.

Different people have different ideas about television in the United States. I personally think there is a lot of good programing nowadays. I certainly think programing has steadily improved over the years. But I also recognize that commercial television is a business. It is organized and designed to make profits. It does that very effectively. Advertisers today see television as the best selling tool that has ever been created by the hand of man. So advertisers clamor for the available space on television and pay dearly for that space when they can get it. In return, the television industry attempts to deliver as many viewers as possible to receive the advertisers' message. The vehicle for viewer acquisition is programing.

It is not surprising that there is great pressure within the television community to produce programs that attract and hold viewer attention as inexpensively as possible. Nor is it surprising that there is great pressure to hold down production costs of commercial television programing. This combination of influences, which is no one's fault, can carry the blame for most of what is bad today on television. In particular, I am thinking of the large number of violent actions portrayed every day in the Nation's living rooms. It is cheaper and more profitable to run shows that are low on dramatic content, high on physical action, and present stereotyped cliches.

There is too much violence on television today. The gratuitous use of violence for the sole purpose of attracting and maintaining audience attention is common programing practice. Violence is portrayed without showing the human consequences is cheap. But this kind of violent portrayal degrades the viewer and the perpetrator. I am not surprised, and I hope that the television industry is not surprised, that 70 percent of the American people, according to a Television Guide survey published December 1, agree that there is far too much violence on television today.

The Nation and the Senate owe a debt of great gratitude to Senator JOHN O. PASTORE of Rhode Island for the role he has played over the years in focusing the violence on television. In March of 1969, a major milestone in television programing occurred when Senator PASTORE wrote a most important letter. He told then Secretary of the Department of Health, Education, and Welfare, Robert H. Finch, that there was an obvious lack of research into the issue of possible connections between antisocial behavior and television violence. That correspondence led directly to the study conducted by a committee appointed by the U.S. Surgeon General. The Surgeon General's committee filed its report on January 19, 1972. Its basic conclusion was that—

The causal relationship between televised violence and anti-social behavior is sufficient to warrant appropriate and immediate remedial action.

Senator PASTORE has continued his efforts to focus the debate. So today there is a growing consensus that gratuitous violence on television is no longer an acceptable norm. The last 2 years have seen credible moves made both inside and outside the television industry to find some alternatives to historical violent programing patterns. I wish to commend Senator PASTORE for his leadership and devoted work in this regard. A generation of children will be forever in his debt.

What do we know today about the connection of television violence to harmful social effects? Recently, Dr. Michael B. Rothenberg, M.D., a child psychiatrist on the faculty of the University of Washington in Seattle published an article in the Journal of the American Medical Association. His article summarized 146 papers representing 50 studies involving 10,000 children and adolescents from every conceivable background. Each of those studies shows, according to Dr. Rothenberg, that violence on television produces increased aggressive behavior in the young, and that immediate remedial action in terms of television programing is warranted.

In his summary of the research findings of the studies he reviewed, Dr. Rothenberg concludes:

First. Novel, aggressive behavior sequences are learned by children from aggressive actions shown on television or in films.

Second. There is a decreased emotional insensitivity to media violence as a result of the repetition of violence in the mass media.

Third. There is no evidence that televised violence has an "aggression catharsis"—a draining off of aggressive energy.

Fourth. Aggression can be inhibited by a televised reminder that the action was morally wrong in terms of the viewer's own ethical principles and by a portrayed awareness of the bloody, painful aftermath of the televised aggression.

Dr. Rothenberg points out that the 146 published papers he reviewed represent 50 separate scientific studies of all kinds—laboratory studies, correlational field studies and naturalistic experiments. And all show that viewing violence produces increased aggressive behavior in the young.

These results are not too surprising since television claims to its advertisers that it is a very persuasive medium for

selling products. It seems a natural conclusion that television programing similarly influences viewers to engage in actions which are favorably or neutrally portrayed. That is what is so disturbing about studies such as L. Ormiston's "A Pilot Study of the Presentation of Constructive and Destructive Behaviors on Children's Cartoon Programing Entered on San Francisco Television." This unpublished paper, written in 1973, analyzed cartoon violence for the Committee on Children's Television in San Francisco. The researcher found that the average rate of destructive interaction in cartoons was one act per minute. She also found that 79 percent of the destructive interactions were rewarded. One can only conclude that children watching these programs are learning that destructive ways of interacting with others are not only appropriate but profitable.

A similar study in 1972 by Dr. George Gerbner, dean of the Annenberg School of Communications at the University of Pennsylvania, indicated that most television violence is performed not by criminals but by ordinary citizens and law officers and that these two latter groups rarely encounter due process of law as a consequence of this violence. A comparable study pointed out that violence depicted on television is rarely realistic and is rarely accompanied by the usually painful and grievous consequences of such actions in real life.

The evidence is there that children are influenced by violent portrayals on television. Violence perpetrated by strong role models is imitated. Violence which yields unfavorable results, such as punishment or victim injury, discourages imitation. Children do learn and remember aggressive behavior which is demonstrated on television. The relationship appears to be causal between television violence and subsequent aggressive behavior.

On the other hand, television can be very constructive. Children respond to positive behavior portrayed on television. Several studies now have demonstrated that children exposed to demonstrating positive human interactions programing show higher levels of rule obedience, tolerance of delay, and persistence than children who watch aggressive programs. Young children have frankly admitted that they act out many of the behavioral sequences that they observe on television.

These results lead to disturbing conclusions if one looks at the current programing fare available to children on commercial television channels. Maturation is a long, hard course for every human being. Children are trying to get in touch with reality. Their perception of fantasy and reality is indistinct. They are trying hard to understand their emotions and their feelings. They are trying hard to relate to and understand the world into which they are thrust. In a word, children are complete human beings who have not yet acquired all of the tools of survival. To suggest that television, the most persuasive tool available to advertisers for sophisticated and mature human beings, is not affecting children who do not have the experience to distinguish truth from falsehood or exaggeration from understatement is ludicrous.

In the words of one researcher, "It is not a healthy environment if your outer world corroborates all of the worst and most fearful parts of your inner world." This reenforcement of the child's inner-fears, doubts, and confusions is the devastating effect of violence on television.

The researchers claim that children who view television heavily can be desensitized to violence in real life. Their normal emotional responses to human suffering become blunted and this desensitization can actually cause increased acts of personal aggression. It also causes indifference and nonconcern for the fate of victims of real life violence. The more violence and aggression a youngster sees on television, regardless of his age, sex, or social background, the more aggressive he is likely to be in his own attitudes and behavior.

It is not my purpose to engage in a debate with the television industry or other persons about the accuracy of the findings of this research. Any reasonable person would have to conclude that there is substantial evidence currently available to support these conclusions. The risks of continuing the current course of TV fare is frightening. The industry has responded to the complaints with family viewing time, and tightened provisions in the NAB code. People who criticize these self-regulation efforts by the industry must be forthcoming with realistic solutions consistent with the constitutional framework protecting free speech.

The goal is neither undefinable nor unachieveable. One eloquent statement on the obligation of the industry with regard to the portrayal of violence particularly appeals to me:

> The presentation of techniques of crime in such detail so as to invite imitations shall be avoided. . . . Violence shall not be presented in an attractive manner, nor to an extent such as will lead a child to believe they play a greater part in life than they do. . . .
>
> No considerations of expediency should be permitted to impinge upon the vital responsibility towards children and adolescents which is inherent in television. . . .

That language comes from the National Association of Broadcasters Code of Conduct.

The NAB standard is the place to begin. The industry, the program producers, the advertisers, and the viewers can get gratuitous violence off the air. This Christmas season is the appropriate time to renew our efforts.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask that morning business be closed.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

Under the previous order, the Senator from New York (Mr. JAVITS) is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, the time to be taken out of the time of the Senator from New York.

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

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

Mr. JAVITS. Mr. President, I yield back the remainder of my time. It resulted from an error. I wanted it to be tomorrow.

ORDER FOR RECOGNITION OF SENATOR JAVITS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after Mr. CLARK is recognized under the ordered entered, Mr. JAVITS be recognized for not to exceed 15 minutes.

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

DEPARTMENT OF DEFENSE APPROPRIATIONS, FISCAL YEAR 1976—

The PRESIDING OFFICER. Under the order previously entered, the Senate will now resume consideration of H.R. 9861, which the clerk will state by title.

The legislative clerk read as follows:

Amendment No. 75 in disagreement on H.R. 9861, an Act making appropriations for the Department of Defense for the fiscal year ending June 30, 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, and for other purposes.

CLOSED SESSION

The PRESIDING OFFICER (Mr. MUSKIE). Under the previous order, the Senate will now go into closed session.

The Chair, pursuant to rule XXXV, now directs the Sergeant at Arms to clear the galleries, close the doors of the Chamber, and exclude all the officials of the Senate not sworn to secrecy.

(At 10:49 a.m. the doors of the Chamber were closed.)

LEGISLATIVE SESSION

(At 12:47 p.m., the doors of the Chamber were opened, and the open session of the Senate was resumed.)

DEPARTMENT OF DEFENSE APPROPRIATIONS, FISCAL YEAR 1976

The Senate continued with the consideration of amendment in disagreement No. 75 to H.R. 9861, an act making appropriations for the Department of Defense for the fiscal year ending June 30, 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, and for other purposes.

Mr. MOSS. 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. CLARK. Mr. President, I ask

unanimous consent that the order for the quorum call be rescinded.

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

The question is on agreeing to the amendment of the Senator from Michigan. Under the previous order, there is a time limitation of 40 minutes on the amendment, to be equally divided between the Senator from Michigan (Mr. GRIFFIN) and the Senator from California (Mr. TUNNEY). Who yields time?

Mr. CLARK. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time for the quorum call be equally divided.

Mr. McCLURE. Mr. President, reserving the right to object, what was the request?

The PRESIDING OFFICER. Just to divide the time on the quorum call equally.

Mr. McCLURE. No objective.

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

Mr. CLARK. 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. JAVITS. 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. JAVITS. Mr. President, I ask unanimous consent that I may yield myself time on the time reserved on my amendment, which is to follow the Griffin amendment, and I would like to yield myself 5 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JAVITS. Mr. President, the situation which will be presented to us shortly in the Senate will represent action on the Griffin amendment—I will analyze in a moment exactly what that will do—and then whether or not the Griffin amendment succeeds on my amendment.

The thrust of the Griffin amendment is to prevent from going into Angola any U.S. military or civilian forces involved in hostilities in or over or from off the shores of Angola, unless Congress specifically authorizes it.

The thrust of the Tunney amendment, as it would be amended by my amendment, which will either be added onto the Griffin amendment or will be a separate amendment fully qualified, once the Griffin amendment is acted upon, is that only intelligence gathering will be permitted as an activity in respect of Angola, under the Defense Appropriation Act, which is the subject of the conference report.

The difference between my amendment and the present Tunney amendment is that the Tunney amendment proposes to reduce by $33 million one of the items of appropriation in the conference report. I omit any such reduction and simply keep the sum as it is.

The reason for my action is this: Obviously, it is important to get the greatest consensus here, and there are Members who feel that the funds programmed under the Defense Appropriation Act, which would have to be reprogrammed if they wanted to do something about Angola, still does not change the various military necessities.

We may decide, if the House and the Senate agree on this conference report, that we are going to tighten our belt on program A, B, C, or D and cut $33 million out of it. We may and we may not.

My amendment will make that unnecessary. It will facilitate an agreement between the House and the Senate, as there may be great difference of opinion on that score, and it will get the matter down to its essentials. To argue about a $33 million provision in a $90 billion bill seems to be unnecessarily throwing a monkey wrench into the works. We know what we want to do. If we decide to do it, let us not complicate it with a money equation.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. YOUNG. I think this is a good amendment. I do not think it is the intention of the sponsors to delete money in the bill. I think some Senators, though, assume that the $28 million has already been approved, which it has not.

Mr. JAVITS. Of course. It leaves the conference agreement in balance, because the two sides have agreed—the House and the Senate—and we do not disturb that agreement.

However, we have a new problem, just arisen, and nobody's feathers can be ruffled if we try to deal with it in a substantive way rather than trying to disturb what may have been the give and take on the money side in the conference.

Mr. CRANSTON. I say to both Senators who have spoken that I believe that the principal sponsors of the Tunney amendment—and I am one of them—are totally prepared to support the Javits approach, because we recognize that our principal objective, which is to cut off funds used for paramilitary, covert, and other purposes in Angola and around Angola, will be served by the amendment that they change in the dollar figure. It is my hope that members of the Appropriations Committee who are concerned about a change will look with greater benevolence upon our amendment.

Mr. JAVITS. May I say, in fairness to the authors of the amendment, that they were told that in the parilamentary situation, they had to move to reduce the amount; otherwise, their amendment would not be in order.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. I yield myself 2 additional minutes.

Whereas, my amendment is only in order because theirs already has been in order. So that everybody's role is secure.

Mr. President, I hope the Senate will realize that we have achieved our objective. Whatever decision we make, even if it is on the negative side, will be a national policy decision. The House and the Senate will have passed on this particular question. I hope very much that we will make it positive and that we will start anew, as we should have started when this sum got to be $25 million and we began to put military materiel into the situation.

I do not believe that the transition will be harmful to the executive department, because it probably takes some time to absorb this kind of military aid in the area, anyhow, and it will give us an opportunity for a more deliberate judgment as to what must be done and how much.

In the Foreign Relations Subcommittee—I am confident the committee will take it—we have materially accelerated the procedure by which the administration can act and Congress must act if it wishes to stop.

So I think this is a plan which holds together. I am very hopeful that we will get the Defense appropriation on its way and will have dealt effectively with our problems respecting Angola.

Mr. President, I say to the acting majority leader that it will be my purpose now to seek advice from the leadership as to whether they will accept a recess until 1:45, because Senator GRIFFIN has asked our indulgence, as he has necessarily had to see the President.

Mr. CRANSTON. Certainly.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time may be charged to both amendments and both sides of both amendments.

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

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

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

RECESS UNTIL 1:50 P.M.; AND UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 10 minutes to 2, and that beginning at that time there be a limitation of 10 minutes on the pending amendment to be equally divided between the Senator from Michigan (Mr. GRIFFIN), the sponsor of the amendment, and the Senator from California (Mr. TUNNEY), and that the vote on the amendment occur at 2 o'clock.

There being no objection, the Senate, at 1:15 p.m., recessed until 1:50 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. CRANSTON).

DEPARTMENT OF DEFENSE APPROPRIATIONS, FISCAL YEAR 1976

The Senate continued with the consideration of amendment in disagreement No. 75 to H.R. 9861, an act making appropriations for the Department of Defense for the fiscal year ending June 30, 1976,

and for the period beginning July 1, 1976, and ending September 30, 1976, and for other purposes.

The PRESIDING OFFICER. Who yields time?

The Chair, in his capacity as the Senator from California, suggests the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. McCLURE. Mr. President, I ask unanimous consent that Samantha Senger and John Cevette, of Senator HASKELL's staff, be granted the privilege of the floor during the consideration of and voting on all tariff bills today.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Under the previous order, the Senate will proceed to vote on the amendment of the Senator from Michigan.

Mr. CLARK. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), is necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER), is necessarily absent.

The result was announced—yeas 26, nays 72, as follows:

[Rollcall Vote No. 605 Leg.]

YEAS—26

Baker	Eastland	Long
Bartlett	Fannin	McClellan
Bellmon	Fong	McClure
Buckley	Garn	Morgan
Byrd, Harry F., Jr.	Griffin	Scott, Hugh
Curtis	Hansen	Stennis
Dole	Helms	Thurmond
Domenici	Hruska	Tower
	Laxalt	Young

NAYS—72

Abourezk	Burdick	Culver
Allen	Byrd, Robert C.	Durkin
Beall	Cannon	Eagleton
Bentsen	Case	Ford
Biden	Chiles	Glenn
Brock	Church	Gravel
Brooke	Clark	Hart, Gary
Bumpers	Cranston	Hart, Philip A.
Hartke	McGovern	Roth
Haskell	McIntyre	Schweiker
Hatfield	Metcalf	Scott, William L.
Hathaway	Mondale	Sparkman
Hollings	Montoya	Stafford
Huddleston	Moss	Stevens
Humphrey	Muskie	Stevenson
Inouye	Nelson	Stone
Jackson	Nunn	Symington
Javits	Packwood	Taft
Johnston	Pastore	Talmadge
Kennedy	Pearson	Tunney
Leahy	Pell	Weicker
Magnuson	Percy	Williams
Mansfield	Proxmire	
Mathias	Randolph	
McGee	Ribicoff	

NOT VOTING—2

Bayh	Goldwater

So Mr. GRIFFIN's amendment was rejected.

The PRESIDING OFFICER. Pursuant to the previous order, the Senator from New York is recognized to call up his amendment.

Mr. TUNNEY. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. JAVITS. Mr. President, I yield for that purpose.

I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JAVITS. Mr. President, I yield half a minute of my time to Senator CURTIS for a unanimous-consent request.

The PRESIDING OFFICER. Will the Senator withhold for just a moment. Will those in the aisles please remove themselves from the aisles. The Senate is not in order.

I believe the Senator from New York said half a minute to the Senator from Nebraska.

SUBSTITUTION OF SENATOR BROCK FOR SENATOR FANNIN AS A CONFEREE—H.R. 10727

Mr. CURTIS. Mr. President, I ask unanimous consent that the Senator from Tennessee (Mr. BROCK) be named a conferee on H.R. 10727, and the Senator from Arizona (Mr. FANNIN) be removed as a conferee on that bill.

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

Mr. CURTIS. I thank the Senator.

DEPARTMENT OF DEFENSE APPROPRIATIONS, FISCAL YEAR 1976

The Senate continued with the consideration of amendment in disagreement No. 75 to H.R. 9861, an act making appropriations for the Department of Defense for the fiscal year ending June 30, 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, and for other purposes.

Mr. JAVITS. I call up my amendment and send it to the desk to be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The second assistant legislative clerk read as follows:

The Senator from New York (Mr. Javits) proposes an amendment No. 1312 to amendment No. 1303.

The amendment is as follows:

Strike "205,600,000" and in lieu of the language proposed to be inserted by amendment 1303 insert the following: "$205,600,000, none of which, nor any other funds appropriated in this Act may be used for any activities involving Angola other than intelligence gathering, and which funds are".

Mr. JAVITS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, I yield myself 5 minutes.

Mr. President, this amendment proposes only to eliminate the figures from the Tunney amendment which reduced the amount of $205,600,000 down to $172,600,000.

My amendment contains the same figure agreed upon in conference, $205,600,000, and it includes the Tunney language.

Mr. President, may we have order. I will be through very quickly.

The PRESIDING OFFICER. Will the Senator withhold? The Senate will please be in order.

Mr. JAVITS. The reason for my amendment is simply to strip this controversy, which we have debated at such length, of any question about the amounts involved. The amount will remain exactly as the conferees agreed on, but we do include the injunction against spending any money appropriated in this act or any part of that $205 million for any activities involving Angola other than intelligence gathering. That is the whole sum of it.

The reason for it is we have been told that the way in which money would be available if we did nothing for the Angola operation will be by reprograming other funds for various purposes contained in this act, and it was my feeling as the debate developed that as the conferees had arrived at a balance of their respective views on money—that is what the essence of this bill is all about—and as it was made clear to us there was no sum of money here for Angola, it would have to come from cutting down other programs on which they had agreed, whichever ones they were, which they called reprograming, it seemed to me the proponents of the fundamental proposition put before us by Senator TUNNEY, by Senator CLARK, and others, really would only embarrass their cause by seeking to reduce the money. There was no point to it once we got the basic prohibition established, and that is what this will do.

May I say for my colleague, Senator TUNNEY, and others on that side that they could not have gotten into this situation in a parliamentary sense unless they had done something about the money. But having opened the door, we should now walk through it, and I hope the Senate will carry this as the substitute language for the Tunney language without renegotiating the dollars involved.

My final point, Mr. President, that it will save a lot of time with the other body if they are in any mood to do anything about Angola. It will certainly be a lot easier to get them to do it if they do not have to retrade all their deals on the defense appropriations.

For those reasons, Mr. President, I hope every one of the parties interested, except on a straight division of whether we will or will not go the Tunney route, will agree that this amendment is the right course to follow and that, as this amendment replaces the whole of the Tunney amendment, this will be the final action on that proposition.

Mr. President, I yield to the Senator from California 2 minutes.

Mr. TUNNEY. Mr. President, the Senator from New York and I have had a chance to discuss his substitute at some length, and the way he described the impact of his substitute is, in my mind, correct.

I think the substitute offered is a good one. I point out the reason that the $33 million as placed originally in my amendment was that it would have been out of order if we had not referred to a dollar figure in the amendment in disagreement No. 75 that came over from the House.

We no longer need that dollar figure. The dollar figure did represent our best estimate of the moneys that had been spent or were being programed to be spent in Angola.

Therefore, I am prepared to yield back the remainder of my time, and let us have a vote on the Senator's amendment. I think it is a good one.

The PRESIDING OFFICER. The Senate will be in order. Again will those conversing in the well please go someplace else. Will those conversing in the well please leave the Chamber.

Mr. JAVITS. Mr. President, in yielding, I would appreciate it if the Chair would inform me so that I do not use the last 2 minutes of my time.

I yield.

Mr. BUMPERS. Just one short question. One thing that did not come up yesterday and did not come up this morning that I was curious about, and that is whether or not this amendment or the Tunney amendment as it was originally written, would be other than an expression of the sentiment of the Senate and would it have any more than possibly an inhibiting effect on the possible use of any other funds the CIA has which could be used for covert activities?

Mr. JAVITS. I am not so young in this body as to believe that in a budget running into several hundred billions of dollars that the administration could not find money to do this. It would obviously bar them from using money in the $90 billion.

But I really believe with such a precision of expression by the Senate and the House on such a major bill as the defense appropriations bill, I would not believe the administration would move in that direction and, if it did, I assure the Senator there are lots of other ways in which a body as large as that majority which turned down the Griffin amendment could see that they rue the day. So I do not believe we are acting other than very substantively and decisively if we adopt the amendment I have sent to the desk.

May I say, Mr. President, that amendment is for myself and Senator HUMPHREY of Minnesota.

Mr. McCLURE. Mr. President, will the Senator yield for one question?

Mr. JAVITS. Yes.

Mr. McCLURE. Mr. President, the Senator from California a moment ago referred to the dollar amount figure in his amendment which the Senator from New York seeks to eliminate as being the best estimate of the amount of money that had been spent or would be reprogramed.

Am I not correct in remembering the statements made by the Senator from North Dakota and the Senator from Arkansas that a request for reprograming in this dollar amount had been made but, as a matter of fact, no reprograming has occurred and, I think, the Senator from Arkansas indicated that before the committees were about to grant such an authorization, there would be hearings and further inquiry by the committee?

Mr. JAVITS. That is my recollection, and I hope we are both correct, because whatever happens to this conference report——

Mr. YOUNG. Will the Senator yield?

Mr. JAVITS. Of course I yield.

Mr. YOUNG. The amount is to be programed, it is $28 million. I think the Tunney amendment deletion of claim money is not necessary to accomplish his objection.

Mr. JAVITS. I thank my colleague.

Mr. McCLURE. Would the Senator from North Dakota not agree with the Senator from New York and myself that although that request have been made, no sum of money has been reprogramed?

Mr. YOUNG. In fact, Chairman McCLELLAN notified the CIA he would not be taking up the reprograming until Congress convenes in January.

Mr. McCLURE. I thank the Senator.

Mr. JAVITS. I might say to Senator YOUNG, the chairman's trusted minority senior member, I would hope that whatever happens to the conference report, we hear rumors there are intentions to debate it until we quit, and things like that, that is up to all those involved, but I would hope with the clear expression of view by the whole Senate that at the very least it is intended by this reprograming method to let them use the money, that the matter would be submitted to the Senate, and if it felt we cannot wait the 20-odd days involved, I would hope it would be submitted today, tomorrow, or Saturday.

I think that is the least due us, having gone through the enormous exercise, and at long last trying to join the Congress and those major policy decisions on foreign policy, and being, as Arthur Vandenberg, for one of the first times in modern times, in at the takeoff instead of just at the landing, so many of which will crash.

Mr. TUNNEY. Will the Senator yield?

Mr. JAVITS. Yes.

Mr. TUNNEY. I feel so strongly that this amendment offers the Senate an opportunity to express its opinion on the basic principle that no moneys under this defense appropriation bill ought to go to Angola for military purposes that I ask to be a cosponsor of this amendment because it is directly on point, the language is exactly the same as the amendment that has been introduced by me.

The PRESIDING OFFICER. The Senator from New York asked to be advised when he had 2 minutes remaining. He has 2 minutes remaining.

Mr. JAVITS. Mr. President, I ask unanimous consent that Senator TUNNEY may be added as a cosponsor of the amendment.

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

Mr. JAVITS. Mr. President, I am prepared to vote now, but I do not see anyone from the Appropriations Committee who could speak for them, so I reserve the remainder of my time.

Mr. TUNNEY. I think that I control the other half of the time. I am happy to yield the floor to the Senator from New York.

Mr. BUCKLEY. I thank the Senator from California.

Mr. President, I rise because he stated that a vote in favor of the Javits amendment would constitute a vote in approval of the principles underlying the Tunney amendment.

I just want the RECORD to make it clear that a vote to improve an undesirable amendment does not constitute a vote of approval for that same amendment.

So I do not want my vote that will be forthcoming to be confused with approval of the Tunney proposal.

Mr. TUNNEY. I am prepared to yield back my time unless another Senator wishes to speak.

Mr. YOUNG. Will the Senator yield me 1 minute?

The PRESIDING OFFICER. On whose time?

Is this on the time of the Senator from California?

Mr. TUNNEY. Yes.

Mr. YOUNG. I ask the Senator from New York, does his amendment embody the language of the Tunney amendment?

What I am trying to determine is does your amendment restore money, and also encompass the Tunney language?

Mr. JAVITS. It does.

Mr. YOUNG. I support that.

The PRESIDING OFFICER. Who yields time?

Mr. JAVITS. Mr. President, I ask unanimous consent that Senator CASE may be made a cosponsor.

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

Who yields time?

Mr. McCLURE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLURE. The pending amendment is an amendment to the Tunney amendment?

The PRESIDING OFFICER. An amendment in the nature of a substitute for the Tunney amendment.

Mr. McCLURE. And if this amendment is adopted, it would require a further vote upon the Tunney amendment as amended?

The PRESIDING OFFICER. That is correct.

Mr. McCLURE. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. TUNNEY. I am prepared to yield back my time unless there is any Senator that wants to have my time.

Does any Senator request time?

Mr. FANNIN. Mr. President, could we clarify whether the Javits amendment does include the Tunney amendment?

Mr. TUNNEY. The Javits amendment includes the language in the Tunney amendment with one exception. The $33 million is eliminated.

Mr. FANNIN. But not on the——

Mr. TUNNEY. The only way the Tunney amendment can be adopted is to have a vote. This represents a substitute for my amendment.

Mr. FANNIN. That is what I wanted to know.

I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. TUNNEY. Will the Senator from Idaho agree to yield back the time or does he want to use my time?

Mr. McCLURE. There is a little confusion, will the Senator yield for a moment?

Mr. TUNNEY. Certainly.

Mr. McCLURE. So we can qualify the situation so that everybody may know exactly what is involved here.

The Javits amendment is an amendment in the nature of a substitute for the Tunney amendment, but a vote for the Javits amendment does not adopt the Tunney amendment.

If the Javits amendment is adopted, there would still be a vote on the Tunney amendment as amended by the Senator from New York.

Mr. TUNNEY. That is correct.

Mr. McCLURE. So that I, for one, although not necessarily in support of the Tunney amendment, would support the Javits amendment as being an improvement.

I think the Senator from California has indicated he thinks so, also.

Mr. TUNNEY. I would just like to say that I think if the Javits amendment is accepted, it is going to make it very clear what the sentiment of the Senate is in respect to cutting off funds to Angola.

It would then be my view, if the Javits amendment carries, it would then be clear that a majority of this body wants to cut off funds under this defense appropriations bill.

The PRESIDING OFFICER. Who yields time?

Mr. TUNNEY. I am prepared to yield back, but the Senator from New York desires to speak.

Mr. BUCKLEY. Mr. President, I went to some pains just now——

The PRESIDING OFFICER. There will be order, please.

Mr. BUCKLEY. I went to some pains just now to rebut the presumption just stated by the Senator from California.

My vote in favor of the Javits amendment must not be construed as a vote in favor of cutting off these funds for covert affairs in Angola.

Mr. TUNNEY. Then I suggest the Senator vote against it.

Mr. BUCKLEY. The Senator from California has no right to instruct me how to vote or determine the reasons for my vote.

Mr. TUNNEY. I have no right, but I make the suggestion.

Mr. JACKSON. Will the Senator yield for a unanimous-consent request?

Mr. TUNNEY. I yield to the Senator.

Mr. JACKSON. Mr. President, I ask unanimous consent that Dan Dreyfus and Ben Yamagato be granted privilege of the floor in connection with H.R. 3474.

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

Who yields time?

Mr. JAVITS. Mr. President, I ask unanimous consent that Charles Warren of my staff, be granted privilege of the floor.

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

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

Mr. DOMENICI. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. TUNNEY. Yes, I yield to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I ask unanimous consent that Frank DuBois, of my staff, be granted privilege of the floor.

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

Mr. TUNNEY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from New York. The yeas and nays——

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator from Washington (Mr. JACKSON) may proceed for not to exceed 3 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION AUTHORIZATIONS

Mr. JACKSON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 3474.

The PRESIDING OFFICER (Mr. PACKWOOD) laid before the Senate the amendment of the House of Representatives to the amendment of the Senate to the bill (H.R. 3474) to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes.

(The amendment of the House is printed in the RECORD of December 11, 1975, beginning at page 40170.)

Mr. JACKSON. Mr. President, I move to concur with the House amendments to the Senate amendments to the House bill.

Mr. President, this amendment which came over from the House was a part of the original conference report on ERDA. The House deleted certain loan guarantee provisions and in situ oil shale lease provisions from the bill and other than that they sent the bill back as the Senate had adopted it.

I have cleared this matter with Senator PASTORE, who handles the nuclear part of it, with Senator FANNIN and Senator BAKER.

We are all in agreement that in view of the margin of vote in the House, there is no point trying to go back to conference or sending it back with an amendment, despite the fact the Senate passed the bill 80 to 10.

Mr. President, the conferees had adopted the provisions of the Senate version of the bill which would authorize the Administrator of ERDA to guarantee loans for the construction of one-of-a-kind facilities to demonstrate new energy technologies. Among the technologies which were eligible for such assistance were energy production from solid wastes, solar energy applications, geothermal energy, conversion of coal to synthetic fuels, and production of oil from shale.

Another Senate provision adopted by the conferees would have authorized the Administrator to carry out, in cooperation with industry, a carefully controlled experiment in commercial production of oil from shale using in situ methods. The in situ method, if successful, would eliminate most of the extreme environmental consequences which will otherwise result from mining and above ground retorting of shale. It would greatly reduce water use, water quality degradation, and the production of solid wastes for disposal.

On December 11, in an unprecedented action, the House of Representatives bowed to the demands of some of its Members and voted separately upon these two provisions of the Senate-approved conference report. The provisions were rejected and the remainder of the conference report is now before us as an amended bill.

I intend to move that the Senate accept the decision of the House and approve the bill without amendment. I will do so not because I agree with the decision but because it is important for the other provisions of the bill to become law. I am not encouraged to believe that the House will accept any reasonable alternatives to the two provisions I have mentioned at this time.

Mr. President, the House debate on these provisions was remarkable. The loan guarantee provision was opposed by some Members as a $6 billion "ripoff" by the energy industries. It was just as vehemently opposed by others as the first step in nationalizing the oil industry. Editorials in major national newspapers supported both arguments.

I assure the Senate that the provision would have neither of the alleged results. It seems self-evident that it could not have both.

The debate includes contentions that this is a gift to major oil companies and testimonials that it is opposed by major oil companies. It includes contentions that these kinds of facilities will be constructed immediately by industry without

Federal assistance and contentions that they are impossible dreams and that the guaranteed loans will default.

The history of discussions about synthetic fuels policy is dramatically reflected in the House debate. This Nation is no longer self-sufficient in petroleum resources, but it has vast resources of coal and oil shale. We consume energy primarily in three forms—gas for industrial and domestic heating, liquid fuels for transportation, and electricity. All of these demands could be supplied from coal, oil shale, and more advanced systems if socially, environmentally, and economically acceptable conversion technologies could be realized.

There are those who remain complacent that industry will bring about the technologies when the market dictates, and there are those who believe the technical or economic problems are insurmountable. Industry has been alleged to be on the verge of demonstrating shale oil and coal gasification production for years, but action is never forthcoming.

Meanwhile, fundamental national policy decisions are being made based upon gross assumptions about our energy future. The viability of domestic energy self-sufficiency is critical to our international posture, even if we do not choose the course of energy self-sufficiency.

Real changes in life style and severe energy conservation decisions are being deferred because of complacency that technological solutions to the energy crisis are possible. Our energy-based economy continues to face the uncertainties of increasing prices and shortages.

The provisions stricken by the House were intended to encourage early demonstrations of available, but unproven, technologies—to assess the real technological, environmental, economic, and social consequences of synthetic fuel production. They were not intended—and could not—commit us to a synthetic fuels future, but they would provide the basis for reasoned and rational decisions.

The House action seems likely to result in one more costly deferral of action; to extend for at least another year any real initiative to find out if synthetics are a solution to our problems.

At best, our continued ambivalence on research and demonstration of energy alternatives will condemn us to taking expedient and blind action on synthetic fuels at some future date. It will condemn us to crisis commitments without the safeguards, without deliberate analysis, and without knowledge of the consequences. At worst, it will condemn the American public to greater dependence upon Arab oil and greater expansion of the nuclear alternative. And it will result not in energy conservation, but in economic deprivation.

I hope that the opponents of this measure in the House and the critics in the media will spend some time during the forthcoming holiday season reflecting on the options we have for the future. If they remain convinced that there is some way that new energy technologies will materialize without energy industry involvement, without government assistance, or without experimentation I hope that they will advance their own proposals for our consideration early next year.

If they have no alternative proposals, I hope that they can constructively support a program of the kind which has been deleted from this conference report before more crucial years of leadtime are wasted in inaction.

Mr. President, I think we are in complete agreement on the part of the participants in the conference on both sides of the aisle.

I yield to the Senator from Arizona.

Mr. FANNIN. Mr. President, I concur with what the distinguished Senator from Washington has said.

It is unfortunate the House did take out a very important facet of the bill, which was the loan guarantee program. It is going to be very damaging to the program.

At the same time, we do not have sufficient time to go into that matter with the House. It was such an overwhelming vote. I do not think it would be wise to try at this time to place that particular item back in the bill.

Mr. BUMPERS. Will the Senator yield?

Mr. JACKSON. I yield to the Senator.

Mr. FANNIN. There were two items. The other was on the old mine involvement, and the $750 million.

Mr. JACKSON. That was the other bill.

Mr. FANNIN. That is right.

Mr. JACKSON. This involved the situation of the loan guarantee provision.

Mr. BUMPERS. I think that answers my question.

The House dropped the $6 million loan guarantee and the oil shale project, those are the only two things?

Mr. JACKSON. That is correct.

Mr. DOMENICI. Mr. President, I reluctantly support H.R. 3474 the ERDA authorization bill, as amended by the House. I am disappointed the House struck the provisions which would have provided a loan guarantee program for synthetic fuels development. I feel there is an urgency to bring about the commercialization of synthetic fuels. However, I do not feel that we can delay on approving the authorization of funds for the Energy Research and Development Administration, because the rest of the provisions in the bill are extremely important to the Nation as we strive for energy independence.

I am hopeful that the members of the Senate Interior Committee who spent long hours developing the legislative language contained in section 103 will make every possible effort to assure that similar legislation is considered separately early in the second session.

I cannot stress enough the importance of a loan guaranteed program to insure the development of our synfuels program in the United States. It is important to the State of New Mexico because we have several coal gasification plants proposed for the northwest corner of the State. These plants offer an option to continued excessive dependence on foreign sources of energy. We cannot allow the millions of tons of coal in the United States to lie for another 3 million years, unused and unattended to while the Nation's energy needs go unmet.

Intelligent, resourceful, and environmentally sound development of these valuable resources, which offer so much to America's desire to be energy independent, must proceed. But, it cannot proceed without an aggressive program of Government aid in what is an enormously expensive proposition.

The technology for producing pipeline quality synthane—synthetic methane or natural gas—has been demonstrated in Scotland in a coal gasification plant using a combination lurgi and methanation process to create 25 million cubic feet of gas per day. While this plant is 100 times smaller than the commercial size synthane plants proposed by companies in this country, the fundamental process is known well enough to minimize the technical risk that these larger plants will not function properly.

The synthetic fuels project can involve both mining and manufacturing facilities requiring huge investments in resource assessment, resource acquisition, and development of necessary infrastructures and community facilities. Protection of the environment also can require costly environmental analysis and safeguards. The financial community will in all probability seek more conservative investments unless the Federal Government is willing to participate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. FANNIN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARRY F. BYRD, JR. Mr. President, I voted to approve the legislation authorizing funds for the Energy Research and Development Administration, as modified by action of the House of Representatives. Our R. & D. programs in energy are an essential element in our national effort to achieve greater independence from unreliable foreign sources of petroleum.

I favor the House position as compared to the Senate proposal and support the changes made by the House of Representatives.

DEPARTMENT OF DEFENSE APPROPRIATIONS, FISCAL YEAR 1976

The Senate continued with the consideration of amendment in disagreement No. 75 to H.R. 9861, an act making appropriations for the Department of Defense for the fiscal year ending June 30, 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, and for other purposes.

The PRESIDING OFFICER. The question now recurs on the amendment of the Senator from New York to the amendment of the Senator from California. 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 Louisiana (Mr. LONG) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is necessarily absent.

The result was announced—yeas 93, nays 4, as follows:

[Rollcall Vote No. 606 Leg.]

YEAS—93

Abourezk	Glenn	Morgan
Allen	Gravel	Moss
Baker	Hansen	Muskie
Bartlett	Hart, Gary	Nelson
Beall	Hart, Philip A.	Nunn
Bellmon	Hartke	Packwood
Bentsen	Haskell	Pastore
Biden	Hatfield	Pearson
Brock	Hathaway	Pell
Brooke	Helms	Percy
Buckley	Hollings	Proxmire
Bumpers	Hruska	Randolph
Burdick	Huddleston	Ribicoff
Byrd, Harry F., Jr.	Humphrey	Roth
Byrd, Robert C.	Inouye	Schweiker
Cannon	Jackson	Scott, Hugh
Case	Javits	Sparkman
Chiles	Johnston	Stafford
Church	Kennedy	Stevens
Clark	Laxalt	Stevenson
Cranston	Leahy	Stone
Culver	Magnuson	Symington
Dole	Mansfield	Taft
Domenici	Mathias	Talmadge
Durkin	McClellan	Thurmond
Eagleton	McClure	Tower
Eastland	McGee	Tunney
Fannin	McGovern	Weicker
Fong	McIntyre	Williams
Ford	Metcalf	Young
Garn	Mondale	
	Montoya	

NAYS—4

Curtis	Scott, William L.	Stennis
Griffin		

NOT VOTING—3

Bayh	Goldwater	Long

So the Javits amendment (amendment No. 1312) to the Tunney amendment (amendment No. 1303) was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOSS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California (Mr. TUNNEY), as amended.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MANSFIELD. Mr. President, I yield to the Republican leader, without losing my right to the floor.

The PRESIDING OFFICER. The Senate will be in order. The Senator from Pennsylvania may proceed.

TEMPORARY CONTINUATION OF CURRENT TAX WITHHOLDING TABLES—S. 2815

Mr. HUGH SCOTT. Mr. President, I send to the desk a bill providing that the current tax withholding tables remain in effect until March 15, 1976.

It is obvious that an impasse has been reached between the President and Congress. The purpose of my bill is to allow negotiations to proceed on the spending ceiling issue while keeping the withholding tax rates at current levels for a short period of time.

Mr. President, I would ask for immediate consideration of my bill but I realize that an objection would be raised. Therefore, I ask unanimous consent that my bill be considered as having been read twice and be placed on the calendar until such time as the Democratic Leadership decides to bring this matter before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered. The text of the bill is as follows:

S. 2815

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 3402(a) of the Internal Revenue Code of 1954 (relating to income tax collected at source), as amended by section 205 of the Tax Reduction Act of 1975, is amended by inserting after the second sentence thereof the following: "The tables so prescribed with respect to wages paid after December 31, 1975, and on or before March 15, 1976, shall be the same as the tables prescribed under this subsection which were in effect on December 10, 1975.".

(b) Section 209(c) of the Tax Reduction Act of 1975 is amended by striking out "before January 1, 1976" and inserting in lieu thereof "on or before March 15, 1976".

ANIMAL WELFARE AMENDMENTS OF 1975

Mr. WEICKER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 1941, which was reported from the Committee on Commerce today.

The PRESIDING OFFICER. Is there objection to proceeding to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1941) to increase the protection afforded animals in transit and to assure the humane treatment of animals, and for other purposes, which has been reported from the Committee on Commerce with an amendment.

The amendment was agreed to.

The bill, was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1941

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Animal Welfare Amendments of 1975".

SEC. 2. Section 1 of the Act of August 24, 1966, as amended (7 U.S.C. 2131), is amended to read as follows:

SHORT TITLE AND DECLARATION OF POLICY

SECTION 1. (a) This Act may be cited as the "Animal Welfare Act".

(b) The Congress finds that animals and activities which are regulated under this Act are either in interstate or foreign commerce or substantially affected such commerce or the free flow thereof, and that regulation of animals and activities as provided in this Act is necessary to prevent and eliminate burdens upon such commerce and to effectively regulate such commerce, in order—

(1) to insure that animals intended for use in research facilities or for exhibition purposes or for use as pets are provided humane care and treatment;

(2) to assure the humane treatment of animals during transportation in commerce; and

(3) to protect the owners of animals from the theft of their animals by preventing the sale or use of animals which have been stolen.

The Congress further finds that it is essential to regulate, as provided in this Act, the transportation, purchase, sale, housing, care, handling, and treatment of animals by carriers or by persons or organizations engaged in using them for research or experimental purposes or for exhibition purposes or holding them for sale as pets or for any such purpose or use.

SEC. 3. Section 2 of such Act (7 U.S.C. 2132) is amended—

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

"(c) The term 'commerce' means trade, traffic, transportation, or other commerce—

"(1) between a place in a State and any place outside of such State; or

"(2) which affects trade, traffic, transportation, or other commerce described in paragraph (1).

"(d) The term 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, or any other territory or possession of the United States;".

(2) by striking out the term "affecting commerce" in subsections (e) and (f) and inserting in lieu thereof "in commerce"; (3) by amending subsection (g) thereof to read as follows:

"(g) The term 'animal' means any dog, cat, monkey, guinea pig, hamster, rabbit, bird, horse, or any other animal, which the Secretary determines is intended for use for research, testing, experimentation, or exhibition purposes, or which is used or intended for use as a pet. With respect to a dog, the term also includes a dog used for hunting, security, or breeding purposes. The term does not include farm animals, such as, but not limited to, livestock or poultry, used or intended for use as food of fiber, or livestock or poultry used or intended for use for improving animal nutrition, breeding, management, or production efficiency.".

(3) by amending subsection (f) thereof by inserting after "or sells" and before "any" the following: ", or offers for sale.",

(4) by further amending subsection (f) by inserting a semicolon after the word "pets" and by striking ", but such term excludes any retail pet store except such store which sells any animals to a research facility, an exhibitor, or a dealer,";

(5) by amending subsection (h) thereof by striking out ", which were purchased in commerce or the intended distribution of which affects commerce, or will affect commerce," and inserting in lieu thereof "in commerce"; and

(6) adding at the end thereof the following new subsection:

"(i) The term 'carrier' means any person subject to regulation by the Interstate Commerce Commission, the Civil Aeronautics Board, or the Federal Maritime Commission, or any other person or class of persons engaged in the business of transporting animals for hire or providing services incidental to such transportation, as designated by the Secretary of Transportation.".

SEC. 4. Section 3 of such Act (7 U.S.C. 2133) is amended by inserting after "his facilities" and before "comply" in the first proviso thereof the following: ", including any terminal facilities used by such person,".

SEC. 5. Sections 4, 11, and 12 of such Act (7 U.S.C. 2134, 2141, and 2142) are amended by striking out "affecting commerce" and inserting in lieu thereof "in commerce".

SEC. 6. Section 6 of such Act (7 U.S.C. 136) is amended by striking out "Every research facility and every" and inserting in lieu

thereof "Every research facility, carrier, and".

SEC. 7. Section 9 of such Act (7 U.S.C. 2139), is amended by inserting after "dealer," the first time it appears the term "a carrier,", and the second time it appears the term "carrier".

SEC. 8. Section 10 of such Act (7 U.S.C. 2140) is amended by deleting "upon forms supplied by the Secretary" in the first sentence thereof and by adding after the second sentence thereof the following two new sentences: "Carriers shall keep such records as are necessary to carry out this Act, with respect to the transportation, receiving, handling, and delivering of animals, as the Secretary may prescribe: *Provided,* That in the case of those carriers required to maintain records under requirements of other Federal agencies, if the Secretary determines that any additional records are needed for the purposes of this Act, and proposes to require such records, such requirements shall not become effective until they have been approved by such other agencies. Any such records shall be made available at all reasonable times for inspection and copying by the Secretary.".

SEC. 9. Section 13 of such Act (7 U.S.C. 2143), is amended—

(1) by amending the title thereof to read as follows: "HUMANE STANDARDS FOR ANIMALS";

(2) by inserting "(a)" immediately before the first sentence thereof;

(3) by amending the second sentence thereof by inserting after "Such standards" and before "shall include" the following: "shall apply with respect to the facilities of any person licensed or registered pursuant to this Act and with respect to any terminal facilities used by a carrier subject to this Act and"; and

(4) by adding at the end thereof the following two new subsections:

"(b) The Secretary shall promulgate standards in accordance with this subsection to govern the transportation in commerce, and the handling, care, and treatment in connection therewith, by carriers, of animals consigned by any dealer, research facility, owner of a pet, exhibitor, operator of an auction sale, department, agency, or instrumentality of the Federal Government or of any State or local government, or other person. Such standards shall include, but need not be limited to, minimum requirements with respect to containers, feed, water, rest, ventilation, temperature, handling, veterinary care, and other factors determined by the Secretary to be relevant to assuring the humane treatment of animals in the course of their transportation in commerce. Such standards shall be designed to assure the safe transportation in commerce of all animals received in healthy condition and to safeguard such animals against disease, injury, and death in the course thereof. The Secretary may revise such standards to the extent necessary or appropriate. Such standards may include a requirement that no animal of a designated kind shall be—

"(1) delivered by a dealer, research facility, exhibitor, operator of an auction sale, owner of a pet, or by a department, agency, or instrumentality of the Federal Government or of any State or local government, to a carrier, for transportation in commerce; or

"(2) received by a carrier, for transportation in commerce, from any person or government entity described in paragraph (1);

unless it is accompanied by a certificate issued with respect to such animal by an accredited (as defined by the Secretary) veterinarian. Each such certificate shall attest that such veteriarian inspected such animal within a time interval which shall be specified and that, when so inspected, such animal appeared to be free of any infectious disease or physical abnormality which might endanger such animal or other animals during transportation in commerce. Any such certificate shall be issued at a time interval, and shall be retained by the receiving carrier for a reasonable period of time in accordance with regulations of the Secretary.

"(c) No carrier involved in the transportation of any animal in commerce shall participate in any arrangement, or engage in any practice, under which the cost of the transportation of such animal, or any other charges (including the purchase price of any such animal), is required to be paid and collected upon the delivery of such animal to the consignee, unless the consignor guarantees in writing the payment of transportation charges, including, where necessary, both the return transportation charges and an amount sufficient to reimburse such carrier for all out-of-pocket expenses incurred for the care, feeding, and storage of any such animal in the event that such animal is not claimed upon delivery. Such transportation shall be permitted by the carriers after a period of twenty-four hours.".

SEC. 10. Section 15 of such Act (7 U.S.C. 2145) is amended by adding at the end thereof the following new subsection:

"(c) In addition to other applicable requirements, the Secretary shall consult and cooperate with the Secretary of Transportation, the Administrator of the Federal Aviation Administration, the Chairman of the Civil Aeronautics Board, the Chairman of the Interstate Commerce Commission, and the Chairman of the Federal Maritime Commission with respect to the establishment and enforcement of humane standards for animals in the course of their transportation in commerce and in terminal facilities prior to and after such transportation. Before promulgating any standard governing air transportation and related handling of animals, the Secretary shall consult with the Secretary of Transportation, and the Administrator of the Federal Aviation Administration who shall have the authority to disapprove any such standard if he notifies the Secretary, within thirty days after such consultation, that changes are necessary in the interest of safety flight including the safety of the aircraft, its environment, or its equipment. The Interstate Commerce Commission, the Civil Aeronautics Board, and the Federal Maritime Commission, to the extent of their respective lawful authorities, shall take such action as is appropriate to implement any determination by the Secretary with respect to a person subject to regulation by it.".

SEC. 11. Section 16(a) of such Act (7 U.S.C. 2146(a)) is amended—

(1) by inserting "carrier," in the first sentence thereof after the term "exhibitor", each time such term appears in such sentence;

(2) by striking out "or" before "(4)" in the third sentence thereof;

(3) by inserting before the period at the end of the third sentence thereof the following: ", or (5) such animal is held by a carrier"; and

(4) by adding the following new sentence at the end thereof: "The United States attorneys are authorized to prosecute all criminal violations of this Act reported by the Secretary and to invite civil actions to enforce orders of and to recover all civil penalties assessed and reported by the Secretary, or which come to their notice or knowledge by other means.".

SEC. 12. Section 19 of such Act, as amended (7 U.S.C. 2149), is amended—

(1) by inserting after "exhibitor," each time the term appears the following: "carrier,";

(2) by striking out "one year" in subsection (c) thereof and inserting in lieu thereof "six months";

(3) by amending subsection (a) thereof by striking "violation, and if" and inserting in lieu thereof the following: "violation. The district courts of the United States shall have jurisdiction to enforce any such order by appropriate means. If";

(4) by amending subsection (c) thereof by inserting "knowingly" after "who" and before "violates"; and

(5) by adding at the end thereof of the following two new subsections:

"(d) Any dealer, exhibitor, carrier, or operator of an auction sale subject to this Act who is determined by the Secretary, after notice and an opportunity for a hearing, to have violated a provision of this Act or of a standard or regulation prescribed pursuant to this Act, shall be liable to the United States for a civil penalty. The amount of such penalty shall be not more than $2,000 for each violation, and if any violation is a continuing one, each day of violation constitutes a separate offense. The amount of any such penalty shall be assessed by the Secretary by written notice. In determining the amount of such penalty, the Secretary shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the person found to have committed such violation, the degree of culpability, any history of prior offenses, ability to pay, effect on ability to continue to do business, and such other matters as justice may require.

"(e) Any action under this section may be brought before a United States magistrate in the district court of the United States in any judicial district in which such person is found, and such magistrate shall have jurisdiction to hear and decide such action.".

SEC. 13. Section 21 of such Act (7 U.S.C. 2151) is amended by adding at the end thereof the following two new sentences: "Record-keeping requirements prescribed pursuant to section 8, and standards promulgated pursuant to subsections (a) and (b) of section 10, shall be prescribed or promulgated in accordance with section 553 of title 5, United States Code, except that interested persons shall be entitled to make oral as well as written presentations. A transcript shall be taken of any oral presentation.".

SEC. 14. (a) Section 23 of such Act (7 U.S.C. 2153) is amended by striking out the last sentence.

(b) Such Act is amended by adding at the end thereof the following new section:

"SEC. 26. There is authorized to be appropriated to the Secretary to carry out the provisions of this Act not to exceed $4,000,000 for the fiscal year ending June 30, 1976, not to exceed $1,000,000 for the transitional fiscal quarter ending September 30, 1976, not to exceed $4,000,000 for the fiscal year ending September 30, 1977, and not to exceed $4,000,000 for the fiscal year ending September 30, 1978.".

SEC. 15. Section 24 of such Act (7 U.S.C. 2154) is amended—

(1) by inserting "and carriers" after the term "dealers" in the third sentence thereof, and

(2) by adding after "of this Act" and before the period at the end of the first sentence the following: ", except that the regulations relating to carriers shall be prescribed not later than nine months after the date of enactment of the 'Animal Welfare Amendments of 1975.' ".

SEC. 16. Section 25 of such Act (7 U.S.C. 2155) is amended—

(1) by striking out "and" at the end of paragraph (2) thereof;

(2) by redesignating paragraph (3) thereof as paragraph (4) thereof; and

(3) by inserting therein the following new paragraph:

"(3) recommendations and conclusions approved by the Secretary of Transportation, the Administrator of the Federal Aviation Administration and the Chairman of the Civil Aeronautics Board, concerning flight safety, including the aircraft, its environ-

ment, or equipment as they relate to the carriage of live animals in air transportation; and".

SEC. 17. Section 16(c) of such Act (7 U.S.C. 2146c) is amended by striking ", and the provisions of title II of the Organized Crime Control Act of 1970 (62 Stat. 856; 18 U.S.C. 6001 et seq.),".

DEPARTMENT OF DEFENSE APPROPRIATIONS, FISCAL YEAR 1976

The Senate continued with the consideration of amendment in disagreement No. 75 to H.R. 9861, an act making appropriations for the Department of Defense for the fiscal year ending June 30, 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, and for other purposes.

ADDITIONAL STATEMENTS ON ANGOLA

Mr. KENNEDY. Mr. President, I rise to support the amendment offered by the Senator from California, Mr. TUNNEY, which I have cosponsored, to halt covert U.S. involvement in the civil war in Angola.

It is evident from the secret session recently concluded that the Senate as a body has neither been informed of the details of our military aid to one of the factions in Angola, advised of the policies being pursued nor been given an opportunity to express its view on this matter.

We are faced with a secret operation that may reach an expenditure of $60 million. Those are taxpayer dollars being used in a way that promotes an escalation of the civil war and massive and tragic loss of life and property that inevitably will result.

We all deplore the intervention by the Soviet Union and Cuba in that newly independent nation of Africa. Yet we neither promote our own interests nor those of a peaceful solution by responding with a CIA-financing covert operation, apparently conducted in concert with the Union of South Africa.

The Congress has an equal role in foreign policymaking with the administration. Our obligations cannot be fulfilled if we are kept in the dark or if we are confronted with an opportunity to act only after the fact. And that is what we are faced with in Angola. A major covert operation has been conducted without full public explanation of the policy being pursued or the interests, objectives, and goals that policy is designed to promote.

Until Congress is given that opportunity and makes that determination, I do not believe we should permit the continued expenditure of tax dollars by the CIA in the Angolan civil war.

And I believe that even were the question before us today as a request for authorization for such action, the risks of that policy clearly outweigh any fleeting short-term benefits.

First, we know that covert involvement of U.S. money and U.S. personnel—whether CIA employees or mercenaries hired by the CIA—in a foreign civil war can ensnare this Nation in growing and undesired commitments. Although we are told that there is no intention of producing another Vietnam on the continent of Africa, the dangers of step-by-step increments of U.S. money, manpower and prestige are clear.

Santayana's warning seems never so apt as today that those who will not learn from history are destined to repeat it.

If we have learned anything from Vietnam, it is that the United States cannot police the world. Any effort to do so in Angola without full public and congressional acceptance of the need for the expenditure of U.S. resources in a foreign civil war cannot be sustained—and should not be sustained.

Second, if we look at the continued statements of the Council of the Organization of African Unity in opposition to foreign intervention in Angola, it is clear that our actions—however frequently we identify them as a reaction to Soviet and Cuban initiatives—will be condemned as foreign intervention. We cannot hope but antagonize many of the African nations with whom we desire improved relations.

Third, it is unchallengeable that throughout black Africa, our involvement on the side of the white supremacist regime of the Union of South Africa and increasing reports of our acting in concert with that government, will be cause for attack. Ultimately, we could well find ourselves isolated from the dominant forces on that continent—a result which clearly is not in our interests.

Finally, the actions we are taking to finance covert operations which prolong the bloody civil war yield tragic humanitarian consequences: loss of life, creation of new populations of refugees, disruption of food supply and resulting malnutrition and hunger. Those covert operations have involved already some $33 million with up to $60 million authorization. Yet our support for humanitarian relief has been limited to $200,000. This juxtaposition of priorities is not in the interests of the people of Angola nor in the interests of the United States.

Let us look at the long story behind our current involvement in Angola.

Angola, as a colony of Portugal, gained its independence on November 11. Yet, because of the abundant natural resources spread throughout that territory, both internal and outside forces have spent months and years vying for full control of this land. To some observers, the conflict and internal strife were inevitable. For, the end of colonialism in African countries has too often been followed by a scramble among warring factions that seek to enjoy the spoils, even before the local residents have a chance to begin guiding their own fate.

Too much of what is happening in Angola today has been repeated time and time again throughout the colonial world. Thus, after years of colonial rule, an African nation emerges with its own internal struggle for powers already drawn upon ethnic, tribal and historical lines.

Adding to that, is the awesome might of the superpowers in the Soviet Union, the United States, and China.

Our Government reluctantly admits involvement for the sake of protecting our interests—particularly our interest in Angola's potential oil supply. And for years, along with the Russians and the Chinese, our Government has been a supporter of at least one liberation faction in Angola.

Zaire, Zambia, and other black African states are also deeply involved in Angola, and for their part, the people of Angola are forced to question this deep involvement in Angolan affairs by so many foreign governments. Yet, a third faction poses one of the most imponderable aspects of this entire conflict. For, the Republic of South Africa has also committed troops, munitions and other resources to the Angolan struggle. Our debate today on this serious matter must focus upon the real dangers posed by the U.S. involvement in that troubled land. As long ago as 1969, the administration decided that black Angolans would not obtain majority rule in the land of their birth. And so, our Government chose to support the Portugese governments of Caetano and Salazar.

But, for at least 13 years, it has been reported, the CIA has funneled assistance to the FNLA—one of the three Angolan liberation parties. When Portugal's government collapsed in 1974, independence for Angola and all of the Portugese colonies became the hallmark of the new Portugese government's democratic experiment.

After that event, the world's attention cautiously turned to the anticipated buildup by interests outside of Angola—interests that have been nurtured by a continuing search for power, but interests that bore no compassion or empathy for self-determination. In 1974, Portugal, after 500 years of colonialism, surrendered her claim to that land, far from the shores of Lisbon.

And now, in 1975, the mighty nations of the world have reached out to pull apart any hope for Angolans to determine for themselves how that newly formed state ought to be directed.

I fully support and have cosponsored the amendment to prohibit military funds for use in Angola, because I agree with those who feel that a continued U.S. buildup can only provide fuel for the warring factions to blaze away at each other.

And the victims of continued fighting will be not only the soldiers of MPLA, UNITA and FNLA—but the women and children and those who are too old to fight who will be the tragic, helpless targets of the rockets, bullets, and missiles that are "Made in the USA."

There are clearly no easy answers to the problems posed by the conflict in Angola. Yet, the issues considered by the administration have too often been surrounded in secrecy. So that even now, as the Senate comes out of a closed briefing and debate on this grave matter, there still remains the difficult issue of where should this country place its resources, its public policy and its moral commitment.

For me, that question has a plain and direct response. The United States should not be militarily involved in Angola. Not only should we get out, but our doing so should be a signal for South Africa, for China, for the Soviet Union, for Zaire

and for every foreign government to extricate themselves from Angola's civil war.

Indeed, if our Government insists on being involved, then we should seek ways not only to encourage the ouster of all foreign governments, but we should make it clear that this Nation is prepared to assist any and every effort to negotiate a settlement between the forces of liberation in Angola.

Next year as Americans around the world celebrate an independence that has such precedents throughout civilization, at least we should be prepared to support and assist those efforts designed to insure that peace may prevail in the new nation of Angola.

Last October I listed at least five distinct steps that the United States can and must take in order to serve the causes of peace and justice in Angola.

First, the United States should respect the territorial integrity of Angola, as urged for that country by the three Angolan parties and the Organization of African Unity. All efforts to partition the country or separate Cabinda must be vigorously opposed.

Second, we must do what we can to halt all foreign involvement and intervention—including our own—so that the future of Angola can be decided upon by Angolans themselves.

Third, we should support efforts both within Angola, and on the part of third parties, to mediate between the rival groups to Angola, to halt the bloodshed, and to seize opportunity for a peaceful transition to independence. In particular, we should support the Conciliation Committee of the OAU in its attempt to bring a solution to the Angola crisis.

Fourth, we should demonstrate a willingness to work with any Angolan government that emerges as the people of that nation work out their own plans for self-development.

Finally, governments and international organizations should offer humanitarian assistance to victims of the fighting, wherever they are found, and thereafter, give financial and technical assistance to Angola to help rebuild the country.

We have in this instance a good opportunity for the United States to develop a policy regarding an African nation that has been designed by the Africans themselves. For too long our Government has taken its cue on African policy from other nations in Europe. In this case we know that the OAU has consistently urged all foreign interests to leave Angola. It is clear that our Government deserves to take its lead from those in Africa who want Angolans to decide for themselves the fate of their great land.

I urge my colleagues to support the pending amendment to the Defense Department appropriation so that peace and reason can replace the fire of war that is now consuming the new state of Angola.

Mr. GARN. Mr. President, the debate we are engaged in today is a momentous one, a historic one. Far more is at stake than the fate of Angola. Both sides of the debate over the strategic importance of Angola are correct: we can live without a non-Communist, non-Sovietized Angola, and at the same time, Angola is of enormous importance in today's geopolitics. That is true because the fate of Angola will help to answer the question, "Whom does America protect?" So far, the answer to that question appears to be, "Nobody." Angola is important because of its effect on the perception of American strength by both friend and foe.

Just incidentally, the failure of Soviet action in Angola would preserve a measure of freedom to the people there, but the larger significance is its effect on the fate of other non-Communist nations throughout the world.

I have been concerned about the secrecy involved in the U.S. contribution to the anti-Communist resistance in Angola. Concerned because action of this kind tends to be ineffective, unless it is coupled with some sort of national resolve, which expresses itself in diplomatic terms. It was the lack of such a resolve that led to our defeat in Vietnam, which in turn has contributed to our paralysis in Angola. As an editorial in the London *Daily Telegraph* noted yesterday, "America's self-imposed defeat" in Vietnam has been the best weapon the Communists have had. Of course, in the case of Vietnam, our leaders failed miserably to develop a natonal resolve. They failed on the one hand because they were themselves unsure about our objectives there, and on the other because they proceeded in secret. It is the secrecy of our action in Angola which is also troubling today. In my view, we ought to strip away the mask of secrecy, move openly, and communicate with our constituents the true importance of standing firm in Africa.

For instance, Mr. President, suppose we were to continue our present level of aid, send in the $25 million or so we are talking about today, using the Governments of Zaire and Zambia as conduits, and that we were at the same time to say to the Soviet Union that if a single Mig-21 leaves the runway in Angola, we will simply break off all arms limitation talks, indefinitely. I am willing to bet that the Migs would never take off.

Suppose we were to couple our economic aid with notice to Fidel Castro that his action in Angola constitutes a clear violation of the agreements reached with the United States in 1962. Cuba agreed at that time that there would be no export of the revolution, and we agreed to forego any further attempts to liberate the unhappy people of that island. Suppose we were to tell Castro that since he has violated the agreement, we no longer consider ourselves bound by it, and that we are going to resume active naval operations in the Carribean, for the purpose of preventing any further shipment of Cuban soldiers to Angola. Again, I am willing to bet that we would see some serious action towards a decrease in Cuban activity in Africa.

In short, Mr. President, if we are unwilling to intervene directly in Angola, we should immediately raise the diplomatic costs to the nations that do intervene. Such a course of action should be obvious, and would be if we were not blinded by the rhetoric about the benevolent nature of the Neto movement in Angola. Listening to some of the descriptions of this movement is very reminiscent of the descriptions we heard in the late 1950s of Fidel Castro, or the earlier descriptions of the "agrarian reformers" in China.

However, it is only fair to note that such a policy is incompatible with the policy of détente as recently practiced in the United States. In that respect, Secretary Kissinger's angry comments about foreign involvement in Africa are somewhat startling. Secretary Kissinger has shown an almost amazing tolerance for offensive and insulting action by the Soviet Union and her client states. Now, all of a sudden, he is upset about Soviet intervention in Angola. Well, Mr. President, a number of us have been upset about Soviet actions for a long time. My constituents have never understood the passion for accommodation which has characterized the State Department, and American foreign policy in general. My constituents are strongly opposed to treating the Soviets as good buddies, because they feel in their bones that Angola-style action is what we can always expect from them. And they are correct.

Some observers, more sophisticated than the Senator from Utah, are now coming to the same conclusion. Victor Zorza, in this morning's Washington Post, claims that there has been a shift in Soviet policy, away from accommodation and in the direction of confrontation. The increasing willingness of the Soviets to confront us is explained as follows:

> The military buildup is increasingly giving it the confidence—and the hardware—with which to intervene in far-off places, and to disregard calls for moderation.

With all due respect to Mr. Zorza, I do not, myself, see any shift in policy, but I am glad to see that he now joins me in questioning the intentions of the Kremlin.

I return to a point hinted at earlier, and one which I have made many times on the floor of the Senate: psychological relations are important in geopolitics. Very often the amount of our contribution, or the degree of our involvement is less important than the will we show in acting at all. What I am asking us to do in Angola, Mr. President, is to stand up for the principle of self-determination, and to act to minimize the interference by Communist nations in the affairs of a small, but strategically located country. To do so, we will have to free ourselves from the constraints imposed on us by our blind adherence to the policy of détente.

If we do not Angola will be dominated by the Soviet Union, as Somalia is already, as Guinea is already, and as several other nations of Africa threaten to become. Angola's fall will further validate the good old domino theory, which was restricted to Southeast Asia only by its attackers.

Mr. BROOKE. Mr. President, during the past several days the Senate has attempted a substantive discussion of the

Angolan crisis. We have met in secret session twice. We have debated several amendments, one of which I am a cosponsor, and a resolution setting forth certain policy perspectives on the matter. The decisions we have made or will make by our votes are important ones for which the Congress, in exercising its power, must bear a major share of the responsibility for the events that result therefrom.

Before I detail why I believe the proper policy choice for the Congress is to legislate a cessation of covert support for any of the Angolan factions, it is necessary to set forth certain basic considerations. First, the Angolan conflict is not another Vietnam in any meaningful analytical sense. This is the case even though there are certain generic similarities in that both can be viewed as primarily internal conflicts while at the same time being situations wherein the Soviet Union has attempted to expand its influence by massive support of one of the contending parties. Our reaction in both cases, however unwise it may have been or is, has been predicated on a belief that our interests demand some form of support for elements opposing the Soviet-backed groups. But, I emphasize that these are generic similarities endemic to any so-called liberation struggle in which Soviet expansionism and U.S. interests collide. These similarities do not provide an adequate basis to judge the specific case of Angola.

Far too often in our discussions in the Congress and in performing our educational responsibilities to the American people, the Vietnam tragedy is being used as an emotive rationale for certain actions when what is needed is sober, responsible analysis of a unique situation and its relevance to U.S. interests. It is wisdom to learn from past errors. It is folly to be the prisoner of them.

Second, our limited involvement to date in the Angolan conflict is not another example of Executive malfeasance, nor an indication that the Executive has tried to cover up its actions by ignoring the congressional channels set up for the processing of highly sensitive information. There are designated individuals in this chamber who have been or should have been aware that the United States has been interested in certain Angolan groups for a number of years. The exact nature of that interest may not have been widely known, but the fact that we have had an active interest in the Angolan situation for some time certainly should not have come as a great surprise to many individuals in the Congress. Nor would it have been impossible for other Members, through study of the situation there, to attain a general understanding of how we have sought to promote our interests.

On this matter the Executive has reached certain conclusions based upon its interpretation of information available to it and U.S. interests. We may reach different conclusions at this point in time. If we do, they should be based upon our own best judgments on the substantive issues involved in the Angolan situation, not on any shallow attempt to argue the matter as a congressional-executive confrontation.

Third, contrary to what some have argued, I do not believe that Angola is unimportant to us. The plight of the Angolan peoples should be of great concern to our country. Angola is stategically located close to important sea lanes. Angola is richly endowed with natural resources and will become one of the more important countries of Africa in the years ahead. It is ludicrous to claim that we have no interest in Angola's future in light of these factors; just as ludicrous, in fact, as the claim that our interests inevitably compel us to intercede further in the present conflict.

Finally, the Angolan conflict, while mainly a war between competing groups in Angola, is not without its international implications. The relatively massive involvement of the Soviet Union and Cuba in the conflict, the abhorrent presence of South African forces in Angola, and our own comparatively modest involvement to date have made the conflict more than just a civil war. We obscure the complex nature of the problem by categorizing it as such.

Having examined the Angolan question with these considerations in mind, I have concluded that long-term U.S. interests will not be served by continued covert support of any of the contending factions. No convincing case has been made for such continued support under existing conditions. The factions that we have helped cannot hope to attain effective control of Angola. Our continued covert involvement serves to increase rather than decrease Soviet influence over elements that may come out of the conflict in the strongest position. Our involvement runs counter to the expressed desire of OAU countries for a cessation of all foreign intervention in Angola. Our present policies threaten to create an association, at least in the minds of many Africans, of ourselves with the South African forces who have intervened in Angola. Any such association with a country whose government continues to advocate racial separation is anathema to most Americans and will ill serve our interests in Africa for years to come. For these and other reasons, continued U.S. covert support for any of the factions in Angola is not the proper course of action for the United States.

I am naturally concerned with the willingness of the Soviet Union and its client state, Cuba, to intervene in the Angolan conflict. Such intervention, I believe, is one indication that détente, as practiced by the Kremlin, could be used as a cover for Soviet expansionism. While one must hope that such will not be the case, it is impossible to ignore the contradiction posed by the Soviet intervention in Angola.

The Soviet Union may gain certain advantages if the faction it is supporting wins uncontested control of Angola. One such advantage would be Soviet access to and possible control of certain port facilities in Angola. This would provide Moscow with an opportunity to project a very strong naval presence in the South Atlantic and along shipping lanes of great importance to Western Europe and the United States. Soviet control of Angolan resources would also be very disturbing. Yet, I am firmly convinced that such advantages, if they materialize, will be shortlived. African states, whatever their expressed ideologies, will not long tolerate dominance by any outside power. They have struggled too long for independence to forfeit it to the Soviet Union or anyone else. Indeed, I venture to predict that the Soviet Union will be astonished at the depth of ingratitude the MPLA will manifest in the aftermath of the current struggle should it emerge as the victor.

The need now is for the United States to fashion its policies so that it will be in a position to provide any party that ultimately gains control in Angola the option to establish good relations with our country. In doing so we will give an Angolan regime the opportunity to avoid dependence on the Soviet Union or some other power. It is a proper objective of U.S. foreign policy to provide such an option. To be in a position to do so we must indicate our willingness to abide by the desire of the majority of African states for nonintervention in Angola by any outside power.

Mr. CASE. Mr. President, I believe we have come to a watershed in our relationship to black Africa. If we approve stepped up covert military assistance to Angola today the American position in black Africa will be damaged severely and, increasingly, we will find ourselves isolated on that continent.

While we were involved in helping one of the factions in Angola as early as last March, the first Presidential decision to give some limited military aid came in the middle of July. That was after at least one other black African country decided it had to resume military assistance to the non-Soviet factions—the FNLA and UNITA. It was at a time when the People's Republic of China was backing the non-Soviet factions in Angola.

At that time the President's decision to provide limited military aid was understandable. The Soviets were involved with MPLA; the opposing factions in Angola had the backing of several black African countries and the Chinese.

Conditions have now changed dramatically. The People's Republic of China has pulled out. At the same time the increasing presence of South African soldiers has put the United States in an unhappy position. The Soviets will be quick to paint us an ally of white South Africa, anathema to most black Africans, in the hope of isolating us from black Africa as a whole. Our supporters in black Africa will fall by the wayside if we fall into this trap.

The signs of deterioration have already set in. At the beginning of this week no less than 15 African nations—two of them Moslem Arab states—had decided to recognize the Soviet-backed MPLA as the legitimate Government of Angola. This increasing support for the MPLA will not be ignored by the Organization of African Unity. So far the OAU has remained neutral and has tried to bring the warring factions in Angola together.

The danger is that the OAU's policy will change to support for the Soviet-backed MPLA as African politics polarize on this issue.

At the early stage American support for the FNLA and UNITA was shielded somewhat by the backing for those factions given by other black African countries. It is unclear how long other African countries can afford politically to continue their support if the United States steps up its military aid.

To pursue the course we are on is self-defeating in the context of African politics. We cannot win in the long run. Nor, can we win in the short run. According to the CIA, if the United States were able to give Soviet-style support—and if we could provide military advisors and pay for mercenaries to fight in Angola—then the FNLA and UNITA might have a chance to hang on. Because the Soviets are likely to match us in the delivery of arms and the commitment of foreign soldiers to the conflict, it is clear that at best, we too, can only "hang on."

Now is the time to call a halt. The termination of military aid is essential I believe, if we want to preserve for ourselves a meaningful role in black Africa and to protect our long run strategic interests in the region. It is essential too for the creation of conditions in which the African nations can settle the problem and at the same time preserve their independence from outside domination.

AN ASSESSMENT OF CUBA'S INVOLVEMENT IN ANGOLA—CASTRO'S CONSISTENT FOREIGN POLICY

Mr. STONE. Mr. President, for the past several days we have been debating a course of action with regard to the current situation in Angola. It is no secret that Cuba has sent thousands of armed soldiers to join combat for the Soviets in Angola. Finally this body and the entire world is beginning to understand how Fidel Castro operates and what he stands for.

Our official State Department position of encouraging relations with Castro seems to have been silenced. Perhaps those who have been proponents of relaxed relations, who have called for unilateral concessions to Castro, are now beginning to realize what they would be getting into.

The December 22, 1975, edition of U.S. News & World Report contains an editorial by Howard Fleiger entitled "Fidel's Fidelity." It is an article which provides a revealing analysis of Castro's tactics in seeking our favors. It aptly points out that Castro has not altered his policies that separated the United States and Cuba 15 years ago and has never shown a willingness to change these policies of international subversion in return for improved relations with us. It warns that the only policy-changing to occur will be submission on our part to Castro's game. I ask unanimous consent that it be printed in the RECORD.

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

FIDEL'S FIDELTY

(By Howard Flieger)

One thing you should not forget about Fidel Castro: whatever else he may be, he is very consistent.

Cuba's latest joint venture with the Soviet Union of intervention in Angola re-emphasizes the point.

Those in the U.S. who have been in favor of easing the American embargo and of encouraging renewed contacts between Washington and Havana would do well to keep this fundamental fact in mind:

If any concessions are made, Castro expects the United States to make them. He isn't going to. He has made it perfectly clear from the beginning that his system is untouchable and there is to be no softening of his Government's anti-U.S. foreign policy at any price.

In all fairness to Castro, he has never promised to change his basic policies in return for improved relations with the U.S., or even hinted at a willingness to do so.

Those in America who feel he might change are indulging in wishful thinking. They get no encouragement from Castro now. They never have from the day he seized Cuba.

All one needs to do is look at the record. Castro has never kept it secret.

During the 1960s, Communist Cuba backed revolution throughout Latin America, and its propagandists and agents encouraged anti-Vietnam War demonstrations in the U.S.

Young Americans were welcomed to Cuba—in fact, invited in with all expenses paid—to cut sugar cane and study Marxism.

When it became apparent during the early 1970s that revolutions in this Hemisphere were not a fertile field for Communism, Castro shifted tactics. He did not shift goals.

Now he is interested in forming commodity exporting associations among Latin American nations as a type of economic warfare against the United States. Cuba is a member of the new Latin American Economic System comprising the countries of Latin America and the Caribbean. The U.S. is not a member. As a matter of fact, it was not asked to join.

Last August, it began to appear in Congress and elsewhere that sentiment was on the increase in this country to break the ice with Castro and get the two Governments on more accommodating terms. How did Fidel Castro receive the news? By making it emphatically clear that, come what may, he had no intention of altering his anti-U.S. ways.

The Cuban dictator reacted by holding a conference in Havana on Puerto Rican independence. He made one of his typical speeches on that occasion. He declared that, if he were faced with a choice between a resumption of Cuban-American relations or backing Puerto Rican independence from the U.S., he would choose the latter without hesitation. It makes no difference to him that only a relative handful of Puerto Ricans actively agitate for independence.

Now Castro has sent thousands of his soldiers into Angola in Africa to join forces with troops from the Soviet Union. These are not mercenaries or soldiers of fortune. They are Cuban army regulars.

As pointed out in a news story in this magazine recently, the Angola force is only one of the detachments of Cuban troops that have been deployed in 10 countries—not to act in Havana's interest but against the interests of the United States, which opposes armed intervention by outsiders in the affairs of newly independent nations.

What it adds up to is this:

If the U.S. if willing to deal with a dictator who has no intention of altering the policies that separated Washington and Havana 15 years ago, then there is a possibility of resumed contacts between the two.

But nobody can say the signals from Havana are obscure. They couldn't be clearer. If relations improve, it will be the U.S. that has changed—not Fidel Castro.

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending question is on agreeing to the amendment of the Senator from California (Mr. TUNNEY) as amended by the amendment of the Senator from New York (Mr. JAVITS).

Mr. MANSFIELD. Are we prepared to vote?

Mr. BUCKLEY. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield briefly to the Senator from New York.

Mr. BUCKLEY. Mr. President, I have an amendment that I am prepared to offer in due course, an amendment to the amendment as amended.

The PRESIDING OFFICER. The amendment is not in order.

The question is on agreeing to the amendment of the Senator from California, as amended.

Mr. MANSFIELD. Mr. President, I wonder if I could get some indication from the Senate as to whether or not it is prepared at this time to vote on the amendment of the Senator from California, as amended by the amendment of the Senator from New York.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. McCLURE. I would hope we could have some time for debate in open session on this matter. I do not know that Senators are ready to set a time limitation on it.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on the pending question, that is, the Tunney amendment as amended by the Javits amendment, occur at 4 p.m. today.

Mr. GRIFFIN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. I make the request for 5 o'clock.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. I make the request for 7 o'clock.

Mr. GRIFFIN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. I make the request for 9 o'clock.

Mr. GRIFFIN. I object, Mr. President.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. Well, I better go through all the way. I make the request for 11 o'clock tonight.

Mr. WILLIAM L. SCOTT. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. I ask unanimous consent that the vote on the pending amendment occur at the hour of 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, I object for the time being.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. Mr. President, it is very apparent that there is a filibuster in progress against the Tunney amend-

ment as amended by the Javits amendment. I hope that the Senate will be aware of the possibilities inherent therein.

We had held out a faint hope that we could adjourn sine die tonight. That is an impossibility.

We still have some hope that we will be able to adjourn sine die tomorrow; but if we do not, we can anticipate being in on Sunday; I hope not next week, but perhaps. I hope that those who have had to scrounge for airplane reservations will not be too inconvenienced by what has developed in the consideration of this most important amendment, affecting our participation in the affairs of two of the three factions struggling for control in Angola.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. ROTH. Mr. President, I ask unanimous consent that Bruce Thompson, of my staff, be permitted the privilege of the floor during the consideration of this matter.

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

MILK PRICE SUPPORT ADJUSTMENTS—CONFERENCE REPORT

Mr. HUMPHREY. Mr. President, I submit a report of the committee of conference on Senate Joint Resolution 121, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. TAFT). The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (S.J. Res. 121) to provide for quarterly adjustments in the support price of milk, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the RECORD of December 12, 1975, at page 40243.)

Mr. HUMPHREY. Mr. President, I am gratified that the House has passed legislation yesterday which I introduced, Senate Joint Resolution 121, by a 307–111 vote, designed to help deal with one of the most pressing problems facing our Nation.

This bill establishes the quarterly adjustment of the price support level for milk to assure dairy farmers that the price assurance provided through the dairy price support program will be more nearly attuned to the cost of milk production. As amended by the House of Representatives, the support level for milk would be increased to 85 percent of parity.

The Senate has twice passed legislation embodying these features—and by substantial margins—in the last year.

For the past several years, dairy farmers have been caught in one of the tightest cost-price squeezes ever encountered. Production costs have skyrocketed but milk prices have not kept pace.

In 1972, we produced almost 120 billion pounds of milk in the United States. That year the milk supply was in very close balance with the demand for milk and dairy products. During late 1972 and early 1973, prices for milk and dairy products began to rise seasonally. Unfortunately, rather than permit market forces to operate so as to bring forth the additional production needed, the administration ordered repeated expansions of dairy product imports for the express purpose of depressing prices.

While these actions were not immediately successful, the ultimate result was the accumulation of inventories of dairy products in this country and a decline in the farm price for milk of almost 25 percent from March to July of 1974.

While dairy prices have recovered recently, producers are still not meeting production costs, and some of the improvement has been due to reduced feed costs. And the outlook at this point is uncertain as to what will happen to feed costs in the future.

In Minnesota, we have always been proud of our dairy industry. In spite of the Flanigan report, I would not concede that our dairy farmers are less efficient than producers in any other country.

But today that industry is threatened. During the last 2 years, 5,000 Minnesota dairy farmers quit. Right now, the number of dairy farms in the State is at an all time low.

In the past, declining numbers of dairy farmers and dairy cows has been made up for by larger units and higher production per cow.

We are not certain how fast dairy farmers can respond to the need for increased production. And we need to face the cold, hard fact that despite the willingness to put in 7-day weeks, 52 weeks a year, the dairy farmer just is not receiving enough return to provide the living needed for his family.

We all know what inflation has done to our economy. On the farm it has been even sharper. Fertilizer, fuel, feed, equipment, taxes, interest rates—every item the producer faces has increased in cost in the last few years. In some cases, these increases have been as much as 200 to 300 percent. Only recently have these trends slowed down with the recession.

The dairy farmer has witnessed the erosion of his investment. In August 1973, the average dairy cow in Minnesota was worth $590. The total value of the State's milk cow inventory was $537.7 million. Two years later, the average dairy cow in Minnesota was only worth $355 and the value of the State's dairy herd had eroded to $310.6 million.

Faced with this situation, the dairy farmer has had little alternative. He has been forced to cut back. For some, this has taken the form of culling herds more closely. For others it has meant reductions in rates of feeding. For all too many others, the choice has been to leave the business entirely.

As this has been done, we have seen milk production fall. From the balanced situation we saw in 1972. when production was almost 120 billion pounds, we saw it drop to 115.4 billion pounds in 1973; 1974 production was almost identical with the 1973 level.

While milk production has gone up by 1.9 percent in November over the same month in 1974, total production for the first 11 months of 1975 was down 0.1 percent over the same period last year.

November milk production in Minnesota was a modest 1 million gallon increase over the previous month, but was 3.2 million gallons or 6 percent lower than for November 1974.

Minnesota's milk production for the first 11 months of 1975 was 706.9 million gallons which is down 35.4 million gallons or 5 percent below the same period last year.

Unfortunately, the Department of Agriculture has again resorted to scare tactics as to what this bill might cost consumers. They claim that this bill could lead to price increases of 3 cents per half gallon of milk, 7 cents per pound of butter, and 4¾ cents per pound of cheese.

But we have learned to discount the USDA cost estimates. And we also know that reduced milk prices paid to farmers result in little benefit to our consumers.

In early 1974, prices paid to dairy farmers declined by almost 25 percent, but there was almost no change whatsoever in prices paid for milk at the supermarket.

Our urban consumers have seen that the Nixon-Ford-Butz roller coaster farm prices do not serve their interests. It is far better to assure farmers a reliable income so that they at least have the opportunity to make a fair income.

This bill would not result in any purchases at present since market prices are well above the 85-percent support level. And while some purchases may be required during the spring flush period, this is a small price to maintain some stability and keep our producers in business.

I would like to share the projections prepared by the National Milk Producers Federation which indicate two things: First, a support level of 85 percent is needed to induce enough production to meet our needs; and second, the Government cost of these programs will be minimal.

The following is the production-consumption data on which this conclusion is based:

	In billions of pounds		Estimated	
	1974 actual	1975 projected	1976	1977
Production	115.4	115.0	116.0	117.0
Imports	2.9	1.4	1.7	1.7
Beginning inventory	5.2	5.8	3.7	3.0
Total supply	123.5	122.2	121.4	121.7
Ending inventory	5.8	3.7	3.0	3.4
Total use	117.7	118.5	118.4	118.3
Exports	1.2	1.0	1.0	1.0
Fed to calves	1.6	1.4	1.3	1.2
Military	1.1	1.1	1.1	1.1
Civilian use	113.8	115.0	115.0	115.0

The assumptions on which these projections and estimates are made are reasonable and conservative. Imports are projected at the norm which has prevailed for several years, somewhat higher than those for 1975. The "fed to calves" figure is declining, because there are fewer cows—and calves—on farms.

Civilian use, which has shown an increase in recent years, is projected as stabilizing with the slight per capita decline in consumption offset by the increased population total.

There have been extensive hearings on this bill both in the House and the Senate which have detailed the problems of dairying and particularly the ever increasing production costs.

The consensus of the recently held field hearings by the House Agriculture Committee supported the two provisions of this bill as being essential to restore stability in dairy production and reverse the present trends which could lead to shortages in dairy products.

For our Nation's best long-term interests, imports are not the answer. Instead, the answer is to encourage our dairly farmers to maintain a production sufficient to meet our needs.

Even at 85 percent of parity, these figures paint a grim picture which I hope proves to be too conservative. It shows that in the current year and in 1976 we will be using more dairy products than are available to us through production and imports. Because dairying requires several years to redevelop production, these figures show that setting supports at 85 percent of parity now will barely correct this situation by 1977.

That is why, if we are to maintain adequate dairy supplies, it is necessary for us to make this adjustment now—to give dairy farmers assurances through an 85 percent of parity support level that it will pay them to stay in dairying and to produce our needed dairy supplies. The longer we wait, the longer it will take for this situation to correct itself.

Mr. President, as originally passed by the Senate, the joint resolution provided that—effective for the period beginning on the date of enactment and ending on March 31, 1979—the Secretary of Agriculture would be required to adjust upward the support price of manufacturing milk at the beginning of each quarter to reflect any estimated increase during the immediately preceding quarter in the index of prices paid by farmers for production items, interest, taxes, and farm wage rates.

As passed by the House, the resolution provided that the date for the termination of the quarterly adjustment would be March 31, 1978, instead of March 31, 1979, in order that this legislation would again be considered when new farm legislation involving other major commodities is considered.

The House also added an amendment which required that the support price for milk be established at 85 per centum of the parity price therefor.

The Senate conferees were readily agreeable to the termination date change and found the House persuasive in respect to the 85 per centum support price for milk. As a result, the Senate receded to both amendments.

Mr. President, there has been some controversy regarding the cost of the conference report on Senate Joint Resolution 121.

As usual, the Department of Agriculture has estimated a cost figure which I feel is unjustified.

As a result, I had a cost estimate prepared.

That cost figure is substantially less than that as determined by the Department.

Based on an assumed production of 116 billion pounds of milk in 1976–77, and 117 billion pounds in 1977–78, and civilian consumption estimated at 115 billion pounds in each marketing year, the net increases in costs above the 1975–76 costs amount to $27.9 million during the first year of the new program and $44.2 million in the second year of the program.

Mr. President, I ask unanimous consent that these cost determinations be made a part of the RECORD at this point.

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

	1975–76	1976–77	1977–78
Milk production (billion pounds)	115	116	117
CCC purchases:			
Nonfat dry milk (net removals; million pounds)	330	330	330
Additional milk (butterfat and nonfat solids; billion pounds)	0	0	0
CCC cost, 85 percent parity with quarterly adjustment (millions):			
Nonfat dry milk	$200.0	$220.1	$231.6
Butter and cheese for program use	63.0	70.8	75.6
Total	263.0	290.9	307.2
Use for Government distribution at cost (millions)	103.6	114.2	121.3
Net price support cost (millions)	159.4	176.7	185.9
Increase in CCC cost from 1975–76 (millions)		27.9	44.2
Increase in CCC cost less cost for Government distribution		17.3	26.5

The National Milk Producers Federation contends that increased population and need to rebuild commercial stocks will require 1 billion pounds additional milk for 1976–77 and another 1 billion pounds for 1977–78.

It is assumed that CCC will purchase the same amount of nonfat dry milk for which no butterfat purchases will be made for each year.

Government program use will not be less than for the 1975–76 marketing year.

Program costs estimates based on USDA projections of price support levels at 85% parity with quarterly adjustment.

Mr. BELLMON. Mr. President, Senate Joint Resolution 121, which involves the milk price support program is a good example of legislation which creates great trouble for the budget. It was just last week that Congress fixed budget ceilings—ceilings which totaled $408 billion in budget authority, $374.9 billion in outlays resulting in a deficit of $74.1 billion. Most of us did not like that deficit of $74.1 billion but we recognized that it was the product of current law and current economic conditions. So, by an overwhelming Senate vote of 69 to 23, we approved this budget. Now, only a week later, we are faced with a piece of proposed legislation which would add to that huge deficit of $74.1 billion.

The budget we approved such a short time ago included in function 350—the agriculture function—total budget authority of $4.1 billion and outlays of $2.6 billion. Existing programs based either on enactment this session or in prior years—including the existing milk price support level of 80 percent parity—cause the totals in this function of the budget to reach the ceilings. We have no room in this function for increased Government support levels.

Yet, Senate Joint Resolution 121 would ask us to increase the milk support price level from 80 to 85 percent of parity. The actual cost to the budget of this change in support price will depend on future market prices and thus we are forced to use historical patterns and future expectations regarding market prices; nevertheless, according to the latest USDA estimates, the budget cost of the changes will approximate $90 million for fiscal year 1976, $35 million for the transition quarter, $290 million for fiscal year 1977, and $120 million for fiscal year 1978.

These numbers total $535 million—extra dollars to be spent over the level to be spent if the price support level is left at 80 percent. And these extra dollars are dollars we do not have—they will breach the targets set in the agriculture function. This resolution itself is not subject to a point of order but it will break the agriculture budget and the increased cost of milk support prices will simply crowd out of the budget something else which was anticipated. This crowding out will possibly occur next spring and it might involve agriculture or it could involve some totally unrelated item.

Support price payment items are no small part of the agriculture budget. In fact, the agriculture budget targets set last spring had to be moved up by $583 million this fall due to increased commodity payments. Such payments are part of the so-called "uncontrollable mandatory entitlement programs" which have been discussed on this floor so many times this year. These are the programs which create automatic expenditures to anyone who meets the qualifications mandated by the law. By expanding these kinds of programs or expanding benefit levels in existing programs, we are insuring that more and more of the budget will be "uncontrollable," and less and less of the budget will be available in future years to meet the priorities deemed most important at that time.

I urge my colleagues to return this resolution to conference so that the support level can be put at 80 percent of parity, a level which the marketplace is

used to and a level which our budget can afford.

Mr. HUMPHREY. Mr. President, I move that the Senate agree to the conference report.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DEPARTMENT OF DEFENSE APPROPRIATIONS FISCAL YEAR 1976

The Senate continued with consideration of amendment in disagreement No. 75 to H.R. 9861, an act making appropriations for the Department of Defense for the fiscal year ending June 30, 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, and for other purposes.

Mr. KENNEDY. Mr. President, I ask unanimous consent that Mr. Schneider and Mr. Bates be permitted the privilege of the floor during the consideration of the Tunney amendment.

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

Mr. PACKWOOD. Mr. President, I ask unanimous consent that Bob Jerome, of my staff, be permitted the privilege of the floor during the debate and vote on this subject.

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

The question is on agreeing to the amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. 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. McCLURE. Mr. President, the majority leader has indicated that, in his judgment, a filibuster has been initiated. I do not know whether a filibuster will be maintained or not, but I think that some serious questions should be asked and answered in open session.

We have had the opportunity to discuss some of the issues in closed session; and I shared the opinion yesterday in our closed session that we spent far too much of the time in the closed session talking about things that were not directly pertinent to the question of aid to Angola. This morning, we were able to confine the discussion to the question of Angola, but we oftentimes had comments that were not pertinent to classified information but were general discussion matters relative to a policy decision on our foreign policy in support of an element struggling in Angola.

It was my feeling then, and it is my feeling now, that the public is entitled to have a clear and public expression of Members of this body of their concerns and their view of the issues that are at stake with respect to U.S. policy. I think we need to do that on the record. We need to do it out in front of the public. That will be my purpose now—to try to raise some of the questions now that were raised in the closed session.

Let me say, parenthetically, that after having spent 3 hours yesterday and 2 hours plus today in closed session, seeking to determine what classified or secret information was available to us that bears on this subject, I have to conclude that the decisions being reached are being reached on the basis of matters that already have been almost fully reported in the press and that there is very little that bears upon our decision that has not been reported fully in the press already. I do not know whether that is a matter of comfort to the people of this country or whether that is a matter that might shock them.

I had hoped that we would discover in the closed sessions some factual information concerning our policy and the ramifications and the aims of our policy that was not already reported. I had hoped that we would find in the closed sessions some information that deals with or bears upon the motives, the aspirations, the involvement, and the goals of the Soviet Union in their involvement in Angola. I find that, again, all or virtually all of the information available to the Senate in making our decision has already been discussed fully in the public press.

I had hoped that we would find out something in the secret sessions about the involvement of South Africa in the struggle that is now going on in Angola. Yet, the discussions that we have had in these closed sessions indicate to me that the Senate has no information and that no information can be made available to the Senate in regard to the involvement of South Africa in the ongoing event in Angola, save those things which already have been discussed in public print.

I make that statement as a background, simply so that no one will be misled as to the reason why I asked at the time for the closed sessions. Not being on any of the committees which received these briefings or this information, as a matter of course, I had hoped to be informed by Members of the Senate who are thus privy to the information presented to them in those closed sessions, and I had hoped that I might be better informed and better able to make a decision with regard to our policy.

Having said that, let us look at what our policy decisions might be. Let us take a look at where we are, and let us determine, if we can, the effect of the Tunney amendment upon our involvement in Angola or, as a matter of fact, upon the general flow of our foreign policy. I think it is fair to state, from all the information—at least it is my conclusion from the information—that we did not start it; that, as Portugal granted independence to the native peoples in Angola and withdrew that remnant of colonial rule in Africa, there emerged within Angola three different groups, each of whom was seeking to control the flow of government after independence was granted to them.

I think it is also fair to state that the record will indicate that each of these three movements has some popular support and that we have responded to the flow by joining others in support of two of three factions and, in effect, in so doing, against the third of the three factions, that faction being backed by the Soviet Union and supported, also, by some outside elements.

Those who argue that we should not be involved have pointed out that we should not be involved because the Soviet-backed element is the strongest, most well organized, and most dedicated, and therefore the most likely to win of the three elements involved; and, conversely, that we should not be involved in backing the two elements with whom we have chosen to affiliate our efforts because, being less strongly motivated and less dedicated and presumably weaker, they are bound to lose.

I asked one of the Members who had indicated that we ought not to continue our effort because it is bound to lose, and some of us who had said it makes no difference to the United States which one of the factions wins, that then it would seem to me obvious we ought to join the Soviet Union in backing the one element that is going to win because then we would be on the side of the winner, and it does not matter who wins.

If that is the kind of logic that impels us to a decision, I am distressed for the policy of this country and, incidentally, when I made that suggestion the people who said we ought not back losers because they are losers, said, "Well, but that is not the reason."

I simply suggested that certainly they must think we were joining the other side simply because the Soviet Union was involved on one side and we automatically took the other, and that seemed to me to be a very unwise policy, and the kind of a kneejerk reaction that does not bear upon the logical analysis of the situation that there are choices.

Mr. DOMENICI. Mr. President, will the Senator yield?

Mr. McCLURE. I would be happy to yield without losing my right to the floor.

Mr. DOMENICI. My reason for interrupting the Senator from Idaho is that I have to leave the floor for a moment and I wanted to ask the Senator one question before I left.

Based upon everything you have heard, would you agree that if we adopt the Tunney amendment that we are effecting a major change in American foreign policy by adopting such an amendment?

Mr. McCLURE. I would say to the Senator from New Mexico I agree with him, although there are some people who support the Tunney amendment who are trying to persuade us that it is neutral in regard to the future course of American foreign policy.

I cannot view it as such, and I do not think the rest of the world would view it as such.

Mr. DOMENICI. I would say to the Senator that I am sure if we spend a

little time on the floor in open discussion and if we had expressions from both sides to supplement what was said in the secret sessions, then the public can judge as to whether we are changing America's foreign policy or not.

Let me ask the Senator one further question. It is my understanding, based upon everything we have heard to this point in time, that there have been no discussions, private or otherwise, Senate committees involved or the Senate leadership with the President of the United States. Does the Senator understand that to be the state of the facts?

Mr. McCLURE. I understand it.

Mr. DOMENICI. I would also ask whether or not there have been discussions directly with the Secretary of State on this issue prior to the presentation of the Tunney amendment.

Mr. McCLURE. I would say from all the discussions we have had for the last 2 days on the floor and from some rather detailed inquiry of the proponents of the amendment and those who are deeply involved in the appropriate committees in the development of policy, that they never presented any evidence of any statement by the President of the United States, that there was no hint that the Secretary of State of the United States made any statement to them nor had they sought that information from the Secretary of State.

Mr. DOMENICI. In all fairness, it is true a number of committees have inquired of various CIA officials and various State Department officials. However, my specific question is: To this point in time has there been any direct communication with the President of the United States, or with the Secretary of State, in reference to the effect of this amendment on the foreign policy of the United States?

Mr. McCLURE. I would have to say to the Senator there is no evidence of any such direct contact or direct input into the deliberations.

I think, in fairness, however, we should indicate that there are people within the CIA and within the State Department, including Assistant Secretaries of State, who have made such statements and, I assume, the proponents would urge that the positions articulated by these men are imputed both to the Secretary of State or the President. But there was no direct statement by the President, no direct statement or involvement in the statements by the Secretary of State.

Mr. DOMENICI. I say this to the distinguished Senator from Idaho and to my Senate colleagues because I am not one who usually participates in lengthy dialogs on the floor of the Senate. I am one who has said the Senate ought to be more involved in foreign policy, and I am one who has said the American people ought to be more informed on what we are doing.

It does appear to me if those who propose this amendment thought that it was a rather insignificant act, that there was another option that would still be open. That, as a matter of fact, we ought not to get in on the ground floor of a budding Vietnam. That in reality, with the Russian massive buildup in Angola, and with Cuban mercenaries approaching between 3,000 and 5,000 in number already there, that what the world perceives and what the Soviet Union perceives to be the existing American policy may very well have seemed to change to then as a result of this particular amendment, whether or not the administration has another option yet to come down the line in a few weeks. That this amendment can be perceived as a major change in American foreign policy with reference to that part of the world and the activities of the Soviet Union.

I say that because it appears to me if that is the case, then regardless of what we think we are doing in terms of technical changes in the way we fund this kind of activity, it may indeed be perceived as far more than that and may, indeed, be far more than that because perception may be reality in foreign affairs.

Mr. McCLURE. May I say to the Senator from New Mexico that he has put his finger on the problem, the crux of the problem, that confronts many of us.

In spite of the urging of some who support the Tunney amendment, who say it merely leaves our options open or, putting it in another way, it gives the Congress of the United States an opportunity to express its will prior to the adoption of a foreign policy, that it is not going to be perceived that way by other people in the world who see that we do now have, as a matter of fact, a policy in Angola which will be, as a matter of fact, changed by the adoption of this amendment. I think the Senator from New Mexico is exactly correct.

Mr. DOMENICI. Just one last comment. I appreciate the Senator giving me this opportunity while he has the floor.

It appears to me that the issue that we are discussing is so intimately tied into the major issue of détente and our relationships with the Soviet Union that they cannot be separated. We do not purport in this amendment to be addressing the relationships with the Soviet Union as they exist today under the guise of détente. It appears to me that the long-term solution to the Soviet Union involvement in Angola and an ever-escalating effort on their part to take over that part of the world is ultimately going to be tied to détente.

Does America, indeed, change its policies with reference to détente and the Soviet Union or not? Is this the time that we should? If it is not, are we ever going to?

Are the economics between the Soviet Union and America, including the sale of technology, trade relationships, cultural exchanges, SALT II, and all those kinds of negotiations—could they not be the leveraging mechanism for just this kind of activity? And are we not throwing that leverage out the window when we completely change our policy on this one without exercising that kind of leverage?

That is what concerns me. I think that is clearly a prerogative of the executive. It ought to be explored with the executive. In fact, I believe that a sense of the Senate proposition telling the executive that we want him to exercise whatever leverage there is in that relationship, to make it clear that we do not want the Russians nor American equipment, nor other foreign powers, in that part of the world, would be a proper role for the Senate. Such a sense of the Senate resolution could say that we want to explore this kind of use of American leverage since neither the Russians nor Americans can win in Angola. Maybe they will all get out if indeed we exercise the type of maximum leverage that is unrelated to sending materials into Angola.

I leave with that and thank the Senator from Idaho for yielding.

Mr. McCLURE. I thank the Senator from New Mexico for making that statement, because it focuses on something I should have said at the outset that motivates the Senator from Idaho. That is that I wish the people of Angola were free to make their own decision about their own destiny without the outside interference of anyone. I do not want to see the United States interfering in their internal affairs. I do not want to see the South Africans or Soviets interfering in their affairs. I would prefer that the neighboring African states did not interfere in the internal affairs of Angola. I would prefer that these people be allowed to work out their own destiny in their own way, without the interference of anyone.

The fact of the matter is that other forces are involved, that the United States has responded, over a period of time, in a way which is perceived in the world, partly as a result of the discussions here in the Senate of the United States, as a direct involvement and that we cannot subtract that without signaling to the world that the Senate of the United States has directed a change in foreign policy of the United States.

I think the Senator from New Mexico is exactly correct.

Mr. DOMENICI. Just one final comment. I think that certainly, the Senator from Idaho and others will discuss the pros and cons of the actual strategic value of this piece of the world to the United States. There will be a very serious split of opinion as to whether it is valuable or is not. I wish to make it clear that to this point, I have not been talking about the fact that the Soviet Union may very well be changing its policy with reference to the direct intervention in another major country and, perhaps, in another major continent. That, in and of itself, becomes a matter of grave national concern to America. If that is a change in policy or an elaboration or an extension of a policy, then we have to look at it in terms of what options are available to us to make sure that it does not reach its final fruition or goal without any limitation placed upon it.

It is my opinion that the Tunney amendment sets no limit on the Russian policy and does not perceive its potential as a kind of openended change in Soviet policy with massive support and mercenaries taking over another country. It

is in that context that I have discussed it with the Senator to this point.

Mr. McCLURE. I say to the Senator from New Mexico, in response to that question, that I agree with his statement and I agree with the implications that will be read into actions by the Senate. That is one of the dilemmas that I think we face. When we discover a policy, whether we agree with it or not, we cannot directly move to stop that application of that policy without that, in itself, being a policy. We have never had the opportunity to adopt a policy. We in the Senate of the United States or in the Congress of the United States have not, until this time, congressionally adopted a policy or articulated a policy for the United States to follow with regard to Angola. That is a tragedy.

Mr. DOMENICI. I thank the Senator.

Mr. McCLURE. I agree with some of my friends, the Senator from New York (Mr. JAVITS), the Senator from New Jersey (Mr. CASE), the Senator from Minnesota (Mr. HUMPHREY). They have all most eloquently stated the need for Congress to be involved in the application of foreign policy, particularly with respect to what we may or may not be doing in Angola, now or in the future. But I wish that we had been involved in the development of the policy. I hope that we will be involved in the development of the policy. But I do not think we can, in this context, adopt an amendment without that, in itself, being the adoption of a policy.

The Senators, some of whom I have mentioned, and others, have said this is too serious a matter to be decided by the Senate of the United States without any extended debate and without some hearings and without some very serious consideration of the implications of the policy. Yet, they would have us adopt the amendment which, in itself, is an adoption of a policy.

Mr. BUCKLEY. Mr. President, will the Senator yield for a moment?

Mr. McCLURE. Mr. President, I shall yield to the Senator from New York if I may yield without losing my right to the floor, without the resumption being considered a second speech.

The PRESIDING OFFICER. Is there objection? The Chair hears none. Without objection, it is so ordered.

Mr. McCLURE. I yield.

Mr BUCKLEY. Mr. President, I thank my friend from Idaho. I should like to dispose of some pending business.

EXECUTIVE PROTECTIVE SERVICE

Mr. BUCKLEY. I ask the Chair to lay before the Senate a message from the House on H.R. 11184.

The PRESIDING OFFICER The bill will be stated.

The assistant legislative clerk read as follows:

A bill (H.R. 11184) to amend title 3, United States Code, to provide for foreign diplomatic missions, to increase the size of the Executive Protective Service, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

Mr. CRANSTON. Reserving the right to object, will the Senator explain the request?

Mr. BUCKLEY. This is similar to legislation that was adopted by the Congress 2 months ago, but which the President vetoed.

It had been adopted in both Houses by a very substantial majority. Since the veto we have negotiated a tighter bill. It provides for reimbursement under special circumstances, controlled by the Secretary of the Treasury, for any extraordinary expenses incurred in the protection of foreign diplomats coming to this country.

Mr. CRANSTON. Has action been cleared by Senator Randolph?

Mr. BUCKLEY. It has been cleared. In fact, an identical bill was reported out by the Public Works Committee yesterday. In addition, the chairman of the subcommittee (Mr. MORGAN) has authorized me to go ahead and call up this matter at this time.

Mr. CRANSTON. I have no objection.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

Mr. BUCKLEY. Mr. President, as I have stated, I introduced a companion bill, S. 2796, on Tuesday. The Committee on Public Works, yesterday, considered the bill and reported it by unanimous vote to the Senate.

Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94–573), explaining the purposes of the measure.

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

PURPOSE

The purpose of S. 2796, as reported, is to increase by 350 the authorized number of Executive Protective Service officers and to direct the Service to provide, under certain conditions for extraordinary protective needs at foreign missions in cities where 20 or more such facilities exist. The Executive Protective Service would be authorized and encouraged to delegate this special protective service, under limited circumstances, to local police officials in those cities outside Washington, D.C., with reimbursement.

BACKGROUND AND NEED FOR LEGISLATION

Public Law 91–217 changed the name of the White House Police to the Executive Protective Service and expanded its responsibilities to include the regular protection of foreign embassies in the Washington, D.C., area and diplomatic missions outside Washington as the President may direct on a case-by-case basis. The authorized strength of the Service was set at 850 officers. Public Law 91–217 was written in recognition of the nation's obligations under international law and practice to take all reasonable precautions in assuring the safety of foreign diplomatic missions and their personnel. The Executive Protective Service also retained its responsibility to protect the buildings and grounds of the White House and Executive Office Buildings.

Since 1970, however, incidents of political terrorism have increased, along with the demands for protective services. A strong national interest exists in assuring the safety of foreign officials visiting the United States, whether those visits are to Washington, D.C., or other areas of the United States. Developments since the passage of P.L. 91–217 demonstrate the need for protective services wherever a substantial number of foreign missions exist. As this need has increased—and it could increase still further—local communities should no longer be forced to bear the full cost of what is essentially a national obligation.

This in no way affects the day-to-day protection of foreign diplomatic missions, which remains the responsibility of local police departments outside Washington, D.C. But S. 2796 recognizes that there are instances of extraordinary protective need when Federal assistance is wise and justified. This legislation facilitates such assistance.

The validity of this assistance can be shown by the fact that the permanent and observer missions associated with the United Nations pay no property or other taxes or payments in lieu of taxes under Article 23 of the Vienna Convention and the Convention on the United Nations. Nor do those employees of the United Nations who are aliens pay local income taxes to help offset any costs that their presence in the city imposes on local government. About 4,000 of the 5,000 United Nations employees stationed in New York City are foreign nationals and thus exempt from all local taxes. To a lesser extent, a similar burden is carried by many cities.

PROVISIONS OF LEGISLATION

In addition to raising the personnel ceiling of the Executive Protective Service to 1200 officers from 850 officers, S. 2796 directs the Secretary of the Treasury to provide uniformed police protection at foreign missions in cases of extraordinary protective need in cities where 20 or more such missions are located. The following cities, according to State Department figures, have 20 or more foreign consular offices: Chicago, Houston, Los Angeles, Miami, New Orleans, New York City, and San Francisco.

To provide this protection, the Secretary must also find that the protective need was associated with the visit by a dignitary who, at some point during his visit to the United States, participated in the activities of an international organization of which the United States is a member, such as the United Nations. Or the Secretary must find that the protective need will occur at or outside either a permanent mission to such an international organization or an observer mission that has been invited to participate in the work of such an organization. Permanent missions are maintained by member states. Observer missions may be maintained by organizations such as the government of Switzerland or the Palestine Liberation Organization.

The authority for such protection is extended in the case of the cities with 20 or more missions to those places where the visiting dignitary may be staying, not simply the official mission site. Representatives of foreign governments and others who may create a situation leading to protection under this bill generally reside at a hotel, rather than at what might be defined under the strictest interpretation as a foreign mission, when visiting outside Washington, D.C.

This was the case during the visit to New York City in November 1974 of Yasir Arafat, the leader of the Palestine Liberation Organization. The extraordinary protection for that one-day Arafat visit cost the taxpayers of New York City in excess of $700,000. To assure equitable treatment in such situations, this legislation covers the extraordinary protective needs provided at hotels or other facilities utilized by the visitor.

This bill offers two approaches to the actual extension of protection. The Secretary may dispatch the necessary complement of EPS officers from Washington. But S. 2796 provides the Secretary with new flexibility to utilize the services, personnel, equipment, and facilities of State and local governments, with their consent and on a reimbursable basis, to meet such extraordinary protective needs.

Following any decision that an extraordinary protective need exists under the terms

of S. 2796, the Secretary should first consult with local officials to give them the option of providing the necessary protection, and receiving Federal reimbursement for such services, instead of dispatching a contingent of Executive Protective Service personnel.

Whenever possible the Executive Protective Service should utilize local police agencies in fulfilling the duties outlined in this bill. Local police are more knowledgeable about local conditions than officers sent from Washington. And the cost savings from the use of local officers could prove substantial. The cost in salary, transportation, and benefits of sending one Executive Protective Service officer to New York City for one week is estimated by the Treasury Department at $700, or an annual rate of about $35,000. That is approximately twice the cost, in salary and benefits, of using one New York City policeman. The cost savings would be proportionally greater at locations more distant from Washington.

This legislation, of course, does not preclude the President, on a case-by-case basis, from directing that the Executive Protective Service provide protection in a particular city as the need may arise.

The bill grants the President the authority to transfer the administration of the reimbursement provision to the Secretary of State, if that appears to be a more effective approach in view of the State Department's closer relationship with the demands of visits of foreign dignitaries or the potential problems at a mission associated with an international organization.

These amendments, further defining the activities of the Executive Protective Service, are retroactive to July 1, 1974, when these added burdens and dangers became particularly acute.

The bill authorizes an appropriation of $3,500,000 to be available under the reimbursement provision for expenses related to each of the fiscal years 1975, 1976, 1977, and thereafter.

Section 2 of the bill provides permanent job rankings at levels IV and V of the Executive Schedule for the Director and the Deputy Director of the Secret Service. The Executive Protective Service is administered through the Secret Service.

HEARINGS

The Subcommittee on Buildings and Grounds conducted a hearing on similar legislation, H.R. 12, on June 9, 1975. Testimony was presented by an official of the Treasury Department, Members of Congress, and representatives of the International Conference of Police Associations.

AGENCY VIEWS

The following communication was received on the legislation:

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C.

Hon. JAMES L. BUCKLEY,
U.S. Senate, Washington, D.C.

DEAR JIM: This is to confirm that substitute draft legislation for H.R. 12 has been developed by your staff with the assistance of my staff.

That draft bill meets the basic objections to H.R. 12 set forth in the President's veto message, and the Administration would have no objection to its enactment.

Sincerely yours,

JAMES T LYNN,
Director.

ROLLCALL VOTES

Section 133 of the Legislative Reorganization Act of 1970 and the rules of the Committee on Public Works require that any rollcall vote be announced in this report. S. 2796 was ordered reported by unanimous voice vote.

COST OF THE LEGISLATION

Section 252(a)(1) of the Legislative Reorganization Act of 1970 requires publication in this report of the Committee's estimate of the cost of reported legislation, together with estimates prepared by any Federal agency.

The cost of subsection (c) is estimated by the Treasury Department as follows:

Fiscal year:

1977	$4,450,000
1978	3,500,000
1979	3,600,000
1980	3,700,000
1981	3,750,000

The estimate is based upon plans to hire 166 new officers, out of the 350 authorized by this subsection. Should the Department hire the full complement of 350 officers, the cost of this subsection would be approximately twice the above figures.

The cost of the reimbursement provision, subsection (d), is limited to a maximum of $3,500,000 for each fiscal year.

Mr. BUCKLEY. Mr. President, this legislation narrows the focus of an earlier act, H.R. 12, which President Ford vetoed. I am pleased that we have been able to work out a compromise with the administration, and that they now have no objection to the passage of this bill. In fact, I have been assured that Mr. Lynn, director of the Office of Management and Budget, will ask that the President include in his forthcoming budget an appropriation request for $2,000,000 for the reimbursement provision of this bill during fiscal 1977.

This new bill seeks to assure cities where major concentrations of foreign diplomatic missions exist that they will receive some assistance from the Executive Protective Service. It makes clear that these communities no longer will be forced to bear the full and total cost of what is essentially a Federal obligation.

The bill applies to cities which have 20 or more foreign missions. This list now includes: Chicago, Houston, Los Angeles, Miami, New Orleans, New York City, and San Francisco. It applies when an extraordinary protective need related to a mission develops as a result of two occurrences: the visit in one of those cities by a dignitary who is in the United States in connection with an international organization of which the United States is a member, such as the United Nations. Or the provision takes effect when an incident of extraordinary protective need arises in association with either a permanent mission to an international organization of which the United States is a member or an observer mission invited to participate in the activities of that international organization.

Occurrences of this description can be determined with precision. It is this clarification that was of primary interest to the White House.

It must be noted that the United Nations has two basic designations for missions. Permanent missions are maintained by member states. Possibly the more difficult group involves those such as the Palestine Liberation Organization, which have been invited by the United Nations to participate in its deliberations, even though it has no standing as a government. For the purposes of this bill, the Palestine Liberation Organization and national representatives, such as the Swiss and North Koreans, would be covered within the observer mission category.

The bill also brings within its scope a hotel or other place of temporary domicile used by someone who would otherwise qualify if he were staying at the mission itself.

Mr. President, I am confident that this is legislation that resolves the President's concern over what he termed "the proper distinctions between Federal and local law enforcement responsibilities."

The bill also carries with it an important provision allowing the Federal Government to delegate this circumscribed protective responsibility on a reimbursable basis to local officials. This will enable the Executive Protective Service to ask a qualifying city to take on this extraordinary burden when the city can handle it. This would save the national taxpayers money, as it would relieve the Secretary of the cost of dispatching the necessary officers from Washington and maintaining them at a remote location.

Local officials should be consulted and given the option of providing the necessary protection and receiving Federal reimbursement for such services whenever possible. Local police are more knowledgeable about local conditions than officers sent from Washington.

The bill sets a ceiling of $3,500,000 on the funds that can be reimbursed for fiscal 1975 and for each fiscal year thereafter.

As I indicated, I have been assured that the administration will support funding beginning in fiscal 1977 on a prospective basis. I should also point out that this bill is retroactive to July 1, 1974, when the added burdens and dangers became particularly acute. For example, Yasir Arafat, the leader of the Palestine Liberation Organization, visited New York City in November 1974. The extraordinary protection for that 1-day Arafat visit cost the taxpayers of New York City in excess of $700,000. While the administration is likely to oppose any appropriation to provide retroactive payments, I believe the merits of this retroactive provision will be demonstrated to the satisfaction of the Congress and the administration and eventually funded.

Mr. President, in closing I want to say a word about the cooperative effort that has led to this bill. Congresswoman ABZUG and I have worked together on this bill for many months. While an Abzug-Buckley approach may seem unusual to some, I want to commend her on the hard and diligent effort she has made in working toward passage of this bill. It is a good and needed bill.

Mr. President, I move that the bill be passed.

As I mentioned earlier, the chairman of the subcommittee has no objection to calling this matter up now. He did wish me to state for the record that, as in the past, he does not support the bill, but having lost in a fair fight, he sees no purpose in seeking to delay this matter.

Mr. President, I submit this matter for a vote.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. RANDOLPH. Does my colleague from New York yield?

Mr. BUCKLEY. Yes, gladly.

Mr. RANDOLPH. The statement just made by a member of the Senate Public Works Committee and the author of this measure (Mr. BUCKLEY) is correct in every degree.

The chairman of our subcommittee, the able Senator from North Carolina (Mr. MORGAN), did consider the general subject matter of this legislation. Members of the full committee, in discussion of the legislation when it was presented earlier this week by the Senator from New York, had the opportunity to assess the language and to understand the implications in connection with expenditures that the city of New York is called upon to make in reference to the United Nations and visits of foreign dignitaries and heads of state.

We can understand the problem that New York City has with security measures that must be undertaken. They are undertaken for the United States of America. But this is a situation that centers in New York City, and from time to time in other areas of the country.

Only one question: What is the applicability of the measure to other cities in the country?

I have been asked this, so I think for the RECORD we might want the Senator to respond to the question.

Mr. BUCKLEY. It covers cities which have 20 or more diplomatic missions, consulates, and so forth. There are seven such cities: Houston, Los Angeles, New York, Chicago, New Orleans, Miami, and San Francisco.

The bill, however, is carefully conditioned to the visits of persons associated with groups such as the United Nations and incidents at missions connected with the United Nations.

Mr. RANDOLPH. It is not open ended?

Mr. BUCKLEY. No.

Mr. RANDOLPH. In any sense.

I want the record to so indicate.

I supported in committee the legislation and I want to express for the record my approval of the measure as it is brought to the floor by our able colleague, the Senator from New York.

Mr. BUCKLEY. Mr. President, I want to thank the chairman of the full committee for his typical courtesy and help during the consideration of this measure and for helping expedite it during recent days.

Mr. President. I move its immediate adoption.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 11184) was ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Will the Senator yield briefly without losing his right to the floor?

Mr. BUCKLEY. Gladly—I am sorry.

Mr. McCLURE addressed the Chair.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that S. 2796 be indefinitely postponed.

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

Mr. BUCKLEY. Mr. President, I move to reconsider the vote by which the bill (H.R. 11184) was passed.

Mr. PACKWOOD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

JANA HLAVATY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 10792, a bill for the relief of Jana Hlavaty, which was reported unanimously today from the Committee on the Judiciary.

The PRESIDING OFFICER. The bill will be stated by title.

The second assistant legislative clerk read as follows:

A bill (H.R. 10792) for the relief of Jana Hlavaty.

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

There being no objection, the Senate proceeded to consider the bill.

Mr. ROBERT C. BYRD. Mr. President, does the distinguished Senator from Nebraska wish to say anything in regard to the bill?

Mr. HRUSKA. Mr. President, this bill was sponsored by the senior Senator from Illinois. It has been cleared on this side and has been reported unanimously by the Committee on the Judiciary.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

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

Mr. McCLURE. I am happy to yield to the majority leader under the same conditions I had previously yielded.

Mr. MANSFIELD. I thank the distinguished Senator.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendars Nos. 547, 548, and 551.

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

DOCUMENTATION OF THE VESSEL "BRUJA MAR"

The Senate proceeded to consider the bill (S. 1187) to authorize the documentation of the vessel *Bruja Mar*, as a vessel of the United States for coastwise privileges, which had been reported from the Committee on Commerce with amendments, as follows:

On page 1, in line 3, strike out "4123" and insert "4132".

On page 1, in line 5, strike out "the" and insert "any other".

On page 1, in line 5, strike out "provisions" and insert "provision".

On page 1, beginning with line 6, strike out "section 27 of the Merchant Marine Act of 1920 (46 U.S.C. 883)" and insert "law".

On page 1, in line 7, strike out "under" and insert 'in".

On page 1, in line 8, strike out "United States".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 4132 of the Revised Statutes of the United States, as amended (46 U.S.C. 11), or any other provision of law, the Secretary of the department in which the Coast Guard is operating, shall cause the vessel, *Bruja Mar* (vessel number 546133), present owned by Greenwood Marine, Incorporated, to be documented as a vessel of the United States with the privileges of engaging in coastwise trade, upon compliance with the usual requirements, so long as the vessel is owned by a citizen of the United States.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

The Senate proceeded to consider the bill (S. 1689) to amend the Pennsylvania Avenue Development Corporation Act of 1972 (Public Law 92–578), as amended, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert the following:

That the Pennsylvania Avenue Development Corporation Act of 1972 (86 Stat. 1266, as amended, 40 U.S.C. 871), is amended further as follows:

By striking out section 17 and inserting in lieu thereof the following:

"SEC. 17. (a) There are hereby authorized to be appropriated for operating and administrative expenses of the Corporation sums not to exceed $1,300,000 for the fiscal year ending June 30, 1976; $325,000 for the period July 1 through September 30, 1976; $1,500,000 for the fiscal year ending September 30, 1977; and $1,600,000, each, for the next three succeeding fiscal years.

"(b) To carry out public development activities and projects in accordance with the development plan approved under section 5 of this Act; there are also authorized to be appropriated to the Corporation through September 30, 1990, sums not to exceed $130,000,000, to remain available without fiscal limitation.".

The amendment was agreed to.

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

CONVEYANCE OF CERTAIN LANDS TO VALLEY COUNTY, IDAHO

The bill (S. 726) to direct the Secretary of the Interior to convey, for fair market value, certain lands to Valley County, Idaho, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized and directed to convey to Valley County, Idaho, subject to the provisions of section 2 of this Act, all right, title, and interest of the United States, in and to the following described lands:

The northwest quarter of the southwest quarter of section 3, township 15 north, range 4 east, Boise meridian, Valley County, Idaho.

SEC. 2. The conveyance authorized by the first section of this Act shall be made upon payment by Valley County, Idaho, to the Secretary of the Interior of an amount equal to the fair mraket value of such land, as determined by the Secretary after appraisal.

APPOINTMENT OF ADDITIONAL CONFEREE—S. 2718

Mr. MANSFIELD. Mr. President, on behalf of the Senator from Washington (Mr. MAGNUSON), I ask unanimous consent that the Senator from Kansas (Mr. PEARSON) be named as an additional conferee on the part of the Senate on S. 2718.

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

DEPARTMENT OF DEFENSE APPROPRIATIONS, FISCAL YEAR 1976

The Senate continued with the consideration of amendment in disagreement No. 75 to H.R. 9861, an act making appropriations for the Department of Defense for the fiscal year ending June 30, 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, and for other purposes.

Mr. WILLIAM L. SCOTT. Will the Senator yield?

Mr. McCLURE. I am happy to yield to the Senator from Virginia for a question.

Mr. WILLIAM L. SCOTT. Mr. President, I appreciate the Senator's yielding and compliment him on the statements he has made about the amendment that has been proposed by the Senator from California.

The Senator commenced his remarks by reference to the majority leader's comments about a filibuster on this amendment.

I was one who objected to a vote at a definite time, but the reason for my objection was that it was 10 o'clock in the evening and I do not think that is the time to vote on such matters.

I am ready to vote right now, so I am not participating in a filibuster in any way.

In fact, I may vote in favor of the Tunney amendment. I am inclined to do that. I do have a concern.

Perhaps the distinguished Senator from Idaho may be in possession of information that I do not have. I, like him, did not receive a great deal of enlightenment during the closed session of the Senate, either yesterday or today.

Mr. McCLURE. Might I say to the Senator parenthetically at that point, I believe we had some good debate in the closed session today, but the debate was not really bearing upon matters that were classified or secret and that could not have been debated in full public view.

Mr. WILLIAM L. SCOTT. I agree with the Senator. That, in effect, is my thought also. I am interested in what the administration and what the Department of State may or may not have done in this situation that might relate to this concept of détente, and whether or not we can compartmentalize détente; whether we can say, "We will sign agreements with you and we would like to get your signature on almost any agreement. We feel we have accomplished something because you signed a piece of paper." Then be friends with the Soviet Union, normalize relations with Cuba, and attempt in some manner to combat the activities of Cuba or Russia in Angola.

It seems to me that when we talk about friendship we have to be a friend worldwide. We cannot be a friend in one part of the world and be conducting some type of antagonistic effort in another part of the world. It seems to me through diplomatic channels the President of the United States and the Secretary of State should indicate to the Soviet Union and to Cuba that we would like to normalize relationships; that we would like for all of the nations within the family of nations to be friends, one with another.

I do not think there is any doubt that one has to be a friend to have a friend. This means that one does not go around in various parts of the world and attempt to establish bases, attempt to take over a newly formed independent nation.

It seems to me that Russia is badly in need of grain. I am advised that Russia does have problems with regard to feeding its population. I am not opposed to assisting a friendly, needy nation anywhere in the world.

I understand we have been helping Russia with regard to some truck factories, with regard to computers; that we have been trying to help them develop their oil resources.

I am opposed to doing that sort of thing when Russia is acting as a friend as long as we are doing this but then goes into another part of the world and does not act in a friendly fashion.

As the distinguished Senator knows, as a lawyer, there is such a thing as mutuality in every valid contract. There is consideration that flows in both directions.

It just appears to this Senator that most of the consideration in our contact with the Soviet Union is flowing out of this country and into the Soviet Union. I do not see the mutuality in these agreements.

I wonder if the Senator has heard any mention made in our discussions here in the Chamber about diplomatic efforts having been made by the State Department, in effect, to say to the Soviet Union: "If you want the friendship of this country, if you want our assistance in the way that you feel you need our assistance, are you going to be a friend and show your friendship throughout the world by your actions as well as any words which you might utter?"

Would the distinguished Senator have any comment on that?

Mr. McCLURE. Let me respond to the distinguished Senator from Virginia in this manner, if I may.

First of all with respect to whether or not in the closed sessions we developed any information concerning State Department or diplomatic initiatives with regard to the Soviet involvement in Angola—and I think there was nothing of a classified nature stated there and I think, as a matter of fact, the only information——

Mr. WILLIAM L. SCOTT. I would not ask the Senator to disclose any classified information.

Mr. McCLURE. I am aware of that.

The only information that was disclosed or discussed was that the State Department has sent a perfunctory note, or at least they sent a note and received a perfunctory reply, and they may have followed that up with a perfunctory response to the perfunctory reply. In other words, practically no diplomatic initiative directly bearing upon this issue, so far as the Soviet Union is concerned.

Let me state further that I do not regard the policy of détente, as I understand it to have been articulated by Secretary Kissinger, by President Nixon and President Ford, as being a statement of friendship between the United States and the Soviet Union. It is, instead, a policy under which the opposing forces in the world may live together without immediate armed conflict and with a lessening of tensions which lessens the likelihood of the outbreak of armed conflict.

I do not believe the policy of détente ought to be confused with the statement of friendship that we would all desire occur.

Mr. WILLIAM L. SCOTT. The distinguished Senator will recall that statements have been made after conferences with the Soviet Union and other Communist nations that while we have a different type of government, and while we may not agree as to all matters, we do want to live together in peace and settle our disagreements by negotiation rather than settle the differences through any type of armed conflict.

I believe such statements as this have been made in general from time to time.

I submit that the Soviet action in Angola, as I understand that action to be, is not in the broad, general spirit of détente as it is generally understood to be, whether we call it friendship between nations, toleration of nations, or living together in the absence of any armed conflict.

Would not the distinguished Senator from Idaho agree that the executive branch of the Government should, in some way, convey to those who have either military personnel or military advisers in Angola that this Nation views with concern their presence there, and that it might very well jeopardize this spirit that we have been trying to accomplish over the past several years?

Mr. McCLURE. Mr. President, I would reply to the Senator's question in this fashion: I believe there are a number of things which can be done. I agree totally with the sentiment expressed by the distinguished Senator from Virginia, that we should use diplomatic channels to indicate to the Soviet Union, and to other external participants in the internal affairs of Angola, that we believe the Angolans ought to be able to make up their own minds without outside interference.

We should express our concern to the Soviet Union about their involvement in attempting to back a less than one-third segment of the society in Angola in order to subvert and to impose their will upon two-thirds of the people of Angola. I

would hope that we would also utilize the diplomatic channels that we can utilize to put pressure upon Cuba, which is the indirect pawn of the Soviet Union and a direct participant in Angola to the extent of 4,000 to 5,000 troops actively involved in combat operations, using the Soviet Union equipment supplied to that one section in Angola in an attempt to extend Soviet administration and dominance over the lives of the people in Angola.

Mr. WILLIAM L. SCOTT. Is it not a fact that this country has had an express foreign policy over the years of self-determination for all the nations of the world? This has been our expressed foreign policy; and would it not be consistent with the expressed foreign policy of this Nation to call that to the attention of the Soviet Union or other nations that have troops or military advisers in the African nation, and urge them, in the general overall spirit of détente, that they should withdraw from Angola?

The real thrust of my thought is that any foreign policy such as détente not be compartmentalized. In my opinion, it is not realistic to practice détente in one part of the world and not have it apply in other areas of the world. Would the distinguished Senator agree with that?

Mr. McCLURE. I would agree with most portions of the statement of the Senator from Virginia, particularly one point, in regard to the expression of the opinion to the Soviet Union that détente is indeed threatened by their continued intervention in Angola; and second, that it is the policy of the United States and it ought to be the policy of the United States to support the right of self-determination of all people in all countries.

We have for many years supported a declaration in the captive nations treaty wherein we have said to the people of the world that we still look back with abhorrence at the dominance of the lives of the people in Latvia, Lithuania, and Estonia by the Soviet Union; that we do not like the interference in the lives of the people of Finland; that we abhor the interference in Hungary, when the Soviets sought to change the lives of the people there; that we have never liked the interposition of the Soviet Union in Czechoslovakia.

We believe the people of Czechoslovakia should have the privilege of making up their own minds what kind of government they should have. We support and applaud the efforts of the people of Poland to free themselves from the dominance of their massive neighbor to the east.

But we should be no less concerned about the rights of the people of Angola, simply because they are a small and less developed country. As a matter of fact, perhaps we should be more sensitive to their right to make their own determination in their own way, simply because they are small and less developed than some of these other nations.

Mr. WILLIAM L. SCOTT. I appreciate the Senator's yielding. Of course, I would like for our country to be concerned about the welfare of the small nations of the world, for self-determination by all of the nations of the world; but I also have a concern that we not become involved in the affairs of another nation without Congress having complete information, without Congress participating in the policymaking decision. Although some individual Members of Congress may have been consulted, I am not aware of the Congress as a body being involved in the situation in Angola. I certainly do not want this to develop into any type of affair that would involve the use of American troops.

The distinguished junior Senator from Illinois (Mr. STEVENSON) has a sense of the Senate resolution which, in effect, calls upon the executive branch of the Government to endeavor, through diplomatic channels, to encourage the Soviet Union and other nations, without naming them, other nations involved in the Angola affair, to withdraw and to permit that nation to determine its own internal affairs, to govern itself.

I intend to support that sense of Congress resolution in the event that it comes before the Senate for consideration. I understand it is cosponsored by the distingiushed Democratic whip, and I believe other Senators have cosponsored it also. I believe it is a good resolution. I would amend it somewhat to indicate that this Nation will, to an extent, govern its future relationship with the Soviet Union by the actions that the Soviet Union takes in Angola and other countries, so as to say that détente is worldwide, that if it is going to work at all it has to work all over the world, and that it cannot work in one nation without working in the others.

I have infringed upon the Senator's time, but I thank him for yielding.

Mr. McCLURE. I thank the Senator for his contribution to the discussion and the questions that he has raised.

The latter subject that he referred to, the resolution of the Senator from Illinois (Mr. STEVENSON), appears at page 41210 of the CONGRESSIONAL RECORD, being the record of the proceedings in open session yesterday. I am told that the Senator from South Carolina (Mr. THURMOND) also has a resolution in slightly different terms, but directed toward the Senate amendment, I am told that at least two other Senators are sponsors of a third resolution with something of a similar aim, directing the Executive to become involved in very positive diplomatic efforts to bring pressure to bear on those who would subvert the internal processes of Angola to their own ends.

I am perfectly willing, as one Member of the Senate, to support appropriate efforts directed toward that end.

I would hope that we would change our policy that now eixsts until we have a quid pro quo for the change, and I think that is the very importance of the question we are involved in.

I yield to the Senator from Oregon under the previously stated conditions.

Mr. PACKWOOD. Mr. President, I think the Senator from Idaho has put his finger on it, and I would like to engage in some colloquy with the Senator from California.

We are talking about three different things here, really. We are talking about the resolution of the Senator from Illinois, which is almost an embargo theory because it does not relate just to the Soviet Union; it relates to any nation, as I recall his words, that persists in involving itself in Angola. That could be Zaire, South Africa, France, or any nation that persists in involving itself.

That could be worthy of consideration, although not hasty consideration, by the Senate.

Then we are talking about détente, our relations with the Soviet Union, specifically whether we should require a quid pro quo; should we send them Ford Motor Co. machinery if they do not get out of Angola?

Then third, as I understand the amendment of the Senator from California he is, in essence, saying what our unilateral policy should be toward Angola regardless of détente, regardless of whether or not we adopt the Stevenson resolution.

Is that a fair statement?

Mr. TUNNEY. The question as to what we ought to do with Angola irrespective of what the Russians do is one that we could spend a good deal of time on. I am happy to offer some thoughts to the Senator from Oregon if he cares to listen to my opinions on the subject.

Mr. PACKWOOD. I wish to hear them. As I understand the specific amendment, and I shall be fair, I think the world as well as this country is going to read it, and the headlines are going to be "Senate Rejects Angola," or words to that effect; they are not going to get into the niceties. This is one bill and one appropriation. I think that it is a philosophically fair conclusion to draw from the debate that this is going to be our policy, if it passes, toward Angola and may be correctly a harbinger of what our policy ought to be toward involvement in Africa at all.

Mr. TUNNEY. What the amendment does is to make it very clear that the United States cannot send military equipment to Angola, nor can it send money to another country which in turn will then make the purchases of military equipment for use in Angola, but there is nothing in my amendment that prevents economic aid from being given to Angola. There is no reason why we could not participate in giving assistance to all sides. We could give humanitarian aid.

Mr. PACKWOOD. I stand corrected on that because the amendment of the Senator is clear in that respect. In addition, we could gather intelligence in Angola if we wanted to because the amendment has exempted intelligence gathering.

Mr. TUNNEY. Yes.

I wish to point out to my friend that we now know that the Gulf Oil Co. has made a very large payment of money, approximately $100 million, that has been placed in the bank in Luanda of which the MPLA has now control since the Portuguese pulled out on November 11. In effect what has happened is that we have the Gulf Oil Co., an American corporation, with a subsidiary in Angola, drilling for oil, having made a very substantial $100 million payment to the side that is being backed by the Russians, and

our Government apparently did nothing to prevent that payment from being made. It is my understanding that another substantial payment is due in the very near future, and that there was an agreement that $500 million would be paid in the form of royalties by Gulf to the bank in Luanda, which would then be available to the government that was in control and that government which happens now to be the MPLA.

Initially there was that provisional government that was made up of all three factions, UNITA, the FNLA, and the MPLA. But the other two factions withdrew and so now the MPLA has total control over these funds.

I only say to my friend that, if we have a policy which on its face is operating at such cross purposes as to allow, on the one hand, an American corporation to make those kind of payments to the faction that we are now supplying arms against, it really deserves some very special attention on the part of Congress before we make any arms available.

I say to my friend that, if we are going to make arms available, it ought to be done through the route of the Foreign Military Assistance Act, and we ought to have the Committe on Foreign Relations go into it, as the Senator suggested earlier. We ought to have a clear definition of what American policy is, what America's interests are in Angola and other parts of Africa. We ought to have a clear understanding of what our State Department and CIA perceive to be the Soviet goals in Angola and in other parts of Africa and then make a decision based upon those facts.

What very deeply concerns me from my own private investigation—and these are conversations that I have had with members of the CIA and State Department officials, and conversations that my staff has had—is that there really does not seem to be any centrally controlling objective of American policy in Angola. That is what I consider to be so dangerous.

Mr. PACKWOOD. I think we are making a central policy, and I am inclined to agree with it, but when we vote on the amendment of the Senator from California I think we are making a central policy in this Congress for better or for worse.

What we are saying is that no matter what happens, no matter what happens in Angola, it cannot be worth the risk of American involvement, with American troops and American military equipment.

Earlier today, and I cannot remember whether it was in closed or open session, but the information was not classified, we tried to determine if we knew what the Russian intentions are. We do not know. We have no idea what the Russian intentions are.

We do not know if they plan to go in and wipe out the entire politic as they practically did in the Baltic countries and make it a Russian puppet populated by Russians. We do not know if they plan to put in half a million troops and hold the country by force against the will of the people or whether they are going to try to influence the government through economic and military aid and keep their own personnel out.

We have to operate under the assumption they might do the worst, but we do not know. That is one.

Second, we are saying if Russia wants to make the mistake, in our judgment, the mistake of holding Angola by force of sending in a half-million troops, and probably Russia could hold Angola with a half-million troops, if Russia wants to make that mistake, Russia is probably writing off the rest of black Africa, probably writing off most of any chance to subvert South America, because every nation would very clearly see what Russia had in mind and would have no truck with them, would have no dealing with them, and would probably make our job in terms of gaining allies infinitely easier.

If Russia chooses not to do that, if Russia comes up with a hope and prayer and some material in hopes they can get a government that will be a Soviet-leaning government on every occasion, then I think they are mistaken. Nationalism is rampant. Angola is going to go the way it wants unless it is subjected and held down by literally Russian military personnel. If that is the case, if this even ends up being a Communist government but an independent Communist government we can deal with them.

We dealt with Yugoslavia. We are dealing with China. We learned to deal with Communist governments around the world, including some of the Eastern European ones. Where Soviet troops have occupied them, the countries have endeavored toward the West. That we can deal with.

I would be surprised if Russia were to put massive troops into Angola and try to hold Angola on the basis of sheer brute force. But they might.

It seems to me, therefore, that our policy wisely says for better or for worse we are going to leave Angola to the Angolans. If Russia chooses to intervene, because we think our best interest cannot be served in any event by either trying to fight to keep the Russians out or involving ourselves, we think that whatever Russia does in that case we will come out the winners.

Is that a fair statement of where we are headed?

Mr. TUNNEY. I think that is a fair statement as to where we are headed assuming that the Foreign Relations Committee in their consideration to the Foreign Military Assistance Act takes the same kind of action on that bill as we are taking on this bill.

I cannot see any justification for an intervention by the United States in Angola. One of the things I should like to point out to the Senator from Oregon is that reports that have come to me indicate that in black Africa there are many leaders who are wondering why the United States is so quick to intervene in Africa, when we did not participate in the U.N. debate and the various attempts to get resolutions through, condemning the racist policies of South Africa, Southwest Africa, and Southern Rhodesia.

There is no doubt that the reason why we did not participate in those debates in a meaningful way was that the United States has had a very special relationship with South Africa. We have many economic interests in South Africa. We have done a great deal of trade with South Africa. Much of our mineral supply in this country comes from South Africa in an unprocessed form or processed form as it is brought to this country to maintain our high technology society.

Yet, the leaders in black Africa are wondering why the United States is so quick to put up $60 million for war in Angola, when we would not participate in these U.N. resolutions and debates in connection with condemning racism in South Africa.

Another point that I think is important is that for 2 years we have been cutting back on our economic aid to Africa—not just Africa, but other parts of the world as well. When we look at the kind of commitment we have made in the form of economic aid to black Africa and then look at the kind of money we would be willing to put in for military equipment in Angola—after the Russians came in or in a contemporaneous fashion with our own efforts to supply our military equipment—it is made clear to many Africans that the United States really has no interest in their economic development, in the kind of society they are trying to restructure for themselves, the quality of life that they are going to have in the future, but that the United States is only interested in Africa as it relates to a defensive ploy to counteract any maneuvers that the Soviet Union has undertaken in Africa.

It is of particular importance to look at this in the context of one statement that was made to me by a man who had spent many years in Nigeria. In the late 1960's, he was particularly friendly with one minister in the Nigerian Government, and this minister said—

> The only way we could interest the United States in Nigeria, to give us aid, is apparently to invent a Communist party.

In other words, at that particular point in time we were giving much more aid to Ghana, which looked as though it might slip into the Communist fold. So we were prepared to put money into Ghana, but we were not willing to do anything for Nigeria, which was considered our friend and safe.

So this rather pathetic statement was made by a minister in Nigeria:

> The only way we can get aid from the United States, apparently, is to invent a Communist party, and then maybe they will give us some aid.

Mr. PACKWOOD. Mr. President, I think there is a consequence to Russia's actions, and it is negative to them. Today we heard how Russia, with brute force, tramped into Hungary and Czechoslovakia and did not care about world opinion. What that probably cost them was control over all of the Communist parties in Western Europe. Today, if the Communists were to win an election in Italy, it would not be a Russian Communist party, because they have seen the brutality of Russia. Russia knew that

when they chose to choke off Czechoslovakia and Hungary, and that is a decision they made. If they choose to go into Angola with force, they are going to lose more than they will ever gain. They will be able to hold Angola, but they will lose the rest of the area.

Assuming that this amendment is adopted and similar language out of the Foreign Relations Committee, our policy will be that, henceforth, American policy toward Africa will be nonmilitary involvement, regardless of détente, regardless of the actions of other nations.

Mr. TUNNEY. I concur with the Senator's conclusion. That is about as succinct an expression of what this amendment is as I have heard on the floor.

Mr. PACKWOOD. I thank the Senator.

Mr. McCLURE. Mr. President, I ask unanimous consent that I may yield to the Senator from North Carolina without losing my right to the floor, that any resumption by me not be considered a second speech, and that under no circumstances I lose my right to the floor.

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

Mr. HELMS. I thank the distinguished Senator from Idaho. Mr. President, the Tunney amendment presents us with an unacceptable choice. On the one hand the distinguished Senator from California is asking us to stop the executive branch from giving any military assistance directly, or indirectly, to strife-torn Angola; while on the other hand the executive branch proposes to use funds in this appropriation bill to provide Angola with at least $60 million in military aid. We are asked to vote for either one or the other. It is clear that the Soviet Union has made a major thrust in Angola, providing top-quality weapons and an undetermined number of Soviet personnel to assist the MPLA. It is also clear that Castro has sent 4,000 trained Cuban troops to fight on the Communist side.

Thus, on the one hand, if we vote with the distinguished Senator from California, we seem to be saying that the executive branch has no authority whatsoever to respond to threats of violence outside the United States, no authority to take steps to throw up barriers to the spread of communism through force, unless approved in advance by the Congress of the United States. But on the other hand, if we vote against the Tunney amendment, we seem to be giving a vote of approval to the way in which the executive branch is conducting its policies. If the issue had not been forced here today, there would have been no implication that the Senate had participated in approving or disapproving our policies in Angola.

Unfortunately, the issue has been forced. It is within the purview of the executive branch to conduct foreign policy on a day-to-day basis. We have traditionally given the executive branch discretionary funds for the conduct of foreign policy, and they have been used in the conduct of policies such as have been followed in Angola. Let it be clear that the United States has not entered into a war in Angola. We have supplied arms, but we have not put troops or advisers into Angola. The scope of the war powers is not under consideration here. What is happening here is an effort to force the issue of covert action before the Senate Select Committee on Intelligence has completed its work and made its recommendations, and before any consensus has been reached in this body about the nature and purpose of that kind of activity.

But now that the issue has been forced, there is no way to run away from it. It is a very difficult choice to make for someone who believes that this Nation desperately needs to resume a world leadership position, and to defend our traditional values of human rights, private property, and spiritual freedom against the advance of communism. When communism uses naked force and internal subversion to conquer an increasing proportion of the earth's territory and subjugate the people who are unfortunate enough to live in the conquered territories, it is our proper role to work to restore freedom to those areas. Frankly, we cannot say that it is none of our concern. As the proportion of the global scope of activity is narrowed, the choices that we, as a Nation, can make grow fewer and fewer, and eventually we will be so restricted that our independence as a nation—and the freedom that independence guarantees us—will be in jeopardy.

But is the choice as simple as it seems? Must we abandon our role as the leader of the free nations—as is implied in the amendment of the Senator from California? Are we voting here for a choice between freedom and communism for Angola? By no means.

If we adopt the amendment of the distinguished Senator, we force the executive branch to do nothing at all. But by doing so, do we deliver Angola into the hands of the Communists? Given the measure of Soviet determination displayed here, it is most likely that Angola will fall into the hands of the Communists, with all that such a collapse implies: The deliverance of the Angolan peoples into a Stalinist terror, the loss of mineral resources that can help sustain the freedom of the West, a base from which Soviet forces can threaten South Atlantic shipping lanes and project guerrillas over the border into the territory of South West Africa.

But if we reject the Tunney amendment, what do we get? The word is out. The millions of dollars which the administration is throwing into Angola are not for the deliverance of the people there or for the securing of the territory from Communist domination. The millions of dollars are for securing another "negotiated settlement." The State Department has, in effect, admitted that this is the case. Indeed, it appears that some spokesmen for this point of view thought that they were putting forth a strong card in bidding for a "negotiated settlement."

The Senator from North Carolina wishes to say that he will never be part of any negotiated settlement. We have seen these negotiated settlements stalemated in Korea, imposed with indifference in Laos, and thrust brutally upon Vietnam. Is there anyone in this Chamber or in the cloakrooms or in the offices in the Dirksen or Russell building who does not believe that a "negotiated settlement" is negotiated surrender? Have we not learned the lesson of what happened in Vietnam? Do we not realize that the negotiating process for the Communists is simply a method to entrench their positions more firmly? Do we not recall how the Vietnam settlement left the Communist troops firmly in control of their enclaves in South Vietnam, and left them loopholes for resupply of those troops? Do we not remember what a demoralizing effect the "settlement" had upon South Vietnam as a nation?

I ask whether any Senator thinks that the Cuban troops would be removed from Angola under such a negotiated settlement, and whether the Soviets would withdraw their supplies and personnel? After the experience which this Nation has had under the negotiations conducted by Dr. Kissinger in the past, no one could say with assurance that the Soviets would withdraw, or would give up any of the advantages they now hold. Indeed, I can say right now that to press for such key concessions would bring charges that such firmness would threaten the "delicate state of détente. I can hear it now. I can hear the wails that we might even endanger the SALT II negotiation. I say, Mr. President, "So what?"

Mr. President, the sad fact is that it is better to pull out at once, than to enter into a protracted negotiation leading to the ultimate takeover of Angola by the Communists in any case. The Tunney amendments—which I do not like; I wish it had never been submitted—is nevertheless offering us the choice of outright abandonment of our responsibilities or a negotiated abandonment of our responsibilities. That has been made clear in the closed sessions of the Senate, yesterday and today. The first is quick and cheap; that is the Tunney amendment. The second is long, protracted, painful, and expensive. Both arrive at the same ultimate end.

The comparison of Angola to Vietnam is valid only because we are deliberately making it another Vietnam. What makes it a Vietnam are the restrictions, the obstructionism, and painful trap of negotiations. Do we not remember that in both Korea and in Vietnam we had more casualty losses after the negotiations began than before? Vietnamization is a state of mind which presents us with immoral choices. Those are the choices offered us here today by the Tunney amendment.

The Senator from North Carolina will not be taken down that path. I am presently inclined—oh, so reluctantly, Mr. President—to vote for the Tunney amendment in order to let it be known that I have no part of wasting money when the goal is to negotiate a settlement of the type which has always left the Communists in place, and given them a base for imperialistic expansion.

Mr. PACKWOOD. Will the Senator yield for a question?

Mr. HELMS. I am delighted to yield.

Mr. PACKWOOD. The Senator mentioned our responsibility in Angola. What

is our obligation? What are our responsibilities to Angola?

Mr. HELMS. I am going to address myself to that if the Senator will allow me to complete my remarks. Then I shall be delighted to discuss it further with him.

Mr. President, the administration does not need to sit on its hands. There is a very simple way to get the Communists out of Angola without getting us involved there at all. The best way is to go to where the decisions are made. The decisions are not made in Angola; they are made in Moscow. The Soviet thrust is a major new policy decision of the Central Committee of the Communist Party of the Soviet Union. Never before have the Soviets shipped new armaments of a high quality to client groups outside of the Soviet empire, or its traditional area of influence. Arms were sent for cash to the Middle East, and technicians, but the thrust in the Middle East has been a traditional goal of Soviet policy. More often, the arms sent to client states have been used junk of no particular value. But the arms sent to Angola with no payment asked, and the presence of hundreds of Soviet personnel, are an entirely new development, based upon a new worldwide strategy on the part of the Communists. It is also indicative of the Soviet military effort that for the first time their arms production is sufficient to support such shipments. No one can claim that the Soviet presence in Angola is accidental, or a spur of the moment decision. It is a long, calculated plan which has been in operation for a long time, and which threatens the peace and stability of every free nation on earth.

But does our administration see this? I think not. The Secretary of State is still inflexibly committed to détente and, to this date, I know of no one who can satisfactorily define the word "détente." The President is committed to détente, and the President recently got rid of the single voice for reason and prudence in his Cabinet in this regard, Secretary Schlesinger. The President and the Secretary of State go to China for no apparent purpose and with no apparent result. They are planning to go to the Soviet Union as soon as the SALT II details are worked out, and we are told that we must not disturb such delicate negotiations.

More and more it is becoming evident that détente is nothing other than a name for a protracted period filled with negotiated settlements of many kinds. The overall impact of détente is the same as the individual impact of each negotiation process, and that is, to put it bluntly, surrender. Détente is the rationalization of surrender just as our negotiations have been a protracted process of confirming the Communists in positions of strength in various places around the world.

So I say, Mr. President, let us go to Moscow not to Angola. This Senator says no more wheat deals with the Communists, no more trade agreements, no more tax concessions of the kind we approved just the other day until the Soviets make some concessions. We do not have to finance and supply the deficiencies of the Communist system. We do not have to allow them to divert consumer production into tanks, and farm machinery production into weapons manufacture.

Why is it that the Communists do not have tractors to get in their harvest when, at the very same time, they are able to produce guns and rockets for this Angolan adventure? That is where you get down to the nitty-gritty.

If we want the Cuban Communist troops out of Angola, Mr. President—and here I will begin to comment on the question raised by my friend from Oregon—if we want the Communist troops out of Angola, let us go to Moscow and have Moscow send a message to Havana. Better yet, let us send a message to Havana ourselves. Let Havana order the Cuban troops home and, while we are at it, tell Havana to send back to the Soviet Union those Echo class nuclear submarines based in Cuban ports and armed with 500-mile nuclear cruise missiles.

Why on earth should the captive Cuban people fight in Angola at the Soviet whim? Why should the Cuban people allow themselves to be used as shock troops for what is clearly the Soviet grand design in Angola?

I think, Mr. President, the United States should call upon the people of Cuba to rise up against the Soviets' cynical use of their young sons in this grand design and to throw off the dictator who has handed over the Cuban youth for such purposes.

But, do we do so? No. Our policy has been to encourage the resumption of normal relations, so-called, with the Communist tyrant in Cuba, and there you go. This is the fault of this whole question that is before us today. Are we really against communism? Do we really consider it a threat to liberty in the world? How much longer, how many more times, will we surrender to it in the name of détente or in the name of "negotiated settlements"?

With reference to normalized relations with Cuba that we hear so much about, our diplomats worked hard at the Organization of American States meeting last July to give the air of legitimacy to the Castro regime. It bordered on the nauseating, Mr. President, to observe what went on. In the name of détente we worked against the interests of our sister American States such as Uruguay, Chile, and Argentina, whose internal order has been disrupted by the export of Cuban-trained revolutionaries throughout South America.

What is our answer? Détente. I will wager that not one citizen out of a hundred in America can give a serious and secure definition of the word.

Even our own security is threatened in the major cities of this land by the Castro-backed Puerto Rican terrorist movement while anti-Castro leaders are assassinated right here in the United States itself.

So that is why, Mr. President, I am fed up with negotiated settlements. I am fed up with the United States never quite saying what it means about communism, stalemates, coalition governments, and I think the American people are tired of salami-sliced surrender carrying the inevitable enormous price tag.

I think the taxpayers are sick of subsidizing Secretary Kissinger's mistakes. If the United States is not seeking to win then I think we should not enter into a protected conflict where there is no intent to win.

I suggest again that the Tunney amendment, bad as it is, at least has the virtue of giving the administration a striking opportunity to reject mistaken policies of surrender and adopt a clear anti-Communist stance in the world.

Sooner or later we are going to have to do it, unless later or sooner we decide to surrender, period.

Now, the way to peace in Angola is to get the Soviets and the Cubans out of there. The way to do that is to get tough with this thing called détente—whatever it is.

No negotiation, not even a SALT negotiation, is important if it allows the Soviets to take the world, piece by piece. I do not think there is a Senator in this body who will deny that that is precisely what has been going on.

I hope that whatever else the Senate may do at this time and in connection with this matter, we will at least endeavor to make sure that the American people understand what is at stake.

In that sense, Angola, aside from its mineral value, the shipping lanes question and all the rest, is a symbol and it is an opportunity.

I promised to yield to the Senator for a question.

Mr. PACKWOOD. No more than the Senator from North Carolina do I trust the Russians. I think they lie, cheat, and steal and that their sole foreign policy is based upon what is in their interest, not that they like us or love us. I would like to think our foreign policy would be based upon what is good for us.

Mr. HELMS. Does the Senator believe that is the case?

Mr. PACKWOOD. I think we delude ourselves on occasion.

I am not a great supporter of détente. I think from time to time there can be things Russia and the United States agree on, that happen to be in our mutual interest. But we should realize then that each nation agrees upon it and we should not think it is because we love each other.

But as for Angola, forgetting détente for a moment because I am not sure it is ever going to work, what should be our obligation toward Angola?

Mr. HELMS. I will answer the Senator, as I tried to say in my statement, my concern is for the interest of the United States.

Mr. PACKWOOD. Right.

Mr. THURMOND. I wish to thank the able, distinguished Senator from North Carolina.

Some people have criticized the United States' role in Africa, but, as a matter of fact, the United States does not have any bases in Africa, does it?

Mr. HELMS. No.

Mr. THURMOND. Is it not true the Soviets have a naval and air base in Berbera and Somalia with about 1,000 military personnel there?

Mr. HELMS. That is my understanding.

Mr. THURMOND. On the east coast of Africa?

Mr. HELMS. That is my understanding.

Mr. THURMOND. Is it not true also, that the Soviets are in Mozambique by giving arms and seeking bases there on the east coast of Africa?

Mr. HELMS. That is correct.

Mr. THURMOND. Is it not true the Soviets are aware their naval facilities on Guinea on the west coast of Africa patrol the sea lanes off the west coast, of ships and planes?

Mr. HELMS. That is the understanding of the Senator from North Carolina.

Mr. THURMOND. Is it not true that the Soviets have assigned about 2,000 military advisors to African nations seeking influence, bases or both?

Mr. HELMS. My understanding is identical to that of the Senator from South Carolina.

I would ask the Senator if he would estimate what percentage of the American people understand the facts he is so eloquently bringing out by his questions?

Mr. THURMOND. I am not too sure that the American people understand these things because for some unknown reason, so much of the press do not bring out these facts when it seems to affect the Soviet Union.

I have never understood why some of the media take the position they do. With anything against the United States, it seems they are right there, Johnny on the spot.

Now, is it not true that the Soviets and their socialist allies in Africa were instrumental in getting only 16 of the 46 states in the Organization for African Unity to recognize the pro-Soviet MPLA faction?

Mr. HELMS. That is my understanding.

Mr. THURMOND. Showing that out of 46 countries in Africa, only 16, through prodded by the Soviets, were only able to induce 16 to recognize the MPLA faction as the government in Angola?

Mr. HELMS. That is factually in accordance with my understanding.

Mr. THURMOND. Is it not true that the Soviets were behind the U.S. expulsion from the Tripoli Air Base in Libya a few years ago?

Mr. HELMS. The Senator is correct.

Mr. THURMOND. Is it not true that the Soviets armed and urged Egypt to launch an attack to regain the Sinai?

Mr. HELMS. No question about that.

Mr. THURMOND. Is it not also true that the Soviets have sent in the past 10 years about $400 million worth of military equipment to 10 black African countries, including Migs and tanks?

Mr. HELMS. The Senator is absolutely correct, and that raises a question, the inescapable question of why.

So they could take over the continent.

Mr. THURMOND. Is it not true that since 1974, Soviet military aid has gone to Nigeria, Congo, Uganda, Mali, Tanzania, Zambia, Equatorial Guinea, and the Central African Republic?

Mr. HELMS. The Senator did say military aid, did he not?

Mr. THURMOND. That is right.

Mr. HELMS. I draw the distinction because that is the kind of aid the Soviet Union gives in an effort to line up and take over, and that is exactly, as the Senator so eloquently emphasizes, what they have in mind in this case.

Mr. THURMOND. Is it not true that the Soviets and Cubans have been training MPLA military representatives, estimated to be about 2,000, in Cuba and Russia since the late 1960's?

Mr. HELMS. That is my understanding. I would say to the Senator that earlier this year I visited some South American countries and Castro-trained terrorists are all over. They are being sent out not only in South America, but, as is so demonstrable in this case, in Angola. It will happen throughout the world in increasing intensity.

The Senator is exactly right.

Mr. THURMOND. Is it not true the Soviets have transported between 5,000 and 6,000 Cuban soldiers, mostly blacks, to fight with the MPLA and provided them with heavy equipment, much more deadly than the light equipment provided by the United States to the other side?

Mr. HELMS. That information has been completely verified. I would say to the Senator.

Mr. THURMOND. Is it not true the Soviets have sent about 400 military advisers to assist the MPLA?

Mr. HELMS. That, too, is correct.

Mr. THURMOND. Is it not true that only limited aid from the United States, mainly some small arms, has been sent in response to the heavy Soviet military aid?

Mr. HELMS. That is the understanding of the Senator from North Carolina, yes.

Mr. THURMOND. Is it not further true that the United States aid has not been direct, but transported mostly in commercial carriers through third countries such as Zaire and Zambia?

Mr. HELMS. That is correct.

Mr. THURMOND. In other words, we have not sent planes over there, we have not sent tankers over there, we have not sent tanks and heavy equipment, such as the Soviets have sent to the MPLA.

Is it true that intelligence believes the Soviet interest in Angola is to acquire use of the deepwater ports, the airfields, and to monitor the passing ships?

Mr. HELMS. That is correct, as a prelude to taking over the entire country.

Mr. THURMOND. Is it the policy of the United States to favor a negotiated settlement between all three factions in the hope that what we have sent, or the little aid that we may send, will create a deadlock, thus forcing a negotiated settlement? Is that the real purpose of our Government so far?

Mr. HELMS. Here is where it gets sticky in the understanding of the Senator from North Carolina. It depends on where we go with our negotiated settlements. If we settle on the Communist terms, we are repeating the folly of the past. I am hopeful, as the Senator has stated, that if a negotiated settlement is achieved, it will be done sensibly and in the best interest of containing and restraining the advance of communism in Africa.

Mr. THURMOND. Someone says that we are getting involved over there. It has been clearly stated by the administration, even on November 23 by Dr. Kissinger, Secretary of State, that the United States will not intervene militarily in Angola, has it not?

Mr. HELMS. I understand that is what Dr. Kissinger said.

Mr. THURMOND. Is it true that, by taking the position it has with regard to Angola, the Soviets have proven again that they are ready to foster violence in pursuit of their aims?

Mr. HELMS. I believe that is correct.

Mr. THURMOND. Is it true that the use of Cuban troops, Soviet advisers and heavy military equipment far exceeds any U.S. aid to the Angolan faction?

Mr. HELMS. There is no question about that.

Mr. THURMOND. Is is true that continued U.S. aid, tied to a prohibition on any U.S. personnel involvement, might force the Soviets to back off long enough to bring about a negotiated settlement? I realize on that question there is a difference of opinion, but that is the hope of our Government in the matter, I believe.

Mr. HELMS. It is a hope, I say to the distinguished Senator, that I am afraid is tissue thin.

As I said in my earlier remarks, it is my hope that there will be an understanding on the part of our leaders that we have to deal with the Communists in a fashion that will preclude a continuation of our giving them everything they want and their proceeding to do whatever they want to do. That is the way détente has worked up to now, insofar as the Senator from North Carolina is concerned.

Mr. THURMOND. Does the Senator feel that détente is not worth the paper on which it is written unless one has the power to back it?

Mr. HELMS. And the will and the courage, I would say.

Mr. THURMOND. One has to have the power and the will to use the power.

Mr. HELMS. Exactly.

Mr. THURMOND. Otherwise, détente is of no value.

Mr. HELMS. Détente can be equated to surrender without the qualities which the Senator has stated.

Mr. THURMOND. Does the Senator feel that the time has come in this time of history, in this time in which we are living, that the United States should take the stand with regard to the Soviet Union that, "If you do not get out of Angola, and if you do not quit intervening in the affairs of other countries of the world, we are going to quit trading with you. We are not going to sell you grain, even though it might be to the advantage of the farmers of America. We are not going to sell you many other things which would be of benefit to your people in the way of comforts or even luxuries. In other words, unless you abandon your goal of world aggression and intent to take over other countries, we will not carry on business with you."

Furthermore, would it even be wise to cancel diplomatic relations if they cannot work with us on an equal basis?

Mr. HELMS. I say to the Senator that

it is the impression of the Senator from North Carolina that it is dangerous to pat a rattlesnake on the head. That is precisely what we have been doing. We have been acceding to the Communists and the Soviet Union for all of these years. We have protracted the negotiations. We have, in the end without fail, yielded on their terms. I say that is a bad way to conduct foreign policy, if indeed it can be called foreign policy.

Mr. THURMOND. Is it true that as long as we attempt to placate and appease the Communists, the more they are going to ask, the more they are going to demand, and the harder it is going to be for us to live in the same world with them?

Mr. HELMS. Not only that, I would say to the Senator, but in the meantime they are growing stronger. They are growing stronger with material assists from us, as in the case of wheat, in the case of the truck factories, in the case of all sorts of arrangements which have been made through the years which, in the judgment of the Senator from North Carolina, were totally unwise and unjustified.

Mr. THURMOND. Does the Senator, for instance, go back to 1962 when President Kennedy agreed to sell the Soviets wheat? We not only sold them wheat which would enable them to keep more men in their missile factories and gun plants, but also we guaranteed repayment to the bankers that loaned the Soviets the money to buy the wheat.

Mr. HELMS. The Senator is correct.

Mr. THURMOND. Does that make sense? Is that helping to build up the Soviet Government and keep its 200 million people under their control?

Mr. HELMS. The Senator is absolutely correct.

Mr. THURMOND. If people got hungry over there, they would rise up in a revolt, would they not?

Mr. HELMS. Or they would start growing their own wheat and building their own appliances.

Mr. THURMOND. And they would not be building munitions to such an extent.

Mr. HELMS. That is correct. That is all the Senator from North Carolina has ever contended. Nobody would more welcome peace in the world and complete accord with everybody than the Senator from North Carolina. But that is not what we are moving to. We are moving toward absolute totalitarianism in the world, and it is being done under the screen of détente and negotiated settlements, and, I might add, complete misrepresentation of so many situations.

I daresay to the Senator that only a small percentage of the American people understand really what happened in Vietnam, the no-win war that the Senator is so familiar with, and all of the tragedies that grew out of that. But I think we have to confront the inevitable: are we opposed to tyranny? Are we opposed to communism? Do we really understand what it is? And then the question, Do we have the courage to stand up to it? That is the question I believe which is raised by the Tunney amendment.

Mr. THURMOND. Is it true that if this country had enforced the Paris agreement with regard to Vietnam, which we probably could have done by using the Air Force for 1 or 2 days to let them know we meant business, South Vietnam would be a free nation today?

Mr. HELMS. I do not believe there is any question about it. I have talked with so many friends who were in Vietnam, as I know the Senator has—and he, far more than I, as a matter of fact—who have told me of the frustration they felt in not being allowed to win a war they could have won. Yet the American people have been given an impression of Vietnam that is just not accurate.

They ought to ask some of the people who were there. We should have won it. Communism could have been contained and restrained, but it was not done.

Mr. THURMOND. And is it not true we could have won the war in Korea, but had a stalemate?

Mr. HELMS. No question about it.

Mr. THURMOND. That was the first war this country never won.

Mr. HELMS. No question about it.

Mr. THURMOND. And is not not true that we had the Vietnam war as a consequence?

Mr. HELMS. The Senator is absolutely correct.

Mr. THURMOND. And there we spent over $150 billion, had 50,000 men killed and over 300,000 wounded, and then turned tail and ran, so to speak?

Mr. HELMS. And we departed from Vietnam with all of the concessions in favor of the Communists. Their troops were allowed to stay in the South, and it is no wonder that Vietnam fell. All of the concessions were given to the Communists, and none to the people of South Vietnam.

Mr. THURMOND. Is not the Senator of the opinion that the United States should not go to war unless we have to, but once we go to a war we ought to put all the power we have into it, air power, sea power, ground power, artillery power, all the power we have, to win it, get out, and get through; and we stayed in Vietnam 10 years and never did that, did we?

Mr. HELMS. The Senator is correct; we did not.

Mr. THURMOND. And does the Senator not think that is one reason the people of this country now feel as they do toward the whole situation existing throughout the world?

Mr. HELMS. The people of this country have lost faith in so many of their institutions because they have seen principles eroded and even destroyed.

Mr. THURMOND. They have seen expediency control instead of principle, have they not?

Mr. HELMS. I am sad to say the Senator is correct.

Mr. THURMOND. I commend the able Senator from North Carolina. I just wish we had a whole Congress, Senate and House of Representatives, who had the vision, the ability, and the integrity that he does, who could understand this world situation and would be willing to grapple with it as he does.

Mr. HELMS. I thank the Senator for his generous remarks, and I assure him they are reciprocated threefold.

Mr. President, is the Senator from North Carolina correct in his impression that he holds the floor as a result of a unanimous-consent agreement obtained by the distinguished Senator from Idaho, which stipulated that under no circumstances would the Senator from Idaho lose his right to the floor by yielding to me? Is that correct?

The PRESIDING OFFICER (Mr. HUDDLESTON). The Chair is advised the Senator is correct.

Mr. HELMS. I thank the Chair. I ask unanimous consent that, with the right of the Senator from Idaho protected as stipulated in that unanimous-consent agreement, I be permitted to yield to my distinguished colleague from North Carolina (Mr. MORGAN).

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

Mr. MORGAN. I thank my distinguished colleague from North Carolina.

Mr. President, I wanted to take this opportunity to make some observations concerning the matter that is before the Senate, and also to repeat some observations that I had made recently concerning our foreign policy.

While I think sometimes we are attempting to conduct the foreign policy of this country for and on behalf of the President rather than by consulting and advising with the President, I do believe that the debate today has been as informative and helpful as any debate that I have heard on foreign policy since I have been in the Senate.

I was especially pleased this morning to hear the very enlightened discussion by the distinguished Senator from Illinois (Mr. STEVENSON), and I think perhaps his point of view might be a satisfactory solution to the question that is before us.

Mr. President, I believe this: Notwithstanding all of the oratory and the debate, the problem facing us when we turn to foreign policy is, in my opinion, very easy to define. There are only a small number of alternatives involved.

We can take up the call of isolationism, pull back our initiatives, and ignore the world. As the distinguished Senator from South Dakota (Mr. MCGOVERN) pointed out with a quotation from a news columnist this morning, if we lost Angola "We still have the Atlantic Ocean between us."

As he read that quotation to the Senate, I thought it rather ironic that I had in my pocket at that time a quotation from the January 22, 1939, CONGRESSIONAL RECORD, that I had copied this morning. It was a similar statement by a very distinguished and able former U.S. Senator.

It referred, of course, to the debate then involving our rendering of aid and assistance to our European allies after Hitler had taken several countries in Europe. So it, too, involved a debate on foreign policy.

In essence, this is what that distinguished Senator had to say:

> The United States need not and shall not be involved. We have an isolated location, and it is still isolated in spite of all of the improvements in air transportation.

That was as late as January 22, 1939. But, Mr. President we found later that

we were not as isolated as that distinguished Senator had thought on that day in 1939. And I would suggest that we are not as isolated today as the quotation by the distinguished Senator from South Dakota this morning would tend to indicate.

In other words, if we take up the call of isolationism, we can turn the world over to the Communists, for both the Soviet Union and China are expansionist nations. Each wants to expand as far as possible its sphere of influence. Russia's domination of Eastern Europe and China's domination of eastern Asia are today almost accomplished facts. Only a pitiful few nations in both parts of the world have been able to maintain their independence, and even they are in constant jeopardy.

The Soviet Union and China have no compunction about aiding Communist movements throughout the world. And original although my remarks were prepared 2 or 3 months ago, Mr. President, I thought it interesting to note that in the debate this morning it was pointed out that when the Belgians granted independence to the Congo, the Russians were just as quick to move in then as they have been in Angola now.

It was pointed out this morning by the distinguished Senator from New York (Mr. JAVITS), a very able man, that the Russians were kicked out of the Congo. If my knowledge of history and my recollection of recent events and investigations by the Church committee serve me correctly, I rather suspect that the reason why the Russians were kicked out of the Congo was largely the covert action of our Government in the support and encouragement given to that government.

So I am not so sure that, if the Soviet Union decides to maintain its position in Angola and we do abandon it, the people of that nation will be able to rid themselves of the Soviet influence alone.

I doubt that any nation in Africa has removed that influence without some encouragement and assistance from those who stand and resist the expansionist programs of the Communist nations.

If we should choose in this country to abandon democratic movements in the third world, the Communist movements are sure to succeed. As a matter of fact, these Communist countries are always ready to oppose any movement in the world that seems sympathetic to the Western ideals of freedom.

Angola is now the most obvious example. There we already have heard what the Soviet Union has done to foment strife and trouble and to dominate at least 30 percent of the population of that country as the Portuguese have moved out.

Communists are indeed persistent adversaries and, if we should choose isolationism as a policy, these adversaries will quickly move into any vacuum our isolationism creates.

Of course, isolationism is an extreme position. Its other extreme is antagonism. At times we Americans have also adopted this policy. We did it at the coldest part of the cold war. We opposed almost every move or every initiative of the Soviet Union and the Chinese. In large part our efforts were mostly and highly successful. Our efforts maintained the freedom of Greece, Italy, Turkey, West Berlin, and South Korea, among others.

We heard discussed in the secret session ways in which we helped these countries maintain their freedom.

I suggest to the Senate and to my colleagues everywhere that had our actions in Italy after World War II been made public before they took place they would have been totally ineffective and that country would have succumbed to communism shortly after World War II.

But this policy also got us into two land wars in Asia. As we all know, one was fought to an inconclusive result and the other was lost entirely.

It was this extreme position and the difficulties we were having making it work that has led, I believe, to the strained isolationism that we now find in our society today. Unfortunately, one failure seems to erase all of our successes. Having been bitten by one dog, so to speak, we now refuse to approach any other.

We seem willing to abandon even longstanding commitments. Our opponents are not so shallow. Defeats do not deter their initiatives. To them any opportunity is an opportunity for success. That they have often failed is not a deterrent. Failure to them is but a temporary setback. To us it seems to be the end.

It is inconceivable to me that we should withdraw so completely. It seems inconceivable to me that we should have so little faith in the ability of our ideas. We made this Nation into a model of freedom and prosperity. Do we now feel that our position is too weak to propagate? Do we now feel that others cannot benefit from the freedoms which have been ours to enjoy? Why are we willing to surrender them to Communist totalitarianism?

It seems to me that some in our society may be panicking. I suggest, Mr. President, our pride in this country has suffered more than our position.

We are still the most powerful Nation in the world. Whether we want it or not, the position of leadership in the world has been thrust upon this Nation.

I have heard today in the Chamber of this Senate the suggestion that, if the freedom of Angola is so important, why do we not call upon our NATO allies to carry the burden of maintaining and bringing freedom there?

I say, Mr. President, I would feel much better about it if our good friends in Western Europe were to assume more of a role of leadership in protecting freedom around the world. But because they fail to carry their part of the burden, are we also going to fail in the role of leadership that has been thrust upon us by the high ideas that we believe in and the success that has been ours?

How I remember, Mr. President, the words of that young dynamic new President, John F. Kennedy, as I stood here in the snow in 1961 and listened to his inaugural address and heard him say words to this effect. I do not remember them verbatim and I do not have them here, but it was something to this effect:

> Let every nation know, whether it wishes us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe, in order to assure the survival and the success of liberty.

Have we in this country forgotten those great principles to which we committed ourselves on that cold January day here in 1961?

Because we badly handled our last confrontation in Vietnam, are we now to say that we no longer will offer encouragement and aid to those who have the courage and the stamina to stand up and resist Communist aggression and expansionism wherever it is to be found in the world?

I say that there is no reason for freedom-loving Americans to abandon the Third World totalitarianism, for if we do we are not only isolationists, we shall find ourselves isolated.

So what alternative remains? If we are to be neither isolationists nor all-out antagonist, where can we stand? The answer obviously is somewhere between the two. The trouble with being all-out antagonist is that each confrontation brings the world to the brink of a nuclear war, and no person in his right mind can countenance that possibility.

So I think, Mr. President, that détente with great powers seems inevitable. I like to think of détente as meaning the improvement of our relations with other nations, with Russia. I believe we should have approached it more cautiously than we did. But if we are to avoid this kind of confrontation, I do not believe we can rule out the question of détente.

I heard earlier in the debate that we simply should cut off all aid to the African nation of Angola and say to the Soviet Union, "If you don't get out, we will have no more SALT talks. We will sell you no more wheat." We will rebuild, in effect, the Iron Curtain.

I suggest, Mr. President, that rekindling the hostilities that formerly existed between the Soviet Union and this country may very well generate and create more dangers for our Nation than the matter we are considering now. We simply cannot go to war with the Soviet Union or with Communist China. The destruction that would result is simply too horrible to contemplate. I think that no one in his right mind can advocate such a position. But this does not mean that we should become isolationists.

I suggest that we are turning inward at this point, although I am sure that many of my colleagues will disagree with me. But we cannot become isolationist in this country. The Third World is fertile ground for the growth of freedom and democracy, and both overt and covert forms of influence are available to us. There is no reason in the world why we should not use our influence to direct the course of history in the Third World. To me, it seems immoral not to do so.

If we truly believe that if men are born with an inalienable right, we must believe that Africans and Asians are born with it, and we cannot agree to any attempt to alienate them. Freedom is too precious to abandon. It is precious here; it is precious there; it is precious everywhere.

Recent criticisms of our attempt to steer the course of history in the third world has led many to think that we should abandon this meaningful alternative. Some are arguing that we should only involve ourselves in the internal affairs of another country when it is essential to our national interests. From this premise they argue that since the affairs of the Congo—Zaire—are not essential to our national interests, we should not have become involved in the early 1960's in the Congo; that since the affairs of Chile are not essential to our national interests, we should not have become involved in Chile; and that since the affairs of Portugal and Angola are not essential to our national interest, we should not have become involved in Angola.

So far as the Third World countries are concerned, it is perhaps also possible to argue that any particular nation's affairs are not essential to our Nation's interest. Of course, what goes on in the Congo, taken by itself, has little, if any, effect on our national interest; and the same can be said of Chile, Portugal, Angola, and any of the other Third World nations. But I suggest that we cannot consider each nation by itself when considering what is and what is not in our national interest; for when dealing with the Communist world, we have to deal with it collectively. Although the Congo—or Zaire, as it is now called—Chile, Portugal, and Angola individually have little, if any, bearing on our national interest, if we permit each Third World nation to go Communist, the result indeed will be detrimental to our national interest. For the result would be an isolated America, buffeted by the winds of a united Communist world, maintaining its freedom only by the threat of nuclear war, cut off from natural resources and trading partners—in short, one free nation surrounded by a totalitarian world.

How long does one think we can survive in that kind of situation? The answer is obvious enough. The freedom of men will have been relegated to history.

But, believe me, freedom is much too precious to be lost by default. Foreign policy is an important ingredient in our overall national program. It is a defense not only for our shores, but also the shores of other democratic Third World nations. We must do what we can to preserve the freedom of the world; for we shall find that one free country in the world—ours—cannot survive alone. An isolated country is sure to be only a temporary bastion of freedom. It is our one sure road to destruction, and I sincerely hope that we do not follow it.

Mr. President, the debate before this body now, in my opinion, is a debate on more than the question of whether or not we shall give another $25 million or $30 million of military aid and assistance to Angola.

I conclude my remarks by saying, Mr. President, that the remarks I made, essentially, were prepared a long time ago. I thought of making them several times. But it is a question that has bothered me. I do not understand how the President can carry out his constitutional obligations and duties of conducting foreign policy in a fishbowl. Of course, the American people have a right to know. But, Mr. President, many of the things that are going on in Government we in Congress must hold in trust for the American people.

The present crisis was not handled by the President in a vacuum. Appropriate committees of Congress were kept informed. I was informed as a member of one of the committees. Nevertheless, I think it is well that the question has been debated.

I am not sure, at this moment, how I would vote on the Tunney amendment, as amended by the distinguished Senator from New York. I have mixed emotions. I think it would be catastrophic in a way if we say to the President of the United States, "You cannot do anything else for the preservation of freedom in Angola." It would say to those brave individuals—and I am sure there are thousands of them—who thought they were going to have freedom, "You cannot look to your friends across the way for any more help."

It would also serve notice, in my opinion, to others seeking freedom and seeking to maintain their freedom around the world that they possibly could not look to this great Nation for assistance in preservation of their freedom.

No one would argue or contend for one moment that we should even commit one troop to that conflict. The President has made that clear, and I voted for the Griffin amendment this afternoon for the purpose of reiterating that.

But where do we draw the line? I am sure that is the same question that many of those who have been looking to us are asking tonight. I have detected, in recent weeks, a definite crumbling away of support for our courageous and brave friends in Israel. Without our support, that free nation cannot survive.

On the other hand, I have agonized over the thought that maybe it is best to adopt this amendment in this particular debate, for if it is not adopted, it will surely be a political issue in next year's campaign to stir the emotions of the American people—much as the debate in the last campaign involved a question of our foreign policy.

So, I may very well vote for it; I do not know, realizing the dangerous consequences of it.

I was particularly impressed this morning with the very calm and deliberate—and I might say one of the few calm and deliberate discussions of this issue before the Senate—of the distinguished Senator from Illinois (Mr. STEVENSON). It seems to me that he has approached it in a logical manner, considering the consequences both ways. I have joined with Senator STEVENSON in sponsoring his resolution, although it may never come to a vote because of the rules. But it seems to me that if we really do believe in the United Nations, this might be the proper route for us to follow.

It involved more than immediately calling on the United Nations to condemn, not just one nation for becoming involved, but all nations that are involved. As I recall the resolution, it called for a cessation of assistance while this matter was brought to the attention of the United Nations and while our leaders begin to work and negotiate with the leaders of the Soviet Union. It seems to me that this is an honorable and perhaps the most effective way out of the dilemma in which we find ourselves.

Finally, it has been suggested that we ought not to assist the two factions in Angola because they are also being assisted by other nations whose ideologies do not agree with ours, other nations who violate human rights.

But I mention also that the African nations did not condemn that nation, although I do not understand and I do not think anyone does, just how much involvement there is. But is there a nation on the face of the Earth that has violated human rights and dignity more than the Soviet Union? We know of the indignities and the persecution that are being endured by the Soviet Jews.

I had a Jewish lady in my office last week who had emigrated from Russia to Israel with her little girl, bringing me information of her husband, who is confined in prison in the Soviet Union. That was information which indicated beyond any doubt, to me, that her husband is enduring the most trying hardships that any human being can endure. So I say, Mr. President, that no nation has infringed upon the rights of its citizens more than the Soviet Union and, notwithstanding the Helsinki Agreement, we know that the document which guaranteed to the citizens of Europe the right to travel freely was nothing more to the Soviet Union than empty promise and a worthless piece of paper.

Even the great winner of the Nobel prize was unable to leave that country.

So, Mr. President, I suggest this is, perhaps, the most serious matter or certainly one of the most serious matters that has been before this body during the 11 months I have been privileged to serve in this body. It is one that this body should not approach emotionally and uncompromisingly. It is one we should try to resolve together for the best interests of America and the best interests of free men and women everywhere.

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

The PRESIDING OFFICER (Mr. STONE). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. HELMS. Mr. President, I ask unanimous consent that James Lucier of my staff be granted privilege of the floor during the consideration of this amendment and any votes thereon.

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

Mr. HELMS. Mr. President, I ask it be in order for me to ask for a quorum call protecting the previously stated rights of the Senator from Idaho.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. 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. McCLURE. Mr. President, I thank the Senator from North Carolina for protecting my right to the floor under the unanimous consent that we had previously agreed upon.

As I think most Members of the Senate are aware, there has been for the last hour and 45 minutes a meeting, attempting to find a resolution of the problem we are now confronted with.

That meeting has not been completed and discussions are continuing.

While those Members are involved in that meeting and further discuss the possible solution that might be applied to the question that has been pending before the Senate at this time and also the parliamentary problem which confronts the Senate in dealing with this possible solution, I think it might be useful to discuss for a few minutes some of the arguments that have been raised and have only been partially discussed thus far in the open sessions.

There have been a number of Senators who have remarked that they are afraid that this involvement in Angola and its progression portended another Vietnam, that somehow we will be sucked into another Vietnam. Yet the Senator from New York (Mr. JAVITS) very properly remarked yesterday that the Griffin amendment was unnecessary. The Griffin amendment today was defeated, because of the arguments that it was unnecessary because of the passage of the War Powers Act which makes it impossible for us to get sucked into another Vietnam in the same way that we escalated through assistance, through advisers, through military advisers and then directly into troop involvement; that is not possible any longer under the War Powers Act.

I think the fears which have been expressed, and I think legitimate fears expressed by a number of the Members of the Senate, that we might thus be progressing into another Vietnam is an inaccurate reflection of a very real fear, not in technical terms of being sucked into another Vietnam, but in the way of an escalation of involvement.

I think that is possible under what we are talking about. I think if we confine it to those terms we will understand the concerns that people are expressing when they use that terminology.

We not only have the War Powers Act, but we also have on the record the statement of the President of the United States and of the Secretary of State very clearly saying that no troops will be committed; that that is absolutely impossible.

So we are not talking about precisely following the escalation of involvement in Angola in the same way we did in Vietnam.

It has been suggested by some that we should not be involved as we are with the factions that we are simply because South Africa is also involved. Well, I think that is an equal paranoia with those who charge others with wanting to be involved on the opposite side of the Soviet Union no matter where they are or why. I think just to be uninvolved because South Africa is involved is equally blind as to be involved simply because the Soviet Union is.

I am concerned, Mr. President, that in the consideration of our policy here we have not adequately reflected on the problems that deal with Soviet aims, goals, and penetration in Africa. Earlier in closed session I made reference to the situation that exists on the other side of Africa, on the Indian Ocean side, in Somalia.

It has been suggested here that we do not need to fear Soviet presence in Angola, because they are fiercely nationalistic: that the black African countries are so nationalistic that Soviet presence is an impossibility.

Yet, what is the fact in Somalia? Are they less nationalistic than other African countries? Is there anyone who really believes that the leadership in Somalia is less inclined to be concerned about the maintenance of their independence than other black African nations are? The fact is that there is a Russian military base in Somalia, at Berbera.

In July of this last year I had the privilege of participating with several other Members of the Senate in a delegation meeting in Moscow with the leaders of the Soviet Union. That delegation was led by the distinguished Senator from Minnesota (Mr. HUMPHREY) and the distinguished Senator from New York (Mr. JAVITS). Others, including Senator MORGAN, were present in that delegation.

As I recall, on the second day of July we sat across the table from some of our counterparts in the Supreme Soviet, the leaders of that country in fact as well as in name. The question was directly asked about the allegations of a Soviet military presence and base in Somalia.

They just ridiculed that. They were sitting less than 5 feet away from me when they did, right across the table. They laughed at the suggestion that they were involved. All they were doing at Berbera was helping the Somalia Government build a port facility for commercial port reasons.

Three or 4 days later the distinguished Senator from Oklahoma (Mr. BARTLETT) was present in that country with a group from our Government inspecting the facilities on the ground and from the air in Berbera.

Our delegation happened at that time to have moved on to Leningrad, in the Soviet Union.

The Senator from Oklahoma has reported to the Senate and to the country by written report that their inspection revealed not only the presence of Soviet military personnel in Berbera, but the construction of what is obviously a missile-handling facility in Somalia.

The President of that country had assured our delegation that they could have access to anything they wanted to see. There were no areas in his country that were off limits. The delegation could go anywhere they wanted and look at anything they wanted to look at in Berbera to satisfy themselves.

The Senator from Oklahoma reported to the Senate and to the country that as they followed his charge to look, and the guarantee of the President of that country that they could look at anything, they were denied access to certain areas in Berbera; that they went to the gates of the barbed wire enclosures and were met with soldiers with guns leveled at them from behind sandbags who said, "You will not enter here."

The Senator's response was, "The President told us we could see anything we wanted to see. Why can we not enter here?"

They said, "You cannot enter here, because this is a Soviet base."

Yet, 3 or 4 days before I had been sitting across the table from the leaders of the Soviet Union in Moscow and they had told us there was nothing to those rumors or charges.

So I do not think we can just brush aside the consideration of whether or not there will be expanded Soviet military operations based in Angola simply on the basis that these countries are fiercely nationalistic or that we have no proof they want to build a military base in Angola.

I believe it is a possibility. I believe it is a consideration that ought to be included in the evaluation of our policy concerning Angola. From our discussions, both in open session and in closed session, I believe it is fair to say that, based upon the evidence, we have not even considered that fact. We should have considered that fact.

The committees and those individuals who have suggested to us we should terminate involvement in Angola ought to be able to tell the Senate, and ought to be able to tell the people of this country, they have considered that fact, and they have decided after mature consideration of that possibility further involvement in Angola is not justified.

They cannot make that statement. In fairness, I would think they would agree with me they have not tried to make that statement to us, because they have not considered that possibility.

I am concerned, too, that the suggestion is made that we shall confine our new programing money and covert activity to intelligence gathering alone. I assume that if we are going to do that, if we are going to be consistent, we are going to say that is true wherever we are involved; we are not going to enter into covert military assistance to any country.

Maybe the Members of this body who have been suggesting that will make a distinction. Maybe they will make the distinction that we should confine the reprogramed or covert activities to intelligence gathering and intelligence information activities, and that only in the event of a positive action of Congress shall we engage in military supply anywhere in the world.

I think that kind of a policy might be very wisely adopted by Congress. I be-

lieve that is a policy which I could support. But it has not been presented to us as a general policy for the Congress of the United States or the Government of the United States. It has been presented to us as a policy which applies only to Angola.

I have to ask myself, why? What rational distinction has been made which says that in this instance this shall be our policy, but in other instances it is not our policy?

I think we must be concerned about the implications that that will have if, indeed, the distinction I have suggested is not the reason why they are making that policy statement. If, without that distinction, it is to be our policy that we will supply money to acquire information to guide our own decisions, then I would suggest that that same kind of decisionmaking process will apply also in the Middle East. And what does that do to the commitments that we have undertaken with respect to Israel as well as to other countries in the Middle East? Are we, by that application of policy pursued on a broader scale, then, to confine ourselves to intelligence gathering and informational processes, and are we going to say, then, to other countries in the Middle East, "There will be no military assistance from henceforth from the Congress of the United States and the people of the United States?"

If that is to be our policy, or that is the implication of those who seek in this instance to initiate that policy, then I think we had better know it now. And if it is not, then I suggest we had better know what the rational distinction is that keeps that from being the policy that would be applied in the Middle East as well as in Africa.

Mr. President, I am concerned, too, when we get into the question of how our policy and our involvement in Africa may affect the relationships between national groups in Africa. It is suggested by some, if I understand their arguments correctly, that we must not be involved in Angola because to do so will inflame the racial tensions in Southern Africa. Yet it seems to me that a hasty application of the Tunney amendment to this bill and the signal that that would be to the Soviet Union to increase its penetration in Angola and in Southwest Africa could very well lead to a worsening of racial relations, not because of the action we took there, but because of the action we take here.

Why do I say that? Mr. President, I think it is obvious from the statements that have been made by the people who are involved in this debate in Angola—not in the arguments made here, not in the arguments made in NATO councils, but in arguments made by people within Angola itself—that the institution of rule by the segment of society being backed by the Soviet Union could lead to the extinction of terrorist activities aimed at a change of internal political policies in Southwest Africa, in Rhodesia, and in South Africa, and we would see across those borders the beginning of the flow of terrorist activities in much the same way we have seen it across the borders of Israel, which has exacerbated the very difficult situation that exists there, and that has made it almost impossible for us to reach a resolution of the political or military situation in the Middle East, and we would see across the borders of these countries the beginning of a guerrilla warfare which is directed toward a change of racial balance, and therefore becomes a very real addition to racial tensions in the entire region of Southwestern Africa.

I think, Mr. President, that rather than contributing to the easing of racial tensions, we might very well, by this action, exacerbate the racial tensions that exist already in that area of the world.

And when we start looking at the question of, "Well, will the United States be alined itself against black African countries if we continue the policy which is the policy of the United States today," I think it is well that we look toward the best evidence of what may occur in the minds of Africans by looking at their statements.

I think the Senate ought to look at the content of the debate that occurred in the United Nations on December 10, just a week ago yesterday. That debate, which took place over a resolution which had originally been devised to condemn the policies of racial separation in South Africa, had been changed suddenly in its character by a resolution offered by the Soviet Union as an amendment to that resolution, which would have condemned South Africa's intervention in the internal affairs of Angola.

One difference, though, from the statements that have been made here on the floor of the Senate in the last 2 days, is that that would have had automatic unquestioning support of all black African nations, who condemn South Africa for their intervention in Angola. But what was the fact? What did actually happen?

The Soviet Union did not succeed in their condemnation of South Africa in that instance, because other black African nations very quickly pointed out that South Africa was not the only country, even the major offender, in the intervention in internal affairs in Angola, that the Soviet Union itself was the major offender in the intervention, and the black African nations presented an amendment to that resolution which would have condemned all foreign intervention in Angola; and in the debate on that amendment it was clear that they were talking about the intervention of the Soviet Union.

The debate raged. I have transcripts of the debate that took place at that time.

The arguments were raised by various of the black African nations in support of and in opposition to the amendment which was offered by the representative of the Government of Zaire, condemning all foreign intervention in Angola, to exclude that resolution which the Soviet Union had offered which would have condemned only South Africa but to include the condemnation of the Soviet Union's activities in Angola, and that debate makes very interesting reading for those who are concerned about black Africans' reactions to foreign intervention in Angola.

The upshot or the final result of that debate was that both of the amendments were withdrawn. They were withdrawn after the Soviet Union amendment was rejected on a vote of 42 to 43 with 43 abstentions.

If those who believe that the black African reaction to the intervention in Angola must be so uniformly adverse to the position that we have taken, I invite them to look at that action taken in the United Nations and to take a look at the debate that took place and to consider the vote that occurred only a week ago yesterday in the United Nations in New York, because I think it begins to paint a very different picture of black Africans' reactions to foreign intervention in Angola.

For those who wish a little bit more background about that debate and the meaning of that debate, I invite the attention of Members to an article that appeared in the New York Times on the 11th of December which is entitled "Moynihan Accused in U.N. on Angola." But the point which I refer occurs in the third paragraph in that article by John F. Burns. I read from that article this portion:

> Diplomats in touch with the sponsors of the amendment which was supported by the Soviet Union and opposed by the United States said that it had been withdrawn when it became apparent it could not win a majority of votes in the assembly.

I also call attention of the Senate to the article that appeared in the Washington Post on Thursday, December 11, just 1 week ago today, a bylined article by Victor Zorza, entitled "A New Wave of Soviet Expansionism." He points to a couple of matters which are of particular interest in our discussion of policy in Angola, and let me read briefly from that article:

> The relaxation of international tensions, Pravda says, has been a powerful force behind the new upsurge in the struggle for the total liberation of peoples, and Communist Soviet Foreign Minister Andrei Gromyko explains that that support of national liberation forces is an extremely important sector of our foreign policy work.

At another point in the same article, Mr. Zorza makes this comment:

> But if the Kremlin is allowed to get away with it, Angola may prove to be only the beginning of a new drive to expand Soviet power under the cover of detente and not just in the third world.

If Members wish further material and editorial comment in regard to this situation, I suggest that they read the editorial that appeared in the Washington Post on the 15th of December in which, among other things, the editorial had this to say:

> In the United Nations the other day, for instance, the Russians suffered a smart setback, one of their first of this sort in years, when the bottom fell out from under a proposed amendment that would have ignored Soviet intervention and condemned only the Angolan role of South Africa whose intervention is at once much smaller than Moscow's and more justified.

Mr. President, I think it is important for us to note this course of events and

the commentary on the events by people who have been much closer to it and I hope more informed by it than has been the case for many Members of the Senate of the United States.

There is another factor that needs to be considered as we look at the motivations of the emerging countries.

I agree with the statement that has been made in the Chamber of this Senate that no foreign power is going to have great success in penetrating the governments of any of the African countries if they do not use force. But if they are willing to use force or if they are willing to use enough economic aid to buy their way in, they can, in some instances, be successful in either subverting the government or turning that government's interests toward their own interests.

Why is it that the Soviet Union has failed in many of its overtures to emerging countries in the past? I think it can be rather clearly stated because these countries that are throwing off the yoke of colonialism are not willing to substitute one colonial master for another. I think, as the colonial empires grew starting late in the 17th century and through the 18th and 19th centuries and were used for economic exploitation of the colonized areas of the world, these people threw off that yoke in order to seek not only political freedom but economic opportunity for their people.

Their experience when they have fallen within the Soviet orb has been that they get neither political freedom nor economic progress.

To the extent that they are within the Soviet orb, they find themselves exploited in exactly the same way that they felt themselves exploited under the colonial empires of the preceding century.

The new colonialism of the Soviet expansionism has been all too evident to the people who have lived under it.

Witness the course of events in country after country where the Soviet Union moved in as colonial powers moved out. We will find that those countries got only one thing from the Soviet Union: military support, military goods, and they paid for them. They paid for them in whatever resources they had at prices which were very favorable to the Soviet Union.

Analyze case after case after case of countries that have gone that route, tasted that cup, and discarded it because they found that, although they could get military supplies to fight against colonial oppression, they could get military supplies to fight over who should control the new country, and they could get military supplies to subvert the governments of adjacent areas or to disrupt the political stability in the region in which these countries are located, they could not get any meaningful economic assistance, and no real economic growth occurred for them.

So country after country after country, having gone through that evolution, has turned away from the help of the Soviet Union and toward a greater and freer economic coordination with the Western powers. They do not seek to substitute for the Soviet Union a different master in any Western power or Western alliance, but they seek opportunity of economic growth and social betterment for their own people. That is their motivation and a very proper motivation.

So I am in agreement with Members of this body who have suggested that the Soviet Union might well be walking into a morass in Angola, a morass from which they would find it difficult to extricate themselves with any great gain, and they might very well fail in their efforts to subvert either Angola for a very long period of time or larger areas of Africa for any substantial period of time. But we have not yet decided, and I do not think we can decide, how much the Soviet Union is willing to invest in that effort, how much they are willing to invest economically, how much they are willing to invest from the standpoint of prestige, how much they are willing to invest in terms of military involvement.

They can, if they desire, make great penetration and great inroads into the political independence of various areas of this world, as they have shown a willingness to invest. We may not be talking about evolution in which a government, having tasted from the cup of economic cooperation with the Soviet Union, discards it. We may be seeing the kind of situation in which the Soviet Union feels it is worthwhile to them to invest militarily a sufficient force to gain a relatively long-term political-military dominance of an area, as they did in Eastern Europe.

We know the sad litany of the countries that have been subverted by the strength of Soviet military might in an area where the Soviet Union felt that it was worthwhile to make that investment. And they have done so.

I was interested earlier this afternoon as the very able Senator from Oregon (Mr. PACKWOOD) was talking about the price they paid for their involvement in Hungary and Czechoslovakia, and they have indeed paid a price, in terms of the reaction of peoples in other countries of Europe. But that was a price, presumably, that they were willing to pay, in exchange for the gains they made in those countries during that period of time and during the period of time since the revolution in Hungary and the attempts by the people of Czechoslovakia to gain independence over their own internal political processes.

Mr. President, I think there are a number of reasons why we must be concerned about the evolution of a policy in Angola that may have long-lasting and far-reaching effects upon not just one small black African country.

I was interested in some of the comments that were made in the debate in the United Nations to which I made reference earlier that touched on the question of the reactions of black peoples to domination by foreign countries which are not black. I should like to read from the remarks by the representative of the Government of Zaire at that time, because I believe they shed light on the attitudes of black nations.

I make this reservation as I read from those remarks: They are translations, obviously, and I apologize for any inaccuracy in the translation. I hope the translation is accurate enough to reflect the truth of the statements made by the representative of the Government of Zaire in those debates. He said this:

> In certain quarters it is believed that Zaire is against the MPLA. We are not. The first shot fired against the Portuguese colonial administration did not come from the Soviet Union but from Zairean national territory, and in the first hours of the MPLA, where was NATO?
>
> Is there a desire deliberately to ignore the history of the national liberation movements in Angola? The Soviet Union believes itself to be the champion and the savior of Angola. At a time when the Portuguese colonial administration was rampaging in Angola, where were the armored cars, the tanks, and the sophisticated weaponry with which the Soviet Union is now flooding Angola? No doubt Soviet weapons could not be seen to be used against the Portuguese rights.
>
> This is racism stood on its head. And now they are dividing Angolan brothers, providing them with murderous weapons and helping them to kill each other. They are black, so they can kill each other. But when the white Portuguese were there, we did not see such weapons coming into Angola. Whom are they trying to deceive? Why play hide and seek?

At another point, later, he said:

> And if the Soviet Union, that great friend of independent Africa, were really as friendly as all that, it could take into account the decisions of our heads of state on the African continent.

I think it is very clear, Mr. President, that the black African nations, themselves, do not share the same fears about our involvement in Angola as has been stated and do not see our involvement in the same light as some of the Members of the U.S. Senate see it in terms of their own statements here today.

Let me make just one additional reference to the pending resolution of the Senator from Illinois (Mr. STEVENSON). I made reference to that resolution earlier today and pointed out to the Members that it can be found on page 41209 of the RECORD of yesterday. I have two concerns with the resolution as presented by the able Senator from Illinois.

First, it has a number of preamble clauses, and then in the resolution portion there are six paragraphs. The first five paragraphs refer to a number of items that can be found in sequence, and the sixth item is the one to which I want to refer, because it says:

> The President should suspend further assistance to any faction in Angola pending efforts to seek an end to all foreign intervention in Angola.

I think that has an inversion in the language of the resolution, an inversion that I hope the Senator from Illinois will correct. If that and a couple of other items in the resolution are changed, it would make it possible for me to support the resolution, because I think the Senator from Illinois did not intend that we do nothing, awaiting this kind of action on the part of the withdrawal of those people who are now involved in Angola. He did not intend, I should think, to say that we will do nothing until we say that they have withdrawn.

Instead, I think it would be more constructive to say that as they withdraw, we will react; and if they do not withdraw, we will apply these sanctions. But, pending that period of time, we will not

unilaterally stop our own assistance, at least to the extent that assistance is being put into the civil war within Angola by other outside forces.

As I said at the beginning of my remarks today, in open session, I believe that the policy of the United States should very clearly say that we believe that the people of Angola should be free to make their own decisions about what kind of government they want. They should be free to state, without any intervention on the part of any other country, which one of the groups of people or leaders within their own country they would select to be their leaders; and that we would hope that not only we would refrain from intervening in their internal political processes but that we have the right to insist that all other countries likewise refrain from interfering in the internal political affairs of the nation of Angola.

Unfortunately, that is not the situation that exists today in Angola. We have foreign intervention in the internal political affairs of that country. Unfortunately, they are not free to make their own decisions today and we would hope that we can apply our diplomatic and economic pressures in a way which is constructive enough to lead to the time that the people of Angola will again be free from the intervention and interference of foreign countries in their internal affairs. Until that time comes, there is, I think, a need for caution in terms of our precipitate withdrawal of our assistance to one or two or three factions that exist and the almost predictable course of events that would follow from our withdrawal without any quid pro quo, without any paralleling or corresponding reduction in the efforts of the Soviet Union to bend the events in that country to their own desire.

One of the other concerns that I have with the resolution of the Senator from Illinois is the rather broad and inflexible application that is called for in paragraph 4 of the resolution, because that paragraph reads as follows:

> The President, pursuant to his authority under the Export Administration Act of 1969, should curtail exports to countries which persist in intervening in the conflict in Angola.

Mr. President, I think it would be understood almost from the beginning of any discussion of that provision of the resolution that any Senator representing a farm State is going to be concerned about the application of that language. It has very little standing except to say to the President of the United States, "If other countries are persisting, you shall apply the sanctions of the act." That would mean, under the Export Administration Act of 1969, that the President has the authority, and, under this resolution, would be directed to use it, to cut off all trade with countries that are intervening in Angola. I think we would have an opportunity to adjust to that so far as farm commodities are concerned. But we could not adjust to it immediately.

The farmers in this country are the most efficient producers in the history of the world when it comes to turning out a greater and greater flow of agricultural commodities. Since the Korean war, and up until 1973, our policies in the United States have been geared to cope with the surpluses created by that tremendous ability to produce.

Mr. LONG. Will the Senator yield for a unanimous-consent request?

Mr. McCLURE. I shall be glad to yield to the Senator from Louisiana for a unanimous-consent request without losing my right to the floor and without the resumption being considered a second speech.

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

SUSPENSION OF DUTIES OF CERTAIN SILK—H.R. 7727

AMENDMENT NO. 1322

Mr. LONG. Mr. President, I introduce an amendment to H.R. 7727. This amendment is known as the deadwood bill. It deals with the so-called deadwood provisions which simplify the tax laws by removing from the Internal Revenue Code those provisions which are obsolete or no longer important and rarely used.

The provisions, which have been developed over a number of years, would repeal almost 150 sections of the Internal Revenue Code and would amend more than 850 other sections of the Code. The bill also would make other simplifying changes such as the substitution of the term "ordinary income" for phrases in present law which obtain this result by referring to the income as "gain from the sale or exchange of property which is neither a capital asset nor property described in section 1231."

The deleted provisions would include those which deal only with past years, situations which were narrowly defined and are unlikely to recur, as well as provisions which have largely outlived their usefulness. In some situations, provisions would be added to preserve the right of persons to continue to receive benefits under Code provisions which generally would be repealed.

The deadwood provisions do not attempt to achieve simplification through substantive changes in existing law. Therefore, the provisions do not deal with policy issues or with substantive changes in generally applicable provisions.

DEPARTMENT OF DEFENSE APPROPRIATIONS, FISCAL YEAR 1976

The Senate continued with the consideration of amendment in disagreement No. 75 to H.R. 9861, an act making appropriations for the Department of Defense for the fiscal year ending June 30, 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, and for other purposes.

Mr. McCLURE. Since the Korean war and up until 1973, our policies had to be directed toward what to do with the ability of the farmers of the United States to produce more food than we could consume in the markets in our own country. So we had an elaborate system built up—jerrybuilt, some say—over the years to deal with the twin problems of too much production and how to reduce production. So we had farmers paid not to produce; we had programs to encourage and to pay farmers for withholding land from production. We had commodity purchase programs in which the Government bought the commodities off the market, removed them from the market; we had storage programs to pay people to store commodities that were excess to our needs. We had all these programs and we had Public Law 480, which is not a very euphonious title for a bill which then became known, with more artistic fervor, as the food-for-peace program. Through this, we used our surpluses to try to feed hungry people in this world. All of this was evidence of the tremendous ability of the farmers of this country to produce more than we could consume in this country.

In 1973, for the first time, because of the demand for food and because of the ability of various foreign countries to purchase that food, we were able to export enough of our surpluses that we began to reach the point that our agricultural commodities could find a free market price. Since 1973, those prices have moved to a price that is established by a market and not by a governmental program. That, I believe, Mr. President, has been progress.

I think not just the farmers of the United States have benefited greatly from that, but so have the communities in which they live—the automobile dealers, the implement dealers, the warehousemen, the people in Peoria have benefitted from that because they manufacture the machinery that has been sold to those farmers.

I might, incidentally, note that in the very brief period of time following the initial massive purchase of wheat by the government of Russia, when the price of wheat moved up very rapidly in my area of the country from an average of about $1.85 a bushel to better than $5 a bushel, it took less than 6 months for the price of a tractor to double.

I do not think it cost more to produce a tractor in that period; it was just a reflection of the old supply and demand law again. Farmers had a little bit more money and they were willing to spend it to update some of their older equipment and replace some of it and the demand on the market exceeded the supply and the price went up.

The price doubled, literally doubled. A large, four-wheel-drive tractor that is used in the wheat-growing areas of my State, that had sold for about $20,000, went to $43,000 in 6 months. A self-propelled combine of the type that is much in use in that same area, in that same period of time, went from about $28,000 to $48,000.

I might add that the price of wheat may have peaked out at around $6 a bushel. Certainly, a great many farmers got better than $5 a bushel. The price went back down to $3 a bushel, but I did not see the price of a tractor go down, following the price of wheat going back down.

But the farmers of this country have been able to survive and they will survive on the market condition, which is the

situation which I think we should all support. They can do so only if they have access to world markets for the sale of the produce that cannot be consumed in this country. If we are going, under a resolution like this and for other reasons than the management of our agricultural surplus, to limit the sale of agricultural products, as they would be limited under this resolution, then, Mr. President, we must be prepared to pay the price of going back into a regulated agriculture and pay the price of the kinds of agricultural programs that we had in the late 1950's and through the 1960's; a price that is, I think, not an inconsiderable one.

If you will compare it to the cost of the continuation of the program we are talking about here it is very disproportionate. I have heard it said that because we are talking about committing an additional $28 million to a program in Angola, we must change our foreign policy. I am suggesting if that $28 million is the reason for us to change that foreign policy, let us look at the hundreds of millions of dollars and probably billions of dollars that will be required to adjust our agricultural programs to the realities of a foreign policy that turns in the way that is suggested by the resolution of the Senator from Illinois.

The Senator from South Carolina (Mr. THURMOND) has circulated a resolution which has slightly different wording, and I would commend that to the consideration of the Senate. I certainly hope that, perhaps, if we get to the consideration of the resolution of the Senator from Illinois, we may also consider the possibility of modifying the language more along the lines of the resolution suggested by the Senator from South Carolina.

That resolution, as I recall—and I do not seem to have a copy of it at the moment—states that the President shall explore the possibility of economic sanctions while instituting diplomatic pressures, and shall report back to the Congress of the United States within 60 days specific economic sanctions that he thinks should be applied.

I think that formulation rather than the more rigid formulation in the Stevenson resolution may be the kind of action the Senate could responsibly take today in trying to resolve the question of how to respond to the changes in Angola and the changes of the political situation brought about by the Soviet Union's intervention.

I have been handed a copy of the resolution, and section 2 of that resolution states as follows:

> The Senate requests the President to submit to the Congress such recommendation as he deems appropriate regarding the reduction, prohibition, suspension or termination of trade with the Soviet Union in the event he is unable to successfully negotiate an agreement referred to in the first section of this resolution within 90 days after the adoption of this resolution.

That, I think, is the kind of flexibility necessary so that we might avoid the consequences that seem to me to flow from the language that is in the Stevenson resolution.

These are several of the reasons why I think we must be concerned not only about the policy implications within Angola and foreign policy but the impact of our response upon domestic political policy. The domestic political policy is not unrelated to what we may decide is right to do in Angola.

It has been suggested by some that we should not be involved in Angola because the United States does not have that much at stake in Angola. That implies to me, at least, that we will never be involved in providing the means by which people can fight for their own independence, if they desire to do so, against foreign subversion or subversion within their own country supported by foreign powers unless the United States has a direct security interest in it.

I would ask the Senate if that is the same standard we are applying in the Middle East as we approach the multibillion dollar aid to the nation of Israel. I am not suggesting that we should not provide military assistance to Israel but I am saying we are applying that military assistance to Israel because we believe it is right that they ought to have the opportunity to fight for their own survival.

Are we willing to make that moral judgment and to commit ourselves and our resources to the support of the people in Israel because they happen to be more like us and are unwilling to do so in Angola because they happen to be black? Is that the kind of policy this Senate is about to adopt? Is that the kind of motivation we would be proud to have ascribed to the action that is taken by us?

I happen to believe we are right in saying to the world that Israel has a right to exist and that we underscore that by providing them with whatever assistance is necessary for them to fight for their survival.

Mr. BARTLETT. Mr. President, will the Senator yield for a question?

Mr. McCLURE. In just a moment.

I think we also ought to, in the same spirit that motivated the President in enunciating what has become known as the Guam doctrine, say that we will provide the means to people who desire to fight for their own survival when they are threatened by subversion that is being supported from external forces.

I think the President was also right in that policy enunciation when he said we are not going to try to fight everyone's battles for them. But I believe if we are going to say we are not going to be the policemen of the world, we also ought to recognize there are struggles going on within this world—there have been and will continue to be—where it is sought to subjugate people against their will to satisfy the ambitions of large powers outside their countries, and the United States cannot morally ignore what happens in those instances.

I would be happy to yield to the Senator from Oklahoma for a question.

Mr. BARTLETT. I would like to point out to the Senator from Idaho there are those who advocate passage of the Tunney amendment, and then also apparently advocate the Congress overtly passing the necessary legislation to provide for military support in Angola, and to do this openly either on regular legislation or with special consideration.

It seems to me this creates a hiatus that would be very dangerous, and I just wonder if the Senator from Idaho would comment on this to give me his opinion of the danger of a hiatus that would exist during that period even if Congress did adopt later on an amount of military help equivalent to that which is contemplated now with the readjustment of the funds.

Mr. McCLURE. Well, let me say to the Senator from Oklahoma that has to be one of the major concerns that confront us now.

Certainly I agree with those Members of the Senate who say the kind of involvement we are engaged in now, that we are apparently engaged in, where we started out with a few thousand dollars and now we are up to $25 million spent and $7 million programed, and $28 million requested, is the kind of decision in which Congress should be involved; that it cannot be a covert operation, it should be an overt decision.

It is my feeling that it is already an overt policy. If it was ever a secret policy it no longer is. So the decision we are making now is not whether to get involved to that extent, it is a question of whether we are going to stop being involved to that extent because we already are.

The President of the United States, through the activities of the State Department and the CIA and, to some degree, pursuant to the involvement of appropriate committees of this Congress that have approved at least portions of this action in the past, has already brought us to the point where the world sees us as being involved in Angola.

If we adopt the Tunney amendment now we stop that involvement, and the signal is not whether we may decide at some future date to get involved again, but the signal is we have stopped being involved and, I think, that has immediate consequences in the perception of peoples around the world as to the will of the United States, the direction of the United States, and it simply is not something that will not affect other people's beliefs concerning the United States, and they will start making policy decisions of their own based upon that decision as they see it and not await a further determination by Congress as to whether we wish again to program moneys to put in at some time in the future.

It is not a neutral step.

Mr. BARTLETT. If the Senator will yield further, the Senator makes a very good point about the whole matter being overtly known and discussed by the people of this country.

The reason I mentioned the hiatus is that presumably the funds can be reassigned within a matter of several weeks after the first of the year, and on the other hand, new legislation for Angola would take several months at the earliest.

So a hiatus would be created if we passed the Tunney amendment and then waited until later congressional action.

On the other hand, if we would proceed with further aid now, there would still be the opportunity for the Congress

to decide what future action it would want to take and there would be the chance for a more orderly transition from the covert actions that have been sanctioned and established as options for the executive branch by the legislative branch, there would be more time for transition from those options that are now being exercised by the executive branch to whatever was decided later on by the joint decision of the Congress and the executive branch, would that not be the case?

Mr. McCLURE. The Senator is correct.

I might add to that, it seems to me that one of the options that is available to us at this time to avoid that hiatus might be, for the time being, to operate under the continuing resolution which has already passed, rather than seek to get final action on this legislation at this time.

I say that because whether we like it or not, some kind of signal is going to come out of any kind of action we take on this bill. Some kind of signal is going to be flashed to the participants in the struggle and others who are not participating in the struggle if we adopt the Tunney amendment or if we defeat the Tunney amendment.

The situation that would occur if we operate under the continuing resolution, as I understand it, would be this, the Senator from Arkansas, the chairman of the Appropriations Committee (Mr. McCLELLAN), has indicated that the request for reprograming of funds will not be granted until the committee has had an opportunity for a hearing and a briefing and a discussion and a determination by the committee, which means that the funds which they seek to reprogram would not be available until some time after Congress convened again in January.

The Congress, in the meantime, would not have said that they cannot continue to use the money which is in the pipeline now, and it would not have said they could not reprogram other moneys which might be available. I think there is a discretionary pool that exists that does not require reprograming, and that would be available in the absence of the Tunney amendment, although a very much smaller sum of money.

It might be possible for us just to hold this matter in abeyance until we come back in January and operate, meanwhile, under the continuing resolution with the much more constricted ability to use additional funds in Angola and make the determination at that time after the committees have had the opportunity to be briefed and to discuss and make their own decision.

Mr. HASKELL addressed the Chair.

Mr. BARTLETT. Will the Senator yield to me for one more question?

Mr. HASKELL. I just wonder if the Senator from Idaho will yield without losing his right to the floor while I offer an amendment to S. 1469 which involves the Alaska Claims Act. It should not take long.

Mr. McCLURE. Mr. President, I ask unanimous consent that I may yield to the Senator from Colorado for that purpose without losing my right to the floor and without my resumption being considered a second speech.

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

ALASKA NATIVE CLAIMS SETTLEMENT ACT AMENDMENTS

Mr. HASKELL. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1469.

The PRESIDING OFFICER (Mr. STONE) laid before the Senate the amendment of the House of Representatives to the bill (S. 1469) to provide, under or by amendment of the Alaska Native Claims Settlement Act, for the late enrollment of certain Natives, the establishment of an escrow account for the proceeds of certain lands, the treatment of certain payments and grants, and the consolidation of existing regional corporations, and for other purposes.

(The amendments of the House are printed in the RECORD of December 16, 1975, beginning at page 40815.)

Mr. HASKELL. I wish to thank the Senator from Idaho.

Mr. President, I would like to preface this by stating that I am informed that the amendments I am about to ask the Chair to lay before the Senate have been cleared with both Senators from Alaska, Senator GRAVEL being here. It has been cleared with Senator FANNIN and, as a matter of fact, has been cleared with the Department of the Interior and has satisfied all concerned.

Mr. President, I send to the desk several amendments and minor substantive amendments, and ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc. The clerk will state the amendments.

The assistant legislative clerk proceeded to read the amendments.

Mr. HASKELL. I ask unanimous consent that further reading of the amendments be dispensed with.

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

The amendments are as follows:

1. On page 1, line 3, strike "authorized" and insert in lieu thereof "directed".

2. On page 2, line 22 strike "village corporations" and insert in lieu thereof "Village Corporations".

3. On page 2, line 23, strike "Alaska Native Claims" and insert in lieu thereof "the".

4. On page 2, line 24, strike "who" and insert in lieu thereof "the Village Corporation or Corporations of which".

5. On page 2, line 25, strike "receive surface and subsurface entitlement" and insert in lieu thereof "acquire title to the surface and subsurface estates of said reserves".

6. On page 3, line 12, strike "the minimum number" and insert in lieu thereof "a sufficient number".

7. On page 4, line 24, strike "reexamination" and insert in lieu thereof "redetermination".

8. On page 5, lines 6 and 7, strike ", issued pursuant to section 14(g) of the Settlement Act, pertaining to land" and insert in lieu thereof "pertaining to lands".

9. On page 5, lines 14 and 15, strike "the proceeds which" and insert in lieu thereof "the proceeds, together with interest, which".

10. On page 5, line 16, strike "pertaining to lands" and insert in lieu thereof "pertaining to such lands".

11. On page 5, line 18, strike "together with interest".

12. On page 5, line 24, and page 6, line 1, strike "deposited in the Treasury of the United States or".

13. On page 6, lines 7 and 8, strike "deposit, such deposit to bear simple interest at a rate determined by the Secretary of the Treasury" and insert in lieu thereof: "deposit to the date of payment with simple interest at the rate determined by the Secretary of the Treasury to be the rate payable on short-term obligations of the United States prevailing at the time of payment".

14. On page 6, line 12, strike "(25 U.S.C. 162 a)" and insert in lieu thereof "(52 Stat. 1037)".

15. On page 6, line 18, strike "subsection" and insert in lieu thereof "section".

16. On page 7, between lines 5 and 6, insert "Temporary exemption from certain securities laws".

17. On page 7, line 17, between "all" and "information" insert "the".

18. On page 7, between lines 21 and 22, insert "Relation to other programs".

19. On page 8, line 4, after "1964" insert "(78 Stat. 703), as amended".

20. On page 8, between lines 21 and 22, insert "Merger of Native corporations".

21. On page 10, line 4, between "corporations and shareholders which" and "participated", insert "and who".

22. On page 11, line 1, strike "consolidations" and insert in lieu thereof "consolidation".

23. On page 12, line 14, strike "Alaska Natives" and insert in lieu thereof "Natives".

24. On page 12, lines 18 and 19, strike "Alaska Native Regional Corporations or by Alaska Native" and insert in lieu thereof" Regional Corporations in Alaska or by".

25. On page 13, lines 1 and 2, and lines 5 and 6, strike "Alaska Regional Corporation" and insert in lieu thereof "Regional Corporation in Alaska" in both places.

26. On page 13, lines 7, 8, and 9, strike "In the event section 5(a) of the Settlement Act is amended to reopen the Alaska Native Roll for additional enrollment," and insert in lieu thereof "Whenever additional enrollment under the Settlement Act is permitted pursuant to this Act or any other provision of law,".

27. On page 13, line 11, strike "such Act" and insert in lieu thereof "the Settlement Act".

28. On page 13, line 12, between "enrollment" and "elect" insert a comma.

29. On page 13, line 14, strike "the Settlement" and insert in lieu thereof "such".

30. On page 13, line 15, strike "Natives'" and insert in lieu thereof "Native's".

31. On page 13, lines 18 and 22, strike "Alaska" in both places.

32. On page 13, lines 23 and 24, strike "regional or village corporation" and insert in lieu thereof "Regional or Village Corporation".

33. On pages 15 and 16 amend section 11 to read as follows:

"SEC. 11. The boundary between the southeastern and Chugach regions shall be the 141st meridian: *Provided*, That the Regional

Corporation for the Chugach region shall accord to the Natives enrolled to the Village of Yakutat the same rights and privileges to use any lands which may be conveyed to the Regional Corporation in the vicinity of Icy Bay for such purposes as such Natives have traditionally made thereof, including, but not limited to, subsistence hunting, fishing and gathering, as the Regional Corporation accords to its own shareholders, and shall take no unreasonable or arbitrary action relative to such lands for the primary purpose and having the effect, of impairing or curtailing such rights and privileges.".

34. On page 16, line 12, strike "COOK INLET SETTLEMENT.—".

35. On page 16, lines 15 and 16, strike "'region' hereinafter" and insert in lieu thereof "hereinafter in this section referred to as the 'Region'".

36. On page 17, line 6, strike "Alaska Native Claims".

37. On page 17, line 21, strike "set forth therein" and insert in lieu thereof "and the Region, as a matter of Federal law".

38. On page 17, line 22, page 18, lines 5, 7, 12 and 17, between "(1)" and "approximately", "(3)" and "Federal", "(4)" and "township", "(5)" and "twenty-nine", and "(6)" and "lands", in each case, insert "title to".

39. On page 18, line 5, strike "townships 10 south" and insert in lieu thereof "township 10 south".

40. On page 18, line 21, strike "Alaska Native Claims".

41. On page 19, line 10, strike "owner" and insert in lieu thereof "Region so long as the Region owns such lands".

42. On page 19, line 11, strike "Alaska Native Claims".

43. On page 19, line 15, between "land" and "without restriction" insert "conveyed".

44. On page 19, line 18 and lines 23 and 24, strike "Cook Inlet Region, Incorporated," and in both places insert in lieu thereof "the Region".

45. On page 19, line 23, between "11(a)(1)" and the comma insert "of the Settlement Act".

46. On page 19, line 24, strike "the Region" and insert in lieu thereof "the Regional Corporation".

47. On page 20, line 2, between "11(a)(3)" and "as" insert "of the Settlement Act".

48. On page 20, lines 3 and 4 and line 20, strike "Cook Inlet Region, Incorporated," in both places and insert in lieu thereof "the Region".

49. On page 20, line 17, strike "the Region" and insert in lieu thereof "the affected Regional Corporation".

50. On page 20, line 10, between "any section 11(a)(1)" and the period insert "withdrawal".

51. On page 20, line 17, strike "affected Region" and insert in lieu thereof "affected Regional Corporation".

52. On page 21, lines 5, 7, and 8, 16, and 21, strike "Alaska Native Claims" in each of the four places it appears.

53. On page 21, lines 8 and 9, strike "3.5 townships of subsurface" and insert in lieu thereof "3.58 townships of oil and gas and coal".

54. On page 21, lines 19 and 20, strike "regional corporation or village corporation" and insert in lieu thereof "Regional Corporation or Village Corporation".

55. On page 22, line 2, strike "Alaska Native Claims".

56. On page 23, lines 9 through 11, strike ": *Provided*, That if the land is not used for the above purposes it shall revert to the United States".

57. On page 23, line 16, strike "Act:" and insert in lieu thereof "Act, and the conveyance of such lands shall also contain a provision that, if the lands cease to be used for the purposes for which they were conveyed, the lands and title thereto shall revert to the United States:".

58. On page 24, line 9, after "Act." insert "This conveyance shall be considered and treated as a conveyance under the Settlement Act.".

59. On page 24, lines 15 and 16, strike "Alaska Native Claims".

60. On page 25, line 1, strike "corporations" and insert in lieu thereof "Corporations".

61. Page , line , strike "Alaska Native Claims".

62. On page 25, lines 17 and 18, strike "Alaska Native Claims Settlement Act of December 18, 1971 (85 Stat. 688), is hereby" and insert in lieu thereof "Settlement Act is".

63. On page 26, line 2, between "2033" and "of" insert ", or any successor provisions,".

64. On pages 27 and 28, strike each of the periods between and including line 6 on page 27 and line 6 on page 28 and insert in lieu of each such period a semicolon.

65. On page 28, line 6, directly after the number "13" and the semicolon provided for in amendment no. 65 above insert "S.M., Alaska, notwithstanding" and delete "Notwithstanding" on line 7.

66. On page 28, line 21, between "assigns," and "and" insert "such".

67. On page 29, line 23, and page 30, line 1, strike "Alaska Native Claims Settlement Act (85 Stat. 688)." and insert in lieu thereof "Settlement Act".

68. On page 29, line 8, strike "national forests system" and insert in lieu thereof "National Forest System".

69. On page 29, lines 11 and 12 and line 13, strike "Alaska Native Claims" in both places.

70. On page 29, line 18, strike "Group Corporations" and insert in lieu thereof "corporations organized by Native groups".

71. On page 29, lines 19 and 20, strike "the Native Corporations for the cities of" and insert in lieu thereof "and the corporations organized by Natives residing in".

72. On page 30, line 20, after "Kenai," and before "other" insert "all as defined on this Act, and".

73. On page 31, line 4, between "the" and "Secretary" insert "appropriate".

Mr. McCLURE. Will the Senator yield for one question?

Mr. HASKELL. I yield to the Senator.

Mr. McCLURE. I want to make certain I understood the Senator, I was talking at the time he made the statement.

My understanding is that these are technical amendments which have been discussed wtih the Senator from Arizona (Mr. FANNIN)?

Mr. HASKELL. Yes. I am informed that they have been cleared with Senator FANNIN, that they are satisfactory to Senator GRAVEL, that they are satisfactory to Senator STEVENS, and furthermore, I am informed they are satisfactory to the Secretary of the Interior.

As the Senator knows, I can only go on what I am informed.

Mr. HASKELL. S. 1469 makes certain amendments to the Alaska Native Claims Settlement Act in order to resolve various difficulties which have arisen during the implementation of that act. S. 1469 was passed by the Senate on August 2, 1975, and was passed by the House on December 16, 1975, with an amendment in the nature of a substitute. With but a few exceptions, the House-passed bill is the same in substance as that passed by the Senate.

Mr. President, the House has added certain provisions which, while they were not in the Senate-passed bill, have been the subject of hearings and consideration by the Senate Interior Committee. I will briefly describe those new sections which should be accepted by the Senate with certain changes.

Section 8 of S. 1469, as added by the House, relates to the establishment of a 13th region and the incorporation of a 13th Regional Corporation for the benefit of enrolled Natives who were not permanent residents of the State of Alaska.

When the Secretary of the Interior certified the final Native roll on December 18, 1973, he also declared that less than a majority of the nonresident Natives voted for the 13th and the 13th region issue had failed. All nonresidents were, accordingly, enrolled in the appropriate region in Alaska. Two organizations—the Alaska Federation of Natives International, Inc. and the Alaska Native Association of Oregon—representing the interests of nonresidents and the concept of the 13th region, separately, brought suit against the Secretary in the U.S. District Court for the District of Columbia requesting that the declaration of the Secretary be declared invalid and that the 13th region be established. On October 6, 1975, the district court entered an order implementing an earlier order in 1974, directing the Secretary to ceate the 13th region, enroll therein all nonresident Natives who had indicated, on their last formal communication with the Secretary, their desire to enroll in a 13th region, and to provide for the incorporation of the 13th Regional Corporation.

Section 8 is necessary to supplement the court's order. The amendment provides that no change in enrollment to either the 13th region or to one of the 12 regions in Alaska which is required or permitted by the court's order shall affect any land entitlements of an Alaska Native Regional or Village Corporation existing at the time of the creation of the 13th region. Also, it provides that, in furtherance of the court's order, any cancellation of stock of a Native shall be without liability to either the corporation or the individual. Finally, it provides that in the event the Native roll is reopened for new enrollment, eligible Natives who are permanent nonresidents of Alaska are to elect whether they wish to enroll in the 13th region or the appropriate Alaska region at the time of their enrollment.

Section 10, as added by the House, relates to a certain land selection problem in the southeastern region of Alaska concerning which the committee has twice received testimony. This section provides that Sealaska, Inc., may select its approximately 200,000-acre entitlement

from lands which were withdrawn in the national forest for selection by village corporations of the southeastern region, but which were not so selected. The section provides that Sealaska, Inc., may not select any lands on Admiralty Island in the withdrawal for the village of Angoon. In addition, no selections can be made in the withdrawal for the villages of Yakutat and Saxman, unless the Governor of the State of Alaska or his delegate consents to such selection. This section is necessary to fulfill Sealaska's selection rights under the Settlement Act.

Section 11 as added by the House resolves a boundary dispute between Sealaska and the Chugach region. The amendment is supported by both affected regions.

Section 12 as added by the House relates to a settlement of a land selection problem in the Cook Inlet Region. On two occasions this year, the Senate Interior Committee received testimony on the Cook Inlet problem. During the hearings, the various interested parties were urged to amicably settle their disagreement among themselves. The Cook Inlet Regional Corporation, the Department of the Interior, the State of Alaska, and various interested environmental groups have agreed upon settlement terms. These terms are published in the House report (Report No. 94–729). The provisions of section 12 simply provide the necessary statutory authority to implement the settlement.

Section 15, as added by the House, relates to land selection problems in Koniag Region. The Senate Interior Committee has also received testimony on this matter. Section 15 would provide the Koniag Regional Corporation with carefully circumscribed rights to oil and gas within certain lands set aside under section 17(d)(2) of the Settlement Act for possible designation as the Aniakchak Caldera National Monument.

Section 16 as added by the House is intended to prevent the village of Tatitlek from losing part of its land entitlement as a result of a misunderstanding. Tatitlek relied on advice and the apparent approval of the Interior Department in selecting two townships of its five township entitlement in an area withdrawn by the Secretary pursuant to section 17(d)(2) of the Settlement Act. Subsequently, however, the Bureau of Land Management disapproved the selection of the two townships. Because Tatitlek assumed that its selection had Departmental approval, it did not overselect other lands to provide alternate lands for selection in case its first selections were not approved. The deadline for village selections has passed and the department had advised Tatitlek that no administrative remedy exists to allow reselection of the two townships elsewhere. This amendment provides that Tatitlek can select the remainder of its entitlement—40,000 acres—from within the village deficiency area originally withdrawn for its selection.

Mr. President, I have a few additional amendments of a minor substantive nature and several technical amendments.

Section 2 as passed by both bodies provides for an escrow fund for proceeds derived from lands selected by Native entities. I propose a further amendment to insure that the interest paid the Natives on that escrow fund would be the same as the prevailing rate on short-term government obligations, unless the Secretary of the Interior exercises his right to reinvest the proceeds to obtain a higher rate of return. The House had inserted in the subsection a proviso which states that nothing in section 2 is to be construed as creating or terminating any trust relationship between the United States and any corporation or individual entitled to receive benefits under the Settlement Act. This clause does of course reflect the intent of the Senate, as well. However, the additional language will insure that these funds will be treated just as other Indian trust funds. The proviso, then, refers to any other trust relationship which might be construed as being impaired or created.

Mr. President, I also offer several amendments of a technical nature which will conform the House-passed version to that passed by the Senate, or to correct and improve provisions added by the House.

During the two hearings we have held on matters pertaining to the Alaska Native Claims Settlement Act, we have heard numerous points of view concerning the case of *Edwardsen* v. *Morton* (369 F. Supp. 1359, 1973). Formally pending before the committee, has been one legislative proposal relating to that case: Section 15 of S. 1824. The fact that the committee has failed to report a bill which contains, or that the amendments I submit today do not include, section 15 or any other provision relating to the Edwardsen case should not be construed as either committee endorsement or disagreement with the Edwardsen decision. The committee may wish to further consider the problem in light of future judicial events.

Mr. President, I have asked that these amendments be considered en bloc.

The PRESIDING OFFICER. The Chair understands that the Senator from Alaska is recognized under the same unanimous-consent agreement on which the Senator from Idaho retains his right to the floor.

The Senator from Alaska.

Mr. GRAVEL. I appreciate that initiative of the Chair.

I thank the Senator from Idaho.

Mr. President, section 8 of the bill as passed by the House deals with the 13th Regional Corporation. That issue has been the subject of prolonged consideration by the Congress and the U.S. District Court for the District of Columbia. The House bill would follow the disposition made by the court and would made certain amendments to permit fulfillment of the court's orders without creating inequities.

Under the court's orders, Natives enrolled in the 13th Region will be given one final opportunity to decide whether to enroll in the 13th or one of the 12 regional corporations. I understand that the court has not yet considered whether adjustments to Future Alaska Native Fund distributions should be made to reflect such reenrollments and in order to insure that every Native has the same interest in the Alaska Native Fund as does every other Native, regardless of his regional enrollment. Neither the House nor the Senate has considered this issue and accordingly the bill does not deal with this issue. Nothing in this bill is intended to interfere in any way with the court's resolution of this issue and the court should feel free to do whatever is necessary to carry out its orders and to insure justice to resident and nonresident Alaskan Natives alike.

Mr. President, I would like to yield to my senior colleague, who is an attorney, and ask him if he would have any views to present to the Senate.

The PRESIDING OFFICER. Under the same unanimous-consent agreement?

Mr. GRAVEL. Yes.

Mr. STEVENS. I thank the Chair and my colleague for acting so promptly on this bill. It does mean a great deal to our Native people.

I would state that I concur with the statement made by Senator GRAVEL concerning the problem of the courts not having reached the question of adjustment to future Alaskan Native fund distributions with regard to reenrollments. I think it ought to be very clear to everyone that not having considered the matter in court, and since we have not considered the matter in either House, this bill does not dispose of that question and should not be interpreted in any way to have reflected a judgment by the Congress on the matter.

I believe the record should be very plain in that regard, because the matter is still pending before the Federal courts.

Mr. President, I am pleased that the Senate is able to consider this quickly on the amendments proposed by the House to the Alaska Native Claims Settlement Act. Neither the House nor the Senate adopted amendments resolving the issues raised by the Edwardsen versus Morton case. I was a member of the conference when the Alaska Native Claims Settlement Act was passed and the intent of the act was to extinguish all aboriginal title in Alaska and claims based upon aboriginal title, including trespass claims. However, this issue has not been resolved because of recent litigation brought in Alaska involving the State of Alaska and over 100 defendants and I have agreed with the committee chairman to withhold any further legislative action on this issue until we can see whether the matter can be quickly resolved in the Federal District Court in Anchorage. If this issue is not quickly dismissed by the court, I know that the committee will want to again consider resolving this important issue by legislation.

Mr. President, the omnibus amendments to the Alaska Native Claims Settlement Act have finally progressed to

this stage. I remember first introducing the Native enrollment extension amendment in the Senate and am aware of the desperate need for many of these amendments now before the Senate to be enacted into law.

The Senate has already passed most of these amendments and we are now reconsidering them to hopefully avoid a conference on these measures.

There are three major amendments now before the Senate for the first time. The first sets forth a fair land settlement for Cook Inlet Region. Cook Inlet was originally asked to accept land selections from glaciers and mountaintops. Pretty country, but hardly the type of land for Cook Inlet to build an economic base upon. After 2 years of intense negotiation between the State of Alaska, the Department of the Interior, Cook Inlet Region, and initially the affected local governments, a positive land settlement has been agreed upon by all these parties.

I believe it is a fair settlement which provides a much-needed economic base for the Cook Inlet Region, simplifies the management scheme for Lake Clark and will provide for a logical land management system in the Cook Inlet area.

There is also a new section, already acted favorably upon by the House, which allows Koniag Regional Corporation to select land within a proposed national monument. This provision would legislate an agreement between the Department of the Interior and the Koniag Regional Corporation concerning the lands withdrawn under section 17(d)(2)(e) of the Claims Act in the area proposed by the Interior Department for establishment as the Aniakchak Caldera National Monument in the National Park System.

The third new amendment would allow Sealaska Regional Corporation an equitable land settlement. Basically the language would allow the selection within the Tongass National Forest of approximately 200,000 acres. I feel that this measure is necessary since the only land in southeast Alaska not presently in the national forest or other Federal reserves is either proposed to become part of the Wrangell-St. Elias National Park or are mountaintops.

All of these measures have received adequate hearings in the Senate Interior Committee, as well as the House Subcommittee on Indian Affairs. As I stated before, all three proposals have already received favorable House consideration.

I urge that my colleagues favorably consider S. 1479. It is one of the final steps toward perfecting the Alaska Native Claims Settlement Act.

Mr. President, I believe in terms of this bill, we should call the attention of the Senate to the fact that these are adjustments to a very major bill, the Alaska Native Claims Settlement Act, in order to carry out the original intents of Congress in that act. There are other matters that are pending both before the House Interior Committee and the Senate Interior and Insular Affairs Committee which involve serious controversy. I believe the Senator from Colorado and my colleague from Alaska would agree that these were the items that were capable of being brought to the floor of the House under suspension and here in terms of noncontroversy. Therefore, our failure to act on the other matters that are before both Interior committees should not be deemed at this time a rejection of those, but, rather, an indication that all the remaining suggested amendments to the Alaskan Native Land Claims Act to require further study. We are hopeful that Congress will indeed address some of the controversial matters in future sessions of Congress.

Mr. GRAVEL. I thank my colleague.

Mr. President, I just want to be sure about the statement made that not only is this an extension of the Native Land Claims Act which the Congress saw fit to enact to bring equity to the needs of the Alaskan Natives, but today is the fourth anniversary. It was on this very day 4 years ago that the Native Land Claims Act was approved by the Congress. It is interesting that from that prime legislation we have seen develop certain problems that needed correction. This legislation has been in the mill for a number of years.

I want to take this opportunity to thank those members of the Interior Committee, particularly Chairman HASKELL, who has labored hard on this particular subject.

We are extremely grateful, because this is work he has done far afield from his interests in his fine State of Colorado. So it is a true testimonial to an individual's dedication in this body that he would labor so hard on what essentially would be an internal problem to another State. He has done this with dedication and with objectivity. I believe we are fortunate to have a person of his caliber in the very important position he has to help us in the interest we have in the Alaskan Native land claims.

I would like to also thank his staff assistant, Steve Quarles, who has similarly accredited himself with a very high degree of professional standing.

Mr. HASKELL. Mr. President, I move that the Senate concur in the amendment of the House with the amendments which I have proposed.

The PRESIDING OFFICER. The question is on the motion of the Senator from Colorado.

The motion was agreed to.

LEGISLATIVE ACCOMPLISHMENTS, 1975

Mr. MANSFIELD. Mr. President, when the 94th Congress convened last January, we faced two issues of critical proportions—the worst recession in 40 years and an ominous threat of a shortage of energy. The administration advocated a policy regarding these two issues—a policy which would have hit hardest at those living at a marginal level of existence. In February, under the leadership of Senator PASTORE, the Democratic majority in the Congress came up with a comprehensive program of economic recovery and energy sufficiency. Its thrust centered on cutting individual and business taxes and on increasing employment. Its proposals on energy dealt with conservation while at the same time seeking to reduce substantially foreign import dependence and to expand domestic supply.

By March, the Congress had enacted a $22.8 billion tax cut which provided cash rebates of up to $200 per taxpayer, increased low-income exemptions, and repealed the depletion allowance for major oil producers. This act, which the President signed with admitted reluctance, has been, in large part, responsible for whatever improvement in the economy there has been. Congress has now asked the President to extend these tax cut provisions for another year. The President, however, has seen fit to veto this extension.

Further impetus to economic recovery was contained in special appropriations passed in May to increase employment through the funding of projects which stimulate the creation of jobs. The President vetoed this bill which would have appropriated $5.3 billion. Persisting, the Congress sent him two other bills which appropriated over $3 billion to ease the severe unemployment in the country.

Congress has had to do a double act on another essential element of economic recovery—a comprehensive housing program aimed at stimulating construction, increasing employment, and providing critically needed shelter for families priced out of the housing market. The President vetoed a first measure in this connection and Congress came back for a second round with another less inclusive bill authorizing loans to homeowners threatened with foreclosure during the recession.

The major provisions of the proposals regarding energy set forth by the congressional majority in February are contained in the Energy Policy and Conservation Act. Many of the items covered in this act passed the Senate earlier this year. Three bills concerning oil pricing were vetoed as was a strip mining bill. The comprehensive approach which was sent to the President this week rolls back oil prices to $7.66 a barrel while requiring strong conservation measures including mandatory standards for the efficient consumption of fuel by automobiles, energy efficiency standards for household appliances, and voluntary energy-efficiency targets for the 10 industries that use the most energy.

The act also provides for the creation of a national oil reserve as a protection against another embargo, and standby authority to the President to ration gasoline and to order powerplants to switch to coal or oil from natural gas.

I might add that it has not been easy for the legislative branch to make its will prevail. As of today, December 18, the President has vetoed 41 bills since taking office less than a year and a half

ago. He has vetoed 14 bills this year, 3 of which have been overridden—health revenue sharing, nurse training, education appropriations, and the School Lunch Act. I might add further that even after overriding a veto and a bill has become public law, the Congress may not be through with the matter. In recent months, this administration has sent us rescission or deferral requests for amounts appropriated above the administration request which causes considerable delay in funding and requires additional time and attention of the Congress. This practice, I hope, will not become habitual.

With regard to other major achievements this session, there are many including: implementation of the new budget process, a change in the Senate cloture rule from two-thirds present and voting to a constitutional three-fifths of the membership or 60, a 7-year extension of the Voting Rights Act, reform of stock exchange operations, extension of unemployment benefits, Federal loans to New York City, common situs picketing, and a prohibition on the President's proposal to increase the price of food stamps.

A report prepared by the staff of the Democratic Policy Committee summarizing legislation which the Senate has passed this year details our legislative accomplishments. I ask unanimous consent to have this report and other related material inserted in the RECORD at the conclusion of my remarks. I also ask unanimous consent that this report be printed as a Senate document.

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

Mr. MANSFIELD. As this session of the 94th Congress approaches adjournment, I wish to express my gratitude to the assistant majority leader for the time and effort he spends to make the Senate function in an orderly and efficient manner. I also want to thank the Republican leadership for its readiness to work with the Democratic leadership in facilitating the work of the Senate. To all Senators, I offer my personal appreciation for your cooperation and accommodation and your dedication to the Nation as expressed by your service in the Senate. I look forward to an equally productive second session of the 94th Congress.

The material ordered to be printed in the RECORD is as follows:

IMPORTANT PUBLIC LAWS AS OF DEC. 17, 1975

Food Stamp Price Increase, Disapproval of, Public Law 94–4.

Rail Reorganization and Services, Public Laws 94–5, 94–25.

Tax Reduction, Public Law 94–12.

Budget Rescissions, Public Laws 94–14, 94–15.

Securities Act Amendments, Public Law 94–29.

Federal Highways Programs, Public Laws 94–30.

Livestock Credit, Public Law 94–35.

Summer Youth Employment Appropriations, Public Law 94–36.

Unemployment Compensation Benefits, Public Law 94–45.

Emergency Housing, Public Law 94–50.

Federal Railroad Safety—Hazardous Materials, Public Law 94–56.

Health Services—Nurse Training, Public Law 94–63.

Veterans Disability Compensation and Survivors' Benefits, Public Law 94–71.

Voting Rights Act Extension, Public Law 94–73.

Federal Cost of Living Increase—Postal Service OSHA Compliance Public Law 94–82.

Child Support Payments, Public Law 94–88.

Railroad Unemployment and Sickness Benefits, Public Law 94–92.

Education Appropriation, Public Law 94–94.

Developmentally Disabled Persons Assistance, Public Law 94–103.

School Lunch Programs, Public Law 94–105.

Oil Price Controls Extensions, Public Laws 94–99, 94–133.

Federal Insecticide, Fungicide and Rodenticide Program, Public Law 94–140.

Education of Handicapped Children, Public Law 94–142.

New York City Assistance, Public Law 94–143.

Fair Trade—Price Fixing, Public Law 94–145.

MEASURES WHICH HAVE BEEN CLEARED FOR THE PRESIDENT (AND MAY BE SUBJECT TO POCKET VETO)

1. Labor-HEW Appropriations, H.R. 8069. Delivered December 8.

2. Arts and Artifacts Indemnity, S. 1800. Delivered December 9.

3. Foreign Aid Disaster Assistance, H.R. 9005. Delivered December 10.

4. Interior Appropriations, H.R. 8773. Delivered December 12.

5. LBJ Memorial, H.R. 9883. Delivered December 12.

6. National Women's Conf., H.R. 9924. Delivered December 12.

7. Continuing Appropriation, H.J. 733. Delivered December 15.

8. Public Works Appropriation, H.R. 8122. Delivered December 15.

9. Metric Conversion, H.R. 8674. Delivered December 15.

10. Common Situs Picketing, H.R. 5900. Cleared December 15.

11. Franking Privileges, H.R. 4865. Delivered December 16.

12. Civil Service Annuities, H.R. 6642. Delivered December 16.

13. Federal Employees, H.R. 7976. Delivered December 16.

14. Wiretap Commission, S. 2757. Delivered December 16.

15. Mobile Home Loans, S. 848. Cleared December 16.

16. Small Reclamation Projects, H.R. 6874. Cleared December 16.

17. Farm Credit, H.R. 7862. Cleared December 17.

18. Energy Policy and Conservation, S. 622. Cleared December 17.

19. National Security Council Membership, S. 2350. Cleared December 17.

20. Nuclear Incidents Remuneration, H.R. 8631. Cleared December 17.

21. Appalachian Regional Development, H.R. 4073. Cleared December 17.

22. Public Broadcasting Funding, H.R. 6461. Cleared December 17.

23. Small Business, S. 2498. Cleared December 17.

24. Lighthouse Services Benefits and Retirement Increase, H.R. 1535 and H.R. 6851. Cleared December 17.

25. ERDA Authorization, H.R. 3474. Cleared December 18.

26. Overseas Citizens Voting Rights S. 95. Cleared December 18.

27. Executive Protective Service, H.R. 11184. Cleared December 18.

28. Home Mortgage Disclosure, S. 1281. Cleared December 18.

29. Maritime Commission, H.R. 11172. Cleared December 18.

30. Milk Price Supports, S.J. Res. 121. Cleared December 18.

31. Civil Service Retirement Benefits, H.R. 4573. Cleared December 18.

MEASURES IN CONFERENCE

Naval Petroleum Reserves, H.R. 49.

Indian Claims Commission, H.R. 3979.

Parole Commission, H.R. 5727.

Small Business Emergency Relief, H.R. 5541.

Public Works Development and Employment, H.R. 5247 S. adopted 12/17.

Drug Abuse, S. 2017.

Beef Research, H.R. 7656 House recommitted to conf.

Consumer Product Safety, S. 644.

Real Estate Settlement Costs, S. 2327.

Bankruptcy Act amendments, H.R. 10624.

Heart and Lung Institute Programs, H.R. 7988.

Sports Broadcasting, S. 2554.

Social Security Appeals, H.R. 10727.

Social Security—Medicare Regulations, H.R. 10284.

STATUS OF PRESIDENTIAL VETOES

(94th Congress—1st Session)

VETOES OVERRIDDEN

1. H.R. 5901, Education Appropriations. Vetoed July 25. House overrode September 9. Senate overrode September 10. Became Public Law 94–94.

2. S. 66, Health Services—Nurse Training. Vetoed July 26. Senate overrode July 26. House overrode July 29. Became Public Law 94–63.

3. H.R. 4222. School Lunch Program. Vetoed October 3. House and Senate overrode October 7. Became Public Law 94–105.

VETOES FOR WHICH MODIFIED VERSIONS HAVE BEEN REPASSED

4. H.R. 25, Strip Mining. Vetoed May 20. House sustained veto on June 10. (Comparable provisions passed Senate in S. 391 on July 31.)

5. H.R. 4481, Emergency Employment Appropriations. Vetoed May 28. House sustained veto on June 4. (Comparable measure, H.J. Res. 492, became Public Law 94–36. Public Law 94–41 contained funds for this purpose.)

6. H.R. 4485, Emergency-Middle Income Housing. Vetoed June 25. House sustained veto on June 25. (Comparable measure, H.R. 5398, became Public Law 94–50.)

7. H.R. 1767, Oil Import Fees, President's authority to impose. Vetoed March 4. Referred to Ways and Means. (Relevant provisions contained in H.R. 4035 which was also vetoed and S. 622 which has been cleared for the President.)

8. H.R. 4035, Oil Policy. Vetoed July 21. Referred to House Interstate and Foreign Commerce Committee. (Related provisions in S. 622 which has been cleared for the President.)

9. S. 1849, Oil Price Controls. Vetoed September 9. Senate sustained veto on September 10. (H.R. 9524 extending controls to November 15 became Public Law 94–99 and S. 2667 extending controls to December 15 became Public Law 94–133. Comparable provisions are contained in S. 622 which has been cleared for the Preisdent.)

10. H.R. 5357, Tourist Promotion. Vetoed May 28. Referred to House Interstate and Foreign Commerce Committee. Similar measure S. 2003 became Public Law 94–55.

11. H.R. 12, Executive Protective Service. Vetoed November 29. Similar provisions are contained in H.R. 11184 which has been cleared for the President.

OTHER VETOES

12. H.R. 4926, Agriculture Price Supports. Vetoed May 1. House sustained veto on May

13. (Secretary of Agriculture will hold quarterly oversight meetings with Agriculture Committees on subject.)

13. H.R. 9497, Tobacco Price Supports. Vetoed September 30. Referred to House Agriculture Committee.

14. H.R. 5559, Tax Reduction. Vetoed December 17. House failed to override December 18.

STATUS OF CONGRESSIONAL ENERGY LEGISLATION

1. Personal and Corporate Tax Reduction, Public Law 94–12.

2. Disapproval of Oil Excise Tax, H.R. 1767. Vetoed March 4, 1975.

3. Repeal of Oil Depletion Allowance, Public Law 94–12.

4. Oil Price Control Extension, H.R. 4035 and S. 1849 both vetoed. H.R. 9524 became Public Law 94–99 with extension to November 15, 1975 and S. 2667 became Public Law 94–133 with extension to December 15, 1975. Relevant provisions in S. 622 which has been cleared for the President.

5. Strip Mining, H.R. 25. Vetoed May 20, 1975. Similar provisions in S. 391, P/S July 31, 1975.

6. Coal leasing—Strip Mining, S. 391, P/S July 31, 1975.

7. Standby Energy Authorities Act, included in S. 622 which has been cleared for the President.

8. Appliance Labeling Act, included in S. 622 which has been cleared for President.

9. Automobile Fuel Economy, included in S. 622 which has been cleared for the President.

10. Strategic Energy Reserves, included in S. 622 which has been cleared for the President.

11. Mandatory State Conservation Program, Title II of S. 622 which has been cleared for the President.

12. National Petroleum Reserves (Naval & Interior), H.R. 49; In conference.

13. Coal Conversion Act Extension, vetoed in H.R. 1767, H.R. 4035, and S. 1869, included in S. 622 which has been cleared for the President.

14. Mandatory Coal Conversion, S. 1777. Hearing held.

15. Coastal Zone Amendments for Energy Facilities Siting, S. 586. P/S July 16, 1975; H.R. 3981; Markup underway.

16. Outer Continental Shelf Drilling, S. 521. P/S July 30, 1975.

17. Natural Gas Prices—Emergency and Permanent Provisions, S. 2310. P/S October 22, 1975.

18. ERDA Authorization, H.R. 3474. Cleared for the President.

19. National Energy Production Board, S. 740. Markup underway.

20. Industrial Conservation Act, included in S. 622 which has been cleared for the President.

21. Energy Taxes, H.R. 6860. Markup underway by Senate Finance.

NOTE.—All but two of these proposals have passed the Senate. Twelve have been enacted or have been cleared for the President.

THREE-YEAR COMPARISON OF SENATE LEGISLATIVE ACTIVITY

	Jan. 3, 1973 to Dec. 22, 1973 (93d–1st)	Jan. 21, 1974 to Dec. 20, 1974 (93d–2d)	Jan 14, 1975 to Dec. 18, 1975 (94th–1st)*
Days in session	184	168	177
Hours in session	1, 084:13	1, 068:09	1, 167:38
Total measures passed	726	838	664
Private laws	50	73	20
Public laws	245	404	156
Treaties	22	9	15
Confirmations	66, 817	64, 437	64, 470
Record votes	594	544	606
Vetoes	10	29	14

*Session not yet completed.

Note: Hours in session during 1975 exceed previous years as does number of record votes.

Reductions by Congress below administration budget requests

	Billions
91st–1st (1969)	$8.269
91st–2d (1970)	3, 505
92d–1st (1971)	2.743
92d–2d (1972)	6. 548
93d–1st (1973)	3, 262
93d–2d (1974)	7, 947
94th–1st (1975)	7. 372
Total	39. 646

ACTIONS ON REQUESTS FOR NEW BUDGET AUTHORITY CONSIDERED IN APPROPRIATION BILLS, 94TH CONG., 1ST SESS.,[1] REVISED TO DEC. 12, 1975

[This table excludes "back-door" spending authority in legislative bills and permanent budget authority (Federal and trust) available without further action by Congress; amounts in dollars]

Bill and fiscal year	House			Senate			Congress	
	Budget requests considered	Approved by House	Compared with budget requests considered by House	Budget requests considered	Approved by Senate	Compared with budget requests considered by Senate	Approved by Congress	Compared with budget request
A. BILLS FOR FISCAL 1976								
1. Education (P.L. 94–94)[2]	6, 134, 339, 000	7, 332, 995, 000	+1, 198, 656, 000	6, 134, 339, 000	7, 682, 511, 852	+1, 548, 172, 852	7, 480, 312, 952	+1, 345, 973, 952
2. Legislative (P.L. 94–59)	708, 624, 440	698, 076, 800	−10, 547, 640	838, 265, 425	825, 302, 485	−12, 962, 940	827, 546, 570	−10, 718, 855
3. Continuing Appropriations, 1976 (P.L. 94–41)		2, 004, 800, 000	+2, 004, 800, 000		2, 379, 800, 000	+2, 379, 800, 000	2, 379, 800, 000	+2, 379, 800, 000
4. HUD-Independent Agencies (P.L. 94–116)	42, 366, 070, 000	[2]42, 366, 024, 000	−46, 000	[3] 48, 779, 570, 000	[3] 50, 275, 314 000	+1, 495, 744, 000	[3] 49, 344, 914, 000	+565, 344, 000
5. Public Works (H.R. 8122)	7, 057, 462, 000	7, 225, 401, 500	+167, 939, 500	7, 300, 162, 000	7, 489, 660, 500	+189, 498, 500	7, 440, 912, 500	+140, 750, 500
6. State-Justice-Commerce-Judiciary (P.L. 94–121)	5, 601, 907, 400	5, 671, 669, 000	+69, 761, 600	5, 721, 747, 400	6, 188, 253, 000	+466, 505, 600	5, 958, 676, 000	+236, 928, 600
7. Labor-HEW (H.R. 8069)	35, 153, 357, 000	35, 979, 641, 000	+826, 284, 000	35, 157, 909, 000	36, 272, 522, 318	+1, 114, 613, 318	36, 073, 748, 318	+915, 839, 318
8. Transportation[2] (H.R. 8365)	3, 964, 974, 775	3, 744, 413, 775	−220, 561, 000	4, 069, 994, 775	4, 194, 482, 775	+124, 488, 000	3, 978, 924, 775	−91, 070, 000
9. Agriculture and Related Agencies (P.L. 94–122)	11, 076, 869, 000	11, 047, 263, 000	−29, 606, 000	11, 084, 514, 000	11, 092, 283, 000	+7, 769, 000	11, 061, 282, 000	−23, 232, 000
10. Treasury-Postal Service-General Government P.L. 94–91)	6, 330, 463, 000	6, 265, 532, 152	−64, 930, 848	6, 330, 463, 000	6, 338, 985, 000	+8, 522, 000	6, 314, 070, 000	−16, 393, 000
11. Interior (H.R. 8773)	4, 034, 942, 000	4, 101, 962, 000	+67, 020, 000	4, 307, 158, 000	4, 304, 340, 000	−2, 818, 000	4, 234, 621, 000	−72, 537, 000
12. Defense (H.R. 9861)	97, 857, 849, 000	90, 219, 045, 000	−7, 638, 804, 000	97, 857, 849, 000	90, 721, 789, 000	−7, 136, 060, 000	[4] 90, 466, 961, 000	−7, 390, 888, 000
13. Military Construction (P.L. 94–138)	4, 109, 020, 000	3, 518, 723, 000	−590, 297, 000	4, 109, 020, 000	3, 660, 295, 000	−448, 725, 000	3, 585, 014, 000	−524, 006, 000
14. Supplemental Appropriations, 1976 (H.R. 10647)	8, 928, 526, 861	7, 820, 606, 201	−1, 107, 920, 660	11, 304, 210, 377	10, 334, 997, 777	−969, 212, 600	10, 299, 533, 117	−1, 004, 677, 260
Subtotal, bills approved by House	233, 324, 404, 476	227, 996, 152, 428	−5, 328, 252, 048	242, 995, 201, 977	241, 760, 536, 707	−1, 234, 665, 270	239, 446, 316, 232	−3, 548, 885, 745
15. District of Columbia	(507, 841, 000)							
16. Foreign Operations	(5, 694, 340, 909)							
Total, bills for fiscal 1976	(239, 526, 586, 385)	227, 996, 152, 428	−5, 328, 252, 048	242, 995, 201, 977	241, 760, 536, 707	−1, 234, 665, 270	239, 446, 316, 232	−3, 548, 885, 745

Bill and fiscal year	House: Budget requests considered	House: Approved by House	House: Compared with budget requests considered by House	Senate: Budget requests considered	Senate: Approved by Senate	Senate: Compared with budget requests considered by Senate	Congress: Approved by Congress	Congress: Compared with budget request
B. BILLS FOR FISCAL 1975								
1. Foreign Assistance (P.L. 94–11)	5,946,460,909	3,498,420,000	−2,448,040,909	5,946,460,909	3,946,096,982	−2,000,363,927	3,674,346,982	−2,272,113,927
2. Further Urgent Supplemental (P.L. 94–6)	142,175,000	142,175,000	----------	143,175,000	143,175,000	----------	143,175,000	----------
3. Emergency Employment (H.R. 4481) (Vetoed) [5]	(130,000,000)	(5,373,474,000)	(+5,243,474,000)	(2,042,700,000)	(5,504,535,000)	(+3,461,835,000)	(4,729,146,000)	(+2,686,446,000)
Temporary Employment Assistance [6]	125,000,000	----------	−125,000,000	1,625,000,000	----------	−1,625,000,000	----------	−1,625,000,000
4. Urgent Supplemental, Summer Youth Employment (P.L. 94–36)	412,700,000	473,350,000	+60,650,000	412,700,000	473,350,000	+60,650,000	473,350,000	+60,650,000
5. 2d Supplemental (P.L. 94–32) [7]	11,540,647,646	11,397,042,586	−143,605,060	14,956,698,548	15,964,662,998	+1,007,964,450	15,071,595,998	+114,897,450
6. Additional Appropriation, Veterans (P.L. 94–17)	638,038,000	638,038,000	----------	638,538,000	638,538,000	----------	638,538,000	----------
. Vietnam Refugee Assistance (P.L. 94–24)	507,000,000	405,000,000	−102,000,000	507,000,000	405,000,000	−102,000,000	405,000,000	−102,000,000
Total, bills for fiscal 1975	19,312,021,555	16,554,025,586	−2,757,995,969	24,229,572,457	21,570,822,980	−2,658,749,477	20,406,005,980	−3,823,566,477
C. CUMULATIVE TOTALS [1] FOR THE SESSION TO DATE								
1. House	[2]52,636,426,031	244,550,178,014	−8,086,248,017	----------	----------	----------	----------	----------
2. Senate	----------	----------	----------	267,224,774,434	263,331,359,687	−3,893,414,747	----------	----------
3. Enacted	----------	----------	----------	----------	----------	----------	259,852,322,212	−7,372,452,222

[1] Additionally, the Congress has taken action to rescind budget authority during this period as follows:

[Amounts in dollars]

Bills	Proposed rescissions considered	Approved by House	Approved by Senate	Approved by Congress	Compared with proposed rescissions
Budget Rescission (P.L. 94–14)	929,420,272	222,550,000	300,456,470	223,336,470	−706,083,802
3d Budget Rescission (P.L. 94–15)	1,248,674,954	16,454,704	10,955,000	16,454,704	−1,232,220,250
4th Budget Rescission (H.R. 6573)	238,323,000	17,873,000	1,623,000	----------	----------
Budget Rescission (P.L. 94–111)	188,888,000	47,500,000	47,500,000	47,500,000	−141,388,000
Total	2,605,306,226	304,377,704	360,534,470	287,291,194	−2,079,692,052

[2] Includes advance appropriations for 1977.

[3] Originally, the fiscal year 1976 budget request estimated $26,100,000,000 over a 40-yr period for assisted housing annual contract authority. The House and Senate agreed to the administration's request, but more recent estimates indicate that $17,000,000,000 is the amount necessary for runout costs of the new commitments. All requests and approved amounts for annual contrac authority have been adjusted to reflect the reestimate.

[4] Conference agreement.

[5] Vetoed on May 28, 1975; sustained by House of Representatives on June 4, 1975.

[6] The Budget for fiscal year 1976 requested $125,000,000 of fiscal year 1975 budget authority previously transferred to the Economic Development Administration to be restored to the temporary employment assistance program, Department of Labor. Subsequently in H. Doc. No. 94–74, the President requested an additional $1,500,000,000 for temporary employment assistance to be included in a proposed supplemental appropriation for fiscal year 1975. Although the latter request arrived too late to be considered in the House of Representatives, the House Committee on Appropriations did recommend $1,625,000,000 in the Emergency Employment bill. The Senate considered both requests and then approved the same funding as recommended by the House. After the veto of H.R. 4481 was sustained, funding for the program was included in the Continuing Appropriations Act (Public Law 94–41), but for fiscal 1976. To be consistent in tabulating actions on budget requests, therefore, the requests only are tabulated as applicable under B. Bills for fiscal 1975. The enactment of the funding is included with the totals for Public Law 94–41 under A. Bills for fiscal 1976.

[7] Includes advance appropriations for 1976.

Note: The budget for 1976, as submitted Feb. 3, 1975, tentatively estimated total new budget authority for 1976 at $435,233,000,000 gross ($385,848,000,000 net of some $49,385,000,000 in intragovernmental transactions and certain so-called proprietary receipts handled as offsets for budget purposes only). Of this total, an estimated $181,100,000,000 does not require current action by Congress; it involves permanent appropriations such as interest and various trust funds already provided in basic law. Virtually all of the remaining $254,100,000,000 is for consideration at this session in the appropriation bills. About $12,300,000,000 of the $254,100,000,000 was shown in the February budget as being "for later transmittal" for supplemental requirements under present law, new legislation, allowances and for contingencies and civilian pay raises. Parentheses indicate that amounts are not included in "C. Cumulative totals for the session to date."

Source: House Committee on Appropriations, Dec. 12, 1975.

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(94th Congress—1st Session)

(By Senate Democratic Policy Committee)

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Water Resources Planning (H.R. 5952, P.L. 94–112).
Wild and Scenic Rivers:

Missouri River (S. 1506).
Wild and Scenic Rivers Studies:
Allegheny River (S. 1004).
Housatonic River (S. 10).
Wilderness Areas:
Bristol Cliffs Wilderness (S. 2308).
Eagles Nest Wilderness (S. 268).
Flat Tops Wilderness (S. 267, P.L. 94–146).
Sheep Mountain Wilderness (S. 74).
Wilderness Area's Studies:
Great Bear Wilderness (S. 392).
Snow Mountain DeFacto Wilderness, California (S. 1391).

NOMINATIONS—ACTION BY ROLL CALL VOTE

Alexander P. Butterfield to Retired List U.S.A.F. (S. 182).
Stanley K. Hathaway to be Secretary of Interior.
Carla Anderson Hills to be Secretary of HUD.
Thomas J. Meskill to be U.S. Circuit Judge.
Donald Rumsfeld to be Secretary of Defense.
Earl J. Silbert to be U.S. Attorney for D.C.
Alton D. Slay to Lieutenant General, U.S.A.F.

PROCLAMATIONS

American Business Day (S.J. Res. 15).
American Institute of Banking Week (S.J. Res. 58).
Buchenwald Concentration Camp (S.J. Res. 56), (S. Res. 123).
Car Care Month (S.J. Res. 57).
Child Abuse Awareness Week (S. Res. 43).
Earth Day (H.J. Res. 258, P.L. 94–8).
Energy Conservation Month ,S. Res. 59).
Family Week (S.J. Res. 101).
Good Neighbor Day (S.J. Res. 128).
Haym Salomon Day (S.J. Res. 99).
Historic Preservation Week (H.J. Res. 242, P.L. 94–21).
Hobby Month (S.J. Res. 84).
Honor America (S.J. Res. 92, P.L. 94–33).
Hunting and Fishing Day (S.J. Res. 34, P.L. 94–96).
Indian Day (S.J. Res. 44).
Japan—U.S. Friendship Days (S. Res. 270).
Marine Corps Birthday (S.J. Res. 144).
Music in Our Schools Day (S.J. Res. 18).
Newspaper Week (S.J. Res. 46).
Newspaper Carrier Day (S.J. Res. 46).
Norwegian-American Day (S. Res. 135).
Saint Elizabeth Seton Day (S.J. Res. 125).
Shut-In Day (S.J. Res. 79).
Ski Week (S.J. Res. 90).
Space Observance (S. Con. Res. 47).
Youth Art Month (S.J. Res. 8).

SENATE

Cloture Rule (S. Res. 4).
Commission on the Operation of the Senate (S. Res. 277), (S. Res. 287).
Committee Expenses (S. Res. 111), (S. Res. 191), (S. Res. 207).
Committee Staffing (S. Res. 60), (S. Res. 182).
Floor Privileges (S. Res. 196).
Government Intelligence (S. Res. 231).
New Hampshire Senate Debate—TV/Radio Coverage (S. Res. 177).
New Hampshire Senate Seat—Candidate Reimbursements (S. Res. 247).
New Hampshire Senate Vacancy (S. Res. 202).
New Hampshire Senate Vacancy—Committee Funding (S. Res. 54).
Open Committee Meetings (S. Res. 9).
Select Committee on Intelligence (S. Res. 21), (S. Res. 167), (S. Res. 165), (S. Res. 218).
Senate Photograph (S. Res. 217).
Southwest Pacific (S. Res. 331).
Witness Fees (S. Res. 17).

TRANSPORTATION-COMMUNICATIONS

Airport and Airway Development (S. 1972).
Alaska Highway Right-of-Way (S. 1245, P.L. 94–147).
Amtrak—Penn-Central (S. 281, P.L. 94–5).
Amtrak Supplemental Authorization (H.R. 5975, P.L 94–25)
"Bruja Mar" (S. 1187).
Cargo Vessel Passengers (H.R. 5045, P.L. 94–85).
Federal-Aid Highway Apportionments (S. Con. Res. 62).
Federal-Aid Highway Authorization (S. 2711).
Federal-Aid Highway Projects (H.R. 3786, P.L. 94–30).
Federal Communications Commission Satellite Regulations (S. Res. 318).
Lighthouse Service Retirement Increase (H.R. 6851, P.L. 94–—).
Lighthouse Service Survivors Benefits Increase (H.R. 1535, P.L. 94–—).
Maritime Authorizations (S. 332, P.L. 94–10) (S. 1542, P.L. 94–127).
Mission 66 Bypass (S. 2150).
Public Broadcasting Authorization (H.R. 6461, P.L. 94–—).
Railroad Safety—Hazardous Materials Transportation Authorizations (S. 1462, P.L. 94–56).
Railroad Temporary Operating Authority (Rock Island) (S. 917).
Railroad Unemployment and Sickness Benefits (H.R. 8714, P.L. 94–92).
Rail Services (S. 2718).
"Seafreeze Atlantic" (H.R. 5197, P.L. 94–150).
Shrimp Fisheries (H.R. 5709, P.L. 94–58).
Tuna Fisheries (H.R. 5522, P.L. 94–70).
TV Blackout—Professional Sports (S. 2554).
Urban Mass Transportation (S. 662).

VETERANS

Disability Compensation and Survivors' Benefits (H.R. 7767, P.L. 94–71).
Veterans' Day (S. 331, P.L. 94–97).
Veterans' Interim Pension Adjustment (H.R. 10355).
Veterans' Pension Reform (S. 2635).
Veterans' Pension Reform—Budget Waiver (S. Res. 322).
Veterans' Physician Pay (S. 1711, P.L. 94–123).

SENATE LEGISLATIVE ACTIVITY

(94th Congress, 1st Session)

(By Senate Democratic Policy Committee)

Days in session	177
Hours in session	1167:38
Total measures passed	664
Private laws	20
Public laws	156
Treaties	15
Confirmations	64,470
Record votes	606
Vetoes	14

Symbols: P/H—Passed House; P/S—Passed Senate; *—Vetoed in 1975; (VV)—Passed by Voice Vote; numbers in parenthesis indicate number of record vote on pasage, conference report, or reconsideration.

AGRICULTURE

African/Brazilian honeybee control.—Amends the Act of 1922 regarding honeybees by prohibiting the importation of honeybees in all of their life stages (from germ plasm to adult) except under certain specified conditions and authorizing the Secretary of Agriculture to cooperate with State governments, organizations, individuals, and the governments of Mexico, Canada and the Central American countries to eradicate and control the spread of undesirable species of honeybees, including all forms of the African (or Brazilian) honeybee. S. 18. P/S June 16, 1975. (VV)

Agricultural pest control.—Broadens and strengthens the authority of the Secretary of Agriculture to control and eradicate agricultural pests by (1) permitting the Secretary to carry out eradication and control programs with respect to plant pests not now covered by the Organic Act of 1944 including spider mites, slugs, and snails; (2) extending the Secretary's authority to cooperate with all governments of countries in the Western Hemisphere in carrying out eradication and control programs; (3) making discretionary the Secretary's authority to provide phytosanitary inspection and certification service for domestic plants and plant products for export, and extending such authority to inspection and certification of any plants or plant products offered for export or transiting the United States; (4) repealing provisions of the Act of October 6, 1917, for cooperation with Mexico and adjacent States in the extermination of pink bollworm infestations in Mexico which authority is now contained in the Organic Act; and (5) clarifying the Secretary's authority to cooperate with certain Western Hemisphere countries with respect to animal disease control and the carriers of animal diseases. S. 1617. P/S Sept. 16, 1975; P/H amended Nov. 4, 1975. (VV)

Beef research and information.—Authorizes the Secretary of Agriculture to issue a national order providing for the establishment of a Beef Board consisting of not more than 68 members, and alternatives therefor, who are to be appointed by the Secretary from qualified nominees representing cattle producers from each beef-producing area; provides that the Beef Board is to develop, subject to the Secretary's approval, a program of research, producer and consumer information, and promotion designed to strengthen the cattle and beef industry which is to be financed from assessments paid by cattle producers;

Requires approval by referendum among cattle producers before the national order may become effective, with approval requiring a two-thirds majority of the producers voting or a majority produced not less than two-thirds of the cattle owned by producers voting in the referendum;

Authorizes the Secretary to terminate or suspend the order if he finds it does not effectuate the purposes of the bill or to hold a referendum at any time, and provides that a referendum shall be held if requested by 10 percent or more of the number of producers voting in the referendum approving the order;

Provides for funding of the program through an assessment system where each buyer of cattle would collect an assessment from the producer-seller based on the value of the cattle involved, and pass it on to the next buyer, with the slaughter required to remit the assessment to the Beef Board; sets the maximum amount which may be assessed at 0.5 percent of the value; exempts cattle produced and slaughtered for home consumption;

And contains other provisions. H.R. 7656. P/H Oct. 2, 1975; P/S amended Dec. 2, 1975; House rejected and recommitted conference report December 15, 1975. (539)

Brucellosis.—States as the sense of the Senate that the Secretary of Agriculture should within 90 days formulate and submit to the Committee on Agriculture and Forestry a plan for the complete eradication of the animal disease brucellosis over a 5-year period, and provide a feasibility study of the plan and the estmated costs. S. Res. 216. Senate adopted Sept. 29, 1975. (VV)

DES.—Prohibits the administration of the drug diethylstilbestrol (DES) to animals intended for use as food or whose products are used as food pending completion of current studies of the health effects on humans resulting from such use of DES and separate and concurrent reports by the Secretaries of Health, Education, and Welfare and of Agriculture to the Congress recommending the course of action which should be followed concerning this use of this drug;

Amends the Food, Drug, and Cosmetic Act to require that any drug composed wholly or partly of DES carry a label stating that the drug may cause cancer, may not be used

as a contraceptive after sexual intercourse except in cases of rape or incest or a comparable medical emergency, and that the drug may not be taken without the patient or patient's legal guardian being fully informed and giving written consent;

Provides in title II, the "Food and Drug Administration Act," for a statutory Food and Drug Administration within the Department of Health, Education, and Welfare; authorizes the appointment by the President of a Commissioner of Food and Drugs, a Deputy Commissioner, and a General Counsel by the President with the advice and consent of the Senate; and contains other provisions. S. 963. P/S Sept. 9, 1975. (387)

Disaster loan program.—Amends the Consolidated Farm and Rural Development Act to simplify the procedures under which loans are made to victims of natural and major disasters or emergencies and make additional credit assistance available to them; eliminates the requirement that there be a general need for agricultural credit; clarifies the authority of the Secretary to delegate authority to State directors of the Farmers Home Administration to make emergency loans to an area if the director finds that a natural disaster has substantially affected twenty-five or less farming, ranching, or aquaculture operations in the area; provides that loans would be made only to victims of a disaster who are unable to obtain sufficient credit elsewhere at reasonable rates and terms with respect to loan applications filed after July 9, 1975; makes emergency loans available for livestock (as well as crop) changes deemed desirable by the applicant as a result of shifts in market demand occurring after a disaster; authorizes loans in excess of the actual loss caused by the disaster provided that a rate of interest is charged for the amount in excess which is equal to the commercial rate charged for similar loans; requires that an applicant seeking an emergency loan based on production losses show that his operation sustained at least a 20 percent loss as a result of the disaster; requires the Secretary to accept as security for repayment of emergency loans collateral which has depreciated in value because of the disaster if the Secretary has confidence in the repayment ability of the applicant with such loans repayable at a time deemed justifiable by the needs of the applicant; provides annual subsequent loans for a period of up to 5 years when the borrowers need the credit to continue their operations and cannot obtain financing from other sources with interest rates for such loans at the commercial rate; authorizes the Secretary—for any disaster occurring after January 1, 1975—to make an emergency loan for an operating-type purpose for 20 years if it is determined that the applicant's financial need justified a longer payment term than that normally extended for operating loans in order to afford needed relief to victims of such severe disasters as the January 1975 blizzard in the Midwest; provides that loans made by the Small Business Administration in connection with disasters occurring after enactment of this act shall bear an interest rate not more than the average annual interest rate on all interest-bearing obligations of the United States; and requires the Secretary to testify before the House and Senate committees on Agriculture before February 15 of each year to provide justification in detail of amounts requested in the budget to be appropriated for the next fiscal year for the purposes authorized in the Consolidated Farm and Rural Development Act, and of the amounts estimated to be utilized during such fiscal year from the Agricultural Credit Insurance Fund and the Rural Development Insurance Fund. S. 555. Public Law 94–68, approved August 5, 1975. (VV)

Farm credit eligibility standards.—Lowers from 80 to 70 percent the amount of voting control which must be held by a cooperative of farmers, producers, or harvesters of aquatic, or in the case of a federated cooperative by eligible cooperative associations, in order to be eligible for loans from the Banks for Cooperatives of the Farm Credit System; and eliminates the provision which prohibits production credit associations from suing or being sued in Federal district courts. H.R. 7862. Public Law 94– , approved 1975. (VV)

Food stamp increase.—Suspends until December 30, 1975, the proposed administrative increase in the costs of coupons to food stamp recipients published in the Federal Register on January 22, 1975, (which would have the effect of increasing food stamp purchase requirements to 30 percent of net income for nearly all food stamp recipients by March 1, 1975), in order to give Congress an opportunity to pass on the merit of such an increase. H.R. 1589. Public Law 94–4, without approval Feb. 20, 1975. (8)

Food stamp program study.—States the sense of the Senate that the Secretary of Agriculture should conduct a study of the food stamp program and report to Congress by June 30, 1975, recommendations for legislative changes which will (1) disqualify families who have adequate incomes; (2) reduce administrative complexities; (3) tighten accountability for procurement, shipping, and handling of food stamps; and (4) increase penalties for those who abuse the program, as well as any other recommendations he deems desirable. S. Res. 58. Senate adopted Feb. 5, 1975. (6)

Food stamps—SSI recipient eligibility.—Continues through June 30, 1976, the provisions of law under which the Secretary of Agriculture issued his regulations governing the eligibility of SSI recipients (aged, blind and disabled) to receive food stamps and participate, where applicable, in the family commodity distribution program; permits eligible SSI food stamp recipients to use the stamps, where a need exists, to purchase meals prepared and delivered to them by private nonprofit organizations ("meals on wheels"); and directs the Secretary to provide certification procedures to allow a food stamp aid applicant to receive temporary certification and authorization to purchase food stamps on the same day the person applies. S. 1662. P/S June 10, 1975. (VV)

Forest pest control.—Provides that funds appropriated for fiscal year 1975 to carry out the program of eradication and control of forest insect pests and diseases shall remain available until expended. S. 441. Public Law 94–40, approved June 20, 1975. (VV)

Forest Service cooperative agreements.—Authorizes the Secretary of Agriculture to enter into cooperative agreements between the Forest Service and public and private agencies, organizations, institutions, and persons, and to reimburse such cooperators for the performance of work by them which benefits Forest programs. H.R. 10027. Public Law 94–149, approved December 12, 1975. (VV)

Forestry research.—Amends the McIntyre-Stennis Act of 1962 to make privately endowed colleges eligible for the cooperative program of forest research under this act. S. 1307. P/S Mar. 24, 1975. (VV)

Amends the McIntyre-Stennis Act of 1962 to authorize the Secretary of Agriculture to make matching grants to private colleges and universities (that are ineligible under present law) which carried out a forestry and research program prior to enactment; authorizes such additional funds as necessary; and authorizes the Secretary to appoint officials of participating colleges and universities to the advisory committee. S. 1529. P/S Apr. 29, 1975. NOTE: (This bill is intended to clarify the purpose of S. 1307 which passed the Senate on Mar. 25, 1975.) (VV)

Grain standards.—Grants the Secretary of Agriculture 1-year emergency powers to enable him to take immediate action to strengthen the system for the inspection, handling, and export of grain; requires the Secretary to review the designation of all official inspection agencies to determine if they are in compliance with the provisions of the United States Grain Standards Act; makes several changes in the Act and the U.S. Criminal Code to increase the sanctions for violations of the Act; protects Department of Agriculture personnel assigned to inspecting, grading or weighing functions from asault and death, and makes clear that bribery of licensed inspectors is punishable as a felony; directs the Comptroller General to make a 1-year study concerning compliance of the Act by major grain exporters; requires the registration of any person engaged in the business of buying grain for sale in interstate or foreign commerce or in the handling, weighing, or transporting of grain for sale in interstate or foreign commerce; requires the Secretary to notify the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry of complaints made by foreign purchasers regarding faulty grain deliveries and cancellation of any contract for the export of more than 100,000 metric tons of grain; requires the Secretary to make studies regarding the adequacy of the curent grain standards established under the Act and the contamination, transportation, and handling of U.S. agricultural products; and requires the Secretary to make periodic reports during the 1-year period concerning the steps taken to improve the inspection system for grain and any legislative recommendations. S.J. Res. 88. P/S Sept. 25, 1975. (VV)

Horse protection.—Amends the Horse Protection Act of 1970 (Public Law 91–54) in order to stop the practice of altering the gait of horses by injury ("soring") to assure that the horse has a distinctive high-stepping gait; prohibits the movement of "sore" horses in commerce, the showing of horses with "unsound" limbs, and the sale at a public auction or the showing of horses that have been sored or are wearing devices banned by the Secretary of Agriculture because they are usually used to make a horse sore or unsound; requires the management of horse shows and auctions to keep records subject to inspection by agents of the Department of Agriculture; imposes penalties for violations of the Act; and grants the Secretary of Agriculture the necessary authority to enforce the Act. S. 811. P/S Oct. 9, 1975. (VV)

Insecticides.—Extends the Federal Insecticide, Fungicide, and Rodenticide Act from July 1, 1975, until September 30, 1975, and authorizes therefor $11,967,000. H.R. 6387. Public Law 94–51, approved July 2, 1975. (VV)

Extends the Federal Insecticide, Fungicide, and Rodenticide Act from October 1, 1975, until November 15, 1975, and authorizes therefor $5,983,500. S. 2375. Public Law 94–109, approved Oct. 10, 1975. (VV)

Insecticides (FIFRA).—Extends for 1½ years the authorization for the Environmental Protection Agency (EPA) to carry out the provisions of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) at a total authorization of $47,868,000 for the period October 1, 1975, through September 30, 1976, and $23,600,000 for the period October 1, 1976 through March 31, 1977;

Requires the Administrator of EPA to provide the Secretary of Agriculture with copies of proposed changes in pesticide classification or cancellation actions 60 days prior to publication, except in the case of suspension actions when an imminent hazard has been determined; requires that all such data be published in the Federal Register;

Requires EPA to give the House and Senate Agriculture Committees advance copies of proposed and final regulations;

Authorizes the completion of a certification form as fulfillment of the private applicator certification provision that an applicant has completed an EPA approved training program and that pesticide dealers are licensed under an approved State program with the State to have the option of submitting a different plan for certification;

Requires EPA to assess the impact of proposed changes in classification or cancellation on production and prices of agricultural commodities, retail food prices, or other effects on the agricultural economy and to submit a report thereon to the Secretary of Agriculture; requires publication of the report in the Federal Register;

Establishes a scientific advisory panel consisting of 7 members appointed by the Administrator from a list of 12 nominees submitted by the National Institutes of Health and the National Science Foundation; requires EPA to submit proposed changes in classification, cancellations, and regulations to the panel for comment as to the impact on health and environment; requires that the panel's comment and the Administrator's response be published in the Federal Register;

Requires EPA, in exempting any Federal or State agency from any provision of FIFRA because of emergency conditions, to consult the Secretary in determining whether such conditions exist;

Adds a new provision requiring EPA and the States to develop materials on integrated pest management techniques and advise interested individuals of their availability;

Provides that experimental use permits may be issued to agricultural research institutions for cancelled pesticides; and

Extends for 1 year the time for implementation of certain provisions of the act. H.R. 8841. Public Law 94–140, approved November 28, 1975. (482)

Livestock credit.—Amends the Emergency Livestock Credit Act of 1974 to (1) extend financial assistance to a farmer or rancher primarily involved in the breeding, raising, fattening, or marketing of livestock including dairy cattle; (2) permit secondary financing of the guaranteed portion of livestock loans through the Federal Financing Bank; (3) provide that contracts of guarantee shall not require the Secretary of Agriculture to guarantee more than 90 percent of principal and interest on such loan; (4) provide that guaranteed loans shall be for the period reasonably required by the needs of the borrower but not to exceed 7 years and may be renewed for not more than 3 years; (5) increase the guarantee of a line credit from $250,000 to $350,000 and limits the total outstanding loan guarantees to $1.5 billion; (6) authorize the payment of administrative expenses from any funds available including the Agriculture Credit Insurance Fund; (7) extend the act from July 25, 1975, until December 31, 1976; (8) require that action by the Department of Agriculture on each loan application be completed within 30 days; (9) require collateral adequate to protect the government's interest but allows collateral which has depreciated in value owing to temporary economic conditions; and (10) require an annual report on the effectiveness of the Act; and also amends the Consolidated Farm and Rural Development Act to provide that contracts of guarantee under that Act shall not require the Secretary to guarantee more than 90 percent of the principal and interest on such loans. S. 1236. Public Law 94–35, approved June 16, 1975. (VV)

Milk price supports.—Establishes the support price for milk at 85 percent of the parity price effective on the date of enactment and ending on March 31, 1978, S.J. Res. 121. Publim Law 94– , approved 1975. (VV)

Peanut allotments.—Authorizes the Secretary of Agriculture to permit the transfer of all or part of the peanut acreage allotments for any farm located in an area having suffered a natural disaster which would prevent the planting of peanuts on a timely basis to another farm engaged in the production of peanuts. S. 1545. P/S Nov. 12, 1975. (VV)

Peanut distribution.—Expresses the sense of the Senate that the Secretary of Agriculture immediately take steps to distribute excess peanut stocks in useful edible forms to needy persons at home and abroad under the domestic food assistance programs and the Public Law 480 program. S. Res. 101. Senate adopted Mar. 24, 1975. (VV)

Plum Island Animal Disease Center.—States the sense of the Senate that the Office of Management and Budget should expedite its consideration of the supplemental budget request of the Department of Agriculture for $9.45 million for the expansion of animal quarantine facilities and diagnostic laboratories and for the construction of a pilot vaccine plant at the Plum Island, New York, Animal Disease Center, and forward this request to Congress for its consideration. S. Res. 190. Senate adopted June 19, 1975. (VV)

Potato stocks.—States the sense of the Senate that the Secretary of Agriculture immediately take steps to distribute potato stocks, which are now in abundant supply, in useful edible forms to needy persons at home and abroad under the domestic food assistance programs and the Public Law 480 program to supplemental protein deficiencies, the basic cause of malnutrition. S. Res. 122. Senate adopted May 16, 1975. (VV)

* Price supports.—Establishes an emergency price support program for the 1975 crop or commodity year for upland cotton, wheat, feed grains, soybeans and milk; increases the target price on cotton from 38 cents to 45 cents a pound, on corn from $1.38 a bushel to $2.25 and on other feed grains at comparable levels, on wheat from $2.05 a bushel to $3.41; increases the production loan levels on cotton from 34 to 38 cents per pound, on corn and feed grains from $1.10 a bushel to $1.87, and on wheat from $1.37 a bushel to $2.50; sets the support price of milk at no less than 85 percent of the parity price on the date of enactment and provides that the milk support price shall be adjusted quarterly thereafter, with this provision to remain in effect until April 1, 1976; and contains other provisions. H.R. 4296. Vetoed May 1, 1975. House sustained veto May 13, 1975. (116).

Rural electrification loan program.—Amends the Rural Electrification Act (REA) of 1936, as amended, to authorize assignment of REA-guaranteed loans; clarifies the Act by providing that a person's vulnerability to the defense of fraud or misrepresentation arises only if he had actual knowledge of the fraud or misrepresentation at the time he became a holder of an REA guarantee; and requires the Secretary of Agriculture to appear annually before the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry and provide justification for the amount requested to be appropriated in the President's budget for necessary administrative expenses in carrying out the Act. H.R. 4799. Public Law 94–124, approved Nov. 4, 1975. (VV)

Timber sale road costs.—Authorizes the Secretary of Agriculture to provide for the transfer of unused effective purchaser credit for road construction from one timber sale contract to another timber sale contract held by the same purchaser within the same National Forest, thus allowing an operator to ease his cash flow and commence timber operations in a new area sooner. S. 364. Public Law 94–154, approved December 16, 1975. (VV)

**Tobacco price supports.*—Amends the Agricultural Act of 1949, as amended, to increase the price support level for the 1975 crop of flue-cured tobacco from 93.2 cents per pound to 99.9 cents per pound. H.R. 9497. Vetoed Sept. 30, 1975. (VV)

Watershed projects.—Amends the Watershed Protection and Flood Prevention Act to require congressional approval of watershed projects where the estimated Federal contribution is in excess of $750,000 instead of $250,000 as under existing law. S. 1230. P/S June 21, 1975. (VV)

Wheat referendum.—Amends the Agricultural Adjustment Act to change the marketing year for wheat from July 1–June 30, to June 1–May 31. S. 435. Public Law 94–61, approved July 25, 1975. (VV)

White corn.—Expresses the sense of the Senate that the Department of Agriculture should continue the white corn survey, which provides the white corn industry with critical data for orderly production, marketing and processing, and make the survey reliable by obtaining data from all the significant white corn producing States. S. Res. 155. Senate adopted May 21, 1975. (VV)

APPROPRIATIONS

1975

Continuing.—Extends the continuing resolution, which expires on February 28, 1975, to provide obligational authority for foreign assistance programs through March 25, 1975, and funding of activities under title IX of the Public Health Service Act through June 30, 1975, for the following programs within HEW and the Community Services Administration which did not achieve final enactment during the 93d Congress: Health Revenue Sharing and Services; Nurse Training; Health Manpower; Developmental Disabilities Services and Construction; and the Regional Medical program. H.J. Res. 219. Public Law 94–7, approved Mar. 14, 1975. (VV)

* Emergency employment.—Appropriates a total of $5,306,508,000 in new budget authority, $485 million in loan authority and $92,-362,000 in liquidation of contract authority for the acceleration of existing Federal programs and projects in order to increase immediately employment throughout the nation; provides two approaches to the unemployment problems: (1) $2,318,150,000 indirect creation of jobs as follows: $1.625 billion in public service jobs, $458,050,000 for summer youth employment and transportation, $30 million in jobs for older Americans, $119.8 milion in work-study grants for college students, $70 million in the work incentive program to provide jobs, training and related child care for welfare recipients, and $15.3 million for the summer youth recreation program to be administered by the Community Services Administration which together with funds previously appropriated or available total about $3.5 billion; and (2) $2,988,358,000 for funding of projects which would stimulate jobs through acceleration of on-going public works projects, increase of rural water and sewer grants, improvement and modernization of existing veterans' hospitals, increased maintenance of the national cemeteries, reforestation and timber stand improvement, expansion and upgrading of facilities in national parks, forests and other Federal lands, increased assistance to small businesses, major repairs and renovations of existing buildings, and purchase of automobiles used by Federal agencies H.R. 4481. Vetoed May 28, 1975. House sustained veto June 4, 1976. (151)

Foreign assistance.—Appropriates a total of $3,674,346,982 in new obligational authority, which is $175,926,982 more than the amount allowed by the House and $271,750,-000 less than that allowed by the Senate, $272,113,927 less than the fiscal year 1975 amended budget estimate, and $193,637,982 more than the 1974 appropriations; and includes:

Appropriations for Foreign Assistance Act activities of $854,800,000 in new obligational authority for economic assistance, which in-

cludes $300 million for food and nutrition development assistance; $125 million for population planning and health development assistance; $125 million for international organizations and programs; $5 million for the United Nations Environment Fund; $500,000 earmarked for the National Association of the Partners of the Alliance skill exchange program among peoples of the Americas; $17.5 million for international narcotics control; $35 million for famine or disaster relief assistance; $25 million for assistance to Portugal and Portuguese colonies in Africa gaining independence; $440 million for Indochina Postwar Reconstruction Assistance; $100 million for the Middle East Special Requirements Funds; and $660 million for Security Supporting Assistance and Middle East peace programs;

Appropriations for military assistance of $450 million in new obligational authority, which equals the 1974 appropriation, and is $757 million below the budget estimate of $1,207,000,000 in new obligational authority, which, when added to other available funds, would support a proposed fiscal year 1975 program of $1,246,000,000;

Appropriations for foreign military credit sales of $300 million, which is $255 million less than the budget estimate of $555 million and, combined with outside credits, will support a total military credit sales program of up to $872.5 million, the ceiling established in the authorization bill;

Appropriations for other foreign assistance of $844,546,982, which is $355,813,927 less than the budget estimate of $1,200,360,909, and includes $77 million for the Peace Corps, $90 million for the Cuban Refugee Program, $8,420,000 for migration and refugee assistance, $40 million for Soviet Jewish immigrants to Israel, $10 million for assistance to Palestinian refugees, funds to the President for international financial institutions (Asian Development Bank, Inter-American Development Bank, and the International Development Association) of $619,126,982; and

Sets a limitation on use of corporate funds for the Export-Import Bank of $6,413,328,000 which is the same as the House amount and the budget estimate. H.R. 4592. Public Law 94–11, approved Mar. 26, 1975. (77)

Summer youth employment and recreation.—Appropriates a total of $473,350,000 for the summer youth employment and recreation programs of which $15,300,000 is to be used for the recreation program. H.J. Res. 492. Public Law 94–36, approved June 16, 1975. (VV)

Supplemental.—Appropriates a total of $143,175,000 in new budget authority for fiscal year 1975 of which $17,175,000 is for alteration, maintenance, furnishing, and protection of House office space, $1 million is for temporary parking facilities for the Senate and additional costs in acquiring the site for a Senate garage, and the remaining $125 million is for operating assistance for the Penn Central and other railroads in reorganization under the Regional Rail Reorganization Act of 1973, and contains an increase of $150 million in loan guarantees for these railroads upon which no appropriations action is required; and repeals the provisions of Public Law 93–554 which, in effect, amounted to a blanket 5 percent reduction in Government travel. H.J. Res. 210. Public Law 94–6, approved Feb. 28, 1975. (31)

Appropriates in title I, a total of $15,066,595,998 in new obligational authority for general program supplemental appropriations for fiscal year 1975, advance funding for fiscal 1976, and one small item for fiscal 1974; in addition, also provides $206,407,375 in transfer authority, $274,306,000 in increased limitations and $53,714,000 for liquidation of contract authority; in title II, provides for increased pay costs; and in title III, prohibits use of funds under this Act to force the busing of students in schools or school districts which are desegregated as defined in title IV of the Civil Rights Act of 1964, to abolish a desegrated school, or to force the transfer of students in desegregated schools, and prohibits the use of funds under this Act for busing of students or teachers in order to overcome racial imbalance in any school or school system or carry out a plan of racial desegregation of any school or school system; and contains other provisions. H.R. 5899. Public Law 94–32, approved June 12, 1975. (192, 194)

Veterans' supplemental.—Appropriates an additional $638,038,000 for Veterans Administration readjustment benefits to fund the authorized increases contained in Public Law 93–337 which increased to 10 years the 8-year delimiting period for post-Korean veterans; in Public Law 93–358 which increased from $2,800 to $3,300 the maximum grant for specially equipped automobiles for disabled veterans and extended eligibility for training and adaptive equipment; in Public Law 93–356 which increased from $17,500 to $25,000 to the housing grant for certain disabled veterans; and in Public Law 93–602 which increased from 18.2 percent to 22.7 percent the monthly allowance for vocational rehabilitation trainee programs makes a total VA appropriation of $4,125,738,000 for fiscal year 1975; and appropriates $500,000 for salaries and expenses of the Federal Election Commission. H.J. Res. 375. Public Law 94–17, approved Apr. 25, 1975. (140)

Vietnamese refugee aid.—Appropriates $405 million to aid refugees from Cambodia and Vietnam—$305 million to the Department of State for relocation and resettlement costs and $100 million to the Department of Health, Education, and Welfare for income, medical and education assistance to refugees in the United States—and prohibits aid to the government of Vietnam. H.R. 6894. Public Law 94–24, approved May 24, 1975.

1976 and transition period

Agriculture.—Appropriates a total of $11,061,282,000 for fiscal year 1976 and $2,052,922,000 for the transition period July 1–September 30, 1976 for the Department of Agriculture and related agencies programs. H.R. 8561. Public Law 94–122, approved Oct. 21, 1975. (333)

Continuing.—Makes continuing appropriations for fiscal year 1976 which shall be available from July 1, 1975, and until enactment of the individual appropriation act or the sine die adjournment of the first session of this Congress, whichever occurs first. H.J. Res. 499. Public Law 94–41, approved June 27, 1975. (230)

Extends the continuing resolution (Public Law 94–41) which expires with the sine die adjournment of the 1st session of the 94th Congress until March 31, 1976, to provide obligational authority for programs funded under the Foreign Assistance and District of Columbia Appropriations Acts which have not yet been considered by the House, as well as interim funding for programs funded under the Labor–HEW, Defense, Public Works and Interior Appropriations Acts which have not yet been enacted. H.J. Res. 733. Public Law 94– , approved 1975. (VV)

Defense.—Makes appropriations for fiscal year 1976 and the transition period July 1–September 30, 1976 for the military functions of the Department of Defense including pay, operations and maintenance, procurement, research and development, intelligence functions and funds for the Central Intelligence Agency. H.R. 9861. P/H October 2, 1975; P/S amended November 18, 1975; House agreed to conference report December 12, 1975. Senate agreed to conference report December 17, 1975 with amendments remaining in disagreement. (505, 602)

*Education.—Appropriates $7,480,312,952 for fiscal year 1976 and $464,683,000 for the transition period July 1–September 30, 1976, for education programs, including support to local school districts, aid to individuals attending institutions of higher learning, and special assistance to the needy and the handicapped. H.R. 5901. Vetoed July 25, 1975. House overrode Sept. 9, 1975; Senate overrode Sept. 10, 1975. Public Law 94–94, without approval Sept. 10, 1975. (258, 293, 389)

HUD.—Appropriates $49,344,914,000 for fiscal year 1976 and $5,648,914,000 for the transition period July 1–September 30, 1976 for the Department of Housing and Urban Development and various independent agencies. H.R. 8070. Public Law 94–116, approved Oct. 17, 1975. (338)

Interior.—Appropriates $4,234,631,000 for fiscal year 1976 and $1,155,538,900 for the transition period July 1–September 30, 1976 for the Department of the Interior and related agencies. H.R. 8773. Public Law 94– , approved 1975. (528)

Labor-HEW.—Appropriates $36,073,748,318 for fiscal year 1976 and $8,953,070,000 for the transition period July 1–September 30, 1976 for the Departments of Labor, and Health, Education, and Welfare (HEW), and related agencies; includes programs for comprehensive manpower assistance and public service employment, occupational health and safety (OSHA), maternal and child health, emergency medical services, Public Health Service hospitals, National Institutes of Health (NIH) research, alcohol, drug abuse, and mental health programs, public assistance, human development, and community services programs;

Increases funds for OSHA to provide 333 additional compliance inspectors; directs the Department of Labor to take the following actions in the area of occupational safety and health: (1) upgrade the skills of OSHA inspectors through intensive retraining, (2) review and simplify existing OSHA standards and eliminate standards which do not deal with workplace conditions that are clearly hazardous to the health or safety of workers or are more properly under the jurisdiction of State departments of public health; (4) redirect inspection efforts away from industries with good worker health and safety records so as to permit increased inspection in industries with the greatest health and safety problems; and (5) develop fine-free on-site consultation programs to advise employers of the application of OSHA standards in their workplace; requires the Secretary of Labor to report to the Senate and House Appropriations Committees, 30 days prior to the first day of a scheduled hearing, what actions have been taken to comply with these directives; and

Prohibits the use of funds contained in the Act to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home and which offers the courses of study pursued by the student, in order to comply with title VI of the Civil Rights Act of 1964. H.R. 8069. Public Law 94– , approved , 1975. (423)

Legislative.—Appropriates $827,546,570 for the legislative branch for fiscal year 1976 and $207,391,365 for the transition period July 1–September 30, 1976, which includes funds for the Architect of the Capitol to prepare studies and develop a master plan for future development within the Capitol grounds and to remove architectural barriers to the handicapped on Capitol Hill, funds for increases in salaries for top Senate officials and staff employees ($40,000 for the Secretary of the Senate, the Sergeant at Arms of the Senate, and the Legislative Counsel, $39,500 for the party Secretaries, and $38,000 for administrative assistants and top committee staff), and moneys for a full telecommunications network to bring a comprehensive legislative information system into each Senator's office; freezes the salaries of Senate and House pages at their present

level; and directs the Architect of the Capitol to recommend within 3 months a plan to reduce by at least 50 percent the number of elevator operators in the Capitol complex. H.R. 6950. Public Law 94–59, approved July 25, 1975. Note: (See S. Res. 239 on legislative salary increases.) (266)

Military construction.—Appropriates $3,585,014,000 for fiscal year 1976 and $359,100,000 for the transition period July 1–September 30, 1976, for military construction for the Department of Defense including bachelor and family housing, hospital programs, the Uniformed Services University of Health Sciences, maintenance facilities, construction backlog, pollution abatement, Trident submarine support site, and NATO infrastructure; directs the Department of Defense to evaluate the problem posed by the debris and obsolete buildings remaining as a result of World War II in the Aleutian Islands in Alaska, including an analysis of the methods and costs for their removal, and a study on plans for utilizing and the feasibility of clearing the island of Kahooawe, in Hawaii, of unexploded ordnance; prohibits the use of funds appropriated under this act prior to April 15, 1976, for construction on the island of Diego Garcia except that $250,000 may be used to procure, construct and install aircraft arresting gear; and contains other provisions. H.R. 10029. Public Law 94–138, approved November 28, 1975. (474)

Public Works—ERDA.—Appropriates $4,310,156,500 for fiscal year 1976 and $1,173,526,000 for the transition period July 1–September 30, 1976 for public works for water and power development and energy research, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of Interior, the Appalachian Regional Development Commission, the Federal Power Commission, the Nuclear Regulatory Commission, the Nuclear Regulatory Commission, the Tennessee Valley Authority, and related independent agencies and commissions; and

Appropriates $3,130,756,000 for fiscal year 1976 and $941,507,000 for the transition period July 1–September 30, 1976 for the programs of the Energy Research and Development Administration (ERDA). H.R. 8122. Public Law 94– , approved 1975. (565)

State-Justice-Commerce. — Appropriates $5,958,676,000 for fiscal year 1976 and $1,551,256,000 for the transition period July 1–September 30, 1976, for the Departments of State, Justice, and Commerce, the Judiciary, and various related agencies, and states as the sense of the Congress that any new Panama Canal treaty or agreement must protect the vital interests of the United States in the Canal Zone and in the operation, maintenance, property and defense of the Canal. H.R. 8121. Public Law 94–121, approved Oct. 21, 1975. (378)

Supplemental.—Appropriates $10,298,833,117 in supplemental appropriations for fiscal year 1976, $133,813,695 for the transition period July 1–September 30, 1976 and includes $300,000 for fiscal year 1974 and $350,000 for fiscal year 1975; contains $2.3 billion for New York City assistance, $1.75 billion for food stamps and the special milk program, $5 billion for unemployment compensation, and $450 million for health services, including funding for the new hypertension programs, migrant health centers, rat control, community mental health centers and nurses' training; authorizes under the provisions pertaining to the Legislative Branch, a contemplated leasing of the North Capital Plaza Building at 400 North Capitol Street for Senate office space subject to approval by Senate Resolution; provides that the pay of Senate pages shall not exceed $9,063 per annum; permits the Secretary of the Senate and the Clerk of the House to make deductions from employees' salaries for payment to banks, credit unions and savings and loan associations; and authorizes 193 positions and an appropriation of $4,736,340 for the Congressional Budget Office. H.R. 10647. Public Law 94– , approved 1975. (572)

Transportation.—Appropriates $3,978,924,775 for fiscal year 1976 and $970,721,939 for the transition period July 1–September 30, 1976 for the Department of Transportation and related agencies; includes $300,000 for the Civil Aeronautics Board for analytical research to effect necessary regulatory reform of the airlines industry, $10 million for the Coast Guard Pollution Control Fund to insure immediate clean up of oil spills, $6 million for a bikeway demonstration program, $66,850,000 for the National Highway Traffic Safety Administration, including funds for demonstration projects for emergency medical services, $1.5 million for rail passenger and terminal facilities at Baltimore Washington International Airport, and $90,059,000 advance funding for the Washington Metropolitan Area Transit Authority; limits obligation of appropriated Federal-aid highway funds to $9 billion through September 30, 1976; and contains other provisions. H.R. 8365. Public Law 94–134, approved November 24, 1975. (232)

Treasury-Postal Service.—Appropriates $6,314,070,000 for fiscal year 1976 and $1,275,352,000 for the transition period July 1–September 30, 1976, for the Treasury Department, the Postal Service, the Executive Office of the President, and certain other independent agencies. H.R. 8597. Public Law 94–91, approved August 9, 1975. (334)

ATOMIC ENERGY

International agreements:

Atomic energy cooperation agreement with Israel.—Approves the proposed two year extension of the Agreement for Cooperation Between the United States and Israel which concerns peaceful research applications in the field of atomic energy. S. Con. Res. 15. Senate adopted Feb. 19, 1975; House adopted Mar. 11, 1975. (VV)

Enriched uranium distribution to EURATOM.—Approves the proposed increase (from the present 35,000 megawatt ceiling to 55,000 megawatts) in the amount of enriched uranium which may be distributed by the United States to EURATOM under Section 54 of the Atomic Energy Act of 1954, as amended, to support the fuel cycle of power reactors in the Community, such transfers to be subject to the additional Agreement for Cooperation with EURATOM (which among other things, contains provisions for safeguards against the diversion of special nuclear material to military applications) and in accordance with our Non-Proliferation Treaty obligations. S. Con. Res. 14. Senate adopted Feb. 19, 1975; House tabled Mar. 17, 1975. (VV)

Enriched uranium distribution to the International Atomic Energy Agency.—Approves the proposed increase in the amount of enriched uranium which may be distributed by the United States to the IAEA under Section 54 of the Atomic Energy Act of 1954, as amended, to allow for the support of fuel cycle of power reactors, to be purchased from U.S. manufacturers, located in member states of IAEA (2 in Mexico, 1 in Yugoslavia) having a total installed capacity of 2,015 megawatts of electrical energy. S. Con. Res. 13. Senate adopted Feb. 19, 1975; House tabled Mar. 17, 1975. (VV)

Nuclear accident indemnity.—Provides for the phase-out of government indemnity under the Price-Anderson Act, which was enacted in 1957 to protect the public and the emerging nuclear industry by assuring the availability of funds up to $560 million for the payment of claims and by protecting the nuclear industry against unlimited liability in the unlikely event of a catastrophic nuclear accident; requires participation by licensees in an insurance retrospective rating plan under which, in case of accident, each licensee would be assessed a deferred premium which would be a prorated share of the damages over the amount of Government indemnity and eliminates Government indemnity at the point where the total of primary insurance and the number of licensees paying the deferred premiums is sufficient to provide $560 million for claims payment without using Government funds; provides that the $560 million limit on liability shall rise thereafter to correspond with the increasing total level of primary insurance and deferred premium funds as more licenses are issued; extends indemnity coverage outside the territorial limits of the United States for certain activities conducted by Energy Research and Development Administration (ERDA) contractors or involving licensed nuclear facilities or licensed activities, none of which involve indemnity for any shipment of nuclear technology abroad under an agreement for cooperation with nations or groups of nations; extends the Act, which is scheduled to expire on August 1, 1977, for a period of 10 years, and contains other provisions. H.R. 8631. Public Law 94– , approved , 1975. (600)

Nuclear Regulatory Commission authorizations.—Authorizes supplemental appropriations of $50.2 million to the Nuclear Regulatory Commission for fiscal year 1975 which is in addition to the $90,765,000 fiscal year 1975 authorization for the Atomic Energy Commission (Public Law 93–276) and transferred to the Commission on January 19, 1975, when the Atomic Energy Commission was abolished pursuant to the Energy Reorganization Act of 1974 (Public Law 93–438) and its functions transferred to the Nuclear Regulatory Commission and Energy Research and Development Administration. S. 994. Public Law 94–18, approved Apr. 25, 1975. (VV)

Authorizes $222,935,000 for fiscal year 1976 and $52,750,000 for the transition period July 1–September 30, 1976, for the Nuclear Regulatory Commission; authorizes an additional 131 employees for nuclear safety inspection and enforcement; prohibits the shipment, by air transport, of any form of plutonium (except if it is contained in a medical device designed for individual human application) until the Commission has certified to the Joint Committee on Atomic Energy that a safe container has been developed which will not rupture under crash and explosion of a high-flying aircraft; and clarifies the commencing date for the terms of the members of the Commission. S. 1716. Public Law 94–79, approved August 9, 1975. (VV)

BUDGET

Budget levels.—Declares the commitment of the Senate to comply with the Budget Act, reduce spending, and to seek to counterbalance future tax reductions enacted by the Congress by restricting the growth of spending. S. Con. Res. 79. Senate adopted December 17, 1975. (VV)

Deferrals—1975:

Energy Research and Development Administration.—Rescinds $66.5 million and disapproves $46.1 million of the $112.6 million deferral recommended by the President in his message of November 26, 1974, provided under the 1975 Public Works–AEC Appropriations Act (P.L. 93–393) for various programs within the Energy Research and Development Administration. By this action, deferral of budget authority was disapproved for the following programs: Biomedical and Environmental Research—Artificial Heart Research, $4 million (S. Res. 32); Nuclear Materials, $12 million (S. Res. 75); Laser Fusion Program, $4.7 million (S. Res. 76); Controlled Thermonuclear Research—Fusion Program, $8 million (S. Res. 77); Physical Research, $2.7 million (S. Res. 78); Gas Cool Fast Reactor Program, $6.7 million (S. Res.

79); and LMFBR Technology, $8 million (S. Res. 80). S. Res. 32, S. Res. 75, S. Res. 76, S. Res. 77, S. Res. 78, S. Res. 79, S. Res. 80 Senate adopted May 7, 1975. (VV)

HUD—Comprehensive planning grants.—Disapproves the $50 million deferral for the HUD Comprehensive Planning Grant Program recommended by the President in his message of November 26, 1974. S. Res. 23. Senate adopted Mar. 13, 1975. (VV)

Transportation—Highway funds.—Disapproves the $9,136,590,427 deferral for Federal highway funds to the States recommended by the President in his message of September 20, 1974. S. Res. 69. Senate adopted Apr. 24, 1975. (149)

Youth Conservation Corps.—Disapproves the $10 milion deferral for the Forest Service Youth Conservation Corps program recommended by the President and reported by the Comptroller General in his letter of July 9, 1975. S. Res. 205. Senate adopted July 10, 1975. (VV)

Deferrals—1976:

Columbia Basin irrigation project.—Disapproves the proposed deferral of $1,030,000 for the Second Basin Siphon and Tunnel, Columbia Basin Irrigation Project, Washington which was recommended by the President in his message of July 1, 1975 and modified by his message of July 26, 1975. S. Res. 226. Senate adopted December 5, 1975. (VV)

Emergency energy conservation services.—Disapproves the proposed deferral of $16.5 million for the Emergency Energy Conservation Services program recommended by the President in his message of July 26, 1975. S. Res. 267. Senate adopted Oct. 3, 1975. (VV)

Fleming Key Animal Import Center.—Disapproves the proposed deferral of $6,314,000 for the Fleming Key Animal Import Center which was recommended by the President in his message of November 26, 1975. S. Res. 324. Senate adopted December 10, 1975. (VV)

Fruit crop laboratory.—Disapproves the proposed deferral of $7,570,000 which was contained in the 1976 Agriculture Appropriation Act (P.L. 94–122) for the construction of the Northeastern Appalachian Regional Fruit Crop Laboratory, Kearneysville, West Virginia and recommended by the President in his message of December 1, 1975. S. Res. 313. Senate adopted December 4, 1975. (VV)

Rescissions—1975:

Agriculture, Commerce, Consumer Product Safety, DOD, HEW, Labor.—Rescinds $16,454,704 ($10 million for Forestry Incentive Programs, $955,000 for Defense special foreign currency programs, $500,000 for the Consumer Product Safety Commission, and $4,999,704 for the Latin-American Cultural and Trade Center within the Department of Commerce) and disapproves $1,243,939,250 of the rescission of $1,260,393,954 recommended by the President in his message of January 30, 1975, and the communications of the Comptroller General of February 7 and 14, 1975, as follows: Department of Agriculture—$191,690,000; Consumer Product Safety Commission—$1,209,000; Community Service Employment for Older Americans in the Department of Labor—$12 million; Department of HEW—$936,030,250; and Department of Commerce—$125 million which is for the Job Opportunities Program which had been submitted as a deferral and reclassified by the Comptroller General as a rescission. H.R. 4075. Public Law 94–15, approved Apr. 8, 1975. (VV)

Agriculture, Commerce, DOD, Executive Office, General Services, Justice, HEW, State, Treasury.—Approves rescission of budget authority in the amount of $243,359,370, and disapproves $706,083,802 of the amounts proposed for rescission by the President, for the following departments:

Department of Agriculture: Approves a partial rescission of $7,856,470 for the Agriculture Stabilization and Conservation Service Water Programs, leaving available $13,356,470 for the wetlands and marshlands conservation program; disapproves rescissions of $14,921,000 for the Forest Service;

Department of Defense: Approves rescission of $60,300,000 for operations and real property maintenance; disapproves rescission of 5,700,000 for Army UH–IH utility helicopters procurement because rescission would result in no procurement of needed helicopters in fiscal year 1975; approves rescission of $122,900,000 for Air Force F–111F fighter aircraft; disapproves rescission of $29,600,000 for Air Force A–7D attack aircraft as being necessary for modernization of the Air National Guard;

Department of Health, Education and Welfare: Disapproves rescission of $284,719,000 for Hill-Burton hospital bed construction;

Department of State: Approves rescissions of $2.1 million in savings;

Department of Justice: Disapproves rescission of $5,350,000, $1.3 million, and $2.4 milion respectively for salaries and expenses of the FBI, Immigration and Naturalization Service, and the Drug Enforcement Administration on the basis that the rescission would adversely affect accomplishment of the purposes of these agencies; approves rescission of $7 million for the Bureau of Prisons in view of a lower than expected prison population and the possibility of acquiring a new facility at no cost;

Department of Commerce: Approves rescissions totaling $2.25 million for Social and Economic Statistics Administration, Trade Adjustment Assistance, U.S. Travel Service, the Patent Office and the marine data buoy project of the National Oceanic and Atmospheric Administration; disapproves rescission of $2 million for Economic Development Administration assistance programs which affect planning for areas of chronic, high unemployment; disapproves rescissions of $1.3 milion, $500,000, and $500,000 respectively for National Oceanic and Atmospheric Administration, Salmon and steelhead rearing ponds, three regional fisheries commissions under the National Fisheries Policy, and the marine ecosystems project in Puget Sound;

Department of the Treasury: Approves rescissions of $1.53 million affecting the Office of the Secretary, the Federal Law Enforcement Training Center, the Bureau of Accounts, and the Internal Revenue Service; disapproves rescission of $9,230,000 and $10,240,000 respectively, for accounts, collection, and taxpayer service and compliance in the Internal Revenue Service; disapproves rescission of $3 million for the Customs Service on the basis of adverse impact on its functions;

Executive Office of the President: Approves rescission of $2,240,000 for the Special Action Office for Drug Abuse Prevention as legislative authority for this office expires June 30, 1975 and other funding available is considered sufficient;

General Services Administration: Approves rescission of $20,022,900 for the Federal Buildings Fund which will be withdrawn from programmed low-priority work which has not been started. H.R. 3260. Public Law 94–14, approved Apr. 8, 1975. (68)

HEW—health and medical service programs.—Disapproves $264,700,000 of the proposed rescission of $266,323,000 recommended by the President in his messages of April 8 and May 8, 1975, for the following programs of the Department of Health, Education and Welfare: Alcohol, Drug Abuse and Mental Health; D.C. medical facilities; Nurse training, allied and public health, and funding for medical facilities and construction; and emergency food and medical services, and summer youth sports; and approves the rescission of $1,623,000 for health services. H.R. 6573. P/H May 12, 1975; P/S amended June 10, 1975; House disagreed to Senate amendment June 12, 1975. (VV)

HUD—Homeownership assistance.—Disapproves the $264,117,000 rescission for the HUD Homeownership Assistance Program recommended by the President in his message of October 4, 1974. S. Res. 61. Senate adopted Mar. 13, 1975. (VV)

Rescissions—1976:

Agriculture, HEW, Interior, Transportation, Treasury.—Rescinds $47.5 million for the Department of Interior, Bureau of Mines helium fund and disapproves $184,337,334 of the rescission of $188,888,000 recommended by the President in his message of July 26, 1975 as follows: HEW, Headstart services to handicapped children—$7 million; HEW, Community Services Administration—$9 million; Agriculture, Forest Service roads and trails—$25,723,000; Transportation, scenic highways—$90 million; and Treasury, construction of Federal Law Enforcement Training Center—$8,665,000. H.R. 9600. Public Law 94–111, approved Oct. 13, 1975. (VV)

Resolutions:

First budget resolutions.—Recommends budget outlays of $367 billion, estimated revenues of $298.18 billion and an estimated deficit of $68.82 billion as compared to the President's budget estimates of $355.6 billion in outlays adjusted as of April 4, estimated revenues of $297.5 billion, and a proposed deficit level of $60 billion; recommends, in order to achieve the revenue level suggested that revenues should be decreased by $3.4 billion; and, in making the revenue recommendations (1) assumes that major provisions of the Tax Reduction Act scheduled to expire December 31, 1975 will be extended by the Congress and thus lower revenues by $4.4 billion, (2) takes the position that additional revenues should be raised through enactment of tax reform legislation in the amount of $1 billion in fiscal year 1976, and (3) assumes that, as a result of recent tax collection experience, an additional $2 billion in revenues will be received during fiscal year 1976; does not contain the function-by-function allocations which will be reported in later years but is based on recommended outlays for budget programs by function for fiscal year 1976 as compared with the President's proposed budget outlays as follows:

National Defense: $91.2 billion in budget outlays as compared to $93.9;

International Affairs (conduct of foreign affairs, foreign information and exchange activities, the Peace Corps, Food for Peace, and foreign assistance except for military assistance): $4.9 billion as compared to an estimated $5.1 to $6.4 billion;

General Science, Space, and Technology: $4.6 billion, which is the same as that proposed in the President's budget;

Natural Resources, Environment, and Energy: $11.6 billion as compared to $10.2 billion;

Agriculture: $1.8 billion, which is the same as that in the President's budget;

Commerce and Transportation: $17.5 billion as compared to $14.7 billion;

Community and Regional Development: $8.65 billion as compared to $6 billion;

Educaton, Manpower, and Social Services: $19.85 billion as compared to $16.6 billion;

Health: $30.7 billion as compared to $28.4 billion;

Income Security (Social Security and unemployment insurance, retirement systems for Federal and railroad employees and assistance programs for the needy): $125.3 billion as compared to $120.9 billion;

Veterans Benefits and Services: $17.5 billion as compared to $16.2 billion;

Law Enforcement and Justice: $3.4 billion as compared to $3.3 billion;

General Government: $3.3 billion as compared to $3.2 billion;

Revenue Sharing and General Purpose Fiscal Assistance: $7.2 billion, which is the same as that in the President's budget;

Interest: $35.3 billion as compared to $34.4 billion;

Allowances (includes energy tax equaliza-

tion payments, civilian agency pay raises, and contingencies): $1.2 billion as compared to $8.1 billion, caused mainly by the deduction of $7 billion included in the President's budget to equalize the impact of his original energy tax proposals based on the assumption that the President's program will not be approved by the Congress; and

Undistributed Offsetting Receipts (includes Federal Government contributions to the employee retirement funds, interest earned on trust funds and revenue from oil leases on the Outer Continental Shelf): Deduction of $16.2 billion in undistributed offsetting receipts from the budget total in 1976 as compared to $20.2 billion in the President's budget, in the Congressional budget difference being due to an estimate of $4 billion in receipts by the Committee from the sale of leases for offshore oil drilling and an estimate of $8 billion in such receipts in the President's budget. H. Con. Res. 218. House adopted May 1, 1975; Senate adopted amended May 5, 1975; House and Senate agreed to conference report May 14, 1975. (157)

Second budget resolution.—Revises the First Budget Resolution (H. Con. Res. 218) and limits Congressional actions on spending and revenues for the balance of the fiscal year by setting a floor for revenues and a ceiling on new budget authority and outlays so that it will not be in order for either House to consider legislation which would have the effect of lowering the revenue floor or increasing the budget authority and outlay ceilings;

Provides, for fiscal year 1976, for outlays of $374.9 billion, new budget authority of $408 billion, a deficit level of $74.1 billion, revenues of $300.8 billion, and a public debt level of $622.6 billion; directs the Ways and Means Committee of the House and Finance Committee of the Senate to reduce revenues by $6.4 billion in order to extend the tax cuts of the Tax Reduction Act of 1975;

Establishes targets for the transition quarter July 1–September 30, 1976, which will be established as ceilings, with such revisions as necessary, as part of a Third Budget Resolution for fiscal year 1976 or as part of the First Budget Resolution for fiscal year 1977, to be adopted in the spring of 1976, whichever occurs earlier; and sets targets for outlays of $101.7 billion, new budget authority of $91.1 billion, a deficit level of $15.7 billion, revenues of $86 billion, and a public debt level of $641 billion. H. Con. Res. 466. House adopted November 12, 1975; Senate adopted amended November 20, 1975; Senate agreed to conference report December 11, 1975; House agreed to conference report December 12, 1975. (526, 579)

CONGRESS

August recess.—Provides for the adjournment of the Congress from Friday, August 1 until noon, Wednesday, September 3, unless reassembled by the House or Senate leadership, and authorizes the Secretary of the Senate and the Clerk of the House to receive messages, including veto messages, from the President during this time. S. Con. Res. 54. Senate adopted July 22, 1975; House adopted July 28, 1975. (307)

Congressional paycheck disbursements.—Amends section 3620 of the Revised Statutes relating to payroll disbursements to give Congressional employees the same option as other Federal employees of having their pay sent to two or three different financial institutions of their choice effective when the Secretary of the Senate and the Clerk of the House respectively determines the feasibility of compliance for their employees but no later than July 1, 1976. H.R. 7405. Public Law 94–57, approved July 19, 1975. (VV)

Convening of 94th Congress, 2d session.—Provides for the convening of the second session of the 94th Congress at noon on Monday, January 19, 1976; also provides that, prior to this time, the Speaker of the House and the President pro tempore of the Senate shall notify Members to reassemble whenever in their opinion the public interest shall warrant it or if the majority leaders or the minority leaders of the House and Senate request that Congress reassemble for the consideration of legislation, and that the Congress shall reassemble at 12:00 noon on the second day after its Members are so notified; and extends the filing date of the Joint Economic Committee's report on the President's Economic Report until March 19, 1976. H.J. Res. 749. P/H December 16, 1975; P/S amended December 17, 1975. (VV)

Franking privileges of former Members.—Amends title 39, U.S.C., to limit the use of the congressional franking privilege by former Members of Congress, and certain other officers of the Congress authorized by law to use the frank, to mail matter relating to the closing of their office by changing the time limit during which the franking privilege is authorized from the 1st day of April following the expiration of their respective terms of office to a 90-day period following the date on which a Member or other individual ceases to serve in a position. H.R. 4865. Public Law 94– , approved 1975. (VV)

Guam and Virgin Islands delegate allowance.—Provides that the clerk hire allowance and the transportation expenses subject to reimbursement under Federal law of the Delegates from Guam and the Virgin Islands shall be the same as allowed for Members of the House of Representatives. H.R. 4269. Public Law 94–26, approved May 27, 1975. (VV)

Joint Committee on the Bicentennial.—Establishes a Joint Committee on Arrangements for the Commemoration of the Bicentennial, to be composed of 12 members (the majority and minority leaders of the Senate and House, the members of Congress who are members of the American Revolution Bicentennial Board, 2 members appointed by the President of the Senate, and 2 members appointed by the Speaker of the House) to coordinate the planning and implementation of Bicentennial activities and events of the Congress with those of other groups; to consult with the Speaker of the House and President of the Senate to provide for congressional representation at appropriate Bicentennial events; and to develop and implement programs to inform and emphasize to the Nation the role of the Congress, as the representative of the people, over the past 200 years. S. Con. Res. 44. Senate adopted June 13, 1975; House adopted amended June 23, 1975; Senate agreed to House amendment with amendment July 30, 1975. (VV)

Supreme Court chamber.—Declares officially open the Chamber of the Supreme Court which is located in the Capitol and extends congratulations and appreciation to the various people who contributed to the restoration of this Chamber. S. Res. 164. Senate adopted May 21, 1975. (VV)

CONSUMER AFFAIRS

Consumer Fraud: Protects consumers and reduces the instances of consumer fraud by amending the United States Code in order to make the knowing commission of the following consumer frauds subject to criminal penalties: (1) offering or advertising of goods or services with the knowledge that they will not be sold as so offered or advertised; (2) utilization of false or misleading statements or advertising with respect to goods and services; (3) false description of goods; (4) refusal to return a price or deposit when goods have not been and will not be delivered or when services contracted for have not or will not be performed; and (5) use of physical force, threats, harassment or similar misconduct in the course of a sale or in an attempt to collect the purchase price of goods and services from a customer; imposes a maximum fine of $1,000 and/or 1 year imprisonment for first offenses and a $10,000 fine and/or 3 years imprisonment for second and subsequent offenses; allows a consumer to cancel any contract or agreement resulting from a transaction involving a proscribed unfair consumer practice; and authorizes the Attorney General of the United States and the attorney general of any State to seek an injunction to enjoin the commission of such unfair consumer practices. S. 670. P/S July 10, 1975. (VV)

Consumer product safety.—Authorizes $51 million for fiscal year 1976, $14 million for the transition period July 1–September 30, 1976, and $55 million for fiscal year 1977 to implement the Consumer Product Safety Act; contains provisions concerning the jurisdiction of the Consumer Product Safety Commission which:

(1) eliminates pesticides from the Commission's jurisdiction under the Poison Prevention Packaging Act of 1970 as being duplicative of the Environmental Protection Agency's authority under the Federal Environmental Pesticide Control Act of 1972 to enforce pesticide-related packaging standards for the purpose of child protection;

(2) provides that the Commission has no jurisdiction to regulate tobacco or tobacco products as being a "hazardous substance" under the Federal Hazardous Substances Act, but provides that the Commission may regulate tobacco and tobacco products under the Consumer Product Safety Act to the extent that such products present an unreasonable risk of injury as a source of ignition;

(3) provides that the Commission, under the Hazardous Substances Act, may not regulate ammunition as a "hazardous substance" but may continue to establish and enforce cautionary labeling requirements relative to storage in a household, and may continue to regulate fireworks as a "hazardous substance"; prohibits political clearance by the Executive Office of the President, the Office of Management and Budget, or other executive agency of any employee whose principal duties would involve significant participation in the determination of major Commission policies or who would serve as a personal assistant or adviser to any Commissioner; requires, in order to facilitate the identification of potential product hazards, that a product liability insurer or an independent testing laboratory which discovers a substantial product hazard in the course of its business must report that finding to its insured or its client and inform him of his obligations, if any, under the law; enlarges the enforcement authority of the Commission; provides a uniform Federal preemption clause for the Federal Hazardous Substances Act, the Flammable Fabrics Act and the Consumer Product Safety Act which provides that if the Commission has requirements in effect for a product, State or local requirements must conform to the Federal standards unless the State requirement does not cause the product to be in violation of the Federal standard and provides a significantly higher degree of protection without unduly burdening the manufacture or distribution of products in interstate commerce; gives courts the discretion to award attorney's fees to persons involved in obtaining judicial review under the Consumer Product Safety Act; and contains other provisions. S. 644. P/S July 18, 1975; P/H amended Oct. 22, 1975; In conference. (297)

Consumer protection.—Protects the interests of consumers and promotes consumer protection in the United States; creates an independent Agency for Consumer Advocacy (ACA) to represent and advocate the interests of consumers before other Federal agencies and Federal courts; authorizes the ACA to receive and transmit complaints from

consumers and develop and disseminate information concerning interests of consumers;

Exempts from the jurisdiction of the ACA the following: the Central Intelligence Agency, the Federal Bureau of Investigation, or the National Security Agency, or the national security and intelligence functions of the Departments of State and Defense and the military weapons program of the Energy Research and Development Administration, as well as any Federal Communications Commission proceeding relating to renewals of radio or television broadcasting licenses, or any labor-management case before the National Labor Relations Board; prohibits intervention or participation by the ACA in any proceeding or activity directly affecting producers of livestock, poultry, agricultural crops or raw fish products; prohibits such intervention with respect to the granting or enforcement of any right-of-way or other authorization relating to the Alaska pipeline system of oil or natural gas; prohibits such intervention in proceedings relating to limiting the manufacture or sale of firearms or ammunition;

Requires the General Accounting Office to review all of ACA's activities and report to Congress thereon within 3 years; makes the provisions of the Freedom of Information Act applicable to the ACA; provides for the preparation of cost and benefit assessment statements by Federal agencies issuing rules or proposing legislation which have a substantial economic impact; and contains other provisions. S. 200. P/S May 15, 1975: P/H amended Nov. 6, 1975. (184)

Motor vehicle information and cost savings.—Amends the Motor Vehicle Information and Cost Savings Act to authorize additional appropriations to implement four titles of the bill for fiscal year 1976, the fiscal year transition period July 1–September 30, 1976, and fiscal year 1977 respectively, as follows: Title I, which requires the Secretary of Transportation to promulgate bumper standards applicable to all passenger motor vehicles: $500,000, $125,000 and $500,000; Title II, which provides for an automobile consumer information program: $2 million, $650,000 and $4 million; Title III, which provides for diagnostic inspection demonstration projects: $5 million, $1.5 million, $7.5 million; and Title IV, which sets odometer requirements: $450,000, $100,000 and $650,000; redefines the special motor vehicle diagnostic inspection demonstration project under title III to assure that the project will be designed for use by States for high volume inspection facilities to evaluate conditions of parts, components and repairs required to comply with State and Federal safety, noise and emission standards and to assist the owner in achieving the optimum fuel and maintenance economy and authorizes an additional $7.5 million for fiscal year 1978 to implement this program; provides the Secretary with additional authority to enforce the odometer anti-tampering provisions; and imposes a civil penalty of not to exceed $10,000 for each violation and criminal penalties of not more than $50,000 and/or 1 year in prison. S. 1518. P/S June 5, 1975. (VV)

CRIME-JUDICIARY

Alien children.—Grants a child adopted by a single U.S. citizen the same immediate relative status for immigration purposes as a child adopted by a U.S. citizen and his spouse jointly; requires that an unmarried adoptive parent be 25 years old; and grants the Attorney General the discretionary authority to withhold or refuse approval of a petition unless he is satisfied that proper care will be furnished to the child if admitted to the U.S. H.R. 568. Public Law 94–155, approved December 16, 1975. (VV)

Antitrust enforcement.—Authorizes increased appropriations over a 3-year period to the Federal Trade Commission (FTC) and the Antitrust Division of the Department of Justice to provide an additional 25 antitrust positions each, to support effective and expeditious enforcement of the antitrust laws as follows: 1976—$25 million, transition period July 1–September 30, 1976—$6.25 million, 1977—$35 million, and 1978—$45 million; and authorizes a 3-year program of assistance and grants to States to improve their antitrust capabilities as follows: $10 million annually for fiscal years 1976, 1977, and 1978 and $2.5 million for the transition period July 1–September 30, 1976. S. 1136. P/S December 12, 1975. (VV)

Bilingual court proceedings.—Amends title 28, U.S.C., by adding a new section specifying the circumstances when an interpreter must be furnished to translate all or part of the court proceedings for the benefit of a non-English-speaking party or when a witness does not speak English and imposes administrative duties upon the Administrative Office of the U.S. Courts in relation to certification and use of interpreters. S. 565. P/S July 14, 1975 (VV)

Fair trade laws.—Repeals the Miller-Tydings Act which enables States to enact fair trade laws and the McGuire Act which permits States to enact nonsigner provisions in order to permit competing retailers to sell an item at whatever price he determines. H.R. 6971. Public Law 94–145, approved December 12, 1975. (VV)

Federal Rules of Criminal Procedure.—Approves and amends certain amendments to the Federal Rules of Criminal Procedure as proposed by the Supreme Court in its order of April 22, 1974, pursuant to statutes known as "rules enabling acts", to become effective on December 1, 1975. H.R. 6799. Public Law 94–64, approved July 31, 1975 (VV)

Federal Rules of Evidence.—Amends the Federal Rules of Evidence to make clear that nonsuggestive lineup, photographic and other identifications, made in compliance with the Constitution, are admissible in evidence. S. 1549. Public Law 94–113, approved Oct. 16, 1975. (VV)

Federal Rules of Evidence and Criminal Procedure.—Makes technical amendments to the Federal Rules of Evidence, the Federal Rules of Criminal Procedure, and to related provisions of titles 18 and 28 of the United States Code. H.R. 9915. Public Law 94–149, approved December 12, 1975. (VV)

Florida judicial district.—Transfers Madison County from the middle judicial district to the northern district of Florida to reduce the average travel time for Madison County residents. S. 723. P/S June 19, 1975. (VV)

Judgeships for the U.S. courts of appeals.—Authorizes the President to appoint, with the advice and consent of the Senate, one additional circuit judgeship each for the first, third, fourth, sixth, seventh, eighth and tenth circuits. S. 286. P/S Oct. 2, 1975. (VV)

Jurors fees.—Amends the Jury Selection and Service Act of 1968, as amended, to increase from $20 to $25 per day the jury attendance fee and establish minimal criteria for judicial certification of additional fees for extended petit and grand jury service; authorizes new procedures for determining amounts to be expended for juror travel allowances and expenses including tolls and parking charges and new procedures for determining the amounts to be expended for juror subsistence allowances necessitated by long travel distances or sequestration;

Requires that any employee, other than a temporary worker, applying for reemployment within 15 days after completing his or her jury service, be rehired at his or her former seniority, status, and pay; requires that any employee so restord be classified as having been on furlough or leave-of-absence for purposes of insurance and other employment benefits; prohibits such employee from being discharged without cause for at least 1 year after returning to work; confers upon the district courts original jurisdiction to grant money damages regardless of the amount in controversy; requires U.S. Attorneys to act as attorneys for any person claiming a violation of his or her reemployment rights; and prohibits the assessment of attorney fees or court costs against any person who brings such an action in good faith. S. 539. P/S Sept. 30, 1975. (VV)

Parole Commission.—Reorganizes the Federal paroling structure by abolishing the present U.S. Board of Parole and replacing it with an independent U.S. Parole Commission attached to the Department of Justice; increases the Parole Board from 8 to 9 Commissioners (one to serve as Chairman, three to serve as members of a National Appeals Board, and five to serve in the five regions around the country); provides for panels of hearing examiners, operating under guidelines adopted by the full Commision, to conduct parole hearings and recommend decisions subject to review by regional commissioners and the National Appeals Board before becoming final; provides an internal process by which the Attorney General or the offender may trigger a review by the National Appeals Board of any decision made by a regional commisioner; gives the Chairman the necessary administrative powers to keep the decision-making machinery of the Parole Commision operating on a timely basis; provides a procedure to insure better opportunities for decision-making and fairness in parole interview; requires that the revocation process whereby a parolee is returned to prison for violating the conditions of his parole must contain certain procedural safeguards set out by the Supreme Court in Morrissey v. Brewer, 408 U.S. 471 (1972) and Gagnon v. Scarpelli, 411 U.S. 778 (1973); and provides that an offender who has demonstrated by his conduct that he has rehabilitated himself could be discharged from supervision by the Parole Commission. H.R. 5727. P/H May 21, 1975; P/S amended Sept. 16, 1975; in conference. (VV)

Pyramid sales.—Prohibits the use of any means or instrumentality of transportation or communication in interstate commerce or of the mails for sales, offers, or attempts to sell a participation or rights to participate in a "pyramid sales scheme" which is defined as an investment program based on inducing people to buy the right to sell similar rights to other people. S. 1509. P/S May 14, 1975. (VV)

Robert E. Lee.—Restores posthumously full rights of citizenship to General Robert E. Lee, effective June 13, 1865, which were forfeited by him as General of the Army of Northern Virginia in the war between the States. S.J. Res. 23. Public Law 94–67, approved August 5, 1975. (VV)

Three-judge courts.—Eliminates the requirement for special three-judge courts in cases seeking to enjoin the enforcement of State or Federal laws on the grounds of unconstitutionality except when specifically required by act of Congress or in any case involving congressional reapportionment or the reapportionment of any statewide legislative body and clarifies the composition and procedure of three-judge courts in those cases where they are required. S. 537. P/S June 20, 1975. (VV)

Wiretop Commission.—Extends from January 31, 1976 to April 30, 1976, the authority of the National Commission for Review of Federal and State Laws Relating to Wiretapping and Electronic Surveillance in order to enable the Commission to complete its final report and submit its findings and recommendations to the President and Congress. S. 2757. Public Law 94– , approved 1975. (VV)

DEFENSE

Assistant Commandant of the Marine Corps.—Authorizes the Assistant Commandant of the Marine Corps to have the permanent grade of General, at the discretion

of the President, with the advice and consent of the Senate, without regard to the overall strength of the Marine Corps instead of, as provided in present law, if the overall strength of the Marine Corps exceeds 200,000; and provides that the Secretary of Defense rather than the Service Secretary must determine the disability retirement of general officers and medical officers. S. 2117. P/S December 17, 1975. (VV)

Coast Guard authorization.—Authorizes $149,676,000 for fiscal year 1976 and the transition period July 1–September 30, 1976 to the Coast Guard for the procurement of vessels and aircraft, construction of shore and offshore establishments including the Valdez, Alaska, vessel traffic control system and the Sitka, Alaska, Air Station to assure that the stations are operational upon the completion of the Trans-Alaska pipeline, and payment to bridge owners for the cost of alterations of railroad bridges and public highway bridges across the navigable waters of the United States; authorizes the year-end strength for active duty personnel and provides additional personnel for fishery surveillance and enforcement by helicopter; and authorizes the military training student loads. H.R. 5217. Public Law 94–54, approved July 7, 1975. (VV)

Defense production—Commission on Productivity and Work Quality.—Extends the expiration date of the Defense Production Act of 1950 and funding for the National Commission on Productivity and Work Quality for 90 days, through September 30, 1975. S. J. Res. 94. Public Law 94–42, approved June 28, 1975. (VV)

Extends the expiration date of the Defense Production Act of 1950 and funding for the National Commission on Productivity and Work Quality for 60 days, through November 30, 1975. H. J. Res. 672. Public Law 94–100, approved Oct. 1, 1975. (VV)

Defense production—National Commission on Supplies and Shortages.—Extends the Defense Production Act until September 30, 1977, to coincide with the new fiscal year established in the Congressional Budget Act of 1974. (P.L. 93–344) except for title III authority relating to loan guarantees which must be authorized yearly.

Contains separate more restrictive authority relating to the President's authority to grant antitrust immunity to voluntary agreements developed in support of the national defense effort or the Executive Agreement on an International Energy Program (IEP) signed by the United States on November 18, 1974, which includes: approval by the Attorney General before any agreement is authorized, assurance that the provisions of the Federal Advisory Committee Act will apply to advisory committees established pursuant to this act, and assurance that the public will have recourse through the Freedom of Information Act when seeking information concerning voluntary agreements; makes clear that the authority granted under this provison shall not be construed as any form of congressional approval of specific terms of the IEP Agreement;

Removes the $15 per diem limitation on travel expenses for members of the National Defense Executive Reserve (NDER) while serving without pay and traveling for the purpose of participating in the NDER training program and permits them to be reimbursed in accordance with applicable statutes authorizing such allowances for other individuals serving the U.S. without pay;

Provides that the Cost Accounting Standards Board shall take into account and report to the Congress on the probable effects, if any, compared to the probable benefits, including advantages and improvements in the pricing, administration and settlement of contracts in promulgating standards and major rules and regulations;

Removes the 40 cent per 100 words limitation on the cost of stenographic services to report hearings of the Joint Committee on Defense Production and the $100,000 limitation on expenses for the Joint Committee; and

Extends from March 31, 1976 to December 31, 1976, the time in which the National Commission on Supplies and Shortages must submit its report to the President and Congress with respect to institutional adjustments; extends from October 31, 1976 to March 31, 1977, the time for the Commission to prepare, and transmit such other reports it deems appropriate; increases from $75,000 to $150,000 the authorization for the advisory committee; and increases to $1,484,000 the authorization for the Commission. S. 1537. Public Law 94–152, approved December 16, 1975. (VV)

Defense production extension.—Amends the Defense Production Act Amendments of 1975 to change from "the date of enactment" to "close of November 30, 1975" the effective date of section 9 of the Act which removes the $100,000 limitation on expenses for the Joint Committee on Defense Production to be paid from the contingent fund of the House. H.R. 11027. Public Law 94–153, approved December 16, 1975. (VV)

Diego Garcia.—Disapproves the proposed construction project on the island of Diego Garcia, the need for which was certified by the President in a document received by the Senate on May 12, 1975. S. Res. 160. Senate rejected July 18, 1975. (340)

Military construction authorization.—Authorizes a total of $3,853,705,000 for fiscal year 1976 and the transition period July 1–September 30, 1976, to provide construction and other related authority for the military departments, and the office of the Secretary of Defense, within and outside the United States, and authority for construction of facilities for the Reserve Components; includes $13.8 million for construction and expansion of the naval base at Diego Garcia in the Indian Ocean and $52,738,000 for aircraft shelters for in-place aircraft in the United Kingdom with the assurance by the Department of Defense that NATO recoupment would be requested prior to expending any of the funds; contains language to reduce the number of deficiency authorizations; directs the Defense Department to make certain changes in the organization of future requests; and contains other provisions. S. 1247. Public Law 94–107, approved Oct. 7, 1975. (425)

Military procurement authorization.—Authorizes $25,513,383,000 for fiscal year 1976 and $5,354,723,000 for the transition period July 1–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; authorizes $380.5 million for six airborne warning and control system—AWACS—aircraft and $7.362 million for the B–1 bomber; authorizes the personnel strength for military active duty components of the Armed Forces and makes a total reduction of 9,000 in the requested strengths, to be made as directed by the Secretary of Defense; authorizes the annual average military training student load for each of the active and reserve components and the personnel strengths for the Selected Reserve of each of the Reserve components; provides a 23,000 total reduction of the requested end strengths for civilian personnel for the Department of Defense, with civilian personnel to be allocated among the military departments and Defense agencies by the Secretary of Defense; contains provisions regarding discrimination in supplying petroleum products for the Armed Forces; provides that no service members who retired after January 1, 1971 may receive less retired or retainer pay than they would have received at an earlier date on or after January 1, 1971; reduces the number of enlisted service personnel who may be assigned as servants to officers; approves the admission of women to the service academies for the class beginning in 1976; extends until December 31, 1977 the President's authority to transfer aircraft and related equipment by sale, credit, or guarantee in order to maintain the military balance in the Middle East; and contains other provisions. H.R. 6674. Public Law 94–106, approved Oct. 7, 1975. (214,374,424)

Naval museum.—Expresses the approval of Congress with respect to the establishment by the State of South Carolina of the Naval and Maritime Museum in the city of Charleston. S. Con. Res. 9. Senate adopted Feb. 28, 1975. (VV)

Nonregular armed services survivors benefits.—Makes the provisions of the Retired Serviceman's Family Protection Plan (RS-FPP) retroactive to November 1, 1953 in order to make survivor benefits payable to survivors of retired non-Regular personnel who had elected benefits under that plan and died before 1968 after they become eligible for retirement but before the first day of the month following the date of eligibility on which they would have become entitled to retired pay. S. 2090. P/S December 17, 1975. (VV)

Nuclear-trained naval officers pay bonus extension.—Extends through fiscal year 1977, the authority under Public Law 92–581 to pay a $15,000 bonus to any nuclear-trained naval officer 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. S. 2114. P/S July 26, 1975; P/H amended Nov. 17, 1975. (VV)

Officer graduate school appointees.—Eliminates any period during which an officer was listed in a missing status for the purpose of computing the 6-year period in considering eligibility of appointees to officer graduate school. S. 1767. P/S May 21, 1975. (VV)

DISTRICT OF COLUMBIA

D.C. bonds.—Disapproves the act of the District of Columbia Council authorizing the issuance of $50 million in general obligation bonds which was passed by the Council on October 21, 1975, signed by the Mayor on October 22, 1975, and transmitted to the Congress on October 24, 1975. S. Con. Res. 78. Senate adopted December 5, 1975. (567)

Judicial conference.—Directs the Chief Judge of the District of Columbia Court of Appeals to summon annually the active judges of the D.C. Court of Appeals and of the Supreme Court, as well as the appellate and trial court judges for a judicial conference; directs the Court of Appeals to provide by its rules for the representation and active participation by members of the D.C. Bar and other persons active in the legal profession including private practioners, law professors, the U.S. Attorney, the Public Defender and the Corporation Counsel; and amends the Education Amendments of 1974 (P.L. 93–380) to make the District of Columbia eligible for funding under title IV of the Act. H.R. 10035. P/H November 10, 1975; P/S amended December 12, 1975. (VV)

Law clerks.—Amends the District of Columbia Code to authorize an additional law clerk for each of the nine judges of the D.C. Court of Appeals in order to increase the analysis and research capability of the Court to provide for more efficient case disposition. H.R. 4287. P/H November 10, 1975; P/S amended December 15, 1975. (VV)

Pennsylvania Avenue Development Corporation.—Authorizes $1.3 million for fiscal year 1976, $325,000 for the transition period, $1.5 million for fiscal year 1977 and $1.6 million for the next 3 succeeding fiscal years to carry out public development activities and projects of the approved plan. S. 1686. P/S December 18, 1975.

Southeastern University.—Insures the continued eligibility of Southeastern University for the benefits of the several acts providing for aid to higher education and amends its Charter to make possible the continued operation of the University as a nonprofit, tax-exempt educational institution under the provisions of section 501(c)(3) of the Internal Revenue Code. S. 611. P/S June 19, 1975; P/H amended Nov. 3, 1975. (VV)

ECONOMY—FINANCE

Appalachian regional development.—Extends the Appalachian Regional Development Act to October 1, 1979, authorizes therefor $340 million for the period July 1, 1975 through September 30, 1977 and $300 million for the two fiscal year period ending September 30, 1979 for essential health, education, and other public services; provides new demonstration authority to address the social, economic and environmental effects of expanded energy production and indigenous arts and crafts of the region;

Extends the highway portion of the program until September 30, 1981 to facilitate completion of the Appalachian Development Highway System and authorizes therefor $1.02 billion;

Gives the Regional Commissions authorized by Title V of the Public Works and Economic Development Act of 1965 statutory status comparable to that enjoyed for the past decade by the Appalachian Regional Commission;

Extends Title V of the Public Works and Economic Development Act for one year beyond its present expiration date of June 30, 1976 and authorizes a total of $500 million for fiscal year 1976, the transition period and 1977 to be allocated to regional commissions established for more than two fiscal years; authorizes an additional $5 million for fiscal year 1976, $1,250,000 for the transition period and $5 million for fiscal year 1977 for new commission; and contains other provisions. H.R. 4073. Public Law 94– , approved 1975. (295)

Bank acquisitions.—Amends the Bank Holding Company Act of 1956, as amended, to allow the Federal Reserve Board to shorten the time requirements for notice to the respective primary bank supervisory authority from 30 days to 10 days if it finds that an emergency exists requiring expeditious action to prevent a probable failure of a bank or bank holding company, and shortens from 30 days to 5 days the Justice Department's period for comment on such acquisitions except that all notice requirements may be dispensed with if the Board needs to act immediately. S. 2209. P/S July 30, 1975. (VV)

Bankruptcy of major municipalities.—Amends the Bankruptcy Act by adding a new chapter to change the procedure by which the debts of municipalities and other governmental units are adjusted to enable a city to continue to function in an orderly manner while an adjustment or extension of its debts is negotiated with its creditors; provides that a municipality file a petition stating its eligibility to file, its inability to pay its debts as they mature, and its desire to effect a plan of composition or extension of its debts; provides that the filing of the petition would operate as a stay of the commencement or continuation of any court or other proceeding against the debtor; provides that while the city is negotiating with its creditors so as to work out a suitable plan, the city would remain under the management of whatever form of government is provided by State law; authorizes the city to issue certificates of indebtedness to supplement available funds on a short-term basis for essential governmental services; and provides that a final proposed plan be sent to all creditors for their vote of approval or disapproval. H.R. 10624. P/H December 9, 1975; P/S amended December 10, 1975; In conference. (575)

Commodity futures.—Extends for 90 days the following provisions of the Commodity Futures Trading Act of 1974 (Public Law 93–463) which becomes effective April 21, 1975: provisional designation as a contract market to any board of trade for commodities traded thereon; required Commission approval of contract market bylaws and rules; provisions and eventual permanent registration of any futures commission merchant, floor broker, associated person, commodity trading advisor, or commodity pool operator; and amends the Act to provide that the Commission will have 9 months instead of 6 months to determine whether trading by floor brokers and future commission merchants for their own accounts and for their customers at the same time is permitted; provides the Commission 180 days instead of 90 days to define bona fide heging transactions or positions; and delays the effective date to 15 months instead of 1 year of the provisions for handling customers' complaints. H.J. Res. 335. Public Law 94–16, approved Apr. 16, 1975. (VV)

Council on International Economic Policy.—Authorizes $400,000 for the period July 1–September 30, 1975, for the Council on International Economic Policy which as part of the Executive Office, brings the views of the various Federal agencies on international economic policy to the attention of the President and represents the Administration on these issues with Congress and the public. S.J. Res. 97. P/S June 21, 1975. (VV)

Authorizes $1,657,000 for fiscal year 1976 and $1,670,000 for fiscal year 1977 for the Council on International Economic Policy and provides that the staff of the Council shall be appointed without regard to provisions of law relating to employment and compensation of persons in Government service with supergrade positions limited to 8. H.R. 5884. Public Law 94–87, approved August 9, 1975. (VV)

Council on Wage And Price Stability.—Extends from August 15, 1975 to September 30, 1977 the expiration date of the Council on Wage and Price Stability, which was established on August 24, 1974 to monitor wage and price developments in the private economy, to review the inflationary impact of governmental programs and policies, and to recommend measures for containing inflation;

Provides for Senate confirmation of persons appointed as director of the Council in the future;

Gives the Council authority to require periodic information reports and subpena power regarding witnesses and the production of relevant books and other documents relating to wages, prices, costs, profits, and productivity by product line or by such other categories as the Council may prescribe; and contains other provisions. S. 409. Public Law 94–78, approved August 9, 1975. (167)

Duty suspensions:

Dyeing and tanning materials.—Extends from September 30, 1975 to June 30, 1978 the existing suspension of duties on certain dyeing and tanning materials entered or withdrawn from warehouse for consumption after September 30, 1975. H.R. 7715. Public Law 94–108, approved Oct. 8, 1975. (VV)

Graphite—child care staffing—alcoholism and narcotic treatment.—Suspends the duty on natural graphite until June 30, 1978; delays until January 31, 1976, enforcement of the child care staffing requirements of the Social Services Amendments of 1974 which became effective October 1, 1975, insofar as they apply to children between the ages of 6 weeks and 6 years; and amends title XX of the Social Security Act of 1974 to insure the observance of the confidentiality requirements of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970; to insure that the entire alcohol rehabilitation program be considered as one unit in determining whether medical costs or room and board costs are a subordinate part of the total cost of service funded; and to exempt, until January 31, 1976, the initial detoxification process up to a period of 7 days if such process is deemed to be an integral part to the provision of further service. H.R. 7706. Public Law 94–120, approved Oct. 21, 1975. (VV)

Hopper cars.—Suspends until June 30, 1975, the column 1 rate of duty on open-top hopper cars exported for repairs or alterations and provides that, upon appropriate application, entries of such articles made after Setember 1, 1974, and before the date of enactment could be liquidated or reliquidated on a duty free basis. H.R. 7731. Public Law 94–76, approved August 8, 1975. (VV)

Istle fiber—Child support funding.—Extends from September 5, 1975 to June 30, 1978 the existing suspension of duty on processed istle fiber; and amends Public Law 93–647 to extend from July 1 to August 1, 1975 the effective date of the act in order to enable some 11 States to comply with the statutory child support regulations in order to receive Federal matching grants for their child support activities. H.R. 7709. Public Law 94–46, approved June 30, 1975. (VV)

Platinum and carbon.—Suspends until October 31, 1975, the column 1 and column 2 rates of duty on catalysts of platinum and carbon imported for use in producing caprolactam; applies the suspension to imports of such catalysts entered or withdrawn from warehouse for consumption on or after the date of enactment; and provides for retroactive duty suspension on entries or withdrawals after October 1, 1973, upon appropriate request filed with the customs officer concerned within 120 days after the date of enactment. H.R. 7728. Public Law 94–75, approved August 8, 1975. (VV)

Watches—child support funding.—Suspends the duty on watches and watch movements manufactured in any insular possession of the United States by increasing to 70 percent the value of foreign materials contained in such watches and watch movements effective with articles entered or withdrawn from warehouse after the date of enactment; and amends the child support law which becomes effective August 1, 1975 to protect States whose legislatures have not yet had time to meet the new requirements in order to receive Federal matching grants for their child support activities and to protect assistance recipients from a reduction in income. H.R. 7710. Public Law 94–88, approved August 9, 1975. (VV)

Zinc—copper.—Suspends until June 30, 1978 the column 1 rates of duty on certain forms of zinc entered or withdrawn from warehouse for consumption on or after the date of enactment; and continues until June 30, 1978, the suspension of duties on copper waste and scrap, articles of copper and other metal waste and scrap. H.R. 7716. Public Law 94–89, approved August 9, 1975. (VV)

Federal Reserve Banks purchase of U.S. obligations.—Extends until October 31, 1976, the authority of Federal Reserve banks to purchase directly from the Treasury public debt obligations up to a limit of $5 billion outstanding at any one time. S.J. Res. 134. Public Law 94–125, approved Nov. 12, 1975. (VV)

Financial institutions.—Seeks to expand competition, provide improved consumer services, strengthen the ability of financial institutions to adjust to changing economic conditions, and improve the flow of funds for mortgage credit by: (1) eliminating interest rate ceilings on time and savings deposits which prevent depository institutions from effectively competing for funds when interest rates rise in the open market, effective January 1, 1978, or not later than January 1, 1980, if so determined by the Federal Reserve Board; (2) expanding the asset and liability powers of all depository institutions

so they can compete more effectively in a ceiling-free environment; (3) establishing a uniform system of taxes and a uniform system of reserves against third-party payment accounts so that all depository institutions offering similar types of financial services will be competing fairly; and (4) establishing a uniform system of direct tax incentives to encourage investment in housing for all depository institutions. S. 1267. P/S December 11, 1975. (577)

Library of Congress trust funds.—Increases the amount of interest paid on the trust funds deposited with the United States Treasury by the Library of Congress Trust Fund Board from the statutory 4 percent per annum to a rate which is .25 percent less than a rate to be determined by the Secretary of the Treasury based on the current average market yield on the outstanding marketable obligations of the United States having the longest periods of maturity adjusted to the nearest ⅛th of 1 percent thus making it equal to that of similarly situated trust funds such as the Railroad Retirement Fund and the Civil Service Retirement Fund, and protects the return on the permanent loan funds from falling below the 4 percent level of return provided in present law by continuing that rate of interest if the formula rate should be less than 4 percent in any year. S. 2619. P/S December 1, 1975. (VV)

Increases the amount of interest paid on the Library of Congress Trust Fund deposited with the United States Treasury under the Act of August 20, 1912 (Bequest of Gertrude M. Hubbard, a perpetual trust, for the purpose of adding to the Gardiner Greene Hubbard collection of engravings) from the statutory 4 percent per annum to a rate which is .25 percent less than a rate to be determined by the Secretary of the Treasury based on the current average market yield on the outstanding marketable obligations of the United States having the longest periods adjusted to the nearest ⅛th of 1 percent, and protects the return on the permanent loan funds from falling below the 4 percent level of return provided in present law by continuing that rate of interest if the formula rate should be less than 4 percent in any year. S. 2620. P/S December 1, 1975. (VV)

Lower interest rates.—States the sense of the Congress that the Federal Reserve Board and the Federal Open Market Committee (1) pursue policies in the first half of 1975 so as to encourage lower long term interest rates and expansion in the monetary and credit aggregates appropriate to facilitating prompt economic recovery and (2) maintain long-run growth of the monetary and credit aggregates commensurate with the economy's long-run potential to increase production so as to promote effectively the goals of maximum employment, stable prices and moderate long-term interest rates; and provides for semiannual oversight hearings by the House and Senate Banking committees wherein the Board of Governors of the Federal Reserve System and the Open Market Committee will consult with Congress with respect to the ranges of growth or dimunition of monetary and credit aggregates in the upcoming 12 months. H. Con. Res. 133. House adopted Mar. 4, 1975; Senate adopted amended Mar. 17, 1975; Senate agreed to conference report Mar. 20, 1975; House agreed to conference report Mar. 24, 1975. (65)

National Commission on Supplies and Shortages.—Amends section 720 of the Defense Production Act which created a National Commission on Supplies and Shortages to assure that certain conflict of interest provisions shall not apply to members appointed to the Commission from the private sector; extends from March 1, 1975, to June 30, 1975, the time in which the Commission must submit its report to the President and Congress with respect to institutional adjustments and from June 30, 1975, to December 31, 1975, the time for the Commission to prepare, publish and transmit such other reports it deems appropriate; provides that the $75,000 authorization for the advisory committee shall remain available until December 31, 1975; and extends the $500,000 authorization for the Commission from June 30, 1975, until December 31, 1975. S.J. Res. 27. P/S Feb. 5, 1975. (VV)

Amends section 720 of the Defense Production Act which created a National Commission on Supplies and Shortages to extend from March 1, 1975, to June 30, 1975, the time in which the Commission must submit its report to the President and Congress with respect to institutional adjustments and from June 30, 1975, to December 31, 1975, the time for the Commission to prepare, publish and transmit such other reports it deems appropriate: provides that the $75,000 authorization for the advisory committee shall remain available until December 31, 1975; and extends the $500,000 authorization for the Commission from June 30, 1975, until December 31, 1975. S.J. Res. 48. Public Law 94–9, approved March 21, 1975. *Note:* (See S. 1537, the Defense Production Act Amendments, which further extended the Commission.) (VV)

Amends section 720 of the Defense Production Act which created a National Commission on Supplies and Shortages to extend to March 31, 1976, the time in which the Commission must submit its report to the President and Congress with respect to institutional adjustments and to October 1, 1976, the time for the Commission to prepare, publish and transmit such other reports it deems appropriate; provides that the $75,000 authorization for the advisory committee shall remain available until October 1, 1976; and extends the $500,000 authorization for the Commission until October 1, 1976. H.J. Res. 560. Public Law 94–72, approved August 5, 1975. (VV)

National Insurance Development Program.—Extends the National Insurance Development Program, which would expire on April 30, for an additional 2 years so as to maintain the Federal Riot Reinsurance Program which reinsures the general property insurance business against the peril of riot and the Federal Crime Insurance Program which provides basic crime insurance coverage in States where it is needed. H.R. 2783. Public Law 94–13, approved April 8, 1975. (VV)

New York City assistance.—Provides for Federal short term loans to the city of New York, or any agency authorized by the State to act for the city, in an aggregate outstanding amount not to exceed $2.3 billion; provides that such loans will have a maturity date not later than the last day of the fiscal year in which the loan was issued; specifies that such loans will bear interest at a rate 1 percent higher than the Treasury borrowing rate; provides that no loan will be provided unless all matured loans have been repaid in accordance with their terms and there is compliance with the terms of any outstanding loans; provides that a loan may be made only if the Secretary determines that there is a reasonable prospect of repayment; authorizes the Secretary to require security as he deems appropriate and withhold Federal payments to the city, either directly or through the State, which may be due under any law to offset any claim under the act; authorizes the General Accounting Office to make audits of all accounts, books, records, and transactions of the State or political subdivision as deemed appropriate by either the Secretary or the General Accounting Office; and terminates the authority of the Secretary to make new loans on June 30, 1978. H.R. 10481. Public Law 94–143, approved December 9, 1975. (566)

Public debt limit extensions.—Increases the debt limit by $131 billion for a total temporary and permanent debt limit of $531 billion until June 30, 1975. H.R. 2634. Public Law 94–3, approved Feb. 19, 1975. (10)

Increases the debt limit by $46 billion for a total temporary and permanent debt limit of $577 billion until November 15, 1975. H.R. 8030. Public Law 94–47, approved June 30, 1975. (256)

Increases the temporary debt limit from $177 billion to $195 billion for a total temporary and public debt limit of $595 billion until March 15, 1976. H.R. 10585. Public Law 94–132, approved Nov. 14, 1975. (VV)

Repatriated U.S. citizens—SSI recipient food stamp eligibility.—Makes permanent the authority under section 1113 of the Social Security Act permitting the Secretary of Health, Education, and Welfare to provide temporary assistance to American citizens and their dependents who have been repatriated from foreign countries and limits the authorization to $8 million through September 30, 1976, and $300,000 for each subsequent fiscal year; and amends Public Law 93–233 to extend for an additional 12 month period, through June 30, 1976, the provision which makes needy, aged, blind and disabled people qualifying for benefits under the SSI program eligible to participate in the Food Stamp program. H.R. 6698. Public Law 94–44, approved June 28, 1975. (VV)

Savings and loan associations.—Amends the Homeowners' Loan Act of 1933, as amended, to clarify section 5(c) of the Act to provide that Federally chartered saving and loan associations may act as custodians for Individual Retirement Accounts (IRA's) authorized pursuant to Public Law 93–406, the Employee Retirement Income Security Act of 1974. S.J. Res. 102. Public Law 94–60, approved July 25, 1975. (VV)

Securities acts amendments.—Amends the Exchange Act, Securities Investor Protection Act, Investment Advisers Act, and Investment Company Act to make changes in the structure and regulation of the securities industry as follows:

National securities market system.—Grants the Securities and Exchange Commission (SEC) broad, discretionary powers to oversee the development of a national market system encompassing all segments of the corporate securities markets including common and preferred stocks, bonds, debentures, warrants and options in order to provide greater investor protection and maintain a strong capital raising and allocating system; encourages maximum reliance on communication and data processing equipment consistent with justifiable costs and grants the SEC broad authority over the processing and distribution of market information; sets as a goal the establishment of trading rules and procedures for auction trading, trading in unlisted securities, and third market trading;

Self-regulation and SEC oversight.—Consolidates and expands SEC oversight powers with respect to the self-regulatory exchange organizations, their members, and officers; confers upon the District courts the jurisdiction to command compliance with the act; clarifies the rulemaking powers of SEC; and provides for judicial review of SEC actions in an appropriate court of appeals;

Municipal securities.—Extends Federal regulation to brokers and dealers trading exclusively in tax-exempt State and local bonds thus removing their exemption from the provisions of the Exchange Act; vests the ultimate authority and responsibility for the regulation of the municipal securities industry in SEC with the rulemaking responsibilities vested in a new self-regulatory agency, the Municipal Securities Rulemaking Board;

Clearing agencies and transfer agents.—Establishes a system for the development of an integrated national system for clearance and settlement of stock transactions in interstate commerce; centralizes in the SEC the authority and responsibility to regulate,

coordinate and direct the operations of all persons involved in the securities handling process, and requires registration and reporting by clearing agencies and transfer agents; and empowers the SEC to review and amend the rules of such entities;

Securities trading by members of a National Securities Exchange.—Prohibits stock exchange members from effecting any transaction on the exchange for its own account, the account of an associated person, or an account with respect to which the member or an associated person exercised investment discretion; provides exemptions from this prohibition for certain types of transactions which contribute to the fairness and orderliness of exchange markets or which have not given rise to serious problems, such as transactions by market makers, including specialists and block positions, bona fide arbitrage transactions, transactions for a member's own account and transactions for the account or estate of a natural person or a trust created by a natural person for himself or another person; authorizes the SEC to exempt any other transaction which is consistent with the purposes of these provisions and also to regulate or prohibit the exchange transactions which are specifically exempted; authorizes the SEC to extend the broad prohibition against the combination of money management and brokerage to the over-the-counter market to maintain fair and orderly markets, assure equal regulation or to protect investors; and provides for a 3-year phase in of these provisions following the date of enactment for exchange members who were members on May 1, 1975;

Commission rates.—Prohibits fixed commission rates after the date of enactment except that rates charged by members acting as brokers on the floor of an exchange for other members or as an odd-lot dealer may be fixed until May 1, 1976; permits the SEC to reimpose fixed rates, by rule, prior to November 1, 1976, and provides a procedure for continuing or reimposing fixed rates after that date;

Institutional disclosure.—Authorizes the Commission to require the disclosure of certain institutional portfolio holdings and transactions;

And contains other provisions. S. 249. Public Law 94–29, approved June 4, 1975. (VV)

Social security appeals.—Permits the Social Security Administration to use existing SSI (supplemental security income) hearing examiners to also hear social security and medicare cases between now and the end of 1978 in order to help reduce the huge backlog of those cases; increases the time in which a person may request a hearing after a claim is disallowed from 30 days to 60 days for SSI claims, effective immediately, and reduces from 6 months to 60 days the time for social security claims effective March 1, 1976; requires the Secretary of Health, Education and Welfare to give 18 months advance notice to the States of proposed changes in the way in which social security contributions are paid by State and local governments; authorizes, in order to reduce the tax reporting burdens of the nation's employers, the Secretaries of the Treasury and Health, Education, and Welfare to exchange information so that social security reports of individual earnings may be made once each year rather than quarterly; and contains other provisions. H.R. 10727. P/H December 1, 1975; P/S amended December 17, 1975. (VV)

Social security—medicaid.—Makes permanent the temporary provision of law authorizing disregard of the 1972 Social Security increase in regard to medicaid eligibility, thus protecting the medicaid eligibility of those who would otherwise lose their eligibility because of the 1972 increases; and gives Puerto Rico, the Virgin Islands, and Guam, which deliver care to medically indigent people through their public health care systems, a permanent exemption from the freedom of choice requirement for obtaining medical services in order to alleviate the costs connected with private services. H.R. 8109. Public Law 94–48, approved July 1, 1975. (VV)

Social security—medicare.—Contains provisions to avoid any rollback in medicare payments for physicians fees incurred in 1976; extends the authority of the Secretary of Health, Education, and Welfare to waive 24-hour nursing service requirements for certain rural hospitals without which many rural hospitals would loose their medicare accreditation; makes optional a new regulatory requirement that States deduct the price of food stamps from AFDC (Aid to Families with Dependent Children) checks and send the stamps with the check; provides for the continuation of the present relationship between medicare and the Federal employee's health program under which medicare is the primary payer of benefits; corrects an omission in earlier law to authorize annual changes in the part B medicare premium corresponding to changes in the social security cash benefit program in order to permit premium increases corresponding with increases in program costs; eliminates the present distinction for payment eligibility between occupational therapy and other therapy groups under medicare; allows reimbursement of VA hospitals by medicare under certain situations of good faith error in treating noneligible patients, and contains other provisions. H.R. 10284. P/H November 17, 1975; P/S amended December 17, 1975. (VV)

State taxation of depositories.—Extends from January 1, 1976 to September 12, 1976, the moratorium on interest taxation of depositories to allow Congress a full year to consider the recomendations of the Advisory Commission on Intergovernmental Relations whose report was not submitted to the Congress until September 12, 1975; adds Connecticut, Rhode Island, Maine and Vermont to the list of States allowed NOW accounts; and amends the Truth in Lending Act to provide that discounts offered by merchandisers for cash purchases would not, for truth in lending disclosure purposes, constitute interest or a finance charge under the State usury or time-price differential laws. S. 2672. P/S December 8, 1975; P/H amended December 16, 1975. (VV)

Stock transfer taxes.—Amends section 28 (d) of the Securities Act of 1934 to restore to a State or political subdivision the ability to impose a transfer tax where the basis of the tax is the transfer and issuance of a new certificate by a registered transfer agent, and makes clear that such taxes cannot be imposed on transfer agents that transfer record ownership of securities by bookkeeping entry without physical issuance of securities certificates. S. 2136. P/S July 30, 1975. (VV)

Tax rebate—State taxation.—Clarifies the intent of the Senate that the tax rebates provided under the Tax Reduction act of 1975 (Public Law 94–12) are not subject to State income tax. S. Res. 158. Senate adopted June 9, 1975. (VV)

Tax reduction.—Amends the Internal Revenue Code of 1954 for a $22.8 billion net tax reduction as follows:

Individual taxes

1974 Tax Rebate.—Provides a refund on 1974 tax liability to be paid in one installment within 45 to 60 days equal to 10 percent, ranging from $100 (or the amount of taxes paid if less than $100) to a maximum of $200 on an adjusted gross income of $20,000 which is scaled down to $100 when income reaches $30,000 and over;

1975 standard deduction.—Increases the low income allowance on minimum standard deductions from $1,300 for single and joint returns to $1,600 for single and $1,900 for joint returns; increases the regular standard deduction to 16 percent of adjusted gross income up to a maximum of $2,300 for single and $2,600 for joint returns;

1975 personal exemption credit.—Provides a $30 tax credit for each member of the family in addition to the $750 personal exemptions;

1975 earned income credit or work bonus.—Provides a refundable credit of 10 percent of earned income up to a maximum of $400 to families with dependent children with a phase-out to zero when income rises from $4,000 to $8,000;

1975 home purchase tax credit.—Provides a 5 percent credit against tax liability up to a maximum of $2,000 for individuals purchasing a newly constructed home including a mobile home, provided it was built or under construction by March 25, 1975;

Cash payment to social security recipients.—Provides a one-time $50 cash payment from the Treasury at the earliest practicable date to each recipient of social security, railroad retirement, or Supplemental Security Income benefits;

Business taxes:

1975–76 investment tax credit.—Increases the investment tax credit rate to 10 percent for taxpayers, including public utilities; provides an additional 1 percent and requires companies with investments of $10 million or more to use the 1 percent savings for an employee stock ownership plan; increases from $50,000 to $100,000 the cost of used property qualifying for the credit; for public utilities increases the amount of tax liability that may be offset in a year to 100 percent for a two year period which is reduced back to 50 percent over the next 5 years;

Depletion allowance.—Repeals the 22 percent depletion allowance for major oil and natural gas producers; retains the 22 percent depletion allowance for independent companies, who do not have retail outlets, on a daily maximum of 2,000 barrels of oil or 12 million cubic feet of natural gas which is phased down to 1,000 barrels or 6 million cubic feet of gas by 1980 and to a 15 percent depletion allowance on the first 1,000 barrels or 6 million cubic feet by 1984;

Foreign source income.—Provides that the foreign tax credit for foreign oil and gas extraction income is limited to 10 percent above the normal U.S. tax rate for 1975, 5 percent for 1976 and 2 percent for 1977; provides that excess credits cannot be claimed as a credit only against foreign oil related income including interest and dividends; eliminates tax deferral for certain specified types of "tax-haven" income of multinational corporations provided it exceeds 10 percent of gross income; limits tax deferral for shipping income received by a foreign subsidiary to reinvestment in shipping operations only; ends the deferral for certain income earned abroad but reinvested in a less-developed country; repeals the "per-country" limitation for oil and gas related income; eliminates foreign tax credit for payments made to a sovereign government for the purchase of oil where the taxpayer has no economic interest in oil in place and buys or sells such oil at other than the market price; denies DISC (Domestic International Sales Corporation) benefits for the export of natural resources for scarce commodities; denies investment tax credit for drilling rigs used in international and territorial waters of the Southern Hemisphere;

1975 corporate surtax exemption.—Increases the present $25,000 surtax exemption to $50,000; provides a tax rate of 20 percent on the first $25,000, 22 percent on the next $25,000 and 48 percent on income over $50,000; increases the accumulated earnings tax from $100,000 to $150,000;

Federal welfare recipients employment incentive (W.I.N.) tax credit.—Allows employers to hire a Federal welfare recipient for more than 30 days and obtain a tax credit equal to 20 percent of wages not to exceed $1,000 per individual, until July 1, 1976;

Miscellaneous:

Extends unemployment compensation for those eligible under the 1974 Emergency Unemployment Act for an additional 3 months to June 30 1975; allows a maximum of $4,800 in child care expenses to be deducted by families with an income up to $35,000 and phases out to zero such a deduction when income reaches $44,000; extends the tax deferment period for reinvestment in residences from the current 12 months to 18 months; and contains other provisions. H.R. 2166. Public Law 94–12, approved Mar. 29, 1975. (112,117)

Tax reduction extension.—Extends the tax cuts provided by the Tax Reduction Act of 1975 for the first half of 1976 in order to prevent a $16.8 billion annual tax increase on January 1, 1976; provides specific tax cuts by: increasing the minimum standard deduction (or low-income allowance) from $1,300 to $1,700 for single persons and to $2,100 for joint returns; increasing the percentage standard deduction from 15 percent or a maximum of $2,000 to 16 percent or a maximum of $2,400 for single persons or $2,800 for joint returns; providing a tax credit of $35 for each taxpayer and dependent or an alternative refundable earned income credit equal to 2 percent of taxable income up to $9,000 with the provision that the canned income credit should be disregarded in determining eligibility for Aid to Families with Dependent Children benefits; increasing the corporate surtax exemption from $25,000 to $50,000; and reducing the corporate tax rate on the first $25,000 of income from 22 percent to 20 percent with the next $25,000 taxed at 22 percent and all corporate income over $50,000 at 48 percent; and

Authorizes a reciprocal exemption for earnings derived from payments by a common carrier for the use on a temporary basis of railroad rolling stock which is owned by a corporation of a foreign country such as Canada, which grants an equivalent exemption to U.S. corporations. H.R. 5559. Vetoed December 17, 1975. House sustained veto December 18, 1975. (595)

EDUCATION

College work-study program funds.—Permits the intrastate reallocation of funds appropriated for the College Work-Study program in cases where funds originally obligated to institutions are not needed and permits such funds to be expended in the succeeding fiscal year; extends the termination date of the National Advisory Council on Equality of Educational Opportunity from June 30, 1975, through the end of fiscal year 1976 to make it coterminous with its related program, the Emergency School Aid program; and authorizes the Commissioner to carry over into fiscal year 1976 Basic Educational Opportunity Grant funds for fiscal year 1975 which have not been paid to students entitled to such grants. H.R. 4221. Public Law 94–43, approved June 28, 1975 (VV)

Handicapped children.—Amends and extends the Education of the Handicapped Act to aid in making an appropriate education available to all handicapped children; extends the present entitlement formula for payments to States through fiscal year 1977; establishes a new entitlement formula for payments effective for fiscal year 1978 which provides that the maximum amount to which a State is entitled shall be equal to the number of handicapped children, aged 3 to 21, who are receiving special education and related services in the State multiplied by 5 percent of the average per pupil, expenditure in public elementary and secondary schools in the United States by 10 percent for fiscal year 1979, by 20 percent for fiscal year 1980, by 30 percent for fiscal year 1981, and by 40 percent for fiscal year 1982 and each fiscal year thereafter; assures each State a minimum base payment in each fiscal year equal to the amount it received in the fiscal year ending September 30, 1977; provides that a State, in order to be eligible for funding, must have a "right to education" policy for all handicapped children and requires that a free appropriate public education must be made available to all handicapped children aged 3 to 18 by September 1, 1978, and to all handicapped children aged 3 to 21 by September 1, 1980, unless the application of this requirement would be inconsistent with State law or practice, or a court order; further extends the protections afforded under present law assuring handicapped children and their parents of procedural safeguards in any decisions affecting the education of the children; provides for an individualized planning conference which is to be held with the parents, an education agency representative, the teacher, and when appropriate, the child, to be present for the purposes of developing a written statement of the educational program for the child which is to be reviewed at least annually; includes provisions designed to strengthen the administration and evaluation process provided by the Office of Education; requires the Secretary of Health, Education, and Welfare to insure all recipients of funds under this act take affirmative action to employ handicapped individuals; gives new authority to the Commissioner of Education to make grants to State and local educational agencies for the removal of architectural barriers; and contains other provisions. S. 6. Public Law 94–142, approved November 29, 1975. (227,513)

Indochinese refugees educational assistance.—Authorizes $125.5 million to reimburse (on a 100 percent basis the first year and a 50 percent basis the second year) local education agencies for costs incurred in the educating of Indochina refugee children through a basic cost of education grant plus a $300 per refugee child payment for supplementary assistance; and amends the Adult Education Act to direct the Commissioner to operate a program of grants to State and local governments for adult education programs for refugees with such funds to be appropriated from existing authorizations. S. 2145. P/S Oct. 29, 1975. (VV)

Lister Hill Scholarships.—Amends the Public Health Service Act to require the Secretary of Health, Education and Welfare to make grants to ten individuals a year, to be known as Lister Hill Scholars, who agree to enter into the family practice of medicine in shortage areas upon completion of their educational program, and authorizes therefor $60,000 for fiscal year 1975, $120,000 for fiscal year 1977, and $240,000 for fiscal year 1978. S. 1191. P/S June 13, 1975. (VV)

Reading program.—Continues funding of the right-to-read program; authorizes $22 million over 3 years for a new reading motivation program under which local community agencies will contribute an estimated 21 million additional inexpensive books to over 4 million school children; and makes available Federal matching assistance of 50 percent of the cost of conducting the reading motivational programs by local sponsors. H.R. 8304. P/S December 15, 1975; P/S amended December 17, 1975. (VV)

ELECTIONS

Federal Election Commission.—Extends the Federal Election Commission through December 31, 1976, and increases the authorization therefor from $10 million to $15 million. S. 1434. P/S June 18, 1975; P/H amended June 19, 1975. (VV)

Federal Election Commission regulations.—Disapproves the two regulations proposed by the Federal Election Commission and transmitted to the Senate on July 30 and September 30, 1975, relating to the use of office accounts and franking privileges of Federal officeholders prior to an election in which they are a candidate. S. Res. 275. Senate adopted Oct. 8, 1975. (VV)

Overseas citizens voting rights.—Guarantees the right of otherwise qualified private U.S. citizens residing outside the United States to vote in Federal elections in the State of their last voting domicile; provides that a citizen may register and vote under the Act only if he complies with all applicable State or district qualifications, is not voting in any other State, territory or possession of the United States and has a valid passport or cord of identity and registration issued by the Secretary of State; adopts a uniform absentee registration and voting procedure including the requirement that election officials mail out balloting material as promptly as possible after receipt of a properly completed application; and imposes a $5,000 fine and 5 years imprisonment for wilfully giving false information when registering or voting absentee. S. 95. Public Law 94– , approved 1975. (VV)

Voting rights.—Amends the Voting Rights Act to provide that States or political subdivisions which the Attorney General has determined have, in 1964 or 1968 (1) maintained a literacy or other test or device as a prerequisite for voting and (2) also had a record of less than 50 percent of the voting-age population registered or less than 50 percent voting, shall be covered for an additional 7 years through August 1982 (making the total period 17 years instead of 10 years) by the special provisions which require such a state or subdivision to preclear any voting changes it wishes to make with the U.S. District Court for the District of Columbia or the Attorney General of the United States, and which authorize the appointment of Federal examiners and of Federal observers to assure nondiscrimination on account of race or color in regard to voting rights; adds provisions which apply these special provisions to States or subdivisions which the Attorney General determines are covered because of conditions existing in 1972, with a coverage period of 10 years;

Makes the temporary ban which was placed by the 1970 amendments to the Voting Rights Act of 1965 on the use of literacy tests and other similar devices a permanent prohibition applicable to all States and political subdivisions;

Expands the coverage of the act to certain jurisdictions in which language minorities reside; provides in title II, which is designed to identify areas with the most serious problems of voting rights discrimination against language minorities such as the use of various forms of intimidation to prevent their participation in voting, that (1) a jurisdiction is deemed to employ a test or device as a prerequisite to voting if it provided election materials or assistance only in English and it had more than a 5-percent citizen population of any one language group, such as American Indians, Alaskan Natives, Asian Americans, or persons of Spanish heritage, and (2) that coverage of the act will apply if that jurisdiction also had less than 50 percent of the voting-age population registered or voting; mandates bilingual elections for covered areas for a 10-year period; requires preclearance of voting changes, and authorizes the appointment of Federal examiners and of Federal observers to oversee elections; provides a bailout process which operates in the same manner as the current provision in the act whereby a State or political subdivision may exempt itself by obtaining a declaratory judgment that English-only elections or any other "test or device" has not in fact been used in a discriminatory fashion against language minorities and other racial and ethnic groups for the 10 years preceding the filing of action; addresses in title III the problems of language minority groups in participating in the voting process which are caused by the lack of equal educational opportunities and illiteracy; brings a State or political subdivision under coverage of title III if a single

language minority comprises 5 percent of the voting-age population and if the illiteracy rate of that group is greater than the national average; defines illiteracy for the purposes of this title as failing to complete the fifth primary grade, which is the level at which a minimum comprehension in English ordinarily would be achieved; provides a limited remedy for protected classes by requiring that the covered jurisdiction provide bilingual election materials and information in the language of the applicable minority group or groups; provides that a jurisdiction may be removed from coverage if it shows that the illiteracy rate of the language minority which triggered coverage has dropped below the national average, which it may do either by using Census Bureau data or by any reliable or valid survey;

Amends the act to permit private persons as well as the Attorney General to bring suit under the act and to allow a court to grant relief to private parties by suspending the use of literacy and other tests and devices, to impose preclearance restrictions and to appoint Federal examiners as it now may do in cases brought by the Attorney General; authorizes payment of attorney's fees to prevailing parties; and contains other provisions. H.R. 6219. Public Law 94–73, approved August 6, 1975. (329)

EMPLOYMENT

Public works employment.—Authorizes the Secretary of Commerce to make grants to State and local governments for the total cost of construction, renovation, repair or other improvement of public works projects, to make supplemental grants for the purpose of increasing the Federal contribution to 100 percent of the cost of public works projects authorized by any other Federal law where the Federal assistance is available and construction has not started, and to make grants for all or any portion of the State or of the local share cost of any public works project authorized by any state or local law where construction has not yet started;

Assures that at least ½ of 1 percent but not more than 10 percent of funds appropriated will be granted within any one State and groups Guam, the Virgin Islands and American Samoa together for this purpose; requires the Secretary, as long as the national unemployment rate is 6½ percent or more, to give priority to applications from areas in excess of the national rate and thereafter to give priority to areas in excess of 6½ percent but less than the national unemployment rate; requires that 70 percent of the funds must be used for the first priority category; authorizes up to $2.5 billion to carry out this title for the period ending September 30, 1977;

Authorizes, in title II, funds for financial assistance to State and local governments for each of 5 succeeding calendar quarters (beginning April 1, 1976) of $125 million when the national seasonally adjusted unemployment rate reaches 6 percent plus an additional $62.5 million for each one-half percentage point over 6 percent, which on an annual basis, means $500 million would be authorized when the national rate reaches 6 percent and an additional $250 million would be authorized for each percentage point that the rate rises over 6 percent; authorizes assistance from these amounts to States and local governments based upon their unemployment rate and level of tax revenue, as measures of recessionary impact and the level of services provided;

Amends, in title III, section 201(c) of the Public Works and Development Act of 1965 to increase the authorization for fiscal year 1976 from $75 million to $200 million, and authorizes under this section payment during the calendar year ending December 31, 1976, of interest supplements sufficient to reduce the interest up to 4 percentage points on loans guaranteed by the Secretary in order to aid firms needing financial assistance to continue current operations;

Authorizes the Secretary to designate as a redevelopment area cities of 50,000 or more and to make grants to cities with approved development programs; authorizes $50 million for fiscal year 1976 and $50 million for the transition period for this purpose;

Authorizes $500 million for fiscal year 1976 and makes the funds available for obligation until September 30, 1976, for supplementing existing programs; also authorizes $1,417,968,050 for the fiscal year ending September 30, 1977, for grants for the construction of publicly-owned wastewater treatment works pursuant to title II of the Federal Water Pollution Control Act;

And contains other provisions. H.R. 5247. P/H May 20, 1975; P/S amended July 29, 1975; Senate agreed to conference report December 17, 1975. (348)

Railroad improvement and employment.—Creates a supplemental public service employment program to accelerate the repair and rehabilitation of railroad roadbed and facilities which are essential to national transportation needs; authorizes $600 million to the Secretary of Transportation to make grants to States, local transportation authorities railroads, regional commissions and similar bodies to enable them to hire persons for approved railroad roadbed and facility repair on rehabilitation projects; authorizes an additional $100 million to enable the Secretary to assist grant recipients to purchase materials or equipment for the approved projects if the recipient is financially unable to acquire materials without assistance; provides $100 million for loan guarantees for assistance in purchasing materials and equipment; and contains other provisions. S. 1730. P/S May 16, 1975. (189)

Unemployment compensation.—Extends the time for payment for the additional 13 weeks of unemployment compensation authorized by the Tax Reduction Act of 1975 for the Federal Supplemental Benefits (FSB) program established by the Emergency Unemployment Compensation Act of 1974, which authorized 26 weeks, thus making a total of up to 39 weeks of benefits payable in addition to regular unemployment compensation benefits (which averages 26 weeks) through March 1, 1977;

Changes, effective January 1, 1976, the rate of insured unemployment (which is about 2 percentage points less than the actual unemployment rate) which must be reached for payment so that, instead of payment when the rate is 4 percent or more nationally or in the State for all additional weeks, payment for benefits after the first 39 weeks (26 regular weeks and 13 additional weeks) will be made for the 39th to 52nd weeks when the insured unemployment rate is between 5 and 6 percent in an individual State and payment for the 53rd to 65th week may be made when the insured unemployment rate is 6 percent or over in the individual State;

Extends the Supplemental Unemployment Assistance (SUA) benefits program (payable to unemployed people who do not qualify for unemployment compensation) established by the Emergency Jobs and Unemployment Assistance Act of 1974 to permit payments through March 31, 1977, and increases the number of benefit weeks from 26 to 39; entitles the Virgin Islands to borrow money from Federal general revenues as necessary to continue its unemployment insurance program; and contains other provisions. H.R. 6900. Public Law 94–45, approved June 30, 1975. (240,257)

Virgin Islands unemployment compensation funds—Railroad retirement.—Provides that certain unemployment compensation funds may be used for repayable loans not to exceed $5 million to the Virgin Islands; amends the railroad tax act so that wages will be considered to be earned as of when they are paid unless the employee requests that they be treated on the basis of when they were actually earned. H.R. 9091. Public Law 94–93, approved August 9, 1975. (VV)

ENERGY

Automobile fuel economy.—Establishes, in title I, a mandatory fuel economy standards program within the Department of Transportation; directs the Secretary of Transportation to establish yearly minimum standards applicable to each manufacturer's average production of new automobiles or new light-duty trucks, as appropriate, which are to apply to model years 1977 through 1985; provides that the standards are to be set to achieve a 50-percent improvement in fuel economy for automobiles by model year 1980 over that of 1974 models, or 21 miles per gallon as opposed to 14 miles per gallon for the 1974 model average, and a 100-percent improvement for at least 28 miles per gallon by model year 1985, and authorizes the Secretary to modify these goals if necessary; provides that the Secretary set standards separately for light-duty trucks, which are not placed under the 50- and 100-percent improvement goals for automobiles; provides civil penalties for violations; requires that each new automoblie and light-duty truck have attached a manufacturer-prepared energy guide setting forth information on fuel economy and estimated annual fuel costs, and that dealers disclose estimated annual fuel costs to prospective purchasers prior to the completion of any purchase of an automobile or light-duty truck; directs the Secretary to conduct a study regarding the use of electric vehicles, including whether they should be included under this title;

Contains, in title II, provisions for an automotive research and development program within the Department of Transportation, in coordination with the Energy Research and Development Administration (ERDA), to develop production prototyes of advanced automobiles which represent the maximum practicable fuel efficiency attainable consistent with environmental, safety, and damageability requirements; in title III, establishes not more than three motor vehicle diagnostic inspection demonstration projects;

And contains other provisions. S. 1883. P/S July 15, 1975. Note: (Similar provisions are contained in S. 622, Standby Energy Authority.) (285)

Coal leasing—Strip mining.—Makes basic changes in the Mineral Leasing Act of 1920 governing leasing of Federally owned coal which constitutes almost 50 percent of the recoverable coal reserves in the United States; provides that all leasing shall be done under a 5-year program to be developed by the Secretary of the Interior and designed to meet national needs for Federal coal in a manner consistent with (a) timely and orderly development of Federal coal resources, (b) environmental protection, and (c) receipt of fair market value for public resources; provides that leases may be issued only by competitive bidding on either a royalty or bonus bidding basis in order to permit a wider opportunity for competition for Federal coal leases;

Requires the preparation of land use plans where the United States owns both the surface and subsurface prior to sale of leases, and provides that, in cases where the surface is not Federally owned, no lease sale shall be held if the Secretary determines that development of such coal deposits would be inconsistent with any applicable State or local land use plan except where the Secretary finds that such development would be in the national interest;

Eliminates prospecting permits and preference right leases to prospectors as no longer appropriate or necessary since considerable

information has been accumulated since 1920 about Federal coal resources which provides an adequate basis for leasing decisions; provides that coal leases shall be for a specified term of 20 years and so long thereafter as coal is produced instead of for indeterminant periods dependent upon diligent production as at present; requires a lessee, within 3 years after obtaining a coal lease and before significant environmental disturbance, to formulate and submit for approval a development plan which must show the work to be done, the manner of extraction, how applicable environmental and health and safety standards are to be met as well as reclamation standards set out in title II;

Increases by 22½ percent (from 37½ to 60 percent) the share of lease revenues to the State in which the lease is located and specifies that the additional 22½ percent amount shall be used for planning, construction and maintenance of public facilities, and provision of public services in those areas suffering impact problems as a result of energy development;

In title II, the Federal Lands Surface Mining Control and Reclamation Act of 1975, applies to Federal lands and Federal coal the basic surface coal mining and reclamation standards of the recently-vetoed strip mining bill (H.R. 25); requires the Secretary to issue regulations for a Federal program implementing this Act; requires after enactment of this Act that persons wishing to conduct any surface mining operations on Federal lands must obtain a permit from the Secretary; specifies the permit application information that must be given to demonstrate that the environmental protection provisions of this Act can be met, which includes submission of a reclamation plan; provides for the giving of public notice and the holding of public hearings in regard to an application; and contains other provisions. S. 391. P/S July 31, 1975. (364)

Coastal Zone Management.—Amends the Coastal Zone Management Act to assist States facing Outer Continental Shelf (OCS) oil and gas development or other energy-related developments and facilities affecting the coastal zone; provides assistance in the form of grants or loans to coastal States from a new coastal energy facility impact fund, which is to be available to States receiving or anticipating impacts in their coastal zones from the exploration, development, and production of energy resources, or from the location, construction, expansion or operation of any energy facility requiring a Federal license or permit; authorizes moneys for the fund at $250 million per year for 3 fiscal years and the 1976 transition period; provides that up to 20 percent of the moneys may be used for planning grants with the balance to be used for efforts to reduce or ameliorate adverse impacts from energy exploration and development or to provide public facilities and services necessitated by such activity; requires as a condition of eligibility to provide public facilities and services necessitated by such activity; requires as a condition of eligibility for assistance from the fund that the State must participate in a coastal zone management program and must experience or anticipate a temporary or net adverse impact or have experienced an adverse impact within the 3 years prior to enactment; authorizes automatic grants payable from the General Treasury to any State where OCS oil or natural gas is being directly landed (brought ashore); provides a Federal guarantee for State or local government bonds issued to pay for measures needed to reduce adverse coastal impacts; contains provisions to clarify that Federal leases must be consistent with approved coastal zone management programs of the affected States; raises the Federal share for coastal zone management funding from 66⅔ percent to 80 percent; amends the Mineral Leasing Act of 1920 to increase from 37½ percent to 60 percent the amounts returned to the States as reclamation funds from royalties paid to the Federal Government by mining companies extracting federally-owned minerals; and contains other provisions. S. 586. P/S July 16, 1975. NOTE: (Impact fund provisions also contained in S. 521, Outer Continental Shelf Management.) (291)

*Emergency petroleum allocation.—Extends the Emergency Petroleum Allocation Act, which contains the only presently existing authority for allocation and price control of oil, from August 31, 1975 to March 1, 1976; extends the authority of the Federal Energy Administration (FEA) under the Energy Supply and Environmental Coordination Act to require electric powerplants and major industrial facilities with the capability to utilize coal to convert from oil and natural gas to coal from June 30, 1975 to December 31, 1975; and requires the FEA to include in its quarterly energy information reports information on pricing and related developments in the coal industry and any other major energy industries not subject to Federal price regulation. S. 1849. Vetoed Sept. 9, 1975. Senate sustained Sept. 10, 1975. *NOTE:* (Provisions contained in H.R. 4035, Oil Pricing, which was vetoed on July 21, 1975.) (281,388)

Extends the Emergency Petroleum Allocation Act (containing price control and allocation authority) until November 15 and suspends the President's authority under section 4(g)(2) to send Congress a plan which would institute a major change in the petroleum pricing policy until November 1. H.R. 9524. Public Law 94–99, approved Sept. 29, 1975. (421)

Extends the Emergency Petroleum Allocation Act of 1973 for an additional 30 day period, until December 15, 1975. S. 2667. Public Law 94–133, approved Nov. 14, 1975. (VV)

Energy labeling and disclosure.—Amends the Federal Trade Commission Act to require that the energy characteristics and estimated annual operating costs of major energy-consuming household products and automobiles be disclosed to consumers prior to purchase so that consumers can readily compare and avoid buying products which unnecessarily waste energy;

Requires each manufacturer or importer of major energy-consuming household products and automobiles to include the estimated annual operating cost data and an appliance energy guide or an automobile energy guide as part of the material shipped with each product or automobile to suppliers; prohibits car dealers from selling any new automobile without disclosing the estimated annual operating cost to the buyer prior to sale; contains provisions regarding advertising; authorizes the Administrator of the Federal Energy Administration and the Federal Trade Commission to carry out a consumer education program with respect to annual operating costs, appliance and automobile energy guides, and the need for energy conservation; and contains other provisions. S. 349. P/S July 11, 1975. Note: (Similar provisions are contained in S. 622, Standby Energy Authority.) (275)

Energy policy and conservation.—Extends in title I, domestic supply availability, the authority of the Federal Energy Administration (FEA) to direct powerplants, and other major fuel burning installations, to convert to the use of domestic coal; increases competition in the oil industry by limiting joint venture bidding by major oil companies in the development of crude oil or natural gas on the Outer Continental Shelf; authorizes the President to restrict exports of energy supplies and energy-related materials under certain circumstances, and authorizes the President to require the production of crude oil and natural gas from designated fields at the maximum efficient rate of production or the temporary emergency production rate; creates a Strategic Petroleum Reserve of up to one billion barrels of crude oil, residual fuel oil and refined petroleum products to insulate the domestic economy from future supply interruptions; provides that the plan for the Reserve, which is subject to review and disapproval by either House, must be submitted to Congress not later than December 15, 1976; requires that the plan include provision for the creation of regional petroleum product reserves in regions where more than 20 percent of demand for such products is met by imports; authorizes the FEA to require importers and refiners to store as reserves up to 3 percent of their imports as throughputs for the previous calendar year; creates also an Early Storage Reserve consisting of not less than 150 million barrels of crude oil, residual fuel oil and refined petroleum products, to be stored within 3 years of the date of enactment;

Authorizes in title II, standby energy authorities, the President to prescribe energy conservation plans, including rationing plans and to authorize actions necessary to carry out U.S. obligations under the International Energy Program, if a contingency plan for implementing this authority has been approved by concurrent resolution of the House and Senate, and the President has determined that exercise of the plan is required by a severe energy supply interruption or the International Energy Program; and gives the President authority to authorize persons in the oil industry to develop and carry out voluntary agreements for international oil allocation under a grant of limited antitrust immunity and to transmit information to the International Energy Agency;

Establishes in title III, energy conservation programs, mandatory average fuel economy performance standards for passenger automobiles and other light duty highway vehicles, which are applicable in model year 1978 and thereafter; requires energy labeling of automobiles and major home appliances and authorizes energy efficiency standards for major appliances; authorizes block grants-in-aid for States to assist in the development and implementation of state-administered energy conservation programs; and establishes programs to encourage increased efficiency of energy use by industry, for energy conservation within the Federal Government, and to promote the use of recycled oil;

Amends in title IV, oil pricing policy, the Emergency Petroleum Allocation Act of 1973 to establish a pricing formula for domestically-produced crude oil which provides for initial crude oil price roll back and authorizes gradual increases in the prices received by domestic producers over a 40-month period as follows:

Establishes a domestic composite price of $7.66 per barrel, which represents a rollback of $1.09 from the current domestic average estimated by FEA at $8.75 per barrel, which in combination with the removal of the $2 per barrel import tariff will result in a significant reduction in the price of the crude oil run in domestic oil refineries; requires that these reductions in crude oil costs be reflected in the price of refined petroleum products paid by consumers; grants the President broad flexibility to set prices for various categories of oil production as long as the average domestic price does not exceed the $7.66 composite price; permits upward adjustment of the domestic composite price for inflation, and allows a 3 percent price increase per year as an incentive for the development of high-cost production, to maintain production from marginally profitable properties, or to encourage the application of enhanced recovery techniques, with the sum of these adjustments limited to 10

percent per year unless further authority for upward adjustment is obtained from Congress; allows the President to submit proposals to modify the 3 percent and 10 percent ceiling to Congress at 3 month intervals, which will take effect unless disapproved by either House; directs the President to submit to Congress on February 15, 1977, an analysis of energy supply, demand and import relationships which have evolved under the act; requires the President to submit to Congress on April 15, 1977, a report on the impact of anticipated Alaskan oil production levels and prices on domestic oil prices and on incentives to increase and maintain production in the lower 48 States, and authorizes the President to then propose, subject to Congressional review, the exclusion of up to 2 million barrels per day of Alaskan production from the composite price ceiling and the establishment of a separate ceiling for this production not to exceed the highest price granted to significant volumes within the composite;

Extends the basic petroleum allocation authority presently contained in the Emergency Petroleum Allocation Act for 40 months; converts this allocation authority and the oil pricing provisions in this act to an optional standby status at the end of the 40 month period, and terminates the authority 5 years after enactment;

Sets forth in title V, general provisions, provisions of general applicability relating to procedural requirements for agency actions, judicial review, and enforcement. S. 622. Public Law 94– , approved , 1975. (138, 604)

Energy supply—Clean air.—Extends from June 30, 1975, until December 31, 1975, the Federal coal conversion programs under the Energy Supply and Environmental Coordination Act of 1974 (Public Law 93–319). S. 2337. P/S Sept. 19, 1975. (VV)

ERDA authorization.—Authorizes $5,014,-133,000 for fiscal year 1976 and $1,347,283,000 for the transition period July 1–September 30, 1976, for the Energy Research and Development Administration (ERDA) which was established by the Energy Reorganization Act of 1974 and is responsible for the nuclear programs formerly administered by the Atomic Energy Commission and which also has the leadership role in implementing nonnuclear energy research programs; includes, among the nuclear programs funded: basic physical research; fusion research; fission research, including the development of advanced reactors which will permit increased utilization of nuclear fuel resources—uranium and thorium; a nuclear materials program to assure a sufficient supply of enriched uranium to fuel civilian power reactors; a national security program to enable continued maintenance of a nuclear weapons capability; and environmental and safety research, which also includes work on the artificial heart and nuclear medicine; and includes among the nonnuclear programs, fossil energy development programs in coal, oil and gas, fusion, solar and geothermal energy programs, and advanced energy systems research programs. H.R. 3474. Public Law 94– , approved 1975. (371,568)

International Petroleum Exposition.—Authorizes the President to invite the several States and foreign nations to participate in the International Petroleum Exposition at Tulsa, Oklahoma, from May 16 through May 22, 1976, for the purpose of exhibiting machinery, equipment, supplies, and other products used in the production and marketing of oil and gas, and bringing together buyers and sellers for the promotion of foreign and domestic trade and commerce in such products. S.J. Res. 59. P/S May 13, 1975. (VV)

Natural gas decontrol.—States in title I, temporary provisions, the finding of Congress that severe gas shortages will occur during the heating season from November 1975 through March 1976; sets an expiration date for the temporary provisions of midnight April 4, 1976;

Directs the Federal Power Commission, which administers Federal regulations and price control over natural gas companies in the interstate market, to provide exemptions for periods up to 180 days for interstate pipelines which do not have a sufficient supply of natural gas to meet the needs of their high-priority consumers; places a price ceiling on first sales of natural gas interstate and intrastate based on the highest wellhead price, as determined by the Federal Power Commission, at which natural gas was sold during the period June 1 through August 1, 1975, in the unregulated intrastate market in the State where the sale is made;

Grants the Federal Energy Administration authority to prohibit the use of natural gas as boiler fuel; continues the existing propane allocation program through the emergency period; permits the direct purchase by high-priority users of intrastate gas at the unregulated intrastate price by enabling them to arrange for the transportation of such gas by interstate pipelines when the interstate pipeline is unable to secure the needed gas; and contains other provisions.

Contains in title II, permanent provisions effective as of midnight April 4, 1976, which remove price controls on the wellhead price of "new" onshore natural gas, provide for a phaseout of controls on "new" offshore Outer Continental gas by 1980, and continue price control on "old" onshore and offshore Outer Continental gas under a new national price ceiling as follows:

Includes in the category of "new" natural gas (1) gas "dedicated" for the first time into interstate commerce by a producer's entrance into a contract of sale with a purchaser on or after January 1, 1975, and (2) gas produced from a reservoir discovered on or after January 1, 1975, or from wells initiated and completed in an extension of a previously discovered reservoir on or after that date; includes in the category of "old" natural gas that gas which is under a contract in interstate commerce which was entered into prior to January 1, 1975, or which is continued in interstate commerce after a contract entered into prior to that date expires;

"New" onshore natural gas: Decontrols the wellhead price as of midnight, April 4, 1976;

"New" offshore Outer Continental natural gas: Provides for the phasing out of Federal price regulation by December 31, 1980, by directing the FPC to establish a new national price ceiling, which may be modified from time to time, for gas produced from January 1, 1975, through December 31, 1980, and removes all price regulation on this offshore gas effective January 1, 1980: sets new criteria to be used by the Commission in setting this ceiling based on present and prospective costs instead of historical costs as under present law;

"Old" onshore and offshore Outer Continental natural gas: Continues Federal price regulation under a national price ceiling to be established by the FPC and modified every 2 years using new criteria set by this act which are based on present and prospective costs instead of historical costs;

Provides that priority in obtaining supplies of natural gas shall be given, first, to residential users, small users, and services vital to the public health and safety, second, to essential agricultural purposes, and third, to essential industrial purposes where natural gas is used as a raw material in making products such as synthetic fibers, plastics, pharmaceuticals, petrochemicals, and fertilizers; gives the FPC jurisdiction over synthetic gas plants to the same extent as if it were a natural gas company;

Authorizes the FPC to prohibit the use of natural gas as boiler fuel by powerplants; directs the Federal Energy Administration to issue regulations governing the ornamental and decorative use of natural gas;

Requires all pipelines to file separate tariffs with respect to "new" natural gas and "old" natural gas, and to give first priority on the lower priced regulated "old" gas to companies serving residential users and small commercial agricultural users;

Provides for the sale of offshore royalty gas belonging to the Federal Government: and contains other provisions. S. 2310. P/S Oct. 22, 1975. (452)

Naval petroleum and strategic energy reserves.—Amends chapter 64, title 10 United States Code to provide for the full exploration and development of the naval petroleum reserves and to permit limited production of Naval Petroleum Reserves 1—Elk Hills, No. 2—Buena Vista, and No. 3—Teapot Dome under the authority of the Secretary of the Navy;

Defines "national defense" for the purposes of permitting such production in terms broad enough to permit production to partially offset a situation such as the Arab embargo of 1973; provides that production will not exceed the maximum efficient rate determined in accordance with sound oilfield engineering practices or 350,000 barrels per day whichever is less; limits production to 5 years; makes production at Elk Hills contingent upon the Secretary reaching a binding agreement with Standard Oil Company of California, which owns approximately 20 percent of Elk Hills field, that would protect the public interest; authorizes the President to direct that oil produced under the provisions of this act be placed in a strategic reserve as authorized by law;

Waives, for the period of production, the requirement that the Secretary consult with the Congress on every contract; retains the requirement that the sale of all production be by competitive bidding; establishes a special account in the Treasury to permit an accurate accounting for accomplishment of the purposes of this legislation, which includes operation of the naval reserves on a self-sustaining basis; requires the Administrator of the Federal Energy Administration to submit a written report within 180 days after enactment recommending procedures for the exploration, development and production of Reserve No. 4 in Alaska;

Contains provisions identical to the Strategic Energy Reserves Act of 1975 which the Senate passed on July 8, 1975 and which provides for the establishment of national federally owned oil reserves, regional petroleum reserves, and interim industry reserves under the management of the Federal Energy Administration; and contains other provisions. H.R. 49 (S. 2173). P/H July 8, 1975; P/S amended July 29, 1975; In Conference. (342)

*Oil import fees.—Suspends for the 90-day period beginning on the date of enactment any authority the President might have to adjust imports of petroleum and petroleum products; negates any Presidential action to adjust petroleum imports taken after January 15, 1975, and before the date of enactment, and also provides for the rebate of any duties or import fees or taxes levied and collected pursuant to any such action; provides that the suspension of this authority will cease if at any time during the 90-day period war is declared, a national emergency occurs, or certain situations involving the commitment of U.S. Armed Forces arise; and provides that the import license fee system on petroleum and petroleum products which the provisions of this bill provide shall not affect the import license fee system on petroleum and petroleum products which was in effect on January 15, 1975. H.R. 1767. Vetoed Mar. 4, 1975. House re-

ferred to Ways and Means Committee Mar. 11, 1975. (13)

*Oil pricing.—Makes more effective the mechanism in existing law for congressional review and right of disapproval of Presidential proposals to exempt petroleum products from the allocation or pricing controls currently in effect under the Emergency Petroleum Allocation Act of 1973;

Expands the time for congressional review from 5 to 20 days and contains procedures for expediting review to assure that the question of approval or disapproval can be brought to the floor of either House within the 20-day review period;

Requires the President to administratively establish price controls for presently noncontrolled "new oil" (oil produced at levels above the 1972 volumes) with price ceilings no higher than the January 31, 1975 prevailing prices (which averaged $11.28 per barrel on a national basis); does not make this authority subject to congressional review unless the proposal would bring the price over this maximum ceiling;

Provides for congressional review of any proposal to permit the price of presently controlled "old oil" (oil from properties producing at, or less than, their 1972 production levels) to increase substantially above its national average price of $5.25; grants specific authority to alter present price controls to allow a price incentive to take account of natural declines in field production and to encourage the most costly use of secondary and tertiary recovery methods where the costs are significantly greater than the regular methods; requires congressional review only where the total incentives are of such a magnitude as to cause an increase in excess of 50 cents per barrel in the national average price of "old" crude oil;

Extends the Emergency Petroleum Allocation Act, which contains the only presently existing authority for price control and allocation of crude oil and petroleum products, from August 31 to December 31, 1975; extends the authority under the Energy Supply and Coordination Act of the Federal Energy Administration to issue coal conversion orders requiring facilities using oil or gas to convert to coal and the authority under that act to gather energy data from June 30 to December 31, 1975;

Provides a limited exemption for small refiners from the crude oil entitlements program in effect under current Federal Energy Administration regulations;

And contains other provisions. H.R. 4035. Vetoed July 21, 1975. House referred to Interstate and Foreign Commerce Committee July 23, 1975. (161,287)

Oil shale revenues.—Amends the Mineral Leasing Act of 1920 to permit each State, after January 1, 1974, to use its share of oil shale revenues for planning, construction and maintenance of public facilities, and provision of public services. S. 834. P/S Apr. 22, 1975. (VV)

Outer Continental Shelf Management.—Amends the Outer Continental Shelf Lands Act of 1953 for the purpose of increasing production of oil and gas from the Outer Continental Shelf (OCS) in a manner which assures orderly resource development, protection of the environment, and receipt of fair market return for public resources and encourages development of new technology to increase human safety and eliminate or reduce environmental damage;

Directs the Secretary of the Interior to prepare a comprehensive advance planning program for leasing which would indicate the size, timing, and location of leasing activity which the Secretary believes would meet national energy needs over the next 5 years;

Contains provisions giving States and local governments and the general public a significant opportunity to participate in and comment on Federal OCS planning and policy decisions which include authorization for the Governors of coastal States to establish a regional OCS advisory board which would advise the Secretary on all matters related to OCS oil;

Contains provisions identical to the new coastal zone impact fund provisions contained in the Coastal Zone Management Act Amendments which passed the Senate on July 16, 1975, which amend the Act and establish a new coastal zone impact fund to assist coastal States in ameliorating adverse environmental impacts and controlling secondary economic and social impacts associated with OCS oil and gas development;

Requires a Federal lessee who finds oil and gas to prepare and submit to the Secretary, the Governors of affected coastal States and any regional OCS advisory board a development and production plan in order to give them an opportunity for review and to permit the coastal states to assess the potential impacts of the development and to resolve any problems with the Secretary and the lessee before they occur;

Directs the Secretary to conduct a survey of oil and gas resources of the OCS; authorizes the Secretary to conduct or contract for exploratory activities in order to obtain more information about the oil and gas resources on the OCS and for exploratory drilling on an experimental basis when needed for national security, environmental reasons, or to expedite development in frontier areas;

Puts into law the existing rule, established by Departmental regulation, that an OCS lessee is liable for the total cost of control and removal of spilled oil; creates a new strict liability rule for damages from OCS oil spills which imposes damage liability, except for acts of war, without regard to fault or to the ownership of the land or resource damaged if the land or resource is relied on for subsistence or economic purposes; makes the lessee or holder of a right of way liable for the first $22 million and the Offshore Oil Pollution Settlement Fund, created by the Act, liable for the balance; finances the fund by placing a fee of 2½ cents per barrel on oil produced from the OCS;

Requires any person holding a geological or geophysical exploration permit to submit to the government the data and information, including interpretive data, obtained during exploration, which would be kept confidential unless the Secretary determined that public availability of the data would not damage the competitive position of the permittee or lessee; directs the Secretary to establish safety and performance standards for all pieces of equipment pertinent to public health, safety or environmental protection;

Authorizes a wide variety of new bidding systems in addition to the cash bonus fixed royalty system which has been the historical method of OCS bidding; provides clear authority for the Federal government to take oil or natural gas royalties in kind and dispose of them in a manner to alleviate shortages; requires environmental baseline and monitoring studies before oil and gas drilling can begin on any OCS area not previously leased; increases criminal penalties for certain willful violations of the Act and imposes civil liability for violations; contains provisions designed to promote Federal interagency coordination and directs coordination with State and local government agencies;

Increases to 60 percent the amount given to States from Federal mineral revenues derived under the Mineral Leasing Act of 1920 from coal, oil shale, oil and gas, and other public land mineral development, and provides that this additional amount shall be used by States socially or economically impacted by this development for planning, construction and maintenance of public facilities, and provision of public services; and contains other provisions. S. 521. P/S July 30, 1975. (362)

Petroleum products fair marketing.—Prohibits the termination, cancellation, or nonrenewal of a petroleum products franchise unless the affected franchise failed to comply substantially with any essential and reasonable requirement of the franchise, failed to act in good faith in carrying out the terms of the franchise, or the supplier withdraws entirely from the sale of petroleum products in commerce; provides that a civil action may be brought against a distributor or refiner who is in violation of the act within 3 years of the date a termination or cancellation notice is rendered; and limits, on an equal basis, marketing activities of all major oil companies to restrict the expansion of distribution and retaining operations with personnel under their direct control. S. 323. P/S June 20, 1975. (VV)

Strategic energy reserves.—Provides for the creation and maintenance over a 7-year period of strategic energy reserves equal to 90 days of imports, which would place an average total of 594 million barrels in reserve and would compensate, based on the amount by which imports were reduced under the 1973–74 oil embargo, for import reduction for a period of 237 days;

Provides for the establishment and maintenance of a Strategic Energy Reserve system by the Federal Energy Administration (FEA) acting through a Strategic Energy Reserve Office within the FEA and: (1) requires the FEA to establish a national Federally owned crude oil storage program which could include storage of crude oil from Federal lands, including the naval petroleum reserves, if authorized by Congress; (2) authorizes the creation of Federally owned regional petroleum product reserves of refined petroleum products and requires that a reserve be established for any fuel in any district where more than 25 percent of the demand for that fuel has been met by imports during the preceding 24 months, which presently covers residual fuel oil, and for No. 2 fuel—home heating oil—where more than 10 percent of the demand is met by imports, these fuels being a particular supply problem in eastern coast States; (3) authorizes the FEA to require interim industry storage reserves consisting of up to 3 percent of imports or refinery throughput of the previous calendar year until the total level under the 7-year national and regional programs is reached and, thereafter, to require industry to maintain stocks in an amount equal to the average readily available inventories for the corresponding month of the 3 preceding years; (4) provides for the inclusion of such other components as Congress may authorize;

Exempts materials in the interim industry reserves from any tariff or import license fee; authorizes the use of the reserves if petroleum imports have fallen or are within 30 days expected to fall by 10 percent or if required to do so under international agreement; provides that the Administrator is to establish price levels and allocation procedures for the oil withdrawn that are consistent with the objectives enumerated in the Emergency Petroleum Allocation Act; authorizes the FEA to adjust the processing operations of domestic refineries to produce refined products in proportions commensurate with national needs and consistent with the objectives of the Emergency Petroleum Allocation Act in the case of an embargo; and contains other provisions. S. 677. P/S July 8,1975.

NOTE.—(Similar provisions are contained in S. 622, Standby Energy Authority.) (263)

*Strip mining.—Establishes a program for the regulation of coal surface mining activities and the reclamation of coal mined lands in order to assure that surface coal mining operations—including exploration activities and the surface effects of underground mining—are conducted so as to prevent or minimize degradation to the environ-

ment, and that surface mining operations are not conducted where reclamation is not feasible according to the terms and conditions of the act;

Establishes the Office of Surface Mining Reclamation and Enforcement in the Department of the Interior to administer the programs for controlling surface coal mining operations, including the State programs which must be submitted for approval;

Requires the Corps of Engineers to approve the basic standards regulating mine waste disposal and review plans but with no responsibility for on-the-ground supervision and enforcement;

Establishes a fund and a program for the reclamation of abandoned mined lands and for relief of impacted areas; provides funding for such activities from reclamation fees collected at 35 cents per ton for surface mined coal, 15 cents per ton for all coal mined by underground methods or 10 percent of the value of the coal at the mine, whichever is less except that the fee will not exceed 5 percent of the value of lignite; provides that 50 percent of fees collected in any one State are to be expended in that State for reclamation or alleviating the impact of coal development in the area; provides that, in areas where there is relatively little damage from past coal mining, the States' share of the fees may be used for other purposes;

Sets a series of minimum uniform requirements for all coal surface mining operations on both Federal and State lands which deal with four basic issues—pre-planning, mining practices, post-mining reclamation and the protection of water resources; specifies that lands which cannot be reclaimed under the standards of the act and lands within the National Park, Wildlife Refuge, Wilderness and Wild and Scenic Rivers systems, National Recreation Areas, National Forests, and certain other areas may not be strip-mined; makes special provision for mining which affect alluvial valley farming land; provides for certain limited variances to the prescribed standards where such variances provide equal or better protection to the environment and result in a higher post-mining use;

Provides, in regard to rights of private surface owners, for obtaining consent as a condition of issuing a new Federal coal lease, and requires payment of all damages, including lost income, and payment of limited additional compensation to the surface owner;

Establishes a grant program to fund mining and mineral resources and research institutes in public colleges and universities to train qualified personnel in mine-related fields and to conduct research related to mining technology;

Provides for a study, to be completed by 1976, to determine the appropriate program for regulating surface coal mines on Indian lands and requires, in the interim, that all leases on Indian lands include certain performance standards at least as stringent as those in the Act; and contains enforcement and other provisions. S. 7. P/S March 12, 1975. (62) H.R. 25. Vetoed May 20, 1975. House sustained veto June 10, 1975. NOTE.—(Comparable provisions are contained in S. 391, Coal Leasing—Strip Mining.)

TVA bonding authority.—Amends the Tennessee Valley Authority Act of 1933 to increase from $5 billion to $15 billion the amount of revenue bonds which the Tennessee Valley Authority may have outstanding to finance additions to its power system and allow for annual payments to the Treasury for earlier appropriated investments as is the case for other Federal corporations. H.R. 9472. Public Law 94–139, approved November 28, 1975. (VV)

ENVIRONMENT

Council on Environmental Quality.—Environmental policy.—Authorizes $2 million for fiscal year 1976 and $500,000 for the transition period (July 1–September 30, 1976) for the Council on Environmental Quality and amends the National Environmental Policy Act of 1969 to permit the Council to accept certain reimbursements for domestic and international travel, and to make use of volunteer and uncompensated services. H.R. 6054. Public Law 94–52, approved July 3, 1975. (VV)

Environmental impact statements.—Amends the Environmental Policy Act of 1969 to establish a single uniform procedure for environmental impact statements (EIS) prepared after January 1, 1970 on major projects funded under a program of Federal grants to States including, the Federal-aid highway program; permits State preparation of an EIS so long as the responsible Federal official guides and participates in the EIS preparation and independently evaluates the product before approving and adopting it; and requires the Federal official to prepare independently for the EIS the analysis of the impacts and alternatives of major interstate significance associated with the project or action which is the subject of the EIS. H.R. 3130. Public Law 94–83, approved August 9, 1975. (VV)

National Advisory Committee on Oceans and Atmosphere.—Authorizes $445,000 for fiscal year 1976, $111,250 for the transition period July 1–September 30, 1976, and $445,000 for fiscal year 1977 for the National Advisory Committee on Oceans and Atmosphere. H.R. 5447. Public Law 94–69, approved August 5, 1975. (VV)

Noise control.—Extends from June 30, 1975 to September 30, 1976, the monetary authorizations under the Noise Control Act of 1972 to provide the necessary authorization for funds appropriated under the Continuing Resolution (P.L. 94–41) and the HUD Appropriation bill (P.L. 94–116). H.R. 5272. P/H July 29, 1975; P/S amended December 1, 1975. (VV)

Ocean dumping.—Amends the Marine Protection, Research, and Sanctuaries Act of 1972 to authorize appropriations for fiscal year 1976 and the transition period July 1–September 30, 1976 as follows: Title I, Ocean dumping permit program—$5.3 million for fiscal year 1976 and $1.325 million for the transition period; title II, research program on the effects of ocean dumping on the marine environment—$6 million for fiscal year 1976 and $1.5 million for the transition period; and title III, marine sanctuaries areas—$6.2 million for fiscal year 1976 and $1.55 for the transition period; and changes from January to March, the month in which the Secretary of Commerce must file his annual report on the effects of ocean dumping on the marine environment. H.R. 5701. Public Law 94–62, approved July 25, 1975. (VV)

Scrimshaw art preservation.—Permits the Secretary of Commerce, who administers the Endangered Species Act with respect to whales, to grant exemptions for a limited period of time for the sale of finished scrimshaw (etched designs and carvings from whale bone) products in interstate commerce. S. 229. P/S Apr. 10, 1975. (VV)

Solid waste disposal.—Extends from June 30, 1975 to September 30, 1976, the monetary authorizations under the Solid Waste Disposal Act, as amended, to provide the necessary authorization for funds appropriated under the Continuing Resolution (P.L. 94–41) and the HUD Appropriations bill (P.L. 94–116). S. 2709. P/S December 1, 1975. (VV)

Water pollution control.—Extends from June 30, 1975 to September 30, 1976, certain monetary authorizations under the Water Pollution Control Act, as amended, to provide the necessary authorization for funds appropriated under the Continuing Resolution (P.L. 94–41) and the HUD Appropriation bill (P.L. 94–116). S. 2710. P/S December 1, 1975. (VV)

GENERAL GOVERNMENT

Alaskan Natives.—Reopens for one year the roll of Alaska Natives to enroll those Natives who failed to meet the March 30, 1973, enrollment deadline and provides for the adjustment of distributions of money thereunder; requires the Secretary of the Interior to redetermine the place of residence of Natives who had enrolled in Native "villages" or "groups" which were subsequently found ineligible, for purposes of receiving benefits; authorizes the Secretary to place revenues received by the Interior Department from Federal lands which will be patented to the Natives in an escrow account to receive interest until the time of patenting and then to pay the account funds to the Natives; establishes the rights of easement holders on such lands to revenues arising directly from the easement; permits mergers of Native Village Corporations which are too small to be economically viable with other Village Corporations or the Regional Corporation; removes Native corporations from the purview of the Investment Company Act of 1940, the Securities Act of 1933, and the Securities Exchange Act of 1934 until December 31, 1991; insures that Settlement Act benefits would not be counted against eligibility for the food stamp or other Federal programs; extends the authority of the Joint Federal-State and Land Use Planning Commission for Alaska until June 30, 1979; authorizes $250,000 to pay four Native corporations in cities where Native populations were once in the majority but are now in the minority and which have land selection rights but received no funds under the Settlement Act with which to do the necessary organizing and inventorying to make the selections; authorizes the payment of $100,000 to each of six villages which elected to obtain fee title to reservation lands rather than receive land and monetary benefits; and permits Natives who chose to accept ownership of reservation land to enroll either in the Village Corporation or on an at-large basis with the Regional Corporation receiving benefits. S. 1469. P/S August 1, 1975; P/H amended December 16, 1975. (VV)

American Folklife Center.—Establishes within the Library of Congress under the supervision of the Librarian an American Folklife Center to develop, promote and implement a program to preserve and present American folklife; provides that the Center would be directed by a 17-member board of trustees composed of the Librarian of Congress, the Secretary of the Smithsonian, the Chairman of the National Endowment for the Arts and Humanities, the Director of the Center who shall be appointed by the Librarian, and 4 members each to be appointed by the President, the President pro tempore of the Senate and the Speaker of the House; and contains other provisions. H.R. 6673. P/H September 8, 1975; P/S amended December 11, 1975. (VV)

American Legion Badges—Patent renewals:

American Legion.—Renews and extends for 14 years design patent No. 54,296 for the protection of the emblem and insignia of the American Legion. S. 720. P/S May 13, 1975. (VV)

American Legion Auxiliary.—Renews and extends for 14 years design patent No. 55,398 for the protection of the emblem and insignia of the American Legion Auxiliary. S. 721. P/S May 13, 1975. (VV)

Sons of the American Legion.—Renews and extends for 14 years design patent No. 92,187 for the protection of the emblem and insignia of the Sons of the American Legion. S. 719. P/S May 13, 1975. (VV)

Assistant Secretary of Commerce.—Authorizes an additional Assistant Secretary of Commerce who shall be appointed by the President with the advice and consent of the Senate. S. 1622. P/S June 27, 1975. (VV)

Attorney General's salary.—Repeals Sec-

tion 1 of Public Law 93-178 (enacted to remove the question concerning the impact of Article I, Section 6, Clause 2 of the Constitution on the President's nomination of Senator William B. Saxbe to be Attorney General of the United States) to restore to the Office of the Attorney General the annual rate of basic pay of $60,000 (Level I of the Executive Schedule) and provides that the act shall take effect February 4, 1975, following the February 3, 1975, resignation date of Attorney General William Saxbe. S. 58. Public Law 94-2, approved Feb. 18, 1975. (VV)

Barrier-free environment for disabled.—Declares the sense of the Congress that there shall be a national policy to recognize the inherent right of all citizens, regardless of their physical disability, to the full development of their economic, social, and personal potential through the free use of the man-made environment, and that the adoption and implementation of this policy requires the mobilization of the resources of the private and public sectors to integrate handicapped people into their communities. S. Con. Res. 11. Senate adopted May 20, 1975. (VV)

Bikini Atoll.—Provides a $3 million ex gratia payment to the people of Bikini Atoll who were relocated to Kili Island in 1946 in order to provide a nuclear test site on the Atoll. H.R. 5158. Public Law 94-34, approved June 13, 1975. (VV)

Census data in administration of Federal laws.—Amends title 13, U.S.C., to require the annual compilation of data on total population for each State, county, and local unit of general purpose government with a population of 50,000 or more, and to produce such data biennially for other local units of general purpose government; requires the President, acting through the Director of the Office of Management and Budget (OMB), to ensure that such data are used by the appropriate departments and agencies in the administration of any law where population or other population characteristics are used to determine the amount of benefit to be received by the various units of non-Federal government; instructs the Diretcor of OMB to initiate the development of uniform methods and procedures for producing the data required under this Act; requires the Director to report annually to Congress on the inability to produce data for any particular government; and requires the Director to submit a report, within 1 year of enactment, regarding current interim data on total population for State, county and local units of general purpose governments. S. 1009. P/S December 15, 1975. (VV)

Census tabulation for State apportionment on districting.—Directs the Secretary of Commerce to enter into agreements with the authorized officials or bodies of the several States responsible for legislative redistricting and apportionment to ensure that the census data collected by the Bureau of the Census can be made readily available to those officials or bodies in a form that is useful in the execution of their responsibilities. H.R. 1753. Public Law 94- , approved 1975. (VV)

Executive Protective Service.—Increases from 850 to 1200 the number of Executive Protective Service officers in order to provide protective service for foreign diplomatic missions in cities where 20 or more such facilities exist if there is a basis for extraordinary protective needs and upon request; authorizes the Secretary of the Treasury to delegate this protective service to local police officials outside Washington, D.C.; and authorizes therefor $3.5 million to reimburse State and local governments. H.R. 12. Vetoed November 29, 1975. House to consider January 20, 1975. (VV)

Increases from 850 to 1200 the number of Executive Protective Service officers in order to provide protective service for foreign diplomatic missions located in metropolitan areas where 20 or more of such facilities exist if (a) there is a basis of extraordinary protective need, (b) such service is requested by the affected metropolitan area or (c) the protective need arises in association with a visit to a permanent mission to an international organization of which the United States is a member or an observer mission invited to participate in the work of the organization; authorizes the Secretary of Treasury to delegate this protective service to local police officials outside Washington, D.C.; and authorizes therefor $3.5 million to reimburse State and local governments. H.R. 11184. Public Law 94- , approved 1975. (VV)

FBI Director, ten-year term for.—Amends the Omnibus Crime Control and Safe Streets Act of 1968 to provide for a ten-year term of service for the Director of the Federal Bureau of Investigation: limits the appointment of a Director to one 10-year term; and provides that the law regarding Federal mandatory retirement at age 70 shall apply to this appointment. S. 1172. P/S Mar. 17, 1975. (64)

Federal Metal and Nonmetallic Mine Safety Board abolishment.—Abolishes the Federal Mine and Nonmetallic Mine Safety Board of Review which reviews appeals by non-coal mine operators from closure orders issued by the Department of Interior's Mining Enforcement and Safety Administration and transfers such functions to the Secretary of Interior. S. 1774. P/S June 24, 1975. (VV)

Federal Trade Commission.—Changes certain Federal Trade Commission Act procedures to insure that FTC actions are disposed of expeditiously, including making orders of the Commission effective 60 days after issuance subject to a stay issued by the Commission, the appropriate court of appeals, or the Supreme Court when an applicable petition of certiorari is pending, requiring that the Commission grant or deny petitions for issuance, amendment, or repeal of rules within 120 days of receipt, and imposing penalties for failure to reply in a timely manner with the Commission's processes; provides, in order to insulate the FTC from political clearances in the legislative, budgetary, and personnel areas, that no officer or agency of the United States, other than the Civil Service Commission for the purpose of evaluating professional qualifications, shall have any authority to require the FTC to seek approval of the appointment, employment, or promotion of any individual, that the FTC shall simultaneously submit budgetary information and legislative recommendations jointly to the Office of Management and Budget (OMB) and the Congress, and that any legislative recommendations be submitted concurrently to the Congress; removes an impediment in the Textile Fibre Products Identification Act which precludes the FTC from issuing care labeling regulations with respect to outer coverings of furniture, and contains other provisions. S. 642. P/S December 17, 1975. (VV)

Fiscal year adjustment.—Amends existing law to change the dates of various provisions of law which require the submission of reports and other actions based on the present fiscal year system to conform to the new fiscal year dates of October 1-September 30 pursuant to the Congressional Budget and Impoundment Control Act of 1974 (P.L. 93-344). S. 2445. P/S December 1, 1975. (VV)

Fiscal year transition.—Amends existing law to insure the continuation of Federal programs and activities, based by statute on the present fiscal year, through the fiscal transition period of July 1-September 30, 1976. S. 2444. P/S December 1, 1975. (VV)

Fiscal year transition—General authorizations.—Provides a general authorization for the fiscal year transition period July 1-September 30, 1976, for all Federal programs and activities for which funding was authorized on June 30, 1976. H.R. 6692. Public Law 94-144, approved December 9, 1975. (VV)

General Federation of Women's Clubs.—Amends the Act granting a charter to the General Federation of Women's Clubs to delete the $1.5 million figure on real estate the Federation may hold under the charter, thus allowing the value of its real or personal property to be determined by current market value which has increased due to inflation; and adds the General Federation of Women's Clubs to the list of private corporations established under Federal Law (P.L. 88-504) so that the corporation will be subject to the requirements concerning an annual audit and report of that audit to Congress. S. 240. Public Law 94-151, approved December 15, 1975. (VV)

Government in sunshine.—Provides that meetings of congressional committees and multiheaded Federal agencies shall be open to the public, and establishes for the first time a clear, statutory prohibition against private exparte communications between agencies and outside parties on matters being adjudicated by the agency:

Amends the rules of the House and Senate governing committee meetings by requiring such meetings to be open; requires the Senate and the House to hold mark-ups and other committee meetings in public unless the majority of the committee or subcommittee votes to close the meeting on certain specified grounds, which cover matters such as national defense and foreign policy, personnel matters, criminal or civil investigations, personal privacy, and trade secrets; imposes the same requirements on the meetings of joint committees; does not affect the rules governing hearings which are already required by law to be open unless committees close them on certain specified grounds; requires that all meetings of conference committees be open unless either the House or Senate managers determine by a majority vote that the meeting should be closed; specifies that these provisions are enacted pursuant to the rulemaking authority of both Houses, thus recognizing the right of either House to alter the rules as they apply to such House, or to enact other rules;

Requires meetings between heads of Federal agencies headed by two or more Commissioners or similar officers to be open to the public; defines the term "meeting" to include agency deliberations where at least a quorum of the agency's members meet to conduct or dispose of official agency business; provides that meetings can be closed by the agency only by a majority vote of all agency members on certain specified grounds which are based in most respects on the exceptions contained in the Freedom of Information Act; requires advance notice of each meeting to the public, and the release to the public after the meeting of every major portion of the meeting that did not in fact involve sensitive matters;

Establishes an across-the-board statutory prohibition of exparte contacts between agency decisionmakers and all persons outside the agency where the purpose of the contact is to discuss the merits of any matter being formally adjudicated by the agency in order to prevent secret communications between the agency and an outside person interested in the outcome of a proceeding; applies this provision to formal agency adjudications and rulemaking proceedings which are adjudicative in nature (so-called formal "on the record" rulemaking);

And contains other provisions. S. 5 P/S Nov. 6, 1975. *NOTE:* (Provisions amending the Senate Rules to require open committee meetings are contained in S. Res. 9 which the Senate adopted on November 5, 1975.) (472)

GPO employees.—Authorizes the Public Printer to designate employees to administer and certify the oath of affirmation of office required by section 3331, title 5, U.S.C., and other oaths or affirmations that may be required by law or regulation with respect to the operation of the Government Printing Office. S. 2264. P/S Sept. 18, 1975. (VV)

GSA leases.—Amends section 111 of the Federal Property and Administrative Services Act of 1949 to permit the Administrator of the General Services Administration (GSA) to enter into multiyear leases (not to exceed 10 years) of automatic data processing equipment including collateral maintenance, software and other kinds of supplies and services associated with such equipment, at amounts in excess of what is available in the fund, provided the amount of unfunded obligations authorized is not needed and the balances of the fund are maintained in such amounts as are necessary at any time for cash disbursements. S. 1260. P/S July 14, 1975 (VV)

John F. Kennedy Center authorization.—Authorizes $2.8 million for fiscal year 1976, $741,000 for the transition period July 1–September 30, 1976, and $3.1 million for fiscal year 1977 for the non-performing arts functions of the John F. Kennedy Center and directs the General Accounting Office to perform a regular audit of the accounts of the Kennedy Center. H.R. 6151. Public Law 94–119, approved Oct. 21, 1975. (VV)

Metric conversion.—Provides a national program to facilitate conversion to the international metric system of measurement, on a voluntary basis, within 10 years; establishes a 17-member Metric Board to be appointed by the President with the advice and consent of the Senate which will have no compulsory powers but is directed to develop a broad program of planning and coordination, conduct research and submit recommendations to Congress, and conduct a program of public education in the metric system at all levels to familiarize Americans with the meaning and use of metric terminology in their daily lives; and authorizes such funds as necessary to carry out the provisions of this Act. .R. 8674. Public Law 94– , approved 1975. (VV)

NASA, authorization.—Authorizes to the National Aeronautics and Space Administration $3,562,310,000 for fiscal year 1976 and $925,150,000 for the transition period July 1–September 30, 1976, for research and development, construction of facilities and research and program management including continued development of the space station and shuttle program. H.R. 4700. Public Law 94–39, approved June 19, 1975. (VV)

National Arboretum.—Authorizes the Secretary of Agriculture to accept and administer on behalf of the United States gifts or devises of real and personal property for the benefit of the National Arboretum which was established for purposes of research and education concerning tree and plant life. S. 1649. Public Law 94–129, approved Nov. 13, 1975. (VV)

National Center for Productivity and Quality of Working Life.—Repeals Public Laws 92–210 and 93–311 which created a National Commission on Productivity and Work Quality and replaces the Commission with an independent National Center for Productivity and Quality of Working Life to be composed of a 27-member board of directors headed by a Chairman to be appointed by the President with the advice and consent of the Senate;

Directs the Center to develop and establish, in consultation with the appropriate committees of Congress and departments and agencies of the executive branch, a national policy for productivity growth in public and private sectors and to encourage the maximum active participation of the private sector as well as State and local governments to improve the rate of productivity growth in all sectors of the Nation's economy consistent with the needs of the economy, the natural environment, and the best interests of management, the work force and consumers; empowers the Center to enter into contracts and other funding arrangements to carry out the purposes of this act;

Requires the Center to submit a report to the President and Congress by December 31 of each year detailing its activities and any recommendations; requires the Comptroller General, within 36 months of enactment, to submit a report evaluating the effectiveness of the Center along with any recommendations; and authorizes therefor $6.25 million, for fiscal year 1976, and $5 million for each of fiscal years 1977 and 1978. S. 2195. Public Law 94–136, approved November 28, 1975. (379)

National Guard technicians' retirement.—Amends title 5, U.S.C., to grant full retirement credit for National Guard technician service performed before 1969 to all former technicians serving in any position subject to the retirement law on or after January 1, 1969, including those who have retired and whose annuities therefor would be subject to recomputation; allows credit for 100 percent of pre-1969 technician service for annuity computation purposes; and permits eligible technicians to pay the full amount rather than 55 percent otherwise owed as a deposit for pre-1969 technician service. S. 584. Public Law 94–126, approved Nov. 12, 1975. (VV)

National Portrait Gallery.—Amends the National Portrait Gallery Act of 1962 to redefine the term "portraiture" to permit the National Portrait Gallery to acquire photographs and other portrayals of individuals in addition to "painted or sculpted likenesses". S. 1657. P/S July 25, 1975; P/H amended Oct. 28, 1975. (VV)

National Science Foundation authorization.—Authorizes $787,000,000 to the National Science Foundation for fiscal year 1976 and an additional $4 million in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States. H.R. 4723. Public Law 94–86, approved August 9, 1975. (VV)

National Security Council.—Amends the National Security Act of 1947, as amended, to include the Secretary of the Treasury as a member of the National Security Council. S. 2350. Public Law 94– , approved 1975. (VV)

National Women's Conference.—Directs the National Commission on the Observance of International Women's Year 1975, created by Executive Order 11832, to organize and convene a National Women's Conference during 1976 in conjunction with the National Bicentennial year and International Women's Year; requires that the Conference be preceded by meetings at the State or regional levels to identify and focus upon specific issues for consideration by and to designate representatives to the Conference; sets forth criteria for selecting representatives to the Conference; establishes the goals for the Conference including assessment of the progress to date in promoting women's equality, the role of women in economic, social, cultural and political development; directs the Conference to identify the barriers that prevent women from participating fully in our society, establish a timetable for removal of these barriers, and establish a committee to plan a second women's conference; specifies the powers of the Commission in setting up the Conference; provides for the administration of the Commission's functions as well as for the organization and conduct of State meetings held in preparation of the Conference; requires the Commission to submit a report of the findings and recommendations of the Conference to the President and Congress within 120 days after the close of the Conference; and authorizes not to exceed $10 million to carry out this Act. H.R. 9924. Public Law 94– , approved 1975. (VV)

Nixon tapes.—Disapproves the regulations proposed by the Administrator of General Services in his report to the Senate submitted on March 19, 1975, pursuant to title I of Public Law 93–526, regarding public access to materials and tape recordings of former President Nixon. S. Res. 244. Senate adopted Sept. 11, 1975. (VV)

Patents.—Amends certain sections of title 35, U.S.C. to implement the Patent Cooperation Treaty (Ex. S, 92d–2d) which enables U.S. and foreign nationals to file international applications with the Patent Office which would act as a Receiving Office and process such applications and provides applicants filing applications for patents only in the U.S. with the same flexibility afforded to applicants filing under the treaty. S. 24. Public Law 94–131, approved Nov. 14, 1975. (VV)

Public buildings.—Broadens the policy of the Federal Government in the acquisition and use of public office buildings; encourages the purchase of older buildings and their recycling into new office space for Federal agencies; and provides for the multiple use of Federal buildings by allowing rental to commercial and other tenants of a limited amount of space in Federal office buildings. S. 865. P/S August 1, 1975. (VV)

Renegotiation Act.—Extends the Renegotiation Act for 9 months from December 31, 1975 to September 30, 1976. H.R. 11016. P/H December 15, 1975; P/S amended December 17, 1975. (VV)

Small Business Amendments.—Increases from $725 million to $825 million the subceiling for the Small Business Investment Company loan and guarantee program; increases from $450 million to $525 million the subceiling for economic opportunity loan programs; increases from $35 million to $45 million the authorization for the Surety Bond Guarantee Fund and allows additional appropriations up to $15 million for the program; and clarifies the language in Public Law 93–501 to allow Small Business Investment Companies to charge an interest rate, in certain cases, that is in excess of the State usury law. S. 1839. P/S June 4, 1975. (VV)

Establishes an Office of Export Development in the Small Business Administration (SBA) to provide information and assistance to small businesses which have an export potential; increases the funds available for the lease guarantee program from $10 million to $25 million and establishes a program to allow small businesses to finance the leasing of pollution control equipment through the sale of tax-exempt industrial revenue bonds; increases the amount which regular small business investment companies (SBIC's) may borrow from the government from 200 to 300 percent of private capital and increases the amount "venture capital" SBIC's may borrow from the government from 300 to 400 percent of private capital; extends leverage increase to certain SBIC's and eliminates the maximum leverage ceiling for all SBIC's; permits SBIC's to guarantee 100 percent of the borrowings of small business concerns; allows SBIC's to be unincorporated entities; permits banks to own 100 percent of SBIC's voting common stock; permits SBA loans to local development companies for the acquisition of existing plant facilities and increases the maturity on such acquisitions and construction SBA loans from 15 to 20 years; increases the maximum amount of economic opportunity loans from $50,000 to $100,000; increases the maximum amount of local development company loans from $350,000 to $500,000; increases the maximum amount of regular SBA loans from $350,000 to $500,000; extends SBA loans to farmers and ranchers; authorizes a compre-

hensive review of all Federal disaster loan authorities by April 30, 1976; establishes a National Commission on Small Business in America to make a comprehensive and coordinated study of all the factors affecting small businesses and to make reports and legislative recommendations to the Congress; and authorizes the President to appoint its 11 members, the Chairperson and Executive Director of which shal be confirmed by the Senate. S. 2498. P/S December 12, 1975. (589)

Small Business Emergency Relief.—Provides relief to small business concerns caught in the economic squeeze between fixed-price Federal contract commitments and rising costs of material, supplies and energy;

Grants executive agencies the latitude to terminate or, in certain cases modify, for the convenience of the Government, any fixed-price contract between that agency and a small business concern upon a finding that (1) during the performance of the contract the concern has experienced or is experiencing significant unanticipated cost increases directly related to the contract, and (2) the conditions which have caused or are causing such cost increases were, or are being, experienced generally by other small business concerns in the market at the same time and are not caused by negligence, underbidding, or other special management factors peculiar to that small business concern; and contains other provisions. H.R. 5541. Public Law 94– , approved 1975. (462)

Smithsonian Institution Museum support facilities.—Authorizes the Regents of the Smithsonian Institution to undertake planning of museum support facilities on federally owned land within the District of Columbia metropolitan area for the conservation, preparation, and study of the national collection of scientific, historical, and artistic objects and artifacts, their documentation, and the training of museum conservators. S. 907. Public Law 94–98, approved Sept. 19, 1975. (VV)

Smithsonian Institution site.—Reserves for future public use of the Smithsonian Institution that portion of the Mall bounded by Third Street, Maryland Avenue, Fourth Street, and Jefferson Drive in the District of Columbia. H.R. 5327. Public Law 94–74, approved August 8, 1975. (VV)

Standard reference data program.—Authorizes to the Department of Commerce $2.8 million for fiscal year 1976, $750,000 for the transition period July 1–September 30, 1976, $3 million for fiscal year 1977, and $3 million for fiscal year 1978 to carry out the purposes of the Standard Reference Data Act which provides the scientific community with accurate and accessible quantitative data needed in the physical sciences, together with critical evaluations thereof. H.R. 37. Public Law 94–48, approved July 2, 1975. (VV)

*Tourism promotion.—Amends the International Travel Act to authorize funding for the United States Travel Service, Department of Commerce, which is charged with promoting travel and tourism to and within the United States as follows: for international tourism promotion—$5 million for the transition period July 1–September 30, 1976, $25 million for fiscal 1977, and $30 million in each fiscal 1978 and 1979; for domestic tourism promotion—$625,000 for the transition period July 1–September 30, 1976, and $2.5 million for each fiscal 1977 through 1979. H.R. 5357. Vetoed May 28, 1975. House referred to Committee on Interstate and Foreign Commerce July 20, 1975. (VV)

Amends the International Travel Act to authorize funding for the U.S. Travel Service, Department of Commerce, which is charged with promoting travel and tourism to and within the United States as follows: for international tourism promotion—$5 million for the transition period July 1–September 30, 1976, $25 million for fiscal 1977, and $30 million for each fiscal 1978 and 1979; for domestic tourism promotion—$2.5 million for fiscal 1976, $625,000 for the transition period July 1–September 30, 1976, and $2.5 million for each fiscal 1977 and 1978; and directs the Secretary of Commerce to promote travel within the United States and its possessions through activities that are in the public interest and which do not compete with those of any State, city or private agency. S. 2003. Public Law 94–55, approved July 9, 1975. (VV).

Trust Territory of the Pacific.—Increases the fiscal year 1975 authorization for the activities of the civil government of the Trust Territory of the Pacific Islands from $60 to $75 million and authorizes an additional $1.5 million to fund the transition of the Mariana Islands District from the Trust Territory Government to a new commonwealth status as a territory of the United States, pursaunt to an agreement signed on February 15, 1975, by the U.S. and the Marianas, if approved by Congress. S. 326. Public Law 94–27, approved May 28, 1975. (VV)

War risk insurance.—Amends the Federal Aviation Act of 1958 to extend the present authority of the Secretary of Transportation to issue war risk insurance until May 7, 1976; authorizes the investment of the aviation war risk insurance revolving fund in the interest-bearing securities of the United States; and requires a study by the President of the possible expansion of the program to include losses and damage resulting from riots, civil disorder, hijacking or other similar acts and to report the results of the study together with his recommendations to Congress 90 days after enactment. H.R. 8564. Public Law 94–90, approved August 9, 1975. (VV)

White House Conference on Handicapped.—Extends from 2 to 3 years the period during which the President is authorized to call a White House Conference on Handicapped Individuals pursuant to Public Law 94–516. S.J. Res. 154. P/S December 17, 1975. (VV)

GOVERNMENT EMPLOYEES

Civil service retirement annuity assignments.—Permits recipients of Federal civil service annuities to make allotments or assignments from their annuity checks for purposes approved by the Civil Service Commission which include charitable contributions, dues to labor unions, employee associations or family support and savings. H.R. 6642. Public Law 94– , approved 1975. (VV)

Civil service retirement benefits statute of limitation.—Amends title 5, U.S.C., to provide that no benefit would be paid from the Civil Service Retirement and Disability Fund unless the application for benefits based on the service of an employee or member was received in the Civil Service Commission before the 115th birthday of the employee or member and that no benefit based on the service of an employee would be paid from the Fund after his death unless application was received in the Commission within 30 years from the date of death thus allowing the Commission to destroy retirement records when no claim for a benefit has been received during the periods specified under this Act. H.R. 4573. P/H July 21, 1975; P/S amended December 15, 1975. (VV)

Cost-of-living increase—Postal Service OSHA compliance.—Authorizes an annual minimal salary adjustment for top executive, legislative and judicial officers and employees of the United States who last received an increase in compensation in March 1969, including each level of the Executive Schedule, the salary of the Vice President, rates of pay for members of Congress and officials of the legislative branch, and salaries in the judicial branch; provides that the adjustment is to become effective whenever a comparability adjustment is made in the rates of pay under the General Schedule (normally in October of each year) and shall equal the percentage of the comparability adjustment, rounded to the nearest $100;

Makes the Occupational Safety and Health Act of 1970 applicable by statute to the Postal Service, which is presently bound by its July 1973 collective bargaining agreement with the National Postal Unions. H.R. 2559. Public Law 94–82, approved August 9, 1975. (352)

Federal employees annual leave.—Provides that an employee who has been restored to duty following an unjustified or unwarranted personnel action shall be credited with all the annual leave he would have earned during the period of separation instead of only up to 30 days as under present law. H.R. 7976. Public Law 94– , approved 1975. (VV)

Federal employees pay increase.—Disapproves the alternative pay plan submitted to Congress by the President on August 29, 1975, providing for a 5-percent increase in pay for Federal employees in lieu of 8.66 as determined under the comparability procedures set forth in the Federal Pay Comparability Act of 1970. S. Res. 239. Senate rejected Sept. 18, 1975. (398)

Part-time Government employees.—Declares as policy that a certain regulated proportion of all positions in the General Schedule (except positions in grades GS–16, GS–17, and GS–18) shall be made available on a part-time career employment basis (16 to 30 hours per week) for persons who are unable or do not wish to work full time; covers, with certain exceptions, executive and regulatory agencies subject to the rules of the Civil Service Commission; provides for a gradual phase-in of part-time career employment, with at least 2 percent of all positions in each grade in each agency to become available yearly until the 10 percent limit placed on part-time positions is reached; authorizes waivers of the percentage minimum by the Civil Service Commission in cases of need; prohibits the forcing of an employee to accept part-time employment as a condition of new or continued employment; gives part-time employees entitlement to the same proportionate fringe benefits as those vested in regular hour employees; and contains other provisions. S. 792. P/S June 23, 1975. (VV)

Travel expenses.—Increases the per diem allowance (from $25 to a maximum of $35) and the actual daily expense reimbursement (from $40 to a maximum of $50) which may be paid to regular employees of the Federal Government, and to consultants and experts employed intermittently, who are traveling on official business within the continental United States; authorizes the President to establish the per diem allowance for travel outside the continental United States and authorizes the Administrator of General Services to prescribe the conditions under which an employee may be reimbursed for actual and necessary expenses (not to exceed $21 per day) in addition to the maximum per diem established for that locality; provides commensurate increases, under regulations established by the Senate Committee on Rules and Administration, in the per diem allowances and actual expense reimbursement for Senators and Senate employees and members of a Senator's personnel staff traveling to and from the Senator's home State on official business; prohibits reimbursement for travel to or from a home State 120 days prior to a primary or general election in which the Senator is a candidate; increases the mileage rates for the use of privately owned vehicles used while traveling on official business (automobiles—from 12 cents to 15 cents; airplanes—from 12 cents to 18 cents; and motorcycles from 8 cents to 11 cents); requires the Administrator of General Services to make a determination with respect to the cost of travel and the opera-

tion of privately-owned vehicles and adjust the rates at least once a year; and provides that the agency or branch of Government concerned must absorb expenses incurred during fiscal year 1975 as a result of increases in per diem and mileage allowances out of its existing funds. S. 172. Public Law 94–22, approved May 19, 1975. (VV)

HEALTH

Communicable disease control—consumer health education: Revises and extends expiring communicable and other disease control programs and the venereal disease prevention and control programs; and authorizes consumer health education and promotion programs through the establishment of an Office of Consumer Health Education and Promotion within HEW. S. 1466. P/S July 30, 1975. (VV)

Developmentally disabled persons assistance.—Provides a 3-year extension and revision, through 1978, of programs under the Developmental Disabilities Services and Facilities Construction Act; authorizes a total of $2.87 million for these programs; expands the definition of a "developmental disability" to include autism as well as mental retardation, cerebral palsy, or epilepsy, or any condition related to mental retardation or dyslexia; continues the University-Affiliated Facilities (UAF's) clinical facilities program and system of demonstration and training grants for professional personnel, with emphasis directed to accomplishing the provision of services to adults and children in programs of community care as an alternative to providing such services in institutionalized settings; proposes the establishment of UAF Satellite Centers which would be primarily concerned with the delivery of clinical services; revises the organizational structure for administration of the act and continues formula grants to the States for planning, services and facilities; mandates the establishment of an evaluation system by the Secretary and a time-phased plan for each State's implementation of an evaluation system; contains a "Bill of Rights" for the developmentally disabled which establishes a clear Federal policy that the mentally retarded have a right to appropriate treatment, services, and habilitation and to assure that public funds are not provided to institutions or other residential programs for the mentally retarded that do not provide adequate treatment, service or habilitation or which do not meet minimum standards; requires an individual written habitation plan for each person being served in the program; requires a system in each State to protect and advocate the rights of persons with developmental disabilities; and contains other provisions. H.R. 4005. Public Law 94–103, approved Oct. 4, 1975. (VV)

Drug Abuse Office and Treatment.—Continues the current authorization of $45 million through fiscal year 1979 for drug abuse prevention and treatment programs; increases from $100 million to $200 million the figure used to determine the minimum formula grant to any State (currently $66,666 which would increase to $1333,333 if there is no change in the ratio of actual to authorized appropriations); recognizes narcotic addiction and drug abuse as a serious, long-term problem requiring continuous effort; redesignates the Special Action Office for Drug Abuse Prevention as the Office of Drug Abuse Prevention Policy, and redefines its role as strictly that of coordination and policy direction; confirms and clarifies the programatic role of the National Institute of Drug Abuse; broadens the prohibition on discrimination against drug abusers in hospital admissions to include all admissions instead of emergency admissions only; and contains other provisions. S. 2017. P/S June 26, 1975; P/H amended Sept. 11, 1975; In conference. (VV)

Health Services—Nurse Training.—Amends title VII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training until fiscal year 1978 and to revise and extend programs of health revenue sharing and health services until fiscal year 1977;

Authorizes a total of $1.422 billion for health services and health revenue sharing programs for 2 years, including $15 million for each year for detection and treatment of hypertension (high blood pressure); extends the authorizations in title X regarding Family Planning Programs and specifies that population research shall be conducted under the authorities of that title and requires an annual report on family planning programs; extends the Community Health Centers program for 2 years and authorizes grants for the planning, development and operation of community health centers, including existing neighborhood health centers; extends the Migrant Health Centers Program and authorizes planning, development and operation grants to such centers which offer a broad range of health services in an area in which not less than 6,000 migrants reside; includes a separate authorization to cover the reasonable costs of inpatient and outpatient hospital services for migrants; extends the Community Mental Health Centers programs to continue progress toward the goal of establishing a center in each of the approximately 1,500 catchment areas across the Nation and to assure continued support of the 500 centers already begun; provides authorization to expand the types of disease control programs to include programs for diseases borne by rodents; establishes a demonstration program of start up grants to home health agencies and grants for training personnel to provide home health services; establishes a Committee on Mental Health and Illness of the Elderly for a one year period to review the mental health needs of the elderly and recommend policy for the care and treatment of mentally ill aged persons; establishes a Rape Prevention and Control Center within the National Institute for Mental Health to study the causes, control and treatment of rape and to establish a clearinghouse of information and provides support for demonstration projects in the prevention and control of rape; establishes a temporary Commission on Epilepsy to devise a national plan for the control of epilepsy and its consequences, the State and Federal role in research on epilepsy and on the identification, treatment and rehabilitation of persons with epilepsy; establishes a temporary Commission on Huntington's Disease to devise a comprehensive national plan similar to the one outlined for epilepsy; establishes a new Hemophilia Diagnosis and Treatment program and provides grants to establish treatment centers; sets a $1,000 fine and/or 1 year imprisonment for intimidating or coercing a person who has requested or is receiving welfare benefits to undergo an abortion or sterilization as a condition of receiving such benefits;

Extends through 1977 the nurse training authorities of title VIII at levels of $156 million in 1976, $181 million in 1977 and $201 million in 1978; includes authorization for: construction grants with priority funding to schools expanding their capacity to enroll nurses in advanced training programs; "capitation" grants to schools based on the number of nursing students enrolled but designating different amounts for different types of nursing schools to reflect more accurately the differential in costs between baccalaureate degree, associate degree, and diploma schools of nursing; special assistance to nursing schools that are in serious financial straits to meet operational costs for maintaining quality programs or their accreditation requirements; special project grants to assist schools in trying out better methods of teaching, better utilization of faculty, expanded enrollments and recruiting and retraining students from disadvantaged backgrounds; graduate and other advanced training programs for professional nurses to teach, serve as administrators or practice in nursing specialties; the nursing loan, scholarship and traineeship program to meet current demands and needs; and grants for programs for training nurse practitioners with specific emphasis on geriatrics and the care of nursing home patients; and contains other provisions. S. 66. Vetoed July 26, 1975. Senate overrode veto July 26, 1975; House overrode veto July 29, 1975. Public Law 94–63, without approval July 29, 1975. (132, 337)

Heart and lung research.—Extends for 2 fiscal years the authority of the Department of Health, Education, and Welfare, to conduct research, experiments and demonstration programs regarding heart, lung, blood and blood vessel diseases and the program of National Research Service Awards; authorizes a total for fiscal years 1976 and 1977 of $1,046,000 for these purposes;

Amends the Federal Food, Drug and Cosmetic Act to prohibit regulation of vitamin and mineral supplements solely on the basis of potency, to permit sale of any combination of vitamins and minerals and other foods, and to authorize the Federal Drug Administration to regulate vitamin and mineral products marketed for pregnant and lactating women and for children to age 12;

And contains other provisions. H.R. 7988. P/H October 20, 1975; P/S amended December 11, 1975. (578)

Medical device safety.—Authorizes the Food and Drug Administration to regulate the development and marketing of medical devices; requires that medical devices used in life-supporting situations, including all implanted medical devices such as a heart valve, pacemaker or interuterine device (IUD), shall be subject to premarket scientific testing; authorizes the Secretary of Health, Education, and Welfare to establish protocols for testing medical devices and requires that test data be submitted to HEW when a manufacturer seeks approval of a life-supporting medical device for marketing; provides that medical devices for which experts agree standard-setting is sufficient to protect the public health and safety need only meet performance standards; provides that the third classification of devices which are generally safe when used in accordance with their instructions, such as a tongue depressor, is exempted from either procedure; and contains other provisions. S. 510. P/S Apr. 17, 1975. (139)

Older Americans.—Continues authorizations for programs concerning the elderly through fiscal year 1978; continues authorizations for the R.S.V.P., Foster Grandparents, and Senior Companions programs and for special programs for the aging under the Adult Education Act, the Higher Education Act, the Older Americans Comprehensive Service Amendments of 1973, and the Vocational Education Act; provides that a State shall not commit less than 20 percent of its State plan funds for the following four categories of services for the elderly: transportation, home care, legal services, and residential renovation and repair; authorizes the Secretary of Labor to establish an Older American Community Service Employment program to promote part-time work opportunities for unemployed low-income persons aged 55 or older; authorizes direct grants to Indian tribal organizations for the provision of services to elderly Indians; requires that the Secretary of Labor reserve funds sufficient to maintain the fiscal year 1975 level of activities as conducted by national contractors under the Older Americans Com-

munity Service Employment Program and that the remainder of the funds is to be distributed based on a formula which takes into account the number of persons aged 55 or over and the per capita income in each State, with a minimum guaranteed to each; prohibits discrimination based on age; and contains other provisions. H.R. 3922. Public Law 94–135, approved November 28, 1975. (527)

School lunch and child nutrition program.—Amends section 13 of the National School Lunch Act to continue the Special Food Service Program for children, which expires June 30, 1975, through September 30, 1975; authorizes 1975 summer meal reimbursement rates to be adjusted to account for increase in food costs this past year; and requires USDA, within 10 days following enactment, to issue its regulations pertaining to the option of this year's summer feeding program. S. 1310. Public Law 94–20, approved May 2, 1975. (VV)

*School lunch program.—Makes permanent the authorization for the school breakfast program; extends through September 30, 1977, the authority of the Secretary of Agriculture to purchase agricultural commodities for donation to the child nutrition programs when acquisitions under other agricultural authorities are not available, and permits States which phased out their commodity distribution facilities prior to June 30, 1974, to elect to receive cash in lieu of donated foods; revises the year-round phase of the special food service prgram for children to establish a child care food program for children in nonresidential child care institutions for the period through September 30, 1978;

Extends the special supplemental food program for women, infants and children (WIC) through September 30, 1978; expands the definition of "school" under the school lunch program and the school breakfast program to include any public or licensed nonprofit private residential child care institution, including, but not limited to, orphanages and homes for the mentally retarded;

Deletes the State's option to serve reduced price lunches and provides that State educational agencies are to establish income guidelines for reduced price lunches at levels which are 95 percent above those in the income poverty guidelines prescribed by the Secretary;

Provides that any child whose parent or guardian is providing the child's principal support and is unemployed shall be served a free or reduced price lunch if the existing family income eligibility guidelines for free or reduced price lunches are met;

And contains other provisions. H.R. 4222. Vetoed Oct. 3, 1975. House overrode veto Oct. 7, 1975; Senate overrode veto Oct. 7, 1975. Became Public Law 94–105, without approval Oct. 7, 1975. (274, 383, 429)

Supplemental food programs.—Extends through September 30, 1975, the special supplemental food program for women, infants, and children. H.R. 7136. Public Law 94–28, approved May 28, 1975. (VV)

HOUSING

Emergency housing.—Contains provisions for mortgage foreclosure relief to homeowners who cannot meet their mortgage payment because of recession conditions; authorizes the Department of Housing and Urban Development (HUD) to co-insure mortgages in default or to make monthly payments of up to $250 for as long as 24 months when lenders are unwilling or unable to forebear on their loans; and authorizes $1.5 billion for co-insurance contracts and a maximum of $500 million for mortgage relief loans;

Provides for home purchase assistance which expands the President's authority to make mortgage credit available when housing starts are low; extends the existing Home Purchase Assistance Act to June 30, 1976; permits financing of condominiums and apartments, sets a maximum rate of interest at 7 and ½ percent, and provides for additional housing financing by the Federal Finance Bank; and authorizes an additional $10 billion in mortgage credit;

Includes provisions for housing rehabilitation and repair; continues the section 312 rehabilitation loan program through August 1976 at an authorized level of $100 million; and

Extends by 7 months, the time period during which certain purchasers of older innercity housing insured by FHA can apply for compensation for correcting serious defects that were not detected at the time of purchase. H.R. 5398. Public Law 94–50, approved July 2, 1975. (255)

Emergency middle-income housing.—Authorizes emergency Federal assistance to stimulate housing construction, to increase employment and to provide critically needed housing for families now priced out of the housing market;

In title I, establishes a temporary emergency program in order to increase the present low level of housing starts and create jobs; gives homebuyers whose family income does not exceed 120 percent of the median income of their area three options to assist them in buying a home: (1) a 6 percent mortgage loan which will gradually increase to the market rate after 3 years; (2) a 7 percent mortgage for the life of the contract; or (3) a $1,000 cash grant to be used to defray the downpayment expenses on a newly constructed house; provides that no new commitment or contract for assistance can be entered into after June 30, 1976;

In title II, authorizes $500 million to the Secretary of Housing and Urban Development to make repayable, emergency mortgage relief payments up to $250 per month for a period of no longer than 2 years on behalf of homeowners who are delinquent in their mortgage payments as a result of a substantially reduced income because of involuntary unemployment or underemployment;

In title III, contains miscellaneous provisions extending the section 312 rehabilitation loan program until August 22, 1977 and authorizing therefore $35 million for each of the two years; increasing the setaside of contract authority for projects to be owned by public housing agencies from $150 million to $300 million; extending the section 235 homeownership assistance program until July 1, 1977; extending by seven months the period during which owners of FHA-insured houses which have serious structural defects can request assistance from HUD to repair defects; extending until January 1, 1976 the date after which Federal financial assistance will be denied to flood-prone areas unless the community is participating in the National Flood Insurance Program; and contains other provisions. H.R. 4485. Vetoed June 24, 1975. House sustained veto June 25, 1975. (144, 221)

Home mortgage disclosure.—Extends until March 1, 1977, Regulation Q which term refers to the authority by which Federal financial regulatory agencies set interest rate ceilings on deposits in financial institutions under their respective jurisdictions; provides that any lessening of the interest rate differential for deposits in various thrift institutions must be approved by concurrent resolution of the House and Senate;

Contains provisions, effective for 3 years, to enable consumers to compare the lending record of different banks and thrift institutions in local communities and to create greater awareness by municipal governments of the effects of local lending patterns on homeownership and neighborhood preservation, and possibly to encourage reinvestment in areas formerly "red-lined" (areas marked as less desirable for investment because of their age, racial or ethnic make-up or income level);

Requires mortgage lenders to disclose by census tract where readily available or by ZIP code area the number and dollar amounts of mortgage loans originated by that institution during the previous fiscal year, as well as the total number and dollar amount of all such loans outstanding as of the close of the fiscal year; requires that the disclosure statement also disclose the breakdown between loans to owner-occupied versus absentee-owned housing and the number and dollar amount of home improvement loans; applies these requirements only to lenders within standard metropolitan statistical areas (SMSA) but requires lenders within an SMSA to disclose any loans outside that SMSA; exempts lending institutions with assets of $10 million or less;

Provides that the Federal Reserve Board shall write the overall regulations for implementation of the act, and that each bank supervisory agency shall regulate institutions under its usual jurisdiction; requires the Board to carry out a 3-year study of the legislation and to provide recommendations for additional disclosure, if any; and provides that the Board shall exempt any State-chartered institution located within a State that has adopted similar or more stringent disclosure requirements. S. 1281. Public Law 94– , approved 1975. (382)

Mobile-home loans.—Increases the ceiling for mobile-home loans which the Secretary of Housing and Urban Development is authorized to insure under title I of the National Housing Act from $10,000 to $12,500 for a new mobile home and from $15,000 to $20,000 for a mobile home composed of two or more modules;

Authorizes special capital grant assistance for the Kendall Square Urban Renewal Project in Cambridge, Massachusetts, in excess of the two-thirds project costs limit under the Housing Act of 1949, as amended, because of certain extraordinary circumstances which have delayed completion of the project;

Extends the emergency implementation provisions of the National Flood Insurance Act of 1968, as amended, for 1 year, from December 31, 1975, to December 31, 1976, to insure the continued availability of federally subsidized flood insurance to communities who have not yet completed their required eligibility studies;

Authorizes the Secretary of Housing and Urban Development to deal with insurance of mortgages in FHA programs on a 75 percent basis instead of the present 45 percent except for the section 8 program which deals with cost limits on a prototype basis; and

Makes technical amendments to section 221(f) of the National Housing Act by striking certain occupancy limitations. S. 848. Public Law 94– , approved 1975. (390)

Real estate settlement procedures.—Amends the Real Estate Settlement procedures Act (P.L. 93–533) to require a 1 day instead of a 12 day advanced disclosure of settlement costs by lenders; repeals the requirement for disclosure of the previous selling price of real property, and amends section 121(c) of the Truth in Lending Act to require disclosure of costs at or before the time a lender makes a written commitment with respect to a consumer credit transaction involving real property to be used as the principal residence of the buyer. S. 2327, P/S Oct. 9, 1975; P/H amended Nov. 17, 1975; Senate agreed to House amendment with amendment December 8, 1975; in conference. (VV)

Variable interest rate mortgages.—States the sense of the Congress that the Federal Home Loan Bank Board shall refrain from authorizing, by rule, regulation, or otherwise, a Federal savings and loan association to offer loans with variable interest rates and

secured by one-to-four family homes or dwelling units unless Congress specifically, by law, authorizes such variable interest rates. S. Con. Res. 45. Senate adopted June 16, 1975. (VV)

INDIANS

American Indian Policy Review Commission.—Authorizes the American Indian Policy Review Commission to accept and use donations of money, property, and uncompensated services from Government and private sources and to procure the temporary or intermittent services of experts and consultants at a rate of compensation not in excess of that paid to employees of the Senate; authorizes the reimbursement for travel, subsistence, and other necessary expenses incurred by a person providing voluntary and uncompensated services in the performance of their service; and permits the Commission to use the frank of any member of Congress who is serving as Chairman of the Commission for mailing materials. S. 2073. Public Law 94–80, approved August 9, 1975. (VV)

Indian Claims Commission.—Authorizes $1,550,000 for fiscal year 1976 for the Indian Claims Commission; extends the life of the Commission for an additional 3 years, from April 10, 1977 to April 10, 1980; and provides that cases still pending upon the expiration date of the Commission shall be turned over to the Court of Claims for final adjudication. H.R. 3979. P/H June 16, 1976; P/S amended August 1, 1975; In conference. (VV)

Indian health care.—Provides the direction and financial resources to overcome the inadequacies in the existing Federal Indian health care program and invite the greatest possible participation of Indians and Alaska Natives in directing and managing that program;

Establishes, in title I, the Indian Health Manpower Program and authorizes: a grant program to recruit and aid Indians in pursuing health careers; a preparatory scholarship program for the final two academic years of any pre-professional health education curriculum; a health professions scholarship program; a program to facilitate employment by the Indian Health Service (IHS) of medical students to further expand their opportunities for training; education and training programs in environmental health, health education, and nutrition; and a continuing education allowances program, for the purpose of assuring an adequate health manpower base for proper Indian health services and a sufficient cadre of Indian professional and health workers to permit Indian communities to have a maximum voice in shaping those services;

Provides, in title II, for a planned growth of the Indian Health Service's delivery system and facilities and authorizes funds to remove the backlogs in direct patient care and dental care, improve field health services, mental health care and a services, treatment centers for the children, and other unmet health needs;

Authorizes, in title III, funds for construction of modern, efficient hospitals and other health care facilities serving Indians where none exist and to renovate existing facilities, most of which are in a state of general deterioration and to remedy the lack of safe water and sanitary waste disposal facilities in the Indian environment;

Meets, in title IV, the problem of limited access by Indians to services supported by Medicare or Medicaid due to most Indians living on remote reservation lands, by authorizing payments under the two programs to be made to qualified Indian Health Service hospitals and long-term care facilities for services rendered to Medicare and Medicaid patients, and provides 100 percent Federal Medicaid matching funds for services provided to any eligible Indian in an IHS facility;

Establishes, in title V, programs in urban areas to make health services more accessible to the urban Indian population and assist them in making the difficult transition from traditional reservation life to the urban world;

Authorizes a total of $1.6 billion for fiscal years 1977 through 1983; and changes the various Secretarial reporting requirements to assist Congress in undertaking a thorough review of all expenditures at the end of the third fiscal year in order to revise authorization levels if appropriate. S. 522. P/S May 16, 1975. (VV)

Klamath Indian land—Colonial Williamsburg.—Gives tribal members receiving moneys from gains from the sale of lands in trust the same exclusion from Federal taxation as was afforded to tribal members who withdrew from the tribe in 1959 and received tax free cash payments for their interests; and amends the Internal Revenue Code to add a provision affecting the situation of Colonial Williamsburg, a tax-exempt foundation, which provides the same treatment regarding depreciation recapture to a tax-exempt organization as to a taxable organization where assets are received through liquidation of a subsidiary and are used in an unrelated taxable trade or business. H.R. 83. Public Law 94–81, approved August 9, 1975. (VV)

Pueblo of Laguna.—Declares that 480 acres of land used for cattle grazing by the Pueblo of Laguna Indians be held in trust for the tribe by the United States, and provides for the trust transfer of 39.9 acres of land which was omitted from other lands transferred to the Pueblo pursuant to the Act of August 13, 1949. S. 557. Public Law 94–115, approved Oct. 17, 1975. (VV)

Pueblo Tribe, New Mexico.—Repeals a 1926 statute which subjects Pueblo tribal lands to condemnation pursuant to State law. S. 217 P/S May 21, 1975. (VV)

Submarginal lands.—Provides for the trust transfer of submarginal lands in certain specified projects, including all surface and subsurface mineral interests, to the affected Indian tribes or communities. S. 1327. Public Law 94–114, approved Oct. 17, 1975. (VV)

INTERNATIONAL

Agricultural commodity trade negotiations.—States the sense of the Senate that the Secretary of Agriculture shall serve as a principal representative of the United States Government with respect to all negotiations with foreign governments concerning the exportation or importation of agricultural commodities, and that any agreements or understandings with foreign governments regarding such exports or imports shall be submitted to the Senate Committee on Agriculture and Forestry. S. Res. 285. Senate adopted Oct. 20, 1975. (VV)

Arts and artifacts indemnity.—Allows the Federal Council on the Arts and the Humanities to make indemnity agreements against loss or damage of specified art works and artifacts brought into this country for exhibitions which are certified by the Department of State to be in the national interest; sets a ceiling of $250 million on the aggregate loss or damage covered by such agreements at any one time; and limits the indemnity, on any one exhibition to $50 million with the first $15,000 deductible. S. 1800. Public Law 94– , approved 1975. (VV)

Cambodia—food aid.—States as the sense of the Senate that 50 percent of the food commodities which the President has budgeted for Cambodia under title I of the Agricultural Trade Development and Assistance Act of 1954 which is delivered after the date this resolution is agreed to and prior to July 1, 1975, be made available for humanitarian purposes under Public Law 480 title II humanitarian grant assistance and be administered by voluntary agencies already established in Cambodia. S. Res. 94. Senate adopted Mar. 10, 1975. (VV)

Foreign aid authorization.—Authorizes $1,592,507,000 for fiscal year 1976 and $1,313 million for fiscal year 1977 for international disaster assistance, food aid to poor countries and development assistance;

Consolidates, under title I, disaster relief authorities in recognition of the need for improved coordination of response to natural disasters, and provides for a Presidentially appointed Special Coordinator whose responsibilities would include research, contingency planning and the coordination of disaster relief; includes an authorization of $5 million for the African Sahel to assist in recovering from the recent drought;

Amends, in title II and II, the Agricultural Trade Development and Assistance Act, the Public Law 480 food for peace program; provides new guidelines for overseas operation to help meet urgent food needs abroad and to promote agricultural production in poor countries, which includes the giving of priority consideration to the requirements of countries most seriously affected by food shortages and which are unable to meet those requirements through normal commercial purchases; authorizes the President to credit, or grant back, up to 15 percent of all title I loan repayment obligations if the proceeds from sales by the recipient government are used for certain self-help purposes; provides more general authority for the President to waive the prohibition of title I sales to countries trading with Cuba or North Vietnam; establishes, to assure continuity, a minimum volume of food assistance to be distributed under the Public Law 480 title II donation program of 1.3 million metric tons, of which a minimum of 1 million metric tons would be distributed through nonprofit voluntary agencies and the World Food program; adds new provisions to increase the participation of the land-grant colleges and other universities and colleges in solving the food, agriculture, and nutrition problems of the developing world;

Updates the fiscal year 1975 congressional directive allocating Public Law 480 title I food aid sales between humanitarian and political purposes to require that a minimum of 75 percent of the aid must be allocated to countries most seriously affected by food problems, using a $300 or less per capita gross national product under World Bank figures as a standard unless the President certifies, and neither House of Congress disapproves, that the food is otherwise needed for humanitarian purposes; authorizes the President to seek international agreement, subject to congressional approval, for a system of food reserves to meet food shortage emergencies and provide insurance against unexpected shortfalls in food production; and requires a report from the President on the implementation of the recommendations of the World Food Conference;

Continues, in title III, emphasis upon efforts focused on critical functional problems in the less developed countries such as food production, nutrition and rural development, population planning and health, and education, public administration and human resource development; supports various assistance activities in the food and nutrition field, including an authorization of $200 million for the proposed International Fund for Agricultural Development, assistance to famine areas, agricultural research and others; and

Contains other provisions, including the prohibition of development aid to a country with a pattern of violating human rights unless it is determined that the aid will benefit needy peoples, and the requirement of

congressional approval of any settlement of a debt owed the United States in an amount less than its face value. H.R. 9005. Public Law 94– , approved 1975. (467)

Israel.—Expresses the displeasure of the Senate with respect to the attempts by some of the nonaligned Third World nations to expel Israel from membership in the United Nations and states the Senate's intent to review all present United States commitments to the Third World nations involved in the event of Israel's expulsion as well as its continued membership in the United Nations. S. Res. 214. Senate adopted June 18, 1975. (VV)

Japan-United States Friendship Trust Fund.—Creates a Japan-U.S. Friendship Trust Fund to support a variety of mutual educational and cultural studies, facilities, exchanges, and other activities between Japan and the U.S.; authorizes therefor the transfer of 7.5 percent of the proceeds of the Okinawa Reversion Agreement and those funds available in U.S. accounts in Japan pursuant to the agreement with Japan regarding the Settlement of Postwar Economic Assistance to Japan including the interest accruing to the G.A.R.I.O.A. (Government and Relief in Occupied Areas) account; and establishes a Commission to administer the program. S. 824. Public Law 94–118, approved Oct. 20, 1975. (VV)

Lebanese conflict.—Deplores the current violence taking place in Lebanon; states as the sense of the Senate that any unilateral, uninvited intervention of any nation or armed force in the current conflict is viewed with disfavor; deplores the shipment of arms and continued encouragement of the conflict by external forces; states U.S. support for all efforts to resolve the internal conflict and achieve a return to normalcy through peaceful negotiations and the Lebanese political process; and states that the United States should provide, through the United Nations, on request from the Government of Lebanon to further the cause of peace, humanity and stability in the area. S. Res. 293. Senate adopted Nov. 4, 1975. (VV)

Magna Carta.—Expresses appreciation to the United Kingdom for the loan to the United States of the Magna Carta for the Bicentennial celebration and directs the Architect of the Capitol to make the necessary arrangements for display of the document in the rotunda of the Capitol. H. Con. Res. 458. House adopted Oct. 22, 1976; Senate adopted Oct. 23, 1975 (VV)

MIA's in Southeast Asia.—States as the sense of the Senate that the President, when he visits China, should request that appropriate Chinese officials use their good offices to obtain a full and complete accounting of members of the United States Armed Forces and civilians missing in action or held as prisoners of war in Southeast Asia. S. Res. 251. Senate adopted Nov. 19, 1975. (VV)

Middle East dispute.—Endorses the efforts of and commends the Secretary of State and the President in trying to achieve a peaceful resolution of the Middle East disputes and urges the Secretary to continue to use his good auspices to help the parties in dispute abandon intransigence and see the wisdom of these objectives. S. Res. 119. Senate adopted Mar. 24, 1975. (VV)

Nuclear materials safeguards.—States the sense of the Senate that the President should seek (1) international consideration to strengthen the effectiveness of the International Atomic Energy Agency's safeguards on peaceful nuclear activities as well as cooperation with other nuclear suppliers to insure that safeguards are applied to the transfer of nuclear equipment and technology to prevent the proliferation of nuclear explosive capability; (2) a cooperative international effort to strengthen and improve the scope, comprehensiveness, and effectiveness of the safeguards to reduce 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; and (3) restraint in the transfer of nuclear technology by assuring that such equipment and technology are only transferred to other nations under safeguarded conditions so that the technology itself is not employed for the production of nuclear explosives. S. Res. 221. Senate adopted December 12, 1975. (VV)

Nuclear nonproliferation.—Endorses the purpose of the conference of parties in Geneva reviewing the operation of the Nuclear Nonproliferation Treaty to assure that its purposes and provisions are being realized and commends the President for his commitment to furthering the objectives of this Treaty. S. Res. 146. Senate adopted May 6, 1975. (VV)

Peace Corps authorization.—Authorizes $88,468,000 for fiscal year 1976 and $27,887,800 for the transition period July 1-September 30, 1976, to finance the operations of the Peace Corps plus an additional amount up to $1 million to cover increases in salary or other employee benefits authorized during this period; authorizes the transfer of $315,000 from Peace Corps funds to ACTION's readjustment allowance account in order to rectify an existing imbalance in that account for the period March 1, 1961 to February 28, 1973; prohibits sex discrimination with respect to enrollment, terms and conditions of service of volunteers; increases the readjustment allowance for all regular Peace Corps volunteers from $75 to $125 per month of service; and increases the stipend of the regular VISTA volunteer from $50 to $75 per month. H.R. 6334. Public Law 94–130, approved Nov. 14, 1975.

Romania—most favored nation status.—States the sense of the Senate that the President should certify to Congress that he will use his authority under the Trade Act of 1974 to terminate by Executive order most favored nation status to Romania if Romania engages in discriminatory emigration practices as detailed in sections 402 and 409 of the Trade Act. S. Res. 219. Senate adopted July 25, 1975. (VV)

Approves the extension of non-discriminatory treatment with respect to the products of the Social Republic Romania transmitted by the President to the Congress on April 25, 1975. S. Con. Res. 35. Senate adopted July 25, 1975; House adopted July 28, 1975. (330)

Sinai agreement.—Authorizes the President to implement the "United States proposal for the early-warning system in Sinai" provided that the U.S. civilian personnel to be assigned to the Sinai under the proposal shall be removed immediately in the event of an outbreak of hostilities between Egypt and Israel or if the Congress by concurrent resolution determines that their safety is jeopardized or that continuation of their role is no longer necessary;

Specifies that the U.S. civilian personnel participating in the system shall include only persons who have volunteered to participate;

Provides that so long as participation of U.S. civilian personnel continues the President shall submit written reports to the Congress periodically, but no less frequently than once every 6 months; and

States that the authority given by this joint resolution to the President does not signify approval of the Congress of any other agreement, understanding, or commitment made by the executive branch. H.J. Res. 683. Public Law 94–110, approved Oct. 13, 1975. (441)

Spanish-American relations.—States the sense of the Senate that His Majesty Juan Carlos I and the people of Spain should be assured that the United States desires political and economic progress in Spain under conditions of stability and justice and hopes for the early achievements of those goals. S. Res. 323. Senate adopted December 10, 1975. (VV)

State Department authorization.—Authorizes $869,931,000 for fiscal year 1976 for the State Department, for international organizations, conferences and commissions, for information and cultural exchange and other purposes; authorizes the establishment and maintenance of a $25 million Emergency Refugee and Migration Assistance Fund; declares the sense of Congress concerning criteria for the selection and confirmation of U.S. Ambassadors; amends the basic legislation of the Arms Control and Disarmament Agency to strengthen its role in U.S. Government arms control policymaking and negotiations; establishes a Foreign Service grievance system; requires the President to direct the U.S. Ambassador to the United Nations to insist that the U.N. take steps to obtain an accounting of members of the U.S. Armed Forces and U.S. civilians missing in action in Southeast Asia and requires the President to report to Congress within 6 months on the action taken by the U.N.; and contains other provisions. S. 1517. Public Law 94–141, approved November 29, 1975. (394)

Trade Protection.—States the sense of the Senate that the President's Special Representative for Trade Negotiations together with the appropriate officials of the Departments of State, Commerce, Treasury and Justice and in consultation with the Chairman of the Finance Committee and the congressional delegates for trade agreements should initiate negotiations within the framework of the current multilateral trade negotiations in Geneva and other negotiations pursuant to the Trade Act of 1974 to develop a code of international conduct together with specific trading obligations and suitable procedures for settling disputes, including sanctions for problems caused by nonparticipating nations, to eliminate the illegal and unethical practices which burden international trade; and states that the code of conduct and other obligation should become part of the international system of rules and obligations under the framework of the General Agreement on Tariffs and Trade and other international trade agreements negotiated under authority of the Trade Act of 1974. S. Res. 265. Senate adopted Nov. 12, 1975. (479)

TREATIES

Anti-Ballistic-Missile Protocol.—Amends the Anti-Ballistic-Missile (ABM) Treaty (Ex. L, 92d-2d) to limit to one the ABM deployment complexes that each side may have at any one time; provides that either side may exchange one deployment area for another after notifying the other side prior to starting construction with the provision that this right to exchange sites may be exercised only once; and provides that such notification may be given only during the year beginning October 3, 1977, or during any year which commences at 5-year intervals after October 3, 1977. Ex. I, 93d-2d. Resolution of ratification agreed to Nov. 10, 1975. (475)

Brazilian shrimp agreement.—Replaces the existing Agreement with Brazil Concerning Shrimp (Ex. P, 92d–2d); reduces from 160 to 120 the number of U.S.-flag vessels which may fish within a designated fishing area; increases from $200,000 to $361,000 per year the amount the U.S. must pay Brazil to exercise its enforcement responsibilities; increases from $100 to $500 the amount that the U.S. will be required to compensate Brazil for each day a U.S. shrimp vessel is under control of Brazilian enforcement authorities for a violation of the Agreement and imposes an additional charge of $200 for each day such vessels are so detained; limits the size of U.S. shrimp vessels to approximately 85 feet in length; provides for joint cooperation in the development of fishing industries and expansion of international trade of fishery

products; and requires duly appointed scientists to meet at least once a year for the purpose of exchanging scientific knowledge on shrimp stocks and fishing effort in the area of the Agreement. Ex. D, 94th-1st. Resolution of ratification agreed to Oct. 28, 1975. (457)

Extradition treaty with Australia.—Provides for the extradition of fugitives who have been charged with any of 29 specified offenses as well as other offenses extraditable under the extradition laws of Australia and which are felonies under laws of the United States; enables extradition to be granted in the case of a conspiracy to commit any of the specified or incorporated offenses; includes, in territorial jurisdiction, registered aircraft in flight (as defined in the 1963 Tokoyo Convention) and offenses committed outside the territory of either party if the offense would be punishable under the laws of both parties; specifies conditions under which extradition would not be granted such as if the offense has been barred by the lapse of time or is of a political nature; provides that if extradition is granted for an offense which is punishable by death in the requesting State but is not in the requested State, the latter may recommend imposition of a less severe punishment; provides a procedure where a person could be tried for a lessor offense than the one for which the request for extradition was based; specifies procedures to be followed in extradition proceedings; and contains other provisions. Ex. F, 93d-2d. Resolution of ratification agreed to December 1, 1975. (529)

Extradition Treaty with Canada.—Provides for the extradition of fugitives who have been charged with specified offenses including those relating to narcotics and aircraft hijacking; includes provisions for extradition for an attempt to commit, conspiracy to commit, or being party to any of the listed offenses; includes offenses committed outside the territory of either party if the offense would be punishable under the laws of both parties; specifies conditions under which extradition would not be granted such as if the offense has been barred by the lapse of time or is of a political nature; provides that extradition may be refused for an offense punishable by death in the requesting State but not in the requested State unless there is adequate assurance that such punishment will not be imposed; specifies procedures to be followed in extradition proceedings; and contains other provisions. Ex. G, 93d-2d. Resolution of ratification agreed to December 1, 1975. (530)

Intergovernmental Maritime Consultative Organization.—Amends the Convention on the Intergovernmental Maritime Consultative Organization to open participation on the Maritime Safety Committee to all members of the Intergovernmental Maritime Consultative Organization (IMCO); increases the membership on the Council from 18 to 24 members with the 6 additional members to be representative of states not elected under navigation; and alters the number of members required for a quorum to reflect the increased size of the Council. Ex. F, 94th-1st. Resolution of ratification agreed to Oct. 28, 1975. (458)

International Coffee Agreement.—Extends the International Coffee Organization through September 30, 1976, or up to 12 months beyond that date if a new coffee agreement has by then been negotiated and signed but has not yet entered into force because of the interval needed for ratification. Ex. B, 94th-1st. Resolution of ratification agreed to Oct. 28, 1975. (456)

International Office of Epizootics.—Established an International Information Office of Epizootics to report on the outbreak of animal diseases, provide an exchange of technical information on the control of animal diseases and provide uniform sanitary codes for the movement of livestock and other animals in international trade. Ex. M, 93d-2d. Resolution of ratification agreed to May 5, 1975. (162)

International Wheat Agreement.—Extends until June 30, 1976, the International Wheat Agreement consisting of (1) the Wheat Trade Convention an administrative body established to provide a mechanism for international cooperation in matters relating to the production and sale of wheat, and (2) the Food Aid Convention which commits its parties to provide minimum annual quantities of food aid to developing countries. Ex. C, 94th-1st. Resolution of ratification agreed to December 1, 1975. (531)

Prevention and punishment of crimes against internationally protected persons.—Creates a legal mechanism whereby persons alleged to have committed serious crimes against heads of state, ministers of foreign affairs, diplomats, an official of an international organization, or any member of their family will be prosecuted or extradited; and establishes a framework for international cooperation in the prevention and punishment of such crimes. Ex. L, 93d-2d. Resolution of ratification agreed to Oct. 28, 1975. (455)

Regulations for preventing collisions at sea.—Revises the 1960 regulations for preventing collisions at sea including the rules governing vessels in sight of one another, the conduct of vessels in restricted visibility, and sound and light signals; sets forth criteria for determining the appropriate safe speed which vessels must observe and prescribes the actions to be taken and the rules to be followed to foresee and avoid collisions with other vessels; specifies certain requirements for navigation in narrow channels; requires vessels to observe traffic separation schemes adopted by the Inter-Governmental Maritime Consultative Organization (IMCO); specifies the color, intensity, and configuration of lights or shapes to be displayed by the different types of vessels when engaged in various kinds of maneuvers or modes of operation; and prescribes certain sound or light signals to be transmitted by vessels which are in potentially hazardous circumstances or sailing maneuvers. Ex. W, 93d-1st. Resolution of ratification agreed to Oct. 28, 1975. (453)

Safety of life at sea.—Amends seven regulations contained in chapters II, III, IV, and V of the International Convention for the Safety of Life at Sea as follows: Redefines "incombustible materials" for fire protection to allow uniformity in the acceptance or rejection of construction materials; amends the regulation concerned with lifeboat construction and permits the government of the country in which a sign is registered discretion to approve a lifeboat design if it is satisfied that the craft has sufficient stability and freeboard when fully loaded; requires inflatable rafts to be drop tested from expected stowage heights and requires "float free" storage of such rafts; permits the placement of lifesaving appliances in the bow of the ship if placed in a sheltered position and meeting suitable design and placement precautions; permits the radio officer to interrupt the listening watch on the radiotelegraph distress frequency to carry out repairs on important ships' telecommunications equipment; contains more detailed requirements for the construction and operation of pilot ladders and mechanical pilot hoists; and replaces chapter VI dealing with the "carriage of grain" to provide safer methods of transporting grain in ships which have marginal stability while allowing ships more than adequate stability to carry grain without installation of unnecessary fittings. Ex. K, 93d-2d. Resolution of ratification agreed to Oct. 28, 1975. (454)

Tax Convention with Iceland.—Assures consistent tax treatment of foreign investment and follows the model tax convention of the Organization for Economic Cooperation and Development and other U.S. Tax Conventions (including those with Japan and Norway); includes the continental shelves for purposes of taxing income arising from the exploration and exploitation of natural resources; extends the reciprocal exemption for income from transportation by ship and aircraft to gains arising from their sale and to income derived from the use of containers; allows a deduction for dividends paid with respect to the income of a United States permanent establishment in Iceland; exempts income from interest, industrial and artistic royalties, and equipment rentals from tax unless connected with a permanent establishment in the source country; and contains other provisions, Ex. E, 94th-1st. Resolution of ratification agreed to Nov. 18, 1975.

Tax Convention with Poland.—Assures consistent tax treatment of foreign investment between the United States and Poland and follows the model tax convention of the Organization for Economic Cooperation and Development and other U.S. Tax Conventions (including those with Japan and Norway); includes the continental shelves for purposes of taxing income arising from the exploration and exploitation of natural resources; extends the reciprocal exemption for income from transportation by ship and aircraft to gains arising from their sale and to income derived from the use of containers; limits the tax on dividend income from direct investments to 5 percent and the tax on any other dividends to 15 percent; exempts interest income from tax unless it is connected with a permanent establishment in the country from which the interest is paid; limits income from royalties, including cultural and industrial royalties, to 10 percent; and contains other provisions. Ex. A, 94th-1st. Resolution of ratification agreed to Nov. 18, 1975. (502)

Tax Convention with Romania.—Assures consistent tax treatment of foreign investment between the United States and Romania and follows the model tax convention of the Organization for Economic Cooperation and Development and other U.S. Tax Conventions (including those with Japan and Norway); includes the continental shelves for purposes of taxing income arising from the exploration and exploitation of natural resources; extends the reciprocal exemption for income from transportation by ship and aircraft to gains arising from their sale and to income derived from the use of containers; limits to 10 percent the tax on income from dividends and on interest income except that interest paid in connection with indebtedness guaranteed, insured, or indirectly financed by one of the countries is exempt; limits the tax on income from cultural royalties (including films) to 10 percent and the tax on income from industrial royalties to 15 percent; provides that income from equipment rentals is subject to tax only if connected with a permanent establishment in the source country; exempts insurance or reinsurance premiums from any tax unless the premium is connected with a permanent establishment; and contains other provisions. Ex. B, 93d-2d. Resolution of ratification agreed to Nov. 18, 1975. (503)

Tax Convention with the Soviet Union.—Assures consistent tax treatment of foreign investment between the U.S. and the Soviet Union; exempts from tax in the source country income which a resident of one country derives from commercial activities in the country unless it is attributable to an office or other place of business that the resident has in the source country except for the following: (1) rentals or royalties for the use of patents, copyrights and equipment; (2) payment for engineering, architectural and other technical services; (3) interest on indebtedness in connection with the financing of trade between the two countries; (4) reinsurance premiums; and (5) income from

the sale of goods or services through a commission agent of independent status; includes the continental shelfs for purposes of taxing income arising from the exploration and exploitation of natural resources; exempts income and gains from shipping and air transportation and income from personal services if the individual is present in the host country for 183 days or less and will be exempt for longer periods if the individual falls into a specified category such as a teacher or student; prohibits one country from subjecting a citizen of the other country who is residing in the host country with a more burdensome tax than that imposed on residents of the host country; and contains other provisions. Ex. T, 93d–1st. Resolution of ratification agreed to December 12, 1975. (590)

Turkey—Military assistance.—Amends the Foreign Assistance Act of 1961—and related continuing resolutions (the terms of which have expired)—to make possible on a contingent basis the resumption of United States military assistance to Turkey, and to provide that the President shall make monthly reports to the Congress on progress toward the conclusion of a negotiated solution of the Cyprus conflict. S. 846. P/S May 19, 1975; House rejected July 23, 1975. (190)

Turkey—Military assistance; Board for International Broadcasting.—Authorizes the delivery to Turkey of approximately $185 million in defense articles which Turkey contracted for under the Foreign Military Sales Act prior to the start of the arms embargo on February 5, 1975; permits the issuance of licenses in connection with commercial sales; defers additional sales under the military sales program until enactment of authorizing legislation; requests the President to initiate discussions with Greece to determine the most urgent needs of Greece for economic and military assistance and requires a report by him to Congress within 60 days after enactment of this act on such discussions together with his recommendations for such assistance; requires a report from the President within 60 days on the progress made during this period toward the conclusion of a negotiated solution of the Cyprus conflict; requests the President to initiate discussion with Turkey concerning effective means of preventing the diversion of opium poppy into illicit channels; and

Authorizes $65,640,000 plus necessary amounts for statutory employee salary and benefits increases for the Board for International Broadcasting (Radio Free Europe and Radio Liberty) for fiscal year 1976. S. 2230. Public Law 94–104, approved Oct. 6, 1975. (373)

United Nations Peacekeeping Forces in Middle East.—Authorizes such appropriations as may be necessary for the payment of the United Nations peacekeeping forces in the Middle East for the period beginning October 25, 1974, and $5.7 million in supplemental payments for the period prior to October 25, 1974, to meet the U.S. share of peacekeeping expenses in excess of those originally anticipated. S. 818. Public Law 94–37, approved June 19, 1975. (VV)

United Nations Zionism Resolution.—Condemns the resolution adopted by the Third Committee of the United Nations General Assembly on October 17, 1975, which associates and equates Zionism with racism and racial discrimination and urges the United Nations General Assembly to disapprove the resolution when it is presented for a vote. S. Res. 288. Senate adopted Oct. 28, 1975. (VV)

Condemns the resolution adopted by the United Nations General Assembly on November 10, 1975 which encourages anti-Semitism by wrongly associating and equating Zionism with racism and racial discrimination thereby contradicting a fundamental purpose in its Charter; states Congressional opposition to any participation by the United States in the U.N. "Decade for Action to Combat Racism and Racial Discrimination" so long as that decade and program remain compromised by the resolution naming Zionism as one of the targets of that struggle; calls upon those concerned with the adherence of the United Nations to the purposes stated in its Charter to obtain reconsideration of the resolution to remove the subject of Zionism from the context of any programs or discussions focusing on racism or racial discrimination; and asks the Senate Committee on Foreign Relations and the House Committee on International Relations to begin hearings immediately for the purpose of reassessing further U.S. participation in the U.N. General Assembly. S. Con. Res. 73. Senate adopted Nov. 11, 1975. (VV)

United States-Soviet trade.—States the sense of the Senate that the President, during the negotiations on a multiyear agreement with the Soviet Union on the purchase of American grain, should attempt to negotiate an agreement whereby the Soviet Union would sell oil to the United States and that United States negotiators shall negotiate the purchase price for Soviet oil at a level which reflects the high value which it attaches to its grain resources. S. Res. 269. Senate adopted Oct. 2, 1975. (VV)

Vietnam and Cambodia—Humanitarian assistance.—Authorizes the President to use any noncommitted funds available for military assistance for South Vietnam and Cambodia for humanitarian assistance for South Vietnamese and Cambodian refugees. S. 1696. P/S May 8, 1975. (VV)

Vietnam—Assistance and evacuation.—Authorizes (1) the use of the armed forces, if the President determines such use is necessary, in the expeditious withdrawal of the remaining American citizens and dependents from South Vietnam and the withdrawal of such foreign nationals as may be brought out along with U.S. citizens and their dependents; (2) $177 million in unappropriated balances of previous authorizations for economic aid to Indochina which will be available for humanitarian assistance to and evacuation programs from South Vietnam; and (3) additional humanitarian assistance in South Vietnam in the amount of $150 million to be dispersed through international organizations and voluntary relief agencies to the extent feasible; requires a quarterly report from the President to the Congress regarding the amount and nature of assistance, the expected recipients, the organizations involved in the distribution and the means of distribution; and contains other provisions. H.R. 6096 (S. 1484). P/H Apr. 24, 1975; P/S amended Apr. 24, 1975; Senate agreed to conference report Apr. 25, 1975; House rejected conference report May 1, 1975. Note: (The conference report was rejected by the House because American evacuation of South Vietnam had been completed.) (145,152)

Vietnam—Peace negotiations.—Calls upon the President to request all Vietnamese parties to reopen discussion toward the implementation of the Agreement on Ending the War and Restoring Peace in Vietnam, to encourage those elements seeking a political settlement, and to make known that American assistance to all Vietnamese will depend on the degree of good faith efforts made by them to obtain a cease-fire and political solution to the conflict; and directs the President to report to the Senate, within 30 days on the steps he has taken. S. Res. 133. Senate adopted Apr. 21, 1975. (VV)

Vietnamese refugee aid authorization.—Authorizes $455 million, without fiscal year limitation, for assistance to and behalf of Cambodian and Vietnamese refugees utilizing procedures and administrative machinery established under the Migration and Refugee Assistance Act of 1962; requires the President to keep the appropriate committees of Congress fully and currently informed regarding the use of funds and the exercise of activities carried out pursuant to this act and requires submission of a plan for their resettlement or return, and further requires the President to submit periodic reports on the status of his efforts to retrieve all amounts previously authorized for assistance to South Vietnam and Cambodia excluding the $98 million allocated to the State Department for the movement of refugees. H.R. 6755. Public Law 94–23, approved May 23, 1975. (186)

Vietnamese refugees.—States as the sense of the Senate that State and local governments, with the assistance of voluntary and civic organizations, should join with the Federal Government in assuming responsibility for the sponsorship, resettlement and assimilation of Indochinese refugees into American communities. S. Res. 187. Senate adopted June 18, 1975. (VV)

Vietnamese refugees welcome.—Welcomes on behalf of the Senate the latest exiles to American shores—the refugees from South Vietnam and Cambodia. S. Res. 148. Senate adopted May 8, 1975. (168)

World Food Conference.—Endorses the World Food Conference of 1976 to be held in Ames, Iowa from June 27 through July 1, 1976, and commends the Iowa State University of Science and Technology for a humanitarian undertaking of international significance. S. Con. Res. 19. Senate adopted Apr. 25, 1975; House adopted June 17, 1975. (VV)

LABOR

Common situs picketing—Collective bargaining.—Amends the National Labor Relations Act to authorize common situs picketing at commercial and some residential construction sites of employers primarily engaged in the construction industry on the site; excludes from the scope of the bill work involving residential structures of three stories or less by employers who alone or with others, in the preceding year engaged in construction activity at a gross volume of up to $9.5 million, adjusted annually to reflect cost changes; excludes also work where State law requires the awarding of separate contracts for portions of the project; delays for one year the effective date of the act for construction projects valued at $5 million or less on which work had actively started on November 15, 1975, and for two years for projects valued over $5 million; requires at least 10 days advance notice by a labor organization of intent to engage in common situs picketing, which must be given to the unions, and employers at the site, to the national or international organization with which it is affiliated and to the National Construction Industry Collective Bargaining Committee, and requires an advance authorization of the intended picketing by the national or international union; authorizes expedited organizational elections by providing a maximum 14-day period for holding and certifying an election; does not make lawful any conduct which previously would have been an unfair labor practice by reasons other than the secondary boycott provisions of the prior law;

Creates a national framework to stabilize and improve the fragmented conditions of collective bargaining in the construction industry;

Establishes a Construction Industry Collective Bargaining Committee which is to be composed of 10 management representatives, 10 labor representatives, and up to 3 neutral members appointed by the President after consultation with the Director of the Federal Mediation and Conciliation Service as nonvoting ex officio members;

Requires a 60 day notice to the Committee before the termination or modification of collective bargaining agreements, including

those modifications permitted by any reopener provisions in an agreement; provides that the Committee may then take jurisdiction over the labor negotiations for the 60 day period plus a 30 day cooling off period if it determines that such action will meet one or more of the following criteria: facilitating collective bargaining, promoting construction industry stability, encouraging bargaining agreements with more appropriate expiration dates and geographic coverage, promoting practices consistent with apprentice training skill level differentials, and promoting voluntary procedures for dispute settlement; authorizes the Committee to take jurisdiction on its own initiative or at the request of an interested party;

Authorizes the Committee to assist the parties by referring the labor matter to a national craft board or to the national dispute procedures established by the appropriate branch of the construction industry, to meet with the parties, and to take other appropriate assistance action;

Provides that during the 90 day period no party to the agreement will be allowed to initiate or continue any work stoppage unless the Committee disaffirms its prior assertion of jurisdiction; requires, when the Committee has requested the participation of the appropriate national organization, that the national union approve agreements entered into or intended to be effective during or after the 90 day jurisdictional period unless the Committee waives this requirement;

And contains other provisions. H.R. 5900. Public Law 94– , approved 1975. (523, 591)

MEMORIALS, TRIBUTES, AND MEDALS

Aleksandr I. Solzhenitsyn.—Authorizes the President to declare by proclamation that Aleksandr I. Solzhenitsyn shall be an honorary citizen of the United States. S.J. Res. 36. P/S Mar 20, 1975. (VV)

American Revolution Bicentennial commemorative medals.—Authorizes the Secretary of the Treasury to strike and furnish to the American Revolution Bicentennial Administration a maximum of 25,000 medals commemorating up to 21 ethnic heroes of the American Revolution to be selected by the Bicentennial Administration. S. 371. P/S June 6, 1975. (VV)

Apollo-Soyuz test project.—Congratulates the National Aeronautics and Space Administration and the Soviet Academy of Sciences on the joint Apollo-Soyuz Test Project. S. Res. 222. Senate adopted July 26, 1975. (VV)

Armed Forces Bicentennial medals.—Authorizes the striking of medals in commemoration of the bicentennials of the U.S. Army, the U.S. Navy and the U.S. Marine Corps. H.R. 5708. Public Law 94–117, approved Oct. 17, 1975. (VV)

Bess Truman's birthday.—Extends best wishes to Elizabeth Wallace Truman on the occasion of her ninetieth birthday. S. Res. 65. Senate adopted Feb. 7, 1975. (VV)

Bob Hope.—Cites Bob Hope for distinguished and meritorious service to his Nation and to the cause of freedom upon the occasion of his 25th anniversary in television. S. Res. 282. Senate adopted Oct. 9, 1975. (VV)

Boy Scouts of America.—Pays tribute to the Boy Scouts of America on the occasion of its 65th anniversary. S. Con. Res. 6. Senate adopted Jan. 28, 1975. (VV)

Brig. Gen. Charles E. Yeager.—Authorizes the President to present, on behalf of the Congress, to Brigadier General Charles E. Yeager, U.S.A.F., an appropriate silver medal, equivalent to a noncombat Medal of Honor, for his contribution to aerospace science in piloting the XS–1 research airplane faster than the speed of sound on October 14, 1947. H.R. 8151. Public Law 94– , approved 1975. (VV)

Clinton P. Anderson, death of.—Expresses the sorrow of the Senate on the death of Clinton P. Anderson, a former Senator from the State of New Mexico. S. Res. 300. Senate adopted Nov. 12, 1975. (VV)

Emperor and Empress of Japan.—Extends to Their Majesties, the Emperor and Empress of Japan, a warm welcome and sincere good wishes from the American people on the occasion of their historic first visit to the United States. H. Con. Res. 402. House adopted Sept. 26, 1975; Senate adopted Sept. 29, 1975. (VV)

Father Marquette Memorial.—Provides for the establishment of the Father Marquette National Memorial at Saint Ignace, Michigan which is the site of a mission he established and the place of his burial in 1678, and authorizes therefor not to exceed $1 million. H.R. 2724. Public Law 94– , approved 1975. (VV)

George W. Andrews Forestry Sciences Laboratory presently under construction on the campus of Auburn University, Auburn, Alabama, as the "George W. Andrews Forestry Sciences Laboratory". H.R. 2343. Public Law 94–137, approved November 28, 1975. (VV)

Girl Scouts of America.—Pays tribute to the Girl Scouts of America on the occasion of the 63d anniversary of its founding. S. Con. Res. 22. Senate adopted Mar. 6, 1975. (VV)

International Ladies Garment Workers Union.—Commends the International Ladies Garment Workers on its 75th anniversary. S. Res. 194. Senate adopted June 25, 1975. (VV)

James R. Schlesinger.—Commends former Secretary of Defense James R. Schlesinger for his excellence in office, his intellectual honesty and personal integrity, and for his courage and independence. S. Res. 303. Senate adopted Nov. 18, 1975. (VV)

John C. Kluczynski Federal Building.—Designates a Federal office building in Chicago, Illinois as the "John C. Kluczynski Federal Building". H.R. 4241. Public Law 94–84, approved August 9, 1975. (VV)

Johnny Wooden.—Commends Johnny Wooden for his contribution to the youth of the U.S. during his years of coaching basketball. S. Res. 315. Senate adopted December 4, 1975. (VV)

King Faisal, death of.—Expresses the sorrow of the Senate upon the death of King Faisal of Saudi Arabia. S. Res. 120. Senate adopted Mar. 26, 1975. (VV)

Lester S. Jayson.—Expresses gratitude and appreciation to Lester S. Jayson for the long and outstanding service by him to the members and committees of the Senate in his capacity as Director of the Congressional Research Service, Library of Congress, and extends best wishes upon his retirement. S. Res. 284. Senate adopted Oct. 9, 1975. (VV)

Lyndon B. Johnson Memorial Grove.—Authorizes not to exceed $1 million to provide for pedestrian and vehicular access to the Lyndon Baines Johnson Memorial Grove located on the Potomac River in Washington, D.C. H.R. 9883. Public Law 94– , approved —— 1975. (VV)

Martin Luther King.—Commemorates the forty-sixth anniversary of the birth of the Reverend Doctor Martin Luther King, Jr., on January 15, 1929, and honors his contributions to the cause of social progress and economic justice for all Americans. S. Res. 14. Senate adopted Jan. 16, 1975. (VV)

Michigan and Kentucky Universities' football teams.—Commends the teams and coaches of the Northern Michigan University and the Western Kentucky University football teams and wishes them well in the national championship game. S. Res. 327. Senate adopted December 11, 1975. (VV)

101st Airborne Memorial.—Authorizes the One Hundred and First Airborne Division Association to erect a memorial in the District of Columbia in honor of the "Screaming Eagles" of the 101st Airborne Division, United States Army and requires approval of the Mayor if the selected site is under his jurisdiction. S. 1847. P/S December 1, 1975. (VV)

R. E. "Bob" Woodruff Lake.—Designates the Jones Bluff Lock and Dam on the Alabama River as the R. E. "Bob" Woodruff Lock and Dam. S. 2533. P/S December 1, 1975. (VV)

Rabbi Menachem Schneerson.—Congratulates Rabbi Menachem Schneerson on the observance of his twenty-fifth anniversary, January 22, 1975, as leader of the Movement of Lubavitch. S. Res. 22. Senate adopted Jan. 21, 1975. (VV)

Roy Wilkins.—Honors Roy Wilkins, Executive Director of the NAACP, on the occasion of his being named "American of the Year" by the American Religious Town Hall Meeting, Inc., in Dallas, Texas. S. Res. 35. Senate adopted Jan. 27, 1975. (VV)

Senator Morse's Home.—Expresses the sense of the Senate that the Secretary of the Interior assist the State of Oregon in the preservation and protection of the home of Senator Wayne Morse (a 26-acre ranch located in Eugene, Oregon) by making available to the State such assistance as may be available through programs under the administration of the Secretary. S. Res. 266. Senate adopted Sept. 26, 1975. (VV)

Tom Steed Reservoir.—Designates the Mountain Park Reservoir, Oklahoma, as the Tom Steed Reservoir. S. 1531. Public Law 94–77, approved August 9, 1975. (VV)

U.S. Flag display.—Provides that the American flag may be flown for 24 hours of each day in Valley Forge State Park, Valley Forge, Pa. S. J. Res. 98. Public Law 94–53, approved July 3, 1975. (VV)

Vietnam veterans.—Commends those Americans, living and dead, who participated in the Southeast Asian conflict and extends graditude to them and their families. S. Res. 171. Senate adopted May 22, 1975. (VV)

William James Durant.—Commemorates the 90th anniversary on November 5, 1975, of the birth of William James Durant and honors his contributions to the knowledge and understanding of mankind through history. S. Res. 294. Senate adopted Nov. 5, 1975. (VV)

World Series.—Wishes both the Boston Red Sox and Cincinnati Reds well in the forthcoming World Series. S. Res. 283. Senate adopted Oct. 9, 1975. (VV)

NATURAL RESOURCES—NATIONAL HISTORICAL SITES

American Falls Dam replacement.—Amends the Act authorizing the replacement of the American Falls dam through the use of non-Federal financing by the American Falls Reservoir District, Idaho to provide that the dam and related facilities constitute solely water facilities for purposes of section 103 of the Internal Revenue Code thus assuring that bonds issued by the reservoir district to finance such construction are tax exempt. S. 1152. P/S July 7, 1975. (VV)

Arkansas Post National Memorial Park.—Raises the authorization ceiling for the Arkansas Post National Memorial Park from $550,000 to $2,725,000. S. 1516. P/S Oct. 21, 1975. (VV)

Assateague Island National Seashore.—Amends the 1965 law which provided for the establishment of Assateague Island National Seashore in the States of Maryland and Virginia to repeal sections 7 and 9 mandating the construction of roads and overnight and other public accommodations on the island and authorizes the Secretary of the Interior to hold hearings and make payments to the County of Worcester, Maryland, on claims for compensation for damages or other losses incurred by the county as a result of the repeal of these sections. S. 82. P/S June 4, 1975. (VV)

Dickenson Dam.—Authorizes the Secretary of the Interior to modify the spillway of the Dickinson Dam, Dickinson Unit, Pick-Sloan Missouri Basin program, North Dakota, to in-

crease conservation storage and authorizes the construction of a new spillway to assure the safety of the dam from floods. S. 2089. P/S December 16, 1975. (VV)

Franklin D. Roosevelt National Historic Site.—Authorizes the acceptance of additional lands for the home of the Franklin D. Roosevelt National Historic Site in Hyde Park, New York and authorizes an additional amount, not to exceed $104,000, for development purposes. H.R. 2808. Public Law 94–19, approved Apr. 30, 1975. (VV)

Grand Canyon National Park.—Provides for a study of the enlarged Grand Canyon National Park for possible inclusion in the wilderness system pursuant to the provisions of the Wilderness Act. H.R. 4109. Public Law 94–31, approved June 10, 1975. (VV)

Guadalupe Mountains National Park.—Authorizes the exchange of certain lands within the Guadalupe Mountains National Park, Texas for other lands which will provide an improved access road to the McKittrick Canyon portion of the park. S. 313. Public Law 94– , approved 1975. (VV)

Hells Canyon National Recreation Area.—Establishes the Hells Canyon National Recreation Area in the States of Idaho, Oregon, and Washington to be comprised of an approximate 100 mile area with specified parts designated as recreational, scenic and wild; and deauthorizes the Asotin Dam which was authorized under the provisions of the Flood Control Act of 1962. S. 322. P/S June 2, 1975. (VV)

Indian Trails.—Provides for the study of the Indian Nations Trail in Oklahoma for possible designation as a National Trail under the National Trails System Act. S. 1123. P/S May 21, 1975. (VV)

Indoor recreation facilities.—Amends the Land and Water Conservation Fund Act by adding new authority which permits a State to use not more than 25 percent of its total annual allocation from the Fund for the planning and development of sheltered recreation facilities within specified areas thus permitting the enclosure of swimming pools, ice skating rinks, tennis courts, and similar outdoor facilities for year-round use where climate now controls the season or where there is a shortage of available land. S. 288. P/S May 21, 1975. (VV)

Klondike Gold Rush National Historic Park.—Authorizes the Secretary of the Interior to establish the Klondike Gold Rush National Historical Park, an area of approximately 13,271 acres consisting of the following four units: Pioneer Square, Seattle, Washington and the Skagway, Chilkoot Trail, and White Pass units in Alaska. S. 98. P/S June 4, 1975. (VV)

Land and Water Conservation Fund—National Historic Preservation—Oil shale revenues.—Amends the Land and Water Conservation Fund Act to increase from $300 million to $1 billion the minimum annual level of the Fund; raises from 7 to 10 percent the maximum percentage of allocated grant funds to which a State is entitled in any one year; changes the formula for land acquisition grant monies from 50–50 to 70–30; requires States to submit their Statewide plans to the areawide clearing house created under the Intergovernmental Cooperation Act for comment; provides that not to exceed 25 percent of a State's annual allocation shall be available for sheltered facilities; requires States to account for funds received on a project-by-project basis; clarifies the extent to which Land and Water Funds can be used to acquire land for endangered species or wildlife refuges;

Amends the National Historic Preservation Act of 1966 to change the formula for matching grants for planning, nationally significant properties, demonstration projects, and meeting houses from 50–50 to 70–30; repeals the 50 percent limit on planning; establishes a National Historic Preservation Fund and authorizes therefor $150 million per year over a 5-year period to carry out the purposes of the act;

Provides for Senate confirmation of future appointments to the office of: Director of the Bureau of Land Management, Director of the National Park Service, Director of the Bureau of Outdoor Recreation, Commissioner of Reclamation and Governor of American Samoa; and

Amends section 35 of the Mineral Leasing Act of 1920 to permit each State to use its share of oil shale revenues for planning, construction, and maintenance of public facilities and provisions of public services. S. 327. P/S Oct. 29, 1975 (VV)

McKay Dam.—Authorizes the Secretary of the Interior to increase the capacity of the spillway at the existing McKay Dam in north central Oregon as required for the safety of the structure and reauthorizes the project so as to include flood control, fish and wildlife and recreation as project functions. S. 2361. P/S December 16, 1975. (VV)

Nantucket Islands Trust.—Sets up a Federal-State-local partnership for land use planning, preservation, and conservation of the resources of the Nantucket Sounds Islands through a program of Federal grants; directs the Commonwealth of Massachusetts to establish the following three Commissions to protect and regulate the development of the islands: the Nantucket Trust Commission (Nantucket Islands—38,000 acres), the Martha's Vineyard Trust Commission (Martha's Vineyard—67,200 acres), and Elizabeth Island Trus Commission (Elizabteth Islands—8,300 acres); provides the Commission with guidelines and objectives for drawing up plans for the respective trust areas with land to be classified into the following three categories: (1) "Forever Wild"—land is to remain open, (2) "Resource Management Lands"—intensity of development is to be regulated by the Commission, and (3) "Town Zoned Lands"—lands remain subject to the local township zoning with Commission comment on local ordinances; requires approval by the Secretary of the Interior prior to providing any implementation grants; directs the Secretary to make implementation grants of up to $10 million to the Commissions upon verification that the plan will meet the objectives of the act, that there has been adequate opportunity for public comment, and that the local units of government designated in the plan to implement its provisions have the necessary authority and are willing to do so; authorizes the Secretary to seek injunctive relief against any public entity which violates the plan; and confers Federal recognition and extends Federal services to the Wamponoag Tribe of Gay Head Indians and confirms title to the Indian Common Lands on Martha's Vineyard. S. 67. P/S December 8, 1975. (VV)

National Trails studies

Dominguez-Escalante Trail.—Provides for the study of the Dominguez-Escalante Trail, which extends approximately 2,000 miles through the States of New Mexico, Colorado, Utah and Arizona, for possible designation as a National Trail under the National Trails System Act. S. 805. P/S Oct. 21, 1975. (VV)

Pacific Northwest Trail.—Provides for the study of the Pacific Northwest Trail, which extends approximately 1,000 miles through the States of Washington, Idaho and Montana, for possible designation as a National Trail under the National Trails System Act. S. 1390. P/S Oct. 21, 1975. (VV)

Polecat Bench area, Pick-Sloan Missouri Basin program.—Authorizes the construction, operation, and maintenance of the Polecat Bench area of the Shoshone extensions unit of the Pick-Sloan Missouri Basin program in northwest Wyoming. S. 151. P/S August 1, 1975. (VV)

Reclamation feasibility studies.—Authorizes the Secretary of the Interior to undertake feasibility investigations of twelve water and/or resource projects to permit the orderly continuation of the Bureau of Reclamation's program of investigations leading to recommendation for authorization of water and related development projects. H.R. 6669. Public Law 94–156, approved December 16, 1975. (VV)

Reclamation loan projects.—Amends the Rehabilitation and Betterment Act of 1949 to provide that organizations concerned with projects constructed under the terms of the Small Reclamation Projects Act, as amended, may be eligible and apply for loans in accordance with the Rehabilitation and Betterment Act of 1949 with repayment subject to the terms of the Small Reclamation Projects Act. H.R. 543. Public Law 94–102, approved Oct. 3, 1975. (VV)

Reclamation projects: Amends the Small Reclamation Projects Act of 1956, as amended, to increase the authorizations to meet increased construction costs due to inflation and authorizes the use of program funds for the purchase of existing project related facilities. H.R. 6874. Public Law 94– , approved 1975. (VV)

River basin monetary authorizations: Provides increased monetary authorizations of $186 million for fiscal year 1976 and the transition period July 1–September 30, 1976 for continuation of activities on four river basin plans (Arkansas River Basin—$4 million, Mississippi River Branch—$158 million, North Branch Susquehanna River Basin—$22 million, and Santa Ana River Basin—$2 million) for flood control, navigation, power, and related purposes under the jurisdiction of the Secretary of the Army and the Chief of Engineers. S. 2270. Public Law 94–101, approved Oct. 2, 1975. (VV)

Saline water authorization: Authorizes $4.1 million for fiscal year 1976 for the Federal saline water conversion program conducted by the Secretary of the Interior including $250,000 for completion of research on the freeze crystallization process of water purification which was developed as an advanced water desalinization process. H.R. 3109. Public Law 94–38, approved June 19, 1975. (VV)

Touchet Division, Walla Walla project.—Authorizes $22,774,000 plus such additional amounts as may be necessary to operate and maintain the Touchet Division, Walla Walla project, in the States of Oregon and Washington. S. 1922. P/S October 9, 1975; P/H amended December 16, 1975. (VV)

Volunteers in the parks.—Increases the annual authorization for the Volunteers in the Parks Program from $100,000 to $250,000. S. 896. Public Law 94–128, approved Nov. 13, 1975. (VV)

Water resources planning.—Amends the Water Resources Planning Act to extend the authority for financial grants to States for water resources planning; increases the rate of compensation for experts and consultants to the Water Resources Council and River Basin Commissions; provides authorizations for preparation of a national assessment and for regional and river basin plans; and revises the membership of the Water Resources Council. H.R. 5952. Public Law 94–112, approved Oct. 16, 1975. (VV)

Wild and scenic rivers

Missouri River.—Designates a 149 mile segment of the Missouri River in the State of Montana as a component of the National Wild and Scenic Rivers System. S. 1506. P/S December 4, 1975. (VV)

Wild and scenic rivers studies

Allegheny River.—Designates a 128 mile segment of the Allegheny River in the State of Pennsylvania for study for possible inclusion in the National Wild and Scenic Rivers System. S. 1004. P/S August 1, 1975 (VV)

Housatonic River.—Designates a segment of the Housatonic River in the State of Connecticut for study for possible inclu-

sion in the National Wild and Scenic Rivers System. S. 10. P/S August 1, 1975. (VV)

Wilderness areas

Bristol Cliffs wilderness.—Modifies the boundaries of the Bristol Cliffs Wilderness Area, located in the Green Mountain National Forest, Vermont, by eliminating all privately owned lands and approximately 720 acres of noncontiguous National Forest lands thus reducing the size of the area from 6,500 acres to 3,775 acres. S. 2308. P/S Oct. 8, 1975. (VV)

Eagles Nest wilderness.—Designates a 128,-084 acre area in the Arapaho and White River National Forests, Colorado as the Eagles Nest Wilderness. S. 268. P/S June 5, 1975. (VV)

Flat Tops wilderness.—Designates a 235,230 acre area in the Routt and White River National Forests, Colorado, as the Flat Tops Wilderness. S. 267. Public Law 94–146, approved December 12, 1975. (VV)

Sheep Mountain wilderness.—Designates a 52,000 acre area in the Angeles and San Bernardino National Forests as the Sheep Mountain Wilderness. S. 74. P/S August 1, 1975. (VV)

Wilderness areas studies

Great Bear wilderness.—Designates an approximate 378,000 acre area in the Flathead and Lewis and Clark National Forest in Montana known as the "Great Bear Wilderness" for study for possible inclusion in the National Wilderness Preservation System; directs the Forest Service to make resource data available to the Blackfeet Indian tribe which holds Treaty rights to approximately 20,000 of the acres included in the study; and directs the Secretary of Agriculture, in consultation with the Secretary of the Interior, to pursue a program to permit the Tribe to obtain rights of concomitant value on land outside the study area or to otherwise release the 20,000 acres of land from these asserted rights in a manner satisfactory to the Tribe. S. 392. P/S December 17, 1975. (VV)

Snow Mountain defacto wilderness.—Designates an approximate 37,000 acre area in the Mendocino National Forest, California, known as the "Snow Mountain Defacto Wilderness Area" for study for possible inclusion in the National Wilderness Preservation System. S. 1391. P/S August 1, 1975. (VV)

NOMINATIONS

(Action by rollcall vote)

Alexander P. Butterfield to retired list U.S.A.F.—Authorizes the President to appoint Alexander P. Butterfield (formerly a retired colonel, United States Air Force, until he resigned his commission in order to meet the eligibility requirements that the Administrator of the Federal Aviation Administration be a civilian at the time of his nomination) to the grade of colonel on the retired list of the Regular Air Force with pay and other benefits based on a retirement date of February 1, 1969. S. 182. Senate rejected May 20, 1975. (193)

Stanley K. Hathaway, of Wyoming, to be Secretary of Interior.—Nomination confirmed June 11, 1975. (220)

Carla Anderson Hills, of California, to be Secretary of Housing and Urban Development.—Nomination confirmed Mar. 5, 1975. (44)

Thomas J. Meskill, of Connecticut, to be U.S. Circuit Judge for the Second Circuit.—Nomination confirmed Apr. 22, 1975. (141)

Donald Rumsfeld, of Illinois, to be Secretary of Defense.—Nomination confirmed Nov. 18, 1975. (497)

Earl J. Silbert, of the District of Columbia, to be U.S. Attorney for the District of Columbia.—Nomination confirmed Oct. 8, 1975. (430)

Major General Alton D. Slay to be Lieutenant General, U.S.A.F.—Nomination confirmed Oct. 28, 1975. (459)

John Paul Stevens, of Illinois, to be an Associate Justice of the Supreme Court.—Nomination confirmed December 17, 1975. (603)

PROCLAMATIONS

American Business Day.—Designates May 13 of each year as "American Business Day". S.J. Res. 15. P/S Mar. 20, 1975. (VV)

American Institute of Banking Week.—Proclaims the week of May 25 to 31, 1975, as "National American Institute of Banking Week". S.J. Res. 58. P/S Apr. 18, 1975. (VV)

Buchenwald Concentration Camp.—Proclaims April 6, 1975, as a day of observance of the liberation of the survivors of the Buchenwald concentration camp. S.J. Res. 56. P/S Mar. 20, 1975. (VV)

Proclaims April 6, 1975, as a day of observance of the liberation of the survivors of the Buchenwald concentration camp. S. Res. 123. Senate adopted Mar. 26, 1975. (VV)

Car Care Month.—Designates May 1975 as "National Car Care Month". S.J. Res. 57. P/S Mar. 20, 1975. (VV)

Child Abuse Awareness Week.—Designates the period of January 9 through January 15, 1975, as "National Child Abuse Awareness Week". S. Res. 43. Senate adopted Feb. 3, 1975.(VV)

Earth Day.—Designates March 21, 1975, as "Earth Day". H.J. Res. 258. Public Law 99. P/S Oct. 9, 1975. (VV)

Energy Conservation Month.—Declares the period from February 16 to March 15, 1975, as "Energy Conservation Month"; requests the President to report to Congress by March 31, 1975, on the steps taken to promote energy conservation and their results and on any recommendations for legislation necessary to implement a continuing program of energy conservation; and requests the President to report monthly to the American people and Congress on the status of energy conservation initiatives and their effectiveness, domestic energy supplies and shortages, energy imports and the impact of available supplies or shortages on the economy of and employment in the United States. S. Res. 59. Senate adopted Feb. 5, 1975. (VV)

Family Week.—Designates the fourth week in November containing the Thanksgiving Holiday as "National Family Week". S.J. Res. 101. P/S Oct. 20, 1975. (VV)

Good Neighbor Day.—Designates the fourth Sunday in September of each year as "Good Neighbor Day". S.J. Res. 128. P/S Sept. 17, 1975.

Haym Salomon Day.—Designates January 4, 1976, as "Haym Salomon Day". S.J. Res. 99. P/S Oct. 9, 1975. (VV)

Historic Preservation Week.—Designates the week beginning May 12, 1975, as "National Historic Preservation Week." H.J. Res. 242. Public Law 94–21, approved May 9, 1975. (VV)

Hobby Month.—Designates October 1975 as "Hobby Month." S.J. Res. 84. P/S June 19, 1975. (VV)

Honor America.—Declares the 21 days from Flag Day through Independence Day as a period to honor America. S.J. Res. 92. Public Law 94–33, approved June 13, 1975. (VV)

Hunting and Fishing Day.—Designates the fourth Saturday of September 1975, as "National Hunting and Fishing Day." S.J. Res. 34. Public Law 94–96, approved Sept. 18, 1975. (VV)

Indian Day.—Designates September 28, 1975, as "National Indian Day." S.J. Res. 44. P/S May 8, 1975. (VV)

Japan-U.S. Friendship Days.—Designates September 30 to October 13, 1975, as "Japan-United States Friendship Days." S. Res. 270. Senate adopted Sept. 29, 1975. (VV)

Marine Corps birthday.—Designates November 10, 1975 in commemoration of the 200th anniversary of the founding of the U.S. Marine Corps. S.J. Res. 144. P/S Nov. 10, 1975. (VV)

Music in our Schools Day.—Designates March 13, 1975, as "Music in Our Schools Day." S.J. Res. 18. P/S Feb. 19, 1975. (VV)

Newspaper Week.—Designates October 5 through 11, 1975, as "Newspaper Week." S.J. Res. 46. P/S May 8, 1975. (VV)

Newspaper Carrier Day.—Designates October 11, 1975, as "Newspaper Carrier Day." S.J. Res. 46. P/S May 8, 1975. (VV)

Norwegian-American Day.—Designates October 9, 1975, as "Norwegian-American Day". S. Res. 135. Senate adopted June 19, 1975. (VV)

Saint Elizabeth Seton Day.—Designates Sunday, September 14, 1975, as "National Saint Elizabeth Seton Day". S.J. Res. 125. Public Law 94–95, approved Sept. 11, 1975. (VV)

Shut-In Day.—Designates the first Sunday in June 1975, as "National Shut-In Day". S.J. Res. 79. P/S May 8, 1975. (VV)

Ski Week.—Designates the first Tuesday in January of every year as "National Ski Week." S.J. Res. 90. P/S Sept. 25, 1975. (VV)

Space observance.—Designates the period of July 16 through the 22 as "United States Space Observance". S. Con. Res. 47. Senate adopted July 11, 1975. (VV)

Youth Art Month.—Designates March 1975 as "Youth Art Month". S.J. Res. 8. P/S Feb. 19, 1975. (VV)

SENATE

Cloture rule.—Amends rule XXII (cloture) of the Standing Rules of the Senate to change from two-thirds present and voting to a constitutional three-fifths of the membership (or 60 Senators) the number of Senators required to vote for ending debate except on a measure or motion to amend the Senate rules, which shall require an affirmative vote by two-thirds of the Senators present and voting. S. Res. 4. Senate adopted Mar. 7, 1975. (55)

Commission on the Operation of the Senate.—Establishes a Commission to make an independent, impartial overall study of the organization and operation of the Senate including (1) the functioning of Members, officers, and employees in the light of the responsibilities of the Senate in the area of law-making, representation, and over-sight, (2) conflicts in the programming of business, (3) office accommodations and facilities, (4) information resources, and (5) internal management administrative support structure; does not include within the purview of the Commission an examination of the question of the jurisdictions of the committees over subject matter; provides for the appointment of 9 Commissioners from private life and 2 *ex officio* non-voting Commissioners who are presently officers or employees of the Senate; requires an interim report by March 31, 1976 and a final report, together with its findings and recommendations, by September 30, 1976. S. Res. 277. Senate adopted July 29, 1975. (VV)

Provides that any member of the Commission on the Operation of the Senate who is an officer or employee of the United States shall serve without additional compensation but shall be entitled to reimbursement for travel expenses and to receive a per diem in lieu of subsistence, at the same rate as other members of the Commission. S. Res. 286. Senate adopted Oct. 20, 1975. (VV)

Committee expenses.—Continues through May 31, 1975, the authority of Senate Committees to pay employees and make expenditures for inquiries and investigations. S. Res. 111. Senate adopted Mar. 17, 1975. (VV)

Continues through July 31, 1975, the authority of the Senate committees to pay employees and make expenditures for inquiries and investigations. S. Res. 191. Senate adopted June 23, 1975. (VV)

Continues through July 31, 1975, the authority of the Senate Committees to pay employees and make expenditures for inquiries and investigations. S. Res. 207. Senate adopted July 15, 1975. (VV)

Committee staffing.—Amends Senate Rule XXV to authorize each Senator to employ personal staff persons to assist in committee duties; allows funds for this purpose in an amount equivalent to that for three professional positions—two for all standing committees except for the District of Columbia, Post Office and Civil Service, Rules and Administration and Veterans' Affairs Committees, and allows one position for these four standing committees and select, special, and joint committees; provides that a Senator who serves on three of the standing committees in the category for which two positions are provided and who does not serve on any of the other standing committees for which one position is provided may use all three positions for his standing committees; and offsets the number of positions allowed by the number of present employees allocated to a Senator. S. Res. 60. Senate adopted June 12, 1975. (225)

Amends S. Res. 60, to direct the Secretary of the Senate to make available for public inspection names and total aggregate compensation of any professional staff appointed to assist Senators in connection with their committee responsibilities. S. Res. 182. Senate adopted June 13, 1975. (VV)

Floor privileges.—Amends rule XXXIII of the Standing Rules of the Senate to extend privileges of the Senate floor to the Parliamentarian Emeritus of the Senate. S. Res. 196. Senate adopted July 10, 1975. (VV)

Government intelligence.—States as the sense of the Senate that the Senate should consider, after proper committee review, all legislative proposals to study government operations with respect to intelligence activities, improve existing or create additional mechanisms to provide continuing congressional oversight of the such activities, and act upon any proposals by March 1, 1976; and further states that the Senate should pass by June 1, 1976 such necessary legislation to assure that the intelligence activities of the Federal Government are consistent with the Constitution of the United States. S. Res. 231. Senate adopted July 31, 1975. (VV)

New Hampshire Senate debate—TV/Radio coverage.—Suspends Rule IV of the Rules for regulation of the Senate wing of the United States Capitol to permit radio, television and photographic coverage of all proceedings of the Senate in open session with respect to the determination of the contested New Hampshire Senate seat contingent upon prior agreements limiting debate thereon; provides that such broadcasting shall be in conformity with procedures agreed upon by the joint leadership; and requires the leadership to assure that the most advanced technology is employed in televising these proceedings especially with respect to the selection of cameras that require no additional lighting in the Senate Chamber. S. Res. 177. Senate adopted June 9, 1975. *NOTE*: (Agreement could not be reached between the networks and the joint leadership as to lighting requirements.) (VV)

New Hampshire Senate seat—candidate reimbursement.—Authorizes the Secretary of the Senate to reimburse John A. Durkin and Louis C. Wyman out of the contingent fund of the Senate for personal expenses incurred by them as a result of the consideration by the Committee on Rules and Administration and by the Senate of the New Hampshire contested Senate election held on November 5, 1974. S. Res. 247. Senate adopted December 11, 1975. (VV)

New Hampshire Senate vacancy.—Declares the New Hampshire Senate seat vacant immediately. S. Res. 202. Senate rejected July 9, 1975. (269)

New Hampshire Senate vacancy—Committee funding.—Declares a vacancy in the contested New Hampshire Senate seat as of August 8, 1975, so that New Hampshire may hold another election; authorizes the Select Committee on Nutrition and Human Needs to expend not to exceed $485,000 during the 1975 investigative year for increase in investigations. S. Res. 54. Senate adopted July 30, 1975. (VV)

Open committee meetings—Amends rule XXV of the Standing Rules of the Senate to require that each meeting of a standing, select or special committee of the Senate or any subcommittee, including hearings, be open to the public.

Provides that a meeting to determine whether the subject matter to be discussed requires a closed session may be closed upon a motion made and seconded to go into closed session; requires a record vote in open session by a majority of the members if it is determined to close the meeting; allows meetings on the same subject to be closed for a period of up to 14 days;

Specifies that a meeting may be closed only for action on the following: (1) national security; (2) committee staff personnel or internal staff management or procedure; (3) the professional standing of an individual which could lead to possible criminal or misconduct charges or an unwarranted invasion of privacy; (4) the identity of an informer or law enforcement agent or the disclosure of information relating to the investigation or prosecution of a criminal offense; (5) information relating to trade secrets or financial or commercial information of a specific person required by law to be kept confidential or obtained by the Government on a confidential basis; or (6) disclosure of a matter required to be kept confidential under other provisions of law;

Allows a Chairman to clear a committee meeting of spectators when a disorder or a demonstration by the audience occurs and go into closed session;

Requires that a complete transcript or electronic recording be kept of the proceedings of a meeting unless a majority of the members vote not to do so;

Permits radio and television coverage of an open meeting under rules adopted by the committee;

Amends rule XXVII of the Standing Rules of the Senate to require that House-Senate conference committee meetings be open to the public except when a majority of the managers of either the House or Senate, in open session, with a roll call vote, determine that all or part of the meeting on that day be closed; provides that this provision shall not take effect until a similar rule is adopted by the House; and

Makes the provisions of this resolution applicable to all committees by repealing section 133(b) of the Legislative Reorganization Act of 1946, section 133A(b) of the Legislative Reorganization Act of 1970 and sections 102(d) and (e) of the Congressional Budget Act of 1974 which relate to open and closed committee meetings. S. Res. 9. Senate adopted Nov. 5, 1975.

NOTE.—(Provisions requiring open meetings of Government agencies and Congressional committees are contained in S. 5, Government in Sunshine.) (470)

Select Committee on Intelligence.—Authorizes $750,000 for the establishment of an 11-member select committee composed of six Democrats and five Republicans to investigate and study governmental operations with respect to intelligence activities and the extent, if any, to which illegal, improper, or unethical activities were engaged in by any agency of the Federal Government or by any persons, acting individually or in combination with others, on behalf of the Federal Government; empowers the committee to require by subpena the attendance of witnesses and the production of evidence; directs an investigation of the following matters among others: (1) whether the Central Intelligence Agency has conducted an illegal domestic intelligence operation; (2) the conduct of domestic intelligence or counterintelligence operations against citizens by the FBI or any other Federal agency; (3) the origin and disposition of the so-called Huston Plan to apply intelligence agency capabilities against individuals or organizations within the U.S.; (4) the extent to which the FBI, the CIA and others coordinate their respective activities; (5) the extent to which domestic intelligence or counterintelligence activities within the United States by the CIA conforms to its legislative charter; (6) past and present interpretation by the Director of Intelligence of the responsibility to protect intelligence sources; (7) the extent and nature of executive branch oversight as well as congressional oversight of all intelligence activities; (8) the need for specific legislative authority to govern the operation of any intelligence agencies of the Federal Government without explicit statutory authority, such as the Defense Intelligence Agency and the National Security Agency; (9) the extent to which intelligence agencies are governed by Executive orders, rules or regulations either published or secret and the extent to which these Executive orders, rules or regulations interpret, expand, or conflict with specific legislative authority; (10) violation or suspected violation of any State or Federal statute by any intelligence agency or person on its behalf, including surreptitious entries, surveillance, and illegal opening or monitoring of U.S. mail; (11) whether any of the existing laws are inadequate to safeguard the rights of American citizens, to improve control of intelligence activities and to resolve uncertainties as to the authority of U.S. intelligence and related agencies; (12) whether there is unnecessary duplication of expenditure and effort in the collection and processing of intelligence information by agencies; and (13) the extent and necessity of overt and covert intelligence activities in the United States and abroad; authorizes the committee to recommend new legislation with regard to its findings and to make a final report of the results of the investigation; provides that the committee shall prevent disclosure of information relating to CIA or other intelligence activities which would adversely affect intelligence activities in foreign countries; prohibits committee personnel from accepting any honorarium, royalty or other payment for a speaking engagement, article, or book in connection with the investigation; and requires security clearance for employees who have access to classified information. S. Res. 21. Senate adopted Jan. 27, 1975. (1)

Authorizes the Select Committee to obtain data contained in tax returns provided that names, addresses, and personal identifications are presented in such a form as not to identify the individual tax returns from which the data is derived. S. Res. 167. Senate adopted May 22, 1975. (VV)

Amends S. Res. 21 to increase the authorization for the Select Committee from $750,000 to $1.1 million of which not to exceed $300,000 shall be for the procurement of consultants. S. Res. 165. Senate adopted June 6, 1975. (VV)

Amends S. Res. 21 to increase the authorization for the Select Committee through February 29, 1976 from $1.15 million to $2.25 million of which not to exceed $600,000 shall be for the procurement of consultants. S. Res. 218. Senate adopted July 31, 1975. (VV)

Senate photograph.—Provides for a temporary suspension of rule IV of the Rules for the Regulation of the Senate Wing of the Capitol (which prohibits the taking of pictures in the Senate Chamber) for the purpose of permitting the United States Capitol Historical Society to photograph the Senate in actual session and authorizes the Sergeant at Arms to make the necessary arrangements with a minimum of disruption to Senate proceedings. S. Res. 217. Senate adopted July 25, 1975. (VV)

Southwest Pacific.—Authorizes the President of the Senate to appoint a special delegation of Members of the Senate to visit certain countries in the Southwest Pacific to conduct a study on U.S. security and foreign policy interest in that area and to designate the co-chairman of the delegation and authorizes for this purpose not to exceed $35,000 to be paid from the contingent fund of the Senate. S. Res. 331. Senate adopted December 16, 1975. (VV)

Witness fees.—Increases the limitations with regard to daily witness fees and transportation expenses payable to witnesses summoned to appear before the Senate or any of its committees as follows: Witness fees—from $25 to $35 a day; transportation expenses for not more than 600 miles—from 20 cents to 35 cents per mile; and transportation expenses for more than 600 miles—from 12 cents to 20 cents per mile. S. Res. 17. Senate adopted June 4, 1975. (VV)

TRANSPORTATION—COMMUNICATIONS

Airport and airway development.—Extends to September 30, 1975, the authorization for airport development grants contained in the Airport and Airway Development Act of 1970, as amended. S. 1972. P/S June 24, 1975. (VV)

Alaska Highway right-of-way.—Amends the Federal-Aid Highway Act of 1973 to delete that portion of section 218(a)(1) which provides that the rights-of-way granted by the Canadian Government for the reconstruction of that segment of the Alaska Highway running through Canada "shall forever be held inviolate as a part of such highways for public use". S. 1245. Public Law 94–147, approved December 12, 1975. (VV)

Amtrak—Penn Central.—Authorizes an additional $347 million to insure the continuation of essential rail services in the Northeast and Midwest under the Regional Rail Reorganization Act (Public Law 93–236); increases from $85 million to $282 million Federal grants to bankrupt railroads in the Northeast and Midwest to keep them in operation until a plan being developed by the U.S. Rail Association becomes effective after its submission to Congress by March 28, 1975; increases from $150 million to $300 million loan guarantees to bankrupt railroads to maintain and improve rail facilities until the new system is in operation and gives the Secretary of Transportation more flexibility in deciding how and when the guarantees will be used; provides a mechanism for allowing a Federal district court overseeing a reorganization to reconsider the decision that a bankrupt railroad was capable of reorganization on an income basis and thus outside of many parts of the Regional Rail Reorganization Act as in the case of the Erie-Lackawanna; clarifies the position of the Interstate Commerce Commission's Rail Services Planning Office during the reorganization period by making it explicit that they are to continue representing the interests of the small communities and users during the whole reorganizing process and authorizes the Office to hold public hearings on any supplement to the preliminary system plan; provides that no railroad in reorganization shall withhold from a State or subdivision any tax collected from a tenant of its property and imposes a maximum fine of $10,000 for violations; and contains other provisions. S. 281. Public Law 94–5, approved Feb. 2, 1975. (5,28)

Amtrak supplemental authorization.—Provides a $63 million supplemental authorization for fiscal year 1975 to meet increased costs identified as (a) railroad performance incentive contract payments of an additional $21.5 million; (b) settlement of the Amtrak/Penn Central contractual dispute, which has resulted in an additional expense of $22.9 million; (c) additional expenses in Amtrak's car overhaul program of $5 million; and (d) increased operating costs primarily due to inflation of $49.7 million; and provides that the salary of the president of Amtrak may be as high as $85,000 instead of $60,000—the present salary ceiling. H.R. 4975. Public Law 94–25, approved May 26, 1975. (173)

"Bruja Mar".—Authorizes the documentation of the vessel "Bruja Mar" as a vessel of the United States with coastwise privileges. S. 1187. P/S December 18, 1973 (VV)

Cargo vessel passengers.—Amends section 26 of the Merchant Marine Act of 1920, as amended, to authorize the Coast Guard in an emergency situation to permit cargo vessels engaged in domestic trade to carry more than the 16 passengers currently authorized by law. H.R. 5405. Public Law 94–85, approved August 9, 1975. (VV)

Federal-Aid highway apportionments.—Directs the Secretary of Transportation to apportion the $3.25 billion, previously authorized under the Federal-Aid Highway Act of 1970 for fiscal year 1977, for the Interstate Highway System and approves the 1975 cost estimate which contains apportionment factors for the several States. S. Con. Res. 62. Senate adopted September 8, 1975; House adopted December 16, 1975. (VV)

Federal-Aid highway authorization.—Extends highway programs through fiscal year 1978; continues the Primary system which, as defined in present law consists of routes important to statewide, regional and interstate transportation; places the Secondary and Urban systems under heading of the Community Service system; renames them as the Nonurbanized and Urbanized systems, and changes the division between communities eligible for these funds from 5,000 in population to 50,000 in population; provides that no State shall receive less than one-half of one percent of funds apportioned for the Urbanized systems and that the funds may be used in small areas having a population between 5,000 and 50,000 as well as in urbanized areas;

Provides that beginning July 1, 1976, State and local officials may designate as part of the Nonurbanized system any public road which is considered to be of local importance and which is not on another Federal-aid system, and repeals the separate Off-System Roads program;

Authorizes a single sum of money to be appropriated to States for use at their discretion for regular Primary projects in urban or rural areas or for projects on the Priority Primary system in order to give the States more effective control in setting priorities for work to be done anywhere on the Primary system; changes the apportionment formula for Primary system funds to one weighted two-thirds on the existing formula for rural Primary apportionments and one-third on the existing formula for apportionment for extensions of Primary routes into urban areas, which closely approximates the distribution of funds for all Primary system projects under existing law, and changes formulas for the new Nonurbanized category to reflect the new population figures used to divide the categories and bases the Urbanized system formulas on the ratio of urbanized population in each State to that in all States;

Changes the definition of construction to include rehabilitation and restoration of existing roadways in order to allow maximum flexibility in the use of funds to meet priority needs; allows local officials to select routes and projects on the urban highway system without State concurrence when the locality puts up 50 percent or more in matching funds; modifies present law to provide that if an Interstate segment is withdrawn in an urban area the State's apportionment of funds shall be reduced only by the ratio that the cost of the segment bears to the total cost of completing the interstate system in that State;

Changes the Interstate apportionment formula, which is based on the ratio that the cost of uncompleted work in a State bears to that in all the States, to provide that funds shall be apportioned three-fourths in the ratio which the estimated Federal share of the cost of completing the Interstate system work in each State bears to the total cost in all States and one-fourth in the ratio that each State's estimated cost to complete nationally significant routes bears to the total cost of such routes nationwide;

Consolidates all provisions for highway-related safety activity under the jurisdiction of the Federal Highway Administration and the responsibility for the driver-oriented and data collection standards in the National Highway Traffic Safety Administration;

And contains other provisions. S. 2711. P/S December 13, 1975. (585)

Federal-Aid highway projects: Increases the Federal matching share for Federal-aid highways and certain mass transportation projects to provide States unable to meet the matching requirements for Federal-aid highway funds with moneys to cover Federal Highway Administration apportionments up to 100 percent. H.R. 3786. Public Law 94–30, approved June 4, 1975. (VV)

Federal Communications Commission satellite regulations: States the sense of the Senate that the Federal Communications Commission should take such action pursuant to law as is necessary to provide that the advent of domestic communications satellite service will be accompanied by the integration of all interstate services between the mainland and Alaska, Hawaii, and Puerto Rico into an enlarged domestic rate pattern. S. Res. 318. Senate adopted December 11, 1975. (VV)

Lighthouse service retirement increase: Increases from $240 to $270 the amount of monthly retirement pay received by a person under section 6 of the Act of June 20, 1918, as amended, who retired on or before October 1, 1972, and provides that the increase shall become effective on the first day of the calendar month following enactment. H.R. 6851. Public Law 94– , approved 1975. (VV)

Lighthouse service survivors benefits increase: Increase from $174 to $200 the monthly benefits payable to widows of certain former employees of the Lighthouse Service. H.R. 1535. Public Law 94– , approved 1975. (VV)

Maritime authorizations: Authorizes $562,933,000 for the following six categories of programs of the Maritime Administration for fiscal year 1975: (1) acquisition, construction, or reconstruction of vessels and construction-differential subsidies; (2) ship operating-differential subsidies; (3) research and development; (4) reserve fleet; (5) maritime training at the Merchant Marine Academy at Kings Point, N.Y.; and (6) financial assistance to State marine schools; authorizes additional supplemental appropriations for increases in salaries, pay, retirement, or other employee benefits authorized by law; and requires that at least one regional office of the Maritime Administration be maintained for each of the four major seacoasts (Atlantic, Gulf, Great Lakes, Pacific). S. 332. Public Law 94–10, approved Mar. 23, 1975. (VV)

Authorizes $543,618,000 for the following six categories of programs of the Maritime Administration for fiscal year 1976: (1) acquisition, construction, or reconstruction of vessels and construction-differential subsidies; (2) ship operating-differential subsidies; (3) research and development; (4) reserve fleet; (5) maritime training at the Merchant Marine Academy at Kings Point, N.Y.; and (6) financial assistance to State marine schools; authorizes additional supplemental amounts for increases in pay, retirement, or other employee benefits authorized by law and in operating expenses of the

Merchant Marine Academy; requires that not less than 10 percent of appropriated funds be allocated for construction and operating differential subsidies to serve the foreign trade requirements of the ports of each of the four seacoasts of the United States (Atlantic, Pacific, Gulf, and Great Lakes); and increases from $5 billion to $7 billion the limitation on the aggregate unpaid principal on obligations guaranteed by Title XI Federal ship mortgage guarantee program. S. 1542. Public Law 94–127, approved Nov. 13, 1975. (VV)

Maritime Commission: Provides that the compensation and emoluments of the office of Commissioner which was vacated by the resignation of Commissioner George Henry Hearn shall be those which were in effect on January 1, 1975, and contains other provisions. H.R. 11172. Public Law 93– , approved 1975. (VV)

Mission 66 bypass: Amends the Act of 1963 to raise the ceiling on development funding from $2,050,000 to $3,850,000 in order to reimburse the city of Vicksburg in Mississippi for the construction costs of the Mission 66 Bypass over the park tour road in the Vicksburg National Military Park for use of local city traffic. S. 2150. P/S December 1, 1975. (VV)

Public broadcasting authorization: Provides a 5-year authorization for the operation of Corporation for Public Broadcasting (CPB) for the period July 1, 1975 through September 30, 1980, which is equal to 40 percent of the amount of the non-Federal financial support received by public broadcasting entities in the second year preceding each such fiscal year but not to exceed the following limitations in each fiscal year; 1976—$88 million; transition period—$22 million; 1977—$103 million; 1978—$121 million; 1979—$140 million; and 1980—$160 million;

Requires that a certain portion of Federal funds be distributed directly to local noncommercial educational radio and television broadcast stations; and

Authorizes CPB to engage in the development and use of non-broadcast communications satellites for the distribution and dissemination of educational radio and television programs. H.R. 6461. Public Law 94– , approved 1975. (495)

Railroad safety—hazardous materials transportation authorizations: Authorizes $35 million for fiscal year 1976 and $8,750,000 for the transition period July 1, 1976 through September 30, 1976, to carry out the purposes of the Federal Railroad Safety Act of 1970 which prescribes regulations to ensure the safety of the Nation's railroads; includes: $18 million for safety inspection and enforcement activities and increases the number of inspectors from 350 to 500, $10 million for safety research and development, and $3.5 million for State participation programs; amends the act to require the Secretary of Transportation to supply more information on the transport of radioactive materials by rail; and authorizes $7 million for fiscal year 1976 and $1,750,000 for the transition period July 1–September 30, 1976, to carry out the purposes of the Hazardous Materials Transportation Act which regulates the transport of hazardous materials by rail. S. 1462. Public Law 94–56, approved July 19, 1975. (VV)

Railroad temporary operating authority (Rock Island): Amends the Interstate Commerce Act to authorize the Interstate Commerce Commission to grant temporary operating authority to a carrier by railroad pending a final determination by the Commission as in the case of the Chicago Rock Island and Pacific Railroad Company which has entered reorganization under section 77 of the Bankruptcy Act; authorizes the Commission to grant temporary approval of the operation of a railroad by another railroad applying to conduct such operations if failure to do so would result in the destruction of railroad properties or limit future usefulness with no direct cost to the Federal government; directs the Commission to report bimonthly to Congress on the effects of any such orders issued; permits the Commission to extend service orders for not to exceed an aggregate of 240 days instead of the present 180 day period; and provides for repayment, within 30 days, to carriers ordered to so operate. S. 917. P/S Apr. 28, 1975; P/H amended June 23, 1975. (VV)

Railroad unemployment and sickness benefits.—Amends the Railroad Unemployment Act to raise the maximum daily benefit for unemployment or sickness from $12.70 to $24 a day for the period July 1, 1975 through June 30, 1976, and to $25 a day thereafter; retains the basic benefit standards of replacement of 60 percent of most recent wages; provides a program of extended unemployment compensation benefits during periods of high unemployment for railroad employees with less than 10 years service so that they are protected as railroad employees with more service now are; changes the formula for employer contributions to increase the amount carriers pay into the railroad unemployment insurance fund; provides statutory authority for the Railroad Retirement Board to borrow funds from the Railroad Retirement Account if it finds that the unemployment insurance account is insufficient to meet its obligations for benefits; and contains other provisions. H.R. 8714. Public Law 94–92, approved August 9, 1975. (VV)

Rail services: Implements the reorganization of the bankrupt railroads in the Midwest and Northeast through amendment of the Regional Rail Reorganization Act (RRRA), which established the United States Railway Association to plan and finance the acquisition, rehabilitation and modernization of these railroads and created a private, State-chartered corporation called the Consolidated Rail Corporation (ConRail) as the principal new rail carrier in the region to operate the new system; authorizes a total of $8,610,832,000 for this purpose, of which $7.3 million is effectively loan authority and incorporates, with some modifications, the recommendations in the Railway Association's final system plan;

Creates a rail trust fund for the improvement and modernization of rail facilities and authorizes appropriations for loans from the fund of $4.4 billion; requires the Secretary of Transportation to formulate a recommendation within 2 years for further funding of the trust fund or for another funding mechanism;

Authorizes the financing from the trust fund of the capital needs of ConRail, which will be made up most of the Penn Central, Lehigh Valley, CNJ, Ann Arbor, the L. & R.H. and parts of the Reading and Erie Lackawanna railroads in the amount of up to $3 billion from appropriated funds; authorizes ConRail to obtain this capital from the Railway Association, which will administer the trust fund, by sale to the Railway Association of $1 billion in 7½ percent debentures maturing in 35 years and $2 billion in series A preferred stock carrying a 7½ percent cumulative dividend with the payment of interest and dividends deferred until ConRail shows retained profits of $500 million, which is projected to occur in 1982;

Provides that, in exchange for the transfer of the rail properties of the bankrupt railroads to ConRail, ConRail will issue equal numbers of shares of common stock, series B preferred stock, and Certificates of Value, which will be guaranteed by the Federal Government for the purpose of underwriting or guaranteeing the creditors that they will receive the constitutional minimum value of their interests, which shall be determined by the special court established by the Rail Reorganization Act; provides that the Certificates of Value may not be exercised for at least 2 years and that the current value at that time of the series B preferred stock and the common stock would be deducted from the amounts owed by the bankrupt railroads;

Permits the Railway Association either on its own motion or upon petition of the Department of Transportation or upon petition of a State, local, or regional transportation authority with regard to light-density branch lines, to revise or supplement the designations made in the final system plan of transfers to or from ConRail if it finds that the goals of this Act would be better achieved;

Implements an improved high speed rail passenger service project for the Northeast corridor from Washington to New York and Boston, which would: (1) decrease running time by 45 minutes on the New York-Boston segment, by 30 minutes on the Washington-New York segment, and by 1 hour on each segment for nonstop trains, (2) upgrade the right-of-way, (3) renovate or rebuild stations and passenger handling facilities, and (4) develop and acquire new rolling stock; authorizes the appropriation of up to $3 billion to the Railway Association for making noninterest bearing 30-year loans for carrying out the project and a total of $175,832,956 to the Northeast Corridor Improvement Corporation for system management and development, acquisition of control and of properties, development and utilization of radio-telephone service, and interim operating losses; and $20 million to the National Railroad Passenger Corporation for purchase and improvement by AMTRAK of certain properties outside the corridor where such purchase would result in continued or improved intercity rail passenger service; and provides for the continuance of $25 million in funds already appropriated for emergency maintenance;

Makes changes in railroad regulation under the Interstate Commerce Commission, including provisions to speed up and simplify the adjustment of territorial division disputes and to modernize rate regulation in a less restrictive regulatory framework; requires the Secretary of Transportation to make studies of past and present financial assistance for all modes of transportation and to make a report with recommendations on transportation needs and changes in financial assistance; creates a national rail branch line policy designed to minimize disruptions in local rail service, creates a program to assist minority enterprise participation in the reorganization and other railroad rehabilitation projects;

And contains other provisions. S. 2718. P/S December 4, 1975; P/H amended December 17, 1975; House requested conference December 17, 1975. (552)

"Seafreeze Atlantic": Exempts the vessel SEAFREEZE ATLANTIC from the provisions of the United States Fishing Fleet Improvement Act which prohibits the employment of persons other than U.S. citizens or legally domiciled aliens on fishing vessels built with construction subsidies provided under that act by allowing the employment of foreign citizens on the vessel as fishermen and fish processors for a 4-year period subject to certain conditions and authorizes the Secretary of Commerce to renew the exemption if the owner demonstrates that the conditions have been satisfactorily carried out. H.R. 5197. Public Law 94–150, approved December 15, 1975. (VV)

Shrimp fisheries: Amends the Offshore Shrimp Fisheries Act to implement amendments to the shrimp fishing agreement between the United States and Brazil (Ex. D, 94th–1st) by making technical amendments to the Act regarding the life of the agreement, the permissible number of vessels allowed to fish in a defined area at any particular time, the fees for licenses, and other changes needed to conform the Act with the new agreement. H.R. 5709. Public Law 94–58, approved July 24, 1975. (VV)

Tuna fisheries: Implements the agreement between the United States and other fishing nations on the management and conserva-

tion of Atlantic tunas (Ex. H, 89th–2d); authorizes the Secretary of Commerce to administer the conservation program as it relates to fishing by U.S. citizens and vessels; directs the Secretary to implement conservation recommendations of the governing body created by the Convention, the International Commission for the Conservation of Atlantic Tunas; authorizes the use of the Coast Guard, the U.S. Customs Service, and where appropriate. those of coastal States to enforce the act; authorizes the President to appoint Commissioners and alternate Commissioners to represent the U.S. on the International Commission; establishes an advisory committee to the U.S. Commissioners; designates the Secretary of State as the U.S. agency to receive reports, requests and other communications of the Commission and respond thereto with the decisions to accept or object to recommendations of the Commission to be made jointly with the Secretary of Commerce, and the Secretary of Transportation to make such decisions in matters pertaining to enforcement; and contains other provisions. H.R. 5522. Public Law 94–70, approved August 5, 1975. (VV)

TV blackout—professional sports.—Extends for 3 years, to December 31, 1978, the sports blackout law contained in the Communications Act of 1934, as amended (P.L. 93–107), which provides for televised coverage of any game of a professional sports club in the area in which the game is played if it is sold out 72 hours (3 days) in advance; provides a 24 hour sellout cutoff for televising a post season championship series game of professional baseball, basketball, and hockey; and changes from April 15 to June 15 the annual Federal Communications Commission reporting date. S. 2554. P/S December 8, 1975; P/H amended December 15, 1975; In conference. (VV)

Urban mass transportation.—Authorizes the Secretary of Transportation to use the $500 million (set aside out of the section 3 capital grant program under provisions contained in P.L. 93–503) for operating as well as capital assistance costs of public mass transportation service in rural and small urban areas (population less than 50,000) under terms and conditions similar to those now governing section 5 grants to urbanized areas; increases the number of transit managerial training fellowships available; expands the definition of "construction" in the capital grants program to include preliminary engineering; requires the Secretary to promulgate standards governing transportation planning and equipment and facilities design for all new rapid rail systems as well as for other vehicles integrated into the system including buses to assure that elderly and handicapped persons have the same rights as other persons to utilize mass transportation facilities and services; requires the Secretary to convert the two outstanding capital loans under the Mass Transit Loan Program, which is no longer in existence, into capital grants; and requires the Secretary to provide by February 1, 1976, a detailed estimate of major capital grants to be made in fiscal years 1977–1981 under the section 3 program. S. 662. P/S Sept. 15, 1975 (VV)

VETERANS

Disability compensation and survivors benefits: Provides a 12 percent cost-of-living increase in the rates of disability compensation for those veterans rated 50 percent disabled or less and a 14 percent increase for more severely disabled veterans rated 60 percent to totally and permanently disabled; provides a 12 percent cost-of-living increase in the rates of additional compensation for dependents of veterans whose disability is rated 50 percent or more; increases from $150 to $175 the annual clothing allowance for a veteran who because of his compensable disability wears or uses a prosthetic or orthopedic appliance, including a wheelchair, which tends to wear out his clothing; makes the effective date of an award of increased compensation the earliest date that it is ascertainable that an increase in disability occurred if the application is received within a year of such date; provides a 14 percent cost-of-living increase in the rates payable for dependency and indemnity compensation (DIC) for widows and children, as well as for additional allowances for those in receipt of DIC and death compensation in need of aid and attendance; and provides that the survivors of a veteran who was rated totally disabled and permanently service-connected disabled at the time of death would be automatically entitled to dependency and indemnity compensation. H.R. 7767. Public Law 94–71, approved August 5, 1975. (VV)

Veterans' day: Redesignate effective January 1, 1978, November 11 of each year as Veteran's Day and make such day a legal public holiday. S. 331. Public Law 94–97, approved Sept. 18, 1975. (VV)

Veterans interim pension adjustment.—Provides, in order to allow adequate time to consider the new veterans pension system passed in S. 2635 and to prevent scheduled pension reductions on January 1, 1976, for an average 8 percent increase in the pension rates and a $300 increase in the maximum annual income limitations in the present program effective from January 1, 1976; and contains other provisions. H.R. 10355. P/H November 4, 1975; P/S amended December 17, 1975. (VV)

Veterans pension reform.—Creates a new pension system applicable to all veterans, widows, or dependent parents who, subsequent to October 1, 1976, the effective date of the new program, are or become eligible for a VA non-service-connected pension, for the purpose of assuring a level of income above minimum subsistence, preventing veterans and widows having to return to welfare assistance, treating similarly circumstanced pensioners equally, providing the greatest pension for those with the greatest needs, and guaranteeing regular increases in pensions which fully account for increases in the cost of living; adopts a system of establishing a basic minimum level of income for all eligible veterans and dependents, which is $2,700 for all single pensioners and $3,900 for all pensioners with dependents to replace the current basic rate which is reduced by a formula system as outside income increases; adds an additional $1,596 to that level for those in need of aid and attendance and an additional $636 for pensioners who are housebound; equalizes the rates payable to widows with those for veterans; provides automatic annual cost-of-living adjustments to the minimum level of support so that cost-of-living increases in social security benefits will no longer result in a decrease in VA pension payments; authorizes for the period prior to implementation of the new program an 8 percent increase in the rate payable to currently eligible persons and a $300 increase in the maximum annual income limitations effective January 1, 1976; establishes a new pension program based on identical principles for parents receiving dependent and indemnity compensation; and contains other provisions. S. 2635. P/S December 15, 1975. (VV)

Veterans pension reform—budget waiver: Waives section 303(a) of the Congressional Budget Act of 1974 (which limits consideration by the full Senate of any bill or resolution providing new budget authority for a fiscal year until the first concurrent resolution on the budget for such year has been agreed to pursuant to section 301 of the Act) to provide for Senate consideration of S. 2635, the Veterans Pension Reform Act, in order to prevent a reduction or loss in benefits received by veterans and survivors on January 1, 1976; to assure uniformity and continuity with respect to the Veterans' Administration pension program; to provide veterans, survivors and their families an opportunity for prudent fiscal planning in consideration of the amount of pension they will be entitled to during the calendar year 1976; and to allow Congress to complete, in a timely manner, the work regarding veterans and survivors pension reform which the Committee on Veterans' Affairs has carried on throughout the preceding two years. S. Res. 322. Senate adopted December 12, 1975. (VV)

Veteran's physician pay: Amends title 38, U.S.C. to provide special pay and other improvements designed to enhance the recruitment and retention of physicians, dentists, nursing personnel and other health care personnel in the Department of Medicine and Surgery of the Veterans' Administration thereby giving VA physicians and dentists salary comparability with those in the military and Public Health Service who are eligible for special pay benefits above $36,000 under Public Law 93–274, the Uniformed Services Physicians Bonus Act. H.R. 8240. Public Law 94–123, approved Oct. 22, 1975. (376)

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 9 a.m. tomorrow. After the two leaders have been recognized under the standing order, Mr. CLARK will be recognized for not to exceed 15 minutes, and Mr. JAVITS will be recognized for not to exceed 15 minutes. Mr. ROBERT C. BYRD will be recognized for not to exceed 15 minutes, by unanimous consent.

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

Mr. ROBERT C. BYRD. Mr. President, there will then be a period for the transaction of routine morning business, by unanimous consent, of not to exceed 15 minutes, with statements limited therein to 5 minutes each, at the conclusion of which the Senate will resume consideration of the defense appropriations conference report.

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

Mr. ROBERT C. BYRD. Rollcall votes are anticipated tomorrow, and it could very well be a long day. As to whether or not there will be a Saturday session remains to be seen.

RECESS UNTIL 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move that the Senate stand in recess until 9 a.m. tomorrow morning.

The motion was agreed to; and at 7:16 p.m. the Senate recessed until Friday, December 19, 1975, at 9 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 18, 1975:

DEPARTMENT OF JUSTICE

Frederick M. Coleman, of Ohio, to be U.S. attorney for the northern district of Ohio for the term of 4 years.

Thomas A. Olson, of Montana, to be U.S. attorney for the district of Montana for the term of 4 years.

(The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Thursday, December 18, 1975*

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

Rev. James E. Duncan, Jr., Dale City Baptist Church, Woodbridge, Va., offered the following prayer:

Almighty God, our Heavenly Father, we thank Thee that once again we can commemorate the birth of Thy Son, our Saviour Jesus Christ. We are grateful for His love and grace provisions that allow us to be alive and to function in Thy plan today.

We thank Thee that no problem or adversity is too great for Thee, and that Thou canst stabilize us in every confrontation, as we relax mentally into Thy control. Grant that we become aware of Thy living presence; that we be Thy yielded instruments; and that we remember what we know about Thee as we face the responsibilities and the decisions of this day. This we pray in the name of Jesus Christ. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 7862. An act to amend the Farm Credit Act of 1971 relating to credit eligibility for cooperatives serving agricultural producers, and to enlarge the access of production credit associations to Federal district courts;

H.R. 10555. An act for the relief of Mrika Mrnacaj; and

H.R. 11172. An act to insure that the compensation and other emoluments for any person filling the vacancy on the Federal Maritime Commission caused by the resignation of Commissioner George Henry Hearn shall be those which were in effect on January 1, 1975, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5541) entitled "An act to provide for emergency relief for small business concerns in connection with fixed-price Government contracts."

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 313. An act to authorize an exchange of lands for an entrance road at Guadalupe Mountains National Park, Tex., and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to the Senate amendment to the House amendment to a bill of the Senate of the following title:

S. 622. An act to provide standby authority to assure that the essential energy needs of the United States are met, to reduce reliance on oil imported from insecure sources at high prices, to implement United States obligations under international agreements to deal with shortage conditions, and to authorize and direct the implementation of Federal and State conservation programs consistent with economic recovery."

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills and a joint resolution of the House of the following titles:

H.R. 11016. An act to extend the Renegotiation Act of 1951 for 6 months;

H.R. 10727. An act to amend the Social Security Act to expedite the holding of hearings under titles II, XVI, and XVIII by establishing uniform review procedures under such titles;

H.R. 10284. An act to amend title XVIII of the Social Security Act to assure that the prevailing fees recognized by medicare for fiscal year 1976 are not less than those for fiscal year 1975, to extend for three years the existing authority of the Secretary of Health, Education, and Welfare to grant temporary waivers of nursing staff requirements for small hospitals in rural areas, to maintain the present system of coordination of the medicare and Federal employees' health benefit programs, and to correct a technical error in the law that prevents increases in the medicare part B premiums; and

H.J. Res. 749. Joint Resolution to provide for the beginning of the second session of the 94th Congress and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 10284) entitled "An act to amend title XVIII of the Social Security Act to assure that the prevailing fees recognized by medicare for fiscal year 1976 are not less than those for fiscal year 1975, to extend for 3 years the existing authority of the Secretary of Health, Education, and Welfare to grant temporary waivers of nursing staff requirements for small hospitals in rural areas, to maintain the present system of coordination of the medicare and Federal employees' health benefit programs, and to correct a technical error in the law that prevents increases in the medicare part B premiums, "requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LONG, Mr. TALMADGE, Mr. HARTKE, Mr. CURTIS, and Mr. FANNIN to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 10727) entitled "An act to amend the Social Security Act to expedite the holding of hearings under titles II, XVI, and XVIII by establishing uniform review procedures under such titles," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LONG, Mr. TALMADGE, Mr. HARTKE, Mr. CURTIS, and Mr. FANNIN to be the conferees on the part of the Senate.

THE REAL PURPOSE OF CHRISTMAS

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

Mr. HUBBARD. Mr. Speaker, soon each of us as Members of the House of Representatives will go our separate ways for the celebration of Christmas. With all the commercialization and secular emphasis upon Christmas this year, I ask my colleagues to join with me in pausing to emphasize that the current celebration is actually for the birthday of Jesus Christ.

I consider it proper and important that in view of the fact that we are to recess for Christmas in order to honor the birthday of Jesus Christ, that we consider once again, the simple, well-known and ancient words of the Christmas story found in Luke 2:4–11 in the Holy Bible; and these words are:

4. And Joseph also went up from Galilee out of the city of Nazareth into Judea unto the city of David which is called Bethlehem; (because he was of the house and lineage of David:)

5. To be taxed with Mary his espoused wife, being great with child.

6. And so it was, that, while they were there, the days were accomplished that she should be delivered.

7. And she brought forth her firstborn son, and wrapped him in swaddling clothes, and laid him in a manger; because there was no room for them in the inn.

8. And there were in the same country shepherds abiding in the field, keeping watch over their flock by night.

9. And, lo, the angel of the Lord came upon them, and the glory of the Lord shone round about them: and they were sore afraid.

10. And the angel said unto them, Fear not: for, behold, I bring you good tidings of great joy, which shall be to all people.

11. For unto you is born this day in the city of David a Saviour, which is Christ the Lord.

EXCELLENT BRIEFING BY DEPUTY SECRETARY OF STATE SISCO ON ANGOLA

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

Mr. RONCALIO. Mr. Speaker, this morning a goodly number of our colleagues are over in room 2170 of the Rayburn Building concluding a very interesting 1-hour briefing by Deputy Secretary of State Joseph Sisco and others, regarding our involvement in Angola.

The affair was arranged by the chairman of our international affairs, the gentleman from Pennsylvania (Mr. MORGAN). I want to congratulate the gentleman from Pennsylvania and the Secretary and the staff of the Secretary on this session. The briefing from which I have just come was very informative and a learning process for all of us.

I think it behooves us to familiarize ourselves with what is going on in southwest Africa, one of the sensitive spots in our troubled world today.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

Without objection, a call of the House is ordered.

There was no objection.

A call of the House was ordered.

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

[Roll No. 807]

Ambro	Fraser	Morgan
Armstrong	Gaydos	Obey
AuCoin	Gude	Peyser
Brinkley	Hébert	Pressler
Brown, Mich.	Heckler, Mass.	Risenhoover
Burke, Fla.	Heinz	Scheuer
Chisholm	Helstoski	Sullivan
Conyers	Hinshaw	Teague
Daniels, N.J.	Jarman	Udall
Davis	LaFalce	Waxman
Diggs	McCormack	Wilson, Tex.
Eshleman	McEwen	Young, Ga.
Foley	McKinney	
Ford, Mich.	Matsunaga	

The SPEAKER. On this rollcall 394 Members have recorded their presence by electronic device, a quorum.

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

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORTS

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

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

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I wonder whether the gentleman from Florida (Mr. PEPPER) will ask specific permission to file whichever reports he wants rather than asking for blanket permission.

Mr. PEPPER. Mr. Speaker, the resolution that we propose to file is House Resolution 868. We have no other rules at the present time that we know of, which we contemplate filing.

Mr. BAUMAN. It is a resolution of the House?

Mr. PEPPER. It is House Resolution 868.

Mr. BAUMAN. Mr. Speaker, can the gentleman explain what it is?

Mr. PEPPER. Yes. It is a resolution dealing with a procedural matter of the House requiring 2 hours before the reports are filed.

Mr. BAUMAN. I cannot hear the gentleman's answer.

Mr. PEPPER. It is a privileged resolution requiring copies of reports to be available to Members for 2 hours before matters may be taken up on the floor, so that reports may be filed, either printed or in reproduced form, so that Members may see the report.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman for his explanation, and I withdraw my reservation of objection.

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

There was no objection.

FURTHER CONSIDERATION OF H.R. 5559, REVENUE ADJUSTMENT ACT OF 1975—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER. The unfinished business is the further consideration of the veto message of the President on the bill, H.R. 5559, an act to make changes in certain income tax revisions of the Internal Revenue Code of 1954, and for other purposes.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

The Chair recognizes the gentleman from Oregon (Mr. ULLMAN) for 1 hour.

Mr. ULLMAN. Mr. Speaker, I yield 20 minutes to the gentleman from Pennsylvania (Mr. SCHNEEBELI) and at this time I yield myself 4 minutes.

Mr. Speaker, we have come now to the final disposition of this matter for this session of the Congress. I hope no one is laboring under the illusion that there may be another opportunity before we adjourn to vote on this matter. We have voted on it time and time again.

The proposal that we have before us is the compromise proposal that is intended to tide this matter over until we can consider it again after the budget resolution has been determined, then in the tax reform bill when it comes back from the other body, and the assurance has been given us that that will be prior to midyear of next year, we can take up the issue as to whether the spending limit and the economy is such that the tax reductions should be continued.

So this is our final action on this important matter.

What is the effect of failing to override the veto? Unless the House overrides the President's veto, the annual tax burden of individuals and small businessmen will rise by over $16 billion. On New Year's Day a family of four with a salary of $140 per week will face an increase in weekly withholding taxes of $5. This massive tax increase will come at a time when over 7 million people are unemployed and when industry is operating well below its capacity. To permit such a tax increase at this time would be to risk economic disaster. That is the issue that faces the House today. The economy is in serious trouble. The statistics on housing starts and industrial production published this week suggest that economic recovery may be weakening even though it is a mere 6 months old.

I think every Member here in going home to their constituencies during this recess should be fully aware of the seriousness of the economic situation in this country. I talked to a leading economist yesterday who predicted a major financial crisis during the early part of next year. There is every indication that the unemployment figures that come out in early January will show a very decided increase in unemployment. That is the issue that we have to face up to.

Let me again say to the Members of this House, and I want to refer to my friends on the minority side, most of you helped us set up the budget procedure, you were supporters. It is built into the structure of the House so that now procedurally we can responsibly handle our budget in this Congress.

What a tremendous reform that is. All over the country the editors are beginning to realize it. They know that the proper way to handle an expenditure ceiling is through the budget process. I think we know it, too. That is the way to do it. That is the only way it can be done. There is no other way.

On January 19 the President will send up his budget, and, hopefully, he will then in detail tell us the size of the budget that he needs.

The SPEAKER. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Speaker, I yield myself 2 additional minutes.

Then we will have the responsibility of putting on a ceiling. We have a ceiling now. We did it by concurrent resolution. We bound ourselves by that ceiling. We will do it again when the President sends up his budget. Let us follow the orderly procedure.

Every ounce of reason would dictate that this tax reduction must stay in effect from an economic point of view and from a procedural point of view. That is the sound way to go. This is our final vote. We are not going to have another opportunity. We are going to go home after this vote either with a tax reduction in place or without a tax reduction. God only knows we have tried.

The Committee on Ways and Means, the leadership, and everybody have tried to accommodate the problem in every possible way that is consistent with the procedures, the sound procedures of the House. The minority has tried. Time and time again we have had a vote on the issue. We have had more than one vote on the issue. So for God's sake let us face up now to the real problem, the real issue of whether we are going to do what is economically and procedurally sound, and override this veto today.

Mr. SCHNEEBELI. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, the chairman has reminded us of the great importance of this vote. This is a vote that the public is going to remember next November. This is the vote that will have great significance. It is probably one of the two or three most important votes we are going to cast this session of Congress.

We have at this time an opportunity to recoup some of the lost prestige that Congress has suffered. As I recall, Congress now has less than 20 percent of the approval of the country, and the two main reasons that they give for disapproval of congressional conduct is too much bureaucracy and too much deficit spending. That is the subject to which we are addressing ourselves this morning—too much Federal spending and two back-to-back deficits of $70 billion a year with a resultant $100 million a day interest on our debt, and further inflation.

I think the request we are making is very reasonable. All we are asking is that we limit our increase to 6 percent over our current spending. Tell me what is the matter with that. We are asking New York City to cut back. As I reminded the Members before, the new popular Governors, Democratic Governors, of Massachusetts, New York, Colorado, and California are reducing expenditures. All we are asking is that we restrain our increases to 6 percent. I think it is a very reasonable request. We have done this before, as recently as 1973.

In 1973 we effected a $250 billion spending ceiling—$250 billion. What we are talking about now if we do not restrain our spending is a $423 billion spending.

I would like also to assure my colleagues that regardless of what we do today, there is total assurance that the taxpayer will get his income tax cut that we have been discussing here for several days. He will get it during 1976. It may be deferred for a month or two in the current year, the income tax cut made effective until May. The longer we defer, the more the cut will be for each month.

The Members have heard me talk a lot about these same subjects.

Members must be getting tired of the reemphasis but I think it is well to realize that this is a vote that is going to be remembered for a long time.

I ask that the President's proper action be upheld.

Mr. ULLMAN. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Georgia (Mr. LANDRUM), a member of the committee.

Mr. LANDRUM. Mr. Speaker, the President's position that we set a spending ceiling now—1 month before we will receive his budget, 4 months before the new Budget Committee can formulate a resolution and present it to this body for its approval or disapproval, 10 months before the fiscal year to which it will apply—is a direct assault on the new budget process.

The Budget Committees established in the respective Houses of Congress have been plowing new ground, difficult ground all year to establish status. We have had trial runs and many Members, including this one, a member of the Budget Committee, had some skepticism about whether we could succeed or not, but with a very able staff, with very competent expert people in this field, and the energetic and superb leadership of the gentleman from Washington, the chairman of the Budget Committee, BROCK ADAMS, we have been able to establish some status. We are beginning to be a useful arm of this body.

Three hundred ninety-five billion dollars may be an ideal figure. No one can question the motives or the desires of those who want to put a spending ceiling on. But all of us can question how it is done. Who wants to be put into a box now from which he cannot escape next April when we come here with the first concurrent budget resolution?

This Member does not have to use rhetoric to demonstrate his support of fiscal sanity in this body. My voting record on fiscal matters will stand against that of any Member of this body. This Member does not have to employ rhetoric to demonstrate his support of the President—President Ford specifically on veto messages. I suspect that there is no Member who has a record of more sustained support of the President's veto positions than this Member.

But here is a time when the President is asking us to give a little psychiatric treatment to the emotional charges of spending; asking us to scrap the responsibility of a new committee that is beginning, as I said, to be a very useful arm of the Congress for a cup of psychiatric porridge, something to satisfy the emotions of the people, to tell them we are putting on restraint.

Sure, we want restraint. Sure, we must curb the expenditures of this Federal Government. Sure, we must set an example. But in order for us to be responsible to our constituents, to do the honorable and the honest thing with them, we have got to level with ourselves first, and we cannot put ourselves in a position today of setting a ceiling expenditure when we do not know yet whether it is a correct amount, we do not know yet what agency is going to put in this and take out the other, we have no opportunity to examine potential revenues, we do not know whether we are going to take something away from Defense and put it in somewhere else. We just do not know. We do not have the information that we ought to have to act upon a question of this magnitude.

I might say that $395 billion could be a high figure.

Mr. Speaker, I hope we can, and I believe we can, if the other side lets us have the opportunity, come within a smaller figure than $395 billion. Perhaps as low as $380 billion.

I think we ought to face up to the fact that if we take away the budget process that is moving so successfully today, we will reduce membership on that committee to an honorary vacuum; and return to spending with no restraint; spending with no central studies by this body; just harum-scarum authorizing, spending to satisfy whims instead of need, which in my judgment is tantamount to permanent deficit spending.

Mr. SCHNEEBELI. Mr. Speaker, I yield such time as he may consume to the gentleman from Delaware (Mr. DU PONT).

Mr. DU PONT. Mr. Speaker, the President has asked the Congress to take a stand on the direction of our economic policy today. We can sustain the President's veto of this tax bill, or we can override the veto and continue on a course that has brought us to a $75 billion deficit. If Congress chooses the latter, it will have succeeded, again, in postponing the hard choices on tax reform and spending. It would be easy to go home this Christmas season and say to our constituents, "We cut your taxes by $7 billion." But what about limiting spending? Does the Congress really believe that limiting spending and cutting taxes are unrelated? Are we going to offer something for nothing, again, and expect not to have our sleight of hand detected? The President proposes a $28 billion tax cut, linked to a $28 billion spending reduction. It makes sense. It is sound economics. Cutting taxes alone is not.

Why? Because we have no money to give back to the taxpayers. If we cut taxes without matching those cuts with spending cuts, we will, in effect, be borrowing money to pay for the tax cuts. When we borrow money and increase the deficit, we compound inflation and that means the price of everyone's food, shelter, and clothing goes up. If the Congress chooses to override the President's veto, what it really chooses is to give money back to the taxpayers on the one hand, and take it away again through higher prices on the other. That is a deceptive and irresponsible fiscal policy, and one which I urge my colleagues not to support.

And what of tax reform? Does the Congress want to junk those reforms we made less than a month ago? They have been stripped from this bill. I supported those reforms and I do not want to see them put off until later. Having served in Congress for some years, I am suspicious that opting for "later" actually means "never."

The time to face up to tax reform is now. The time to begin to limit spending is now. The time not to increase the $75 billion deficit is now. I contend that the American people will see through a vote for tax reform that means cutting and stalling and maneuvering. They are not so unconcerned as to take a tax cut from Congress today and not wonder how they will be asked to pay for it tomorrow.

If we override the President's veto today, can we expect the public to believe we will cut spending later? Will the Congress cut spending in an election year? Not likely. Will this Congress enact tax reform when all the special interest groups are hard at work to prevent it? Not very likely either.

Our only choice then, if we are sincere in our effort to hold down Federal spending, is to support the President's veto of this tax cut. And if that veto is sustained, we should then promptly pass the tax cut with a spending ceiling to achieve the purposes we originally had in mind: Help for the hard-pressed taxpayer, and a reduction in Federal deficit spending.

Mr. SCHNEEBELI. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Speaker, I admire the sincerity of my friend, the gentleman from Georgia and honor his position. I wish the gentleman reflected the majority position of this House. I say to my friend from Georgia, if we approach the budget process realistically, we will understand that we are never going to get fiscal discipline approaching it piecemeal and that we must give instruction to the Budget Committee as to the limits within which they must operate to achieve fiscal policy that makes sense to this country. If we wait until later on, the effort becomes an arithmetical one.

Mr. Speaker, both sides in this dispute favor a tax cut. The issue on this veto is expenditure limitation, not tax cut extension. If the veto is sustained, we will have both. When the veto is sustained, I say to my friends from the Republican Party, the majority party, will not per-

mit taxes to go up through failure to adopt an expenditure limitation. The immediate result of a sustained veto will be an effort to work out expenditure limitation language which can be quickly adopted, rhetoric to the contrary notwithstanding.

I say also to my friends on the minority side, the only way we can prove taxes will not go up is to sustain this veto. If our side loses this confrontation, the charge can always be made that higher taxes would have resulted, and that is not in our interest.

Now, do not forget, the President has advocated a tax cut twice as large as the one being here extended. Given a choice of a tax cut without expenditure limitation, or a tax cut with expenditure limitation, the public will choose the latter. The public is way ahead of this body in its understanding of what is wrong with this country and what dangers we face unless we are able to achieve some discipline. The people want a spending limitation.

Mr. ULLMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. MIKVA), a member of the committee.

Mr. MIKVA. Mr. Speaker, as I listened to my colleague on the committee, the gentleman from New York (Mr. CONABLE) and others, I hear everybody say they are for a tax cut. What we are hearing then is that this tax cut is being held hostage to a procedural position that some Members of the minority party want the Congress to take. I think time is going to separate these issues, as they ought to be separated. Comes January, when most Americans' paychecks are going to go down, because their withholding tax is going to go up, I do not think they are going to be interested in procedural positions—or how we run the budgetary process for 1977. Comes next year when the economy suffers, when we have had a tax increase, contrary to what every economist worth his salt says we need, I do not think the people are going to put these two issues together. I think what they will remember and what they should remember, is that the President failed to provide a continuation of the tax cut so desperately necessary to the economy and so agreed upon by everybody.

Mr. Speaker, I have not heard anybody say, "I am opposed to a tax cut." There are no differences on this issue. Contrary to what the gentleman from New York says, we either decide now that there will be a continuation of the tax cut in January or there will not be. There is no other position this Congress can take on this issue, not this month, not next month or the month thereafter. Once and for all the House has to decide, do we want to continue the tax cut we put into effect in 1975, or do we think that taxes are too low and we ought to increase them?

Mr. SCHNEEBELI. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Speaker, to those on my side of the aisle, I fully recognize the dilemma in which this kind of issue places us. It would perhaps be easier politically to go home and say, "Yes; I voted for a tax cut."

I will say to this House in all honesty, I think that is wrong politically, as well as wrong economically. I think all of us would make a serious error if that is the posture we adopt this morning on the issue the President has brought to us.

The gentleman from New York (Mr. CONABLE), I will say to my friend, the gentleman from Georgia (Mr. LANDRUM), is right. The issue is not the question of whether we will have a tax cut. As a matter of fact, I think the tax cut ought to be deeper; but the issue is whether or not this Congress is willing to face up to its obligation to establish some kind of ceiling that will both allow us to have a meaningful tax cut for the American people and to impose some discipline on ourselves.

The President has raised a fundamental issue that everybody in this Chamber can no longer ignore, which is whether or not we can continue to allow the Federal Government to be the single biggest beneficiary of inflation. If the American people's dollars go up in an inflationary spiral, they go into a higher tax bracket. The Federal Government gets more money. The American people come out less well off, because they have less money in real earning power; so if we want to assume today that it is simply easier to duck the issue, then I suppose those who wish to override may do so; but I think this Congress would be ill-served by that kind of action. My hope is that the veto will be sustained. My hope is that all of us will recognize our obligations to ourselves, as well as to the future of this country.

Mr. ULLMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Speaker, let me advise the House of one other problem that will come up if we permit the tax reduction to lapse on January 1. In addition to the economic problems which have been discussed by my colleagues, we will be shifting gears in withholding accounts of 86 million American workers.

At this critical point at year's end nearly 5 million employers will have to change their withholding accounts and more than 7 million other individuals will have to adjust their estimated tax accounts. Now, this kind of accounting procedure, along with the increased withholding levels after January 1, will create a nightmare of confusion and public indignation which I think will demean everyone in this Congress and in the Government who has had a part in it, so I just want to call that to the attention of this body, the aspect of shifting gears at this critical point.

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

Mr. VANIK. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Speaker, there was some inference in the paper that the President might have some authority to continue withholding rates. I want to set the record absolutely straight. That can only be done by the Congress. If we fail to act here over the tax increase, we are not voting on a tax reduction, really. We are voting on whether millions of Americans are going to have a tax increase in January. If we fail to override, there will be a tax increase. There is nothing the President can do about that.

Mr. VANIK. Mr. Speaker, the chairman is absolutely correct. Withholding rates go up January 1, and that is the law, absolutely.

Mr. ULLMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Speaker, my colleagues of the House, I am opposed to a tax reduction until I have some reason to believe that we are going to be able to compensate for this loss of revenue. It can best be done with a spending limitation.

Just a few days ago, when we in the House considered the tax reform proposal, Member after Member of this body stood right here where I stand and said, "We have to have additional revenue; we have to do something to reduce the deficits and Government spending." But what do we say now? Where is that bill now? Earlier this year, we were less than honest with the American people and with ourselves because we said that the tax reductions which were earlier enacted were temporary in nature and they would expire at the end of this year. But now we are told that if we do not now continue these reductions that the net effect will be that the taxpayer will have a tax increase.

Mr. Speaker, we cannot afford to do this, we are further told, with the Christmas season coming, the Members going home, and the election year in the offing we politically must cut taxes.

If this Congress does not have the courage now to face up to fiscal responsibility, who is led to believe that that courage will be gained 6 months later, closer to an election? Who would believe that we would then find the courage to finance the expenditures that we propose with program after program. Who of you would vote then to raise taxes? The situation would then be even more political.

There are two things that the people of this country demand. There are two things that we and the people of this country must do if we are going to right, to the limited extent that we can, the problems we have with the Government. First, we have to reduce the bureaucracy. There is not a Member of this House here who has not been told, "The faceless bureaucrat is destroying me and my business." The faceless bureaucrat who makes arbitrary decisions is the greatest enemy the Government has. The people of this country want something done about spending. Bureaucracy feeds on spending. They go hand in hand. If we are going to reduce the bureaucracy, we have to do something at least to limit spending. We have to control spending, and we can control spending that the bureaucracy feeds on by doing something about the spending ceiling.

Why now? Where do you think the economy of this country would be if we waited until next year when we consider the first budget resolution? This issue has to be met. It has to be understood. It has to be understood by the Members of this body, as well as the people of this country. This is the reason we must insist now, on spending ceiling. The Budget Committee must get the word.

The SPEAKER. The time of the gentleman from Louisiana has expired.

Mr. SCHNEEBELI. Mr. Speaker, I yield 2 additional minutes to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Speaker, we must meet this issue now. We cannot wait until the Budget Committee is ready to report this first resolution to tackle the question of a spending limit.

The only thing we are talking about is slowing down the rate of growth of Federal expenditures. We are in trouble financially in this country. We have exceeded our ability to pay for government at every level, at the national level, at the State and local level, and we have done so because of the past abuses to our economy. New York City is only the tip of the iceberg. Government must be reduced and spending must be controlled.

Mr. Speaker, this country existed for 186 years before we had a budget that exceeded $100 billion. Nine years later, we had a budget that exceeded $200 billion. Four years later, we produced a budget that exceeded $300 billion. And unless we do something about our spending ceiling, 2 years later we are going to have a budget that exceeds $400 billion. All of this has happened since I have been here.

We cannot continue blindly down that road if you are interested, as I am, in preserving the greatest system of government that God ever let exist under his blue canopy of heaven.

What have we been doing? We have been indulging increasing deficits and this year to the extent of about $74 billion. The effect of these deficits is what is destroying our economy. That is what is destroying the free enterprise system in this country. That is the reason—because the Government is doing this—that we have unemployment to the extent that we have. Government spending does not produce anything. Government spending in the consumption sector does not produce anything for the economy. Spending by the private and productive sector produces something for the economy.

My friends, we better get on with it if we do not want to take the blame for the destruction of the economy of this country. I will vote to sustain the veto and would only urge that you do what your heart tells you is right, whatever that might be.

Mr. SCHNEEBELI. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. FRENZEL), a member of the committee.

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

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

Mr. WHALEN. Mr. Speaker, I thank the gentleman from Minnesota for yielding.

Mr. Speaker, I rise in support of H.R. 5559 notwithstanding the veto of the President.

Mr. Speaker, the issue which confronts us today is a simple one: Should present tax rates be extended or should they be allowed to rise as of January 1.

More specifically, if the President's veto of the Revenue Adjustment Act of 1975 is sustained, total disposable income next year will be reduced $16.8 billion—or $8.4 billion for the first 6 months. The resultant ripple effect—assuming a "multiplier" of 2.5—would lead to a $42.0 billion annual contraction of consumer purchasing power. This comes at a time when the American economy shows signs of slackening its pace of recovery from its most serious recession in four decades. In November, for example, the industrial production index showed its lowest growth rate—0.2 percent—in 6 months. Further dampening of the public's "ability to buy" certainly is not a sound prescription for continued economic revival. Rather, it is sure to lead to higher levels of unemployment in 1976.

Any discussion of the veto of H.R. 5559 also must deal with the President's rationale for refusing to approve this measure. The administration argues that any extension of the 1975 tax cut must be accompanied by a $395 billion spending ceiling for fiscal year 1977. I endorse the concept of an annual expenditure limitation. Too, I approve of efforts to restrain the rate of growth of Federal outlays. But to impose a ceiling prematurely is unsound—unsound economic policy; unsound legislative procedure.

1. UNSOUND ECONOMIC POLICY

The Congress is being asked to establish a spending level 9 months before its implementation and 21 months prior to its termination. To attempt to project governmental needs this far in advance poses serious risks. Can we, for instance, predict the percentage of the work force which will be unemployed in July 1977? Can we foretell whether, by mid-1977, the economy will need further stimulation or, having rebounded sufficiently, require more fiscal restraint? Do we know now whether in the next 21 months an international crisis might erupt, necessitating substantial increases in defense or security assistance appropriations?

Thus, prudence dictates that, to avoid error and to achieve desired goals, policymakers should reach economic decisions as close as possible to the time of augmentation. Congress should adhere to this principle by deferring until September 1976 its commitment to a final spending figure for fiscal year 1977.

2. UNSOUND LEGISLATIVE PROCEDURE

A specific expenditure level is difficult to justify when the budget which it affects has not yet been drawn up or presented to Congress. While cuts should, and can, be made for fiscal year 1977, they should be accomplished within a framework of established budget priorities. In my opinion, blind cutting is just as fiscally irresponsible as uncontrolled and unplanned spending.

Further, by adopting now a fiscal year 1977 expenditure ceiling, Congress would erode its own fiscal decisionmaking apparatus provided by the Budget and Impoundment Control Act of 1974. As Mr. J. W. McSwiney, chairman of the board of the Mead Corp., recently wrote me:

> But to insist on incorporating spending cuts in the tax bill, circumventing the new Congressional budgeting process and the very credible and encouraging efforts of the budgeting committees seems to me impractical and ill-advised.

In the light of these reasons, Mr. Speaker, I intend to vote affirmatively for H.R. 5559, notwithstanding the veto of the President.

Mr. FRENZEL. Mr. Speaker, we are at the moment of truth.

The vote on this veto is probably the last chance to gain control over runaway spending. And make no mistake, the spending ceiling is the issue here. It is the overriding issue; it is the only issue. If we sustain this veto, we can get both a spending ceiling and a tax cut.

When we sustain this veto, this Congress will have to add a spending ceiling. We can do it before Christmas if the Congress is cooperative. Or, we can do it after the recess, and then cut taxes retroactively, just as we did in the Tax Reduction Act of 1975. It would be better to do it now. Otherwise perhaps the President would have to call us back to do it.

The President believes that the people want a tax cut and a spending ceiling. He offered a deeper and a better tax cut than the Congress would give, despite the rhetoric on the other side.

I believe the people want a spending ceiling, and I think they want it now.

The simple truth of the tax cut bill before us now is that the majority Democratic Party in Congress wants to spread the "goodies" of a tax cut without giving up its perquisites of spreading out another layer of "goodies" through uncontrolled spending.

The majority group will never support a spending ceiling unless it is forced upon it. If we wait for a spending ceiling to be developed here, we will die of old age.

The budget process is wonderful. We love it. We want to improve it, but it cannot of itself limit spending effectively.

Consider what those friendly folks at the Budget Committee have done for us so far. They accumulated all the spending wants of our several committees. Acting with tight-fisted determination, and parsimonious discrimination, they "reduced" the $50 billion deficit in the President's budget all the way up to a $75 billion deficit.

The committee needs our direction. Only by sustaining this veto can we set a spending limit, and only by a limit can we establish law and order in the spending process.

Mr. Speaker, we are trying to help the Committee on the Budget. It will make the priority spending decisions, but the whole House will have to accept responsibility for setting the total limit.

We can, therefore, enhance the budget process, establish control of spending, and give the people a tax cut, all in one easy vote.

Let us not pass up the opportunity. A "no" vote will preserve our last possible chance to control spending." Vote "no" now, and give the people a vote!

Mr. ULLMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota (Mr. KARTH).

Mr. KARTH. Mr. Speaker, there is a way that we can guarantee there will be no future tax increase, and there is really only one way to do that. That way is to make sure that America gets back to work.

Instead of having 8 million, 9 million, or 10 million people unemployed, we should have them gainfully employed and have them paying taxes instead of

absorbing them in the economy, and that is when, and only when, we can guarantee that in the future we will not need a tax increase. We must establish a vibrant, stimulated economy so that that objective can be achieved.

Mr. Speaker, there has been some talk about our being out of this recession. Well, most of the economists in this country disagree with that conclusion, and the fact of the matter is there are many of them who feel very strongly that we may very well at the beginning of 1976 slide back into the trough of a deeper recession still. I do not want to opt for that chance.

There has been some talk about the bureaucracy, Mr. Speaker. Well, let me tell the Members something about that. This Congress does not hire a single one of these so-called faceless bureaucrats. The man downtown hires those folks, and if the bureaucracy is to be reduced, I think they can start downtown. I would certainly support that move.

Mr. Speaker, in conclusion let me say that first of all I want to congratulate the gentleman from Georgia. I wish I would have said what he did. I certainly would not have been able to say it as well as he did. He gave us the results of a sustained veto.

Let me point out a few of the specifics, Mr. Speaker, in the event we do sustain this veto. A married worker with two children earning $7,000 a year will have his taxes increased $270 in 1976.

A married worker with two children, earning $10,000 a year, will have his taxes increased by $292 in 1976.

A married worker with the same family, earning $15,000 a year, will have his taxes increased by $246 in 1976.

A single worker earning $5,000 a year will have his taxes increased by $137 in 1976.

A single worker earning $7,000 a year will have his taxes increased by $175 per year, and a single worker earning $10,000 will have his taxes raised by $226 next year.

Mr. Speaker, I hope that the veto is not sustained.

Mr. SCHNEEBELI. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. DEVINE).

Mr. DEVINE. Mr. Speaker, I am not a member of the Committee on Ways and Means, but I imagine that those persons who serve on that committee are terribly frustrated.

I say that for this reason, and there are twice as many on that side as there are on the Republican side. They have gone about this country screaming about tax reform, about closing the tax loopholes, which we should, and that we should think about soaking the rich and hitting those persons who do not pay income tax, which we should. They have kept saying that we should tighten up tax reform, which would be the greatest thing in the world.

They worked hard and long, day and night.

What have they produced? What do we have here today? A mouse. A simple 6-month extension of a temporary tax cut.

We just cannot have it both ways. If we are going to have a tax cut, we are going to have to reduce spending. If we want to increase taxes, we can increase spending. It is just that simple.

Mr. Speaker, I would ask my colleagues here in the House to look at the public interest rather than at the ballot box, because if you want to keep on spending and do not care about the economy and if you want a tax cut at the same time, we are going to get ourselves into the same shape that New York City is in at present.

Therefore, Mr. Speaker, this is our opportunity to put a cap on the bottle before everything runs out. I would recommend that we vote to sustain the veto of the President.

Mr. ULLMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma (Mr. JONES).

Mr. JONES of Oklahoma. Mr. Speaker, I rise in support of overriding this veto.

It is unfortunate that this issue has been polarized by too much political rhetoric.

The issue is very simple, in my judgment. There is no disagreement between the President and the majority of Congress that a tax cut ought to be extended into 1976. There is no disagreement between the President and the majority of the Congress that there ought to be a spending ceiling. The only disagreement that I see is one of length of time. The President wants a tax cut for 1 year, and he wants a spending ceiling that would go into another year and 10 months. The Congress wants a tax cut extension and a spending ceiling, which we have already adopted, for a period of 6 months.

In my judgment, the Congress is right on this issue because we can fairly well project economic conditions for 6 months; and we cannot in any way accurately project economic conditions for the next year and 10 months.

The gentleman from Pennsylvania said that this is going to be a vote which will be long remembered. I suggest that there are going to be two votes that will be long remembered.

One of them is the vote we take today, because this vote will have serious economic implications. If we vote to sustain the veto; and on January 1, when people are beginning to pay their Christmas bills, they are confronted with an increase in taxes also, I think the psychological effect on this Nation will be one to reduce consumer spending and to reverse the economic recovery that we are now on.

That is going to be one important political issue that we are going to have to face in November, for we are responsible for reversing the economic recovery if we sustain the veto.

The second vote which this body is going to have to face will come next spring when the issue of extending the tax cut further will come up simultaneously with the issue of putting a spending ceiling on fiscal year 1977.

There, Mr. Speaker, are two important votes. I think we ought override this veto.

Mr. SCHNEEBELI. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. FREY).

Mr. FREY. Mr. Speaker, this Nation was formed on the basis of "We the people." It is not that way any more, it is "I the people." Each group rips off for itself what it wants. That is why we are in the mess we are in. We bought people with their own money.

I cannot say that voting to sustain the veto is a smart move politically. Probably it is not too smart. But how about fighting for the things we believe in? If we are going to lose as an individual or a party, we have to stand for something. This is the one shot we have to hopefully hold down the rate of spending which is killing our country. In the 7 years since I have been here, the spending has gone from under $200 billion a year to $420 billion. The national debt is over $600 billion. If you like it the way it is, if you take the rate of inflation play the same game. But if you want to change, if you want to stand for something, this is the one shot that we have to hold down spending. Let us vote "no." We will get our tax cut anyway, let us do what is right for the Nation, rather than what is smart and expedient politically.

Mr. ULLMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. FISHER).

Mr. FISHER. Mr. Speaker, it seems to me that we are in this situation: Most of us agree on the need to continue the tax cut and most of us agree on the need for a spending limit. The problem arises over the timing, the linking up of these two. The main issue before the House is whether or not to continue the tax reduction. That is what is going to happen January 1 or it is not going to happen. Then next spring, in the orderly course of things, will be the time for addressing the fiscal year 1977 spending limitation, along with the revenue ceiling, the debt and the deficit.

We already have voted a $375 billion ceiling for the fiscal year 1976 and that is linked with the tax reduction and the revenue estimates of the 1976 revenue. An orderly budget, of course, requires that the President present his 1977 budget in January and for the Congress to vote on expenditures and revenue ceilings in May, to take effect in October. That is the way we ought to do it.

The economy needs a continued stimulus from the tax reduction. The business outlook is precarious. It appears that some forces for recovery are moving but there is doubt as to whether the recovery will be sustained. The country needs a continuation of the tax stimulus to bring this economy up to where it ought to be.

Not to continue the tax reduction and not to permit the orderly budgeting according to the new procedures, I think is too high a cost to ask the American people to pay for the President's effort to head Ronald Reagan off at the pass.

I strongly urge that an orderly sequence be followed: first to permit the tax reduction to be continued and then, in the normal prospective course of events next spring, to take up the matter of the ceiling. I urge the Members to vote today to override the veto.

Mr. SCHNEEBELI. Mr. Speaker, I yield such time as he may consume to

the gentleman from North Carolina (Mr. MARTIN).

Mr. MARTIN. Mr. Speaker, I thank the gentleman for yielding me this time and I rise in opposition to this bill.

Mr. Speaker, this tax cut is an illusion. It will put a few more dollars in everybody's pockets. But it will reduce your purchasing power because of the resulting inflation.

I will vote to sustain the President's veto.

Let me also say how amusing it is to hear some of my conservative colleagues on the other side of the aisle defend the honor and integrity and success of the new congressional process for budget control. I will say to you that if you regard two back-to-back deficits of $75 billion as being the responsible way to control extravagant spending appetites—and that is the dismal record of the Budget Control Committee so far—if that is your measure of success, then there is no way to persuade you of the necessity for this effort to decide now to limit spending.

If we cannot get the majority of Congress to use this opportunity to accept a spending cut in order to justify a tax cut, then what chance will there be to even dent spending trends in 6 months, at a time just before an election? No chance, Mr. Speaker.

Mr. SCHNEEBELI. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Speaker, this talk about not passing a spending ceiling because of the need to follow the timetable of the budgetary processes and procedures is sheer gobbledygook.

Elementary economic arithmetic clearly tells us that if you spend you must pay for it. If you cut taxes you must cut spending. But if you do not, you increase deficit spending and inflict inflation on the American people, particularly on those least able to bear the pain—our senior citizens and those on fixed incomes. Even worse, you saddle our children with the future burden of paying for our present gratifications.

I urge the House to sustain the President's veto and I shall vigorously support a tax cut coupled with a spending ceiling.

If there is no tax cut, it will be because the majority refused to couple a spending ceiling with that tax cut.

Mr. ULLMAN. Mr. Speaker, I yield 2 minutes to the gentlewoman from Kansas (Ms. KEYS), a member of the committee.

Ms. KEYS. Mr. Speaker, I have sat for weeks and months on the committee working and studying the economy, and I am astonished to come in here and sit in this body and listen to the talk of politics today. I cannot believe that seriously we are sitting here talking about a political ball game. There surely must be a majority number here who are concerned about the basic issues we are facing. It seems to me those are very clear.

Can we possibly stand to lose more than a billion dollars from the spending stream of our economy come January 1? I think not. Can we possibly stand for individuals to face a tax increase of almost 8 percent per paycheck? I think not. Can we possibly stand, at a time when all of our employers are fussing about paperwork and the tremendous expenditures imposed upon them by Government requirements, to force those employers to recompute all of the withholding rates on January 1 because of some political ball game we seem to be playing here?

I think it was quite wise that our forefathers gave the responsibility for taxing and for spending to the House of Representatives. In this Bicentennial year I would suggest that it is rather strange that we have a President who wants to usurp a Congress who for the first time, through its own budget capacity, is trying to exercise that responsibilty.

We are voting on a tax cut extension that covers a period of time in which we have already set a budget ceiling of $20 billion less than that as requested in this political ball game.

Let us override this veto, taking this issue in hand responsibly and deal with the issue of a prudent budget at the proper time, just as we exercise the responsibility we have here.

Mr. SCHNEEBELI. Mr. Speaker, I yield 3 minutes to our distinguished minority leader, the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Speaker, one of our colleagues said to me the other day, "Why do we always have to do this at Christmastime?" I do not quite know the answer, but it seems that we do. Perhaps we do it because the majority of this Congress has failed to recognize the fact that the American people want two things, and want them very badly.

The first thing they want is a limitation on the expenditures of the Federal Government. They are sick and tired of big Government. They want us to cut it down. They want us to cut it down now.

Of course, the next thing they want is a good economy and I think most people will agree, as we have said here, that in order to have a good economy, we should extend the tax cut we gave the American people last March. We can do both of those things, Mr. Speaker. All we need to do is to put an expenditure limitation on this bill.

People say, "Why now?" I say, "Why not now?" We should do it right now because we must establish how much money this Government is going to spend. We need to be certain that unbridled Federal spending will not further fan inflation and Government borrowing dry up private credit markets.

We certainly can adopt a spending ceiling. The President is not asking us for something impossible. Three hundred ninety-five billion dollars is not a miserly sum of money. It is some $20 billion more than we will spend in fiscal year 1976. We are merely cutting back from the projected increase of some $423 billion, which is what we would have if we went ahead with all of the existing programs. This cut is necessary in order to stop the burgeoning growth of Government and Federal spending.

People say, "Why do it now? Why not wait until the Budget Committee has acted?" There are two reasons: One is that the Budget Committee has not exactly covered itself with glory insofar as its first few months of existence are concerned. The second, of course, is that the President is only asking us now to limit the size of the bolt of cloth that we are going to cut. He is asking us to say right now how much money we will spend—on an overall basis. Congress will divide it, determining the precise programs and funding levels within its overall total. We will divide it in accordance with the priorities which Congress will set, as it always has. But it is imperative that we first establish our spending ceiling for fiscal year 1977.

There is nothing wrong with a spending limitation. It is a good idea.

Much has been said about what will happen to the economy if this veto is sustained. Of course I firmly believe that this Congress wants a tax cut, that the President wants a tax cut, and that there will be a tax cut.

It has been said it is necessary for us to override this veto so that the rates of withholding for individuals and businesses will not go up in January. I say that is not so. We can sustain this veto and then we can pass a little bill I introduced last night, H.R. 11227, which mandates that the existing withholding rates be maintained until March 15. By maintaining current withholding rates until March 15, we can protect individuals from any unnecessary fluctuation in their take-home pay, and at the same time not withdraw needed stimulation to the economy which this additional take-home money provides.

H.R. 11227, or some similar approach, will give the House and the Senate a chance to look at this whole matter again with time to dispose of it properly and efficiently without the threat of being called back into special session after Christmas. It will maintain the status quo. It puts a net under the economy while we deliberate as to what we should do.

People say: "How do we do it?" It is very easy. If the veto is sustained I will ask unanimous consent to bring H.R. 11227 up now. I am under no illusion as to what the outcome will be. The unanimous consent will not be given.

But the Senate has two tax bills they are going to send back to the House anyway, and with the rules of the Senate there will be no problem in having them put on some type of simple extension of the withholding rates. There are several avenues open to the majority, and with a little imagination we could have an extension to avoid the situation we now face.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

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

Mr. ANDERSON of Illinois. Mr. Speaker, I commend the gentleman from Arizona on the statement he just made.

I wonder if the gentleman would agree with this statement? I have listened carefully to this debate this morning. It seems to me all Members on the Democrat side of the aisle agree that they would like to have a spending ceiling. All the Republicans on the Republican side of the aisle want a tax cut. I wonder if the gentleman

would agree that what seems to be keeping us apart is that the Democrat majority in this Congress simply does not want a joinder of those two issues in the minds of the American public, that simultaneously with the tax cut there ought to be a reduction in spending?

Mr. RHODES. I certainly agree with the gentleman from Illinois.

Mr. Speaker, I commented briefly yesterday on the fact that the bill comes back to us totally devoid of the tax reform provisions over which the Ways and Means labored so faithfully for so many months. Is tax reform only an issue to be discussed in election years and abandoned in nonelection years? This is our Bicentennial year. Our Nation was literally founded because of cries for relief from inequitable and oppressive taxation. It is quite literally our national birthright. And yet this 94th Congress—200 years later—is so hungry to provide the American people with a Christmas package that it has lost its earlier resolve to couple tax reduction with reform.

I am reminded of the ancient story of Jacob and Esau:

> And Esau said to Jacob, Feed me I pray thee with that same red pottage, for I am faint; therefore was his name called Edom.
>
> And Jacob said, Sell me this day thy birthright!
>
> And Esau said, Behold I am at the point to die, and what profit shall this birthright do to me?
>
> And Jacob said, Swear to me this day; and he swore unto him, and he sold his birthright unto Jacob. (Genesis 25 :30–33)

Mr. Speaker, I believe that if we override the President's veto of this legislation we are, in effect, selling our birthright to a more equitable system of taxation for a mere mess of pottage.

We should have both tax reform and tax relief, and we should have it now. Although the chairman of the Ways and Means Committee believes he has the assurance that the House-enacted package of tax reforms will come back to us by July of next year. However, he cannot assure us that they will not be returned to us in emaciated, if not skeletal form. The haste and ease with which the House Ways and Means Committee conferees from the majority side of the aisle retreated and bowed to the will of the Senate on a delay in the enactment of any tax reform provisions leaves me with deep foreboding.

Mr. Speaker. I urge support of the veto.

Mr. ULLMAN. Mr. Speaker, I yield 4 minutes to the distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL. Mr. Speaker, this year alone this Congress has appropriated $7.5 billion less than the President has asked us to appropriate. In 5 out of the last 7 years, we cut the President's budget $30 billion. Five times out of 7 we have been below the President's budget.

We could debate high Government spending. Actually, in a period of 10 years we have had a change in budget accounting. Social security is now included as are highway funds. I do not know how many additional programs have been brought under the budget. But the Federal budget has grown by only 2 percent of the gross national product, while at the same time local government, county and municipal, and the city budgets have grown 300 percent. I do not condone that either.

I hope we can be under the $395 billion ceiling for 1977. We have set a budget of $375 billion this year. The average inflation rate for the last 3 years has been 7.8 percent. If we add the 7.8 percent inflation rate to the $375 billion this year, and with just the normal increase and nothing whatsoever added, it brings the budget to $403 billion or $405 billion.

With just a normal increase, nothing unusual whatever, just with spending at the current rate the budget will be around $403 billion or $405 billion. What do we know of what will happen 9 months from now? The budget will not be set until October 1st of this year.

The gentleman said the tax decrease was a one-shot deal. I had hoped it was a one-shot deal. Did it accomplish anything? Yes; I think it bottomed out a depression. Unemployment was 9.7 percent. It came down to 8.3. It is now 8.5 percent.

What do the economists say will happen if we do away with the tax cut at the first of the year? It will mean that within a period of 6 months 300,000 or 500,000 more Americans will be unemployed. Perhaps the depression that we hope has bottomed out will go through the roof. I do not think we can take a chance on that.

Let me just tell this House the complete facts of life as they are right now, Mr. Minority Leader and Members on that side. I had an idea that this was going to be a friendly veto, and I think many on the minority side did. I am kind of surprised at the opposition from the minority side to this. Let me just say this to the minority leader. There is no capitulation. This is it. And I am not yielding to the gentleman, I am just going to state the facts as they are.

Think of the first of the year when the father of a little family of four making $8,000 has $217 more taken out of his salary and in the first week he comes home and finds that $4 more has been taken out of his salary—the $4 he had budgeted for a little toy to make a happy Christmas for his child. I hear many on the minority side laughing—well, sure, they are the party of wealth; they do not have concern for the little fellow.

Mr. Speaker, I just want to say this. There is no capitulation on our side. This is it and the responsibility as to whether or not we have increased unemployment of 300,000 or 500,000 falls on the individuals here.

Mr. Speaker, only the Congress of the United States sets taxes. Only the Congress of the United States says whether when the first paycheck comes, whether there is a tax reduction or there is not.

Mr. Speaker, I hope for the best interest of this Nation that we override the President's veto.

Mr. ROSTENKOWSKI. Mr. Speaker, in the many years that I have been privileged to serve in the House of Representatives, I have participated in the discussion of many veto messages and participated on both sides of many votes to override. In my opinion, none have reached the very high level of debate that has existed in this chamber today. The issues have been clearly spelled out on both sides of the subject and the attendance during our deliberations has shown the high degree of concern that the House of Representatives has for this matter.

While I will not restate the arguments that have been made today, I would like to point out that a failure to override this veto will not only result in a technical nightmare for the Internal Revenue Service and employers throughout thsi Nation, but will cast a shadow of uncertainty over our continued economic recovery.

Mr. Speaker, those who choose to sustain this veto will not only be playing politics with the concept of tax reduction, they will be doing a severe injustice to the budget system that the vast majority of them helped to install such a short time ago. I only hope that if this veto is sustained those who choose to sustain it will be able to explain to the American people why their economic well-being has become a political football to be tossed from one end of Pennsylvania Avenue to the other.

Mr. MILLER of Ohio. Mr. Speaker, once again the majority here in the House is not facing up to the fact that this Congress is going to have to take the difficult steps necessary to control Federal spending. Instead, they choose to continue the giveaway programs without regard for a source of revenue. I, too, feel that the taxpayers of this country deserve a thorough reform of the Tax Code and an equitable tax system. But any reductions in taxes must be accompanied by an equal reduction in the level of Federal spending for fiscal year 1977. If this is not accomplished then we shall soon see a rate of inflation that will quickly consume any benefits that the taxpayer may receive.

There has been a hue and cry in this Chamber over the past several days that imposing a spending ceiling at this time is impossible; that we must wait. We have seen this same dedication to a lack of fiscal restraint for over four decades. The Democratic Party has controlled the House for 40 of the last 44 years. During that time the Nation has run a deficit during 36 of those years. The public debt has skyrocketed to $600 billion. Given these past habits, what reason do we have to believe that the 2-to-1 Democratic majority will exercise any more restraint 6 months from now than they have shown thus far in the 94th Congress.

Mr. Speaker, the distinguished minority leader, Mr. RHODES, will offer a compromise measure if the President's veto is sustained. It will provide for a simple extension of the 1975 tax reduction provisions through March 15. This will insure that the taxpayers do not suffer an increase when the present law expires on January 1. At the same time it will provide an opportunity to work out a compromise on the final shape of tax reform, together with a ceiling on spending for fiscal year 1977. This seems to me to be an entirely reasonable procedure. I hope that the Members of the majority will take the opportunity to

reflect upon the absolute necessity of establishing a spending ceiling to control Government spending.

Mr. SARASIN. Mr. Speaker, I favor a significant tax cut for America's working men and women and a spending ceiling to return fiscal sanity to the Federal Government. That left no choice but to vote to sustain the President's veto of the irresponsible effort to cut taxes without limiting spending passed by those unable to accept self-discipline.

We can afford to give the taxpayers a larger and more equitable reduction, but only if we also enact a policy of spending limitations to control the unreasonable deficits the spendthrift congressional majority seems determined to force upon the American public. I think the voters know, even if some in Congress forget, that there is inevitably a day of accounting for spending money you don't have. New York City has demonstrated that.

What Congress should do now is go back and immediately pass responsible tax cut legislation coupled with a spending limit. We could do it today if the Democratic majority would cooperate, instead of playing politics with the economic future of America. If they refuse to do this, and instead pursue their usual rush to adjourn for a recess, I think the voters will know where to place the blame.

The argument being put forth by opponents of a spending limit, that we cannot decide now that we will act in a fiscally responsible manner as we develop the budget for the next fiscal year is ridiculous on the face of it. In fact, if we are serious about putting the brakes on the inflationary growth of Government waste and spendthrift ways, we must take a stand now.

I also believe that the people of Connecticut and the Nation are ahead of the congressional spenders on this issue. In response to a recent single question poll I took, in which I asked "Would you support efforts to lower taxes and Government spending even if this means holding down expenditures on some popular Government programs?" Well over 90 percent of those responding said "yes." My vote on the override was in keeping with that desire on the part of my constituents.

Mr. GUDE. Mr. Speaker, in theory this question today ought to give us the best of both worlds—a tax cut on economic grounds and a spending limit on the grounds of fiscal responsibility. Everyone favors both objectives in the abstract, and on the surface, therefore, the President's proposal has considerable merit. Looking at it more thoroughly however, I have concluded that the President's insistence on a spending limit at this time is both bad economics and bad legislative practice.

It is bad economics because the Congress is being asked to set a firm spending ceiling for a time period which does not even begin for 9 months. In a period of rapidly changing economic conditions such as we have been experiencing, no one can responsibly predict what our situation will be next October—what spending may be needed, what crises will exist. The President is asking that the Congress lock itself into a spending limit this early, without providing any details as to what programs he wants limited. While I would like to see a $395 billion ceiling as much as the President, I am also quite sure my choices for spending cuts could well be different from his. Before cutting itself to a ceiling, I think it vital that the Congress know specifically what proposals the President has to make on spending, as listed in the fiscal 1977 budget due out in several months. It is irresponsible to call for spending cuts in general without specifying where they will occur, and without taking into account the fact that economic conditions 9 months from now may be very different than they are now. The certain result of trying to lock the Government into this kind of spending limit will be a spending resolution either forgotten, ignored, or amended by next October. To pass such a resolution now would be unwise.

The President's suggestion is also bad legislative practice. After considerable effort the Congress finally developed and has begun to implement strict procedures for controlling the budget. The Budget Control and Impoundment Act offer the best hope we have—perhaps our only hope—of getting a firm handle on spending. Its carefully constructed provisions and precisely timed resolutions are a far sounder approach than one resolution 9 months in advance.

I cannot emphasize how important it is that we make this process work from the beginning, that we institutionalize it and make it a part of our regular procedure. It is because of my deep belief in the importance of making this process work that I have consistently supported the budget resolutions, despite my disagreement with certain of their parts. I am pleased that the Senate has successfully adopted this same bipartisan commitment to the budget process and has regularly adopted the resolutions by healthy margins. The House, I am sorry to say, has been more partisan in its approach, fighting the process every step of the way. The ironic result of those efforts, if successful, would be to destroy the only effective mechanism we have for controlling spending—the very concept the resolutions' opponents claim to seek to preserve.

Passage of a spending ceiling now would bypass and short circuit these budget procedures to the detriment of all concerned. The shortrun result would be, as indicated above, a resolution that would serve no useful purpose and would probably be put aside next October. The longrun result would be to jeopardize the effective procedures we are now implementing, which would seriously set back our efforts to stop the growth in spending.

As a result, I call on my colleagues to once again display their confidence in the budget system we have developed—and which will set a firm spending ceiling—and override this veto.

Mr. GOLDWATER. Mr. Speaker, there is not one Member of the Congress who opposes giving the American taxpayer some long overdue relief. There is not one Member of the Congress that opposes extending the Tax Reduction Act. It is equally true that the American public would be grateful for a Christmas present from the Congress in the form of some relief of their tax burdens. All political considerations aside, this Congress owes the American taxpayer some relief because it has been this Congress that has refused so far to control its spending habits by setting a limit on spending.

And that is just the point. Unless the Congress, this Democrat-controlled Congress, gets serious about fiscal responsibility and limits spending, it will not make any difference whether a tax rebate bill passes or not. It will not make any difference because inflation will continue to rage on and the few dollars the taxpayer gets back will not add one iota to his real buying power.

It is fiscally irresponsible to pass a bill authorizing a tax rebate or tax reduction for individuals and not cut Federal spending by an equal amount. To refuse to cut spending by an amount equal to the tax reduction will increase the deficit by an equal amount. It is as simple as that. If you want to be guilty of adding to the Federal deficit, to inflation, to continued economic misery and disruption, then pass a tax reduction without cutting Federal spending by an identical amount.

My constituents and the citizens of California have sent a loud and clear message to Washington. They want deficit spending, inflation, political games and charades stopped. This bill as it comes before us fails to do that and I cannot support it.

Mr. ROBINSON. Mr. Speaker, I am conscious of the fact that voting to sustain the President's veto of this bill (H.R. 5559) is susceptible of the impression that one is playing Scrooge at Christmastime by denying the hard-pressed taxpayer in the coming year the modest relief which has been available this year.

I do not presume to speak for all of my colleagues who share my support of the President's action, but I do believe that most of them recognize a need to continue the economic stimulus provided by the temporary tax concessions—and to ease the Federal tax impact on the family and on small business over the long term.

We deceive ourselves, and all taxpayers, however, if we insist on ignoring the projections of a potentially disastrous widening of the deficit gap in the next fiscal year. That is precisely what we do if we extend present tax relief provisions without a concurrent establishment of a realistic spending limit.

There are those who contend that we should not deal with a spending ceiling until we see the President's new budget. I say we do not need that information in order to act responsibly today. We have the data, grim though it may be, which sets before us the magnitude of the existing and expanding fiscal crisis. The only right course is to make the commitment now to an overall reduction in projected spending sufficient to at least offset the revenue loss represented by extension of the tax reductions now in effect.

The American taxpayer, whether dealing with a family budget or a business budget, recognizes the dangers of trying to spend money one does not have, and of exceeding prudent limits in borrowing.

I believe the American taxpayer will recognize the commonsense of sustaining the veto, if it is followed—as it can be—by prompt action to combine a tax relief extension with a firm undertaking to fix a fiscally honest spending limit for the next fiscal year.

Mr. MOTTL. Mr. Speaker, I would like to commend our colleagues in the Senate for exercising good judgment in modifying the tax cut extension which the House approved last week.

The House version included two provisions which caused me to vote against the bill. One would have extended the tax cut for a full year and the other would have given all Congressmen a backdoor raise of almost $2,500 a year.

This raise would have been enacted via the backdoor with an increase in tax deductions for living expenses for Congressmen. Now we are entitled to a flat $3,000 a year. Under the House version, Congressmen would be allowed $44 in living expense deductions for each day the Senate or House is in session. This year each body will be in session about 175 days, which would result in deductions of $7,700, an increase of $4,700. Congressmen in the 50-percent tax bracket would benefit to the tune of $2,350 for the 1975 taxable year.

The time has come for Congress to stop feathering its own nest under the guise of providing a tax reduction to the American public.

The Senate Finance Committee, at my suggestion, eliminated the congressional raise loophole of the House bill. I commend Chairman RUSSELL LONG and committee members for that action.

Furthermore, the Senate version calls for the tax cut extension to run for 6 months, instead of 1 year. The inclusion of that provision allows the Senate and the House to take another look at the economy and the possible inflationary aspects of this legislation in mid-1976 before determining whether the tax cut should be retained or eliminated.

Because of the Senate's foresight in eliminating the congressional raise and in reducing the length of time of the tax cut, I am now supporting the bill. It gives me great pleasure to vote to extend the tax reduction for the American public and at the same time eliminate the distasteful, feather-our-own-nest, congressional pay raise.

Mr. KEMP. Mr. Speaker, I want tax relief and tax reform as much as anyone in this country and in this Congress. Taxes are destroying incentives and individual freedom and are eroding the investment capital needed to create and upgrade jobs and to stimulate production. But, the economically sound and politically honest way to cut taxes is to also cut Government spending. Anything else is disastrously counterproductive and, indeed, dishonest.

It is dishonest to cut taxes for American consumers without cutting Federal spending a like amount. To cut taxes without cutting spending simply fuels inflation. Government's spending and deficits must be financed, and if tax revenue is inadequate, the Government must borrow to raise money to cover the deficit. Borrowed money is drained away from the savers and their investments in the private sector, less is left for construction of homes and industrial plants, or purchases of major equipment, et cetera. That means prolonging the recession and a loss of jobs. If the Federal Reserve System finances the deficit, it expands the supply of money without a commensurate expansion in productivity, and that means the supply of money rises in relation to the supply of goods. This is inflation. Inflation is the worst tax and most dishonest tax of all.

To do less than cutting spending when we cut taxes is, therefore, to erode further the purchasing power of the paycheck, of a pension, and of a grocery check. Furthermore, each consumer is a taxpayer, and the inflation caused by spending more than is raised in taxes is pushing taxpayers into higher tax brackets without them having more purchasing power in real dollar terms. This results in higher taxes paid—to the extent that last year alone total taxes at all levels of Government rose 25 percent and at almost twice the rate of increase in food and fuel.

My opposition to high taxes and excessive spending has been consistent. I voted against this Tax Reform Act legislation when it came before the House and when it came from the joint House-Senate conference committee. I voted against the Tax Reduction Act of 1975, passed last spring, for the very same reason. And, I have consistently voted to cut spending and have also offered an innovative program, the Fiscal Integrity Act, to require balanced budgets and to place an absolute ceiling on how much Government can take from the people's earnings, measured in terms of a percentage of aggregate national income.

The Nation is waking up to the consequences of excessive spending and runaway debt. New York City is the most obvious example of what this leads to. Yet, there are many here today who, while arguing for balanced budgets in New York City to avoid economic collapse there, are nonetheless insistent upon not imposing such a requirement upon the Federal Government. I suppose it is easier to require officials in New York City and in Albany to balance their budgets, bring their fiscal houses in order, and get their economic conditions restabilized than it is to exercise self-restraint at this—the Federal—level of Government.

The President has vetoed this bill, and I applaud him. He should have, as well, vetoed the Tax Reduction Act of 1975 earlier this year, for in all candor the two measures rest upon the same premise—that is, pushing economic recovery through stimulating consumption rather than increasing production. Britain is learning this economic truth the hard way.

This task—of restoring the fiscal integrity of this Government. and of our dollar—is the most overriding issue in the Congress today and we must regard it as our solemn obligation to the people.

Mr. YOUNG of Florida. Mr. Speaker, I rise to support the President's veto of H.R. 5559, a bill to extend the 1975 tax cuts for an additional 6 months, at a cost of $16 billion to the Treasury.

The President vetoed this bill because it did not contain a commitment to a spending ceiling on the fiscal 1977 budget for which he has repeatedly asked the Congress. I agree completely with him that extended costly tax cuts without imposing a corresponding reduction in Federal spending is a fiscally dangerous act.

Our national debt is fast approaching $600 billion—over one-third of our annual gross national product. We pay out more than $100 million a day in interest alone on that debt. The combined deficit for fiscal years 1975–76 stands at close to $150 billion, and even with a spending ceiling we will face a deficit in fiscal year 1977. The Nation as a whole is fast approaching the same fate as New York City because Congress refused to draw the line on Federal spending. We cannot ignore what we have learned from the situation in New York City—these truths will just not go away. Unless we make some attempt to balance revenues and expenditures, the financial situation and the economy of the Nation will continue to go from bad to worse.

The United States is beginning to edge out of a recessionary period, and inflation is once more rearing its ugly head. Interest rates are beginning to creep upward again, and major manufacturers are announcing new price increases. A chief source of blame continues to be Federal overspending. The Congress continues to pump into the economy vast sums of money which we really do not have—$74.1 billion deficit is targeted for fiscal 1976 alone. As if this inflationary pressure is not bad enough, the Federal Government is forced to borrow huge sums to finance the ever-growing national debt. By continually borrowing billions of dollars from the private sector, the Federal Government "crowds out" corporate and private investors and borrowers. The resultant shortage of investment capital stops building and expansion projects, thereby threatening a return of the recessionary cycle.

This vicious inflation-recession pattern will continue to plague the Nation until the Congress takes effective action to halt it. The most effective action we can take at this point is a firm commitment to limit Federal spending.

I believe the Congress should make a commitment to a spending ceiling and thereby signal to the American people its determination to bring the Federal Government back under fiscal control—to stop its runaway growth, excessive spending, and exorbitant debt increases.

A tax cut is perhaps the most politically popular item to come before any Member of Congress for a vote. My votes on spending issues establish that I support reductions in Federal taxes and the overwhelming burden on individual taxpayers. It would have been easier for me to vote for this tax cut—with or without a spending limit—but the pop-

ular vote is not always the right vote. Any Congressman who considers our present financial situation honestly and responsibly can only support revenue reductions if they are accompanied by corresponding reductions in expenditures. I hope my colleagues will join me in sustaining the President's veto so that we may enact responsible legislation providing for a tax cut with a realistic commitment to a spending ceiling. Such legislation is truly in the interest of the Nation and of the American people.

Mr. MILFORD. Mr. Speaker, it is never popular to vote against a tax cut.

But as a matter of good conscience in serving my constituents and, I believe, this Nation, I had to vote to sustain the President's veto of the tax cut. To do otherwise would constitute a dishonest vote on behalf of my constituents.

However, my reasons and the President's are not the same.

President Ford vetoed the measure saying he wanted Congress to set the budget ceiling. And he knows full well—for he admits voting for the measure—that the House has established a Budget Committee to determine a budget ceiling, and to monitor all bills so that that ceiling is viable.

This sounds to me as if he wants to usurp congressional responsibility, and impose Executive decree. I do not buy that. We have had enough of administrative decree in the last several years.

I voted to sustain the veto for one overriding and basic reason: This Nation cannot continue spending more money than it takes in through taxes.

We must either raise taxes or cut spending.

We in the Congress have a responsibility to the people of this country to preserve and protect this Union. In the past, we have taken that to mean that we will keep our armies mighty and our Navy afloat, and the continental boundaries will be defended staunchly.

However, in today's crisis, the danger is as much economic as military. We must keep our Treasury strong and our ability to pay sound.

That means we must bite the bullet now. We must not wait until our Nation's Treasury teeters on the brink of bankruptcy. It will only get harder to bite the bullet the longer we wait.

Biting the bullet now means defeating this election-oriented legislation.

Biting the bullet now means being responsible and not adding another $18 billion to our national deficit. Certainly Congress has not succeeded in trimming Federal spending, so it seems ludicrous to trim national income.

The citizens of this country were not born yesterday. Time and again they have watched while their elected officials passed some election-geared bills to "help them."

Well, my friends, "helping them" by adding to the burdens of this Nation's economy is not much help. And I frankly do not think the people of the 24th District of Texas, or the people of the United States as a whole are stupid enough to buy such an asinine scheme.

I know my people are not. They will see through a cut in their taxes this year. They know that after the election the Nation will need more money, and will have to either raise taxes much higher than proposed today, or increase the national deficit.

Besides the political fallacy here, I have enough confidence in the people to know that they are aware it is easier to pay the $8 or $10 more a month per person now, than see a new surge of inflation, recession, and a further weakening of the total U.S. economy. At that point, we would all have to pay more. Inflation is a vicious tax. Our Federal deficit is the primary cause of inflation.

That, ladies and gentlemen, is precisely why I hope that the tax cut veto will be sustained, and I am confident that the people of my district will understand the reasoning, rather than react to the emotional exhortation.

Mr. JACOBS. Mr. Speaker, people stealing from the poor box by getting food stamps without genuine need.

Politicians being heroes on other people's time and money, by committing war without genuine defense need.

This is the stuff of which national debt of more than half a trillion is made.

Baptized by revolution, confirmed by civil war, yet learning nothing from history except that we do not learn from history, my country, with nearly everyone in it cheering, marched our young to defend freedom in Southeast Asia where there was no freedom to defend.

By and by flags tattered. Feet fatigued. Blood stained the earth. And even the sunshine soldiers in Congress shuddered in the winter of discontent.

So we flew away salvaging nothing but unbearable grief.

This is the stuff of which national debt of more than half a trillion is made.

And so it goes. Deficit becomes habit, debt nothing more than a common noun. Cry tomorrow, for we are young and tomorrow may never come.

Crime encroaches. Genuine welfare need swells. Little children of the very poor and the very ignorant while away their precious formative years without the miracle of preschool to bend the twig so the tree grows straight.

Early this year, in the depths of whatever euphemism one chooses to call depression, with painful national debt already racking the body politic, the President and the Congress rolled the dice and gave back to the taxpayers money that did not exist in the hope that bootstraps would hold long enough for the economy to take hold.

It was temporary. A quick burst of pump priming with artificial water.

And if it worked—even a little—the patient would revive and we could return to the central reality that the war piper and the domestic waste piper and even the pump-priming piper must be paid.

But no. Not now. Not December 1975. Christmas Eve and the eve of the big one, the Presidential election year. Why, even to pay the pump-priming piper and to allow the temporary tax cut to be just that and not to extend it, would change withholding rates and cost a taxpayer about $3 per week.

And if the "temporary tax cut" and the weekly withholding rates are renewed for 1976, what do we citizens get besides 43 pennies a day? What do we get? Another day older, and $16 billion deeper in national debt by the end of our 200th birthday year. And we get to pay more than 43 cents per day in higher prices.

Mr. Speaker, though the White House seems to be outbidding the Congress in how much nonexistent money it wants to give away in an impossible tax cut for the election year—the Congress sets it at $16 billion along with a track record of having cut five of the last seven White House budgets. The White House wants a cut of $28 billion with a promise that it will raise its budget next year but will raise it $28 billion less than it could raise it, the basic position of both the White House and the House of Representatives favors a tax cut while there is still a deficit in the budget. And thoughtful citizens might well say, a plague on both the Houses.

A responsible individual pays his or her debts. A nation should, too, before borrowing more to live on. Piper, Piper go away, for we are young and tomorrow may never come.

Mr. CONYERS. Mr. Speaker, I am disappointed by the House's failure to override President Ford's veto of the tax cut extension, and deeply regret that unavoidable circumstances prevented me from reaching the floor in time to cast my "yea" vote.

With the President again exercising a tyranny of the minority, as he did in killing vitally needed jobs bills, both citizens and the economy are dealt another unnecessary blow from the White House. To insist on a fiscal year 1977 spending ceiling before an examination of fiscal year 1977 budget proposals is not only political trickery of an obvious sort but a violation of the congressional budgeting procedures as well.

Ms. ABZUG. Mr. Speaker, passage of this legislation is essential as a continued stimulus to our failing economy. Our country continues to experience the highest rate of unemployment since the depression of the 1930's. Any small gains we may have made toward economic recovery will be wiped out if taxes are permitted to rise, which they will, if we do not act today to override the President's veto of this critical legislation.

While a ceiling on spending appears to be a method for curbing inflation, such a ceiling cannot be imposed in a vacuum. The Congress must examine each spending program in light of the services it is providing, the need for such services and their cost. We should not merely accept an arbitrary figure proposed by the Executive at this time, but rather should calculate a reasonable ceiling based on our own assessment of the spending programs. If the President were to commit himself to cuts in defense spending, this would make his proposal more realistic and practical. It is patently counterproductive to request a ceiling on social expenditures when unemployment lingers at an unacceptable 8.5 percent rate and no effort is made to substitute job-generating programs for nonproductive military expenditures.

If the Congress fails to act to override

the veto, the withholding taxes of all our citizens will rise on January 1, 1976. The alleviation of the tax burden which this Congress has proposed for low- and middle-income individuals will be lost as will the economic stimulation which this reduction generates, and the only group who will derive any benefit from our tax laws will once again be those who need it the least—the rich. In these dire economic times our Federal tax system must respond by stimulating the economy and providing relief to low-income workers. Therefore, I urge passage of this bill today.

Mr. ULLMAN. Mr. Speaker, I want to commend the Members who have participated in the debate. It has been a high level debate. This is a very critical moment in the history of our country. Remember, when we are talking about a budget, we are talking about two concerns: We are talking about revenues and we are talking about expenditures.

The times when we have the big deficits are the times when revenues drop off, because we have gone into recession. Unless we can get this economy moving again, we can never hope to balance the budget because that can only be done by a growth economy producing revenue, and this economy today is not a growth economy.

If we have a tax increase in January, we are taking a grave chance. We are playing Russian roulette with the economics of this country and our times, and it could produce disastrous results.

Mr. Speaker, failure to enact this legislation will have a major economic impact. Let no one doubt that. We have consulted the leading economists in the country, and every one of them agreed that this tax reduction needs to be extended. Chase Econometrics has predicted with their model of the economy that failure to extend this tax cut means $25 billion less in gross national product and 500,000 jobs. That is what we are talking about at a very crucial time in the history of this country.

The budget procedure is here. This coming year is the first year of full implementation. Let us give it a chance. Let us do the right thing, and let us not second guess now what the Budget Committee and the budget procedure have to produce. The issue is not whether we favor spending cuts or do not favor spending cuts. God only knows that every person in this room favors expenditure reduction, but the way to do it is in the system that we have finally adopted, which is a major reform of the budget procedure. We have it now. Let us use it and use it responsibly.

Mr. Speaker, let me conclude by saying that I would not ask anyone to vote for this because it is an election year. The time is too grave to consider whether it is an election year or whether it is not an election year. The only basis on which we should consider this matter is whether it is right or whether it is wrong. Now, every shred of evidence that we have says that it is right for the economy and it is right procedurally to put into place this continuation of the tax reduction.

I ask the Members to vote the right thing for their country at a critical time, and vote to override this veto.

Mr. FORSYTHE. Mr. Speaker, today the House of Representatives will consider whether or not to override the President's veto of H.R. 5559, the Revenue Adjustment Act, a bill which passed the House by a voice vote yesterday afternoon. I will vote to sustain the veto.

Earlier this month, I also voted in favor of H.R. 10612, a broader tax reform bill which included a tax reduction similar to that of the vetoed bill. These two votes reflect my sincere belief that we need a tax reduction but that a responsible tax reduction should also include a corresponding effort to control Federal spending.

During the voting on H.R. 10612, I strongly supported the two unsuccessful attempts to attach a ceiling on spending to the tax reform package. I supported reasonable efforts to strengthen the bill and provide more revenue, and at the same time to continue those tax incentives which would logically contribute to the recovery of the economy. I then voted, somewhat reluctantly, in favor of the bill. I cast that vote in full knowledge of the President's intention to veto any tax bill which did not contain a ceiling on spending for fiscal year 1977. I felt that my favorable vote, however, in spite of the lack of a spending ceiling in the bill, would register my strong support for both the necessity for general tax reform and for an extension of present tax reductions.

But now the tax reduction extension bill is coming before us today—minus any attempt at general tax reform, minus any effort to compensate for revenue loss. It is a travesty, after the month of debate and rhetoric by the majority over the need for "tax reform."

Thus, today I will vote to sustain the President's veto. This Congress simply must take the initiative to control Federal spending. If it does not, inflation will steamroll once again. Our money's value will continue to be degraded. It is time to stand up and clearly vote for a responsible tax-spending policy.

The Congress, upon returning in January, will have an opportunity to reconsider tax legislation and still provide a tax reduction and the necessary corresponding ceiling on Federal spending, an approach which I will support. Overriding the President's veto and thereby providing a simple 6-month extension of the tax reduction will allow the Nation to once more avoid facing the issue central to this debate. At a time when the Nation's economy is making a precarious but apparently steady recovery, Congress has a definite responsibility to face the issue of the effect of continued Government spending on inflation. True, tax withholding levels of individual taxpayers will increase in January to last year's level. But continuing high inflation is a much more cruel tax and one much more difficult to control than withholding rates.

When final tax reduction legislation is enacted in 1976, withholding rates will go down once again, perhaps to a level even lower than they are now. That extra money put in the hands of the taxpayers at that time, however, will be worth more if we can also provide some control of inflation. One major step in this direction is to impose a realistic spending ceiling.

It is to everyone's benefit to control government spending. We have learned a bitter lesson in the New York experience about blind spending without regard to income.

It is a lesson that must be taken to heart by our National Government, by our State governments, by our local governments, and by every family in this Nation. It is a very simple fact, if you take in less money, you have less to spend. The more money the Government borrows to pay its debts, the less money is available to the people. The more difficult it becomes to borrow, the more costly goods become.

I support a tax reduction—a larger tax reduction than was proposed by the majority. But I will vote to sustain the President's veto to insure that reduced taxes also bring reduced spending. To do otherwise is to simply fool ourselves and the people.

Mr. ROYBAL. Mr. Speaker, I rise in support of the motion to override the President's veto of H.R. 5559, the Revenue Adjustment Act of 1975.

There is little doubt that the continued economic well-being of this country hinges on the passage of this bill. It is generally agreed that the single most effective action in halting the economy's downward spiral was the passage of the Tax Reduction Act in March of this year.

The theory underlying that act was that if taxes were reduced, individuals would have more disposable income. When consumers spent this additional sum, it would create new jobs, stimulate the economy, and ultimately lead us out of the recession.

However, in order to insure that the stimulus to the economy did not lead us back into another round of double-digit inflation, the tax cuts embodied in the Tax Reduction Act were to expire on December 31, 1975. The theory was that if the economy needed a continued stimulus, the tax cuts could be extended.

When we passed the act, unemployment was over 9 percent, the gross national product was in a steep decline, and we were being engulfed by the worst economic downturn since the Great Depression. Today, unemployment, although still too high, has moderated to 8.5 percent, and we are experiencing a moderate and sluggish economic recovery.

Obviously, a continued stimulus is needed if even this slow-paced economic upturn is to continue. The bill before us would provide that stimulus by extending the Tax Reduction Act until June 30, 1976.

Economists of all persuasions agree that if we fail to extend the tax cuts embodied in the Tax Reduction Act, $1 billion a month will be drained from consumer spending, 300,000 to 500,000 people will lose their jobs, and the fragile economic recovery will be shattered. I do not believe the people of this country want us to embark upon a course of action that would be so destructive to the fabric of our economy.

Mr. Speaker, the President has vetoed this bill because the Congress refused to attach a spending ceiling. The idea of a budget ceiling at this time is a bankrupt one. Congress will not receive the

President's proposed budget for another month. The President is asking us to legislate in the dark, without any idea or notion of where the cuts will be made. Until we know the President's intentions, we must not abrogate our responsibility under the Constitution by placing an artificial limitation on our power to control the purse.

The issue is clearly drawn. We must pass this bill to insure that consumers will have sufficient spending power. Our failure to override the veto will result in a tax increase for every individual on January 1, and will drain the vitality from the economic recovery.

The SPEAKER. The time of the gentleman from Oregon has expired.

Mr. ULLMAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, this vote must be determined by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 265, nays 157, answered "present" 2, not voting 10, as follows:

[Roll No. 808]

YEAS—265

Abzug	Duncan, Oreg.	Keys
Adams	Early	Koch
Addabbo	Eckhardt	Krebs
Alexander	Edgar	LaFalce
Allen	Edwards, Calif.	Landrum
Anderson, Calif.	Eilberg	Leggett
Andrews, N.C.	Emery	Lehman
Annunzio	Evans, Colo.	Levitas
Ashley	Evans, Ind.	Litton
Aspin	Evins, Tenn.	Lloyd, Calif.
AuCoin	Fary	Lloyd, Tenn.
Badillo	Fascell	Long, La.
Baldus	Fisher	McCormack
Barrett	Fithian	McDade
Baucus	Flood	McFall
Beard, R.I.	Florio	McHugh
Bedell	Foley	McKay
Bergland	Ford, Tenn.	Macdonald
Bevill	Fountain	Madden
Biaggi	Fraser	Madigan
Bingham	Fuqua	Maguire
Blanchard	Giaimo	Mahon
Blouin	Gibbons	Matsunaga
Boggs	Ginn	Mazzoli
Boland	Gonzalez	Meeds
Bolling	Green	Melcher
Bonker	Gude	Metcalfe
Brademas	Hall	Meyner
Breckinridge	Hamilton	Mezvinsky
Brinkley	Hanley	Mikva
Brodhead	Hannaford	Miller, Calif.
Brooks	Harkin	Mills
Brown, Calif.	Harrington	Mineta
Burke, Calif.	Harris	Minish
Burke, Mass.	Harsha	Mink
Burton, John	Hawkins	Mitchell, Md.
Burton, Phillip	Hayes, Ind.	Moakley
Carney	Hays, Ohio	Moffett
Carr	Heckler, Mass.	Mollohan
Chisholm	Hefner	Moorhead, Pa.
Clay	Heinz	Morgan
Cohen	Helstoski	Moss
Collins, Ill.	Henderson	Mottl
Conte	Hicks	Murphy, Ill.
Corman	Holland	Murphy, N.Y.
Cornell	Holtzman	Murtha
Cotter	Horton	Myers, Pa.
D'Amours	Howard	Natcher
Danielson	Howe	Neal
Davis	Hubbard	Nedzi
de la Garza	Hughes	Nix
Delaney	Jeffords	Nolan
Dellums	Jenrette	Nowak
Dent	Johnson, Calif.	Oberstar
Derrick	Jones, Ala.	Obey
Diggs	Jones, N.C.	O'Hara
Dingell	Jones, Okla.	O'Neill
Dodd	Jones, Tenn.	Ottinger
Downey, N.Y.	Jordan	Passman
Downing, Va.	Karth	Patman, Tex.
Drinan	Kastenmeier	Patten, N.J.
	Kazen	Patterson, Calif.
Pattison, N.Y.	Roush	Taylor, N.C.
Pepper	Roybal	Thompson
Perkins	Russo	Thornton
Peyser	Ryan	Traxler
Pickle	St Germain	Tsongas
Pike	Santini	Udall
Pressler	Sarbanes	Ullman
Preyer	Scheuer	Van Deerlin
Price	Schroeder	Vander Veen
Railsback	Seiberling	Vanik
Rangel	Sharp	Vigorito
Rees	Shipley	Walsh
Regula	Simon	Waxman
Reuss	Sisk	Weaver
Richmond	Slack	Whalen
Riegle	Smith, Iowa	White
Rinaldo	Solarz	Wilson, C. H.
Risenhoover	Spellman	Wirth
Roberts	Staggers	Wolff
Rodino	Stanton, James V.	Wright
Roe	Stark	Yates
Rogers	Steed	Yatron
Roncalio	Stephens	Young, Ga.
Rooney	Stokes	Young, Tex.
Rose	Stratton	Zablocki
Rosenthal	Studds	Zeferetti
Rostenkowski	Symington	

NAYS—157

Abdnor	Findley	Montgomery
Anderson, Ill.	Fish	Moore
Andrews, N. Dak.	Flowers	Moorhead, Calif.
Archer	Flynt	Mosher
Armstrong	Forsythe	Myers, Ind.
Ashbrook	Frenzel	Nichols
Bafalis	Frey	O'Brien
Bauman	Gilman	Pettis
Beard, Tenn.	Goldwater	Poage
Bell	Goodling	Pritchard
Bennett	Gradison	Quie
Biester	Grassley	Quillen
Bowen	Guyer	Rhodes
Breaux	Hagedorn	Robinson
Broomfield	Haley	Rousselot
Brown, Mich.	Hammer-schmidt	Runnels
Brown, Ohio	Hansen	Ruppe
Broyhill	Hastings	Sarasin
Buchanan	Hechler, W. Va.	Satterfield
Burgener	Hightower	Schneebeli
Burke, Fla.	Hillis	Schulze
Burleson, Tex.	Holt	Sebelius
Burlison, Mo.	Hutchinson	Shriver
Butler	Hyde	Shuster
Byron	Ichord	Sikes
Carter	Jarman	Skubitz
Casey	Johnson, Colo.	Smith, Nebr.
Cederberg	Johnson, Pa.	Snyder
Chappell	Kasten	Spence
Clancy	Kelly	Stanton, J. William
Clausen, Don H.	Kemp	Steelman
Clawson, Del	Ketchum	Steiger, Ariz.
Cleveland	Kindness	Steiger, Wis.
Cochran	Krueger	Stuckey
Collins, Tex.	Lagomarsino	Symms
Conable	Latta	Talcott
Conlan	Lent	Taylor, Mo.
Coughlin	Long, Md.	Teague
Crane	Lott	Thone
Daniel, Dan	Lujan	Treen
Daniel, R. W.	McClory	Vander Jagt
Derwinski	McCloskey	Waggonner
Devine	McCollister	Wampler
Dickinson	McDonald	Whitehurst
Duncan, Tenn.	McEwen	Whitten
du Pont	McKinney	Wiggins
Edwards, Ala.	Mann	Wilson, Bob
English	Martin	Winn
Erlenborn	Mathis	Wydler
Esch	Michel	Wylie
Eshleman	Milford	Young, Alaska
Fenwick	Miller, Ohio	Young, Fla.
	Mitchell, N.Y.	

ANSWERED "PRESENT"—2

Hungate Jacobs

NOT VOTING—10

Ambro	Gaydos	Sullivan
Conyers	Hébert	Wilson, Tex.
Daniels, N.J.	Hinshaw	
Ford, Mich.	Randall	

The Clerk announced the following pairs:

On this vote:

Mr. Ford of Michigan and Mr. Gaydos for, with Mr. Hungate against.

Mrs. Sullivan and Mr. Dominick V. Daniels for, with Mr. Jacobs against.

Mr. Ambro and Mr. Conyers for, with Mr. Hébert against.

Until further notice:

Mr. Randall with Mr. Charles Wilson of Texas.

Mr. BROWN of Ohio changed his vote from "yea" to "nay."

Mr. HUNGATE. Mr. Speaker, I have a live pair with the gentleman from Michigan (Mr. FORD). If he had been present, he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. JACOBS. Mr. Speaker, I have a live pair with the gentlewoman from Missouri (Mrs. SULLIVAN) and the gentleman from New Jersey (Mr. DOMINICK V. DANIELS). If they had been present, they would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

So, two-thirds not having voted in favor thereof, the veto of the President was sustained and the bill was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The message and the bill are referred to the Committee on Ways and Means.

The Clerk will notify the Senate of the action of the House.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 5559) just rejected.

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

There was no objection.

REQUEST FOR IMMEDIATE CONSIDERATION OF H.R. 11227, MAINTAINING EXISTING WITHHOLDING TAX RATES UNTIL MARCH 15, 1976

Mr. RHODES. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 11227), which mandates that the existing withholding tax rates be maintained until March 15, 1976.

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

Mr. ULLMAN. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 8304. An act to amend the national reading improvement program to provide more flexibility in the types of projects which can be funded, and for other purposes; and

H.R. 10355. An act to amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension and dependency and indemnity compensation, to increase income limitations, and for other purposes.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2718) entitled

"An act to improve the quality of rail services in the United States through regulatory reform, coordination of rail services and facilities, and rehabilitation and improvement financing, and for other purposes," agrees to the conference requested by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HARTKE, Mr. MOSS, Mr. PASTORE, Mr. FORD, Mr. STEVENSON, Mr. INOUYE, Mr. MAGNUSON, Mr. BEALL, Mr. BAKER, and Mr. WEICKER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 642. An act to amend the Federal Trade Commission Act, and for other purposes;

S. 2090. An act to make the provisions of section 1331(e) of title 10, United States Code, retroactive to November 1, 1953;

S. 2117. An act to amend section 5202 of title 10, United States Code, relating to the detail, pay, and succession to duties of the Assistant Commandant of the Marine Corps; and

S. Con. Res. 79. Concurrent resolution declaring the commitment of the Senate to comply with the Congressional Budget and Impoundment Control Act of 1974 and to reduce spending levels.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair wishes to announce that he will accept unanimous-consent requests at this time but not for speeches.

ESTABLISHING TIME LIMITATIONS IN APPLYING FOR CIVIL SERVICE RETIREMENT BENEFITS

Mr. WHITE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 4573), an act to amend chapter 83 of title 5, United States Code, to establish time limitations in applying for civil service retirement benefits, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, strike out "'(g)" and insert "(h)".

Page 2, after line 9, insert:

(2) In section 552a(g)(5) strike out "to the effective date of this section" and insert in lieu thereof "to September 27, 1975";

Page 2, line 10, strike out "(2)" and insert "(3)".

Page 2, line 12, strike out "(3)" and insert "(4)".

Page 2, line 14, strike out "(4)" and insert "(5)".

Page 2, line 16, strike out "(5)" and insert "(6)".

Page 2, line 17, strike out "(6)" and insert "(7)".

Page 2, line 19, strike out "(7)" and insert "(8)".

Page 2, line 22, strike out "(8)" and insert "(9)".

Page 2, line 24, strike out "(9)" and insert "(10)".

Page 3, line 3, strike out "(10)" and insert "(11)".

Page 3, line 5, strike out "(11)" and insert "(12)".

Page 3, line 8, strike out "(12)" and insert "(13)".

Page 3, after line 9, insert:

(14) In section 5108(c)(11) strike out "twenty two" and insert in lieu thereof "twenty-five";

Page 3, after line 9, insert:

(15) In section 5108(c) redesignate paragraphs (11) through (15) as paragraphs (11) through (16), respectively;

Page 3, line 10, strike out "(13)" and insert "(16)".

Page 3, after line 11, insert:

(17) In section 5314 redesignate paragraphs (53) through (61) as paragraphs (53) through (63), respectively;

Page 3, after line 11, insert:

(18) In section 5315 redesignate paragraphs (91) through (104) as paragraphs (91) through (107), respectively;

Page 3, after line 11, insert:

(19) In section 5316 redesignate paragraphs (131) through (136) as paragraphs (131) through (139), respectively;

Page 3, line 12, strike out "(14)" and insert "(20)".

Page 3, line 13, strike out "(15)" and insert "(21)".

Page 3, line 16, strike out "(16)" and insert "(22)".

Page 3, line 19, strike out "(17)" and insert "(23)".

Page 3, line 21, strike out "(18)" and insert "(24)".

Page 3, line 23, strike out "(19)" and insert "(25)".

Page 4, line 1, strike out "(20)" and insert "(26)".

Page 4, line 2, strike out "(21)" and insert "(27)".

Page 4, line 4, strike out "(22)" and insert "(28)".

Page 4, line 7, strike out "(23)" and insert "(29)".

Page 4, line 10, strike out "(24)" and insert "(30)".

Page 4, after line 12, insert:

(31) In section 8193 redesignate subsection (e), the second time it appears, as subsection (f);

Page 4, line 13, strike out "(25)" and insert "(32)".

Page 4, line 18, strike out "(26)" and insert "(33)".

Page 4, line 20, strike out "(27)" and insert "(34)".

Page 5, line 1, strike out "(28)" and insert "(35)".

Page 5, line 6, strike out "(29)" and insert "(36)".

Page 5, line 8, strike out "(30)" and insert "(37)".

Page 5, line 9, strike out "thereof," and insert "thereof;"

Page 5, line 10, strike out "(31)" and insert "(38)".

Page 5, line 19, strike out "(32)" and insert "(39)".

Page 5, lines 19 and 20, strike out "(U.S.C.)" and insert "(— U.S.C. —)".

Page 5, line 21, strike out "(33)" and insert "(40)".

Page 5, line 23, strike out "(34)" and insert "(41)".

Page 5, line 24, strike out "and".

Page 5, after line 24, insert:

(42) In the analysis of chapter 85 strike out item 8524 and insert in lieu thereof the following:

"8524. Repealed.

; and

Page 6, line 1, strike out "(35)" and insert "(43)".

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

Mr. BAUMAN. Mr. Speaker, reserving the right to object, will the gentleman from Texas kindly explain what the amendments are?

Mr. WHITE. I will be glad to do so.

Mr. Speaker, as passed by the House, the first section of H.R. 4573 establishes time limitations on filing applications for civil service retirement benefits.

Except for the correction of a subsection designation, the Senate did not alter the provisions of this section of the bill.

Section 2 of the House bill consists of 35 amendments to the text of title 5 of the United States Code.

These amendments remove obsolete references or make other technical corrections in the text of title 5.

The Senate amendments to section 2 of the House-passed bill merely add eight more technical amendments to the text of title 5, and make various other technical corrections in the language of the House bill.

None of these amendments affects the substance of the provisions of title 5 or the provisions of the House bill.

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

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

There was no objection.

A motion to reconsider was laid on the table.

EXTENDING THE RENEGOTIATION ACT OF 1951

Mr. MINISH. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 11016) to extend the Renegotiation Act of 1951 for 6 months, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, strike out "June 30, 1976" and insert: "September 30, 1976".

Amend the title so as to read: "An act to extend the Renegotiation Act of 1951 for nine months."

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

Mr. HANSEN. Mr. Speaker, reserving the right to object, I would like to inquire of the gentleman on the subcommittee if he will explain what this entails.

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

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

Mr. MINISH. I thank the gentleman for yielding.

When the bill passed the House this past Monday, it called for a 6-month extension. What the Senate did was add on an additional 3 months, changing the termination date from June 30, 1976, to September 30, 1976.

Mr. HANSEN. Mr. Speaker, I concur in this.

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

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, the gentleman will assure us that we will continue to have hearings and further discussions on this legislation?

Mr. MINISH. If the gentleman will yield, it is the intention of the chairman of the subcommittee to bring up H.R. 10680, the bill that passed the Committee on Banking, Currency and Housing on December 9, early in the coming session.

Mr. ROUSSELOT. I thank the gentleman.

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

There was no objection.

A motion to reconsider was laid on the table.

AUTHORIZING COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO INTERVENE IN ASHLAND OIL CORP., AGAINST FEDERAL TRADE COMMISSION

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I call up a privileged resolution (H. Res. 899) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 899

Resolved, That the chairman of the Subcommittee on Oversight and Investigations of the Committee on Interstate and Foreign Commerce is authorized to intervene and appear in the pending action entitled "Ashland Oil Incorporated, plaintiff, against Federal Trade Commission, et al., defendant," Civil Action 75–1956, United States District Court for the District of Columbia, on behalf of the Subcommittee on Oversight and Investigations of the Committee on Interstate and Foreign Commerce in order to secure information relating to natural gas reserves now in the possession of the Federal Trade Commission for the use of the subcommittee and the House.

SEC. 2. The chairman of the Subcommittee on Oversight and Investigations of the Committee on Interstate and Foreign Commerce is authorized to appoint with the approval of the Speaker a special counsel to represent the subcommittee in all judicial proceedings relating to Ashland Oil Incorporated against Federal Trade Commission.

SEC. 3. Such special counsel shall hold office at the pleasure of said chairman of the Subcommittee on Oversight and Investigations of the Committee on Interstate and Foreign Commerce and shall be paid from the contingent fund at a rate to be determined by said chairman.

Mr. HAYS of Ohio (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with and that it be printed in the RECORD.

I will explain the resolution briefly.

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

There was no objection.

The Clerk read the following committee amendment:

H. RES. 899

Resolved, That the chairman of the Subcommittee on Oversight and Investigations of the Committee on Interstate and Foreign Commerce is authorized to intervene and appear in the pending action entitled "Ashland Oil Incorporated, plaintiff, against Federal Trade Commission, et al., defendant," Civil Action 75–1956, United States District Court for the District of Columbia, on behalf of the Committee on Interstate and Foreign Commerce in order to secure information relating to natural gas reserves now in the possession of the Federal Trade Commission for the use of the committee and the House.

SEC. 2. To carry out the purposes of this resolution, the chairman of the Committee on Interstate and Foreign Commerce is authorized to employ with the approval of the Speaker a special counsel to represent the committee in all judicial proceedings relating to said Civil Action 75–1956.

SEC. 3. Such expenses to employ a special counsel not to exceed $50,000 shall be paid from the contingent fund of the House on vouchers signed by the chairman of the Committee on Interstate and Foreign Commerce and approved by the Speaker.

SEC. 4. The Committee on Interstate and Foreign Commerce is authorized and directed to report to the House with respect to the matters covered by this resolution as soon as practicable.

SEC. 5. The authority granted herein shall expire three months after the filing of the report with the House of Representatives, but in no case later than January 3, 1977.

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

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

There was no objection.

Mr. HAYS of Ohio. I only want to take about a minute to explain what this is all about.

Mr. Speaker, this resolution provides for the appointment of special counsel to represent the House of Representatives in the Committee on Interstate and Foreign Commerce in certain judicial proceedings that infringe upon the rights of the House of Representatives or that could infringe upon the rights of the House of Representatives.

I ask that the resolution be agreed to.

The committee amendment was agreed to.

The resolution was agreed to.

The title was amended so as to read: "Resolution providing for the appointment of a special counsel to represent the House and the Committee on Interstate and Foreign Commerce in certain judicial proceedings."

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF HOUSE RESOLUTION 894, ELECTION CONTEST IN 10TH CONGRESSIONAL DISTRICT OF ILLINOIS

Mr. HAYS of Ohio, from the Committee on House Administration, reported the following privileged resolution (H. Res. 894, Rept. No. 94–759) which was referred to the House Calendar and ordered to be printed.

Mr. HAYS of Ohio. Mr. Speaker, I might say I have four other resolutions to file which all terminate these election contest cases, and they are, incidentally, all in favor of the incumbent.

PARLIAMENTARY INQUIRY

Mr. DICKINSON. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DICKINSON. I did not hear the colloquy or the ruling of the Chair on the first request. Was that passed?

The SPEAKER. House Resolution 899 was agreed to.

Mr. DICKINSON. Is this a unanimous-consent request pending now?

Mr. HAYS of Ohio. No. I am filing privileged reports on the election contests one by one. I have to do that before we can bring them up.

Mr. DICKINSON. I understood that, but I would like to establish at some point what we have just done for the membership, because I was listening.

Mr. HAYS of Ohio. It was not a unanimous-consent request. It was also a privileged resolution.

Mr. DICKINSON. The first one was?

Mr. HAYS of Ohio. Yes.

Mr. DICKINSON. I thank the gentleman.

PROVIDING FOR CONSIDERATION OF HOUSE RESOLUTION 895, ELECTION CONTEST IN 1ST CONGRESSIONAL DISTRICT OF MAINE

Mr. HAYS of Ohio, from the Committee on House Administration, reported the following privileged resolution (H. Res. 895, Rept. No. 94–760) which was referred to the House Calendar and ordered to be printed.

PROVIDING FOR CONSIDERATION OF HOUSE RESOLUTION 896, ELECTION CONTEST IN 40TH CONGRESSIONAL DISTRICT OF CALIFORNIA

Mr. HAYS of Ohio, from the Committee on House Administration, reported the following privileged resolution (H. Res. 896, Rept. No. 94–761) which was referred to the House Calendar and ordered to be printed.

PROVIDING FOR CONSIDERATION OF HOUSE RESOLUTION 897, ELECTION CONTEST IN 21ST CONGRESSIONAL DISTRICT OF OHIO

Mr. HAYS of Ohio, from the Committee on House Administration, reported the following privileged resolution (H. Res. 897, Rept. No. 94–762), which was referred to the House Calendar and ordered to be printed.

PROVIDING FOR CONSIDERATION OF HOUSE RESOLUTION 898, ELECTION CONTEST IN THIRD CONGRESSIONAL DISTRICT OF NEBRASKA

Mr. HAYS of Ohio, from the Committee on House Administration, reported the following privileged resolution (H. Res. 898, Rept. No. 94–763), which was referred to the House Calendar and ordered to be printed.

PERSONAL EXPLANATION

Mr. AMBRO. Mr. Speaker, I was unavoidably detained because the elevator stalled. Had I been present, I would have voted to override the veto on H.R. 5559, Revenue Adjustment Act of 1975.

I would like to have my statement appear in the RECORD.

MAKING IN ORDER CONSIDERATION OF CONFERENCE REPORTS ON SAME DAY REPORTED AND FOR SPEAKER TO ENTERTAIN MOTIONS TO SUSPEND RULES AT ANY TIME DURING REMAINDER OF 1ST SESSION OF 94TH CONGRESS

Mr. MATSUNAGA. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 938 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 938

Resolved, That during the remainder of the first session of the Ninety-fourth Congress it shall be in order to consider conference reports on the same day reported or any day thereafter, notwithstanding the provisions of clause 2, rule XXVIII; that it shall also be in order during the remainder of the first session of the Ninety-fourth Congress for the Speaker at any time to entertain motions to suspend the rules, notwithstanding the provisions of clause 1, rule XXVII: *Provided*, That copies of any measure or matter to be considered under the provisions of this resolution have been made available to Members prior to the consideration of such measure or matter. Notwithstanding this prior availability requirement, it shall nevertheless be in order for the House to proceed with consideration of any measure or matter under the provisions of this resolution if the House, by unanimous-consent request or majority vote, agrees to proceed with such consideration.

The SPEAKER. The gentleman from Hawaii is recognized for 1 hour.

Mr. MATSUNAGA. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. DEL CLAWSON), pending which I yield myself such time as I may consume.

AMENDMENT OFFERED BY MR. MATSUNAGA

Mr. MATSUNAGA. Mr. Speaker, I offer a technical corrective amendment.

The Clerk read as follows:

Amendment offered by Mr. MATSUNAGA: On page 1, line three, following the word "reports" insert the following: "and amendments reported from conference in disagreement".

The SPEAKER. The question is on the amendment offered by the gentleman from Hawaii (Mr. MATSUNAGA).

The amendment was agreed to.

Mr. MATSUNAGA. Mr. Speaker, this is the usual end-of-the-session resolution which provides that during the remainder of the first session of the 94th Congress it shall be in order to consider conference reports on the same day as they are reported and it shall also be in order for the Speaker to entertain motions to suspend the rules at any time provided that copies of any such measures have been available to Members prior to consideration. However, it shall be in order to proceed with consideration of any such measure, even if copies are not available, if the House, by unanimous consent request or majority vote, agrees to proceed with such consideration.

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

Mr. Speaker, the very able gentleman from Hawaii has explained the purpose of this resolution. It does provide for a suspension of the rules in order to bring up conference reports, even those that are now in disagreement, if there are such, and any others that may be necessary for the action of the House in the closing days of the session.

Mr. Speaker, while I feel it might have been better on our part to have provided for a time certain to adjourn and have the 6-day rule under the regular rules of the House be placed in order; nevertheless, at this point perhaps this resolution should be considered by the House and determine whether or not we want to waive the rules.

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

Mr. DEL CLAWSON. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I would like to ask the gentleman from Hawaii a question. I do understand the need to consider conference reports immediately, but I heard the majority leader say a day or so ago that there were no more bills to be brought up under suspension. The Speaker wrote to the gentleman from West Virginia (Mr. STAGGERS) saying that the Speaker knew of no more matters to be brought up under suspension.

Does the gentleman from Hawaii know what legislation we are talking about bringing up other than that which was announced earlier this week?

Secondly, when do we adjourn, so that we know when this authority granted by the resolution will terminate?

Mr. MATSUNAGA. Mr. Speaker, as the gentleman knows from his long experience as a Member of the House and even before the gentleman was a Member when the gentleman was a page, this is the usual resolution at the end of the session to provide for emergencies.

Certainly the gentleman is of such wisdom as to agree to make provision for any and all emergencies.

Mr. BAUMAN. Mr. Speaker, the gentleman is very kind at this yuletide season, but the gentleman still has not answered my questions.

Does the gentleman know what bills are to be considered and when we may adjourn?

Mr. MATSUNAGA. Mr. Speaker, right now I have no such exact knowledge. I do not know what other resolutions are pending, but it is anticipated that adjournment will be on the 19th of December. That is tomorrow.

Mr. BAUMAN. I thank the gentleman.

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

Mr. DEL CLAWSON. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I heard a very definitive statement the other day on the floor by the majority leader. I agree with my colleague, the gentleman from Maryland. What is the necessity for the suspension concept in this resolution? I thought we were finished with our suspension bills. This is not like the end of a 2-year term, where it is understood in the last day or two that it may be necessary to bring up bills directly by the suspension calendar method. But both the majority leader and the Speaker have indicated there is no necessity for any suspension calendar. What is the purpose of this portion of the rule before us?

Mr. MATSUNAGA. Mr. Speaker, if the gentleman will yield, as the gentleman heard me explain to the gentleman from Maryland, this is simply the usual end of the session resolution to provide for any emergency which may come up.

Mr. ROUSSELOT. Mr. Speaker, usually such procedure is normally reserved for the end of a 2-year term where we may be in the last moments before sine die adjournment. But I have not seen it used before a first session adjournment. I just wonder why we need the suspension provision.

Mr. MATSUNAGA. To provide for any emergency: I hope the gentleman will accept it as such.

Mr. DEL CLAWSON. Mr. Speaker, I have no further requests for time. I reserve the balance of my time.

Mr. MATSUNAGA. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON S. 1281, HOME MORTGAGE DISCLOSURE ACT

Mr. ST GERMAIN. Mr. Speaker, I call up the conference report on the Senate bill (S. 1281) to improve public understanding of the role of depository institutions in home financing, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the Senate bill.

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

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, will the gentleman explain briefly what happened in the conference?

Mr. ST GERMAIN. Mr. Speaker, this legislation, which passed the House in October 31, after full floor debate, provided for, as the Members know, a 2-year extension of regulation Q which authorizes the Federal regulatory agencies to set a ceiling on interest which may be paid by commercial banks and thrift institutions. The legislation also required that the existing one-fourth percent interest rate differential maintained between thrift institutions and commercial banks not be lessened or eliminated unless the Federal financial regulatory agencies make a finding of a competitive disadvantage. Upon making such a finding, the Federal Reserve was required to give the House and Senate Banking Committee 45 days prior notification, and provided neither committee disapproves, only then could the differential be eliminated. In such instances, commercial banks would be permitted to pay up to the highest rate authorized under regulation Q.

Mr. Speaker, I believe we are all familiar with the continued need to maintain flexible rate control authority—regulation Q—if we are to be assured of

stability in the volume of funds for home mortgage financing during this period of soaring inflation, accompanied by the inevitable increase in interest rates. As you will recall, under Public Law 93–495, approved October 28, 1974, we extended regulation Q until December 31, 1975. To permit the present authority to expire or to further diminish its effectiveness by eliminating or lessening the existing one-fourth percent interest rate differential, without providing a permanent, more equitable manner of dealing with our financial institutions and the consuming public, would place enormous upward pressure on the savings rates paid by thrift institutions beyond their ability to pay such rates.

In view of this situation and in recognition of the comprehensive review of our financial institutions now well underway by the Congress, the conferees agreed upon a 14-month extension of rate control authority during which time the Federal financial regulatory agencies may not take any action to further lessen or eliminate the existing differential unless such action is approved by both the House and Senate by concurrent resolution.

Mr. Speaker, the bill as passed by the House also extended the life of the National Commission on Electronic Fund Transfers to permit 2 full years in which to operate, as was intended by the Congress when it established the Commission under Public Law 93—495. The conferees, recognizing the importance of the work to be undertaken by the National Commission, agreed to the House provision providing for an extension in the submission of the interim and final reports of the Commission.

Now, Mr. Speaker, I turn to, in my opinion, one of the most significant portions of this legislation—the home mortgage disclosure provisions—which, as you will recall, was the subject of intense debate on the floor of the House when we last considered this bill. By requiring financial institutions to publicly disclose by geographic area the number and dollar amount of home mortgage loans we will enable citizens and public officials—by arming them with the facts—to combat what has come to be known as "redlining"; that is, when certain institutions refuse to lend mortgage money in our Nation's older urban and ethnic neighborhoods.

While the provisions of the Home Mortgage Disclosure Act are only a modest first step in combating what has come to symbolize the "facts of failure" in this Nation, despite a full decade—and even longer — of good-faith efforts by both parties, under three Presidents, to insure the realization of the American dream: "A decent home in a suitable living environment for every American family" the Congress, at long last, has given recognition to the problem and has begun to take the essential steps to deal with it.

Mr. Speaker, the House and Senate versions of this portion of the legislation were quite similar and the conferees agreed, for the most part, on the House language. The key provisions agreed upon by the conferees were: To require financial institutions to disclose mortgage lending information by census tract where available at reasonable cost, as determined by the Federal Reserve, otherwise by ZIP code; to maintain and make public the information at the main office of the institution and at least one branch; to provide a waiver from this act for State-chartered institutions in States with mortgage disclosure laws which provide for equal or greater disclosure; to exempt institutions with assets of $10 million or less from the requirements imposed under this act; and to provide an expiration date of 4 years from the effective date. Mr. Speaker, all these provisions were contained in the bill as originally passed by the House.

Mr. Speaker, in essence the conference report before us today contains few modifications from the bill when last considered by the House.

Mr. Speaker, the statement of managers on the conference report on S. 1281 contains a clerical error. Inadvertently, a page of the joint statement was omitted upon filing. That page—which should follow the words "standard metropolitan", on page 9 of House Report 94–726, fourth full paragraph, second line—reads as follows:

statistical area. The House amendment required information to be available at the institution's home office and at least one branch office. The conference report incorporates the House provision.

The House amendment required the information indicating the number and dollar amount of mortgage loans to be disclosed by census tract where census tract maps are readily available at a reasonable cost as determined by the Board, and in other cases to be disclosed by United States Postal zip codes. The Senate provision required disclosure by zip codes in all cases. The Conference report adopts the House language.

The Senate bill requires such information to be maintained and made available for five years. There is no comparable provision in the House amendment, and the conference report includes the Senate provision.

ENFORCEMENT

Both versions provide that compliance shall be enforced by the usual regulatory agency with jurisdiction: the Comptroller in the case of national banks; the Federal Home Loan Bank Board in the case of Federally chartered or insured savings and loan associations, the FDIC in the case of banks normally examined by FDIC, and the Federal Reserve in the case of member state chartered banks. In the case of non-Federally insured mutual savings banks, the House amendment provided for supervision by the FDIC. The Senate bill provided for enforcement by the Federal Trade Commission in the case of all non-Federally insured or chartered institutions making

Mr. ROUSSELOT. Mr. Speaker, I appreciate my colleague's explanation.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 15, 1975.)

Mr. ST GERMAIN (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the statement.

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

There was no objection.

Mr. ROUSSELOT. Mr. Speaker, S. 1281, the Home Mortgage Disclosure Act, contains three titles. Title I provides for an extension of regulation Q through March 1, 1977, a period which should provide ample time for the consideration of proposals for comprehensive reform of financial institutions contained in the Senate-passed Financial Institutions Act and in the FINE study, which is currently being conducted by the Financial Institutions Subcommittee of the Committee on Banking, Currency, and Housing.

Title II provides that the time for the National Commission on Electronic Fund Transfers to submit its reports be reckoned from the date of confirmation of the Chairperson, rather than from the date of enactment of Public Law 93–100, which created the Commission. This is an eminently sensible provision with which no one should quarrel, in view of the extended period of time which did in fact elapse between the dates of enactment and confirmation.

I would like to take this occasion to explain two particular provisions of title III of this bill.

Section 304(a)(1) of the bill reflects my amendment, which was adopted by the committee, providing that mortgage disclosure data shall be provided "at the home office, and at least one branch office within each standard metropolitan statistical area in which the depository institution has an office." It is my hope, and that of those Members who supported the amendment in committee, that this provision will enable data to be accessible to all who would feel the need to examine it but, at the same time, would relieve depository institutions of the undue paperwork burden which would have been imposed if the original requirement that data be available at each branch office had stood.

The other provision to which I would like to call the attention of my colleagues is section 306(b), which provides that State-chartered depository institutions which are subject to substantially similar requirements under State law may be exempted by the Federal Reserve Board from having to comply as well with the provisions of this title. It is important to note that the explanation of the conference report includes the statement that:

The conferees understand that for the purposes of exemption authority granted to the Board, the term State law shall include State regulations which carry the force of law.

The purpose of this language is to clarify the fact that the implementation of State mortgage disclosure regulations shall give rise to the exemption under this section. The purpose of section 306 as a whole is to prevent both State and federally chartered institutions from being subjected to conflicting and duplicative mortgage disclosure provisions.

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

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report on the Senate bill (S. 1281) just agreed to.

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

There was no objection.

REQUEST FOR CONSIDERATION OF SENATE AMENDMENTS ON H.R. 6673, PROVIDING FOR ESTABLISHMENT OF AMERICAN FOLKLIFE CENTER IN THE LIBRARY OF CONGRESS

Mr. NEDZI. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 6673) to provide for the establishment of an American Folklike Center in the Library of Congress, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 2, lines 20 and 21, strike out "develop, promote, and implement a program of support for" and insert "preserve and present".

Page 2, strike out all after line 24 over to and including line 10 on page 3 and insert:

(1) the term "American folklife" means the traditional expressive culture shared within the various groups in the United States: familial, ethnic, occupational, religious, regional; expressive culture includes a wide range of creative and symbolic forms such as custom, belief, technical skill, language, literature, art, architecture, music, play, dance, drama, ritual, pageantry, handicraft; these expressions are mainly learned orally, by imitation, or in performance, and are generally maintained without benefit of formal instruction or institutional direction;

Page 7, line 8, strike out all after "Center." down to and including "Act." in line 11 and insert: "Subject to the direction of the Board and the general supervision of the Librarian, the Director shall have responsibility for carrying out functions of the Center, and shall have authority over all personnel and activities of the Center."

Page 7, line 18, strike out "The Center and its Director are" and insert: "(a) The Librarian is".

Page 7, lines 20 and 21, strike out "with, make grants and loans to, and award scholarships to" and insert: "with".

Page 8, line 7, after "displays," insert: "publications,".

Page 8, line 22, after "facts," insert: "manuscripts, publications,".

Page 9, line 10, strike out "contracts, loans, and grants" and insert: "contracts".

Page 9, line 16, after "institutions" insert: ", and State arts councils established pursuant to the National Foundation on the Arts and the Humanities Act of 1965,".

Page 9, after line 22, insert:

"(b) The Librarian shall carry out his functions under this Act through the Center."

Page 9, line 23, strike out "GRANTS" and insert: "CONTRACTS".

Page 10, lines 9 and 10, strike out "GRANT OR OTHER".

Page 11, lines 22 and 23, strike out "Code, at rates for individuals not to exceed $100 per diem" and insert: *"Code"*.

Page 12, lines 3 and 4, strike out "contracts, grants, or other arrangements, or modifications thereof, to" and insert: *"contracts to"*.

Page 12, lines 5 and 6, strike out "or modifications thereof".

Page 12, line 14, strike out "The Center and its Director" and insert: *"The Director"*.

Page 12, line 16, strike out "its" and insert: *"the"*.

Page 12, line 16, after "operations" insert: *"of the Center"*.

Page 13, line 3, strike out all after "Act" down to and including "1978." in line 6 and insert: "$133,500 for the fiscal year 1976 and for the period from July 1 through September 30, 1976, $295,000 for the fiscal year 1977, and $349,000 for the fiscal year 1978.".

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

Mr. BAUMAN. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

FEDERAL-AID HIGHWAY ACT OF 1975

Mr. JONES of Alabama. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8235) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Alabama (Mr. JONES).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 8235, with Mr. NEDZI in the Chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Pursuant to the rule, general debate will continue for not to exceed 3 hours, 2 hours to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works and Transportation, and 1 hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. Under the rule, the gentleman from Alabama (Mr. JONES) will be recognized for 1 hour, and the gentleman from Ohio (Mr. HARSHA) will be recognized for 1 hour. The gentleman from Oregon (Mr. ULLMAN) will be recognized for 30 minutes, and the gentleman from Pennsylvania (Mr. SCHNEEBELI) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Alabama.

Mr. JONES of Alabama. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 8235, the Federal-Aid Highway Act of 1975, a far reaching piece of legislation which will move forward in years ahead a meaningful transportation program for the United States.

This legislation is the result of intensive hearings that were held by the Subcommittee on Surface Transportation of the Committee on Public Works and Transportation during a period of some 2½ months. At these public hearings the views and recommendations of public officials and private citizens, Federal representatives, State, county, and local organizations were heard. All of these views were weighed most thoroughly by the subcommittee before it met and reported out the legislation which is before this body today.

I should like at this time to commend all the members of the subcommittee for their diligent work. In particular, may I compliment the subcommittee chairman, my good friend and colleague from New Jersey, the Honorable JAMES J. HOWARD, and his counterpart and equally able, the ranking minority member of the subcommittee, the Honorable E. G. "BUD" SHUSTER, for their effective and untiring efforts in this field.

Enactment of this legislation, Mr. Chairman, will expedite the completion of the Interstate Highway System at a savings of many hundreds of millions of dollars for the American taxpayer. It will continue to fund and authorize the money needed for other segments of our Federal-aid highway system—ranging in category from the primary priority system down through and including the systems we now provide for under this legislation for off-system roads.

May I further point out that this will continue to fund at the necessary level the very effective highway safety program that was enacted into legislation back in 1966 by this same Committee on Public Works.

One of the most important aspects of the overall features of this legislation is that we now believe that the long desired flexibility in the transfer of funds within various categories of highways within States, by both State and local officials, can now come into being as a result of provisions contained in the legislation.

All in all, this act continues the tradition of the long series of Federal-Aid Highway Acts that have been presented to this body by the former Committee on Public Works—now the Committee on Public Works and Transportation. It takes a broad view of overall highway needs. It places the emphasis not only on completion of the interstate, but it gives proper Federal-aid funding to our rural, urban, and suburban areas.

And may I repeat—because I think it is so essential—it reemphasizes the committee's desire, and that of the Congress, to provide for all of our American citizens who use our many roads a safe means of travel. I strongly urge the enactment of this legislation.

Mr. HARSHA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I find myself in a very uncomfortable position where I, as ranking minority member of the Committee on Public Works and Transportation and longstanding supporter of the Federal-aid highway program, am in serious disagreement with the bill reported by my colleagues. The committee has reported a bill authorizing

almost $9 billion a year for the highway program. Authorizations out of the highway trust fund for fiscal years 1977 and 1978 exceed $8 billion annually. Therefore, I am offering a number of amendments to the proposed 1975 Highway Act aimed at restoring fiscal integrity to the program.

I know as well as any Member of this body that the Nation has extensive highway needs requiring the continuation of a significant Federal-aid highway program. However, it is essential that our responsibility to meet these highway needs be balanced with our responsibility to the Nation's taxpayers to control Federal spending.

Since 1956, the highway program has been financed out of the highway trust fund. In 1977 and 1978, the trust fund will be generating between $6.5 and $7 billion in revenues each year. The bill before us would authorize trust fund expenditures in excess of $8 billion in each of these 2 years. For years the Congress has authorized highway programs at levels consistent with highway trust fund revenues.

Now, I find the Congress considering a bill which would authorize expenditures approximately $1.5 billion a year over trust fund income. Therefore, I am offering amendments today which would reduce authorizations in the bill by more than $1 billion per year. These reductions would place the program once more on a responsible footing and bring authorizations into balance with anticipated trust fund revenues.

Specifically, I am offering amendments which would: First, eliminate a new $750 million annual interstate discretionary grant program, second, reduce funding for a new traffic signalization demonstration program by $50 million per year, third, delete the annual $200 million authorization for off-system roads and permit the expenditure of up to 10 percent of each State's primary, secondary, urban extensions, and urban system apportionments for those purposes, and fourth, reduce funding for bridge replacement from the $250 million authorization to the current 1976 level of $125 million per year.

The first of these amendments is aimed at both reducing the authorization level provided in the bill and eliminating a major new discretionary grant category in a program that has operated for years based upon congressionally established statutory apportionment formulas. The bill reported would authorize $750 million per year to be disbursed by the Secretary at his descretion for projects on the interstate system. My amendment would still result in a $250 million increase in the interstate authorization from the $3 billion authorized for 1976 while withholding from the Secretary the unwarranted discretion provided in this bill.

Second, I would reduce authorizations from $75 million per year to $25 million per year for the newly established traffic signalization demonstration program. This is a new demonstration program and while it might, in the future, merit significant funding, it should be allowed to operate for the first few years at a relatively modest level until we have some evidence that it is worth continuing permanently.

Third, I would delete the annual $200 million authorization for off-system roads and instead permit States to use up to 10 percent of their regular Federal-aid, noninterstate apportionments, or up to $240 million each year, for off-systems roads. In this instance, I have no problems with activities authorized, but I believe that it makes far more sense to include this activity within the overall Federal-aid program as a means of both holding authorizations to responsible levels and increasing flexibility in the program by the elimination of a categorical grant program.

Finally, I am recommending that the funding level for bridge replacement be maintained at its present 1976 level of $125 million per year. As you know, there is no stronger advocate of highway safety than I, but I believe we can meet our safety responsibilities without drastically increasing funding.

The Congress is struggling to contain Federal spending. The Budget Control Act provides a means for coming to grips with overall spending and replaces the piece-meal approach of prior years. While I continue to support a strong highway program, I for one cannot believe that fiscal responsibility allows us to exempt our own favorite programs from the discipline imposed by the new budget process. Congressional budget discipline must affect all programs equitably. The highway program cannot be exempted from our efforts to enact a responsible budget.

These are important amendments which merit the support of all members regardless of party. With their enactment, the authorizations contained in this bill would still be the highest in history. While I believe it essential to continue our vital highway programs, I am convinced that this can be accomplished without turning our backs on our responsibility to the taxpayers to gain control of Federal spending.

Mr. Chairman, I would remind my colleagues that the President has just vetoed, and that veto has been sustained, a very politically attractive tax cut.

I can assure the Members that if the funding levels are continued in this bill in their present sums, the President will have no hesitancy whatsoever in vetoing this bill. Therefore, if we really want to continue with a viable and very vital highway program, then we should at least exercise some fiscal responsibility so that we can get a bill that the President will sign into law.

Mr. JONES of Alabama. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey (Mr. HOWARD), the distinguished chairman of the subcommittee.

Mr. HOWARD. Mr. Chairman, the Committee on Public Works and Transportation presents to the House H.R. 8235, the Federal-Aid Highway Act of 1975. And I urge every Member of this body to weigh most carefully the consequences of the vote we will cast today—the bearing our decision will have on the lives, the safety, the jobs, and the well-being of the constituents we represent.

The legislation before the House today is the end product of months of public hearings and discussion, in the course of which the Committee on Public Works and Transportation examined thoroughly the varied and complex transportation problems of our urban and rural populations.

More than 160 expert witnesses from public and private life appeared before the Surface Transportation Subcommittee, which I have the honor to chair, to offer their views and recommendations on this wide-ranging measure.

Differences of opinion inevitably arose, among both witnesses and committee members. That is the nature of the legislative process. But in the end we arrived at what I believe to be reasonable and workable solutions to the major issues that confronted us.

From the outset, we sought to frame this legislation against the background of an emerging national transportation policy that embraces all the modes of transportation that move the people and the commerce of this continental society from place to place.

In our studies, it became apparent that the questions involved in urban mass transportation were of such major importance as to demand separate and exhaustive investigation. Consequently, it was agreed within the committee to separate the mass transportation provisions from the highway bill and to make them the subject of full legislative hearings at the earliest possible date.

The bill as now reported consists of three titles: The first deals with highway construction and related issues; the second with safety on our highways, and the third, which originated in the Ways and Means Committee, treats the extension of the highway trust fund and related provisions.

A major concern of title I is to speed up work on the Interstate Highway System which has been underway for more than 20 years, suffering most of that time from the steady and destructive erosion of inflation. The cost, originally estimated at $25 billion, has climbed steadily over the years because of mileage increases, design changes, and inflation to today's completion estimate of $103 billion Federal share.

We have sought in this bill to establish a level of authorizations, $4 billion a year from the trust fund, that would enable completion of the entire system in fiscal year 1988 and thereby hold the erosion of the construction dollar to a viable level. In addition, the committee built into the annual authorizations an inflation factor of 7 percent a year to take care of anticipated construction cost increases.

The committee bill further gives the Secretary of Transportation discretionary authority over $750 million of the interstate funds for fiscal years 1977 and 1978 to eliminate gaps in the system and to fund interstate projects that may be hindered by unusually high costs and long construction periods. As an incentive for the Secretary to make use of this provision, the bill stipulates that this discretionary authority expires at the end of the fiscal year for which it is

authorized and any unused funds revert to the normal interstate process.

At the urging of many State and local authorities, the committee bill gives greater flexibility than ever before in the exercise of the interstate substitute provisions permitting the withdrawal of an interstate segment and substitution of a mass transit project or another eligible highway section.

Supporting the Nation's vast investment in the Interstate System is the network of primary arterial and secondary roads in urban and rural sections of the country. The act before the House today authorizes annual funding of $1.2 billion each for the urban and rural systems, restoring the 50–50 balance that existed prior to 1974.

I would call to the particular attention of the House the steps taken by the Public Works and Transportation Committee in this bill to strengthen and expand our highway safety programs. Title II of H.R. 8235 authorizes significant and absolutely essential increases in funding for highway safety research, for replacement of dangerous bridges, for elimination of roadside hazards, for elimination of railroad grade crossings, and for pavement marking programs—all of life and death importance in our efforts to halt the slaughter on our highways.

The existing highway law which is codified as title 23 United States Code, contains a section which is section 113—prevailing rate of wage—Interstate System. This section assures that the Davis-Bacon Act applies to existing highway programs and will apply to this bill if it becomes law.

Mr. Chairman, it has been said that this bill carries too costly a price tag. I submit that the cost is more than justified by the savings of lives and human suffering it will achieve, by the irreplaceable service it will render to the commerce of the Nation, to the residents of our cities, and to the families of countryside America. I urge the passage of H.R. 8235.

I include the following extraneous matter:

COMMITTEE ON WAYS AND MEANS,
Washington, D.C., December 11, 1975.

Hon. ROBERT E. JONES,
Chairman, Committee on Public Works and Transportation, Washington, D.C.

DEAR MR. CHAIRMAN: In accordance with our understanding, involving the matter of Committee jurisdiction, the purpose of this letter is to advise you that the Committee on Ways and Means has taken action with respect to its portion of the highway legislation pending before your Committee.

I am enclosing, at the direction of the Committee on Ways and Means, draft language for Title III of the bill to be reported by the Committee on Public Works and Transportation. We will also forward report language, along with any separate or minority views, for inclusion in the Committee report, which language will relate to Title III of the bill, the portion which is within the jurisdiction of the Committee on Ways and Means.

In further accordance with the respective jurisdictions involved, the Committee on Ways and Means will handle Title III before the Committee on Rules and on the floor of the House.

Further, in accordance with our understanding, it is requested that this letter be included in the Committee report on your bill, along with the report language which we will forward to you.

Sincerely,

AL ULLMAN,
Chairman.

STATE OF NEW YORK,
Albany, N.Y., December 16, 1975.

Hon. JAMES J. HOWARD,
Chairman, Surface Transportation Subcommittee, Washington, D.C.

DEAR MR. CHAIRMAN: I am advised by Mayor Beame of his recent letter to you concerning the City's intention to proceed with the construction of the Interstate Highway facility on the west side of Manhattan. I join with the Mayor in stressing the importance of this project. As he points out, the implementation of the Westway project is important to the future economic, social and environmental well-being of the City, the State and region. Construction of this facility is a key element in the transportation plan for the region.

The development of the Westway project has been sensitive to the State Environmental Action Plan which sets forth procedures for ensuring community participation in the planning of large scale transportation projects such as these. An overwhelming number of City and State planning agencies and representative community civic and labor groups support the implementation of this project. Any delay will of course result in further inflation of an already high cost to the Federal government, the State and the City.

I am, however, prepared to reexamine the State's position with respect to Westway if changes in Federal law and policies provide for transfer of amounts proportionately equal and in the same value as the Westway proposal would make available.

Sincerely,

HUGH L. CAREY.

THE CITY OF NEW YORK,
OFFICE OF THE MAYOR,
New York, N.Y., December 15, 1975.

Cong. JAMES HOWARD,
Chairman, Subcommittee on Surface Transportation, Washington, D.C.

DEAR CONGRESSMAN HOWARD: This letter is in response to your inquiry about the official position of the City of New York on the West Side Highway as a part of the Interstate Highway System.

We have been working in close cooperation with the New York State Department of Transportation and the Federal Highway Administration for more than three years to plan and design a replacement for the derelict West Side Highway. The existing elevated highway has been closed to traffic since early 1974: a section collapsed and the remainder is seriously deteriorated. It is urgent that a replacement be approved and constructed as soon as possible.

The City continues to favor constructing a replacement West Side Highway as a part of the Interstate System. We support the Westway plan which is drawn from earlier plans presented at public hearings.

The City has carefully evaluated the alternatives available to us at present, and has concluded that constructing Westway remains in the best public interest from a financial, developmental and transportation standpoint. However, if Federal law and procedures are changed so that an equal amount of Federal funds is available for an acceptable traffic and mass transit solution to the West Side corridor, we will re-evaluate our position, taking into account the financial implications both for the City and the State.

I sincerely appreciate your personal call to me and your interest in being of assistance to the City of New York in the development of the Highway Act of 1975. Most importantly, I appreciate your interest and willingness to continue as part of the Urban Mass Transportation Assistance Act of 1964 the section which permits us to utilize transit funds to stabilize transit fares in the City. This is exceedingly important to the City during this temporary period of fiscal difficulty.

If I can be of any assistance to you, please let me know.

Sincerely,

ABRAHAM D. BEAME,
Mayor.

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

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

Mr. ROSTENKOWSKI. Mr. Chairman, I would like to ask the gentleman from New Jersey, the manager of the bill, a question concerning the implementation of the interstate highway program. I certainly agree with the committee that this important system should be completed as soon as possible.

I have in mind a section of the Interstate System in the city of Chicago known as the Chicago Crosstown Route which I am sure the gentleman has heard of in the past.

In the 1973 Highway Act, a section of title 23 was amended which is now known as section 103(h) which states that any time a city enters into an agreement with the Secretary of Transportation to pay all of the non-Federal costs of construction of a segment which lies entirely within that city, then that segment shall be constructed.

The city of Chicago has entered into such an agreement with the Department of Transportation for the crosstown route.

My question is how do we get the segment built? The State does not want to comply with the law and is dragging its feet. Last year the State of Illinois had the largest highway program in the country, yet they refused to move on the crosstown.

Should the Secretary of Transportation move in and force the State to move on this project?

Mr. HOWARD. The gentleman from Illinois has stated the law correctly. There is no question that the intent is clear—that having signed the necessary agreement, the city of Chicago has acted in good faith with the Federal Government. It is now up to the Federal Government to act in good faith in return. It would certainly be my opinion that the Secretary should do all in his power to see that the route in question is constructed.

Mr. ROSTENKOWSKI. I thank the gentleman.

Mr. ANDERSON of California. Mr. Chairman, some Members of this body appear to believe that we can rewrite history. I refer to a colloquy which just took place during the present debate regarding the so-called crosstown rider which was enacted as section 110(b) of the Federal-Aid Highway Act of 1973. Now it is claimed that that provision empowered the city of Chicago to insist that the State of Illinois build the so-called crosstown expressway.

Let me say to the Members of the House that I participated in the 1973 debates on this controversial provision and I had no such understanding of that

measure or else I would not have voted for it. Nor, I suspect, would many other Members of this House on both sides of the aisle.

Moreover, the views which have been expressed about the crosstown rider in this debate are very cleary contrary to the views of those Senators who were interested enough to discuss the measure when it came before that body in 1973.

Mr. Chairman, it was my understanding that section 103(h) would empower a city to pay the non-Federal costs of a segment of interstate highway that was wholly within its borders, even though the State refused to do so. It was definitely not my understanding that a city's willingness to do that would bind the hands of the State and Federal Governments and force them to construct the highway at the beck and call of the city. The House and Senate debates clearly show that it was not the understanding of the Congress that we were altering the traditional legal responsibilities of the States and of the U.S. Department of Transportation under title 23 of the United States Code.

It is worth pointing out that the crosstown rider was not considered by either the House or the Senate committees which reported the Federal-Aid Highway Act of 1973, but was added in conference. It would have been subject to procedural objection, and I certainly would have made such an objection if the view of that provision now asserted had been one that I shared at the time. No doubt some Members of this House may have disagreed with my view, but in the Senate those who spoke on the subject for the most part shared my understanding. All that was clearly intended by our 1973 action was to allow a city to finance the non-Federal share of the costs of an Interstate System segment which was wholly within its borders. Whether that segment should be constructed, how it should be designed, where it should be located—these were all matters left to the agreement of the State and Federal Governments as is true of all other segments of the Interstate System.

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

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

Mr. FARY. Mr. Chairman, I rise in support of the comments of the gentleman from Illinois concerning the building of the crosstown expressway in Chicago. My predecessor, the late John C. Kluczynski, was perhaps the single greatest proponent of the need for an increase in local government control over Federal aid urban systems funds.

During the consideration of the Federal-Aid Highway Act of 1973 Congressman Kluczynski, speaking on behalf of the conference committee, said:

It is quite clear that the intent of this subsection and the intent of the conferees is the following: that in any case where a particular portion of an Interstate System lies wholly within the boundaries of an incorporated city, that portion of the Interstate System may be constructed under this subsection, on the condition further contained in this subsection that the incorporated city agrees to pay all non-Federal costs of construction. The Chicago Crosstown is taken as a prime example of the use of this section and it is a good one.

I believe that the crosstown is a realistic solution based on the total transportation needs of metropolitan Chicago. The corridor has no rapid transit for commuters and no north-south expressway for cars and trucks. The completed crosstown will provide a 22-mile mass transit system and relieve congestion on all our overburdened streets.

The crosstown will also, and this I think is particularly important, provide the necessary incentives to bring back industry and jobs to where they are needed.

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

Mr. HOWARD. I yield to the gentleman from Florida.

Mr. GIBBONS. I thank the gentleman for yielding.

Mr. Chairman, I rise in enthusiastic support of this legislation. I want to pay particular tribute to the gentleman from New Jersey in the well, Mr. HOWARD, for his diligent efforts and his sound leadership, to his subcommittee, to the committee, and to the committee staff, for the fine work that has gone into the development of this bill.

Mr. HOWARD. I thank the gentleman for his comments.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. I thank my colleague for yielding.

I would like to ask what the revenues of the Trust Fund are. Did I understand correctly that this bill as written will exceed those revenues? What are the revenues?

Mr. HOWARD. The revenues are 4 cents per gallon on gasoline. Of course, it fluctuates up and down, depending on the use of it and the different times of the year. In certain years it fluctuates. There was a drop in the first 6 months of 1974 because of a gasoline shortage. There is also an excise tax on vehicles, and an excise tax on parts for these vehicles. So that, of course, makes it never an exact amount each year.

However, we do have a great deal of backlog on paper of revenue because we have had impoundments for so many years. We have just been out of that for a few months, so we feel that this bill is in some way perhaps a catch-up. We do have a 2-year extension of the trust fund which is 2 years beyond its present termination date of October 1977.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LEVITAS. Mr. Chairman, I yield 5 additional minutes to the gentleman from New Jersey.

Mr. HOWARD. I thank the gentleman.

Of course, this money will be coming in. There is not at any time the actual money in the trust fund, in the bank, for projects which are obligated or which are approved for construction, but to cover that sensibly, we do have a provision that the Secretary of Transportation must certify that the money will be available under these means by the time the money comes due.

Mrs. FENWICK. If the gentleman will yield further, there is no danger that any of this will come out of general taxation?

Mr. HOWARD. No. There is a small amount for some safety programs, but this is one program in this country over the years that has arranged to pay every penny when it has come due, and not to add to the deficit in this Nation. That is one of the great things about this program. I would like to see something similar to this for the other necessary means of surface transportation so they can plan ahead as well as we have been able to do in the highway program. This program not only fights inflation, but it puts people to work. It provides an incentive for people to pay. It also has the added benefit at this time of being a Federal spending program that fights inflation effectively, because, believe it or not, during this year the cost of highway construction has actually gone down, not in relation to inflation. But it has actually gone down. This is one program we can take home for the people that is a winner from every angle.

Mrs. FENWICK. If the gentleman will yield further, this is good news. When the gentleman says a small amount will be taken from general taxation, how much is that small amount?

Mr. HOWARD. I do not have that figure.

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

Mr. HOWARD. I yield to the gentleman from Ohio. Perhaps he has the figure.

Mr. HARSHA. I thank the gentleman for yielding.

For the fiscal year 1977, the amount out of the general fund for highway purposes and related purposes of this bill is $769,770,000; for fiscal year 1978, it is $772,670,000.

Mr. HOWARD. This is concerning an authorization in the bill now of approximately $8.9 billion per year for the next 2 years, and a comparable 25 percent for the interim quarter. Much of it, I believe, was added for the several safety programs.

Mrs. FENWICK. If the gentleman will yield further, I am a little confused. This sum is not insignificant; it is almost $1 billion that will come out of the taxation.

Mr. HOWARD. Yes, and it will come out of programs authorized in the past.

Mrs. FENWICK. If the gentleman will yield further, will it add to the deficit?

Mr. HOWARD. That part will add to the deficit; yes.

In the overall view we are talking about $700 million per year in an authorization of $19.9 billion.

Mrs. FENWICK. As I understand, the yearly cost is some $4 billion, and $1 billion really will come out of the General Treasury?

Mr. HOWARD. A small amount will come out of general revenues. They are the programs that are needed and probably the most popular with the people most concerned with saving lives on the highway and improving driving conditions.

Mrs. FENWICK. Why do we not take that out of the trust fund? Why do we

go into the General Treasury for any funds?

Mr. HOWARD. It is to assure the stability of the program, to which the gentlewoman directed her first question.

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

Mr. HOWARD. I yield to the gentleman from Georgia.

Mr. LEVITAS. Mr. Chairman, is it not true that the major portion of the general revenue funds, which are included in the total, which the gentleman from Ohio stated relate to Federal domain roads are roads which are part of the Federal projects themselves, such as forest development roads, public land development roads and trails, park roads and trails, Indian reservations, and such items which are Federal projects in and of themselves?

Mrs. FENWICK. Then they are not safety items? They are mostly forest lanes and so on. This sum is for the development of areas of Federal lands. Is that correct? I am trying to find out what we are doing.

Mr. HOWARD. It is a perfect bill as it is, I would say to the gentlewoman and needs no changes or amendments.

Mrs. FENWICK. I thank the gentleman.

Mr. HARSHA. I yield myself such time as I may consume.

Mr. Chairman, I want to elaborate a little on the colloquy between the distinguished chairman of the subcommittee and the gentlewoman from New Jersey.

The trust fund builds up revenues of approximately $6.5 to $7 billion a year. This bill has expenditures authorizing $8.9 billion a year. The revenues from the trust fund go into the general processes under our unified budget system, so any deficit or any expenditure whether it comes out of the trust fund or general fund is accounted for in that budgetary process. As of the first of October there was approximately $9 billion in the trust fund that was unexpended, but against that $9 billion are unpaid authorizations of $18 billion. So there is not in fact any surplus.

It is just like a personal checking account. In 1 month a person may have $500 in the checking account but at the end of the month when the rent and life insurance and doctors' bills come in checks will be written in excess of that, hopefully some will be added to it. It is just a bookkeeping process.

So there is no balance upon which to draw for the additional money.

Mrs. FENWICK. It is $1.9 billion over.

Mr. HARSHA It is approximately that much over what the administration has budgeted.

Mrs. FENWICK. I thank the gentleman.

Mr. HARSHA. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Pennsylvania (Mr. SHUSTER), the ranking minority member of the Subcommittee on Surface Transportation.

Mr. SHUSTER. Mr. Chairman, the Federal-Aid Highway Act of 1975 is the product of several months of extensive and exhaustive public hearings in our Subcommittee on Surface Transportation. As ranking minority member of that subcommittee, I can attest to the fact that ample opportunity was given to every group, every interest, every individual, to air their views. Discussion was not limited to highways, as some would have you believe, but a wealth of testimony was received on safety, mass transportation programs, and national transportation policy.

When we readied a bill for subcommittee markup, we carefully studied and analyzed every spoken and written word that was in the possession of the subcommittee, and the document that resulted was a conscientious effort to maximize the usefulness of the evidence in our possession while minimizing the debilitating impact some so-called "progressive" ideas would have on our existing transportation programs.

The bill was a good one—a composite of new ideas blended in with proven programs to form a solid foundation for the mobility of generations of Americans. But it was also realistic. It was a salable product which did not offend the senses of any rational person, be he an advocate of highway, mass transit, or another yet to be discovered mode.

But then a strange thing happened. It was viewed by some members during markup as a vehicle to write into law language that would have very specific application to projects and programs that are ineligible under existing law and highly questionable on their merits under any law. These amendments, which were adopted in markup and are now part of the bill we are considering, so distort the thrust of our original bill that they undermine the conscientious efforts of many of us to write a piece of legislation that was designed to promote the cause of sound transportation policy in our Nation.

These items concern me greatly, and I shall support several amendments to correct these serious defects in an otherwise thoughtful and acceptable bill.

But I believe that as we work toward cleaning up this bill, we should carefully consider the urgency of passing a highway bill at this time and the desperate situation facing the State highway departments in many States around the country.

These are the facts. If we fail in our efforts here today, badly needed highway construction and safety projects will come to a standstill and unemployment in the industry will skyrocket. Time is running short for many States, Mr. Chairman, and unless we act now, they will not only run out of time, but they will run out of money. This is a particular problem for the interstate program according to the Federal Highway Administration's program progress reports.

They indicate that 36 States have already exhausted their entire fiscal 1975 interstate apportionments, and 32 States have used up more than 50 percent of their fiscal 1976 apportionments.

As of October 31, barely one third into the fiscal year, 24 States had obligated 70 percent or more of their fiscal 1976 interstate apportionments, and of those 24, 17 had obligated 83 percent or more. And that is with 8 months to go in the fiscal year.

The States are not in quite that bad shape in the noninterstate categories, but time and money are running out there, too. In rural primary and secondary, the programs that are the biggest lifesavers when you consider that the chances of being killed are three times greater on a two-lane rural road than a four-lane superhighway, 34 States are already into their fiscal year 1976 apportionments, and 23 States had already obligated half their fiscal year 1976 apportionments by October 31. Fifteen have used up 70 percent or more of their fiscal year 1976 apportionments.

The clock is running out, Mr. Chairman. Despite the serious problems with the bill, which, I might add, are not irreconcilable, can we risk the consequences that would result from doing nothing? Can we afford massive unemployment in the construction industry, already suffering from the effects of inflation, or can we allow desperately needed highway safety programs, aimed at saving lives, to come to a grinding halt?

I say we cannot. I say we must act now to keep these vital programs going, or we will have to answer and atone for our mistakes later through more public service programs—an alternative that no one really wants to see come to pass. I urge support for several amendments to clean up this bill, and support for final passage of this vital legislation.

Mr. HOWARD. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. KOCH).

Mr. KOCH. Mr. Chairman, first I want to extend my thanks to the chairman of the subcommittee, the chairman of the full committee and to the distinguished members of committee in general for the many courtesies they extended to me during the course of the marking up of this bill and for permitting me to testify in support of my rollback of truck weight amendment.

I believe everyone on this floor is familiar with the issues involved, because the Members on the floor are mostly the committee members, but I think also that the Members of Congress at this point have been educated by both sides on this issue and they are familiar with the issue.

Let me try just for the RECORD at this point to state why I hope the Myers-Koch amendment, which would provide a rollback to the 73,280 pounds which existed up until December of last year, will be supported by the Members when they vote.

The issues have not changed. The facts have gotten worse. Let me explain what I mean by that. We have talked about safety. The basic reason why a truck of 80,000 pounds should not be permitted on the highways and we should go back to the 1973 weight through 1980, is safety.

Now, there were some who said that when we imposed the 55-mile-an-hour limit on the highways that that would compensate for the increase in truck weights. Indeed, Secretary Coleman said that was the tradeoff.

But what are the facts with respect to that single issue? One, the fact is, that the National Highway Transportation Safety Administration in a report issued December 8 of this year—that is this very

month—said that there is no evidence that the 55-mile-per-hour speed limit significantly lowered the death rate for the large truck-car crashes in 1974. They did say that as between car and car there is a reduction, but as between a heavy truck and a car, there was no reduction. Would the Members like to know why? Let me just speculate why that is so. The trucks do not obey the speed law. We all know that. We know that the trucks use the citizen band radio. We have heard all about it. There are articles in the newspapers day after day how they alert one another that the cops are on the road. That is one reason.

Second, did you know that there is at least one State or section thereof and I suggest that there are more, who because they technically want to obey the law, that is the law that the Congress enacted which said that they place their highway money in jeopardy if they do not enforce the 55-mile-per-hour speed limit, has done? In one State, I have been informed by a Member, they have a $1 fine if trucks go above the 55-mile-per-hour speed limit. So if they catch them in that State, they get charged $1. Surely it is worth it to the truck drivers to violate the speed limit.

Let me take up another point of safety. It is alleged that the new brake standards will make a big difference, the 121 brake standards. First, they only apply to the new trucks. The old trucks do not have to conform to them; but let me tell this House, those new brake standards do not work and this committee recognizing that provides for a study to look at those brake standards and to report back; but in the meanwhile, those trucks are allowed on the road. What happens with those new brake standards? They are electronically operated and the brakes often lock; so we have a second very grave safety factor.

Let me take the highway and bridge situation. First, highway damage, $100 million a year, based on last year's standards, in which the increased cost is to the localities which are not reimbursed for those losses.

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

Mr. HOWARD. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. KOCH. Mr. Chairman, I thank the gentleman. The gentleman is a gracious subcommittee chairman and opponent.

Mr. Chairman, let me refer again to the bridge damage and the highway damage. I have already told about the $100 million which is unreimbursed that the cities, counties, and States will have to pay.

Let me talk about the bridges. There are now, according to a GAO report, 7,000 structurally deficient bridges and 25,000 obsolete ones in the Federal system. By agreement with the Federal highway system, they say there are 23 of those on Federal interstate highways and, interestingly, they do not know where they are. Think of that, they do not know where they are. I have asked them. They do not know. Does that make any sense?

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

Mr. KOCH. I am always delighted to yield to the gentleman from Ohio.

Mr. HARSHA. Mr. Chairman, if they do not know where they are, how do they know they are deficient or what system they are on?

Mr. KOCH. Mr. Chairman, the gentleman is absolutely right. How is it possible we could have such an inept Federal Highway Administration that says there are—and they have said it—that there are 23 unsafe bridges. At one time, they thought there were as many as 105 structurally deficient and 720 functionally obsolete.

They now say they think there are 23. But they do not know where they are. These figures are based on reports that have come in from the States, and they are still checking them out. What an outrage, that the FHWA does not know where the unsafe bridges are.

The gentleman agrees, does he not, that it is an outrage that the Federal Highway Administration allows those roads to be used by 80,000-pound trucks when they do not know where those structurally deficient bridges are. Does the gentleman agree with that?

Mr. HARSHA. I agree that the figures should not be accepted until they are verified.

Mr. KOCH. It is the gentleman's administration, not mine that is in charge.

Now, let me get to the other aspect which is important to the railroads. There is a diversion here of cargo so that instead of having the energy savings, together with encouraging people to use the railroads, we are now engaging in a diversion of volume of traffic from rail to road. About 75 percent of the traffic carried by the railroads can now be diverted, be subject to diversion, to these trucks. I am saying that is not energy saving. I am saying that is going to impose an additional multibillion dollar burden on the Federal Government to further subsidize the railroads, because we are taking away about $500 million in net revenues as a result of the diversion of freight to the trucks because of the increased truck weight.

Let me conclude, because I see that my time is running out. I am urging the Members, urging them that when the Myers amendment is brought to the floor, that they vote for the people. I know that the Members have been lobbied by the truckers in this country. The largest lobby in the country today is the trucking lobby, and they have got to be stopped, and stopped on this floor.

Mr. Chairman, let me now provide the details of why I rise to speak on the Federal Aid Highway Act. My particular concern is on the truck weights allowed on the Interstate Highway System. The House defeated an attempt to increase the limit from 73,280 pounds on August 20, 1974, by a vote of 252 to 159. An increase to 80,000 pounds was included in the conference report in the last moments of the 93d Congress, and the House was not allowed to vote separately on this issue. I hope we will get that chance today. I would like to discuss this issue fully, refuting the arguments raised against lowering the truck weights and advancing the arguments in favor of the 73,280 pound limitation. There is growing national support for repeal of the higher truck weight limit among both individuals and professional organizations.

Opponents of repeal have stated that provisions in the present law are supported by the Department of Transportation, its Federal Highway Administration, and AASHTO, the American Association of State Highway and Transportation Officials. However, Secretary of Transportation Coleman's explanation of the Department's support of the new weights is disturbing. In a letter of June 16, the Secretary wrote:

> The Department of Transportation is well aware of the trade-offs involved in this issue—the attempt to strike the balance between fuel savings and consumer economics on the one hand, the additional highway maintenance costs and safety-related factors on the other.

The fact is that this was a terrible tradeoff. The National Highway Safety Advisory Committee, chartered by Congress to advise the Department of Transportation on highway safety matters, has testified:

> We strongly favor Congressional repeal of the heavier truck legislation and respectfully urge DOT to reconsider its position in light of both the increasingly available evidence on truck safety matters and the still incomplete truck safety studies. As a minimum, we urge the Department to call for a moratorium in the States on further action permitting heavier trucks pending completion of truck safety studies and/or an overall high level DOT review of truck safety matters. Finally, we urge the development of a national standard on truck sizes and weights applicable for all the Nation's highways, and at least to all Federal-aid highways.

In response to a request for information concerning any studies it may have conducted to determine the impact of the new weights on braking capacity. DOT's National Highway Traffic Safety Administration responded that—

> It has not made any such studies because of the absence of a requirement for their conduct in support of our motor vehicle rule making program.

On December 2 and 13, 1974, DOT issued two contract proposals for studies, one on "Accident Topology of Larger Trucks," the other relating to "The Effect of Larger Trucks on Traffic and Their Relationship to Highway Safety." On March 10, 1975, DOT told the House Appropriations Transportation Subcommittee that "these submissions are in a contracting process and have not yet been let."

In the absence of such information, it was ill conceived of DOT to support heavier truck legislation.

The American Association of State Highway and Transportation Officials' support for the heavier weights is highly tempered. In testimony before the Senate Public Works Committee on February 21, 1974, AASHTO stated that a 2,000-pound increase in single and tandem axle loads, as now permitted in Public Law 93–643, brings about "an average loss of the remaining loss of a facility—highway—of between 25 to 40 percent," attributable to the movement of heavier trucks.

Supporters of repeal of the higher weights, for safety, cost, and procedural reasons, includes, among many others:

The AFL–CIO.
The National Society of Professional Engineers.
The American Society of Civil Engineers.
The National Association of Counties (State, county and local governments, not the federal government, must pay the increased highway maintenance costs.)
The National Highway Safety Advisory Committee (chartered by Congress).
The American Automobile Association.
The Professional Drivers' Council for Safety and Health.
The Association of American Railroads.
The Brotherhood of Railway, Airline, and Steamship Clerks.
The Railway Labor Executives' Association.
The Oil, Chemical, and Atomic Workers International Union.
Common Cause.
The General Federation of Women's Clubs.

In addition, there have been over 200 newspaper editorials, from virtually every State in the country, supporting repeal of the new weights.

As I have stated, on August 20, 1974, the House by a vote of 252 to 159 removed from the pending Federal Mass Transportation Assistance Act a gross weight increase from 73,280 pounds to 90,000 pounds and a 2,000-pound single- and tandem-axle weight increase. The Federal Aid Highway Act amendments, enacted under suspension, thereby precluding amendments, 4 months later in the closing days of the 93d Congress, effectively undid that decisive vote. The new law allowed the same 2,000-pound axle increases as rejected earlier and a gross weight increase to 80,000 pounds.

Let me enumerate and refute the arguments raised against repeal:

First. Some key opponents of repeal of the heavier truck law have said that "all the law did was say that the bigger trucks could go on the interstate roads in those States where they are permitted on the intrastate highways," and that the bill has not "encouraged the construction of heavier trucks that place a bigger strain on the Nation's highways."

These are great misconceptions or misstatements of fact. Public Law 93–643 allows all States to increase gross weights on the Interstate System to 80,000 pounds, and single- and tandem-axle weights to 20,000 and 34,000 pounds, regardless of the State's local highway limits. In fact, State legislatures will now more likely be faced with pressure from shippers and truck owners to increase not only the interstate limit, but the intrastate limit as well in order to match it. In spite of Federal Highway Administrator Norbert Tiemann's assurance to the Senate Public Works Committee in February 1974, that he did not "think the States will be under a great deal of pressure to increase weights," the American Trucking Association and its State affiliates have been working in numerous States seeking larger and heavier trucks.

In addition, it is unrealistic to assume that an 80,000-pound truck will never leave the Interstate System in a State for eating, sleeping, loading, unloading, or some other purpose. When the gross limits were raised to 80,000 pounds and the axle limits by 2,000 pounds, the leapfrog, two-tiered system of truck weights was further perpetuated.

Ironically, one of the reasons given to the Congress by DOT and others in support of the increase was to seek uniformity among the States that permitted heavier weights on their own highways. But in all of the State legislatures that have been presented with truck weight increase proposals, not one bill would limit the increased weights to Interstate highway systems only.

Second. Opponents have argued that repeal would force a majority of States to change State laws.

This is not true. At the present time, according to the Library of Congress, 26 States have administratively or legislatively increased the weights allowable; 14 States have rejected such legislation, and most of the remainder are expected to complete their legislative sessions without enacting higher weight limits. The fact is that this amendment is absolutely necessary now in order to avoid a situation where State legislatures under the pressures of the truck lobby which, believe me, you and I know are enormous, pass legislation increasing the States' weight limits. We cannot wait any longer to offer an amendment restoring the old limit. The pleas made today that States have already implemented the weight increases will only be louder tomorrow. In short, if we wait, we will find ourselves in the position of the magistrate confronted by the defendant who has killed his parents and pleads, "Have mercy, your honor, I am an orphan." In other words, we want to avoid a situation where the plea is made at a later time that most of the States have already taken irrevocable action and therefore, require a merciful response by the Congress.

Third. Opponents have argued that repeal would require 37 of the States to enact lower and more restrictive weight limits on their very best highways—their sections of the interstate—than those States legally allow on their lesser highways.

This is not true. According to the American Trucking Association's own figures, even before the enactment of the higher interstate limits in December, only 19 States allowed higher weights on their own noninterstate, primary highways, and 7 of the 19 allowed the heavier weights by special permits. The fact is that some of those highways pay for themselves, not out of the Public Treasury. The more basic fact is that as is the case in so many areas, State legislatures are not able to resist the lobbying pressure that the Congress has resisted on so many occasions and should on this occasion as well.

Fourth. Opponents have argued that in my own State of New York loads of up to 105,000 pounds are legally permitted on certain highways, and that repeal would require them to reduce this by about 30 percent—to 73,280 pounds on every segment of the interstate.

This is not true. I wish it were because then I could have the additional argument that I was asserting a point of view which, not withstanding its adverse impact of my own State, is worthwhile asserting because of the national interest. However, the fact is that the State of New York has not adopted legislation permitting an increase in weight on the interstate highway over the current 71,000-pound limitation. It is true that the primary noninterstate system is under a temporary permit granted by the prior Governor allowing increased truck weights. But again, this does not apply to the interstate system.

Fifth. Opponents have argued that repeal would have absolutely no beneficial effect on highway safety. They say it would not result in smaller trucks. They say it would result in more trucks on the road, since it would force many thousands of trucks to run part empty. They say if adopted, it would require eight trucks to carry the cargo which presently can be transported by seven in most of the country.

These points are not valid. The most damaging statement made by the Department of Transportation, actually helpful to this cause, is that of Director James B. Gregory, Administrator of the National Highway Traffic Safety Administration, who testified before the Transportation Appropriations Subcommittee on March 21, 1975. In response to a question I posed, Mr. Gregory said,

From the standpoint of the chances of fatality, I was dead wrong, referring to his earlier view that the fatality rate for automobile passengers involved in truck-car collisions would be similar "whether it (the truck) weighs 70,000 pounds or 80,000 pounds."

Also the Bureau of Motor Carrier Safety of DOT has provided a chart which shows that there is a linear increase in the death rate for persons other than truck occupants in car/truck crashes. To illustrate:

Truck weight, 70,000–75,000 pounds: Number of accidents, 1,982; persons other than truck occupants killed, 281.

Truck weight over 75,000 pounds: Number of accidents, 371; persons other than truck occupants killed, 70.

Figures are for 1973.

The basic premise for the DOT's supporting the increase in truck weights was affirmed to us in a letter of June 16, 1975 from Secretary William T. Coleman, Jr. Secretary Coleman said:

The 55 miles per hour speed limit, while conserving fuel and thus lowering that aspect of trucking costs, results in decreased productivity for the trucking industry.

In fact, even if that were true, every other sector of our economy has had to bear some impact of our having to conserve fuel. But the fact is that the 55-mile-per-hour speed limit is only temporary and probably will change as our energy situation changes. However, once the law allows each State to increase its truck weights on the Federal highway system, it will be irreversible.

The argument that repeal would force eight trucks to carry the current load of seven trucks is both exaggerated and specious. Even if every truck were filled to capacity, the weight decrease from 80,000 to 73,280 pounds would at most, depending on the type of freight, require one extra truck per nine for those loads carried at the highest weights. More importantly in the current time of high un-

employment, a reduction in the weights, in addition to improved safety and decreased highway damage, will provide a significant saving of jobs of the Teamsters and other truck drivers. Finally, because there is no Federal length limit, and with some States permitting up to 102 feet with special permits, the heavier weights of Public Law 93–643 will force longer trucks on the road. If a rig "cubes out," using up its trailer space, before it "weighs out," operators will attach extra trailers where permissible, creating double or triple bottoms—trailers—to carry the higher weights allowed. Even in States with lesser length limits, the new weights could intensify the ever-present pressures for increased length.

Sixth. Opponents of repeal have argued that repeal "would force a needless waste of productive capacity, a needless waste of fuel, and a needless increase in transportation costs which undoubtedly would be passed on to the consumers of every transported commodity including food."

This is not true. Not true because of the pejorative language, to wit, "needless waste." There is a need to limit the weight and size of trucks. Indeed, if the trucking industry had its way, not only would weights be increased but the size, including widths, would be increased as the trucking lobby has tried to legislate in the past. Let us talk of the real waste and the cost to the public. According to conservative estimates of the DOT, the annual cost increase for highway maintenance due to higher permissible weight limitations is $34 million to the States, $30 million to the counties, and $24 million to the cities, all unreimbursed. Furthermore, we have railroads for large loads and they should be put to great use for such purposes.

Seventh. Opponents have argued that nothing in the present law requires any State to allow any limit above 73,280 pounds. They say that every State may enact as low a limit as it deems prudent and necessary for its own roads. They rationalize that highway, density, weather, and topography vary widely throughout the country. They say that the States clearly deserve a greater flexibility than repeal would permit them.

These arguments are not true. The special conditions the repeal opponents cite call for lower limits, not higher limits. It becomes nearly impossible to resist the trucking lobby, particularly when adjacent States have succumbed to pressures for higher limits. I repeat that the truckers and almost every other lobby have had greater success with the State legislatures than with the Congress and it is the Congress that the people must depend upon in this case, too.

Eighth. The Federal Highway Administration told the House Appropriations Transportation Subcommittee on May 5, 1975, that the former truck weight law—23 U.S.C. 127—allowed "an up to 10 percent administrative tolerance." However, the word "tolerance" did not even appear in the old law, and the gross vehicle weight was established inclusive of any tolerance which a State chose to allow. A table of State weight limits in the American Trucking Association's own magazine, Transport Topics of October 14, 1974, clearly indicates that only seven States permitted a tolerance factor, which when added to the allowable weight in those States did not exceed the national limit of 73,280 pounds in six of the seven States. Only one State, Ohio, was slightly above, and this was permitted because of "grandfathering" in the 1956 law.

While the Federal Highway Administration's testimony referred ony to gross weight tolerances, even if the separate issue of axle tolerances is considered, only 12 of the 50 States allowed such axle weight tolerances to exceed the old law's limits, permissible only because the 1956 law allowed a State's rules in effect at that time to remain in effect. Yet Public Law 93–643 permitted increases in all 50 States. Our legislation would simply return the weights, tolerances, and grandfathering to the limits that the House confirmed on August 20, 1974.

I would now like to summarize some of the main arguments concerning the need for lower truck weights.

First, there is the matter of safety.

Testimony of Dr. James B. Gregory, Administrator of the National Highway Traffic Safety Administration, before the House Appropriations Transportation Subcommittee on March 21, 1975, revealed:

> As you build up the weight of the trucks, you find the fatality probability continues to increase with the weight of the trucks. The probability of a fatality occurring in a collision between an automobile and a large truck, defined roughly as a truck in excess of a 10,000 lb. gross vehicle is 10 to 1 compared with lighter vehicles.

While trucks are involved in fewer accidents than cars, the fatality rate, especially for the heaviest trucks, is far greater. Dr. Gregory admitted that "from the standpoint of the chances of fatality, I was dead wrong," in his earlier view that the fatality rate for automobile passengers involved in truck-car collisions would be similar "whether the truck weighs 70,000 pounds or 80,000 pounds." In a March 11, 1975, study, the National Highway Traffic Safety Administration concluded—

> The number of nontruck fatalities per 100 car-truck accidents, based on a sample of 13,176 accidents, increases at the rate of 1.1 for each 10,000 pound increase in the loaded weight of the truck.

According to 1971 and 1972 Department of Transportation and Bureau of Motor Carrier Safety reports, large trucks have a fatal accident involvement rate of almost twice that for all motor vehicles. The fatality rate in accidents involving large trucks, class I and class II intercity carriers of property, in 1972 was 8.15 fatalities per 100 million vehicle miles of travel.

NHTSA testimony on March 24, 1974, before the Senate Public Works Committee, revealed that the 10-percent weight increase permitted by the law as passed would reduce the speed of the best performing trucks to 26–28 miles per hour on hills where cars can easily maintain 55 miles per hour—almost a 30-mile-per-hour differential in speeds. According to reports by DOT, such wide differences in speed greatly increase the likelihood of accidents. The accident rate jumps 200 times—from 50 per 100 million vehicle miles where traffic speed is uniform, to 10,000 per 100 million vehicle miles where a 30-mile-per-hour speed differential exists. This danger from the heavier weights increases even more when poor visibility weather conditions prevent early recognition of the speed differential of slower trucks, or when the normal passing lane is not available for use, as in going around a curve.

According to the same NHTSA testimony, the chance of collision when trucks overtake cars on two-lane roads is four or five times greater than when cars pass trucks. Under the national 55 miles-per-hour speed limit, the likelihood that the overtaking vehicle will be a truck—now, a dangerously heavier truck—is considerably higher than when truck speed limits were held to 5 or 10 miles per hour below passenger cars.

The latest findings of the NHTSA are even more distressing. The fact is that heavier trucks are more dangerous, and there should now be no doubt about it. Let me read from the "NHTSA update of information on heavy truck accidents," handout for presentation before a joint meeting at the Highway Environment and Vehicle Subcommittees, National Highway Safety Advisory Committee, December 8, 1975, by Donald F. Mela, Mathematical Analysis Division, Office of Statistics and Analysis, Research and Development, National Highway Traffic Safety Administration:

Conclusions:

> The death rate for non-truck occupants increases with truck weight in car-truck crashes.
>
> There is no evidence that this death rate "levels off" at 70,000–80,000 pounds loaded weight.
>
> There is no evidence that the 55-mph speed limit significantly lowered the death rate for large-truck-car crashes in 1974, although the severity of car-car crashes did decrease.
>
> The following preliminary conclusions are considered to apply to travel and accident experience on U.S. Toll Roads, but are also likely indicative of experience on the general limited access type of road (including interstates) where vehicle exposure factors are similar.
>
> 1. The probability of being involved in an accident, as a function of miles traveled, is markedly higher for large trucks than for passenger cars.
>
> 2. Among those two-vehicle accidents involving some combination of a passenger car and a large truck (i.e., car-car, car-truck/truck-car, of truck-truck), car-car collisions occur less frequently than would be expected; car-truck or truck-car collisions occur more frequently than would be expected; and truck-truck collisions occur considerably more often than would be expected. These statements are based on the relative proportion of miles traveled by each type of vehicle.
>
> It is believed that these improvement probabilities are related to the "Combined size effects" of the two types of vehicles.
>
> 3. Passenger car travel declined considerably from 1973 to 1974 while truck travel remained relatively unchanged.
>
> 4. Compared with 1973, mean speeds in 1974 for passenger cars declined more than did mean speeds for trucks. For some roads, truck speeds did not change. The primary reason for this is that the original speed limit for trucks on these roads was 55 mph.

How much more information do we need about the dangers of heavier trucks

before we decide to act to safeguard our citizenry on the highways?

The second issue is that of brake standards. "The stopping distance will be longer if you use the same brakes with a heavier weight," according to NHTSA testimony before the House Appropriations Transportation Subcommittee on March 21, 1975. NHTSA elaborated, "everything being equal, the heavier truck will experience a greater fade problem than one of lighter weight."

Particularly disturbing is the fact that the heavier truck weights are allowed on both new trucks with the new, safer "121" brake standards, and pre-"121" vehicles. The "121" brake standards apply only to new trucks, but old ones are still allowed on the roads carrying the new weights. And the trucking industry is lobbying fiercely to put off the "121" brake standards on new trucks for at least another year.

Driver safety organizations also point to blowouts, steering, acceleration, maneuverability, and other factors as far more difficult and dangerous when driving the heavier trucks.

The third issue is that of highway damage, as cited earlier, the American Association of State Highway and Transportation Officials testified before the Senate Public Works Committee on February 21, 1974 that a 2,000-pound, single- and tandem-axle weight increase, as provided in Public Law 93–643, could mean "an average loss of the remaining life of a facility of between 25 to 40 percent."

Subsequent to passage of Public Law 93–643, Federal Highway Administrator Norbett Tiemann stated in a speech that the highways in this country are wearing out at a rate of 50 percent faster than they can be rebuilt. Where then, is the logic of further accelerating their deterioration by permitting these increases in axle loads?

The fourth issue is that of bridge damage.

The American Society of Civil Engineers' National Board of Directors on October 20, 1974 recommended:

> From an engineering point of view, no increase in vehicle size should be permitted until existing structures are put in order and the true effects of increased vehicle size and weights on bridges, pavements, and underground utilities are evaluated.

According to an ASCE position paper "80,000 of the Nation's 563,000 bridges are in critical condition," with "24,000 of the 80,000 on the Federal Highway System." Of the total of 563,000, ASCE reports, "407,000 bridges were built prior to 1935" at a lighter design load than currently required.

The National Society of Professional Engineers adopted a similar proposal recommending that Congress reconsider its action when its board of directors met in January 1975.

These two societies represent essentially all of the civil and structural engineers in this country. Yet DOT Secretary Coleman testified before the House Appropriations Transportation Subcommittee on March 10 that most bridges "are capable of routine handling of the new weights."

NSPE and ASCE have pointed to examples like the Silver Bridge over the Ohio River at Point Pleasant, W. Va., where an increase in pulsating live load, coupled with the steady dead load, caused a sudden collapse and the death of 46 people. Though sudden in its tragic culmination, the process took 30 years. The National Society of Professional Engineers argues that this may occur "even more frequently with the heavier axle loads in trucks allowed" in Public Law 93–643.

Recent data further demonstrates the increased danger to bridges from the heavier weights.

A July 2, 1975, report by the General Accounting Office is entitled "Unsafe Bridges on Federal-Aid Highways Need More Attention." GAO cites bridge inventory and condition data of the Federal Highway Administration showing that—

> About 7,000 bridges on Federal-aid highways are structurally unsound, and 25,000 are considered functionally obsolete because they are narrow, have low overhead clearance, and are poorly aligned.

GAO emphasized that the "estimated cost of $10.4 billion to replace those identified, plus additional costs as others become unsafe, could not be met within this century except by a massive increase in the annual funding level." GAO points out that while some of the bridges have lower load limits than their highways, this very fact "reduces the safety of the highways." The higher highway weight allowances of last year's law cannot help.

GAO also found evidence that—

> Drivers apparently disregarded bridge posting limitations, rather than incur the extra cost associated with rerouting or carrying less than capacity loads.

Acting upon this report, I asked the GAO to ascertain which deficient and obsolete bridges were on the Interstate System. The Federal Highway Administration provided the information that 105 "structurally deficient" and 741 "functionally obsolete" bridges were part of the Interstate System. When I tried to learn which specific bridges may be unsafe, especially for the heavier trucks, I was more than surprised to learn that FHWA did not know which bridges on which highways were the unsafe ones.

FHWA later reported that its data was wrong and that less bridges were in the "structurally deficient" category than previously stated. They are still checking on which specific bridges may be unsafe. Especially with this pending situation, I think it important to make sure that we not put any great stress on these bridges.

The fifth is that of cost. On April 8, 1975, DOT provided the Appropriations Transportation Subcommittee with what the Department called a very conservative estimate of an up to $100 million annual cost increase for maintenance due to the new weights. This figure was broken down into $34 million for State-administered highways, $30 million for counties, and $24 million for cities.

Even more staggering is DOT's cost projection for providing a complete road system capable of accommodating the higher weights to $2.4 billion. This figure, presented to the Senate Public Works Committee on February 20, 1974, represents: "the increase in investment required to build a road system designed to accept maximum single and tandem axle gross loads of 20 anl 34,000 pounds, respectively (as in Public Law 93–643) for 20 years, instead of one designed to accept existing gross axle loads of 18 and 32,000 pounds."

The effect of heavier trucks on railroad freight is the argument I wish to bring to your attention.

An Association of American Railroads study May 16, 1975 reports that approximately 75 percent of rail traffic is truck-competitive. That is, approximately 75 percent of their $16 billion freight market is subject to truck diversion. Because of the higher truck weights, AAR projects an average reduction of 3 to 4 percent in what railroads could otherwise charge on $12 billion of business, a reduction in their net revenue of $400 to $500 million per year.

It is generally recognized that the Nation's railroads are already in serious difficulty. AAR estimates that to replace the railroads' capital and improve their maintenance, more than $4 billion is needed. The truck weight legislation, by taking perhaps another half billion out of their incoming net revenue, will make their nearly untenable situation significantly worse.

The Congress must be concerned with a strong, balanced transportation system, and rail freight is a major part of this system.

Mr. HARSHA. Mr. Chairman, I yield 7 minutes to the distinguished gentleman from Pennsylvania (Mr. MYERS), a member of the committee.

Mr. MYERS of Pennsylvania. Mr. Chairman, today I will be offering an amendment to H.R. 8235 to return gross vehicle weights and axle weights to the levels at which these weights stood prior to January 1975. I offer this amendment for two reasons: First, lower truck weights mean greater highway safety and less road deterioration; second, I believe that it is essential to good representative government for controversial and important decisions—the results of which will be felt throughout the country—to be decided with an open recorded vote in this body.

Mr. Chairman, the vehicle weight issue has been debated extensively in this body, and many Members are aware of the arguments for higher or lower weight levels. Those who are familiar with this issue realize that there is no abolutely right or absolutely wrong level at which truck weights should be maintained. Rather, we must assess the relevant variables in this complex equation to arrive at the most appropriate configuration for this time and for our current needs. Many other Members and I believe that the preponderance of evidence points toward a reduction in gross vehicle weights as the most appropriate policy.

Proponents of higher vehicle weights have claimed that the entire weight issue is based on emotionalism, and that a review of the facts supports higher weights. Mr. Chairman, I believe, on the contrary, that the facts support the amendment I am offering today.

Much data supporting moderate truck weights has been placed in the RECORD

in the past several years. I would like to briefly summarize some of the major arguments supporting a return to last year's weights.

First and foremost, I believe highway safety would be best served by lower truck weights. I believe it is an inescapable fact that higher truck weights mean longer stopping distances, regardless of the type of braking system employed. The new 121 braking requirements, designed to reduce stopping distances, will apply only to new trucks, and not to vehicles carrying 80,000 built before this year. This means—taking the average road life of a truck—according to the American Trucking Association—that we are facing 7.5 years before all the large trucks have these new brakes installed.

Another way in which heavier trucks mean more dangerous highways is by increasing the speed differential between cars and trucks. The National Highway Traffic Safety Administration has testified—March 24, 1974, before Senate Public Works Committee—that a 10-percent increase in truck weight could significantly reduce the speeds of trucks—26 to 28 miles per hour—on grades where cars could easily maintain 55 miles per hour.

Finally, Mr. Chairman, there is increasing evidence that the combination of loading heavier weights and the tandem axle weight restrictions result in more weight being thrown onto the front or "steering" axles of trucks. Both the teamsters and the Professional Drivers Council for Safety and Health—PROD—have been supporting front axle weight limitations, because these organizations—organizations that represent the men and women who drive these big loads—believe that increased front axle loading means more difficulty in handling these vehicles. In this respect, it is important to remember that we are not only discussing a 10-percent increase on paper, but an added 3½ tons traveling at 55 miles per hour. The Public Works and Transportation Committee has in fact noted this problem by including in this bill the amendment offered by the distinguished gentleman from Ohio, calling for an investigation of the relationship between front axle loading and safety.

Mr. Chairman, the facts also speak for a decrease in truck weights when one looks at road deterioration. The American Association of State Highway and Transportation Officials—AASHTO—has testified—February 2, 1974, before the Senate Transportation Subcommittee—that significant additional wear and tear is caused by increasing axle weights to the levels authorized in the 1974 legislation. The altered definition of "construction" in section 106 of this bill to include "resurfacing" is ample evidence of the increasing difficulty States are having in maintaining the highways we have built. It is shortsighted to add further to these maintenance costs. The same can be said for our bridges: I do not intend to raise the specter of our bridges collapsing into rivers or gorges. However, what we are doing by permitting higher weights is accelerating the deterioration of our bridges, when bridge replacement needs are critical at this time.

Mr. Chairman, no one is claiming that the proponents of higher truck weights do not have some reason for their proposals. There is legitimate concern by many distinguished Members for the higher fuel costs the trucking industry is facing. And, there is hope on the part of some Members that consumers may save money due to lower transportation costs resulting from loading efficiencies. I believe it is evident, however, that these legitimate concerns are greatly outweighed by the potential costs of the higher weights. Potential consumer savings and some fuel savings for the trucking industry versus decreased highway safety and increased road deterioration: the decision on truck weights must be made with these factors in mind.

A final point I wish to raise concerns the implications of this issue for the Federal-State relationship. Much has been made of the fact that some States allow higher vehicle weights off the Interstate Highways. This is, incomprehendably, used as an argument for raising the weights on the Interstates. Personally, I would prefer to see truck weights moderated on the non-Interstate Highways also, but I do defend the States' prerogatives in this regard. However, on the Interstates, built with 90 percent Federal funding, I believe every effort should be made to establish procedures that are models of safety and proper maintenance.

Mr. Chairman, I would like to make one other observation in relation to bridge replacement in this bill. We are saying that the problem is so overburdening for the States that we are now authorizing the Federal share to be increased from 75 percent to 90 percent. I think that is indicative of the fact that the States now cannot maintain the bridges with the previous truck weight limits.

Mr. Chairman, another argument is that decreasing truck weights decreases the efficiency of the trucking industry. I do not believe anything has been built in the last 20 years that would increase the efficiency of the trucking industry more than the Interstate System. It allows thousands of miles to be traveled without encountering one stop for a stoplight and without encountering problems in traffic, greatly increasing efficiency.

Mr. HARSHA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I do not want to belabor this point about the so-called weight measures on the interstate, but I want to make a few brief remarks to get the record straight.

The gentleman who just left the well, the gentleman from Pennsylvania (Mr. MYERS), said he recognizes the rights of States in determining what weights should be used on highways other than interstate. The trucks are used on Federal-aid highways also, and the Federal Government has a 70-percent investment in those highways, as contrasted with the interstates where they have a 99-percent investment.

So if we recognize the jurisdiction of States on the one type of Federal-aid highways, surely it seems just as logical to recognize the States jurisdiction on the Interstate System.

But let me point out, as most of the Members know, that this weight law is only permissive. It in effect recognizes the States' jurisdiction, and it just grants to the States the right to make those changes if they so desire. It does not dictate their rights to them.

Mr. Chairman, the gentleman from New York alluded to the fact that we were causing the railroad industry to lose large sums of money by permitting the trucks to increase their weights. The newer truck rates will have no significant impact on railroad freight. The newer rates will only enable the trucks to efficiently carry the freight they are moving today. The railroads have publicly stated that they no longer significantly compete with for-hire motor common carriers of general freight. I want the Members to get that. They no longer compete with for-hire motor common carriers of general freight.

The primary reason for this is that the general freight carrier obtains more than 65 percent of his revenues from shipments weighing under 1,600 pounds with a length of haul of 495 miles. This type of traffic the railroads long ago gave up as being uneconomical to handle. When we add to this the considerable tonnage of motor carrier freight involving special commodities, we have as much as 85 percent of 64 percent of regulated motor carrier traffic no longer competitive with the rails.

In 1974, 64 percent of rail car loadings came from heavy, bulk commodities moving long distances. This is traffic not susceptible to motor truck competition, particularly at a gross weight of 80,000 pounds.

So I respectfully submit, Mr. Chairman, that that is not an issue in this case.

Both gentlemen alluded to the alleged depreciation of the highways and the cost for deterioration brought about by the use of highways by these trucks. They obviously referred to the AASHTO Illinois road test and erroneously made their assumptions from that. The AASHTO road test was a pavement break-up experiment in which pavement test sections were designed to fail. The Interstate System is not designed to fail; it is designed to succeed, and it is designed under the law and under the regulations adopted by AASHTO from the Federal highway legislation to carry traffic of certain types and volumes in the future for the next 20 years.

Under the AASHTO interim design guide for determining thicknesses of highway, that guide utilizes different AASHTO road test results, and the concrete pavement design procedure is based on road test thickness requirements for a 24,000-pound single-axle load, not 18,000 pounds or 20,000 pounds.

Thus there is no question about that here; there is no question here about deterioration of roads. That is a fallacious assumption, and it is not proven by these tests or by the facts.

They have raised a question about the bridges. In this permissive legislation is drafted a formula to be used to apply to

trucks that cross bridges. In the first place, the safest bridges in the country are on the Interstate System. If we take them off the Interstate System, then they will have to travel on the primary or the secondary roads where there are a fantastic number of insufficient bridges.

It makes little sense to take them off the safe bridges and put them on the unsafe bridges. Furthermore, this bridge formula was not drafted by the trucking industry. It was drafted by engineers, by safety engineers, highway engineers, safety technicians, who knew what they were doing and designed it to protect the bridges, not to destroy them.

Therefore, I think we can lay aside once and for all this argument that the increased weight of the trucks is going to tear down the bridges on the Interstate System.

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

Mr. HARSHA. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I thank the gentleman for yielding.

I would like to compliment the gentleman for his leadership in the area of highway safety.

I rise to ask the gentleman just this question about the weight limits.

In talking about weight on a single axle, I wonder whether the gentleman could give me some information as to the maximum weight on the front steering axle that he feels comfortable with as being within the limitations of safety?

Mr. HARSHA. Mr. Chairman, I thank the gentleman for his comments about my activity with regard to highway safety, but I am not an expert in that field.

I realize that there is a difference of opinion as to what the weight on a front axle should be. Recognizing that issue, we have provided in this bill for a study by the DOT and by representatives of the industry and the manufacturing industry and representatives of labor to try to find out just what would be the safe weight limit on the front axle. I would withhold any judgment until we had the results of that test or study.

Mr. EDGAR. Mr. Chairman, I appreciate the fact that the study is in the bill, because I think it is very critical at this juncture to determine the safe front axle weight.

I think there is a different question involved in terms of the weight limitation on the axle that carries the big weight of the truck and that axle which carries not only weight, but also the steering mechanism.

I know of large truck carriers which carry heavy cars, particularly large-model Cadillacs and Lincolns, riding on top of the cab. The cab itself weighs a certain number of pounds. The car on top of that truck or cab weighs a certain number of pounds. The pressure on the road is increased, and the pressure on the axle is over 13,000 pounds.

I am interested in the results of that safety study because I am wondering exactly what is the limit in weight that can be put on a front axle with maximum safety.

Mr. HARSHA. I think we are all interested in that. I am hopeful that as a result of that study, we will have the answer.

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

Mr. HARSHA. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Chairman, as a cosponsor of the bill before us today, I am pleased that the committee has kept intact the provisions of the bill essentially as we originally drafted it and introduced it. We spent a good deal of time working in or on this measure in preparation for its submission to the House.

I believe the Committee on Public Works and Transportation can take great pride in the number of constructive legislative proposals that it has developed.

For example, just this week the House will be considering the comprehensive revision of the airport-airways program we developed in addition to this major highway legislation.

Last year, on the basis of the initiative taken by this committee, we wrote the $11.8 billion mass transit bill that was approved by the Congress.

I say this to place clearly on the record the fact that our committee has moved positively and effectively toward the construction of a coordinated, integrated, and balanced transportation system. All of the members of the committee have had an opportunity to provide input into this legislation, and the result has been a significant advancement toward that balanced transportation system.

Now that we have clear-cut jurisdiction over these issues as a result of the Congressional Reorganization Act, I can already see a strengthening of commitment and interest in this concept of a balanced, coordinated, and integrated transportation system.

There is a great deal of emphasis at the present time on rail mass transportation.

Quite candidly there is much to be learned as a result of the problems that have been developed in the area of mass transit. Many, however, do feel that it is the way to solve our transportation problems. All of the evidence, however, points to buses as the most effective means of mass transportation.

The limitations on rail mass transit are so great that we must continue to work on highway-related programs both to enhance rail systems through feeder routes and parking facilities and to provide alternatives in the vast majority of areas where rail has proven to be impracticable both economically and factually.

In order to complete the system for improved transportation and increased safety, we need to balance funding for meeting urban and rural transportation system needs, and we must complete to safer standards the Nation's primary and secondary highway networks.

We must rebuild, restructure, and/or rehabilitate portions of the urban highway system to enhance the ability of cities to provide for the automobile, bus, and truck traffic that is so basic to the economic vitality of these areas.

We need to permit highway engineers to design more efficient traffic-flow plans to meet these same needs.

The legislation before us today is geared to meet these goals.

In addition, we have expanded on some of the provisions of the 1973 highway bill.

We have built quite substantially on the bicycle trails provision that we included in the 1973 act. This is important to me personally because it recognizes bicycles for the legitimate and important contribution they can make as transportation alternatives and because it recognizes the need to explore every possible transportation alternative and explore their potential.

Another important provision of this measure is the section dealing with highways in relation to our National Park System.

As a member of the Parks and Recreation Subcommittee of the House Interior and Insular Affairs Committee, I have realized the importance of the provisions of law relating to parklands preservation. Therefore, I strongly endorse section 138 which will enhance our statutory ability to preserve the natural beauty of these areas.

Mr. Chairman, I see on the floor the very distinguished chairman of the Committee on Ways and Means, the gentleman from Oregon (Mr. ULLMAN). I have discussed the question of trust funds and funding mechanisms with the gentleman over the past few months as I have with other Members of the Congress. The chairman of the subcommittee, the gentleman from New Jersey (Mr. HOWARD) alluded earlier to the fact that we need to address ourselves to the question of funding mechanisms. If we are going to complete the kind of coordinated and integrated transportation systems that we are capable of legislating and the engineering fields of traffic and transportation are capable of advancing, we must provide the positive methods of finance for each mode of transportation.

In my view it would be helpful if we could get together. I would suggest that the Committee on Ways and Means, who has jurisdiction over two of the established trust funds, namely the airport-airways and the highway trust funds, during the next 2 years, give serious consideration to the holding of hearings to determine what is needed to fund what I think is the missing link in our positive funding mechanisms. I believe we should be looking to establish an urban mass transportation trust fund, which added to our established highway and airport-airways trust funds, could give us the desired balance in funding that will ultimately lead to the desired balance in our total transportation system.

Mr. ULLMAN. Mr. Chairman, if the gentleman will yield, I commend the gentleman from California upon his diligence in this matter of transporation financing. I have conferred with the gentleman from California from time to time as well as with the gentleman from New Jersey (Mr. HOWARD) and others on the subcommittee. We are going to have to make some very important decisions during the next 2-year period, but those

decisions I think must begin to be reviewed even in this coming year.

I want to assure the gentleman from California that the Committee on Ways and Means does expect to work cooperatively with the Committee on Public Works and Transportation on this very important matter. We do expect to go into the highway trust fund and related areas in more detail, and to hold comprehensive public hearings prior to the end of the 2-year extension.

Mr. DON H. CLAUSEN. Mr. Chairman, I thank the gentleman.

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

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

Mr. McFALL. Mr. Chairman, I thank the gentleman from California for yielding to me and I wonder if the gentleman would mind if we took this funding matter further than mass transit? I know the gentleman from California is well aware of the problems we are having in our State with our State highway fund. Since the people of our State saw fit to allow some of the money to go to mass transit, which I think is proper, and because of the increased costs of operation and maintenance, and the increased costs of the highway construction itself, we are running very short of highway money in our State highway fund.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HARSHA. Mr. Chairman, I yield 2 aditional minutes to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Chairman, I thank the gentleman for yielding me the additional time and I continue to yield to my colleague, the gentleman from California (Mr. McFALL).

Mr. McFALL. Mr. Chairman, we need more money in the State highway fund in California. I was hoping that in this bill we might be able to reduce the Federal share by 1 cent and allow the States to pick that up. I understand now that that is not really possible because it is necessary to keep the Federal 4 cents going into the Federal-aid highway fund, and that is what the consensus of opinion is on the gentleman's committee. Also, if we reduce that 1 cent, there are 35 States that would lose by this, even though our State is one of 15 that might gain, but we would find ourselves with heavy opposition from 35 other States. What do we do then? How do we advise the States?

As the gentleman knows, our State senate has passed a 2-cent gas tax increase. The assembly can take it up when they start again in January. What do we tell our State legislators concerning whether or not they are going to get more funds and from where? Would the gentleman have an opinion on this? I know that the people at home would be interested in his opinion.

I would also ask the gentleman from New Jersey (Mr. HOWARD) and perhaps the gentleman from Oregon (Mr. ULLMAN) to tell us something about how we finance the States in this highway fund.

Mr. DON H. CLAUSEN. I believe the gentleman has almost answered his own question. I believe he should tell his State legislators to pass the legislation that has cleared the California State Senate so as to permit them to provide the matching funds needed to complete their interstate, urban, primary and secondary highway system requirements.

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

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

Mr. HARSHA. I thank the gentleman for yielding.

In response to that question, the gentleman from California (Mr. DON H. CLAUSEN) himself raised that among the members of the committee, particularly with me, on a number of occasions, because California is one of the donor States, and they contribute to this fund much more than they get back. He has expressed considerable concern in that area a number of times, and even raised the suggestion that maybe we ought to do away with some of this trust fund money and let the States keep it and do what they want to do with it on highways.

The problem is we are trying to design and complete a national highway system. Unfortunately, some States, simply because of a smaller population, cannot raise enough money to adequately finance a national integrated highway system.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HARSHA. I yield 2 additional minutes to the gentleman from California.

If the gentleman will yield further, it would serve no point or any purpose—not even in California—if we could build a road only up to the State border and there was nothing to carry it on from there to the rest of the country. That is the underlying principle for the unified trust fund or the tax, where some States have to pay more than others because they ultimately benefit by being able to travel across the country.

Mr. DON H. CLAUSEN. I might further state to the gentleman that our principal objective is to maintain the integrity of this Federal highway trust fund for what are obviously the increasing needs, to complete a national system of highways, to complete the interstate, and also to permit us to accelerate the construction timetable of the primary and secondary road systems, as well as the added urban highway system.

So any thought of backing off on the 1 cent and giving this back to the States, I think, is going to be counterproductive because we provide 70 percent of the money for all of the noninterstate highway systems. It is up to them to come forward with the kind of funding requirements in their own States. According to the functional classification and needs study report of the Department of Transportaton, there is a need, conservatively, for $300 billion to complete a safe and efficient system of highways in the Nation. Therefore, additional funds will be necessary to keep pace with rising costs, not less.

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

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

Mr. EDGAR. I thank the gentleman for yielding.

I think, though, it is true that our committee, due to the pressure of time and to the limitations of our discussions, really did not move to the matter of the administration's one-cent turnback. I would just like to have on the record the fact that we really did not get into the dialogue on the one-cent turnback to the States and its impact. We did really consider testimony that many of the States, because of the reduction in their highway funds, would have liked to have had some of that 1-cent turnback.

Mr. DON H. CLAUSEN. I say to the gentleman that as far as California is concerned, the chairman of the Senate Committee on Transportation of the California Legislature has provided the leadership, and as my friend, the gentleman from California (Mr. McFALL) knows, Senator Collier and Senator Mills from the southern part of the State are moving around the State and asking that they increase the amount of gas tax in the State to provide the additional matching money for the State.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. Mr. Chairman, under the rule the Ways and Means Committee is allotted an hour of time on title III of the bill. I yield myself such time as I may consume.

Mr. Chairman, under present law, revenues from a series of highway user excise taxes go into the Highway Trust Fund: the manufacturers' taxes on gasoline for highway use, lubricating oil, trucks and buses, truck and bus parts, and tires, tubes and tread rubber; the tax on use of heavy highway motor vehicles; and the retailers' tax on diesel and special fuels for highway use. These taxes in the fiscal year 1977 are expected to raise approximately $6.3 billion in revenue for the trust fund and are expected to increase to $6.5 billion in fiscal year 1978 and $6.7 billion in fiscal 1979.

The trust fund is presently scheduled to expire after September 30, 1977. However, taxes collected after September 30, 1977, on account of pre-October 1977 liabilities, will continue to be paid into the trust fund for 9 months or until June 30, 1978.

In addition, Mr. Chairman, all of the highway user taxes—except the tax on lubricating oil—are presently scheduled to be reduced or eliminated as of October 1, 1977. The taxes on tread rubber and on the use of heavy highway motor vehicles are to expire on that date; the remaining taxes are to be retained at lower rates which, in the aggregate, are expected to produce about 40 percent as much revenue as the taxes would produce at their present rates. As of October 1, 1977, revenues from these reduced highway taxes are presently scheduled to go into the general fund.

Mr. Chairman, it has become evident to the Committee on Ways and Means that the Interstate Highway System cannot be completed by the present expiration date of the Highway Trust Fund. We understand the likely completion date of the Interstate System will be about 1988. At the same time, the Committee on Ways and Means realizes that many would like to see substantial modifications made in the trust fund. However, the committee has not as yet had

time to study and reach conclusions as to what these modifications should be.

The termination of the trust fund in 1977 already is a matter of concern for Congress because of the timing involved in the authorization and apportionment processes. At the present time, consideration is being given to the authorizations for appropriations for the fiscal years 1977 and 1978. Right now the Federal Highway Administration is awaiting these authorizations in order to make the apportionment among the States for fiscal year 1977. As a result, the Highway Trust Fund needs to be extended for 2 years to provide the funding for the 2-year highway authorization in titles I and II of this bill. This is needed so that trust fund receipts will be available to finance these obligations as the actual payments come due.

As a result, Mr. Chairman, it is clear that if the current construction and safety programs of the States are not to be interrupted, a decision needs to be made now to extend the Highway Trust Fund beyond the 1977 date. However, since there has not yet been an opportunity to study and reach conclusions as to modifications which are needed, the Committee on Ways and Means believes that only a temporary extension of short duration should be provided. Because of these considerations, title III extend the Highway Trust Fund only for a 2-year period.

The revenues of the Highway Trust Fund are also extended for another 2 years at the present tax rates to provide funding for the additional 2-year period. The extension of the trust fund taxes from October 1, 1977, through September 30, 1979, are estimated to yield additional revenue of about $13.3 billion for the trust fund. Approximately 40 percent of this amount, or $5.4 billion, would be general fund revenues in the absence of this title.

Mr. Chairman, the Committee on Ways and Means intends to make a thorough review of the Highway Trust Fund and the highway user taxes well in advance of the expiration of this 2-year extension so that all the alternative proposals may be considered. I urge the adoption of title III of this bill.

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

Mr. ULLMAN. I yield to the gentleman from New Jersey, the chairman of the Subcommittee on Surface Transportation.

Mr. HOWARD. Mr. Chairman, I would say what the gentleman has said is exactly correct. We do recognize our problem in this area. That is why we are so grateful to the committee for giving us a 2-year extension so we will have the time in the 2d session of this Congress next year to work actively on this problem.

Mr. ULLMAN. I thank the gentleman.

I want to say the Ways and Means Committee will continue to work cooperatively with the subcommittee chaired by the gentleman from New Jersey and the Committee on Public Works to accomplish the necessary changes we are going to have to accomplish in the years immediately ahead in order to get this program turned in the direction that is best for America.

There are some major decisions to make. The administration has some recommendations. We will be holding hearings, but we will be working cooperatively with the Committee on Public Works and Transportation. I hope Members will support the measure. Title III comes under a close rule and will not be subject to amendment.

Mr. ARCHER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is my desire to be brief and I will limit my remarks to that portion of this legislation which falls within the jurisdiction of the Committee on Ways and Means.

I support enactment of title III of this measure as adopted by the Committee on Ways and Means.

Title III is straightforward and in accord with the request which we received from the Committee on Public Works and Transportation. It provides a simple 2-year extension of the Highway Trust Fund now scheduled to expire on the first of October of 1977. Title III would extend that date until October 1979 and I urge its adoption.

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

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

Mr. HOWARD. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Chairman, I congratulate the chairman and the committee for the work they have done in reporting this bill. I rise in support of the bill, as I have in the past, but there is a particular section, a particular concern I have with relation to New York City and the West Way that is so essential for movement of vehicles as well as providing for improvement of the economy for the next 10 years and for the tens of thousands of employees who are currently unemployed by virtue of the recession. My concern is whether or not this interstate section will in fact be constructed and whether or not there is a possibility of it not being pursued and moneys being divided to the areas. This highway is essential to housing-business and development of the west-side of New York. The labor leaders of the bodies of the construction industry are vitally interested in the certainty of the construction of the highway. The principal purpose for these colloquy is to confirm the commitment of the Governor and Mayor of New York.

Mr. MURPHY of New York. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. Mr. Chairman, I am glad my colleague brought up the question of some particular language in this bill at this time as it refers to a specific project, particularly the westway. Westway, of course, is the West Side Highway, which is an abandoned road at the present time in the most densely populated area of America. It is vital that this highway proceed. Of course, it is located in communities, not only in my district, but in the communities of two other Members; but to proceed is vital, because of the communications that are absolutely necessary into the district.

Mr. Chairman, this particular part of our district is probably the most dynamic in New York with the communication that is going on.

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

Mr. HOWARD. Mr. Chairman, I yield 3 additional minutes to the gentleman.

Mr. MURPHY of New York. Mr. Chairman, it is important, not only to housing, but in the development of office buildings, the development in the area of tourism. It is replacing an area with piers and related to another aspect of the transportation industry.

I think it is important that we clarify just what the language is and what the mayor of the city of New York and the Governor of the State of New York have to say about this issue.

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

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

Mr. HOWARD. Mr. Chairman, I would state that this is a provision that has been in the highway legislation since the 1973 act. It is not a particular provision for any particular city. This is a national aspect of the highway program. What it states in the interstate transfer provision is that should there be an agreement by a mayor and by a Governor and by a State or city that they wish to take some of the Interstate System, a portion of the interstate within their jurisdiction, that they may do so; however, the amount of money does not go out of the trust fund. It stays in the highway trust fund. That area then may draw on general revenue. This is how the act was in 1973 and they can use that money for mass transportation facilities.

In this year's act, there are two differences; first, this is an update in the amount of money that may be taken from the General Treasury, not from the highway trust fund and it had the provision that the money that is taken from the general revenues may be used, not only for mass transit needs in that area, but also for other highway needs in that area.

However, I would like to state that this is not a Federal decision. This is a State and local decision.

Mr. Chairman, I do have information, both from the mayor of the city of New York and the Governor of the State of New York on this one particular aspect throughout the Nation in which this provision may be used.

This is a statement from Mayor Beame of New York:

We have been working in close cooperation with the New York State Department of Transportation and the Federal Highway Administration for more than three years to plan and design a replacement for the derelict West Side Highway.

The City continues to favor constructing a replacement West Side Highway as a part of the interstate system.

The Governor states:

I am advised by Mayor Beame of his recent letter to you concerning the City's intention to proceed with the construction of the

Interstate Highway facility on the West Side of Manhattan.

I would also like to state that both the mayor and the Governor of New York State do favor this option. They do favor the right of having the option.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOWARD. Mr. Chairman, I yield myself an additional 2 minutes.

Mr. Chairman, to be able to have the option to utilize this money to help in New York, so if the mayor and the Governor of New York want to have that completed as the West Side Highway of the Westway Interstate, they may do so. If in the interest of their city and State they would like to declare they want to take this other option, not trust fund money, but general revenue money, and use it for mass transportation in the city or for additional road needs in the city, they may do that also.

This is one of the main parts we have been establishing in giving flexibility to the State and the city; but I did want to get into the RECORD what I have been told is the present indication of the mayor and the Governor; but I state also they do favor this national program of an option.

Mr. BIAGGI. Do these letters repeat the reaffirmation of the original intent to construct the Westway?

Mr. HOWARD. These letters come from the mayor of the city of New York, which is dated December 15 of this year, and the other from the Governor is dated December 16.

Mr. BIAGGI. Is it not a fact that in the event they choose to exercise their option to go to the general revenues, it would be necessitating action on the part of the Appropriations Committee?

Mr. HOWARD. Yes. That would require action by the Appropriations Committee.

Mr. MURPHY of New York. Mr. Chairman, would the chairman of the subcommittee place the letters in question from the mayor and the Governor in the RECORD at this point?

Mr. HOWARD. I do not believe I can at this point, but I will place these letters in the RECORD when we go back into the House.

Mr. MURPHY of New York. The Federal Highway Trust Fund is a 90–10 fund; is that correct?

Mr. HOWARD. That is correct. It is a 90–10 fund on the interstate and 70–30 fund on noninterstate roads.

Mr. MURPHY of New York. And on the UMTA?

Mr. HOWARD. That is an 80–20.

Mr. MURPHY of New York. If a like amount of the funds were allocated from this project to the urban mass transit under present law, the city would stand to lose this, or the difference in these fundings?

Mr. HOWARD. I do not know whether they would lose, because they are going into a program that they wish to. Of course, they take this money out of general revenue which is not available if they were to continue with the West Side Highway, and put it in on an 80–20 matching basis for mass transit. If they use it on a noninterstate, then it would be 70–30, which is the funding level for noninterstate programs.

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

Mr. HOWARD. Mr. Chairman, I yield the gentleman an additional 3 minutes.

Mr. MURPHY of New York. What the gentleman is saying, then, is that under the Federal Highway Fund we get an allocation that cannot be taken away from the State, because of the State's payments to the funds.

Mr. HOWARD. If we elect mass transit, we then have to go through the appropriating process, and, of course, it is questionable whether, in the depth of the fiscal problems of not only that city, whether they could come up with 20-percent matching, and also on the Federal level whether we can get that 80-percent matching fund.

I would like to state concerning the loss of funding, that would not be involved, because an equal amount would be available under the other formulas, 70–30 or 80–20.

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

Mr. HARSHA. Mr. Chairman, I yield 2 additional minutes to the gentleman from New York.

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

Mr. BIAGGI. I am delighted to yield to the gentleman from New Hampshire.

Mr. CLEVELAND. Mr. Chairman, I believe I have a copy of the letter from Governor Carey, and I would ask the gentleman from New Jersey (Mr. HOWARD) if I am correctly reading the last paragraph. The Governor speaks about his support for the West Side Highway, but then he goes on—and this is the last paragraph—and I would like the gentleman to correct me if I am reading incorrectly:

> I am, however, prepared to reexamine the State's position with respect to Westway if changes in Federal law and policies provide for transfer of amounts proportionately equal and in the same value the Westway proposal would make available.

Mr. HOWARD. Mr. Chairman, I would state that if the gentleman from New Hampshire had been listening to the gentleman from New Jersey, he would know that I said at least three times that both the mayor and the Governor said that they wanted those options open, and wanted to be able to continue to look at it. It will be in the letters which will be in the record, and I think that is the responsible thing for the Governor and mayor of New York to do, to say, "I am certainly going to look at other possibilities and options."

Mr. CLEVELAND. The gentleman did not quite answer my question. My question was very simple. Was that last paragraph I read correct? I just got a copy of the letter here.

Mr. HOWARD. As a former sixth grade schoolteacher, I would say the gentleman read that sentence perfectly.

Mr. CLEVELAND. I thank the gentleman. If the gentleman from New York will yield further—and I appreciate the gentleman yielding and I think we can get him additional time, because this is an important point which I am glad he has taken an interest in—my interest, of course, although I do not come from New York, arises because a large number of labor unions and contractors in New York sent me a telegram. That telegram is in the RECORD for last Tuesday at page 40857, December 16.

My interest as I said is because a large number of labor unions and contractors sent me that telegram, and expressed their concern. They asked for help. Please save us, they said. The factual situation, as I understand it—and the gentleman from New Jersey can contradict me if I am wrong—goes something like this: Under section 108, which we feel should be amended or taken out of the bill, they can redesign the Westway at greatly increased cost. Then they can take it out of the interstate system, and they will have a lot of money on their hands.

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

Mr. HARSHA. Mr. Chairman, I yield 4 additional minutes to the gentleman from New York (Mr. BIAGGI).

Mr. CLEVELAND. Mr. Chairman, then they will have a lot of money on their hands, and this is the scenario that is not only possible, but there is some evidence they believe that this is the scenario period. They will use some of that money to patch up the Westway and make it safer in the next couple of years with a cut-and-paste job, and then they will take the rest of that money and put it into subway construction or other roads. But if I understand what is happening in New York, and if I understand the concerns of the unions that have contacted me and the contractors that have contacted me, that will not mean additional jobs; that will not be new construction. It will let Mayor Beame use some of his State and city construction money for operating expenses.

Mr. Chairman, I understand this is one of the things the city has been doing that has gotten them in such trouble. That is why these people sent me a telegram, and they said, "Save us. Save us from this dilemma."

Mr. BIAGGI. Mr. Chairman, I would congratulate the gentleman for making that point. That is the precise reason I am standing here trying to clarify it. If the option is exercised and they deal with UMTA matching funds and formulas, the net result will be the point that the gentleman from New York (Mr. MURPHY) raised, which is that it will be an additional cost on the city of New York.

What is essential to us, I would like to emphasize, is that it is vital to the Westside system that the highway be rebuilt. Patchwork would be criminal. There is no alternative, but to build a new highway.

Mr. CLEVELAND. If the gentleman will yield further, if the gentleman feels as he does—and I am glad he feels as he does because this telegram I received from the contractors and the unions impress me very deeply—then the gentleman will have an opportunity to help right here on the floor, under the 5-min-

ute rule, when we have the Harsha amendment. The Harsha amendment will be introduced by the gentleman from Ohio to correct the situation. So then the gentleman can inform the people of his district, and the gentleman from New York (Mr. MURPHY) can do the same, and the gentlemen will be able to go back home and say, "We have saved you, we have saved jobs, we have assured the Westway." But the gentlemen will have to support the Harsha amendments, and give us some help from that side of the aisle.

Mr. BIAGGI. Mr. Chairman, I am aware of what the Harsha amendment contends. I am not so sure whether it protects the situation in position but we will be listening to the arguments.

Mr. MURPHY of New York. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I will yield to the gentleman from New York (Mr. MURPHY).

Mr. MURPHY of New York. I thank the gentleman for yielding. Mr. Chairman, in response to the interpretation of the gentleman from New Hampshire (Mr. CLEVELAND) of the labor industry and the contractor industry telegrams, I would say that the facts are well framed but the conclusions are incorrect. The Federal highway is a 90–10 fund, 90 percent Federal, 10 percent State, and the city puts nothing in and gets a road only in proportion to the funds that have been paid in by the State. Those funds are allocated for New York or California or New Hampshire. Under the UMTA formula the city would have to pay at least 20, perhaps more, depending on whether it is 80–100, or whatever formula is used. The highway would be strictly 90–10 with no city participation, the 10 being by the State.

Mr. HOWARD. Mr. Chairman, if the gentleman will yield, I would just like to say to him that there is no better chance the people from New York State and New York City and all around this country will have than by having us approve this legislation as is. I feel that will be best for the laboring people and the working people of this country.

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

Mr. HARSHA. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from North Dakota (Mr. ANDREWS).

Mr. ANDREWS of North Dakota. Mr. Chairman, I appreciate the gentleman's yielding this time to me.

I had intended to offer an amendment to this bill, but because this is the day before we are about to adjourn for the end of this session and because the thrust of my amendment is in the bill as it comes from the Senate, I will refrain from that, having talked with the chairman of the full committee, the chairman of the subcommittee, who is handling the bill, and also to my colleague, the gentleman from Ohio (Mr. HARSHA).

My concern is, of course, for those small States where they are closing off the construction of the interstate highway system.

My amendment would have been to page 36, line 5 of the bill. It would have struck out the word, "notwithstanding," the balance of line 6, and lines 7, 8, and 9, and the following would have been inserted:

Whenever amounts made available under this subsection for interstate systems in any State exceed the cost of completing that State's portion of its interstate system, the excess amount shall be transferred to such State under paragraphs (1) or (2) of section 104(b) of Title 23 U.S.C. in the ratio which these respective amounts bear to each other in that State.

Mr. Chairman, obviously there is a need for finishing the Interstate System, but unless we have secondary and priority primary and other routes leading into the Interstate System, the Interstate System does not do any good. We have bridges in our State that will not take 4-ton loads. There are people in the city who ask, "Why are farm costs so high?" It is because we cannot get grain to the market, we cannot get fertilizer to the fields, and we do not have enough good roads.

I would appreciate hearing any comment the chairman of the subcommittee might have on that matter.

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

Mr. ANDREWS of North Dakota. I yield to the gentleman from New Jersey.

Mr. HOWARD. Mr. Chairman, I would like to thank the gentleman for bringing up this subject.

We certainly are interested, as the gentleman knows, in completing our interstate highway program. We are grateful to the States that have moved along in this direction.

As I understand it, the interest of the gentleman from North Dakota is represented in the legislation just passed by the other body some time ago. This matter will certainly be a topic of conversation in the conference that we will have with the other body. The fact that it is not specifically written into this legislation should lead the gentleman to no conclusion concerning that issue.

Mr. ANDREWS of North Dakota. Mr. Chairman, I appreciate the gentleman's statement, but my concern goes specifically to this one-half of 1 percent minimum funding that when the interstate highway program is completed which would be able to be used for either the priority primary system or the primary system and secondary road system so that traffic can be fed into this interstate system.

In my district we have people living 150 miles away from the interstate system, and we have inadequate bridges and a host of other things that preclude the movement of grain and fertilizer. In a rural farm State grain does not always grow near the interstate highways, and we need this type of broad highway transportation ability to reach the goal of a national system of transportation in this country, which I understand is the goal of the gentleman.

Mr. HOWARD. Mr. Chairman, I thank the gentleman for his comments. If the gentleman will yield further, I will say that is one of the main reasons we included the primary priority system in our Federal-aid highway program.

The gentleman has made it very clear that he is interested in that certain amount of money, whether it happens to be particularly interstate funds or noninterstate funds. The interstate highway program must be completed so that it will be able to serve the people better.

Mr. ANDREWS of North Dakota. Mr. Chairman, the gentleman's committee did the work in the last Congress of setting out this priority primary concept to take on where the interstate system left off. If this one-half of 1 percent could be available, it would be of great benefit to States where the number of people are few and the distances are great.

Mr. Chairman, I appreciate the gentleman from New Jersey's comment, and wish to thank him for it.

Mr. HOWARD. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Chairman, it is important to understand some of the colloquy that went on just a while ago. The section of the bill before us concerning interstate transfers is not a new provision. Much of the debate that took place concerning this was erroneously premised. It is not a new provision; it is a provision that was placed in the act in 1973.

It was done so consistent with a desire on the part of the Committee on Public Works and Transportation to meet national needs to provide a flexibility in the choice of modalities of transportation. Indeed, I dare say that at some point between now and the future upwards of 20 different jurisdictions will have an interest in this interstate transfer provision.

I think that false debate is taking place here on the floor today. This provision, for example, has already been used in this country by the State of Massachusetts, by the city of Philadelphia, and I think by Washington, D.C. Certain other cities have requests for a transfer pending, including Hartford and Portland. There are other cities throughout the Nation that are considering transfer; having dealt with the question of their particular transportation needs, they came to a conclusion that in order to serve the needs of the people, it is not the interstate highway that is the answer. It may originally have been a satisfactory way to meet the needs, but due to growth and economic development, a different and changed modality of transportation is preferred.

The CHAIRMAN. The time of the gentlewoman from New York (Ms. ABZUG) has expired.

Mr. HOWARD. Mr. Chairman, I yield 3 additional minutes to the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. To continue, Mr. Chairman, we are today a much broader committtee. We now have a jurisdiction which covers most areas of transportation: roads, mass transit, aviation, and waterways. We have a responsibility in fulfilling our jurisdictional mandate to create the flexibility or a combination of flexibilities in transportation means that will be reflective of the needs of every area of the country.

It is quite true that in New York there is a pending proposal to build an interstate, and there are plans proposed

by the mayor of the city of New York and the Governor of the State to build what is known as the Westway project there.

It is also true, as happens in many communities and jurisdictions, that there are many people in New York, not only the persons who are directly, but even those who are indirectly affected by this Westway, who feel that because of the particular transportation modalities in New York and the need, it might be more appropriate to withdraw that segment of the interstate, to transfer the funds under this existing provision which has existed since 1973, and to put those funds into mass transportation to provide more effective transportation. It is no secret that I am of that view. Most of my constituents are of that view as are many public officials in New York. I might say, incidentally that the Westway Highway is in my district.

Two letters were written by the mayor and the Governor. I have seen a copy of each of those letters, and the mayor and the Governor have both stated that they wish to continue with the building of the interstate. That is true. They also both say that if there is a change in the Federal law, and equal funds made available which could make more acceptable or more possible a more effective way of handling both the traffic and mass transit solutions with respect to the West Side corridor, they will reevaluate their position.

This is also the condition which exists in other places in the country, in the jurisdictions which I mentioned. This is the kind of debate and discussion that it along places in those jurisdictions.

These include Cleveland, Baltimore, Denver, Detroit, Honolulu, New Orleans, Seattle, Allentown, the Triangle Cities area in North Carolina, as well as other cities throughout the country. This kind of debate is taking place—this kind of evaluation and reevaluation is being considered. Is it best to build an interstate in a particular area to serve the needs of the traffic and the transportation of the people in that area, or should there be a transfer of the funds into mass transit which will more effectively move the people in that particular area.

I want to make clear that there is, of course, a strong effort in New York on the part of a large number of people, including myself, and including some of the constituents of Members who have spoken here today, to transfer those funds.

The CHAIRMAN. The time of the gentlewoman has expired.

Mr. HOWARD. I yield 2 additional minutes to the gentlewoman from New York.

Ms. ABZUG. There is no question but that is their right under the law. They are continuing the struggle in New York, and they differ with the mayor and the Governor. There are many important transportation forces that believe this would be the better way to handle our particular transportation problems.

Some of the provisions which are sought to be stricken here have really nothing to do with that issue but merely are intended to weaken these provisions and to deprive those who need mass transportation, of some kind of flexibility to aid the residents in New York with both highways and mass transportation.

All the provision ultimately does is to provide first that there is the need for some flexibility, so that if there is a transfer of funds into mass transit there may still be the need to take care of automobile traffic in some form either widening existing arterials or correcting them.

It provides for the first time that some of these funds could be used for roads and road improvements.

Now as to the statement that anyone is seeking to take away jobs from anyone, I personnally find it reprehensible to suggest that, building an interstate is the only way to provide jobs in New York. It is not. Everyone of the members on the Committee on Public Works and Transportation, including myself, have been involved in creating jobs for construction workers in New York. I just served on the conference committee for our major public works bill, H.R. 5247, where we are providing countless jobs for workers in New York and workers all over the country.

I believe that if we provide both for mass transit, as well as for the need to improve our roadway to handle the traffic, that there will immediately be more jobs made available; as a matter of fact, jobs will be generated more quickly, than a long-range investment plan so that we can provide for their needs. There is simply no question of anyone seeking to take away jobs.

The CHAIRMAN. The time of the gentlewoman has again expired.

Ms. ABZUG. Mr. Chairman, I would ask the gentleman from New Jersey (Mr. HOWARD) if I could have an additional minute so that I might yield to the gentleman from New York (Mr. KOCH).

Mr. HOWARD. Mr. Chairman, I yield 1 additional minute to the gentlewoman from New York.

Ms. ABZUG. Mr. Chairman, I thank the gentleman for yielding me the additional time and I yield to the gentleman from New York.

Mr. KOCH. Mr. Chairman, I thank the gentlewoman from New York for yielding to me.

I would ask the gentlewoman if it is not a fact that there are groups who are opposed to this, because of what this amendment does? And I am asking this question of the gentlewoman: Does this amendment enlarge the amount of money that could be converted or transferred not solely for mass transit but also for highway use? And there are people who believe that the increased amounts that would be made available would make it possible to rebuild the West Side Highway in a manner in which a number of groups are opposed.

Could the gentlewoman discuss this, because that is a matter of great concern in her area.

Ms. ABZUG. I would say to the gentleman from New York (Mr. KOCH) that what the provisions does is provide simply that there is a flexible use of transferred funds. Under the present law, transferred funds are only used for mass transit. Under the existing bill there would be the possibility of using some of the transferred funds to do what is necessary for handling the traffic that now goes on the West Side Highway. Until now the mayor and the Governor have claimed insufficient funds of their own to fix the roadway for the traffic from the West Side Highway. This provision removes this argument. It is nonsense to argue this provision as a means for rebuilding the highway. It will make more feasible the transfer by providing some small amount to handle what thoroughfare the community believes is appropriate for handling the traffic.

The argument that the real aim of supporters of the revised transfer provision is to use these highway funds as operating subsidies for the mass transit operations. This is patently false and, in fact, not permitted under either existing law or the provision in this bill.

The purpose of the interstate transfer provision, when it was enacted in 1973, was to permit areas to use highway money for capital improvements for public transportation. That would still be the only allowable purpose for these moneys if they are transferred under the new language.

There is also a misunderstanding regarding the amount of Federal funds which an area actually receives when it makes a transfer. This stems from the fact that an area puts up 10 percent of the total amount of the grant for an interstate highway, and puts up 20 percent of the total if the transfer is made. Although the percentage of the local match changes, the amount of Federal dollars actually received does not.

For example, an area may originally wish to construct an interstate segment that will cost $100 million. The Federal Government will put up 90 percent of the cost of that project, or $90 million. The local area will have to put up 10 percent or $10 million. If the local area elects to transfer that segment for mass transit, the Federal Government will still put up $90 million; however, the local area will now have to put up 20 percent of the total cost of the new mass transit, or mass transit and road project. Since the Federal contribution of $90 million can only represent 80 percent of the project undertaken after the transfer, the local area will have to increase its contribution from $10 million to $22.5 million, or 20 percent of the value of the project for which the $90 million of Federal money now represents 80 percent.

I personally favor the 90 percent Federal contribution but in either case this argument is no reason to oppose the present provisions.

Another point which has not really been discussed appropriately relates to the real reason for changing the cost estimate upon which the amount of the transferred funds is based from the 1972 cost estimate, "which is now in the law, to the latest cost estimate," which is the change made by the provision in this bill.

The "1972 cost estimates" were sub-

mitted by States throughout the country in January of 1971, and were calculated based upon 1970 designs. These designs were drawn without reference to many recent regulations issued under the National Environmental Policy Act, as well as additional requirements which the Federal Highway Administration has since promulgated. These additional requirements have necessitated design changes in many of the planned interstates; the changes have resulted in increased costs of those projects and are included in the amount of the post-1972 cost estimate. If an area chooses to build an interstate, it will receive the full amount of this later cost estimate. Not permitting areas to receive the full value of this later cost estimate if they elect to make a transfer is therefore biased against transit projects. This bias was not intended to be built into the transfer provision when it was drafted in 1973. Not being able to utilize an equal amount for transit projects as could be utilized for highway projects will discourage many areas from making a transfer which they would otherwise elect. The amount going to an area that transfers was meant to be equal to the amount which an area would receive if it built an interstate highway. This aim can only be accomplished if the amount provided in either highway or transit projects is the same. Thus, the basis for this amount must be the same cost estimate.

As author of the interstate transfer provision presently being argued I wish to explain the content and intent of the revisions.

First, the committee bill has expanded the transfer provision to enable urban highway projects as well as mass transit projects to be substituted for the canceled interstate segments. This will benefit many areas that do not want to build a controversial interstate route, but may want to implement a substitute busway or urban arterial street rather than a rail transit alternative.

The interstate transfer amendment contains language which I offered during markup in the Surface Transportation Subcommittee which would expand the type of eligible substitute projects to include highway projects. Concern has been expressed that such language would limit the use of public transportation as the substitute project. A closer perusal of the interstate transfer mechanism shows that this should not happen.

First and foremost it must be realized that the entire interstate transfer mechanism rests upon the assumption that construction of a new highway in the affected urban corridor is inappropriate. Patently, those factors which led the community to reject the interstate highway would lead them to reject a "highway" substitute which requires the type of construction normally required for interstates.

By choosing the interstate transfer provision an urbanized area is acting on the dominance of its mass transit needs. The intent of the amendment is not to provide for a road with a new or expanded right-of-way beyond existing rights-of-way, but only to facilitate, if necessary, existing traffic flow within the location corridor in conjunction with the development of the full potential of mass transit in the corridor. The intent is to fund other kinds of roadways using interstate funds but exempted from interstate standards. It is an accommodation to the recognized difficulty a locality may face from an abrupt change in transportation planning caused by the choice of transfer.

What is called a highway project in title 23, often entails construction of mass transit related highway facilities such as preferential bus lanes, and fringe and corridor parking facilities to serve mass transit facilities.

In other cases, many interstate highways now "dead end" near the borders of urbanized areas because the extensions of those interstate through the urbanized areas are controversial. Should that interstate segment be transferred there would undoubtedly need to be an alternation of existing street facilities to alleviate any traffic flow problems that arise. Furthermore it should be noted that substitute projects are processed in the same manner as other public transportation and highway projects. Thus the substitute projects must be subjected to close scrutiny to determine that they are the appropriate answer to the given transportation problem.

Finally, in urbanized areas, substitute projects, both highway type and public transportation, must be developed in accordance with the Department of Transportation's "major urban mass transportation investments," policy regulation—Federal Regulations, volume 40 No. 149, part III. In part that regulation provides that—

> An analysis of alternatives should be undertaken in the development of the long-range plan and in the determination of the increment of the plan to be implemented. This analysis should include an assessment of the alternatives' impact on local and regional accessibility, air quality, energy consumption, neighborhood environment, community and regional development patterns, corridor traffic flows and model choice, and other factors considered important by the area's residents.

Second, one of the most significant changes is to call for a proportional reduction in interstate apportionments when a State withdraws interstate segments. Under current law, the State receives general funds for substitute projects, but also suffers a reduction in its interstate apportionments each time it programs a substitute project. Moreover, the reduction is in the full amount of the approved substitute.

This dollar-for-dollar reduction in interstate apportionments can cause great hardships for States which want to withdraw certain segments but which also want to construct other, quite acceptable interstate projects as rapidly as possible. Indeed, as indicated in the committee report, the drain on apportionments can be so serious as to prevent a State from having apportionments sufficient to undertake either the substitute projects or remaining interstate segments.

The committee has moved to correct this problem by requiring a proportional reduction in interstate apportionments for States which transfer following enactment of the 1975 Federal Highway Act. The amendment which I am proposing today clarifies that this procedure also applies to States such as Massachusetts, Pennsylvania, as well as the District of Columbia, which undertook transfers and suffered the dollar-for-dollar reductions called for under the old law.

Specifically, the amendment clarifies the intent of Congress in the eighth sentence of section 103(e)(4) of title 23, United States Code, that a pre-1975 act withdrawing State shall suffer a proportional reduction comparable to that applied to a State withdrawing after the 1975 act, but that the States which withdrew before the 1975 act should not be penalized by suffering both the dollar-for-dollar reductions under the old rules, and then a proportional reduction under the new rules.

To this end, it is specified in the amendment that after calculating the proportional reduction in the unobligated balance of interstate apportionments on the date of enactment of the 1975 act, these States would receive a credit against that reduction for the dollar amount of reductions in apportionments already taken as a result of substitute projects approved prior to the act.

Third, there is an urgent need to correct a basic problem with the transfer statute which is preventing many areas from using the new procedure. The problem is the toll that inflation is taking on the real value of transfer funds made available for substitute transportation projects.

Last year, the Congress recognized this problem to the extent that increases in the amount of the sum transferred were permitted, in accordance with the rate of inflation in construction costs of the withdrawn segments, up to the date of withdrawal. Nevertheless, there remains a strong fiscal incentive for States to try, even though they are experiencing serious controversies over the merits of a particular interstate segment, to keep that segment on the Interstate System. The reason that States play this game of going forward with the disputed segments is that escalation in the sum transferred due to inflation stops the minute that the withdrawal of segments is approved by the Secretary of Transportation. The result is that States are tying up interstate highway funds for segments that will likely never be built, which only serves to delay the implementation of more suitable transportation substitute projects and to distort the flow of interstate apportionments to those States that could well use them.

To correct this problem, included in the revised interstate transfer provision is language which permits the sum transferred under the statute to be increased or decreased in accordance with changes in construction costs of the withdrawn segments from the date of the relevant cost estimate to the date of enactment of the 1975 Federal Highway Act, or to the date of approval of each substitute project, whichever is later for a given State. This provision also means that for those States which seek to implement more than one substitute urban highway or

transit project with transferred funds, the balance of the transfer account after approval of a substitute will continue to be subject to cost escalation under the amendment until such time as the account is fully utilized.

A key benefit for all States under the amended provision is that they may use the transfer procedure to delete controversial segments from the system without facing drastic cuts in the real value of the transfer account while substitute projects are reviewed and approved by the DOT.

The corollary of the provision that we are offering here is that the DOT will have an incentive with us to move quickly on the approval of substitute projects, lest delays cost them substantial Federal funds which otherwise would be made available under the inflation provision.

Fourth, and related to the provision which I have just described, is language changing the second sentence of section 103(e)(4), which would base the transfer sum on the "latest cost estimate approved by Congress" prior to the withdrawal of segments.

This amendment seeks to implement fully the original intent of Congress, which was that all urban area segments on the Interstate System should be eligible for withdrawal and transfer of funds if the State Governor and concerned local governments joined together to use the transfer provision. To place arbitrary restrictions on the applicable cost estimate would be to countervene the effort of Congress to eliminate from the system bogus interstate segments that are tying up much needed interstate apportionments while thwarting the effort of officials in urban areas to implement substitute projects more suitable to their needs.

Fifth, a major stumbling block to the use of the interstate transfer provision has been the threat of the U.S. Department of Transportation to require a substantial repayment of Federal funds earlier received in good faith by a State for interstate segments which are withdrawn under interstate transfer. This threat has recently been made tangible in the form of proposed DOT regulations which call for substantial repayment by transferring States. The effect of this is to apply a Federal administrative policy which only serves to thwart the Federal policy, articulated by Congress in the existing interstate transfer statute, to enable States to settle their divisive and costly disputes over interstate highways without Federal financial penalties in the form of lost Federal transportation aid. The provision makes clear the intent of Congress that no such penalty should be exacted and that withdrawing States should suffer no repayment demands by the executive branch.

Sixth, the existing interstate transfer law contains a provision which states that transit transfer funds shall be supplementary to and not in substitution for transit funds which might otherwise be received under the 1964 Urban Mass Transportation Act, as amended. The intent of Congress in 1963 was to mandate that the U.S. Secretary of Transportation not cause a reduction in an urban area's funding under the regular UMTA capital grant program after a transfer is approved in that area. If such a reduction were countenanced by Congress, the transfer policy and the options which we have worked to create would effectively be destroyed.

Consequently, the provision is intended to affirm and clarify the congressional mandate that no such reduction in UMTA grant allocations shall be made because of the use of the transfer provision.

Finally, included in the last sentence of this revised transfer provision is language which clarifies the intent of Congress that the benefits of the amended transfer statute shall apply equally to States which have already undertaken transfers, such as Massachusetts and Pennsylvania, as well as to States which transfer following enactment of the 1975 Federal Highway Act.

When viewed together, the provision will serve to promote the implementation of urban highway and mass transit projects that truly serve the transportation needs of our urban areas, while also aiding in the redistribution of interstate highway apportionments to urban and rural areas which can use the funds to build needed interstate highway projects.

Mr. HARSHA. Mr. Chairman, I will yield to the gentleman from Arkansas (Mr. HAMMERSCHMIDT), but first could I inquire as to how much time I have remaining?

The CHAIRMAN. The Chair will state that the gentleman from Ohio has 17 minutes remaining and the gentleman from New Jersey (Mr. HOWARD) has 16 minutes remaining.

Mr. HARSHA. I thank the Chairman.

Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas (Mr. HAMMERSCHMIDT).

Mr. HAMMERSCHMIDT. Mr. Chairman, I rise to support H.R. 8235, the Federal Aid to Highway Act of 1975. As a member of the full Committee on Public Works and Transportation I have listened to the debate surrounding this bill and although, I like a number of my colleagues, have reservations about some of the provisions of this bill, I believe that the highway needs require swift action by the Congress and I hope that the major defects in this bill can be corrected by the full House.

New authorizing legislation is badly needed so that highway construction and improvement can continue. Increased inflation costs and the past rate of obligation have proven the present authorizations to be inadequate. This bill provides authorizations to complete the interstate highway system and to continue funds for further development of primary, secondary, and urban roads throughout the country.

There is still a critical need for additional roadbuilding and improvement in much of rural America. As you know, Arkansas is one of our rural States and I can personally attest to the fact that a more adequate transportation system is necessary in rural areas. A viable transportation system is necessary to encourage economic development, to move basic goods to the marketplace and to enable people in rural communities to reach educational and health facilities.

This bill contains several key provisions which are important to the further development of rural roads and highways and toward completion of the interstate system, A guarantee is provided that each State will receive a minimum of one-half of 1 percent of the total interstate apportionment for the transition quarter and fiscal years 1977 and 1978. This will be of particular benefit to States which are nearing completion of their interstate system. It will insure these States of the funds necessary for the completion of the system, without providing them with funds beyond those required to complete the system which can be funneled into another pot, ultimately driving the cost of the interstate system higher. I am pleased that Arkansas will be one of the first States to complete its interstate system and I believe that this one-half percent minimum will accelerate its completion.

This bill continues a priority primary authorization to improve primary routes throughout the country. This recognizes the needs for improvement on many primary roads which supply the vital links to the interstate system. In addition, the offsystem authorization to provide for the construction of roads not on the Federal aid system is important to many of our rural areas. This offsystem emphasizes the necessity to meet changes that have been made in the Federal aid to secondary system. In the past I have introduced legislation to provide new authorizations for both the priority primary and offsystem funding, because I feel these programs will provide a more comprehensive highway network to serve urban and rural communities. I am disappointed that additional and separate funds have not been allocated in the past for the priority primary construction. However, I hope that the new provision in this bill with regard to this matter will show the continuing need for funds for construction and upgrading of primary roads and routes that join interstate highways in many parts of the country.

I want to comment on the increased emphasis on transportation safety of this measure and voice my support of its attempt to increase the scope of existing safety programs and encourage the adoption of new safety devices, such as pavement markings with reflective center and edge lines. I am particularly appreciative that one of these safety programs involves providing additional authorizations for demonstration projects for railroad highway crossings and that one such project will be in Pine Bluff, Ark. Also an increase in authorization for emergency expenditures for bridges on Federal dams, including $3 million for Lock and Dam 13, near Fort Smith, Ark. is contained in this bill.

The job of improving our transportation system and stepping up the Federal-

aid highway construction is not yet complete. This bill continues our commitment to providing an adequate highway system to serve rural and urban communities.

Mr. THORNTON. Mr. Chairman, continuation of the development of our highway system is a goal which I strongly support, and I want to commend my colleague from Arkansas, Mr. HAMMERSCHMIDT, and especially the distinguished chairman of the committee, the gentleman from Alabama (Mr. JONES) and the fine chairman of the subcommittee, the gentleman from New Jersey (Mr. HOWARD) for their effort in bringing this good legislation to the floor.

I urge its adoption by the House.

I am especially pleased that the bill includes recognition of the national interest in increased highway safety, and provides needed help in eliminating some truly hazardous problems such as exist in Pine Bluff, Ark. Today in Pine Bluff, there are 104 street/rail crossings with only one highway overpass and no railroad overpasses. This not only severely affects traffic circulation but creates a very serious hazard for public safety. Too often, property is damaged, and lives are lost because of the more than 40 trains a day that travel through the residential, commercial and industrial areas of Pine Bluff. It is not uncommon for a train or series of trains to block traffic in the central business district or residential areas for 30 minutes at a time, prohibiting ambulances and fire fighting equipment from responding quickly to emergency calls.

A good example of this type situation is one which occurred in February 1974. On that occasion, an ambulance which was summoned for a man who had been wounded during an armed robbery was delayed by a train. Upon learning of the delay, the police decided to take the injured man to the only hospital in Pine Bluff in a patrol car which happened to be on the right side of the tracks. During the ride, the victim stopped breathing but was revived by a patrolman trained in first aid techniques. Fortunately, after arriving at the hospital and being treated, the man survived.

The attending physician said that if the man had arrived at the hospital a few minutes later, he would not have lived. The most striking part of this incident is that, at the time the police car reached the hospital, the ambulance was still held motionless by the train.

The 104 rail/street crossings have also been the location of a large number of traffic accidents. According to the chief of police in Pine Bluff, a total of 72 accidents have occurred at these crossings since 1968, with the largest number—19—occurring in 1973.

A hazard rating formula for street/rail crossings has been prepared by the Arkansas State Highway Department. They applied the formula to the 40 crossings of the Missouri-Pacific and found that 14 had a hazard rating of at least 25 percent. The same formula was applied to the 61 crossings of the Cotton Belt, and they found that 21 had a hazard rating of more than 25 percent. According to the Arkansas State Highway Department, anything above 25 percent is considered unacceptable unless there is a grade separation.

The Railroad Relocation Committee of the Pine Bluff Chamber of Commerce has spent a great deal of time and effort in studying this situation. After much research, they have developed a proposed relocation of both the Missouri-Pacific and the Cotton Belt tracks. In simple terms, this proposal advocates relocating the Missouri-Pacific north of town, between Lake Pine Bluff and the main channel of the Arkansas River to rejoin the existing lines south of the Pine Bluff Arsenal. The proposal calls for the relocation of the Cotton Belt lines south from the electronic classification yard paralleling Highway 81 south to a point several miles south of the city and then continuing in a southwesterly direction until it joins the existing lines at the Rone Crossing. This proposal would reduce the street/rail crossings from 104 to less than 20 and would therefore, much improve rail/highway safety.

Furthermore, by relocating away from the developed area of Pine Bluff, right-of-way purchase and construction could probably be accomplished at a reasonable cost. The work and study which has gone into this community effort reflects the great interest and concern of the people of Pine Bluff in finding a solution to their problem, and this bill reflects the recognition of the Public Works and Transportation Committee that a relocation project can and should be carried out. I commend the members of the committee for their work, and strongly support the adoption of H.R. 8235.

Mr. HARSHA. Mr. Chairman, I reserve the remainder of my time.

Mr. HOWARD. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia (Mr. LEVITAS).

Mr. LEVITAS. I thank the gentleman from New Jersey for yielding this time to me.

I would like to take this opportunity to commend him for the outstanding job that he did in shaping this legislation now before us.

I rise in support of this bill. It is a good bill. It is a needed bill which merits the support of the Members of this House.

There are some features that are not included in this legislation that I would like to have seen included. There are some innovative concepts that I would like to have seen written in to make this bill truly a multimodel transportation blueprint. However, I am confident that as a result of the extensive hearings which occurred on this bill, and as a result of the points that were made in the markup sessions, that during the next session of this Congress these new proposals and these innovative concepts will be studied in greater detail and will eventually be made part of a modern, flexible and broad multimodel transportation program and policy for the United States.

Mr. Chairman, I would like to address myself specifically to title II of the act before us.

Title II of the act before us deals with highway safety and may be called the Highway Safety Act of 1975. This title includes a number of provisions, all aimed at reducing the tragic toll of dead and injured that we suffer on the streets and highways of the Nation every year.

We have every reason to be proud of our excellent motor vehicle transportation system. It is unsurpassed anywhere in the world. But there are some undesirable by-products that result from the operation of this system and, in recent years, the Congress more and more has had to direct its attention to these problem areas. I refer, of course, to such things as environmental damage, family dislocations, noise, congestion, and highway accidents.

There are an estimated 16 million traffic accidents in the United States annually. They range from minor, but irritating, "fender benders" in shopping center parking lots to those sickening freeway crashes that sometimes wipe out entire families.

We can do a great deal to reduce this human carnage. The Congress made a commitment to the Nation in 1966 in the passage of the Motor Vehicle and Highway Safety Acts. Although the most recent improvements in highway safety are attributable to the 55 miles per hour speed limit and reduced travel, there can be little doubt of the importance of our highway safety programs in reducing the tragic toll of dead and injured on our highways.

Title II of the Federal-Aid Highway Act before us would reassert this vital highway safety commitment. How many of the 45,000 Americans faced with death on our streets and highways this year, and next year, and the year after, can live because of the action of this Congress in this very humane expenditure of tax funds?

For carrying out section 402 of title 23 by the National Highway Traffic Safety Administration—that is the section that makes funds available to the States for highway safety programs—$37.5 million would be authorized out of the highway trust fund for the transition quarter and $150 million for the fiscal year 1977 and 1978.

Section 402 money is disbursed by the National Highway Traffic Safety Administration to help the States comply with 18 highway safety program standards. The standards relate to such areas as motor vehicle inspection, driver education, accident investigation, police traffic services, the problem of drinking drivers, and the provision of emergency care once an accident has occurred.

Also included in title II is the authorization for the safety research and development carried out by the Safety Administration. The amount for these section 403 expenditures is $16.25 million for the transition quarter and $65 million for each of the fiscal years 1977 and 1978. This money, too, all comes out of the highway trust fund.

There is one more category of general safety expenditures in title II. That is the authorization for the Federal Highway Administration's activities related to implementation of three safety standards

issued under section 402 of the 1966 Safety Act. The three deal with the identification of high accident locations, highway design, construction and maintenance, and the provision of traffic engineering services. The Federal Highway Administration shares responsibility for a fourth standard, on pedestrian safety, with the National Highway Traffic Safety Administration.

The bill authorizes $8.75 million for the transition quarter and $35 million for each of fiscal years 1977 and 1978 for these safety-related programs of the Highway Administration. All of the money comes out of the highway trust fund.

Also included in the measure now before us are authorizations for sections 307(a) and 403 of title 23. These sections provide for research and development, including safety research and development, by the Federal Highway Administration. The act calls for spending $2.5 million in the transition quarter and $10 million for each of the fiscal years 1977 and 1978.

For the sake of those whose limbs and lives we can protect, I urge your support for this highway safety program.

Mr. HARSHA. Mr. Chairman, I have no further request for time.

Mr. HOWARD. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from West Virginia (Mr. HECHLER).

Mr. HECHLER of West Virginia. Mr. Chairman, when we get into the 5-minute rule, an amendment reducing truck weights on interstate highways will be offered by our colleague, the gentleman from Pennsylvania (Mr. MYERS). I would like simply to return to that issue not on the merits but to review the history of the efforts to reduce weights of trucks on interstate highways.

A broad-based bipartisan coalition representing all sections of the country has endeavored to set a ceiling on the weights of trucks at 73,280 pounds rather than at the 80,000-pound limit which was set in December 1974. Mr. Chairman, the last time the House of Representatives had a clear-cut opportunity to express its will on this issue, on the 20th of August 1974, that House by a very clear majority vote of 252 to 159 firmly rejected any increase in gross truck weights. I think it is very, very important, because this issue is a controversial one and the eyes of the Nation are on the Congress, that we have a clear-cut recorded vote.

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

Mr. HECHLER of West Virginia. Mr. Chairman, I will yield to my friend, the gentleman from New Hampshire, if he will get me some additional time.

Mr. CLEVELAND. Mr. Chairman, I will see if I can arrange to have the ranking minority member yield additional time. He is an extraordinarily generous person except when it comes to the money of the taxpayers.

Mr. HECHLER of West Virginia. I yield to my friend, the gentleman from New Hampshire.

Mr. CLEVELAND. The gentleman from Ohio can refute the statement if he wishes to.

Mr. HARSHA. No.

Mr. CLEVELAND. Mr. Chairman, am I correct in saying that the clear-cut vote that the gentleman from West Virginia refers to involved the increase from the then limit of 73,280 to 90,000 pounds?

Mr. HECHLER of West Virginia. I said, from 73,280 pounds.

Mr. CLEVELAND. To 90,000 pounds?

Mr. HECHLER of West Virginia. Yes.

Mr. CLEVELAND. And it was that increase to 90,000 pounds which was rejected by the vote the gentleman referred?

Mr. HECHLER of West Virginia. I would concede that point.

Mr. CLEVELAND. I thank the gentleman very much because I was with him in rejecting that increase to 90,000 pounds. The weight limit we are talking about now is really a horse of a different color than the one we were talking about in voting against an increase to 90,000 pounds.

Mr. HECHLER of West Virginia. Will the gentleman assist me in getting a recorded vote on the decrease, whether it is 80,000 or 90,000? Will the gentleman assist me in getting a vote on this issue so the Congress can express itself very clearly on this issue?

Mr. CLEVELAND. I will be delighted to and I am already recorded in the committee on a number of occasions.

I just want to remind the gentleman that since that vote which he is talking about took place, a couple of things have happened. One thing is we have had the Arab oil embargo. Additional evidence has come in that, in an effort to conserve diesel fuel and other petroleum products, it makes little sense to further reduce the modest increase to 80,000 which we agreed on a year or two ago.

Another thing that has happened is we have imposed a national speed limit. Many people think that is unfair to further decrease the weight limit when we have the lower speed limit.

Mr. HECHLER of West Virginia. Mr. Chairman, I appreciate the gentleman's remarks.

I had announced that I was not going to get into the merits of this issue on general debate. I think that should be reserved for the 5-minute rule.

I merely point out that the gentleman from Pennsylvania (Mr. EDGAR), the gentleman from Pennsylvania (Mr. MYERS), the gentleman from Maryland (Mr. GUDE), the gentleman from California (Mr. MINETA), and the gentleman from New York (Mr. KOCH), among others, are part of this bipartisan coalition. We are attempting to set a limit on those big behemoth trucks that now push millions of motorists off the highways. I hope all Members will support the amendment to be offered by the gentleman from Pennsylvania (Mr. MYERS) during the 5-minute rule.

Mr. HOWARD. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. JOHNSON).

Mr. JOHNSON of California. Mr. Chairman, I rise in support of H.R. 8235.

Mr. Chairman, an important feature of the administration's proposed highway bill is a reduction in the number of categories of highway assistance. When the Committee on Public Works and Transportation set about in the early stages to develop the bill, there was general agreement that we would attempt to reduce the number of categories in the program. We struggled with this problem for several months, and the more we examined the issue and the proposals for reducing the categories, the more we became convinced that the whole question of categories was basically a false issue.

I would be the first to admit to my colleagues that there are far too many burdensome restrictions in present law. But problems can be solved in more than one way.

As the committee examined proposals to eliminate or consolidate the various categories, several points became very clear. First, many of the categories which Congress had established in prior acts would be replaced by provisions giving the Secretary of Transportation authority to spend money in these categories if he saw fit. Naturally this was publicized by the administration as a reduction of categories, when in fact, it was nothing more than executive usurpation of congressional prerogatives. For those of you who have read the administration's bill carefully, you know what I am talking about.

Second, as we studied the issue further, we discovered that there are not really 38 categories of assistance in existing law as the administration contends, but some 150 categories, some active and some inactive. Congress, over the years, has seen fit to enact certain laws to solve certain problems, rather than relinquish its decisionmaking authority to the executive branch. This is the gut issue we face today. Which branch of government sets the policy, the Congress or the executive branch?

The real issue is—how should we go about eliminating some of the unnecessary restrictions in existing law. Rather than reducing the number of categories as the administration proposes, the committee bill accomplishes the same purpose by providing for greater flexibility and transferability between categories of highway assistance.

For the basic noninterstate programs, existing law permits a State to transfer up to 40 percent from rural primary to rural secondary and vice versa, and 40 percent from urban extensions of the primary system to the urban system and vice versa. Transfer of urban system funds from its allocation to urbanized areas over 200,000 population is permitted only if local officials consent to such a transfer.

The committee bill would continue the same flexibility in existing law, while permitting additional transfers between rural primary and primary extensions in urban areas, between rural primary and priority primary, and between priority primary and urban extensions of the primary system. To prevent excessive reductions in funding for certain categories and to prevent merely the recycling of funds, the bill provides that no category may be increased or decreased by more than 40 percent and no category increased by a transfer from another

category may then be reduced by a transfer to another category.

The committee bill also increases the transferability permitted between the various categories of highway safety construction—those being bridge replacement, elimination of hazards at railway-highway crossings, elimination of high hazard locations and removal of roadside obstacles. Under existing law, 30 percent transferability between categories is permitted, provided that the purposes of the program from which funds are transferred have been met. Under the bill, 40 percent transferability between categories would be permitted if requested by the State and approved by the Secretary as being in the public interest. No longer would there be a requirement that the needs of a category must be met before 40 percent could be transferred out. And 100 percent could be transferred in those cases where the purposes of the program from which funds transferred have been met.

The committee bill also provides increased flexibility in the exercise of the interstate substitution provisions enacted in the 1973 act by permitting the withdrawal of an interstate segment and the substitution of not only a mass transit project but also other noninterstate highway projects. Some communities have found that their needs require a mix of transit and highway improvements, rather than just mass transit.

Mr. Chairman, ample flexibility is permitted in all of the major categories in the bill—in interstate, primary, priority primary, secondary, urban extensions, urban system, and in all of the safety construction categories. Authorizations for these programs total $7.25 billion annually, or some 86 percent of the authorizations for construction.

Mr. Chairman, the committee bill is a good bill. Rather than doing a "hatchet job" on the categories, we have taken a more reasoned and reasonable approach to the problem by providing greater flexibility and transferability within and among the categories of highway assistance.

Mr. Chairman, I urge House approval of the committee bill.

Mr. HOWARD. Mr. Chairman, I yield 6 minutes to the gentleman from Pennsylvania (Mr. EDGAR), a member of the subcommittee and a member of the full committee.

Mr. EDGAR. Mr. Chairman, I come before the House today, not willing or able to say that this particular bill is the most creative transportation bill that I have ever seen come before the House. I do think that there are some good provisions of the bill. The committee and the subcommittee have worked very diligently on it. There were some very honest differences of opinion in the committee. I and some of my colleagues raised some important questions to attempt to resolve these differences and, perhaps, reach a compromise as we approach the discussion, the amendments, and the passage of this legislation.

Mr. Chairman, frankly, this legislation has been somewhat of a disappointment to me personally. A number of committee members who shared the concern that the Nation needs a balanced transportation policy met in small groups in June and then started meeting in the committee hearings in July. I anticipated that we could look at a broader balanced transportation approach. It was my hope that we could be responsive to the changing social values, and needs, of the American people. The jurisdiction over transportation legislation had been only recently consolidated under one umbrella, except for the railroads, and I dreamed that this committee would meet its responsibility by endorsing a more balanced transportation approach.

Mr. Chairman, three bills were introduced; one of the committee, one by the administration, and one by the gentleman from New York (Mr. AMBRO), with several new Members as cosponsors. These three bills represented several different perspectives and philosophies of how we should order our transportation priorities. The committee print was basically what we have before us, with some changes. It is basically a simple extension of the existing law, an extension of the 38 categories of funding, and an extension of the Highway Trust Fund.

The administration bill, on the other hand, partially sought to do away with the trust fund concept. But it did have some major progressive renovations in philosophy. It entailed a reduction of categories and some more flexibility. The Ambro bill that was introduced was to attempt a compromise between the administration and the committee to deal more thoroughly with the Federal aid to transportation bill. I think even in that title we ought to take just a moment to stop and think about what we are doing. It is 1975, soon to be 1976. Since 1956, we have had the highway trust fund and the highway funding has come basically out of that trust fund concept. Because the trust fund was scheduled to expire in a year, the committee had the opportunity to change its transportation philosophy, not away from highways, but toward a balanced and integrated transportation system. A distinguished Member from the other body said that the United States has one of the best highway systems in the industrialized world, but one of the worst transportation systems.

I think before us today should be the Federal-aid to Transportation Act of 1975. It is unfortunate that a majority of the committee chose to report a Federal Aid Highway Act of 1975.

The bill being considered should have included some reduction of categories from the labyrinth of 38 categories down to as few as 4. I think we need to end the debate between the rural and urban Members of this body and deal realistically with the amount of money we invest in transportation, both in highways and in public transit.

We ought to have maximum flexibility between and within categories. It is true that the bill does encourage flexibility. It is better than existing law, but it is my hope that in the future we can improve on the flexibility of our transportation bills. I think we also ought to have transferability of the moneys on the interstate and 15 percent of the interstate is uncompleted. Some of that interstate is priority, but some of it may not be as necessary as was once thought. We ought to have a way of evaluating how much of this remaining interstate needs to be passed.

We ought to have a bill before us which deals with the question of direct pass-through from the Federal Government to local government. We have large metropolitan areas in this country that ought to have some true responsibility and input in how moneys are used; whether they are used for mass transit, whether they are used for rail, or whether they are used for highways. There needs to be the flexibility to develop those vehicles that move people and goods as efficiently and economically as possible.

Mr. Chairman, I think we have before us a bill that has several demonstration projects, some of which are clearly questionable, some of which clearly could be labeled as boondoggles, others which may have some merit.

Mr. Chairman, let me conclude by saying that, although I reluctantly support this legislation, I would hope that our committee and the Members of this body would help us to make progress in the future toward a more balanced transportation system that is more sensitive to the values of 1976, not 1956 when the trust fund was established; which takes into consideration the need for conservation of our energy resources; which focuses upon consolidating the jurisdictions in this body for transportation so that one committee can deal with both railroads and all other forms of surface transportation; which ends the destructive rural and urban debate that has been going on for several years; which deals with the funding issue, particularly with the Ways and Means Committee, and also deals with the issue of truck safety as we review the studies that are indicated in this bill; and then finally looks to a balanced national transportation policy that makes sense for all the American people.

Mr. HANLEY. Mr. Chairman, I will be supporting final passage of this highway measure. Its consideration provides me the opportunity to discuss an important highway measure which I will be introducing at the beginning of the second session of this Congress.

The bill will provide for reimbursement to States which operate toll roads as part of the Federal Interstate System. This is something that I have been working on for a number of years, and I strongly believe that my bill can and should be approved. The time has come to put an end to the subtle "highway robbery" of the toll roads and to prevent further curtailment of the free movement of people and goods.

Ever since the concept of Federal aid for the construction of highways originated, the Federal Government has committed itself to toll free highways only. The Federal Aid Road Act of 1916 established the policy of forbidding the use of Federal funds for any project on which tolls were levied, and this policy has con-

tinued to be expressed in all subsequent legislation. The Federal Aid Highway Act of 1956, which established the Interstate Highway System, declared it to be the intent of Congress that the system be toll free, and there certainly can be no doubt that free highways best serve the public by promoting economic development and assuring national security. However, there presently exist over 2,000 miles of toll roads on the Interstate System, and a reimbursement plan has yet to be established. It is the purpose of this bill to establish such a plan.

H.R. 8235, the measure now before us, extends for a number of years the period for construction of the Interstate System. Obviously, if the construction continues, the system will never be completed. If it is not completed, Congress really does not have to face the question about what to do with the existing toll roads. I believe that we should stop pretending that they are not a problem and move promptly to develop a reimbursement program.

Although commonsense dictated the incorporation of toll roads into the Interstate System in order to avoid unnecessary duplication of facilities, most highway experts agree that toll roads are inequitable and uneconomic. The continued existence of toll roads on the Interstate System means double taxation for the user, higher costs, and stunted economic development.

The diseconomy involved in the existence of toll roads stems from a number of causes, not the least of which is the fact that toll revenue bonds constitute an inefficient means of financing highway construction. A 1967 report by the Subcommittee on Roads for the House Public Works Committee stated that the costs of financing are approximately 1.5 times greater if toll revenue rather than State-guaranteed bonds are used. This constitutes an exorbitant user tax when one considers that the State could have used its gasoline tax revenues to finance its 10 percent share of the construction costs under the 1956 act.

Another uneconomic and unnecessary cost of toll roads is the cost of toll collection itself. The price of toll collection, on the average, consumes over 3 percent of revenues, and, when compared to the approximately 3 mills out of every dollar spent to collect the gasoline tax, the cost of toll collection is over 10 times higher. However, the worst cost of toll roads is undoubtedly the inestimable loss in economic development. Aside from the effects on shipping and interstate commerce, the limited access to the facility likewise limits the ability of local jurisdictions to reap concessionary benefits. For example, on the entire 241 miles of the Ohio Turnpike, there are only 15 exists, which severely limits the number of gas stations, motels, and so on which can successfully operate near it. A free highway through the same area would undoubtedly have more interchanges, thereby vastly increasing the benefits of the road to local citizens and promoting economic development, particularly in rural areas.

This loss in economic development inflicted on the local citizenry is just one of the inequities involved in the existence of toll roads on the Interstate Highway System. Aside from this, there is the fact that the motorists who use toll facilities are taxed twice for their use of the road. The toll road user is not only paying for the construction and operation of that road with his tolls, but he is also paying through the gasoline tax for the construction of similar toll-free roads in other States which are toll free. In actual fact, the toll road user is paying approximately three times what motorists in other States pay to use comparable facilities, and there does not seem to be any end in sight.

The situation in New York State serves as a good illustration of the gravity of the situation. As of January 1, 1975, the New York Thruway Authority had paid off $303,000,000 of the original $1,260,000,000 cost of construction—a mere 20 percent. At this rate, even though tolls continue to rise—13.5 percent in New York this year alone—the debt on the facility will not be liquidated until 1977, and even that is an optimistic prediction. It does not take into account the increased costs of refinancing, which is a very real possibility over so long a period of time, and it also excludes the possible future use of toll revenues for special purposes or for general revenue. It should, therefore, be obvious that a great inequity has been visited upon the people of New York, along with the citizens of the other 17 States with toll facilities which have been incorporated into the Interstate System. If the Federal Government does not move to correct this situation, the enormity of this injustice will only increase.

If the Federal Government acted right now to reimburse the State of New York, it would have to pay $669,000,000 for 501 miles of excellent interstate highway. This is approximately 63 percent of the original construction cost, as opposed to the 90 percent it would have to pay if New York State had not had the foresight to construct this much needed facility before the passage of the Federal Aid Highway Act of 1956. However, this is not the point. The point is that this inequity exists, not only in New York but in the other 17 States also, and it is the responsibility of the Federal Government to correct this. We cannot allow this injustice to compound itself with each new year. It is time to act, and my bill will provide the basis for this action.

My bill would establish a 5-year plan for the reimbursement of those States with toll roads which have been incorporated into the Interstate System. It would also make it clear that it is the intent of Congress that all portions of the National System of Interstate and Defense Highways, excepting urban crossings, shall be free from tolls by the time the final payment is made, which in no case shall be later than fiscal year 1982.

I am excluding urban crossings, which would be defined as a tunnel or bridge within an urban area, because they, along with the revenues which they generate, perform important functions in contemporary urban life. These crossings not only provide much needed revenue for urban mass transportation and other services, but they also play an important role in shaping traffic patterns and relieving urban congestion. Therefore, because of these considerations, and the equally important financial and sociopolitical complexities, I believe that to mandate the removal of tolls on these crossings would be infeasible and foolish.

The mechanism for reimbursement would be put in motion upon the application of the State involved. Upon approval, the Secretary would be authorized to pay, out of the highway trust fund, 90 percent of the depreciated original construction costs plus all improvements, minus the principal already paid on its bonded indebtedness—provided that the facility becomes toll free upon completion of the payments. The term construction costs would include costs unique to toll facilities, such as toll booths, plazas, and so on, and also included in the Federal share would be the costs of removing those booths, plazas, and other appurtenances necessary for the collection of tolls. The States would pay the remaining 10 percent, as is now done under the interstate program, plus any other costs of retiring the bonds.

It is possible that some States might not want to relinquish their hold on these profitable facilities, even though it may be in the public interest, and I have, therefore, included within the bill a penalty for those States that decide against freeing their facilities. The bill provides that any State not freeing its toll facilities on the Interstate Highway System will have deducted from its highway trust fund allocation the estimated amount of Federal gasoline tax paid by the users of the facility since 1956. This would constitute a considerable sum, and should provide inducement enough for reluctant States to free their toll roads.

I am sure that people will argue that the costs of reimbursement will be too high, particularly at the present time, when the Federal Government is running a $60 billion deficit, but I must point out that the reimbursed money would come from existing user taxes and the healthy highway trust fund. Therefore, reimbursement will impose no new burdens on the motorist—in fact it would relieve him of paying the inflated costs toll roads now impose on him—and it would not overburden the budget deficit either, since the money will come from a separate fund. I am well aware that the President is trying to cut into the revenues set aside for the highway trust fund, but to me this means that we have to act with that much more haste to insure that the subtle "highway robbery" of toll roads on the Interstate Highway System is done away with once and for all.

Mr. ANDERSON of California. Mr. Chairman, I rise in support of the bill H.R. 8235, Federal-Aid Highway Act of 1975.

This legislation has been worked out through long and serious deliberations in the Committee on Public Works.

Thanks to the able leadership of

Chairman BOB JONES, Subcommittee Chairman JAMES J. HOWARD, and the other diligent members of the committee, we have before us today a measure which will provide the vitally needed funds for our Nation's transportation system.

I support the bill, not only for the benefits that will accrue to the public with an improved surface transportation system, but also for the continuation of job opportunities for those in the construction and supply industries across the country.

I am particularly pleased that the bill will continue funding for the completion of the Century Freeway in Los Angeles County, a project of major importance to anyone who lives in or visits Southern California.

I urge my colleagues to take this opportunity to vote "yea" on this major Public Works bill, the Federal-Aid Highway Act.

Mr. MIKVA. Mr. Chairman, consideration of the Federal-Aid Highway Act is particularly appropriate during this Bicentennial year, because the Federal highway program is an affirmation of the dream cherished by so many immigrants who have come to our shores—the streets of America are truly paved with gold.

In the less than 20 years since the heart of the Federal highway program—the highway trust fund—was created, $55 billion has been spent to pave over the landscape with 36,000 miles of interstate highways. During the same period, an additional $30 billion was spent for constructing 270,000 miles of Federal-aid primary and secondary highway systems and their urban extensions. This comes to a total expenditure of $85 billion for highway construction in less than 20 years. But, this extraordinary sum represents only a part of the total cost of the highway program. The $85 billion does not include the incalculable environmental burden caused by our reliance on the automobile as our only means of surface transportation. The $85 billion does not include the cost of energy dependence caused by our reliance on Arab oil to run the cars that fill those highways. No one knows the value of these costs, but there is good reason to believe that it may exceed even $85 billion.

The highway trust fund is particularly unresponsive to the transportation needs of the Nation. The administration of the fund is dominated by the vested interests of the highway construction industry. During the years of its existence, the trust fund has become an obstacle standing in the way of a flexible transportation policy. The disproportionate sums of money poured into highways have drastically curtailed other alternatives of surface transportation which are environmentally superior and have the potential to conserve more of our energy resources.

Moreover, the highway trust fund is unresponsive to the demands of the congressional budget process. The trust fund procedure protects the highway program from the normal scrutiny which other domestic programs must undergo. The trust fund permits vast expenditures to occur without any congressional evaluation. The 2-year extension of the trust fund contained in the Federal-Aid Highway Act guarantees this method of unsupervised spending until October of 1979.

The existence of the trust fund is due in large part to the myth that failure to encourage the maximum amount of highway construction is tantamount to favoring unemployment as a national policy. It is time for Congress to dispel that myth. I am opposed to the continuation of the trust fund precisely because I want to create more jobs. According to a study conducted by the University of Illinois, a shift of $5 billion from highways to rapid transit would not only cut energy consumption but would substantially increase employment. Therefore, a reduction in the size and duration of the trust fund will simultaneously increase the number of jobs and reduce the hidden environmental and energy costs contained in highway construction. The reality behind the job myth is that it only helps to employ highway, cement and asphalt contractors; tire, auto, and trucking company executives; and State and Federal highway bureaucrats.

It is time for Congress to forcefully state that the Federal highway programs will no longer be treated as sacred cows. The 2-year extension of the highway trust fund contained in title II of the Federal-Aid Highway Act is unnecessary and irresponsible. The trust fund is due to expire in October 1977. Termination of the trust fund does not require stopping in the middle of all highway construction. Congress can insure the continuation of those programs which are necessary and important by utilizing short term funding, as occurred in 1973. The trust fund's existence makes meaningful transportation policy reform impossible, because it substantially reduces the financial resources available for alternative transportation modes. In recent months, Congress has attempted to exercise oversight responsibiities in the areas of foreign policy, energy, and the Federal bureaucracy. Congress should exercise the same degree of responsibility in the area of transportation.

I urge the Members of Congress to vote against the Federal-Aid Highway Act, and to demonstrate to the American people that we are committed to developing transportation methods which do not endanger our environment or deplete our energy resources. A vote against the Federal-Aid Highway Act is a vote for congressional assertion of authority over the expenditure of Federal moneys.

Mr. CONYERS. Mr. Chairman, I voted in opposition to the amendment to H.R. 8235, the interstate highway bill, which would have deleted the discretionary authority of the Secretary of Transportation to use $750 million for interstate highway projects. I should have voted in favor of that amendment.

Mr. HOWARD. Mr. Chairman, I have no further requests for time.

Mr. HARSHA. Mr. Chairman, I have no further requests for time .

The CHAIRMAN. Pursuant to the rule, the Clerk will now read by title the substitute committee amendment printed in the reported bill as an original bill for the purpose of amendment.

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

The CHAIRMAN. Evidently a quorum is not present. The call will be taken by electronic device.

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

[Roll No. 809]

Addabbo	Evins, Tenn.	Moorhead, Pa.
Allen	Fish	Pepper
Anderson, Ill.	Foley	Pike
Andrews, N.C.	Ford, Mich.	Pritchard
Archer	Gaydos	Railsback
Badillo	Gibbons	Randall
Bingham	Hanley	Rees
Bolling	Hastings	Rosenthal
Burton, Phillip	Hébert	Scheuer
Butler	Heinz	Sebelius
Chappell	Hillis	Stanton,
Chisholm	Hinshaw	James V.
Conyers	Ichord	Stokes
Coughlin	Jarman	Stuckey
Crane	Kastenmeier	Sullivan
Daniels, N.J.	Leggett	Udall
Diggs	McCloskey	Waxman
Drinan	McDade	Wilson, C. H.
Edwards, Calif.	McEwen	Wilson, Tex.
Eshleman	Melcher	
Evans, Colo.	Mikva	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NEDZI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H.R. 8235, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 374 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. Under the rule, title III of the substitute committee amendment shall be considered as having been read for amendment.

No amendment to title III of said substitute, including an amendment in the nature of a substitute for said Committee amendment which would change title III, shall be in order in the House or in the Committee of the Whole except amendments offered by direction of the Committee on Ways and Means, which may be offered in the Committee of the Whole, and said amendments shall not be subject to amendment.

It shall be in order to consider without the intervention of any point of order the text of an amendment by Representative EDGAR of Pennsylvania, printed in the CONGRESSIONAL RECORD of December 15, 1975, if offered as an amendment in the nature of a substitute for the committee amendment in the nature of a substitute.

The Clerk will read.

The Clerk read as follows:

H.R. 8235

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

TITLE I

SHORT TITLE

SEC. 101. This title may be cited as the "Federal-Aid Highway Act of 1975".

REVISION OF AUTHORIZATION FOR APPROPRIATIONS FOR THE INTERSTATE SYSTEM

SEC. 102. (a) Subsection (b) of section 108 of the Federal-Aid Highway Act of 1956, as amended, is amended by striking out "the additional sum of $3,250,000,000 for the fiscal year ending June 30, 1977, the additional sum

of $3,250,000,000 for the fiscal year ending June 30, 1978, and the additional sum of $3,250,000,000 for the fiscal year ending June 30, 1979.", and by inserting in lieu thereof the following: "the additional sum of $1,000,000,000 for the three-month period ending September 30, 1976, the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1977, the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1978, the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1979, the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1980, the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1981, the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1982, the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1983, the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1984, the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1985, the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1986, the additional sum of $4,000,000,000 for the fiscal year ending September 30, 1987, and the additional sum of $840,000,000 for the fiscal year ending September 30, 1988.".

(b) $3,250,000,000 of the sum authorized for the fiscal year ending September 30, 1977, by the amendment made by subsection (a) of this section, shall be apportioned on or before January 1, 1976, in accordance with the applicable provisions of chapter 1, of title 23, United States Code. $750,000,000 of such authorized sum shall be available for obligation on July 1, 1976, in the same manner and to the same extent as the sums apportioned on or before January 1, 1976, except that (A) the obligation of such $750,000,000 shall be at the discretion of the Secretary of Transportation, (B) $500,000,000 of such $750,000,00 shall be obligated only for projects necessary for the completion of continuous sections of the National System of Interstate and Defense Highways, (C) $250,000,000 shall be obligated only for projects of unusually high cost, which require long periods of time for their construction, and (D) any part of such $750,000,000 not obligated by such Secretary before October 1, 1977, shall be immediately apportioned in the same manner as the $3,250,000,000 apportioned on or before January 1, 1976, and available for obligation for the same period as the apportionment of such $3,250,000,000. Any project which has received Federal financial assistance from such $750,000,000 shall not be eligible for withdrawal of approval by such Secretary under section 103(e)(2) or (4) of title 23, United States Code.

(c) $3,250,000,000 of the sum authorized for the fiscal year ending September 30, 1978, by the amendment made by subsection (a) of this section, shall be apportioned on or before January 1, 1977, in accordance with the applicable provisions of chapter 1 of title 23, United States Code. $750,000,000 of such authorized sum shall be available for obligation on the date of such apportionment, in the same manner and to the same extent as the sums apportioned on such date, except that (A) the obligation of such $750,000,000 shall be at the discretion of the Secretary of Transportation, (B) $500,000,000 of such $750,000,000 shall be obligated only for projects necessary for the completion of continuous sections of the National System of Interstate and Defense Highways, (C) $250,000,000 of such $750,000,000 shall be obligated only for projects of unusually high cost, which require long periods of time for their construction, and (D) any part of such $750,000,000 not obligated by such Secretary before October 1, 1978, shall be immediately apportioned in the same manner as the $3,250,000,000 apportioned on or before January 1, 1977, and available for obligation for the same period as the apportionment of such $3,250,000,000. Any project which has received Federal financial assistance from such $750,000,000 shall not be eligible for withdrawal of approval by such Secretary under section 103(e)(2) or (4) of title 23, United States Code.

AUTHORIZATION OF USE OF COST ESTIMATES FOR APPORTIONMENT OF INTERSTATE FUNDS

SEC. 103. The Secretary of Transportation shall apportion for the three-month period ending September 30, 1976, and for the fiscal year ending September 30, 1977, the sums authorized to be appropriated for such periods for expenditures on the National System of Interstate and Defense Highways, using the apportionment factors contained in table 5, of House Public Works and Transportation Committee Print Numbered 94–14, as revised in House Report Numbered 94–716.

HIGHWAY AUTHORIZATIONS

SEC. 104. (a) For the purpose of carrying out the provisions of title 23, United States Code, the following sums are hereby authorized to be appropriated:

(1) For the Federal-aid primary system in rural areas, out of the Highway Trust Fund, $200,000,000 for the three-month period ending September 30, 1976, $800,000,000 for the fiscal year during September 30, 1977, and $800,000,000 for the fiscal year ending September 30, 1978. For the Federal-aid secondary system in rural areas, out of the Highway Trust Fund, $100,000,000 for the three-month period ending September 30, 1976, $400,000,000 for the fiscal year ending September 30, 1977, and $400,000,000 for the fiscal year ending September 30, 1978.

(2) For the Federal-aid urban system, out of the Highway Trust Fund, $200,000,000 for the three-month period ending September 30, 1976, $800,000,000 for the fiscal year ending September 30, 1977, and $800,000,000 for the fiscal year ending September 30, 1978. For the extensions of the Federal-aid primary system in urban areas, out of the Highway Trust Fund, $100,000,000 for the three-month period ending September 30, 1976, $400,000,000 for the fiscal year ending September 30, 1977, and $400,000,000 for the fiscal year ending September 30, 1978.

(3) For forest highways, out of the Highway Trust Fund, $8,250,000 for the three-month period ending September 30, 1976, $33,000,000 for the fiscal year ending September 30, 1977, and $33,000,000 for the fiscal year ending September 30, 1978.

(4) For public lands highways, out of the Highway Trust Fund, $4,000,000 for the three-month period ending September 30, 1976, $16,000,000 for the fiscal year ending September 30, 1977, and $16,000,000 for the fiscal year ending September 30, 1973.

(5) For forest development roads and trails, $35,000,000 for the three-month period ending September 30, 1976, $140,000,000 for the fiscal year ending September 30, 1977, and $140,000,000 for the fiscal year ending September 30, 1978.

(6) For public lands development and roads and trails, $2,500,000 for the three-month period ending September 30, 1976, $10,000,000 for the fiscal year ending September 30, 1977, and $10,000,000 for the fiscal year ending September 30, 1978.

(7) For park roads and trails, $7,500,000 for the three-month period ending September 30, 1976, $30,000,000 for the fiscal year ending September 30, 1977, and $30,000,000 for the fiscal year ending September 30, 1978.

(8) For parkways, $11,250,000 for the three-month period ending September 30, 1976, $45,000,000 for the fiscal year ending September 30, 1977, and $45,000,000 for the fiscal year ending September 30, 1978, except that the entire cost of any parkway project on any Federal-aid system paid under the authorization contained in this paragraph shall be paid from the Highway Trust Fund.

(9) For Indian reservation roads and bridges, $20,750,000 for the three-month period ending September 30, 1976, $83,000,000 for the fiscal year ending September 30, 1977, and $83,000,000 for the fiscal year ending September 30, 1978.

(10) For economic growth center development highways under section 143 of title 23, United States Code, out of the Highway Trust Fund, $25,000,000 for the three-month period ending September 30, 1976, $100,000,000 for the fiscal year ending September 30, 1977, and $100,000,000 for the fiscal year ending September 30, 1978.

(11) For necessary administrative expenses in carrying out section 131 and section 136 of title 23, United States Code, $375,000 for the three-month period ending September 30, 1976, $1,500,000 for the fiscal year ending September 30, 1977, and $1,500,000 for the fiscal year ending September 30, 1978.

(12) For carrying out section 215(a) of title 23, United States Code—

(A) for the Virgin Islands, not to exceed $1,250,000 for the three-month period ending September 30, 1976, not to exceed $5,000,000 for the fiscal year ending September 30, 1977, and not to exceed $5,000,000 for the fiscal year ending September 30, 1978.

(B) for Guam, not to exceed $1,250,000 for the three-month period ending September 30, 1976, not to exceed $5,000,000 for the fiscal year ending September 30, 1977, and not to exceed $5,000,000 for the fiscal year ending September 30, 1978.

(C) for American Samoa, not to exceed $250,000 for the three-month period ending September 30, 1976, not to exceed $1,000,000 for the fiscal year ending September 30, 1977, and not to exceed $1,000,000 for the fiscal year ending September 30, 1978.

Sums authorized by this paragraph shall be available for obligation at the beginning of the period for which authorized in the same manner and to the same extent as if such sums were apportioned under chapter 1 of title 23, United States Code.

(13) For priority primary routes, out of the Highway Trust Fund, $75,000,000 for the three-month period ending September 30, 1976, $300,000,000 for the fiscal year ending September 30, 1977, and $300,000,000 for the fiscal year ending September 30, 1978.

(14) For the Great River Road, $2,500,000 for the three-month period ending September 30, 1976, $10,000,000 for the fiscal year ending September 30, 1977, and $10,000,000 for the fiscal year ending September 30, 1978, for construction or reconstruction of roads not on a Federal-aid highway system; and out of the Highway Trust Fund, $6,250,000 for the three-month period ending September 30, 1976, $25,000,000 for the fiscal year ending September 30, 1977, and $25,000,000 for the fiscal year ending September 30, 1978, for construction or reconstruction of roads on a Federal-aid highway system.

(15) For control of outdoor advertising under section 131 of title 23, United States Code, $12,500,000 for the three-month period ending September 30, 1976, $50,000,000 for the fiscal year ending September 30, 1977, and $50,000,000 for the fiscal year ending September 30, 1978.

(16) For control of junkyards under section 136 of title 23, United States Code, $3,750,000 for the three-month period ending September 30, 1976, $15,000,000 for the fiscal year ending September 30, 1977, and $15,000,000 for the fiscal year ending September 30, 1978.

(17) For off-system roads under section 219 of title 23, United States Code, $50,000,000 for the three-month period ending September 30, 1976, $200,000,000 for the fiscal year ending September 30, 1977, and $200,000,000 for the fiscal year ending September 30, 1978.

(18) For access highways under section 155 of title 23, United States Code, $6,250,000 for the three-month period ending Septem-

ber 30, 1976, $25,000,000 for the fiscal year ending September 30, 1977, and $25,000,000 for the fiscal year ending Sepetmber 30, 1978.

(19) Nothing in the first ten paragraphs or in paragraph (12), (13), (14), (17), or (18) of this section shall be construed to authorize the appropriation of any sums to carry out sections 131, 136, or chapter 4 of title 23, United States Code.

(b) No State shall receive less than one-half of 1 per centum of the total apportionment for the period July 1, 1976, to September 30, 1976, and for each of the fiscal years 1977 and 1978 under paragraph (5) of subsection (b) of section 104 of title 23, United States Code. In addition to all other authorizations for the Interstate System for the period July 1, 1976, to September 30, 1976, and for the two fiscal years ending September 30, 1977, and September 30, 1978, there is authorized to be appropriated out of the Highway Trust Fund not to exceed $18,900,000 for such period and $41,400,000 for the fiscal year ending September 30, 1977, and $28,800,000 for the fiscal year ending September 30, 1978, for such System. Such authorization shall be apportioned to each of the States receiving apportionments under section 103 of this Act of less than one-half of 1 per centum for each such fiscal year, so as to insure that each such State will receive for each such fiscal year an amount equal to one-half of 1 per centum of the total apportionment for each such fiscal year under section 103 of this Act, as required by the first sentence of this subsection. Notwithstanding any other provision of this subsection, no State shall receive any amount for the Interstate System under this subsection in excess of the cost of completing that State's portion of the Interstate System.

(c)(1) In the case of priority primary routes, $50,000,000 of the sum authorized for fiscal year ending September 30, 1977, by the amendment made by subsection (a)(13) of this section, shall not be apportioned. Such $50,000,000 shall be available for obligation on July 1, 1976, in the same manner and to the same extent as sums apportioned for such routes for fiscal year 1977 except that such $50,000,000 shall be available for obligation at the discretion of the Secretary of Transportation only for projects of unusually high cost which require long periods of time for their construction. Any part of such $50,000,000 not obligated by such Secretary before October 1, 1977, shall be immediately apportioned in the same manner as the $250,000,000 apportioned on or before January 1, 1976, and available for obligation for the same period as the apportionment of such $250,000,000.

(2) In the case of priority primary routes, $250,000,000 of the sum authorized for the fiscal year ending September 30, 1978, by the amendment made by subsection (a)(13) of this section, shall be apportioned on or before January 1, 1977, in accordance with the applicable provisions of chapter 1 of title 23, United States Code, $50,000,000 of such authorized sum shall be available for obligation on the date of such apportionment, in the same manner and to the same extent as the sums apportioned on such date, except that such $50,000,000 shall be available for obligation at the discretion of the Secretary of Transportation only for projects of unusually high cost which require long periods of time for their construction. Any part of such $50,000,000 not obligated by such Secretary before October 1, 1978, shall be immediately apportioned in the same manner as the $250,000,000 apportioned on or before January 1, 1977, and available for obligation for the same period as the apportionment of such $250,000,000.

EXTENSION OF TIME FOR COMPLETION OF SYSTEM

SEC. 105. (a) The second sentence of the second paragraph of section 101(b) of title 23, United States Code, is amended by striking out "twenty-three years" and inserting in lieu thereof "thirty-two years" and by striking out "June 30, 1979", and inserting in lieu thereof "September 30, 1988".

(b)(1) The introductory phase and the second and third sentences of section 104(b)(5) of title 23, United States Code, are amended by striking out "1979" each place it appears and inserting in lieu thereof at each such place "1988".

(2) The last four sentences of such section 104(b)(5) are amended to read as follows: "Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for the three-month period ending September 30, 1976, and for the fiscal year ending September 30, 1977. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above, and transmit the same to the Senate and the House of Representatives within ten days subsequent to July 1, 1976. Upon approval by Congress, the Secretary shall use the Federal share of such approved estimates in making apportionments for the fiscal year ending September 30, 1978. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above, and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1977. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimates in making apportionments for the fiscal years ending September 30, 1979, and September 30, 1980. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1979. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimates in making apportionments for the fiscal years ending September 30, 1981, and September 30, 1982. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1981. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimates in making apportionments for the fiscal years ending September 30, 1983, and September 30, 1984. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1983. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimates in making apportionments for the fiscal years ending September 30, 1985, and September 30, 1986. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1985. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimates in making apportionments for the fiscal years ending September 30, 1987, and September 20, 1988. Whenever the Secretary, pursuant to this subsection, requests and receives estimates of cost from the State highway departments, he shall furnish copies of such estimates at the same time to the Senate and the House of Representatives.".

DEFINITIONS

SEC. 106. Subsection (a) of section 101 of title 23, United States Code, is amended as follows:

(1) The definition of the term "construction" is amended by inserting immediately after "Commerce)," the following "resurfacing,".

(2) The definition of the term "urban area" is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "except in the case of cities in the State of New Hampshire.".

ELIGIBILITY FOR WITHDRAWAL

SEC. 107. The second sentence of paragraph (2) of subsection (e) of section 103 of title 23, United States Code, is amended by striking out "prior to the enactment of this paragraph,".

INTERSTATE SYSTEM

SEC. 108. (a) Section 103(e)(4) of title 23, United States Code, is amended to read as follows:

"(4) Upon the joint request of a State Governor and the local governments concerned, the Secretary may withdraw his approval of any route or portion thereof on the Interstate System which is within an urbanized area and which was selected and approved in accordance with this title, if he determines that such route or portion thereof is not essential to completion of a unified and connected Interstate System and if he receives assurances that the State does not intend to construct a toll road in the traffic corridor which would be served by the route or portion thereof. When the Secretary withdraws his approval under this paragraph, a sum equal to the Federal share of the cost to complete the withdrawn route or portion thereof, as that cost is included in the latest Interstate System cost estimate approved by Congress, subject to increase or decrease, as determined by the Secretary based on changes in construction costs of the withdrawn route or portion thereof as of the date of enactment of the Federal-Aid Highway Act of 1975 or the date of approval of each substitute project under this paragraph, whichever is later, and in accordance with the design of the route or portion thereof that is the basis of the latest cost estimate, shall be available to the Secretary to incur obligations for the Federal share of either public mass transit projects involving the construction of fixed rail facilities or the purchase of passenger equipment including rolling stock, for any mode of mass transit, or both, or projects authorized under any highway assistance program under section 103 of this title; or both, which will serve the urbanized area from which the Interstate route or portion thereof was withdrawn, which are selected by the responsible local officials of the urbanized area, and which are submitted by the Governor of the State in which the withdrawn route was located. Approval by the Secretary of the plans, specifications, and estimates for a substitute project shall be deemed to be a contractual obligation of the Federal Government. The Federal share of the substitute projects shall be determined in accordance with the provisions of section 120 of this title applicable to the highway program of which the substitute project is a part, except that in the case of mass transit projects, the Federal share shall be that specified in section 4 of the Urban Mass Transportation Act of 1964, as amended. The sums available

for obligation shall remain available until obligated. The sums obligated for mass transit projects shall become part of, and be administered through, the Urban Mass Transportation Fund. There are authorized to be appropriated for liquidation of the obligations incurred under this paragraph such sums as may be necessary out of the general fund of the Treasury. Unobligated apportionments for the Interstate System in any State where a withdrawal is approved under this paragraph shall, on the date of such approval, be reduced in the proportion that the Federal share of the cost of the withdrawn route or portion thereof bears to the Federal share of the total cost of all Interstate routes in that State as reflected in the latest cost estimate approved by the Congress. In any State where the withdrawal of an Interstate route or portion thereof has been approved under section 103(e)(4) of this title prior to the date of enactment of the Federal-Aid Highway Act of 1975, the unobligated apportionments for the Interstate System in that State on the date of enactment of the Federal-Aid Highway Act of 1975 shall be reduced in the proportion that the Federal share of the cost to complete such route or portion thereof, as shown on the latest cost estimate approved by Congress prior to such approval of withdrawal, bears to the Federal share of the cost of all Interstate routes in that State, as shown on such cost estimate, except that the amount of such proportional reduction shall be credited with the amount of any reduction in such State's Interstate apportionment which was attributable to the Federal share of any substitute project approved under this paragraph prior to enactment of said Federal-Aid Highway Act. Funds available for expenditure to carry out the purposes of this paragraph shall be supplementary to and not in substitution for funds authorized and available for obligation pursuant to the Urban Mass Transportation Act of 1964, as amended. The provisions of this paragraph as amended by the Federal-Aid Highway Act of 1975, shall be effective as of August 13, 1973.".

(b) Section 103(e)(4) of title 23, United States Code, is further amended by adding the following sentence at the end thereof:

"In the event a withdrawal of approval is accepted pursuant to this section, the State shall not be required to refund to the Highway Trust Fund any sums previously paid to the State for the withdrawn route or portion of the Interstate System as long as said sums were applied to a transportation project permissible under this title.".

ROUTE WITHDRAWALS

SEC. 109. (a) The existing fourth sentence of paragraph (2) of subsection (e) of section 103 of title 23, United States Code, is amended by striking out "increased or decreased," and all that follows down through and including the period at the end thereof and inserting in lieu thereof the following: "or if the cost of any such withdrawn route was not included in such 1972 Interstate System cost estimate. the cost of such withdrawn route as set forth in the last Interstate System cost estimate before such 1972 cost estimate which was approved by Congress and which included the cost of such withdrawn route, increased or decreased, as the case may be, as determined by the Secretary, based on changes in construction costs of such route or portion thereof, which, (i) in the case of a withdrawn route the cost of which was not included in the 1972 cost estimate but in an earlier cost estimate, have occurred between such earlier cost estimate and the date of enactment of the Federal-Aid Highway Act of 1975, and (ii) in the case of a withdrawn route the cost of which was included in the 1972 cost estimate, have occurred between the 1972 cost estimate and the date of enactment of the Federal-Aid Highway Act of 1975, or the date of withdrawal of approval, whichever date is later, and in each case costs shall be based on that design of such route or portion thereof which is the basis of the applicable cost estimate.".

(b) The amendment made by subsection (a) of this section shall be applicable to each route on the Interstate System approval of which was withdrawn or is hereafter withdrawn by the Secretary of Transportation in accordance with the provisions of section 103(e)(2) of title 23, United States Code, including any route on the Interstate System approval of which was withdrawn by the Secretary of Transportation in accordance with the provisions of title 23, United States Code, on August 30, 1965, for the purpose of designating an alternative route.

MINIMUM APPORTIONMENT

SEC. 110. Paragraph (3) of subsection (b) of section 104 of title 23, United States Code, is amended by adding at the end thereof the following new sentence: "No State shall receive les than one-half of 1 per centum of each year's apportionment.".

TRANSFERABILITY

SEC. 111 (a) Subsections (c) and (d) of section 104 of title 23, United States Code, are amended to read as follows:

"(c)(1) Subject to subsection (d), the amount apportioned in any fiscal year, commencing with the apportionment of funds authorized to be appropriated under subsection (a) of section 102 of the Federal-Aid Highway Act of 1956 (70 Stat. 374), to each State in accordance with paragraph (1) or (2) of subsection (b) of this section may be one paragraph to the apportionment under transferred from the apportionment under the other paragraph if such a transfer is requested by the State highway department and is approved by the Governor of such State and the Secretary as being in the public interest.

"(2) Subject to subsection (d) the amount apportioned in any fiscal year to each State in accordance with paragraph (3) or (6) of subsection (b) of this section may be transferred from the apportionment under one paragraph to the apportionment under the other paragraph if such transfer is requested by the State highway department and is approved by the Governor of such State and the Secretary as being in the public interest. Funds apportioned in accordance with paragraph (6) of subsection (b) of this section shall not be transferred from their allocation to any urbanized area of two hundred thousand population or more under section 150 of this title, without the approval of the local officials of such urbanized area.

"(3) Subject to subsection (d), the amount apportioned in any fiscal year to each State in accordance with paragraph (1) or (3) of subsection (b) of this section may be transferred from the apportionment under one paragraph to the apportionment under the other paragraph if such transfer is requested by the State highway department and is approved by the Governor of such State and the Secretary as being in the public interest.

"(4) Subject to subsection (d), the amount apportioned in any fiscal year to each State in accordance with paragraphs (1) and (3) of subsection (b) of this section, and in accordance with section 147, may be transferred from the apportionment under either or both such paragraphs to the apportionment made in accordance with such section 147 and may be transferred from the apportionment made in accordance with section 147 to the apportionment made under either or both such paragraphs if such transfer is requested by the State highway department and is approved by the Governor of such State and the Secretary as being in the public interest.

"(d) Each transfer of apportionments under subsection (c) of this section shall be subject to the following conditions—

"(1) The total of all transfers during any fiscal year to any apportionment shall not increase the original amount of such apportionment for such fiscal year by more than 40 per centum.

"(2) Not more than 40 per centum of the original amount of an apportionment for any fiscal year shall be transferred to other apportionments.

"(3) No transfer shall be made from an apportionment during any fiscal year if during such fiscal year a transfer has been made to such apportionment.

"(4) No transfer shall be made to an apportionment during any fiscal year if during such fiscal year a transfer has been made from such apportionment.".

(b) The amendment made by subsection (a) of this section shall take effect on July 1, 1976, and shall be applicable with respect to funds authorized for the period July 1, 1976, through September 30, 1976, and for subsequent fiscal years. With respect to the fiscal year 1976 and earlier fiscal years, the provisions of subsections (c) and (d) of section 104 of title 23, United States Code, as in effect on June 30, 1976, shall remain applicable to funds authorized for such years.

ADVANCE ACQUISITION OF RIGHTS-OF-WAY

SEC. 112. Paragraph (2) of subsection (c) of section 108 of title 23, United States Code, is amended by striking out "made pursuant to section 133 of chapter 5 of this title".

CERTIFICATION ACCEPTANCE

SEC. 113. (a) Subsection (a) of section 117 of title 23, United States Code, is amended by striking out "establishing requirements at least equivalent to those contained in, or issued pursuant to, this title." and inserting in lieu thereof "which will accomplish the policies and objectives contained in or issued pursuant to this title.".

(b) Section 117 of title 23 of the United States Code is amended by adding at the end thereof the following new subsection:

"(f)(1) In the case of the Federal-aid secondary system, in lieu of discharging his responsibilities in accordance with subsections (a) through (d) of this section, the Secretary may, upon the request of any State highway department, discharge his responsibility relative to the plans, specifications, estimates, surveys, contract awards, design, inspection, and construction of all projects on the Federal-aid secondary system by his receiving and approving a certified statement by the State highway department setting forth that the plans, design, and construction for each such project are in accord with those standards and procedures which (A) were adopted by such State highway department, (B) were applicable to projects in this category, and (C) were approved by him.

"(2) The Secretary shall not approve such standards and procedures unless they are in accordance with the provisions of subsection (b) of section 105, subsection (b) of section 106, and subsection (c) of section 109, of this title.

"(3) Paragraphs (1) and (2) of this subsection shall not be construed to relieve the Secretary of his obligation to make a final inspection of each project after construction and to require an adequate showing of the estimated cost of construction and the actual cost of construction.".

EMERGENCY RELIEF

SEC. 114. (a) Section 125(a) of title 23, United States Code, is amended—

(1) by striking out "June 30, 1972," inserting in lieu thereof "June 30, 1972, and ending before June 1, 1976,";

(2) by striking out "June 30, 1973," and

inserting in lieu thereof "June 30, 1973, to carry out the provisions of this section, and not more than $37,500,000 for the three-month period beginning July 1, 1976, and ending September 30, 1976, is authorized to be expended to carry out the provisions of this section, and not more than $150,000,000 is authorized to be expended in any one fiscal year commencing after September 30, 1976,"; and

(3) by adding before the last sentence the following new sentence: "For the purposes of this section the period beginning July 1, 1976, and ending September 30, 1976, shall be deemed to be a part of the fiscal year ending September 30, 1977.".

(b) The second sentence of section 125(b) of such title is amended by striking out the period and inserting in lieu thereof the following: ", except that if the President has declared such emergency to be a major disaster for the purposes of the Disaster Relief Act of 1974 (Public Law 93-288) concurrence of the Secretary is not required.".

BUS WIDTHS

SEC. 115. Section 127 of title 23, United States Code is amended by adding at the end thereof the following new sentence: "Notwithstanding any limitation relating to vehicle widths contained in this section, a State may permit any bus having a width of 102 inches or less to operate on any lane of 12 feet or more in width on the Interstate System.".

FERRY OPERATIONS

SEC. 116. The first sentence of paragraph (5) of subsection (g) of section 129 of title 23, United States Code, is amended by inserting after "Hawaii" the following: "and the islands which comprise the Commonwealth of Puerto Rico". The second sentence of such paragraph (5) is amended by inserting after "Hawaii" the following: "and operations between the islands which comprise the Commonwealth of Puerto Rico".

CONTROL OF OUTDOOR ADVERTISING

SEC. 117. (a) Subsection (c) of section 131 of title 23, United States Code, is amended to read as follows:

"(c) Effective control means that such signs, displays, or devices after January 1, 1968, if located within six hundred and sixty feet of the right-of-way and, on or after July 1, 1975, or after the expiration of the next regular session of the State legislature, whichever is later, if located beyond six hundred and sixty feet of the right-of-way outside of urban areas, visible from the main traveled way of the system, and erected with the purpose of their message being read from such main traveled way shall, pursuant to this section, be limited to (1) directional and official signs and notices, which signs and notices may include, but not be limited to, signs and notices pertaining to information in the specific interest of the traveling public, such as, but not limited to, signs and notices pertaining to rest stops, camping grounds, food services, gas and automotive services, lodging, and natively produced handicraft goods, and shall include signs and notices pertaining to natural-wonders scenic and historical attractions, which are required or authorized by law, which shall conform to national standards hereby authorized to be promulgated by the Secretary hereunder, which standards shall contain provisions concerning lighting, size, number, and spacing of signs and such other requirements as may be appropriate to implement this clause (except that not more than three directional signs facing the same direction of travel shall be permitted in any one mile along the interstate or primary system outside commercial and industrial areas), (2) signs, displays, and devices advertising the sale or lease of property upon which they are located, and (3) signs, displays and devices advertising activities conducted on the property on which they are located.".

(b) Subsection (d) of section 131 of title 23, United States Code, is amended by striking out the first sentence thereof and inserting the following in lieu thereof:

"In order to promote the reasonable, orderly, and effective display of outdoor advertising while remaining consistent with the purposes of this section, signs, displays, and devices whose size, lighting, and spacing, consistent with customary use is to be determined by agreement between the several States and the Secretary, may be erected and maintained within areas adjacent to the interstate and primary systems which are zoned industrial or commercial under authority of State law, or in unzoned commercial or industrial areas as may be determined by agreement between the several States and the Secretary.".

(c) Subsection (e) of section 131 of title 23, United States Code, is amended to read as follows:

"(e) Any nonconforming sign under State law enacted to comply with this section shall be removed no later than the end of the fifth year it becomes nonconforming, except as determined by the Secretary.".

(d) Subsection (f) of section 313 of title 23, United States Code, is amended by inserting the following after the first sentence: "The Secretary may also, in consultation with the States, provide within the rights-of-way of the primary system for areas in which signs, displays, and devices giving specific information in the interest of the traveling public may be erected and maintained: *Provided,* That such signs on the interstate and primary shall not be erected in suburban or in urban areas or in lieu of signs permitted under subsection (d) of this section.".

(e) Section 131 of title 23, United States Code, is amended by adding at the end thereof the following new subsections:

"(o) No directional sign, display, or device lawfully in existence on June 1, 1972, giving specific information in the interest of the traveling public shall be required to be removed until December 31, 1977, or until the State in which the sign, display, or device is located certifies that the directional information about the service or activity advertised on such sign, display, or device may reasonably be available to motorists by some other method or methods, whichever shall occur first. A State shall give preference, with due regard to the orderly scheduling of the removal of signs, displays, and devices and to highway safety, to the purchase and removal of any nonconforming sign, display, or device voluntarily offered by the owner thereof to the State for removal if funds are available to such State for such purpose.

"(p) In the case of any sign, display, or device required to be removed under this section prior to the date of enactment of the Federal-Aid Highway Act of 1974, which sign, display, or device was after its removal lawfully relocated and which as a result of the amendments made to this section by such Act is required to be removed, the United States shall pay 100 percentum of the just compensation for such removal (including all relocation costs).

"(q)(1) During the implementation of State laws enacted to comply with this section, the Secretary shall encourage and assist the States to develop sign controls and programs which will assure that necessary directional information about facilities providing goods and services in the interest of the traveling public will continue to be available to motorists. To this end the Secretary shall restudy and revise as appropriate existing standards for directional signs authorized under subsections 131(c)(1) and 131(f) to develop signs which are functional and esthetically compatible with their surroundings. He shall employ the resources of other Federal departments and agencies, including the National Endowment for the Arts, and employ maximum participation of private industry in the development of standards and systems of signs developed for those purposes.

"(2) For purposes of this subsection, signs providing directional information about facilities providing goods and services in the interest of the traveling public are defined to be those giving directional information about gas and automotive services, food, lodging, natively produced handicraft goods, campgrounds, truckstops, resorts, recreational areas, tourist attractions, historic sites, and such other facilities as a State, with the approval of the Secretary, may deem appropriate.

"(3) Among other things the Secretary shall encourage States to adopt programs to assure that removal of signs providing necessary directional information, which also were providing directional information on June 1, 1972, about facilities in the interest of the traveling public, be deferred until all other nonconforming signs are removed.

"(4) The owner or operator of any facility providing goods and services in the interest of the traveling public shall have the right to continue using no more than one nonconforming sign in each direction on any highway subject to controls under a State law enacted to comply with this section, which sign is providing directional information about such facility, and which had been providing directional information as of June 1, 1972, and which is within seventy-five miles, or such other distance as the State in which the sign is located may determine, until the Secretary determines directional information about such facility is being adequately provided to motorists traveling in that direction on such controlled highway by conforming signs authorized by subsection 131(d) of this title, by signs advertising activities conducted on the property on which they are located, by signs authorized by subsection 131(c)(1) or 131(f) of this title, by any other nonconforming signs, or by such other means as the State in which the sign is located deems to be adequate.".

PRESERVATION OF PARKLANDS

SEC. 118. Section 138 of title 23, United States Code, is amended by adding a new sentence at the end thereof to read as follows: "In carrying out the national policy declared in this section the Secretary, in cooperation with the Secretary of the Interior and appropriate State and local officials, is authorized to conduct studies as to the most feasible Federal-aid routes for the movement of motor vehicular traffic through or around national parks so as to best serve the needs of the traveling public while preserving the natural beauty of these areas."

TRAINING PROGRAMS

SEC. 119. The second sentence of subsection (b) of section 140 of title 23, United States Code, is amended to read as follows: "Whenever an apportionment is made under subsection 104 (b)(1), (b)(2), (b)(3), (b)(5), or (b)(6) of this title for the fiscal years 1972, 1973, 1974, 1975, 1976, the three-month period ending September 30, 1976, and the fiscal years 1977 and 1978, the Secretary shall deduct from the total of all such apportionments such sums as he may deem necessary, not to exceed $5,000,000 per fiscal year for the fiscal years 1972 and 1973, $10,000,000 per fiscal year for the fiscal years 1974, 1975, and 1976, $2,500,000 for the three-month period ending September 30, 1976, and $10,000,000 per fiscal year for the fiscal years 1977 and 1978, for administering the provisions of this subsection to be financed from the appropriation for the Federal-aid systems.".

PUBLIC TRANSPORTATION

SEC. 120. (a) Section 142(a)(1) of title 23, United States Code, is amended by adding at the end thereof the following new sentence: "If fees are charged for the use of any

parking facility constructed under this section, the rate thereof shall not be in excess of that required for maintenance and operation of the facility (including compensation to any person for operating the facility).".

(b) Section 142(e)(3) of title 23, United States Code, is amended by striking out "section." and inserting in lieu thereof "title.".

SPECIAL BRIDGE REPLACEMENT PROGRAM

SEC. 121. Section 144(d) of title 23, United States Code, is amended by striking out "shall not exceed 75 per centum" and inserting in lieu thereof "shall be 90 per centum".

DEFINING STATE

SEC. 122. Section 152 and section 153 of title 23, United States Code, are amended by adding at the end of each such section the following new subsection:

"(f) For the purposes of this section the term 'State' shall have the meaning given it in section 401 of this title.".

HIGHWAYS CROSSING FEDERAL PROJECTS

SEC. 123. (a) Chapter I of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 156. Highways crossing Federal projects

"(a) The Secretary is authorized to construct and to reconstruct any public highway or highway bridge across any Federal public works project, notwithstanding any other provision of law, where there has been a substantial change in the requirements and costs of such highway or bridge since the public works project was authorized, and where such increased costs would work an undue hardship upon any one State.

"(b) There is hereby authorized to be appropriated not to exceed $100,000,000 for fiscal year 1976 to carry out this section. Amounts authorized by this subsection for a fiscal year shall be available for that fiscal year and for the two succeeding fiscal years.".

(b) The analysis of chapter I of title 23 of the United States Code is amended by adding at the end thereof the following:

"156. Highways crossing Federal projects.".

BICYCLE TRANSPORTATION AND PEDESTRIAN WALKWAYS

SEC. 124. Section 217(e) of title 23, United States Code, is amended by striking out "$40,000,000" and inserting in lieu thereof "$45,000,000", and by striking out "$2,000,000" and inserting in lieu thereof "$2,500,000".

LANDSCAPING AND SCENIC ENHANCEMENT

SEC. 125. (a) Section 319 of title 23, United States Code, is amended to read as follows:

"§ 319. Landscaping and scenic enhancement

"The Secretary may approve as a part of the construction of Federal-aid highways the costs of landscape and roadside development, including acquisition and development of publicly owned and controlled rest and recreation areas and sanitary and other facilities reasonably necessary to accommodate the traveling public, and for acquisition of interests in and improvement of strips of land necessary for the restoration, preservation, and enhancement of scenic beauty adjacent to such highways.".

(b) All sums authorized to be appropriated to carry out section 319(b) of title 23, United States Code, as in effect immediately before the date of enactment of this section shall continue to be available for appropriation, obligation, and expenditure in accordance with such section 319(b), notwithstanding the amendment made by the first section of this Act.

BRIDGES ON FEDERAL DAMS

SEC. 126. (a) Section 320(d) of title 23, United States Code, is amended by striking out "$27,761,000" and inserting in lieu thereof "$50,000,000".

(b) Sums appropriated or expended under authority of the increased authorization established by the amendment made by subsection (a) of this section shall be appropriated out of the Highway Trust Fund.

OVERSEAS HIGHWAY

SEC. 127. Subsection (b) of section 118 of the Federal-Aid Highway Amendments of 1974 (Public Law 93-643) is amended—

(1) by striking out "1975, and" and inserting in lieu thereof "1975,"; and

(2) by striking out "can be obligated." and inserting in lieu thereof "$8,750,000 for the three-month period ending September 30, 1976, $35,000,000 for the fiscal year ending September 30, 1977, and $35,000,000 for the fiscal year ending September 30, 1978, can be obligated.".

TECHNICAL AMENDMENTS

SEC. 128. (a) The analysis of chapter I of title 23, United States Code, is amended by striking out

"111. Use of and access to rights-of-way—Interstate System.".

and inserting in lieu thereof the following:

"111. Agreements relating to use of and access to rights-of-way—Interstate System.".

(b) The analysis of chapter I of title 23, United States Code, is amended by striking out

"119. Administration of Federal-aid for highways in Alaska."

and inserting in lieu thereof the following:

"119. Repealed.".

(c) The analysis of chapter I of title 23, United States Code, is amended by striking out

"133. Relocation assistance."

and inserting in lieu thereof the following:

"133. Repealed.".

DEMONSTRATION PROJECTS—RAILROAD HIGHWAY CROSSINGS

SEC. 129. (a) Section 163 of the Federal-Aid Highway Act of 1973 (Public Law 93-87) is amended by inserting immediately after subsection (h) the following new subsections:

"(i) The Secretary of Transportation shall carry out a demonstration project in Metairie, Jefferson Parish, Louisiana, for the relocation or grade separation of rail lines, whichever he deems most feasible in order to eliminate certain grade level railroad highway crossings.

"(j) The Secretary of Transportation shall enter into such arrangements as may be necessary to carry out a demonstration project in Augusta, Georgia, for the relocation of railroad lines and for the purpose of eliminating highway railroad grade crossings.

"(k) The Secretary of Transportation shall enter into such arrangements as may be necessary to carry out a demonstration project in Pine Bluff, Arkansas, for the relocation of railroad lines for the purpose of eliminating highway railroad grade crossings.".

"(l) The Secretary of Transportation shall carry out a demonstration project in Sherman, Texas, for the relocation of rail lines in order to eliminate the ground level railroad crossing at the crossing of the Southern Pacific and Frisco Railroads with Grand Avenue-Roberts Road.".

(b) Existing subsections (i), (j), (k), and (l) of section 163 of the Federal-Aid Highway Act of 1973 are relettered as (m), (n), (o), and (p), respectively, including any references to such subsections.

(c) Subsection (o) (as relettered by subsection (b) of this section) of section 163 of the Federal-Aid Highway Act of 1973 is amended by striking out "1976, except that" and inserting in lieu thereof the following: "1976, $6,250,000, for the period beginning July 1, 1976, and ending September 30, 1976, $26,400,000 for the fiscal year ending September 30, 1977, and $51,400,000 for the fiscal year ending September 30, 1978, except that not more than".

(d) Section 302 of the National Mass Transportation Assistance Act of 1974 (Public Law 93-503) is amended by striking out "$14,000,000, except that" and inserting in lieu thereof "$14,000,000, except that not more than".

ACCELERATION OF PROJECTS

SEC. 130. The Secretary of Transportation shall carry out a project to demonstrate the feasibility of reducing the time required from the time of request for project approval through the completion of construction of highway projects in areas that, as a result of recent or imminent change, including but not limited to change in population or traffic flow resulting from the construction of Federal projects, show a need to construct such projects to relieve such areas from the impact of such change. There is authorized to be appropriated out of the Highway Trust Fund to carry out such project not to exceed $25,000,000.

MULTIMODAL CONCEPT

SEC. 131. Secion 134 of the Fedeal Aid Highway Act of 1973 is amended by inserting "(a)" immediately following "SEC. 143." and by adding the following new subsection at the end thereof:

"(b) The Secretary of Transportation is authorized and directed to study the feasibility of developing a multimodal concept along the route described in paragraph (1) of subsection (a) of this section, which study shall include an analysis of the environmental impact of such multimodal concept. The Secretary shall report to Congress the results of such a study not later than July 1, 1977.".

RIDE-SHARING PROGRAMS

SEC. 132. (a) For the purposes of this section—

(1) the term "ride-sharing" means the use of a motor vehicle with a seating capacity designed to transport at least eight and no more than fifteen individuals, for the transportation of a group of individuals on a regularly scheduled basis;

(2) the term "recipient" means a municipality or other local government; and

(3) the term "Secretary" means the Secretary of Transportation.

(b) There are authorized to be appropriated, out of the Highway Trust Fund, $20,000,000 for the fiscal year ending September 30, 1977, $25,000,000 for the fiscal year ending September 30, 1978, and $30,000,000 for the fiscal year ending September 30, 1979, for the purpose of carrying out this section.

(c) The Secretary shall apportion the funds authorized to be appropriated for each of the fiscal years ending September 30, 1977, September 30, 1978, and September 30, 1979, the sums authorized to be appropriated for such periods for expenditures for ride-sharing projects, using the following formula: three-quarters of such funds apportioned in the ratio which the population of each State bears to the population of all of the States as shown by the latest available Federal census, and one-quarter of such funds apportioned in the ratio which the public road mileage in each State bears to the total public road mileage in all of the States. No State shall receive less than one-half of 1 per centum of the total amount apportioned each fiscal year.

(d) On or before January 1 preceding the commencement of each fiscal year, the Secretary shall certify to each State highway department the sums which he has apportioned hereunder to such State for such fiscal year, and also the sums which he has deducted for administration and research pursuant to subsection (h) of this section.

(e) On and after the date that the Secretary has certified to each State highway department the sums apportioned to each pursuant to an authorization under this sec-

tion, such sums shall be available for expenditure under the provisions of this section.

(f) Sums apportioned to a State shall continue to be available for expenditure in that State for the appropriate ride-sharing program for a period of two years after the close of the fiscal year for which such sums are authorized, and any amounts so apportioned remaining unexpended at the end of such period shall be reapportioned among the other States in accordance with the provisions of subsection (c) of this section. Such sums for any fiscal year shall be deemed to be expended if an amount equal to the total of the sums apportioned to the State for such fiscal year and previous fiscal years is covered by formal project agreements providing for the expenditure of funds authorized by each Act which contains provisions authorizing the appropriation of funds for ride-sharing programs. Any ride-sharing program funds released by the payment of the final voucher or by the modification of the formal program agreement shall be credited to the same class of funds previously apportioned to the State and be immediately available for expenditure.

(g) The total payments to any State shall not at any time during a current fiscal year exceed the total of all apportionments to such State in accordance with subsection (c) of this section for such fiscal year and all preceding fiscal years.

(h) Whenever an apportionment is made of sums authorized to be appropriated for expenditure for a ride-sharing program, the Secretary shall deduct a sum, in such amount not to exceed 2 per centum of all sums so authorized, as the Secretary may deem necessary for administering the provisions of this section.

(i) As soon as practicable after the apportionments for ride-sharing projects have been made for any fiscal year, the State highway department of any State desiring to avail itself of the benefits of this section shall submit to the Secretary for his approval a program or programs of proposed projects for ride-sharing for senior citizens and handicapped persons, workers, and developmental projects to encourage ride-sharing in rural and in urban areas. The Secretary shall act upon programs submitted to him as soon as practicable after the same have been submitted. The Secretary may approve a program in whole or in part. The Secretary shall require that such a project be selected by the State highway department and the recipient of the grant in cooperation with each other.

(j) The State highway department shall submit to the Secretary for his approval, as soon as practicable after program approval, such estimates of both acquisition and operating costs for each project included in an approved program as the Secretary may require. The Secretary shall act upon such estimates as soon as practicable after they have been submitted, and his approval of any such project shall be deemed a contractual obligation of the Federal Government for the payment of its Federal share for such project.

(k) The Secretary is authorized to prescribe such regulations as may be necessary to carry out the provisions of this section, except that any motor vehicle acquired by a recipient of a grant shall be publicly owned during its useful life.

(l) The Federal share of any project receiving Federal financial assistance under this section shall not exceed 80 per centum of the cost of such project, except that the Federal share of operating costs shall not exceed 50 per centum.

CAR POOLS

SEC. 133. The last sentence of subsection (d) of section 3 of the Emergency Highway Energy Conservation Act (Public Law 93–239) is hereby repealed.

EFFECTIVE DATE OF AMENDMENTS

SEC. 134. Section 125 of the Federal-Aid Highway Amendments of 1974 (Public Law 93–643) is amended by adding at the end thereof the following new subsection:

"(c) The amendments made by subsections (a) and (b) of this section shall take effect August 13, 1973.".

USE OF TOLL RECEIPTS FOR HIGHWAY AND RAIL CROSSINGS

SEC. 135. Section 2 of the Act entitled "An Act granting the consent of Congress to the State of California to construct, maintain, and operate a bridge across the Bay of San Francisco from the Rincon Hill district in San Francisco by way of Goat Island to Oakland", approved February 20, 1931, is amended as follows:

(1) Subsection (a) is amended by striking out "heretofore enacted." and inserting in lieu thereof a period.

(2) The first sentence in subsection (b) is amended by striking out "of not to exceed two additional highway crossings and one rail transit crossing across the Bay of San Francisco and their approaches." and inserting in lieu thereof "(1) not to exceed two additional highway crossings and one rail transit crossing across the Bay of San Francisco and their approaches, and (2) any public transportation system in the vicinity of any toll bridge in the San Francisco Bay Area.".

(3) The third sentence in subsection (b) is repealed.

EXTENSION OF REPAYMENT

SEC. 136. The first sentence of section 2 of Public Law 94–30 is amended by striking out "before January 1, 1977." and inserting in lieu thereof "January 1, 1979, at a rate of 20 per centum by January 1, 1977, 30 per centum by January 1, 1978, and 50 per centum by January 1, 1979. If a State fails to make any repayment in accordance with the preceding sentence, the entire unpaid balance shall immediately become due and payable.".

TRAFFIC CONTROL SIGNALIZATION DEMONSTRATION PROJECTS

SEC. 137. (a) The Secretary of Transportation is authorized to carry out traffic control signalization demonstration projects designed to demonstrate the increased capacity of existing highways, the conservation of fuel, the decrease in traffic congestion, the improvement in air and noise quality, and the furtherance of highway safety, giving priority to those projects providing coordinated signalization of two or more intersections. Such projects can be carried out on any highway whether on or off a Federal-aid system.

(b) There is authorized to be appropriated to carry out this section out of the Highway Trust Fund, not to exceed $75,000,000 for the fiscal year ending September 30, 1977, and $75,000,000 for the fiscal year ending September 30, 1978.

(c) Each participating State shall report to the Secretary of Transportation not later than September 30, 1977, and not later than September 30 of each year thereafter, on the progress being made in implementing this section and the effectiveness of the improvements made under it. Each report shall include an analysis and evaluation of the benefits resulting from such projects comparing an adequate time period before and after treatment in order to properly assess the benefits occurring from such traffic control signalization. The Secretary of Transportation shall submit a report to the Congress not later than January 1, 1978, on the progress being made in implementing this section and an evaluation of the benefits resulting therefrom.

CONGRESSIONAL INTENT

SEC. 138. It is the intent of Congress that in any case where a bridge is constructed, reconstructed, replaced, repaired, or otherwise altered under authority of title 23 of the United States Code or any other provision of law, such construction, reconstruction, replacement, repair, or other alteration shall, to the extent feasible, provide for reasonable access to the water traversed by such bridge. Such access shall be provided at or in the vicinity of such bridge and shall be for the purpose of permitting the public to use such water for recreation purposes.

DEMONSTRATION PROJECT

SEC. 139. The Secretary of Transportation, acting pursuant to his authority under section 6 of the Urban Mass Transportation Act of 1964, shall conduct a demonstration project in urban mass transportation for design, improvement, modification, and urban deployment of the Automated Guideway Transit system now in operation at the Dallas/Fort Worth Regional Airport. There is authorized to be appropriated to carry out this section $1,500,000 for the three-month period ending September 30, 1976, and $5,500,000 for the fiscal year ending September 30, 1977.

URBAN SYSTEM STUDY

SEC. 104. The Secretary of Transportation is authorized and directed to conduct a study of the various factors involved in the planning, selection, programing, and implementation of Federal-aid urban system routes which shall include but not be limited to the following:

(1) An analysis of the various types of organizations now in being which carry out the planning process required by section 134 of title 23, United States Code. Such analysis shall include but not be limited to the degree of representation of various governmental units within the urbanized area, the organizational structure, size and calibre of staff, authority provided to the organization under State and local law, and relation to State governmental entities.

(2) The status of jurisdiction over roads on the Federal-aid urban system (State, county, city, or other local body having control).

(3) Programing responsibilities under local and State laws with respect to the Federal-aid urban system.

(4) The authority for and capability of local units of government to carry out the necessary steps to process a highway project through and including the plan, specification, and estimate requirement of section 106 of title 23, United States Code, and final construction.

Such study shall be carried out in cooperation with State, county, city, and other local organizations which the Secretary deems appropriate. The study shall be submitted to the Congress within six months of enactment of this section.

LIMITATIONS

SEC. 141. To the extent that any section of this Act provides new or increased authority to enter into contracts under which outlays will be made from funds other than the Highway Trust Fund, such new or increased authority shall be effective for any fiscal year only in such amounts as are provided in appropriations Acts. None of the funds authorized in this title for the three-month period ending September 30, 1976, and for the fiscal year ending September 30, 1977, may be obligated prior to July 1, 1976, except the following: (1) for projects on the Interstate System, $583,000,000 for the three-month period ending September 30, 1976, and $3,300,000,000 for the fiscal year ending September 30, 1977, and (2) all other sums (other than for the Interstate System) which are authorized out of the Highway Trust for the three-month period ending September 30, 1976.

Mr. HOWARD. Mr. Chairman, I ask unanimous consent that title I be considered as read, printed in the RECORD and open to amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. HARSHA

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

The Clerk read as follows:

Amendment offered by Mr. HARSHA: Page 26, line 14, strike out "(a)".

Page 26, lines 23 and 24, strike out "$4,000,000,000" each place it appears and insert in lieu thereof at each place "$3,250,000,000".

Page 27, strike out line 16, and all that follows down through and including line 15 on page 29.

Mr. HARSHA. Mr. Chairman, the purpose of this amendment is simple and straightforward. First, it would eliminate the separate discretionary category of unapportioned Interstate System funds in the amount of $750 million a year for use by the Secretary. In funding projects to complete gaps in the system or those characterized by high cost and extended construction time.

Second, it would accordingly reduce the annual level of authorization in the bill by three-quarters of a billion dollars for fiscal years 1977 and 1978.

There is no question in my mind that the overall funding level in this bill is excessive. This is one way to reduce authorizations substantially without severely hampering the progress of the Interstate System construction program. My amendment would still leave $3.25 billion in interstate authorizations for each of the 2 years covered by this bill, representing an increase of a quarter of a billion dollars a year over the $3 billion fiscal year 1976 authorization provided in existing law.

At the same time, it would avoid creating a new, unneeded and unwanted category subject to the discretion of the incumbent Secretary or any other Secretary of Transportation.

This would be unwise in my judgment, vesting excessive discretionary authority in a Federal official over this vital program. My principal objection in this connection has to do with principle and the precedent we would be setting here. To his credit, Secretary Coleman has joined in expressing his opposition to this provision at a time when the main thrust of the administration's efforts is directed toward consolidating and reducing—not adding—categories in the administration of the Federal highway program.

As a matter of fact, the discretionary fund provision in the bill before us represents a modification of an administration proposal which would have set up a mechanism through the apportionment system giving greater weight to routes most essential to a unified, connecting, nationwide system. The Committee on Public Works and Transportation declined to accept this recommendation and substituted its own approach to the same problem. But in so doing, it provided for discretionary assistance to projects which may not be essential for completion of the Interstate System nationwide. As I noted in minority views, both high cost and protracted periods of construction characterized many controversial urban routes not necessary to the highest national objective of nationwide connectivity. If enacted, the committee's version could have the result of increasing pressure to construct routes which otherwise might be considered for withdrawal.

This bill, in the main, extends the basic ABCD program at current levels. The Congress has adopted a policy objective of giving greater weight to noninterstate systems. This bill does not reflect that policy objective, presumably because of funding concerns. Therefore, it makes no sense to me to increase the interstate authorization and thus going far toward increasing the total in the bill beyond reason.

I urge acceptance of my amendment.

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

Mr. Chairman, I rise in opposition to the attempt to strike $750 million from this bill for the Interstate authorization.

There is a crying need at this time to fund the Interstate System as expeditiously as possible so we can complete construction of the system as soon as possible. The Interstate System was authorized in 1944 and funded initially in the Federal Aid Highway Act of 1956. The original target date for completion was 1972. This bill would make the completion date of the Interstate System between 1988 and 1989.

We cannot continue to drag out what is a vitally needed link-up of our major cities and is the main arterial highway for the United States. The $4 billion a year level in this particular bill is essential funding. The states, and a majority of them, are in crying need of money now—and as much as possible. The funding of the Interstate System at the $4 billion level is an attempt to meet part of the answer, the rest of which is contained in the other highway authorizations in this bill to assist the states as rapidly as possible.

As for the part discretionary authority of the Secretary of Transportation, the original proposal of the Department of Transportation and the Administration in this matter was on a 50/50 split. The committee attempted to compromise by authorizing $3,250,000,000 to be funded under the normal existing authorizational procedure for the interstate program, and the remaining $750 million to be funded at the discretion of the Secretary of Transportation—with the following proviso, however, that within the $750 million the committee has written further restrictions—$500 million to be obligated only for projects necessary for the completion of continuous sections of the national system of defense highways, and the remaining $250 million to be obligated only for projects of unusually high costs which require long periods of time for their construction.

In addition, any part of this $750 million which is not obligated by October 1, 1978, immediately is directed to be apportioned in the same normal manner for the Interstate System as the $3,250,000,000 which is also authorized for the system under this bill.

We have therefore written careful safeguards into the discretionary authority of the Secretary, while at the same time attempting to meet as best we could the requests of the administration.

For the reasons stated above, I oppose the amendment and hope it will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. HARSHA).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 103, noes 309, not voting 22, as follows:

[Roll No. 810]

AYES—103

Adams	Evans, Ind.	Moorhead, Calif.
Anderson, Ill.	Fenwick	Mosher
Armstrong	Findley	Mottl
Ashbrook	Fisher	Myers, Pa.
Aspin	Forsythe	O'Brien
AuCoin	Frenzel	Passman
Bauman	Gilman	Pettis
Beard, Tenn.	Goldwater	Quillen
Bedell	Goodling	Regula
Bell	Gradison	Rhodes
Bennett	Guyer	Rousselot
Biester	Hall	Ruppe
Brown, Mich.	Hammer-schmidt	Russo
Brown, Ohio	Harsha	Satterfield
Burgener	Horton	Schneebeli
Carter	Hughes	Schulze
Cederberg	Hutchinson	Shuster
Clancy	Jacobs	Simon
Clawson, Del	Johnson, Colo.	Snyder
Cleveland	Johnson, Pa.	Stanton, J. William
Cochran	Kasten	Steiger, Ariz.
Cohen	Kemp	Steiger, Wis.
Collins, Tex.	Kindness	Taylor, Mo.
Conable	Lagomarsino	Treen
Conlan	Latta	Vander Jagt
Conte	Long, Md.	Vanik
Coughlin	McEwen	Walsh
Crane	McKinney	Wiggins
Devine	Macdonald	Wilson, Bob
Dickinson	Madigan	Wydler
Downey, N.Y.	Maguire	Wylie
Duncan, Tenn.	Michel	Young, Alaska
du Pont	Mikva	
Edgar	Miller, Ohio	
Emery	Moore	
Erlenborn		

NOES—309

Abdnor	Burton, John	Fascell
Addabbo	Burton, Phillip	Fithian
Alexander	Butler	Flood
Ambro	Byron	Florio
Anderson, Calif.	Carney	Flowers
Andrews, N.C.	Carr	Flynt
Andrews, N. Dak.	Casey	Foley
Annunzio	Chappell	Ford, Tenn.
Archer	Chisholm	Fraser
Ashley	Clausen, Don H.	Frey
Badillo	Clay	Fuqua
Bafalis	Collins, Ill.	Giaimo
Baldus	Conyers	Gibbons
Barrett	Corman	Ginn
Baucus	Cornell	Gonzalez
Beard, R.I.	Cotter	Grassley
Bergland	D'Amours	Green
Bevill	Daniel, Dan	Gude
Biaggi	Daniel, R. W.	Hagedorn
Bingham	Danielson	Haley
Blanchard	Davis	Hamilton
Blouin	de la Garza	Hanley
Boggs	Delaney	Hannaford
Boland	Dellums	Hansen
Bonker	Dent	Harkin
Bowen	Derrick	Harrington
Brademas	Derwinski	Harris
Breaux	Diggs	Hawkins
Breckinridge	Dingell	Hayes, Ind.
Brinkley	Dodd	Hays, Ohio
Brodhead	Downing, Va.	Hechler, W. Va.
Brooks	Drinan	Heckler, Mass.
Broomfield	Duncan, Oreg.	Hefner
Brown, Calif.	Early	Helstoski
Broyhill	Eckhardt	Henderson
Buchanan	Edwards, Ala.	Hicks
Burke, Calif.	Edwards, Calif.	Hightower
Burke, Fla.	Eilberg	Hillis
Burke, Mass.	English	Holland
Burleson, Tex.	Esch	Holt
Burlison, Mo.	Evans, Colo.	Holtzman
	Fary	Howard
		Howe

Hubbard	Moffett	Sarasin
Hungate	Mollohan	Sarbanes
Hyde	Montgomery	Scheuer
Ichord	Moorhead, Pa.	Schroeder
Jarman	Morgan	Sebelius
Jeffords	Moss	Seiberling
Jenrette	Murphy, Ill.	Sharp
Johnson, Calif.	Murphy, N.Y.	Shipley
Jones, Ala.	Murtha	Shriver
Jones, N.C.	Myers, Ind.	Sikes
Jones, Okla.	Natcher	Sisk
Jones, Tenn.	Neal	Skubitz
Jordan	Nedzi	Slack
Karth	Nichols	Smith, Iowa
Kastenmeier	Nix	Smith, Nebr.
Kazen	Nolan	Solarz
Kelly	Nowak	Spellman
Ketchum	Oberstar	Spence
Keys	Obey	Staggers
Koch	O'Hara	Stark
Krebs	O'Neill	Steed
Krueger	Ottinger	Steelman
LaFalce	Patman, Tex.	Stephens
Landrum	Patten, N.J.	Stratton
Leggett	Patterson, Calif.	Stuckey
Lehman	Pattison, N.Y.	Studds
Lent	Pepper	Symington
Levitas	Perkins	Symms
Litton	Peyser	Talcott
Lloyd, Calif.	Pickle	Taylor, N.C.
Lloyd, Tenn.	Poage	Teague
Long, La.	Pressler	Thompson
Lott	Preyer	Thone
Lujan	Price	Thornton
McClory	Pritchard	Traxler
McCollister	Quie	Tsongas
McDade	Railsback	Udall
McDonald	Rangel	Ullman
McFall	Rees	Van Deerlin
McHugh	Reuss	Vander Veen
McKay	Richmond	Vigorito
Madden	Riegle	Waggonner
Mahon	Rinaldo	Wampler
Mann	Risenhoover	Waxman
Martin	Roberts	Weaver
Mathis	Robinson	Whalen
Matsunaga	Rodino	White
Mazzoli	Roe	Whitehurst
Meeds	Rogers	Whitten
Melcher	Roncalio	Wilson, C. H.
Metcalfe	Rooney	Winn
Meyner	Rose	Wirth
Mezvinsky	Rosenthal	Wolff
Milford	Rostenkowski	Wright
Miller, Calif.	Roush	Yates
Mills	Roybal	Yatron
Mineta	Runnels	Young, Fla.
Minish	Ryan	Young, Ga.
Mink	St Germain	Young, Tex.
Mitchell, Md.	Santini	Zablocki
Mitchell, N.Y.		Zeferetti
Moakley		

NOT VOTING—22

Abzug	Fountain	Pike
Allen	Gaydos	Randall
Boiling	Hastings	Stanton, James V.
Daniels, N.J.	Hébert	Stokes
Eshleman	Heinz	Sullivan
Evins, Tenn.	Hinshaw	Wilson, Tex.
Fish	McCloskey	
Ford, Mich.	McCormack	

Messrs. KOCH, McDONALD of Georgia, MARTIN, BOLAND, and KELLY changed their votes from "aye" to "no."

Mr. DOWNEY of New York, Mrs. PETTIS, and Mr. RUSSO changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENTS OFFERED BY MR. HARSHA

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

The Clerk read as follows:

Amendment offered by Mr. HARSHA: Page 42, strike out lines 1 and 2 and insert in lieu thereof: "cluded in the 1972 Interstate System cost estimate set forth in table 5 of House Public Works Committee Print numbered 92–29, as revised in House report numbered 92–1443, increased or decreased, as the case may be, as determined".

The CHAIRMAN. The gentleman from Ohio (Mr. HARSHA) is recognized for 5 minutes in support of his amendment.

Mr. HARSHA. Mr. Chairman, I have two other amendments to offer. These amendments all deal with the same section, the interstate transfer section.

In order to expedite the proceedings here, if the distinguished gentleman from New Jersey (Mr. HOWARD) will bear with me, I ask unanimous consent that these amendments be considered en bloc so that we may consider them all at the same time. The amendments all deal with the same subject matter, the interstate transfer.

The CHAIRMAN. The Clerk will report the remaining amendments.

The Clerk read as follows:

Amendments offered by Mr. HARSHA: Page 41, line 22, after the period insert the following: "The mileage of the route or portion thereof approval of which is withdrawn under this paragraph shall be available for designation on the Interstate System in any other State in accordance with paragraph (1) of this subsection."

Page 41, line 11, strike out "(a)".

Page 44, strike out line 17 and all that follows down through and including line 25.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio that the amendments be considered en bloc?

There was no objection.

The CHAIRMAN. The gentleman from Ohio (Mr. HARSHA) is recognized in support of his amendments.

Mr. HARSHA. Mr. Chairman, the purpose of the amendments is to clean up the language in the bill, or more particularly the section sponsored by the gentlelady from New York, so as to remove the most objectionable features.

I refer to her rewrite of the interstate withdrawal and transit substitution section in existing law, which I described in some detail in minority vews accompanying H.R. 8235 and a "Dear Colleague" letter circulated to Members' offices Monday night. If you have not read them, I urge you to scan them as debate on this issue proceeds.

You will note that my amendments are not motions to strike. If Members feel that, in addition to transit, highway projects ought to be substituted for withdrawn segments of Interstate Highways, so be it. I think it a violation of the integrity of a nationwide Interstate System, but flexibility seems to be the name of the game this season.

But I am unalterably opposed to the shell-game aspects of section 108 in the reported bill, which would allow a State to fatten up the turkey for the kill—as the minority views expressed it—redesigning an Interstate Highway project for the sole purpose of increasing the cost, then withdrawing the segment, and walking away with an artificially escalated Federal share of the substituted transit or highway project. This could easily be done. For example, by abandoning an overland route on a waterfront alinement and designing a project to rest on piers along the shoreline. Or you could take a route at grade and elevate it—and elevate its cost—or you could opt for a tunnel—and go even deeper in the hole.

It is no secret that the intention of the sponsor of this language, the gentlelady from New York, is to see the so-called West Way—West Side Highway—project in New York redesigned and then knocked off the system with substitution of the transit project.

A memorandum from her office to the Committee on Public Works and Transportation makes no bones about it: The expectation is for a project ballooned from some $450 million to nearly a billion dollars, which would be scrapped. The West Side Highway, which is in miserable shape, would be rebuilt to less than interstate standards for something in the range of $300 million, with the remainder—$700 million—skimmed off for transit.

The gentlelady's opposition to the West Side project is well known to even the casual reader of the New York Times, which cited it last March in reporting an agreement between Mayor Beame and Governor Carey that the project should proceed as interstate.

On the matter of that agreement, I understand that efforts were made on behalf of the roadbuilding industry—contractors and construction workers alike—in New York this week to obtain an ironclad reaffirmation of intent to proceed with the West Side project as an interstate project.

The distinguished chairman of the subcommittee read from that letter today and has agreed to submit it in the RECORD, but I contend there is nothing in that letter to commit either the mayor or the Governor to the ultimate construction of that project.

The industry asked that such commitments be sent to the committee. I should like to ask the distinguished chairman of the subcommittee on whether either is aware of that effort and what result is produced. If the Governor and the mayor want the highway project, as they would have you believe, you do not need the Abzug amendment. If they do not want it, then that further confirms my interpretation of the Abzug amendment's intent.

I wish to point out that I received a telegram from the General Contractors Association of the city of New York and 12 unions or union locals in construction and allied trades opposing the Westway write-off, to put it gently.

My amendments would simply restore the provision of existing law requiring that the design and cost of the interstate project being withdrawn, for purposes of determining the Federal share of substituted projects, be that design and cost which served as the basis for the cost included in the 1972 Interstate System cost estimate, adjusted for escalation in construction costs since. But no redesign.

They would also restore that provision in existing law providing that interstate mileage withdrawn in any one State be available for redesignation only in another State. Finally, they would strike the "payback" prohibition in the Abzug amendment, which, as written, would allow States to convert right-of-way purchased with 90–10 trust fund to nontransportation uses or sell it outright with no obligation to reimburse the trust fund.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. HARSHA) has expired.

(By unanimous consent, Mr. HARSHA

was allowed to proceed for 2 additional minutes.)

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

Mr. HARSHA. I yield to the gentleman from New Hampshire.

Mr. CLEVELAND. Is there any way either under this legislation or under existing law that a year or so later they could come back with the newly designed, ballooned-up Westway and reapply for that under the Interstate System?

Mr. HARSHA. Under present law, if there is a withdrawal of a segment of the Interstate System, then that mileage is available for redesignation in other States only. Under this provision it is not. The State does not lose it.

That is why I say they can have it both ways. They can retain that interstate and build it at a later time and in the same place, so they get their cake both ways.

That is why this is so objectionable.

I urge the adoption of my amendments, Mr. Chairman.

Mr. HOWARD. Mr. Chairman, I rise in opposition to the amendments.

Mr. Chairman, there are three separate parts, as the gentleman from Ohio has indicated, to these amendments. Each of them, on its own right, should be defeated.

A majority of the members of the Committee on Public Works and Transportation supported this provision in the bill before us in its entirety.

Mr. Chairman, the first item in the amendments of the gentleman from Ohio would restore the provision in existing law requiring that the design and cost of the interstate project being withdrawn, for the purpose of determining amounts available for substitute projects, be the design and cost reflected in the 1972 interstate cost estimate adjusted for changes in construction costs. The provision in the bill provides that amounts available for substitute projects shall be based upon the latest cost estimate approved by Congress, adjusted for changes in construction costs.

Mr. Chairman, funding for the entire Interstate Highway program is based on the latest cost estimate which Congress approves. In the interest of fairness, equal treatment should be extended in the operation of this provision to all substitute projects which a community decides best meet its needs.

Existing law is discriminatory in this regard. It should be changed, as in the bill, but not as in the amendment.

Mr. Chairman, this amendment is a bad amendment. It takes the heart out of the entire substitution process.

Mr. Chairman, the second part concerns where the mileage goes. The mileage does not go particularly to the same State.

It goes back in the national pool and is available for redesignation by the Secretary of Transportation. The Secretary of Transportation has general authority to designate the Interstate System under existing law.

So, in fairness, the second portion should be defeated.

In the final portion, Mr. Chairman, this amendment would completely undermine the operation of the Interstate transfer provision which this House and this Congress passed in 1973 and which we are updating in this bill. The gentleman's amendment would leave it up to the Secretary of Transportation to determine how much the States would have to pay back of Federal funds expended on withdrawn projects.

Under proposed regulations appearing in the Federal Register of November 17, 1975, when a State withdraws an Interstate segment, it would be required to pay back all Federal funds expended on the project after January 1, 1971. This even includes expenditures for planning and preliminary engineering, for example. With regard to Federal expenditures prior to January 1, 1971, repayment would be required only when the item purchased with Federal funds is tangible and had a recoverable cost at the time of the withdrawal action. Expenditures involving nontangible items would be forgiven.

The proposed regulations are completely unacceptable and were unacceptable to the Committee on Public Works and Transportation. If the gentleman's amendment passes, no doubt the proposed regulations will be forced down our throats. If the amendment fails, then we here in the Congress will be deciding the issue.

Section 108(b) of the committee bill provides that a State shall not be required to pay back any sums expended on the withdrawn route, so long as the sums were devoted to transportation purposes. This provides a safeguard to prevent, for example, the purchase of right-of-way for an interstate highway and subsequently converting the right-of-way into parkland or some other unrelated purpose when the segment is withdrawn. In this case, the State would be required to pay back all Federal funds expended for that right-of-way.

The amendment requires the payback of substantial sums of cash at the time when the States can ill afford to do so. This is for all States, it is not just for one city or one State but it is a proposal to cover comparable places all over the country. The gentleman's amendment does require the payback at a time when the States cannot afford to. It undermines the operation of the Interstate transfer provision, and restricts States and local communities in the exercise of their options under this authority. We got them into this general arrangement back in 1973 and in all fairness this package should be defeated. I hope the committee will do so.

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

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

Mr. HARSHA. Is it not a fact that under the Abzug amendment they can redesign the project?

Mr. HOWARD. Yes, that is correct.

Mr. HARSHA. And that would have the effect of ballooning the cost; is that correct?

Mr. HOWARD. Whatever is the current cost, rather than tie the cost down to 1972.

Mr. HARSHA. We include the cost for 1972 design, but provided for increased cost, for escalation.

I would like to ask the gentleman whether under existing law, the mileage of a route or portion thereof which is withdrawn under this program shall be available for resignation on the Interstate System only in States other than the State in which it is withdrawn?

That language has been withdrawn by this amendment. Therefore, the money, whatever is available for the mileage, is not apportioned to other States; is that correct?

Mr. HOWARD. That is correct.

Mr. HARSHA. Therefore, a State that took its project off could retain the mileage, get the money that it got out of that for some other project, and then come back and rebuild the interstate because it still has the mileage available. Is that correct?

Mr. HOWARD. Is the gentleman talking about existing designated mileage, or talking about additional mileage that might be designated by the Secretary?

Mr. HARSHA. I am talking about existing designated mileage.

Mr. HOWARD. The gentleman is correct, but that does not make the amendment any better in my opinion. They could obtain the mileage if the Secretary of Transportation redesignates the mileage in that State.

Mr. CLEVELAND. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendments.

Mr. Chairman, there were some Members on the floor who were not here during general debate, and for that reason I am taking a few minutes to rise in support of the Harsha amendments and to explain to the Members why the purpose of the Harsha amendments that should have the support of this House.

First of all, just let me read from a telegram that I received from contractors and 10 or 12 labor unions in New York City. I will take the time to read this only in part. It was placed in the RECORD last Tuesday, H.R. 12666 and I hope that some of the Members had an opportunity to read it.

They speak about the desperate situation of the construction industry in New York. They say that, "We are currently experiencing unemployment of 40 to 90 percent and disastrous bankruptcies on behalf of employers."

This is essentially a plea by these people to have the West Side or the Westway, as it is now called, Highway reconstructed. They have been advised, and I believe properly so, through officials in New York City, through newspaper articles, and in other manner, that if Section 108 (the Abzug section) is not amended, then the Westway Highway will not be built as an interstate highway. It is just that simple.

The gentleman from Ohio pointed out the purposes of his amendments, and he did so very correctly and forcefully. But my purpose in taking this time in support of the amendment is to remind the Members of the human side of this problem and basically what is going to happen if we do not amend the Abzug amendment.

Basically what is going to happen is that we are going to really be giving New York City what amounts to a backdoor bailout. I think the House of Representatives and Congress have already been quite generous to New York City. I think it would be a great mistake and a travesty on our legislative procedures if we were to allow ourselves, in spite of the fact that it is the Christmas season, to give Mayor Beame another big bailout, even if it is done through the back door by the techniques of section 108 that we are addressing with those amendments.

What I have been told and what I believe to be the facts of the situation is this: If the Westway is redesigned, it will be redesigned so that some billion dollars can then be transferred. Some will be used to patch up the Westside Highway or for other construction projects and the rest for mass transit capital costs. But then that will release State and city construction funds that will simply be used for operating expenses, a device that got New York City into trouble. Even worse no net increase in capital construction will result, and no new jobs.

I believe that is why the contractors and the labor unions sent to the gentleman from Ohio (Mr. HARSHA) and to me their desperate plea: Please save us. They said, "Please save us."

That is why I am taking this extra time to urge the House to support those amendments.

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

Mr. Chairman, the proposition has arisen that this is entirely a New York or a provincial problem. This is not a new approach to the proposition. In the amendment adopted in 1973, we provided for this kind of situation. We have some 20 communities throughout the country, urban areas, that are considering the transfer provisions. Of course, these are areas where a proposed interstate project has been subject to debate for several years, so, consequently, let us dispose in our minds of the fact that this is an internal fight in the confines of the metropolitan area of the city of New York.

I hope the amendment is not agreed to.

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

Mr. JONES of Alabama. I yield to the gentleman from Massachusetts.

Mr. STUDDS. I thank the gentleman for yielding.

Mr. Chairman, I want to reiterate what the chairman has said. I think it is absolutely critical that this committee understand that, contrary to what we have heard from the proponents of this amendment, what is at stake here is not simply a special provision for the city of New York. What is at stake here in the gentleman's amendment is the very flexibility which this Congress at long last 2 years ago put into the interstate highway program, the provision that those States that wished to may take advantage of the transfer provisions of interstate highway funds for mass transit or to other highway programs. The requirement under that particular procedure that the States pay back in cash all sums already expended on interstate highway segment to be withdrawn would vitiate the intent of the Congress and that entire program.

I thank the gentleman for yielding.

Mr. JONES of Alabama. I would say in conclusion that if we take this amendment we are going to be destroying the program for the next decade. Let us kep what we already have and continue to prosper and flourish with the highway program.

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

Mr. JONES of Alabama. I yield to the gentleman from Louisiana.

Mr. BREAUX. I thank the gentleman for yielding.

I would say, as one who did not support the loan assistance to New York because I did not think it was proper at the time, that I stand today opposed to the amendment offered by the gentleman from Ohio. This is not a bail-out of New York in any way. This bill allows all States to have the flexibility they need to best serve their people. It merely allows New York and other States to use the program in a more flexible manner to serve their people. I oppose the amendment.

Mr. PRITCHARD. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

I want to say this is not just a proposal which would affect New York. It would affect many other communities. This is essential for Seattle. It comes right back to this basic proposition: Are we going to give more basic judgment and flexibility to the local communities? If we are, we should vote against this amendment.

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

The CHAIRMAN. Without objection the gentleman will be recognized for 5 minutes. The gentleman has already spoken.

There was no objection.

Mr. HARSHA. Mr. Chairman, this provision in the bill now eliminates any requirement for payback. In other words the State could get its Federal money, buy the right-of-way for an Interstate System, and then take that system off the line and take the right-of-way and use it for other things. They could sell the land or do anything they wanted to do with it and they would get the money and still not have to repay the Federal Government for the money the State had used to buy the right-of-way for a supposed Interstate System. That is not right.

This is not a provision solely for the State of New York. It is nationwide. But it should not be done in New York or any other area in those circumstances. At least they should have to pay the Federal Government back the money which they used for purposes the funds were never intended to be used.

The author of the amendment was asked in committee what was the purpose of that amendment. Her staff provided the committee staff with a memorandum. It said it was to make funds available for multiple uses, available for maybe highways or other projects. They were thinking of New York needs, a highway solution on the West Side corridor. If the value of the transfer was in the neighborhood of $1 million, which is permitted under this amendment—as redesigned—it could be ballooned up to get it to $1 billion, and we—meaning the city of New York—could have enough, maybe $300 million, available to build the highway on the West Side, the rest of the money available for mass transit. That is the way to balloon it up and they want to have it both ways. That is not the proper procedure for building the Interstate System in this country.

Mr. JAMES V. STANTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think we ought not to try to make it appear that this is a parochial issue when it is really an issue which is national in scope. The gentlewoman from New York should be commended for the fact that she is attempting by her amendment in the bill to aid and assist nationally a great number of urban areas that are in trouble. If they do not have this flexibility they are going to continue to be in trouble. Those cities are Boston, Philadelphia, Washington, D.C., Hartford, Portland, Oreg., Cleveland, Baltimore, Denver, Detroit, Honolulu, Minneapolis-St. Paul, New Orleans, Seattle, Allentown, Pa., and the Triangle Park area of North Carolina.

Those are the areas that are under consideration. Those are the areas that are going to be affected. Those are the areas that are going to be damaged. I ask the Members not to be beguiled into the thought that this is a New York issue. This is a national issue. I urge defeat of the amendment.

Ms. ABZUG. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the present law restricts the amount of funds that can be transferred to the amount approved by the 1972 interstate cost estimate. This was meant to be the most current cost estimate at the time of passage of the 1973 act.

I do not think the debate, which has excellently answered all the arguments of the runover of these amendments is clear on the design point.

My amendment provides that the most recent estimate be the basis for determining the transferred funds.

There are more than 20 urban areas in the country considering the use of the interstate transfer provision. All of these are areas where proposed interstate projects have been subject to debate for several years. When under debate, work stops on the proposed project. Designs conceived several years ago and long outdated are presently included in the cost estimate. These are designs that were conceived before Federal law and regulations that mandate design changes for clean air, noise and safety reasons were established. This is the case of New York, but also several other urban areas.

It is only fair that the value of the interstate project that law requires to be built, be the value that is made available for transfer. If we shortchange the transfer option, we will eliminate it.

It is also unfair to say that this provision applies only to New York City. Interstate projects in Detroit, Los Angeles,

Memphis, Seattle, Tucson, and others have been in controversy for 5 to 7 years. All will require updated designs before they can be built as interstate projects that comply with clean air, noise and safety standards. If the decision is made not to build the interstate project, the amount of funds made available for transfer should be allowed to reflect these mandated changes. Moreover, it should be kept in mind that all design changes must be first approved by the Federal Highway Administration, so the "ballooning" Mr. HARSHA fears can be prevented.

Finally, the purpose of the interstate transfer provision adopted in 1973 was to end the bias in favor of interstate highways in urban areas whereby localities were forced to choose unnecessary and controversial interstate segments or forfeit large amounts of Federal assistance. That was decided and is not the issue here. But if we limit transfers to 1972 cost estimates and their designs, we are restoring that bias and we are imposing Federal decisions on matters of local choice, which choice the Congress in 1973 chose to extend to States and municipalities.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Ohio (Mr. HARSHA).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 122, noes 294, not voting 18, as follows:

[Roll No. 811]

AYES—122

Abdnor	Erlenborn	Mosher
Anderson, Ill.	Fenwick	Murphy, N.Y.
Andrews, N. Dak.	Findley	Myers, Ind.
Archer	Flynt	Myers, Pa.
Armstrong	Forsythe	Obey
Ashbrook	Frey	O'Brien
Bafalis	Goldwater	Pettis
Bauman	Goodling	Poage
Beard, Tenn.	Gradison	Pressler
Bennett	Grassley	Quie
Breckinridge	Guyer	Quillen
Broomfield	Hagedorn	Railsback
Brown, Ohio	Hammer-schmidt	Regula
Broyhill	Hansen	Robinson
Burgener	Harkin	Rousselot
Burke, Fla.	Harsha	Runnels
Burleson, Tex.	Hastings	Ruppe
Butler	Hillis	Satterfield
Carter	Hutchinson	Schulze
Cederberg	Jarman	Sebelius
Chappell	Johnson, Colo.	Shriver
Clancy	Johnson, Pa.	Shuster
Clausen, Don H.	Kasten	Skubitz
Clawson, Del	Kelly	Smith, Iowa
Cleveland	Kemp	Smith, Nebr.
Cochran	Ketchum	Snyder
Cohen	Kindness	Stanton, J. William
Collins, Tex.	Lagomarsino	Steiger, Ariz.
Conable	Lott	Steiger, Wis.
Conlan	Lujan	Symms
Cornell	McCollister	Talcott
Crane	McDade	Taylor, Mo.
D'Amours	McDonald	Teague
Daniel, Dan	McEwen	Thone
Daniel, R. W.	Mann	Vander Jagt
Devine	Martin	Wampler
Dickinson	Michel	Whitehurst
Downing, Va.	Milford	Wiggins
Duncan, Tenn.	Miller, Ohio	Wylie
Edwards, Ala.	Montgomery	Young, Fla.
Emery	Moorhead, Calif.	

NOES—294

Abzug	Gude	Oberstar
Adams	Haley	O'Hara
Addabbo	Hall	O'Neill
Alexander	Hamilton	Ottinger
Allen	Hanley	Passman
Ambro	Hannaford	Patman, Tex.
Anderson, Calif.	Harrington	Patten, N.J.
Andrews, N.C.	Harris	Patterson, Calif.
Annunzio	Hawkins	Pattison, N.Y.
Ashley	Hayes, Ind.	Pepper
Aspin	Hays, Ohio	Perkins
AuCoin	Hechler, W. Va.	Peyser
Badillo	Heckler, Mass.	Pickle
Baldus	Hefner	Pike
Barrett	Helstoski	Preyer
Baucus	Henderson	Price
Beard, R.I.	Hicks	Pritchard
Bedell	Hightower	Rangel
Bell	Holland	Rees
Bergland	Holt	Reuss
Bevill	Holtzman	Rhodes
Biaggi	Howard	Richmond
Biester	Howe	Riegle
Bingham	Hubbard	Rinaldo
Blanchard	Hughes	Risenhoover
Blouin	Hungate	Roberts
Boggs	Hyde	Rodino
Boland	Ichord	Roe
Bolling	Jacobs	Rogers
Bonker	Jeffords	Roncalio
Bowen	Jenrette	Rooney
Brademas	Johnson, Calif.	Rose
Breaux	Jones, Ala.	Rosenthal
Brinkley	Jones, N.C.	Rostenkowski
Brodhead	Jones, Okla.	Roush
Brooks	Jones, Tenn.	Roybal
Brown, Calif.	Jordan	Russo
Brown, Mich.	Karth	Ryan
Buchanan	Kastenmeier	St Germain
Burke, Calif.	Kazen	Santini
Burke, Mass.	Keys	Sarasin
Burlison, Mo.	Koch	Sarbanes
Burton, John	Krebs	Scheuer
Burton, Phillip	Krueger	Schroeder
Byron	LaFalce	Seiberling
Carney	Landrum	Sharp
Carr	Latta	Shipley
Casey	Leggett	Sikes
Chisholm	Lehman	Simon
Clay	Lent	Sisk
Collins, Ill.	Levitas	Slack
Conte	Litton	Solarz
Corman	Lloyd, Calif.	Spellman
Cotter	Lloyd, Tenn.	Spence
Coughlin	Long, La.	Staggers
Danielson	Long, Md.	Stanton, James V.
Davis	McClory	Stark
de la Garza	McCormack	Steed
Delaney	McFall	Steelman
Dellums	McHugh	Stephens
Dent	McKay	Stokes
Derrick	McKinney	Stratton
Derwinski	Madden	Stuckey
Diggs	Madigan	Studds
Dingell	Maguire	Symington
Dodd	Mahon	Taylor, N.C.
Downey, N.Y.	Mathis	Thompson
Drinan	Matsunaga	Thornton
Duncan, Oreg.	Mazzoli	Traxler
du Pont	Meeds	Treen
Early	Melcher	Tsongas
Eckhardt	Metcalfe	Ullman
Edgar	Meyner	Van Deerlin
Edwards, Calif.	Mezvinsky	Vander Veen
Eilberg	Mikva	Vanik
English	Miller, Calif.	Vigorito
Esch	Mills	Waggonner
Evans, Colo.	Mineta	Walsh
Evans, Ind.	Minish	Waxman
Fary	Mink	Weaver
Fascell	Mitchell, Md.	Whalen
Fisher	Mitchell, N.Y.	White
Fithian	Moakley	Whitten
Flood	Moffett	Wilson, Bob
Florio	Mollohan	Wilson, C. H.
Flowers	Moore	Winn
Foley	Moorhead, Pa.	Wirth
Ford, Tenn.	Morgan	Wolff
Fountain	Moss	Wright
Fraser	Mottl	Wydler
Frenzel	Murphy, Ill.	Yates
Fuqua	Murtha	Yatron
Giaimo	Natcher	Young, Alaska
Gibbons	Neal	Young, Ga.
Gilman	Nedzi	Young, Tex.
Ginn	Nichols	Zablocki
Gonzalez	Nix	Zeferetti
Green	Nolan	
	Nowak	

NOT VOTING—18

Conyers	Eshleman	Fish
Daniels, N.J.	Evins, Tenn.	Ford, Mich.
Gaydos	Horton	Schneebeli
Hébert	McCloskey	Sullivan
Heinz	Macdonald	Udall
Hinshaw	Randall	Wilson, Tex.

Mr. STAGGERS and Mrs. HOLT changed their votes from "aye" to "no."

Messrs. FINDLEY and CHAPPELL, changed their votes from "no" to "aye."

So the amendments were rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SHUSTER

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

The Clerk read as follows:

Amendment offered by Mr. SHUSTER: Page 71, strike out lines 13 through 21.

Renumber succeeding sections accordingly.

Mr. SHUSTER. Mr. Chairman, earlier this year the Congress passed and the President signed into law Public Law 94–30 which provided for a temporary 100-percent financing of Federal-aid highway projects. It was an emergency measure, as the Members might recall, to permit States to utilize the $2 billion in highway funds released from impoundment by the President last February.

A central feature of the legislation was that a normal State's share, which was generally around 30 percent, must be repaid to the Federal Government by the States not later than January 1, 1977. Considerable debate arose, both in the committee and on the floor of the House, concerning the budgetary impact in the event of forgiveness or extension of the payback feature. A fundamental argument at that time proposed by both the majority and the minority leadership to allay the fears of those concerned was the fact that the bill mandated repayment of the normal States' share with non-Federal funds by January 1, 1977, thus retaining complete control over this feature by the 94th Congress and the present makeup of the Committee on Public Works and Transportation. Every possible assurance was given by the majority and the minority leadership on the committee that forgiveness or an extension would not be forthcoming from this committee, and that the control feature would remain with the present committee.

Members of the House, no less than 10 times on the floor of this House did both the majority and the minority leadership stand and give assurances that there would be no extension of the January 1, 1977 date. I refer the Members to the CONGRESSIONAL RECORD of April 10.

As the ranking minority member of the Subcommittee on Surface Transportation and as a cosponsor of that bill, I joined in giving those assurances.

The provision in H.R. 8235 before us, extending repayment time for 2 additional years, not only disregards the ironclad assurances given to the Congress by the Committee on Public Works and Transportation just a few short months ago, but also relinquishes all control over this law by the present committee and the present Congress.

Who among us can explain to those States which did not come forward and did not disapprove of the 100-percent clause because they were not able to pay

back the money by January 1, 1977, why we are extending this and letting the States which did come forward become the beneficiaries of this change?

There are only 13 States which are beneficiaries of over $277 million; and if we pass this 2-year extension, we are being unfair to the other 37 States which did not come forward because they took us at our word and assumed that we would not be extending this date beyond the present date.

Mr. Chairman, let me share with the Members the names of the States which do benefit. There are only 13: Arkansas, California, Idaho, Illinois, Maryland, Michigan, Mississippi, Wisconsin, Nebraska, North Carolina, Pennsylvania—I ask the Members to note that my own State will be a beneficiary of this—South Carolina, and Tennessee.

Thirteen States become beneficiaries. Only four of those States are beneficiaries of over $10 million: Illinois, Maryland, Michigan, and my own State of Pennsylvania.

Nevertheless, when we passed this bill, we said we would not extend this beyond the present Congress, beyond January 1, 1977. I suggest that for us to come now to this floor today to extend that payback provision for another 2 years, to give this windfall benefit to 13 States at the expense of 37 States is grossly unfair. I urge the adoption of this amendment to strike this unfair language in the bill.

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

Mr. Chairman, earlier this year, the Congress passed and the President signed into law Public Law 94–30.

This law provided temporary 100 percent financing of Federal-aid highway projects. It was an emergency measure whose purpose was to fully utilize the $2 billion in highway funds released from impoundment by the President last February 12 to stimulate the sagging construction industry.

The law requires that the State share must be repaid not later than January 1, 1977.

The committee fully intended at that time that in every case the State share could and should be paid back by January 1, 1977. However, circumstances do alter cases, Mr. Chairman. The committee has discovered over the last 3 months that more than one-half of all the States are running out of funding for their highway program. In many cases, States are having difficulty meeting the required matching funds of 10 percent for the Interstate System, and, of course, are having even more difficulty in reaching the 30 percent for the other matching formula, which is 70–30 on the remaining Federal-aid system.

As a result, the committee, after due deliberation, with proper safeguards, has amended the requirement under the 100-percent Federal financing provision that funds must be paid back by January 1, 1977. It has added a section to this bill, the section which the gentleman would attempt to strike, section 136.

Section 136 would now require full payment by the States by January 1, 1979, at a rate of 2 percent by January 1, 1977, an additional 30 percent by January 1, 1978, and 50 percent by January 1, 1979. If any State fails to make a repayment at any time when it is due either in 1977, 1978, or 1979, the entire unpaid balance becomes immediately due and payable.

The committee feels that this is strong language that will require the States to act to pay off the money due under the emergency law that was enacted. There is no forgiveness to the State of 1 penny of the money advanced to the State. However, since we passed the legislation we have found that the economy has not rebounded as we were told it would do and we find the States are in difficulty.

All we do is stretch out for 2 years the time of the repayment but we do not forgive 1 penny of the money owed by the States. We think we owe it to the States to give them a chance to use what little funds they have to keep people working and to put additional people to work. Therefore I oppose the amendment.

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

Mr. HOWARD. I yield to my very good friend, the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, I thank the gentleman for yielding.

I understood the gentleman to say that because the States are running out of highway money there is a great need for these funds. I agree with the gentleman. The States are running out of highway money. Is that not an argument for prompt passage of this highway bill and not an argument for bestowing this favoritism upon 13 States at the expense of 37 other States?

Mr. HOWARD. I agree that it is a good argument for both things, to pass the bill and also to defeat the gentleman's amendment.

Mr. DERWINSKI. Mr. Speaker, I move to strike the last word and I rise in opposition to the amendment offered by the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. Chairman, I think it is clear from the debate that we have just heard that our views on this may well reflect what the effect of the amendment has on our particular State. My understanding is that the passage of this amendment would cost the State of Illinois approximately $52 million.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield on that point?

Mr. DERWINSKI. I will yield to the gentleman in just a second.

The gentleman from New Jersey (Mr. HOWARD) promptly pointed out that this is not a forgiveness feature. All this amounts to is a 2-year stretchout. All payments will be made. That will make it possible for my State of Illinois hopefully to effectively fund their highway program and also continue to provide the State funds that are needed to match the Federal funds.

Now I will yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, on that point, the gentleman was quite modest in his estimate of how much Illinois would benefit. The figures provided to me by the Federal Highway Administration show that out of the $212 million, Illinois alone will be the beneficiary of $126 million. This is an Illinois amendment. And I suppose if I were from Illinois I might be constrained to oppose the amendment.

Mr. DERWINSKI. Mr. Chairman, just so that we use the proper phraseology, this is not an Illinois amendment, the amendment would gut the Illinois highway program. I submit that with the needs of my State of Illinois, with its distinguished Governor, with the great financial problems he faces, that this amendment would be a disservice to the people of Illinois.

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

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

Mr. HOWARD. Mr. Chairman, I would like to say that it in no way will, nor does the gentleman from Illinois intend to have it, save any money for the State of Illinois. Illinois will pay its debt.

Mr. DERWINSKI. That is right.

Mr. HOWARD. Illinois will pay it back. It merely extends the time for the repayment into three payments.

Mr. DERWINSKI. When the two years are over it will have properly repaid the money, it will not have saved the State that money.

Mr. SHUSTER. Mr. Chairman, if the gentleman will yield on that point that it will not save money, is it not true that if Illinois is able to keep $126 million for 2 years longer than they otherwise could, they would certainly benefit by whatever the interest rate happens to be, and the other States of America would of course not get 1 cent.

Mr. DERWINSKI. If it is the gentleman's understanding that they will not touch this money, the gentleman is wrong. This is money that basically, at this moment, they do not have because of the State's financial problems. All we are doing is providing for an additional 2 years for the repayment. There is not a penny lost to the Federal taxpayer in this. It is a legitimate adjustment to the needs of some of our States.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. SHUSTER).

The amendment was rejected.

AMENDMENT OFFERED BY MR. MYERS OF PENNSYLVANIA

Mr. MYERS of Pennsylvania. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MYERS of Pennsylvania: on page 52, after line 4, add the following new section: Section 115(a) Section 127 of Title 23 of the United States Code is amended by striking out the following: "twenty thousand pounds carried on any one axle, including all enforcement tolerances: or with a tandem axle weight in excess of thirty-four thousand pounds, including all enforcement tolerances: or with an overall gross weight on a group of two or more consecutive axles produced by application of the following formula:

$$W=500(LN/N-1+12N+36)$$

where W=overall gross on any group of two or more consecutive axles to the nearest 500 pounds, L=distance in feet between the extreme of any group of two or more consecutive axles, and N=number of axles in group under consideration, except that two consecutive sets of tandem axles may carry a

gross load of 34,000 pounds each providing the overall distance between the first and last axles of such consecutive sets of tandem axles is thirty-six feet or more: *Provided,* That such overall gross weight may not exceed eighty thousand pounds, including all enforcement tolerances",

and inserting in lieu thereof the following: "eighteen thousand pounds carried on any one axle, or with a tandem-axle weight in excess of thirty-two thousand pounds, or with an overall gross weight on a group of two or more consecutive axles produced by application of the following formula:

$$W=500(LN/N-1+12N+32)$$

where W=overall gross weight on any group of two or more consecutive axles to the nearest 500 pounds, L=distance in feet between the extreme of any group of two or more consecutive axles, and N=number of axles in group under consideration, except that two consecutive sets of tandem axles may carry a gross load of 32,000 pounds each providing the overall distance between the first and last axles of such consecutive sets of tandem axles is thirty-six feet or more: *Provided,* That such overall gross weight may not exceed seventy-three thousand two hundred and eighty pounds".

(b) The first sentence of section 127 of title 23, United States Code, is amended by striking out "Federal-Aid Highway Amendments of 1974", and inserting in lieu thereof the following: "Federal-Aid Highway Act of 1975". The third sentence of such section is amended by striking out "Federal-Aid Highway Amendments of 1974", and inserting in lieu thereof the following: "Federal-Aid Highway Act of 1975".

(c) Nothing in the amendments made by subsections (a) and (b) of this section shall be construed to deny apportionment to any State allowing the operation within such State during the period from January 4, 1975, and ending on the day the amendments made by subsections (a) and (b) of this section take effect in such State, of any vehicles or combinations thereof that could lawfully be operated within such State in accordance with section 127 of title 23, United States Code, as in effect during such period.

(d) The amendments made by subsections (a) and (b) of this section shall take effect in each State on the 30th day after the first day of a regular session of the legislature of that State which session begins after the date of enactment of this Act.

Renumber succeeding sections accordingly.

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

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

There was no objection.

Mr. MYERS of Pennsylvania. Mr. Chairman, I offer this amendment today which will simply roll back the increase in truck weights which was permitted on the eve of the closing of the 93d Congress without a direct vote by this House. It does not include the front axle provision; it simply rolls back the weight limits as to where they were. The front axle limit is a separate issue which may be addressed here today. I do so because I think it is important to recognize that this House has not on an open vote ever approved of increases in truck weights and axle weights, which we now are permitting to be run over the interstate highways. It is my opinion that the increases were achieved in a rather mischievous procedural manner where a conference report with the other body included the increase of weights, and that particular piece of legislation was brought up under suspension. There was never allowed a direct vote.

I am hopeful today that because of the ramifications that increased truck weights have on safety and on general maintenance costs to the States, we will achieve a direct vote on this issue as to whether or not the House of Representatives actually wants to approve increases in weights in trucks traveling on the interstate highways.

I think those of us who may be interested in the issue of truck weights have to recognize the fact that there are considerable trade-offs that are reached in increasing truck weights. One of them, and probably the most important to us, is the fact that we do trade off the safety of the general public in large measure as we increase the truck weights without substantial evidence of the fact that that can be justified. I submit to the Members that probably the trucking industry is the single industry that has the greatest exposure on a day-to-day basis to the general public.

We have enacted in this Congress and previous Congresses rather substantial health and safety regulations for those people who are exposed to hazards in commerce and industry. I think it is somewhat ironic that we are willing to expose the general public to greater hazards without even taking a direct vote in this House.

There are other considerations, of course, and some of them we have been debating here today. Almost no one will argue the fact that increases in truck weights will not have a significant impact on increasing maintenance costs of our highways. Today we are dealing with situations where we are claiming the States do not have enough money. The fact of the matter is the Shuster amendment which was just soundly defeated by a voice vote is given on the premise that we should not require the States to pay back that commitment because they do not have money to meet their needs now in their Departments of Transportation.

I submit to the Members that that is evidence enough the roads are deteriorating, and rapidly deteriorating, without our haggling further over truck weights.

Other evidence at the Federal and State level is included in this bill under the bridge system. We now under this particular bill are requiring the Federal Government to increase its share of bridge repair from 75 to 90 percent. The only justification for that is because the States cannot meet their financial obligations to repair the bridges that they see in disrepair at this time.

Arguments are made that increasing truck weights on the interstate have simply been a permissive act by this House and that the States really do not have to do anything if they do not want to. But it is clear that this body and the Federal Government have a leadership role in this area. If we permit the weight standards to be raised, it allows the States on a single basis to be fragmented by the trucking lobby, and it is a rather weak argument to say that our action here will have no effect on the abusive forces to which we submit the interstates.

We as a Federal body have taken the responsibility of designing a Federal Highway System, the Interstate System. It should be in our best interests not only to complete that system but also to see it has as long-lived capabilities as possible. We shared the responsibilities for building it for better than 90 percent. That certainly indicates our interest in it.

I want to make clear the fact I do not think that decreasing the truck weights back to where they were prior to this year will in any way seriously damage the trucking industry. That is not the objective of this amendment. The reason for this amendment is simply the fact that I think this Congress acted without adequate information to increase the safety hazards and maintenance costs which the general public now shoulders.

There are other trade-offs. Perhaps maybe someday through sufficient studies we will know accurately what increased truck weights effects are.

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

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

Mr. MYERS of Pennsylvania. Mr. Chairman, there is also the argument that decreasing truck weights will significantly decrease efficiency of the trucking industry. I would like to submit probably, as I mentioned in my earlier remarks, nothing has been done by Congress which more significantly affected increased efficiency of the truck system than to build the Interstate System itself. It provides thousands of miles of uninterrupted traffic flow for truckers to use. I think that in itself is a sufficient commitment to the efficiency of that industry.

There is one final question we ought to ask ourselves, those who may be contacted by the trucking industry. We should ask ourselves: How high should truck weights ultimately go? Is this the end? Do we have any evidence that 80,000 pounds is the limit? The answer is: Sure, we may be back for other increases in truck weights.

Are they going to come back again and again and have us sit passively by and allow the States to increase their weights? I do not think we should be acting that way. I think we should have our Members on record as to whether or not we want a rapid deterioration of the Interstate System and whether we want to increase the exposure to greater hazards as we are asking our friends and neighbors and families to drive smaller and smaller cars, and asking them to compete with larger trucks on the highways.

We have to address the issue. Otherwise we will see it eroded away, or perhaps we may get to those exceedingly high weights the trucking industry still has in the back of its mind.

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

Mr. Chairman, we have come to the moment of truth. We are at the amendment which would roll back the 80,000 pounds to 73,280 pounds, that weight which was in effect as of December 31 last year.

I am not going to recount all of the reasons why we should do that. We discussed all of the issues in general debate, but I do want to reiterate one concern and that relates to safety, and to give the Members some additional information that was not available when we voted on this issue several months ago.

The Members should know the National Highway Traffic Safety Administration released a report on December 8 which reported the following:

First. The death rate for nontruck occupants increases with truck weight in car-truck crashes.

Second. The death rate does not level off between 70,000 pounds and 80,000 pounds. It continues to increase.

Third. The 55-mile-per-hour speed limit has not made trucks safer. The death rate in truck-car crashes did not fall significantly in 1974 although it did with car-car crashes.

Those are the reasons, the basic reasons that relate to safety, all requiring a rollback.

I know, and the Members know, we have been lobbied to death in this Congress by the truck lobby. In the judgment of some, it is at least as big as, and perhaps bigger, than the military-industrial lobby.

It is a lobby that we cannot miss because they are in the Members' offices every day. I say to my colleagues that it is in the interest of the people of this country that we roll back those weights, and resist that lobby.

Now, more important than anything else is that whatever is done on this floor should not be done in the dead of night, so to speak; that if we are going to be run over by a truck in this Chamber, let us know the name of the truckdriver. By that I am saying let us have a vote. I know that there are people in this Chamber who would avoid a vote if they could, but I know their conscience will not permit that, that they believe as I do, that each of us is responsible for the actions taken on this floor and that in major matters the people in our constituencies are entitled to know how we voted.

So all I am asking is that you stand up and give us a record vote and once we have provided for a record vote, let conscience be your guide.

Mr. SEIBERLING. Mr. Speaker, I rise in support of the Myers amendment. I do not do this lightly. The Akron metropolitan area, which I represent, is one of the largest trucking centers in the country and is the headquarters for some of the Nation's largest interstate truck corporations. As you might suppose, they favor the higher truck weights.

However, I do not consider this simply an economic question. It is also a public safety question. Interestingly enough, I have discussed the question of truck weights with a number of the drivers themselves, and found all of them to be opposed to the increased weight limits. In every case, they stated that they felt that the higher weights reduced the safety of the truck operation and increased the risk to themselves while on the road.

I am sorry to say that the national 55-mile-an-hour speed limit seems to have little effect in reducing truck speeds. I drive back and forth to Ohio several times a year on the Interstate Highway System and the Pennsylvania and Ohio Turnpikes. During each 7-hour trip, I am passed hundreds of times by huge trucks barreling along at speeds that are obviously 70 miles an hour or more. Quite frankly, it frightens me. I practically never see a truck stopped by the police, even though I frequently see motorists stopped for exceeding the speed limit. Recently, I asked a Pennsylvania State trooper why this was so, and he stated that most large trucks are equipped with citizen band radios, and the drivers tip each other off by radio as to the location of police cars, so that the police are almost completely frustrated in their efforts to enforce the speed limits against the truckdrivers. The fact that such misuse of citizen band radios is illegal, simply underscores the anarchic situation on our highways.

The most compelling reason of all, in my opinion, for returning to the pre-1975 weight level is that both the Federal Highway Administration and the National Highway Traffic Agency are still engaged in studying the safety aspects of increased size and weight of heavy vehicles. The study program is costing several millions of dollars and, in the case of the Federal Highway Administration, the studies are not expected to be completed for another year. It is irresponsible, in my opinion, for the Congress to permit increased truck weights before we know the results of these studies.

Mr. GUDE. Mr. Chairman, I rise in support of this amendment. I believe the existing truck weight limits are extremely dangerous for various reasons. I shall discuss only two of my reasons at this time.

My primary concern is the danger to the average highway user as a result of the heavier trucks that are presently allowed on the Nation's highways. Studies by the Department of Transportation indicate that fatalities among automobile occupants increase at least proportionally when the trucks involved in auto-truck accidents weigh more than 75,000 pounds. This increase in fatalities, estimated by others to be a third greater, occurs regardless of whether the automobile is a Cadillac or a Pinto. Whenever an automobile is struck by a truck, or vice versa, the occupants' lives are in greater danger as the weight of the truck increases.

Directly related to the increase in truck weights is an increase in the stopping distance of a given truck. When a truck is equipped with brakes designed for a 75,000 pound gross weight and the gross weight is increased to 80,000 pounds, the stopping distance for that truck increases. Whether this increase is geometric or simply proportional makes little difference. The driver cannot stop his truck as quickly with greater weight and the same brakes.

I have received many letters from trailer truck manufacturers complaining about the slow sales of their products and advising me that many trucking companies are using their equipment beyond its anticipated life. This is of direct concern when discussing higher weights because the higher weight limits will allow truckers to put heavier loads in existing equipment and will not necessarily cause a definite increase in the sales of new equipment. Therefore, again, equipment designed for 75,000 pound loads will be carrying heavier loads and putting undue strain on all parts of the equipment. This added strain will make the equipment more dangerous to operate. Failure of the equipment could occur at a greater rate than presently exists. These truck failures will directly affect the safety of other highway users.

My second major concern about the higher truck weights has to do with the construction of the Nation's highway system. The Interstate System was designed by the various States and Federal agencies involved to accommodate anticipated weight limits in those States. Some States had limits above the Federal limits and the roads were constructed with these weights in mind. However, when a State, such as Alabama, had weight limits at or below the Federal limits, the highways were designed and constructed accordingly. This means that the roadbed, bridges, and related structures were all designed for trucks weighing not more than 75,000 pounds. When a truck weighing 80,000 pounds is put on that same highway, as Alabama has recently legislated to permit, the entire system is strained beyond its design capacity.

This additional strain will cause the roadway to deteriorate significantly more rapidly than under design conditions. Maintenance costs, which are paid entirely by the States, will rise significantly. Bridges that are designed for the lighter weights will deteriorate more rapidly, perhaps causing complete failure when it is not anticipated or at least causing major repair and maintenance costs to be incurred far in advance of previously anticipated schedules.

These deteriorated highways and bridges impact upon the automobile driver by creating poorly surfaced roadways and dangerous bridges, perhaps to the extent that loss of control of the automobile could result.

We cannot alow our constituents to be faced with dangers such as those I have suggested are likely with the higher truck weights presently permitted. We must serve them properly by repealing the higher weight authorization passed a year ago without due consideration by the House. The weights of a year ago are those around which highways and trucks are designed and must be, for everyone's safety, retained.

I request the support of all my colleagues to protect the health and welfare of their constituents by approving the amendment presently being debated.

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

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

Mr. MOTTL. Mr. Chairman, I would like to commend the gentleman from New York for his courage and persistence in keeping alive this issue. I join with the gentleman in asking my colleagues to stand up for a record vote.

Mr. Chairman, the previous Congress gave the trucking industry a Christmas present a year ago when it voted to increase the allowable weight of trucks traveling interstate highways from 73,280 pounds to 80,000 pounds.

I would like this Congress to give the public interest a comparable Christmas present now by reducing the allowable weight from 80,000 pounds back to 73,280 pounds.

The American motorist is entitled to a degree of safety and peace-of-mind on the highways. He is more likely to receive both if the allowable truck weight were reduced to the previous limit.

The larger the truck, the slower its ascent on the hills and the longer its stopping distance. A study by the National Highway Traffic Safety Administration in March 1975 showed that "the number of nontruck fatalities per 100 car-truck accidents increases at the rate of 1.1 for each 10,000-pound increase in the loaded weight of the truck."

Our motoring public is entitled to freedom from these 40-ton monsters.

Let us vote for the public interest and against the vested interest and restore the allowable weight to a more reasonable limit.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. MYERS).

The question was taken; and the chairman announced that the noes appeared to have it.

Mr. MYERS of Pennsylvania. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. One hundred and eleven Members are present, a quorum.

RECORDED VOTE

Mr. MYERS of Pennsylvania. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 139, noes 275, answered "present" 2, not voting 18, as follows:

[Roll No. 812]

AYES—139

Abzug	Burton, John	Downey, N.Y.
Adams	Burton, Phillip	Drinan
Addabbo	Carney	Duncan, Tenn.
Alien	Carr	du Pont
Ambro	Carter	Early
Aspin	Chisholm	Eckhardt
Badillo	Clancy	Edgar
Bafalis	Clay	Edwards, Calif.
Bennett	Conable	Fenwick
Biester	Conte	Fish
Bingham	Conyers	Ford, Tenn.
Boland	Cornell	Fraser
Brademas	Coughlin	Frey
Brodhead	D'Amours	Gilman
Brown, Calif.	Delaney	Gradison
Brown, Ohio	Dellums	Green
Buchanan	Derrick	Gude
Burke, Calif.	Devine	Hamilton
Burke, Mass.	Diggs	Harrington
Burlison, Mo.	Dodd	Hayes, Ind.
Hays, Ohio	Moffett	Sharp
Hechler, W. Va.	Moorhead, Pa.	Simon
Holtzman	Mosher	Solarz
Jacobs	Moss	Spellman
Jeffords	Mottl	Stanton, J. William
Jones, Tenn.	Murtha	Stanton, James V.
Kastenmeier	Myers, Pa.	Stark
Koch	Nedzi	Steiger, Wis.
Krebs	O'Neill	Stokes
Latta	Ottinger	Studds
Leggett	Peyser	Thompson
Lent	Pike	Tsongas
Lloyd, Tenn.	Rangel	Udall
Long, Md.	Regula	Van Deerlin
McClory	Reuss	Vander Veen
McEwen	Richmond	Vanik
McHugh	Rogers	Waxman
McKinney	Rosenthal	Weaver
Maguire	Roush	Wirth
Mazzoli	Roybal	Wolff
Metcalfe	Russo	Wydler
Mikva	Ryan	Wylie
Miller, Calif.	Sarbanes	Yates
Mineta	Scheuer	Young, Fla.
Mink	Schroeder	Zeferetti
Mitchell, Md.	Schulze	
Moakley	Seiberling	

NOES—275

Abdnor	Fascell	Lujan
Alexander	Findley	McCloskey
Anderson, Calif.	Fisher	McCollister
Anderson, Ill.	Fithian	McCormack
Andrews, N.C.	Flood	McDade
Andrews, N. Dak.	Florio	McDonald
Annunzio	Flowers	McFall
Archer	Flynt	McKay
Armstrong	Foley	Madden
Ashbrook	Forsythe	Madigan
Ashley	Fountain	Mahon
AuCoin	Frenzel	Mann
Baldus	Fuqua	Martin
Barrett	Gibbons	Mathis
Baucus	Ginn	Matsunaga
Bauman	Goldwater	Meeds
Beard, R.I.	Gonzalez	Melcher
Bedell	Goodling	Meyner
Bell	Grassley	Mezvinsky
Bergland	Guyer	Michel
Bevill	Hagedorn	Milford
Biaggi	Haley	Miller, Ohio
Blanchard	Hall	Mills
Blouin	Hammer-schmidt	Minish
Boggs	Hanley	Mitchell, N.Y.
Bolling	Hannaford	Mollohan
Bonker	Hansen	Montgomery
Bowen	Harkin	Moore
Breaux	Harris	Moorhead, Calif.
Breckinridge	Harsha	Morgan
Brinkley	Hastings	Murphy, Ill.
Brooks	Heckler, Mass.	Murphy, N.Y.
Broomfield	Hefner	Myers, Ind.
Brown, Mich.	Helstoski	Natcher
Broyhill	Henderson	Neal
Burgener	Hicks	Nichols
Burke, Fla.	Hightower	Nix
Burleson, Tex.	Hillis	Nolan
Butler	Holland	Nowak
Byron	Holt	Oberstar
Cederberg	Howard	Obey
Chappell	Howe	O'Brien
Clausen, Don H.	Hubbard	O'Hara
Clawson, Del	Hughes	Passman
Cleveland	Hungate	Patten, N.J.
Cochran	Hutchinson	Patterson, Calif.
Cohen	Hyde	Pattison, N.Y.
Collins, Ill.	Ichord	Pepper
Collins, Tex.	Jarman	Perkins
Conlan	Jenrette	Pettis
Corman	Johnson, Calif.	Pickle
Cotter	Johnson, Colo.	Poage
Crane	Johnson, Pa.	Pressler
Daniel, Dan	Jones, Ala.	Preyer
Daniel, R. W.	Jones, N.C.	Price
Danielson	Jones, Okla.	Pritchard
Davis	Jordan	Quie
de la Garza	Karth	Quillen
Dent	Kasten	Railsback
Derwinski	Kazen	Rees
Dickinson	Kelly	Rhodes
Dingell	Kemp	Riegle
Downing, Va.	Ketchum	Rinaldo
Duncan, Oreg.	Keys	Risenhoover
Edwards, Ala.	Kindness	Roberts
Eilberg	Krueger	Robinson
Emery	LaFalce	Rodino
English	Lagomarsino	Roe
Erlenborn	Landrum	Roncalio
Esch	Lehman	Rooney
Evans, Colo.	Levitas	Rose
Evans, Ind.	Litton	Rostenkowski
Fary	Lloyd, Calif.	Rousselot
	Long, La.	Runnels
	Lott	Ruppe
		St Germain
		Santini
		Sarasin
		Satterfield
		Schneebeli
		Sebelius
		Shipley
		Shriver
		Shuster
		Sikes
		Sisk
		Skubitz
		Slack
		Smith, Iowa
		Smith, Nebr.
		Spence
		Staggers
		Steed
		Steelman
		Steiger, Ariz.
		Stephens
		Stratton
		Stuckey
		Symington
		Symms
		Talcott
		Taylor, Mo.
		Taylor, N.C.
		Teague
		Thone
		Thornton
		Traxler
		Treen
		Vander Jagt
		Vigorito
		Waggonner
		Walsh
		Wampler
		Whalen
		White
		Whitehurst
		Whitten
		Wiggins
		Wilson, Bob
		Wilson, C. H.
		Winn
		Wright
		Yatron
		Young, Alaska
		Young, Ga.
		Young, Tex.
		Zablocki

ANSWERED "PRESENT"—2

Beard, Tenn.	Snyder

NOT VOTING—18

Casey	Giaimo	Macdonald
Daniels, N.J.	Hawkins	Patman, Tex.
Eshleman	Hébert	Randall
Evins, Tenn.	Heinz	Sullivan
Ford, Mich.	Hinshaw	Ullman
Gaydos	Horton	Wilson, Tex.

The Clerk announced the following pairs:

On this vote:

Mrs. Sullivan for, with Mr. Dominick V. Daniels against.

Mr. Hawkins for, with Mr. Hébert against.

Messrs. ALLEN, BAFALIS, and STARK, Mrs. LLOYD of Tennessee, and Messrs. FORD of Tennessee and JONES of Tennessee changed their votes from "no" to "aye."

Mr. ROSTENKOWSKI changed his vote from "aye" to "no."

Mr. DE LA GARZA changed his vote from "present" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. JAMES V. STANTON

Mr. JAMES V. STANTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JAMES V. STANTON: Page 49, after line 14, insert the following new section:

SEC. 112. (a) Subsection (d) of section 105 of title 23, United States Code, is amended to read as follows:

"(d) In approving programs for projects in an urbanized area of 200,000 population or more on the federal-aid urban system, the Secretary shall require that when a State government did not pay 50 or more per centum of the non-federal share of the approved program of projects in such urbanized area for the preceding fiscal year, such projects for the current fiscal year shall be selected by the appropriate local officials of such urbanized area, and that when a State government did pay 50 or more per centum of the non-federal share of the approved program of projects in such urbanized area for the preceding fiscal year, such projects for the current fiscal year shall be selected by the appropriate local officials of such urbanized area with the concurrence of the State highway department of each State, and in all urbanized areas, in accordance with the planning process required pursuant to section 134 of this title. In approving programs for projects on the federal aid urban system in areas other than urbanized areas having a population of 200,000 or more, the Secretary shall require that such projects be selected by the appropriate local officials with the concurrence of the State highway department of each State."

(b) Subsection (a) of section 106 of title 23, United States Code, is amended by inserting after the first sentence the following new sentence:

"If the State highway department fails to submit to the Secretary for his approval such surveys, plans, specifications, and estimates for a project selected solely by the appropriate local officials in an urbanized area of 200,000 population or more pursuant to section 105(d) of this title and included in an approved program of projects within one year after approval of such program of projects pursuant to section 105 of this title, the submission of such surveys, plans, specifications, and estimates may be made by the appropriate local officials who selected such project pursuant to section 105(d) of this title. Local officials shall not submit any surveys, plans, specifications, or estimates for any project, approval of which would incur obligations in excess of the amounts allocated to an urbanized area for the fiscal year for which program approval has been given."

Renumber succeeding sections accordingly.

Mr. JAMES V. STANTON. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. JAMES V. STANTON. Mr. Chairman and members of the committee, this is one of the major amendments that was considered by the Subcommittee on Transportation.

This amendment affects every urbanized area of the United States.

Mr. Chairman, I would like the Members' attention for just a moment, if I could, because in 2 or 3 minutes I can make an explanation of a rather complicated amendment.

In 1973 in the Highway Act we adopted the urban systems, the Federal highway urban systems program. It was a far-reaching piece of legislation to help urban areas. In urban areas in excess of 200,000 we had tried to develop a program where the local officials would get the project, select the project, submit it to the State Department of Transportation, and with their concurrence, get it approved by the Department of Transportation.

Since 1973 we have found that the large percentage of money under this program has not gotten through to build the projects. As a consequence, it has caused money that was apportioned and earmraked for the urban areas to lie idle. That idleness has caused unemployment. As a result of the redtape, we have not had an effective urban systems program.

My amendment would merely allow after one year the local officials, after they submit their program and their plans and specifications, to go to the Federal Department of Transportation if they could not get a concurrence of their State department of of transportation.

This is a very simple amendment. It enables the urban systems to stop these logjams of debate that have existed between the State people and the local people concerning the urbanized systems program.

Let me cite a couple of examples.

In the State of Texas 92 percent of the money in seven of the eight major areas in Texas has not gotten through under the urban systems program.

In the State of Ohio the same condition exists.

In the State of California 75 percent of the money has not gotten through to the local communities.

In the State of Pennsylvania, the same situation exists.

So that urbanized areas throughout the United States are not now getting the funds of the enlightened legislation that was adopted by this House in 1973. This amendment would merely free up this money. It would help the job situation. It would help the economy because money that is earmarked would be put into productive use. The Department of Transportation and the administration have no objection to the amendment. The amendment was approved in the subcommittee. They had no objection to it. It was taken out by the full committee. Very frankly it was taken out because the State highway people are opposed to it.

The fact of the matter is that we have this confrontation between the local officials and the State highway people and unless such an amendment of this type is adopted, we are not going to be able to resolve this issue.

I urge the Members to support and adopt my amendment.

Mr. JONES of Alabama. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I cannot think of anything that would do greater violence to this bill than the amendment that has been proposed by the gentleman from Ohio (Mr. JAMES V. STANTON).

I say that for this reason, there is not a doubt that a single member of this committee here today can tell us about the arrangements that are made in their respective States as to the legal distribution of the funds the recipient States receive, and how they will dispense the money into the various categories of roads and highways.

That means that if this amendment were to prevail it would require in almost all of our States a rewriting of the State statutes to conform to the Stanton amendment.

In a State which has a biennial session of the State legislature that would mean that the total highway program in urban areas would be disturbed until that legislature complied with the Stanton amendment.

I am quite sure that there is no intention of the committee going along as the gentleman from Ohio states that the position of the full committee was subservient to the State highway departments. As chairman of the full committee I have not, up until this moment, ever received a request from the State highway departments for or against the Stanton proposition.

If we go along with this it pretty much reminds me of the story that is told frequently in the community where I live which is in a mountainous area.

This Bible salesman came up to a remote shack in a mountainous area and rapped on the door. The lady came to the door. He said, "Madam, I want to sell you a Bible."

She said, "Well, I do not need a Bible. I have one."

He said, "Let me see it."

She went and searched for the Bible but in fact she could not find the Bible. She called the children and she said, "Look in every nook and cranny of this house and get me the Bible." So they finally located the Bible and brought it out and gave it to their mother. It was almost completely gone with the exception of a few sheets. He said to her, "Madam, you certainly need a new Bible." She said, "Oh, no, I do not. I have saved the best part of the Holy Writ."

So now let us stay with the Holy Writ and vote down this amendment.

Mr. DON H. CLAUSEN. Mr. Chairman, I move to strike the requisite number of words.

I rise in opposition to the amendment, which would have the effect of permitting local officials in certain urbanized areas of over 200,000 population to submit highway plans, specifications, and estimates directly to the Secretary for approval.

I sympathize with the objectives of the sponsor, my colleague from Ohio, where the Governor has given the rural areas of the State about the same treatment with respect to highways as he has the city of Cleveland in the matter of urban system funds.

But I say to the gentleman that this alone is no excuse for radically altering the structure of Federal-State relations envisioned by his amendment, and certainly not in a bill loaded with the flexibility we are hearing so much about.

So, much as I sympathize with the gentleman, I am in greater sympathy with the concerns of the American Association of State Highway and Transportation Officials, which can be highlighted as follows:

It is still too early to evaluate the changes in 1970 and 1973 amendments creating new urban systems and the procedures developed to put them into effect. Just as the 1962 Supreme Court apportionment decision in Baker against Carr has yet to remove all urban-rural strife in State government to the point where the lion lies down with the lamb.

Elimination of the State role would create needless duplication of administrative capacity, with requirements that local government maintain staff capability equal to that of the State in the development and evaluation of projects.

Conceivably, local officials might have difficulty in producing environmental impact statements qualifying for acceptance under the terms of H.R. 3130, which provided that Federal officials may, under certain prescribed circumstances, accept an EIS prepared by State officials.

Elimination of State involvement in urban system project development could serve as an incentive for States to reduce or eliminate their financial participation. It also could enhance the propensity of some local officials to ignore statewide or regional priorities—such as truck routes—in favor of projects more politically popular in the narrowest of local perspectives.

Let me quote just a small portion of a letter from Harry E. Kinney, mayor of the city of Albuquerque, to the city's

Washington office under date of October 29, 1975, on this question:

The highway department, although it is not financially involved, has shown a great desire to make this program—

And that refers to the urban system program—

A viable one in New Mexico. They have furnished the expertise in many areas in which the city was not staffed, such as right-of-way appraisals and procurement, testing labs, environmentalists and especially the knowledge of Federal procedures.

Recently, the Deputy Administrator of FHWA, J. R. Coupal, Jr., had occasion to inquire into the issue in response to testimony critical of State administration of the program, presented by the national league of cities in the other body.

The gentleman's language was adopted in subcommittee and for good and sufficient reason removed in full committee, whose action I hope this body will find it appropriate to concur in.

Before such far-reaching changes are enacted, the Congress should have the benefit of the urban system study called for in section 140 of this bill. It would be broad enough to cover all the issues raised by this amendment, including the authority for and capability of local units of government to carry out the necessary steps to process a highway project through and including the plan, specification, and estimate requirements of section 106 of title 23, United States Code, and final construction.

I urge rejection of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. JAMES V. STANTON).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. JAMES V. STANTON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 121, noes 290, not voting 23, as follows:

[Roll No. 813]

AYES—121

Abzug	Drinan	Mazzoli
Adams	Eckhardt	Meeds
Ambro	Edgar	Metcalfe
Annunzio	Edwards, Calif.	Miller, Calif.
Ashley	Eilberg	Mineta
Aspin	Fary	Minish
AuCoin	Fish	Mitchell, Md.
Badillo	Fisher	Moakley
Barrett	Florio	Moffett
Baucus	Fraser	Mosher
Beard, R.I.	Gilman	Mottl
Bennett	Green	Murphy, Ill.
Biester	Gude	Nix
Bingham	Hanley	Ottinger
Brodhead	Harrington	Patterson,
Brown, Calif.	Harris	Calif.
Buchanan	Hastings	Pattison, N.Y.
Burke, Calif.	Hawkins	Pepper
Burton, John	Hays, Ohio	Peyser
Burton, Phillip	Hechler, W. Va.	Price
Carney	Heinz	Rangel
Carr	Helstoski	Rees
Chisholm	Holtzman	Richmond
Clancy	Hyde	Riegle
Clay	Jacobs	Rinaldo
Collins, Ill.	Jordan	Rodino
Coughlin	Keys	Roe
Dellums	Koch	Roncalio
Dent	Leggett	Rooney
Derwinski	Lehman	Rosenthal
Diggs	Lujan	Rostenkowski
Dodd	McKinney	Roush
Downey, N.Y.	Maguire	Russo
Scheuer	Stanton,	Vigorito
Schroeder	James V.	Waxman
Seiberling	Stark	Weaver
Simon	Stokes	Whalen
Solarz	Studds	Wolff
Spellman	Symington	Yates
Staggers	Tsongas	Young, Ga.
Stanton,	Udall	
J. William	Vanik	

NOES—290

Abdnor	Fuqua	Montgomery
Alexander	Gibbons	Moore
Allen	Ginn	Moorhead,
Anderson,	Goldwater	Calif.
Calif.	Gonzalez	Moorhead, Pa.
Anderson, Ill.	Goodling	Morgan
Andrews, N.C.	Gradison	Murphy, N.Y.
Andrews,	Grassley	Murtha
N. Dak.	Guyer	Myers, Ind.
Archer	Hagedorn	Myers, Pa.
Armstrong	Haley	Natcher
Ashbrook	Hall	Neal
Bafalis	Hamilton	Nedzi
Baldus	Hammer-	Nichols
Bauman	schmidt	Nolan
Beard, Tenn.	Hannaford	Nowak
Bedell	Hansen	Oberstar
Bell	Harkin	Obey
Bergland	Harsha	O'Hara
Bevill	Hayes, Ind.	O'Neill
Biaggi	Heckler, Mass.	Passman
Blanchard	Hefner	Patman, Tex.
Blouin	Henderson	Patten, N.J.
Boggs	Hicks	Perkins
Boland	Hightower	Pettis
Bolling	Hillis	Pickle
Bowen	Holland	Pike
Breaux	Holt	Poage
Breckinridge	Howard	Pressler
Brinkley	Howe	Preyer
Brooks	Hubbard	Pritchard
Broomfield	Hughes	Quie
Brown, Mich.	Hungate	Quillen
Brown, Ohio	Hutchinson	Railsback
Broyhill	Ichord	Regula
Burgener	Jarman	Reuss
Burke, Fla.	Jeffords	Rhodes
Burke, Mass.	Jenrette	Risenhoover
Burleson, Tex.	Johnson, Calif.	Roberts
Burlison, Mo.	Johnson, Colo.	Robinson
Butler	Johnson, Pa.	Rogers
Byron	Jones, Ala.	Rose
Carter	Jones, N.C.	Rousselot
Casey	Jones, Okla.	Roybal
Cederberg	Jones, Tenn.	Runnels
Chappell	Karth	Ruppe
Clausen,	Kasten	Ryan
Don H.	Kastenmeier	St Germain
Clawson, Del	Kazen	Santini
Cleveland	Kelly	Sarasin
Cochran	Kemp	Sarbanes
Cohen	Ketchum	Satterfield
Collins, Tex.	Kindness	Schneebeli
Conable	Krebs	Schulze
Conlan	Krueger	Sebelius
Conte	LaFalce	Sharp
Conyers	Lagomarsino	Shipley
Corman	Landrum	Shriver
Cornell	Latta	Shuster
Cotter	Lent	Sikes
Crane	Levitas	Sisk
Daniel, Dan	Litton	Skubitz
Daniel, R. W.	Lloyd, Calif.	Slack
Danielson	Lloyd, Tenn.	Smith, Iowa
Davis	Long, La.	Smith, Nebr.
de la Garza	Long, Md.	Snyder
Delaney	Lott	Spence
Derrick	McClory	Steed
Devine	McCloskey	Steelman
Dickinson	McCollister	Steiger, Ariz.
Dingell	McCormack	Steiger, Wis.
Downing, Va.	McDade	Stephens
Duncan, Oreg.	McDonald	Stratton
Duncan, Tenn.	McEwen	Stuckey
du Pont	McFall	Symms
Early	McHugh	Taylor, Mo.
Edwards, Ala.	McKay	Taylor, N.C.
Emery	Madden	Teague
English	Madigan	Thompson
Erlenborn	Mahon	Thone
Esch	Mann	Thornton
Evans, Colo.	Martin	Traxler
Evans, Ind.	Mathis	Treen
Fascell	Matsunaga	Van Deerlin
Findley	Melcher	Vander Jagt
Fithian	Meyner	Vander Veen
Flood	Mezvinsky	Waggonner
Flowers	Michel	Walsh
Flynt	Mikva	Wampler
Foley	Milford	White
Ford, Tenn.	Miller, Ohio	Whitehurst
Forsythe	Mills	Whitten
Fountain	Mink	Wiggins
Frenzel	Mitchell, N.Y.	Wilson, Bob
Frey	Mollohan	Winn
Wirth	Yatron	Zablocki
Wright	Young, Alaska	Zeferetti
Wydler	Young, Fla.	
Wylie	Young, Tex.	

NOT VOTING—23

Addabbo	Ford, Mich.	O'Brien
Bonker	Gaydos	Randall
Brademas	Giaimo	Sullivan
D'Amours	Hébert	Talcott
Daniels, N.J.	Hinshaw	Ullman
Eshleman	Horton	Wilson, C. H.
Evins, Tenn.	Macdonald	Wilson, Tex.
Fenwick	Moss	

Messrs. PRICE, DODD, HELSTOSKI, and WOLFF changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. EDGAR

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

The Clerk read as follows:

Amendment offered by Mr. EDGAR: On page 52, after line 4, insert the following:

"SEC. 115. Section 127 of title 23, United States Code, is amended by inserting after the language, "twenty thousand pounds carried on any one axle" the following words, "(except front, steering axles of truck tractors)", by adding the following new proviso at the end of the first sentence, changing the period to a semicolon, *"Provided, further,* That no front, steering axle of a truck tractor shall carry a weight in excess of ten thousand pounds, including all enforcement tolerances", and by adding the following language at the end of the third sentence, changing the period to a comma, "except however that this exemption shall also not apply to front, steering axles of truck tractors." This section shall become effective in each state on the thirtieth calendar day after the commencement of the first scheduled session of the state's legislature following enactment of this Act and shall automatically expire on January 1, 1978.

No funds authorized to be appropriated for any fiscal year under section 108(b) of the Federal-Aid Highway Act of 1956 shall be apportioned to any state within the boundaries of which the Interstate System may lawfully be used by vehicles with more than ten thousand pounds on the front, steering axle of a truck tractor after the effective date and until January 1, 1978.

Renumber the succeeding sections accordingly.

Mr. EDGAR (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. EDGAR. Mr. Chairman, this amendment would close a glaring loophole in the truck weight law. Every time the Congress has addressed the subject of truck weights and has prescribed maximum weights for single axles, it has always been for the standard four-wheel axle. Under current law, single axles can carry up to 20,000 pounds which translates into only 5,000 pounds per tire. The Congress has overlooked to distinguish, however, between such axles and the all-important, front steering axle which only has two tires to bear its load. Yet, this particular axle is the most important single axle in the entire tractor-trailer combination from a standpoint of safety since it controls the directional movement of the vehicle. Since the current law

is silent on the subject of front, steering axle weights, the trucking industry is theoretically free to place up to 20,000 pounds on those two, absolutely vital wheels.

This amendment would simply close this dangerous loophole by imposing a 10,000-pound weight limit on the front axles of truck tractors. The result would be that the front tires of truck tractors would also carry no more than 5,000 pounds each, the maximum presently allowed by law for tires on all other axles. This amendment would resolve in large part the safety concerns so many of us share, and would terminate a dangerous practice of overloading steering axles which the 80,000 pound gross vehicle weight limit enacted last year has exacerbated.

The reason the problem has become completely intolerable under the new weight limits is because it is impossible to load a tractor-semitrailer combination with the new 80,000-pound limit without asking the front axle to carry at least 12,000 pounds. This is so because the current tandem axle limit is 34,000 pounds. If the rear tandem axles of the tractor carry the full limit, and the trailer tandem axles also carry the limit, these two sets of axles are carrying only 68,000 pounds, or 12,000 pounds less than the gross vehicle limit. In fact, since it is practically impossible to load a trailer so perfectly as to apportion the weight exactly, the practice is to load the trailer more heavily in the front. The excess weight is then shifted to the front axle by moving the fifth wheel forward on the tractor. The fifth wheel is, of course, the coupling device which resembles a large, greasy, horseshoe-shaped plate on which the front of the trailer rests. What we observe, therefore, in light of the weight increase enacted last year, is that the Congress has actually provided the incentive to impose extraordinary and dangerous loads on tractor steering axles. Certainly, we should recognize our responsibility in this regard and take the necessary action to remedy the problem.

In fact, the current bill as reported by the Public Works Committee actually acknowledges this problem and provides for a study to be conducted by the Department of Transportation to determine the exact nature and extent of the problem and perhaps ascertain the proper weight limit which may safely be borne by front axles. I strongly support this provision as I suspect the vast majority of you do as well. The problem is simply this: Why should we impose tremendous, although as yet unqualified, risks upon the public and the operators of large trucks in the meantime. I admit that to do so is contrary to the public interest and irresponsible.

While there are a large number of reasons why 10,000 pounds is the proper limit to impose on front axles permanently, it is of course possible that the DOT study will conclude that a different figure should be set, either higher or lower, in the interests of safety. For this reason, I have drafted the amendment so that it would automatically expire on the first of January, 1978, roughly 2 years from now. This would provide the DOT with ample time to complete their study and to forward the results to the Congress. And, the Congress would then be forced to consider that study and to make necessary revisions in the front axle weight limit at the earliest opportunity. I sincerely believe that this amendment would provide a reasonable accommodation to those who argue against any front axle weight limit without compromising public safety or shirking our duty to the public.

Mr. Chairman, I will conclude my remarks in just a moment; however, I would like to mention just briefly the more salient considerations which impel me to offer a front axle weight limit.

The U.S. Department of Transportation's Bureau of Motor Carrier Safety recently found that tire failures to be the second leading cause of mechanical defect related truck accidents. And in excess of two-thirds of these accidents were the result of front tire failures. This same report stated that overloaded front tires was a major factor in these accidents and that approximately 12 percent of the trucks sampled had front axle loads exceeding 10,000 pounds.

Second, as I have already mentioned, the way the added weight is placed on the steering axle is by sliding the fifth wheel forward of the rear drive axles. This forward location of the fifth wheel creates a whole set of handling characteristics which are highly unsafe. Very simply, it transfers a substantial portion of the enormous centrifugal force created by the trailer weight off the rear drive axles which have so many tires in contact with the pavement and which can pull the weight around a curve and shifts this centrifugal force up forward on to the two steering wheels. The effect is that the vehicle tends to understeer unpredictably as the front tires crawl sidewise on the pavement. This tire crawl is the result of the tire wall flexing constantly and this flex creates heat in the tire which is a precurser of a tire failure. In addition, should the front tires encounter a slippery road surface, there is a dramatically increased risk that they will lose traction due to this centrifugal force. The result is that the tractor straightens out in a direct line with the trailer when attempting to negotiate a turn and the vehicle simply leaves the roadway.

Yet another effect of heavy front axles has yet to be quantified. We do know that roads deteriorate at an accelerated rate as weights increase. What causes the damage, however, is not the overall gross weight as such, but rather the pressure each tire places on the surface of the pavement. The more tires that bear the weight, the less demage will be done. We have heard extensive testimony concerning the geometrically accelerated rate our highway system will deteriorate as a result of a single axle weight increase from 18,000 to 20,000 pounds, or from 4,500 to 5,000 pounds per tire. However, no one has actually calculated the untold damage which will result as a result of front tires carrying as much as 6,500 pounds—an astounding leap in weight from the 4,500-pound starting point.

The DOT has recently taken action to prohibit carriers from overloading or underinflating tires at their rated capacities. While this new rule should presumably reduce tire failures, it does not go nearly far enough to eliminate the other problems. It would do nothing to change the unsafe handling characteristics caused by the centrifugal force which in turn results from the forward fifth wheel. It will not prevent the destruction of our highways. The amendment I have offered would solve both of these problems.

The amendment would necessitate that carriers which have mounted their fifth wheels in an excessively forward position to relocate those coupling devices in some instances up to 18 inches. Many fifth wheels are on sliding tracks and relocation would require only a few minutes. Those carriers which have permanently mounted fifth wheels, would have to remount them, a task which would require just several hours according to estimates provided by mechanics to the Professional Drivers Council. The Teamsters have also indicated that it would require no more than 4 hours.

By moving fifth wheels rearward to comply with a front axle weight limit, some carriers might in certain instances find that the overall length of the tractor and trailer exceeds the length restrictions in a few States by a few inches. With the proper legislative history, however, this problem can easily be overcome. That is, in those States in which the refitting would be the sole cause of a length variation as a result of our action, we would permit a variance.

Mr. Chairman, I strongly urge my colleagues to support this very important proposal to protect public safety, to close a loophole in the law, to make an adjustment necessitated by our action last year. I think it is particularly worthy of note that this amendment is strongly favored by the men and women who are closest to the problem we have created—the drivers of tractor-trailers.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from West Virginia (Mr. HECHLER).

Mr. HECHLER of West Virginia. Mr. Chairman, I strongly support the amendment offered by the gentleman from Pennsylvania (Mr. EDGAR). I hope this amendment will receive an affirmative vote in the committee.

I am certain that if the people of this country had a direct vote on the issue, they would have voted overwhelmingly to reduce the weight limit on trucks. It is unfortunate that the Myers amendment did not prevail.

The pending amendment is related to the same issue, and it also directly affects the safety of truckdrivers. I certainly hope that the Edgar amendment succeeds, and at a later date we may apply the results of the study and not only limit front axle weights but also the total weight and size of these terrors of the highways. The average motorist deserves primary and priority consideration.

Mr. JAMES V. STANTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would like to commend the gentleman from Pennsylvania

(Mr. EDGAR) for offering his amendment. I have studied and offered and debated that issue in the committee. I originally had the idea of a limitation of 10,000 pounds suggested to me by the drivers and the Teamsters Union, who are deeply concerned about the impact on the safety factor. But after a discussion between the drivers and the management people who run the trucks we came to the conclusion that it is not a question of the 10,000 pounds on the front axle. There is a question of where the fifth wheel is located in the truck.

There are some trucks that could stand the 10,000-pound limitation, but there are others that cannot.

The fact of the matter is that we do not know at this time, any of us, exactly where the limitation should be placed, whether it should be at 10,000, 11,000, 12,000, or 13,000. Even the safety experts in the Department of Transportation cannot tell us.

So what we did was this: There was an amendment which was offered by the gentleman from Ohio (Mr. HARSHA) that I supported in the committee, and that would cause a study to be made of this particular question that is being addressed by the gentleman from Pennsylvania (Mr. EDGAR). They would report back on this study within a year to our committee, and then we could make a reasonable and a rational judgment as to the impact of this weight limitation on the front steering column.

Mr. Chairman, I urge the defeat of this amendment at this time, recognizing the contribution that the gentleman from Pennsylvania (Mr. EDGAR) has made.

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

Mr. Chairman, I rise in support of the Edgar amendment, No. 1, because I think it is a good amendment, and, No. 2, because even though the probabilities are that it will not carry, it was because of that amendment, in my judgment, that the provision causing the study to be made was put into the bill.

This matter has been pending for quite some time, and even if the Edgar amendment is not accepted as such under his name, ultimately his having initiated it will cause the Commission to come in and make the necessary recommendations. So I want to commend the gentleman from Pennsylvania (Mr. EDGAR) for his effort in this area.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman yield?

Mr. KOCH I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Chairman, would it not make sense to adopt the Edgar amendment, thereby setting the 10,000-pound front axle limit pending the outcome of the study? It would seem to me that would serve the purpose the gentleman from Ohio (Mr. JAMES V. STANTON) has indicated should be met.

Mr. KOCH. Mr. Chairman, there are so many things that have made sense and should have been accepted by the Congress and were not that rejection of the Edgar amendment does not surprise me.

Mr. JAMES V. STANTON. Mr. Chairman, will the gentleman yield?

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

Mr. JAMES V. STANTON. Mr. Chairman, we do not know what the economic impact of that would be. If we just put a flat limitation of 10,000 pounds on the front axle, we may have to scrap 85 percent of the trucks in the United States. The economic impact of that is such that we do not think that is reasonable or rational.

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

Mr. KOCH. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I would like to respond to that last point, because I think it is an important point.

There have been some studies done on how much it would take to move the fifth wheel and to change it so the 10,000-pound pressure would not be there. I am told that on some of the trucks it is as much as 18 inches. Some of them are on movable tracks, and that could be moved back. On some trucks it would take maybe a day to move them back, using some more sophisticated kinds of equipment.

But we are only talking about a certain number of trucks on the highway. Not all the trucks are pulling the same kind of weight. If we take a Cadillac or a Lincoln and put it up on the top of a car carrier, we not only have the weight of that automobile but we have the weight of the cab and the equipment on the truck setting up on top of the driver. As a result, he is really driving a pile driver, and the pressure that is involved on that steering column is really intense.

Mr. JAMES V. STANTON. Mr. Chairman, will the gentleman yield further?

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

Mr. JAMES V. STANTON. Mr. Chairman, the fact of the matter is that until the study is completed, we have had since 1952 and we presently have the motor carrier safety regulation No. 392.70, which requires that the fifth wheel be located so that regardless of the condition of the load, the relationship between the kingpin and the rear axle and the front axle of the truck will be such that they can properly distribute the gross weight of both the towed vehicle and the towing vehicle relative to the axles of those vehicles.

The fact of the matter is there is a safety regulation. It is in effect, but we do not know how many dollars would have to be spent on this. We do know that a large percentage of the trucks would have to be changed. Most people would concede reasonably and rationally that we ought to have the study completed before we implement the regulation.

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

Mr. KOCH. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I would just like to ask the gentleman from Ohio (Mr. JAMES V. STANTON) this one question: Is the gentleman willing, if the study is returned to us on July 1 of 1977, and indicates that such a move has to be made, to support changes in present, existing law, to make the changes which will cost as much and more than the cost at this present time?

Mr. JAMES V. STANTON. If the gentleman will yield further, I would like to say that if the recommendation of the experts is that we need the change in regulations, I will join the gentleman and I am sure the House will likewise.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. EDGAR).

The amendment was rejected.

AMENDMENT OFFERED BY MR. ESCH

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

The Clerk read as follows:

Amendment offered by Mr. ESCH: On page 61 following line 2, add new section 124 and renumber following sections:

VEHICLE LOADS

SEC. 124. (a) Chapter I of title 23, United States Code, is amended by adding at the end thereof the following new section:

"157. Vehicle loads.

"(a) The Secretary of Transportation shall not approve a project under section 106 in any State which he determines does not have effective control of use of the highways on the Federal-aid systems by motor vehicles hauling dirt, sand, lime, rock, gravel, silica, or similar aggregate trash, garbage, and other similar material.

"(b) For the purpose of this section, effective control means that after October 1, 1978, motor vehicles hauling such materials on such highways shall be required to have such materials secured by appropriate covering so as to prevent such materials from falling, blowing or in any other way escaping from such vehicle while it is hauling such materials on such highways.

"(c) This section shall not apply to any motor vehicle which is publicly owned or controlled while such vehicle is servicing or maintaining any highway, street or public way, but shall apply to any such vehicle travelling to or from a service or maintenance site.

"(d) As used in this section the term 'motor vehicle' means any vehicle driven or drawn by mechanical power manufactured primarily for use on public highways."

(b) The analysis of chapter 1 of title 23, United States Code, is amended by inserting at the end thereof:

"157. Vehicle loads."

Mr. ESCH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. ESCH. Mr. Chairman, each year the American public is forced to foot the bill—over a quarter of a billion dollars—for automobile damage, landscape destruction, serious injury, and even death caused by uncovered trucks spewing great quantities of debris onto our Nation's highways.

Because trucks are allowed to continue in this manner, roadways are littered, vehicle windshields are broken, and the finish is damaged on thousands of cars.

A comprehensive survey by the Michigan Auto Club—which has been a leader

in the fight against this road hazard—estimates that it costs Michigan residents alone about $5.5 million a year to replace 50,000 windshields broken by debris from uncovered trucks. Nationwide, this could cost about $250 million per year.

No statistics are available, but it is estimated that the costs in punctured tires, broken headlights, chipped paint, and hood damage are at least equal to the windshield damage. Even more serious have been reports of serious and fatal accidents resulting from rocks piercing windshields to hit passengers and drivers and from drivers swerving to the side to avoid large falling debris.

In my view, it is absolutely outrageous that the American driving public is forced to bear the costs of carelessness on the part of truck owners. There is no excuse for allowing trucks to continue to spew junk all over our highways and passing motorists simply because it is "inconvenient" and time consuming to cover loads.

There have been campaigns in a number of States for the passage of laws requiring trucks to cover all loads. Unfortunately, to date, few strong laws have been passed. Throughout the remainder of the Nation, motorists still travel at their own risk while overloaded, uncovered trucks continue to endanger their property and their lives.

I therefore offer this amendment which would require covers on all trucks using interstate or other federally assisted highways. Adoption of this amendment would not only insure that our highways are safer places, it would have a major impact on our environment. The Department of Transportation prepared a study in 1974 on the content of highway litter. They concluded, "Spillage from uncovered trucks is a significant solid waste generator on the roadway." A study by Keep America Beautiful, a nonprofit environmental group, found that while motorists and pedestrians are frequently blamed for our Nation's highway litter, they are a relatively small percentage of the problem, causing no more than 20 percent in most areas. By far the most frequent "litterer" is the uncovered truck, either hauling goods between cities, or hauling construction trash to local dumpyards.

Michigan spends more than $1 billion each year in cleaning up litter along its highways. A very high percentage of that litter is generated by uncovered trucks. The costs to the taxpayers in terms of dollars is high. The cost in terms of blighted landscape is equally high. A nation which prides itself on its beautiful vistas and tourist attractions cannot afford the destruction of its environment by careless truck owners who refuse to be responsible for their debris.

Opponents of my amendment may argue that covering trucks would be expensive and time consuming. Yet the Michigan Department of Highways has recently developed a roll-on, roll-back tarpaulin cover which is operated by turning a crank located on the passenger side, away from traffic. The cover can be placed in position in less than 15 seconds and the estimated production cost of the unit is less than $100 per truck.

In my view, this is a small cost to protect our motorists and preserve our environment. It puts the cost where it belongs—with those who do the damage, not the innocent bystander and the beleaguered taxpayer.

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

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

Mr. HOWARD. Mr. Chairman, I thank the gentleman for yielding.

I think he brings up a point that concerns all of us. However, the responsibility for this has been and is now within the State police powers and with State and local jurisdictions.

Mr. Chairman, I believe that this is something that should be handled on those levels. It should not be a part of this bill, although I do commend the gentleman from Michigan (Mr. ESCH) for bringing this up.

I certainly would join him in any effort to try to get the proper local people to make decisions in this area because it is not only a frustrating, but a very expensive item to the taxpayer and to the motorist.

So I wish to thank the gentleman for bringing this up. But I do not believe it properly belongs within this bill and I do urge defeat of the amendment; at the same time I congratulate the gentleman for his suggestion.

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

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

Mr. KETCHUM. Mr. Chairman, I would like to pose a question to the gentleman from Michigan. The gentleman is stating in his amendment that if the trucks are not covered then Federal highway funds will be withheld?

Mr. ESCH. The purpose of the amendment is to give the States 2 years to enact effective covered truck legislation. If they do not do so, then the Federal highway funds would be withheld.

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

Mr. ESCH. I will be happy to yield further to the gentleman.

Mr. KETCHUM. Mr. Chairman, what the gentleman is implying is the same thing we have just gone through in connection with the matter of the motorcycle helmet legislation. I think this is a State responsibility. I would encourage the gentleman to encourage his State legislature to take care of the problem.

Mr. ESCH. I would agree with the gentleman, it certainly is a State responsibility, and I think that the only encouragement that we in the House can present to the States is through legislation such as this. I agree that the action would have to take place at the State level.

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

Mr. Chairman, I just want to associate myself with the members of the Committee and others who have expressed the view that this is a State issue and should be left to the States alone to handle.

I do want to add, though, that the gentleman in his amendment would require that all materials that are hauled by trucks be covered by appropriate covers. You can obviously haul a lot of materials without having to have any cover on the truck at all. You could load the truck less than completely full, or you could only have a half a load, or a very small load. But under this amendment, one would have to have a cover on the truck in every instance. I would submit that this would cause a lot of complications, and it would affect all of the projects approvals. Under the gentleman's amendment the Federal Highway Administrator could not approve applications for a project unless all of these things were done. I think that this is unnecessary Federal interference in a purely local matter.

I urge defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. ESCH).

The amendment was rejected.

AMENDMENT OFFERED BY MR. COHEN

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

The Clerk read as follows:

Amendment offered by Mr. COHEN: Page 41, line 4, strike out "State of New Hampshire" and insert in lieu thereof "State of Maine and in the State of New Hampshire".

Mr. COHEN. Mr. Chairman, I rise to offer an amendment which will grant the State of Maine that same exemption with respect to the definition of "urban area" as is now accorded the State of New Hampshire.

As determined by the Census Bureau, an "urban area" applies to the geographic limits of a city as opposed to its compact or "built-up" area. The State of Maine is incorporated in such a manner that sparsely populated areas are included within the geographic boundaries of its urban areas. The good citizens of these urban areas have a prime interest in upgrading roads within the compact area of the city. Since current law prohibits States from using primary funds in so-called urban areas, this has resulted in the deterioration of many outlying roads simply because they lie within the corporate boundaries of a city, even though they bear no resemblance to an urban area.

This amendment will allow the State Commissioner of Transportation to use primary funds for roads subject to these conditions.

I appreciate the cooperation of the Committee in accepting this amendment.

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

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

Mr. HOWARD. Mr. Chairman, as I understand this particular situation, it involves both the State of Maine and the State of New Hampshire in the urban, rural, towns and city areas. The information that had been supplied by the Department of Transportation when this was inserted into the bill was that only the State of New Hampshire was in any way involved. We were told that was the only State. That was the information we had at that tme. Since then, we have been informed, and I would like to inform the gentleman from Maine (Mr. COHEN) that the State of Maine has

been verified to have this same New Hampshire-type situation.

Do I understand that that is what this amendment would propose to do?

Mr. COHEN. Exactly.

Mr. HOWARD. Then, Mr. Chairman, we certainly, in all fairness, accept the amendment and thank the gentleman from Maine for calling it to our attention.

Mr. COHEN. I thank the gentleman.

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

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

Mr. HARSHA. Mr. Chairman, we too are happy to accept the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maine (Mr. COHEN).

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title I? If not, the Clerk will read.

The Clerk read as follows:

TITLE II

SHORT TITLE

SEC. 201. This title may be cited as the "Highway Safety Act of 1975".

HIGHWAY SAFETY

SEC. 202. The following sums are hereby authorized to be appropriated:

(1) For carrying out section 402 of title 23, United States Code (relating to highway safety programs), by the National Highway Traffic Safety Administration, out of the Highway Trust Fund, $37,500,000 for the three-month period ending September 30, 1976, $150,000,000 for the fiscal year ending September 30, 1977, and $150,000,000 for the fiscal year ending September 30, 1978.

(2) For carrying out section 403 of title 23, United States Code (relating to highway safety research and development), by the National Highway Traffic Safety Administration, out of the Highway Trust Fund, $16,250,000 for the three-month period ending September 30, 1976, $65,000,000 for the fiscal year ending September 30, 1977, and $65,000,000 for the fiscal year ending September 30, 1978.

(3) For carrying out section 402 of title 23, United States Code (relating to highway safety programs), by the Federal Highway Administration, out of the Highway Trust Fund, $8,750,000 for the three-month period ending September 30, 1976, $35,000,000 for the fiscal year ending September 30, 1977, and $35,000,000 for the fiscal year ending September 30, 1978.

(4) For carrying out sections 307(a) and 403 of ttile 23, United States Code (relating to highway safety research and development), by the Federal Highway Administration, out of the Highway Trust Fund, $2,500,000 for the three-month period ending September 30, 1976, $10,000,000 for the fiscal year ending September 30, 1977, and $10,000,000 for the fiscal year ending September 30, 1978.

(5) For bridge reconstruction and replacement under section 144 of title 23, United States Code, out of the Highway Trust Fund, $62,500,000 for the three-month period ending September 30, 1976, $250,000,000 for the fiscal year ending September 30, 1977, and $25,000,00 for the fiscal year ending September 3, 1978.

(6) For carrying out section 151 of title 23, United States Code (relating to pavement marking), out of the Highway Trust Fund, $75,000,000 for the fiscal year ending September 30, 1977, and $75,000,000 for the fiscal year ending September 30, 1978.

(7) For projects for high-hazard locations under section 152 of title 23, United States Code, out of the Highway Trust Funds, $18,750,000 for the three-month period ending September 30, 1976, $75,000,000 for the fiscal year ending September 30, 1977, and $75,000,000 for the fiscal year ending September 30, 1978.

(8) For the elimination of roadside obstacles under section 153 of title 23, United States Code, out of the Highway Trust Fund, $18,750,000 for the three-month period ending September 30, 1976, $75,000,000 for the fiscal year ending September 30, 1977, and $75,000,000 for the fiscal year ending September 30, 1978.

(9) For carrying out subsection (j)(1) of section 402 of title 23, United States Code (relating to incentives for the enactment of seat belt laws), out of the Highway Trust Fund, $7,500,000 for the three-month period ending September 30, 1976, $30,000,000 for the fiscal year ending September 30, 1977, and $30,000,000 for the fiscal year ending September 30, 1978.

(10) For carrying out (j)(2) of section 402 of title 23, United States Code (relating to incentives for the reduction of the rate of traffice), out of the Highway Trust Fund, $1,875,000 for the three-month period ending September 30, 1976, $7,500,000 for the fiscal year ending September 30, 1977, and $7,500,000 for the fiscal year ending September 3, 1978.

(11) For carrying out (j)(3) of section 402 of title 23, United States Code (relating for incentives for reduction of actual traffic fatalities), out of the Highway Trust Fund, $1,875,000 for the three-month period ending September 30, 1976, $7,500,000 for the fiscal year ending September 30, 1977, and $7,500,000 for the fiscal year ending September 30, 1978.

(12) For school bus driver training under section 406 of title 23, United States Code, out of the Highway Trust Fund, $1,875,000 for the three-month period ending September 30, 1976, $7,500,000 for the fiscal year ending September 30, 1977, and $7,500,000 for the fiscal year ending September 30, 1978.

RAIL-HIGHWAY CROSSINGS

SEC. 203. (a) Subsections (b) and (c) of section 203 of the Highway Safety Act of 1973 (Public Law 93-87) are hereby amended to read as follows:

"(b)(1) In addition to funds which may be otherwise available to carry out section 130 of title 23, United States Code, there is authorized to be appropriated out of the Highway Trust Fund for projects for the elimination of hazards of railway-highway crossings, $25,000,000 for the fiscal year ending June 30, 1974, $75,000,000 for the fiscal year ending June 30, 1975, $75,000,000 for the fiscal year ending June 30, 1976, $37,500,000 for the three-month period ending September 30, 1976, $150,000,000 for the fiscal year ending September 30, 1977, and $150,000,000 for the fiscal year ending September 30, 1978. At least half of the funds authorized and expended under this section shall be available for the installation of protective devices at railway-highway crossings. Sums authorized to be appropriated by this subsection shall be available for obligation in the same manner as funds apportioned under Chapter 1 of title 23, United States Code.

"(2) Funds authorized by this subsection shall be available solely for expenditure for projects on any Federal-aid system (other than the Interstate System).

"(c) There is authorized to be appropriated for projects for the elimination of hazards of railway-highway crossings on roads other than those on any Federal-aid system $18,750,000 for the three-month period ending September 30, 1976, $75,000,000 for the fiscal year ending September 30, 1977, and $75,000,000 for the fiscal year ending September 30, 1978. Sums apportioned under this section for projects under this subsection shall be subject to all of the provisions of chapter 1 of title 23, United States Code, applicable to highways on the Federal-aid system, except the formula for apportionment, the requirement that these roads be on the Federal-aid system, and those other provisions determined by the Secretary to be inconsistent with this section.".

(b) Subsection (d) of section 203 of the Highway Safety Act of 1973 is amended by adding immediately before the first sentence thereof the following new sentence: "50 per centum of the funds made available in accordance with subsection (b) shall be apportioned to the States in the same manner as sums authorized to be appropriated under subsection (a)(1) of section 104 of the Federal-Aid Highway Act of 1973 and 50 per centum of the funds made available in accordance with subsection (b) shall be apportioned to the States in the same manner as sums authorized to be appropriated under subsection (a)(2) of section 104 of the Federal-Aid Highway Act of 1973.".

INCENTIVE SAFETY GRANTS

SEC. 204. Subsection (j)(3) of section 402 of title 23, United States Code, is hereby amended to read as follows:

"(3) In addition to other grants authorized by this section, the Secretary may make additional incentive grants to those States which have significantly reduced the actual number of traffic fatalities during the calendar year immediately preceding the fiscal year for which such incentive funds are authorized compared to the average of the actual number of traffic fatalities for the four calendar year period preceding such calendar year. Such incentive grants shall be made in accordance with criteria which the Secretary shall establish and publish. Such grants may only be used by recipient States to further the purposes of this chapter. Such grants shall be in addition to other funds authorized by this section.

"(4) No State shall receive from funds authorized for any fiscal year or period by this subsection incentive grants under paragraph (1) of this subsection which exceed an amount equal to 25 per centum of the amount apportioned to such State under this section for such fiscal year or period. No State shall receive from funds authorized for any fiscal year or period by this subsection incentive awards under paragraph (2) of this subsection which exceed an amount equal to 25 per centum of the amount apportioned to such State under this section for such fiscal year or period. No State shall shall receive from funds authorized for any fiscal year or period by this subsection incentive awards under paragraph (3) of this subsection which exceed an amount equal to 25 per centum of the amount apportioned to such State under this section for such fiscal year or period.

"(5) Notwithstanding subsection (c) of this section, no part of the sums authorized by this subsection shall be apportioned as provided in such subsection. Sums authorized by this subsection shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under subsection (c) of this section.".

SCHOOL BUS DRIVER TRAINING

SEC. 205. The second subsection (b) of section 406 of title 23, United States Code (relating to authorizations), is relettered as subsection (c), including all references thereto, and the second sentence of such relettered subsection (c) is amended to read as follows: "All sums authorized to carry out this section shall be apportioned among the States in accordance with the formula established under subsection (c) of section 402 of this title, and shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under such subsection (c).".

TRANSFERABILITY

SEC. 206. (a) The first sentence of subsection (g) of section 104 of title 23, United

States Code, is amended by striking out "30 per centum" and inserting in lieu thereof "40 per centum".

(b) The second sentence of such subsection (g) is amended to read as follows: "The Secretary may approve the transfer of 100 per centum of the apportionment under one such section to the apportionment under any other of such sections if such transfer is requested by the State highway department, and is approved by the Secretary as being in the public interest, if he has received satisfactory assurances from such State highway department that the purposes of the program from which such funds are to be transferred have been met.".

PAVEMENT MARKING PROGRAM

SEC. 207. (a) Subsection (c) of section 151 of title 23, United States Code, is amended by striking out "and which are" and all that follows down through and including "Federal-aid system".

(b) Subsection (g) of such section 151 is amended by adding at the end thereof the following: "No State shall submit any such report to the Secretary for any year after the second year following completion of the pavement marking program in that State, and the Secretary shall not submit any such report to Congress after the first year following the completion of the pavement marking program in all States.".

HIGHWAY SAFETY PROGRAMS

SEC. 208. (a) The last three sentences of subsection (c) of section 402 of title 23, United States Code, are amended to read as follows: "For the purpose of the seventh sentence of this subsection, a highway safety program approved by the Secretary shall not include any requirement that a State implement such a program by adopting or enforcing any law, rule, or regulation based on a standard promulgated by the Secretary under this section requiring any motorcycle operator eighteen years of age or older or passenger eighteen years of age or older to wear a safety helmet when operating or riding a motorcycle on the streets and highways of that State. Implementation of a highway safety program under this section shall not be construed to require the Secretary to require compliance with every uniform standard, or with every element of every uniform standard, in every State. Any amount which is withheld from appointment to any State under this section shall be reapportioned to the other States in accordance with the applicable provisions of law.".

(b) The Secretary of Transportation shall, in cooperation with the States, conduct an evaluation of the adequacy and appropriateness of all uniform safety standards established under section 402 of title 23 of the United States Code which are in effect on the date of enactment of this Act. The Secretary shall report his findings, together with his recommendations, including but not limited to, the need for revision or consolidation of existing standards and the establishment of new standards, to Congress on or before December 31, 1976. Until such report is submitted, the Secretary shall not, pursuant to subsection (c) of section 402 of title 23, United States Code, withhold funds apportioned to any State because such State is failing to implement a highway safety program approved by the Secretary in accordance with such section 402.

NATIONAL HIGHWAY SAFETY ADVISORY COMMITTEE

SEC. 209. Section 404(a)(1) of title 23, United States Code, is amended by deleting "who shall be Chairman," from the first sentence thereof, and by adding immediately after such first sentence the following: "The Secretary shall select the Chairman of the Committee from among the Committee members.".

LIMITATION ON OBLIGATION

SEC. 210. Notwithstanding any other provision of this title, none of the funds authorized by any provision of this title, including any amendment made by any such provision, for the fiscal year ending September 30, 1977, shall be obligated prior to July 1, 1976.

STEERING AXLE STUDY

SEC. 211. The Secretary of Transportation is directed to conduct an investigation into the relationship between the gross load on front steering axles of truck tractors and the safety of operation of vehicle combinations of which such truck tractors are a part. Such investigation shall be conducted in cooperation with representatives of (A) manufacturers of truck tractors and related equipment, (B) labor, and (C) users of such equipment. The Secretary shall report the results of such study to the Congress not later than July 1, 1977.

LIMITATIONS

SEC. 212. To the extent that any section of this title provides new or increased authority to enter into contracts under which outlays will be made from funds other than the Highway Trust Fund, such new or increased authority shall be effective for any fiscal year only in such amounts as are provided in appropriations Acts. All authorizations in this title out of the Highway Trust Fund for the interim period ending September 30, 1976, shall be apportioned as if such authorizations were for the fiscal year ending September 30, 1977.

Mr. HOWARD (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. ICHORD

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

The Clerk read as follows:

Amendment offered by Mr. ICHORD: Page 78 and 79, by striking all of lines 6 through 12 on page 78 and renumbering subsection 10, 11, and 12 as 9, 10, and 11 respectively.

Mr. ICHORD. Mr. Chairman, this is an amendment which can truly be termed a libertarian amendment, one on which I truly believe that an overwhelming majority of the Members of this body can agree. In fact it follows a policy decisively established by this body a few months ago when it overwhelmingly rejected funding for this program in an appropriations bill.

The amendment would strike the authorizations in the total amount of $67,500,000 for the program relating to incentives for the enactment of seat belt laws. In other words we would have a program to bribe State legislatures to pass a law making it a crime not to wear your seat belt to protect yourself.

Mr. Chairman, it is one proposition to make it a crime to drive an automobile under the influence of drugs or alcohol. It is a completely different proposition to pass a law making it a crime not to fasten your seat belt. In the first case you are endangering the life of a third person. In the latter case, you can only endanger your own safety.

It appears that once one of these programs is conceived, it will never, never die. I submit Mr. Chairman, that our country faced with a very serious fiscal situation, with a national debt soon to exceed $600 billions, with an interest bill on that debt anticipated to be in the neighborhood of $36 billions annually, just cannot afford such nonsensical programs. It appears to me that there are some people in this country who insist upon protecting the public even if it kills the public. If we insist upon pursuing such foolish programs as this bribery program we could very well legislate and regulate our country into financial oblivion. I urge the adoption of my amendment.

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

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

Mr. HARSHA. I thank the gentleman for yielding.

We will be happy to accept the gentleman's amendment on this side.

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

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

Mr. HOWARD. I thank the gentleman for yielding.

I will tell the gentleman we have no objection on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. ICHORD).

The amendment was agreed to.

The CHAIRMAN. If there are no further amendments to title II, under the rule, title III of the committee amendment in the nature of a substitute shall be considered as read, printed in the RECORD.

TITLE III—EXTENSION OF HIGHWAY TRUST FUND AND CERTAIN RELATED PROVISIONS

SEC. 301. HIGHWAY TRUST FUND.

(a) Subsections (c) and (f) of section 209 of the Highway Revenue Act of 1956 (relating to the Highway Trust Fund; 23 U.S.C. 120 note) are amended—

(1) by striking out "1977" each place it appears and inserting in lieu thereof "1979"; and

(2) by striking out "1978" each place it appears and inserting in lieu thereof "1980".

(b) Subsection (e)(1) of section 209 of such Act is amended by striking out "June 30, 1978" and inserting in lieu thereof "September 30, 1980".

SEC. 302. TRANSFER FROM LAND AND WATER CONSERVATION FUND.

Subsection (b) of section 201 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–11) is amended—

(1) by striking out "1977" and inserting in lieu thereof "1979"; and

(2) by striking out "1978" each place it appears and inserting in lieu thereof "1980".

SEC. 303. POSTPONEMENT OF CERTAIN EXCISE TAX REDUCTIONS.

(a) The following provisions of the Internal Revenue Code of 1954 are amended by striking out "1977" each place it appears and inserting in lieu thereof "1979":

(1) Section 4041(c)(3) (relating to rate of tax on fuel for noncommercial aviation).

(2) Section 4041(e) (relating to rate reduction).

(3) Section 4061(a)(1) (relating to imposition of tax on trucks, buses, etc.).

(4) Section 4061(b)(1) (relating to imposition of tax on parts and accessories).

(5) Section 4071(d) (relating to imposition of tax on tires and tubes).

(6) Section 4081(b) (relating to imposition of tax on gasoline).

(7) Section 4481(a) (relating to imposition of tax on use of highway motor vehicles).

(8) Section 4481(e) (relating to period tax in effect).

(9) Section 4482(c)(4) (defining taxable period).

(10) Section 6156(e)(2) (relating to installment payments of tax on use of highway motor vehicles).

(11) Section 6421(h) (relating to tax on gasoline used for certain nonhighway purposes or by local transit systems).

(b) Section 6412(a)(2) of such Code (relating to floor stocks refunds) is amended—

(1) by striking out "1977" each place it appears and inserting in lieu thereof "1979"; and

(2) by striking out "1978" each place it appears and inserting in lieu thereof "1980".

The CHAIRMAN. Are there any committee amendments to title III? If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. NEDZI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8235) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, pursuant to House Resolution 329, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

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

MOTION TO RECOMMIT OFFERED BY MR. HARSHA

Mr. HARSHA. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HARSHA. I am in its present form, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. HARSHA moves to recommit the bill H.R. 8235 to the Committee on Public Works and Transportation.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

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

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 410, nays 7, not voting 17, as follows:

[Roll No. 814]

YEAS—410

Abdnor	Duncan, Oreg.	Koch
Abzug	Duncan, Tenn.	Krebs
Adams	du Pont	Krueger
Addabbo	Early	LaFalce
Alexander	Eckhardt	Lagomarsino
Ambro	Edgar	Landrum
Anderson, Calif.	Edwards, Ala.	Latta
Anderson, Ill.	Edwards, Calif.	Leggett
Andrews, N.C.	Eilberg	Lehman
Andrews, N. Dak.	Emery	Lent
Annunzio	English	Levitas
Archer	Erlenborn	Litton
Armstrong	Esch	Lloyd, Calif.
Ashbrook	Evans, Colo.	Lloyd, Tenn.
Ashley	Evans, Ind.	Long, La.
Aspin	Fary	Long, Md.
AuCoin	Fascell	Lott
Badillo	Fenwick	Lujan
Bafalis	Findley	McClory
Baldus	Fish	McCloskey
Barrett	Fisher	McCollister
Baucus	Fithian	McCormack
Bauman	Flood	McDade
Beard, R.I.	Florio	McDonald
Beard, Tenn.	Flowers	McEwen
Bedell	Flynt	McFall
Bell	Foley	McHugh
Bennett	Ford, Tenn.	McKay
Bergland	Forsythe	McKinney
Bevill	Fountain	Madden
Biaggi	Fraser	Madigan
Biester	Frenzel	Maguire
Bingham	Frey	Mahon
Blouin	Fuqua	Mann
Boggs	Giaimo	Martin
Boland	Gibbons	Mathis
Bolling	Gilman	Matsunaga
Bonker	Ginn	Mazzoli
Bowen	Goldwater	Meeds
Brademas	Gonzalez	Melcher
Breaux	Goodling	Metcalfe
Breckinridge	Gradison	Meyner
Brinkley	Grassley	Mezvinsky
Brooks	Green	Michel
Broomfield	Gude	Milford
Brown, Calif.	Guyer	Miller, Calif.
Brown, Mich.	Hagedorn	Miller, Ohio
Brown, Ohio	Haley	Mills
Broyhill	Hall	Mineta
Buchanan	Hamilton	Minish
Burgener	Hammer-schmidt	Mink
Burke, Calif.	Hanley	Mitchell, Md.
Burke, Fla.	Hannaford	Mitchell, N.Y.
Burke, Mass.	Hansen	Moakley
Burleson, Tex.	Harkin	Moffett
Burlison, Mo.	Harrington	Montgomery
Burton, John	Harris	Moore
Burton, Phillip	Hastings	Moorhead, Calif.
Butler	Hawkins	Moorhead, Pa.
Byron	Hayes, Ind.	Morgan
Carney	Hays, Ohio	Mosher
Carr	Hechler, W. Va.	Moss
Carter	Heckler, Mass.	Murphy, Ill.
Cederberg	Hefner	Murphy, N.Y.
Chappell	Heinz	Murtha
Chisholm	Helstoski	Myers, Ind.
Clancy	Henderson	Myers, Pa.
Clawson, Del	Hicks	Natcher
Clay	Hightower	Neal
Cochran	Hillis	Nedzi
Cohen	Holland	Nichols
Collins, Ill.	Holt	Nix
Collins, Tex.	Holtzman	Nolan
Conable	Howard	Nowak
Conlan	Howe	Oberstar
Conte	Hubbard	Obey
Conyers	Hughes	O'Brien
Corman	Hungate	O'Hara
Cornell	Hutchinson	O'Neill
Cotter	Hyde	Ottinger
Coughlin	Ichord	Passman
Crane	Jacobs	Patman, Tex.
D'Amours	Jarman	Patten, N.J.
Daniel, Dan	Jeffords	Patterson, Calif.
Daniel, R. W.	Jenrette	Pattison, N.Y.
Danielson	Johnson, Calif.	Pepper
Davis	Johnson, Colo.	Perkins
de la Garza	Johnson, Pa.	Pettis
Delaney	Jones, Ala.	Peyser
Dellums	Jones, N.C.	Pickle
Dent	Jones, Okla.	Pike
Derrick	Jones, Tenn.	Poage
Derwinski	Jordan	Pressler
Devine	Karth	Preyer
Dickinson	Kasten	Price
Diggs	Kastenmeier	Pritchard
Dingell	Kazen	Quie
Dodd	Kelly	Quillen
Downey, N.Y.	Kemp	Railsback
Downing, Va.	Ketchum	Rangel
Drinan	Keys	Rees
Regula	Kindness	Rhodes
Reuss	Shipley	Richmond
Riegle	Shriver	Rinaldo
Risenhoover	Shuster	Roberts
Robinson	Sikes	Rodino
Roe	Simon	Rogers
Roncalio	Sisk	Rooney
Rose	Skubitz	Rosenthal
Rostenkowski	Slack	Roush
Rousselot	Smith, Iowa	Roybal
Runnels	Smith, Nebr.	Ruppe
Russo	Snyder	Ryan
St Germain	Solarz	Santini
Sarasin	Spellman	Sarbanes
Satterfield	Spence	Scheuer
Schneebeli	Staggers	Schroeder
Schulze	Stanton, J. William	Sebelius
Seiberling	Stanton, James V.	Sharp
	Stark	
	Steed	
	Steelman	
	Steiger, Ariz.	
	Stephens	
	Stokes	
	Stratton	
	Stuckey	
	Studds	
	Symington	
	Symms	
	Taylor, Mo.	
	Taylor, N.C.	
	Teague	
	Thompson	
	Thone	
	Thornton	
	Traxler	
	Treen	
	Tsongas	
	Udall	
	Ullman	
	Van Deerlin	
	Vander Jagt	
	Vander Veen	
	Vanik	
	Vigorito	
	Waggonner	
	Walsh	
	Wampler	
	Waxman	
	Weaver	
	Whalen	
	White	
	Whitehurst	
	Whitten	
	Wiggins	
	Wilson, Bob	
	Wilson, C. H.	
	Winn	
	Wirth	
	Wolff	
	Wright	
	Wydler	
	Wylie	
	Yates	
	Yatron	
	Young, Alaska	
	Young, Fla.	
	Young, Ga.	
	Young, Tex.	
	Zablocki	
	Zeferetti	

NAYS—7

Blanchard	Harsha	Steiger, Wis.
Brodhead	Mikva	
Cleveland	Mottl	

NOT VOTING—17

Allen	Evins, Tenn.	Macdonald
Casey	Ford, Mich.	Mollohan
Clausen, Don H.	Gaydos	Randall
Daniels, N.J.	Hébert	Sullivan
Eshleman	Hinshaw	Talcott
	Horton	Wilson, Tex.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Allen.

Mr. Dominick V. Daniels with Mr. Casey.

Mr. Ford of Michigan with Mr. Eshleman.

Mrs. Sullivan with Mr. Hinshaw.

Mr. Macdonald of Massachusetts with Mr. Don H. Clausen.

Mr. Evins of Tennessee with Mr. Horton.

Mr. Mollohan with Mr. Randall.

Mr. Charles Wilson of Texas with Mr. Talcott.

Mr. HARSHA changed his vote from "yea" to "nay."

Mrs. SCHROEDER and Mr. NIX changed their votes from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that in my remarks in the general debate on the bill just passed I be permitted to include three letters, one letter from the chairman of the Committee on Ways and Means, one letter from the mayor of the city of New York, and one letter from the Governor of the State of New York, and that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the bill just passed.

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

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to Senate Joint Resolution 121, entitled "Joint resolution to provide for quarterly adjustments in the support price for milk."

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate to a bill of the House of the following title:

H.R. 3474. An act to authorize appropriations to the Energy Research and Devlopment Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 209. An act for the relief of Willard H. Allen, Jr., and Nicole J. Allen; and

S. 392. An act to study certain lands in the Flathead and Lewis and Clark National Forests, Montana, for possible inclusion in the National Wilderness Preservation System.

The message also announced that Mr. PEARSON be a conferee, on the part of the Senate, on the bill (S. 2718) entitled "An act to improve the quality of rail services in the United States through regulatory reform, coordination of rail services and facilities, and rehabilitation and improvement financing, and for other purposes."

The message also announced that Mr. BROCK be a conferee, on the part of the Senate, on the bill (H.R. 10727) entitled "An act to amend the Social Security Act to expedite the holding of hearings under titles II, XVII, and XVIII by establishing uniform review procedures under such titles," vice Mr. FANNIN, excused.

PROVIDING FOR CONSIDERATION OF HOUSE RESOLUTION 939, CONSIDERATION OF REPORTS FROM COMMITTEE ON RULES

Mr. MATSUNAGA, from the Committee on Rules, submitted a privileged report (Rept. No. 94–765), on the resolution (H. Res. 939) consideration of reports from Committee on Rules, which was referred to the House Calendar and ordered to be printed:

H. RES. 939

Resolved, That it shall be in order at any time during the balance of this week to consider reports from the Committee on Rules as provided in clause 4(b), Rule XI, except that the provision requiring a two-thirds vote to consider said reports is hereby suspended during the balance of this week.

VETERANS AND SURVIVORS PENSION ADJUSTMENT ACT OF 1975

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 10355) to amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension and dependency and indemnity compensation, to increase income limitations, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause, and insert: That this Act may be cited as the "Veterans and Survivors Pension Interim Adjustment Act of 1975".

TITLE I—INTERIM ADJUSTMENTS IN CURRENT STATUTORY PENSION PROVISIONS

SEC. 101. Effective January 1, 1976, title 38, United States Code, is amended as follows:

(1) chapter 1 of title 38, United States Code, is amended—

(A) by striking out in paragraph (3) of section 101 "widow", "woman", "wife", "his", "him", "man", and "herself" each time they appear and inserting in lieu thereof "surviving spouse", "person of the opposite sex", "spouse", "the veteran's", "the veteran", "person", and "himself or herself", respectively;

(B) by striking out in the second sentence of paragraph (4) of section 101 "his support" and "his spouse" and inserting in lieu thereof "the person's support" and "the veteran's spouse", respectively;

(C) by striking out in paragraph (5) of section 101 "his" and inserting in lieu thereof "the veteran's";

(D) by striking out in paragraph (13) of section 101 "widow" and inserting in lieu thereof "surviving spouse";

(E) by striking out in paragraph (14) of section 101 "widow" each time it appears and inserting in lieu thereof "surviving spouse";

(F) by striking out in paragraph (15) of section 101 "widow" and inserting in lieu thereof "surviving spouse"; and

(G) by adding at the end of section 101 the following new paragraph:

"(31) The term 'spouse' means a person of the opposite sex who is a wife or husband and the term 'surviving spouse' means a person of the opposite sex who is a widow or widower."; and

(2) chapter 15 of title 38, United States Code, is amended—

(A) by inserting in subsection (a) of section 503 "and" after the semicolon at the end of clause (16) of such subsection;

(B) by striking out in subsection (a) of section 541 "widow" and inserting in lieu thereof "surviving spouse" and by striking out "his" preceding the word "death";

(C) by striking out in subsection (e) of section 541 the language preceding clause (1) of such subsection and inserting in lieu thereof "No pension shall be paid to a surviving spouse of a veteran under this section unless the spouse was married to the veteran—" and by amending subclause (D) of clause (1) of such subsection, to read as follows: "(D) May 8, 1985, in the case of a surviving spouse of a Vietnam era veterans; or";

(D) by striking out in section 542 "widow" and inserting in lieu thereof "surviving spouse" and by striking out "his" preceding the word "death";

(E) by striking out in section 543 "widow" and inserting in lieu thereof "surviving spose";

(F) by repealing sections 510 and 53[illegible];

(G) by striking out in the heading of subchapter III "Widows" and inserting in lieu thereof "Surviving Spouses";

(H) by striking out in the catchline of section 541 "Widows" and inserting in lieu thereof "Surviving Spouses";

(I) by striking out in the subheading of subchapter III immediately following section 543 "WIDOWS" and inserting in lieu thereof "SURVIVING SPOUSES"; and

(J) by amending the table of sections at the beginning of such chapter 15—

(i) by striking out

"510. Confederate forces veterans.";

(ii) by striking out

"SUBCHAPTER III—PENSIONS TO WIDOWS AND CHILDREN"

and inserting in lieu thereof

"SUBCHAPTER III—PENSIONS TO SURVIVING SPOUSES AND CHILDREN";

(iii) by striking out

"531. Widows of Mexican War veterans.";

(iv) by striking out

"541. Widows of Mexican border period, World War I, World War II, Korean conflict, or Vietnam era veterans."

and inserting in lieu thereof

"541. Surviving spouses of Mexican border period, World War I, World War II, Korean conflict, or Vietnam era veterans."; and

(v) by striking out

"Widows of Veterans of All Periods of War"

and inserting in lieu thereof

"Surviving Spouses of Veterans of All Periods of War".

SEC. 102. Effective for the period beginning January 1, 1976, and ending September 30, 1976, section 521 of title 38, United States Code, is amended—

(1) by amending subsections (b) and (c) to read as follows:

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

"The monthly rate of pension shall be $173 reduced by—	For each $1 of annual income	
	Which is more than—	But not more than
$0.00	0	$300
.03	$300	500
.04	500	700
.05	700	1,200
.06	1,200	1,700
.07	1,700	2,000
.08	2,000	3,300

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

"(3) In no case may pension be paid under this subsection to any veteran if the annual income of such veteran exceeds $3,300.

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

"The monthly rate of pension for a veteran shall be— $186 if such veteran has one such dependent; $191 if such veteran has two such dependents; and $196 if such veteran has three or more such dependents; reduced by—	For each $1 of annual income	
	Which is more than—	But not more than—
$0.00	0	$500
.02	$500	700
.03	700	1,300
.04	1,300	2,800
.05	2,800	3,200
.06	3,200	3,800
.08	3,800	4,500

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

"(3) In no case may pension be paid under this subsection to any veteran if the annual income of such veteran exceeds $4,500.";

(2) by striking out in subsection (d) "him" and "$123" and inserting in lieu thereof "such veteran" and "$133", respectively; and

(3) by striking out in subsection (e) "his", "him", and "$49" and inserting in lieu thereof "such veteran's", "such veteran", and "$53", respectively.

SEC. 103. Effective for the period beginning January 1, 1976, and ending September 30, 1976, section 541 of title 38, United States Code, is amended—

(1) by amending subsections (b) and (c) to read as follows:

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

"The monthly rate of pension shall be $117 reduced by—	For each $1 of annual income	
	Which is more than—	But not more than
$0.00	0	$300
.01	$300	600
.03	600	900
.04	900	1,500
.05	1,500	2,700
.06	2,700	3,300

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

"(3) In no case may pension be paid under this subsection to any surviving spouse if the annual income of such surviving spouse exceeds $3,300.

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

"The monthly rate of pension shall be $139 reduced by—	For each $1 of annual income	
	Which is more than—	But not more than
$0.00	0	$700
.01	$700	1,100
.02	1,100	1,800
.03	1,800	2,700
.04	2,700	3,500
.05	3,500	4,500

"(2) In no case may pension be paid under this subsection to any surviving spouse if the anual income of such surviving spouse exceeds $4,500.

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

(2) by striking out in subsection (d) "widow" and "$20" and inserting in lieu thereof "surviving spouse" and "$22", respectively.

SEC. 104. Effective for the period beginning January 1, 1976, and ending September 30, 1976, section 542 of title 38, United States Code, is amended—

(1) by striking out in subsection (a) "$49" and "$20" and inserting in lieu thereof "$53" and "$22", respectively; and

(2) by striking out in subsection (c) "$2,400" and inserting in lieu thereof "$2,700".

SEC. 105. Effective for the period beginning January 1, 1976, and ending September 30, 1976, section 544 of title 38, United States Code, is amended to read as follows:

"§ 544. Aid and attendance allowance

"If any surviving spouse is entitled to pension under this subchapter and is in need of regular aid and attendance, the monthly rate of pension payable to the surviving spouse shall be increased by $69.".

SEC. 106. Effective January 1, 1976, chapter 15 of title 38, United States Code, is amended—

(1) by striking out in section 501(2) "him" and inserting in lieu thereof "such veteran";

(2) by striking out in subsections (a), (b), and (c) of section 502 "he" and "his" each time they appear and inserting in lieu thereof "such person" and "such veteran's", respectively;

(3) by striking out in section 503(a)(7) "wife", "his", and "widow" and inserting in lieu thereof "spouse", "such veteran's", and "surviving spouse", respectively.

(4) by striking out in subclauses (A), (B), and (C) of section 503(a)(7) "his" each time it appears and inserting in lieu thereof "such veteran's";

(5) by striking out in subclauses (A) and (B) of section 503(a)(9) "his", "widow", and "wife" each time they appear and inserting in lieu thereof "such veteran's", "surviving spouse", and "spouse", respectively;

(6) by striking out in section 503(a)(14) "his widow" and inserting in lieu thereof "such veteran's surviving spouse";

(7) by striking out in section 503(a)(16) "his" and inserting in lieu thereof "such employee's";

(8) by striking out in section 503(c) "widow" and inserting in lieu thereof "surviving spouse";

(9) by striking out in section 505(a) "his" each time it appears and inserting in lieu thereof "such individual's";

(10) by striking out in section 505(b) "his wife" and inserting in lieu thereof "such veteran's spouse";

(11) by striking out in section 505(c), including clauses (1) and (2), "widow" each time it appears and inserting in lieu thereof "surviving spouse";

(12) by striking out in section 506(a)(1) "he" and inserting in lieu thereof "the Administrator";

(13) by striking out in section 506(a)(2) "him", "he", and "his" each time they appear and inserting in lieu thereof "the Administrator", "such person", and "such person's", respectively;

(14) by striking out in section 506(a)(3) "his" each time it appears and inserting in lieu thereof "such person's";

(15) by striking out in section 507 ", in his discretion,"; by striking out in such section "his wife" and inserting in lieu thereof "such veteran's spouse"; and by striking out in such section "wife" the second time it appears and inserting in lieu thereof "spouse";

(16) by striking out in subsection (b) and (c) of section 511 "he" each time it appears and inserting in lieu thereof "such veteran";

(17) by striking out in subsection (a) and (b) of section 512 "he" each time it appears and inserting in lieu thereof "such veteran";

(18) by striking out in section 521(g) "he" and inserting in lieu thereof "such veteran";

(19) by striking out in section 523(b) "him" and inserting in lieu thereof "such veteran";

(20) by striking out in section 532(a) "widow", "she", "wife", and "his" each time they appear and inserting in lieu thereof "surviving spouse", "such surviving spouse", "spouse", and "such veteran's", respectively;

(21) by striking out in subsections (b) and (c) of section 532 "widow" and "he" each time they appear and inserting in lieu thereof "surviving spouse" and "such veteran", respectively;

(22) by striking out in section 532(d) "widow", "she", and "him" and inserting in lieu thereof "surviving spouse", "such surviving spouse", and "such veteran", respectively;

(23) by striking out in the catchline of section 532 "Widows" and inserting in lieu thereof "Surviving spouses";

(24) by striking out in the table of sections at the beginning of such chapter 15

"532. Widows of Civil War veterans."

and inserting in lieu thereof

"532. Surviving spouses of Civil War veterans.";

(25) by striking out in section 533 "widow" and inserting in lieu thereof "surviving spouse";

(26) by striking out in section 534(a) "widow", "she", "wife", and "his" each time they appear and inserting in lieu thereof "surviving spouse", "such surviving spouse", "spouse", and "such veteran's", respectively;

(27) by striking out in section 534(b) "widow" and inserting in lieu thereof "surviving spouse";

(28) by striking out in section 534(c) "widow", "she", and "him" and inserting in lieu thereof "surviving spouse", "such surviving spouse", and "such veteran", respectively;

(29) by striking out in the catchline of section 534 "Widows" and inserting in lieu thereof "Surviving spouses";

(30) by striking out in the table of sections at the beginning of such chapter 15

"534. Widows of Indian War veterans."

and inserting in lieu thereof

"534. Surviving spouses of Indian War veterans.";

(31) by striking out in section 535 "widow" and inserting in lieu thereof "surviving spouse";

(32) by striking out in section 536(a) "widow", "she", "wife", and "his" and inserting in lieu thereof "surviving spouse", "such surviving spouse", "spouse", and "such veteran's", respectively;

(33) by striking out in subsections (b) and (c) of section 536 "widow", "she", and "him" each time they appear and inserting in lieu thereof "surviving spouse", "such surviving spouse", and "such veteran", respectively;

(34) by striking out in section 536(d)(1) "widow", "she", and "widows" and inserting in lieu thereof "surviving spouse", "such surviving spouse", and "surviving spouses", respectively;

(35) by striking out in section 546(d)(2) "widow" and inserting in lieu thereof "surviving spouse";

(36) by striking out in clauses (A) and (B) of section 536(d)(2) "her" and "widow" each time they appear and inserting in lieu thereof "such surviving spouse" and "surviving spouse", respectively;

(37) by striking out in the catchline of section 536 "Widows" and inserting in lieu thereof "Surviving spouses";

(38) by striking out in the table of sections at the beginning of such chapter 15

"536. Widows of Spanish-American War veterans."

and inserting in lieu thereof

"536. Surviving spouses of Spanish-American War veterans.";

(39) by striking out in section 537 "widow" and inserting in lieu thereof "surviving spouse";

(40) by striking out in subclauses (A), (B), and (C) of section 541(e)(1) "widow" each time it appears and inserting in lieu thereof "surviving spouse";

(41) by striking out in section 560(b) "himself" and "his" and inserting in lieu thereof "such person" and "such person's", respectively;

(42) by striking out in subsections (a) and (b) of section 561 "his", "him", and "he" each time they appear and inserting in lieu thereof "such person's", "such person", and "such person", respectively;

(43) by striking out in section 561(c) "by him";

(44) by striking out in section 562(a) "him" and inserting in lieu thereof "the Administrator"; and

(45) by striking out in subsections (b) and (d) of section 562 "he" each time it

appears and inserting in lieu thereof "such person".

SEC. 107. Effective for the period beginning January 1, 1976, and ending September 30, 1976, section 4 of Public Law 90-275 (82 Stat. 68) is amended to read as follows:

"SEC. 4. The annual limitations governing payment of pension under the first sentence of section 9(b) of the Veterans' Pension Act of 1959 hereafter shall be $2,900 and $4,200, instead of $2,600 and $3,900, respectively.".

TITLE II—INTERIM ADJUSTMENTS IN CURRENT STATUTORY PROVISIONS RELATING TO DEPENDENCY AND INDEMNITY COMPENSATION FOR PARENTS

SEC. 201. Effective for the period beginning January 1, 1976, and ending September 30, 1976, section 415 of title 38, United States Code, is amended—

(1) by redesignating paragraph (2) of subsection (b) as paragraph (4) of subsection (b) and by striking out in the redesignated paragraph (4) of subsection (b) "he", "him", and "his" each time they appear and inserting in lieu thereof "such parent", "such parent", and "such parent's", respectively;

(2) by amending paragraph (1) of subsection (b) to read as follows:

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

"The monthly rate of dependency and indemnity compensation shall be $133 reduced by—	For each $1 of annual income	
	Which is more than—	But not more than—
$0.00	0	$800
.03	$800	1,000
.04	1,000	1,200
.05	1,200	1,500
.06	1,500	1,700
.08	1,700	3,300

"(2) In no case may the amount of dependency and indemnity compensation payable to any parent under this subsection be less than $5 monthly.

"(3) In no case may dependency and indemnity compensation be paid under paragraph (1) of this subsection to any parent if the annual income of such parent exceeds $3,300.";

(3) by amending subsections (c) and (d) to read as follows:

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

"The monthly rate of dependency and indemnity compensation shall be $93 reduced by—	For each $1 of annual income of such parent	
	Which is more than—	But not more than—
$0.00	0	$800
.02	$800	1,100
.04	1,100	1,600
.05	1,600	2,400
.06	2,400	3,300

"(2) In no case may the amount of dependency and indemnity compensation payable to any parent under this subsection be less than $5 monthly.

"(3) In no case may dependency and indemnity compensation be paid under paragraph (1) of this subsection to any parent if the annual income of such parent exceeds $3,300.

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

"The monthly rate of dependency and indemnity compensation shall be $90 reduced by—	For each $1 of the total combined annual income	
	Which is more than—	But not more than—
$0.00	0	$1,000
.02	$1,000	2,300
.03	2,300	3,300
.04	3,300	4,500

"(2) In no case may the amount of dependency and indemnity compensation payable to any parent under this subsection be less than $5 monthly.

"(3) In no case may dependency and indemnity compensation be paid under this subsection to a parent if the total combined annual income of the parent and such parent's spouse exceeds $4,500.";

(4) by striking out in subsection (e) "him" each time it appears and inserting in lieu thereof "the Administrator";

(5) by striking out in subsection (f) "he" and inserting in lieu thereof "the Administrator";

(6) by striking out in subsection (g)(1)(J)(ii) "his" and inserting in lieu thereof "such veteran's"; and

(7) by striking out in subsection (h) "$64" and inserting in lieu thereof "$69".

SEC. 202. Effective for the period beginning January 1, 1976, and ending September 30, 1976, section 322 of title 38, United States Code, is amended by striking out in subsection (b) "$64" and inserting in lieu thereof "$69".

Mr. ROBERTS (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

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

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object, and I shall not object, I support the gentleman's unanimous-consent request to concur in the Senate amendment to H.R. 10355.

This measure passed the House of Representatives on November 4 by a record vote of 400 to 0. I strongly supported the bill at that time and continue to do so.

The Senate amendment makes no substantive changes in the House passed bill. The cost of the measure remains the same.

The effect of the Senate amendment is to limit the increase authorized by the bill to a 9-month period ending September 30 and to eliminate all reference to gender with respect to veterans, spouses, and survivors.

Inasmuch as the other body has held this measure since November 4, Mr. Speaker, and we are rapidly running out of time before the adverse effect of the most recent social security increase will be reflected in pension checks, it is extremely important that we move this bill as expeditiously as possible. I, therefore, urge that we concur in the Senate amendment thus clearing the bill for the President.

Mr. ROBERTS. Mr. Speaker, on November 4, the House passed H.R. 10355 by a vote of 400 to 0. It provided an 8-percent increase in pension rates effective January 1, 1976, and it increased the maximum annual income limits for pension purposes by $300. The proposed increases would compensate for the cost-of-living increase this calendar year.

Mr. Speaker, the bill as amended by the Senate is substantially the same as the bill we passed last month. The other body made no substantive changes. The changes brought about by the Senate amendment are as follows:

First. The 8 percent cost-of-living increase in the pension and DIC rates and the $300 increase in maximum income limits would be effective from January 1, 1976, through September 30, 1976.

We are not going to object to the time limitation imposed by the other body although we think it serves no useful purpose. We are accepting the time limitation because we feel it is imperative that Congress get a bill to the President without further delay.

Although the increases provided in this bill have been labeled an interim measure, should the time constraints imposed by the other body require that adjustments be made in pension and DIC rates during the next calendar year, such adjustments may be made by the Veterans' Administration based on income reported at the time such rates are adjusted for benefits effective January 1, 1976. In other words, Mr. Speaker, the Veterans' Administration will not be required to send out new income questionnaires in making such adjustments should it become necessary.

Second. The amendment would make adjustments in current statutory pension provisions of title 38, eliminating or removing various gender references. These are technical not substantive changes.

The proposed Senate amendment does not alter in any way the cost of the House-passed bill. It remains at about $100 million in fiscal year 1976.

Mr. Speaker, the proposed bill provides pension for low income war veterans and their widows. Many are elderly. Most of them rely upon their pension benefits as a major source of income. Unless the bill is passed, many now receiving pension benefits will be terminated from the pension rolls after January 1, 1976.

I urge that H.R. 10355, as amended, be adopted.

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

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

There was no objection.

A motion to reconsider was laid on the table.

MEDICARE DEADLINE AMENDMENTS

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 10284) to amend title XVIII of the Social Security Act to assure that the prevailing fees recognized by medicare for fiscal year 1976 are not less than those for fiscal year 1975, to extend for 3 years the existing authority of the Secretary of Health, Education, and Welfare to grant temporary waivers of nursing staff requirements for small hospitals in rural areas, to maintain the present system of coordi-

nation of the medicare and Federal Employees' Health Benefit programs, and to correct a technical error in the law that prevents increases in the medicare part B premiums with Senate amendments thereto, and concur in the Senate amendments with a House amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert:

TITLE I—PROVISIONS RELATING TO HEALTH SERVICES

PREVAILING CHARGE LEVEL FOR FISCAL YEAR 1976

SEC. 101. (a) Section 1842(b)(3) of the Social Security Act is amended by adding at the end thereof the following new sentence: "If the prevailing charge level for the fiscal year beginning July 1, 1975, as determined under clause (ii) of the third sentence of this paragraph and with application of the fourth sentence of this paragraph, with respect to any particular physician service performed in any particular locality, is, by reason of the application of such fourth sentence, lower than the prevailing charge level for such service performed in such locality for the fiscal year ending June 30, 1975, as determined pursuant to such clause (ii), then, such prevailing charge level for the fiscal year beginning July 1, 1975, shall be deemed to be equal to the prevailing charge level so determined for the fiscal year ending June 30, 1975.".

(b) The fourth sentence of section 1842 (b)(3) of such Act is amended—

(1) by inserting "(including, to the extent feasible, data with respect to premiums for medical malpractice insurance)" immediately after "index data",

(2) by inserting "in any region" immediately after "physician services", and

(3) by inserting immediately before the period at the end of such sentence the following: "in the region".

(c)(1) The amendment made by subsection (a) shall be applicable with respect to claims filed under part B of title VIII of the Social Security Act with a carrier designated pursuant to section 1842 of such Act and processed by such carrier after the appropriate changes were made in the prevailing charge levels for the fiscal year beginning July 1, 1975, on the basis of economic index data under the third and fourth sentences of section 1842(b)(3) of such Act; except that (1) if less than the correct amount was paid (after the application of the amendment made by subsection (a) of this section) on any claim processed prior to the enactment of this section, the correct amount shall be paid by such carrier at such time (not exceeding 6 months after the date of the enactment of this section) as is administratively feasible, and (2) no such payment shall be made on any claim where the difference between the amount paid and the correct amount due is less than $1.

(2) The amendments made by subsection (b) of this section shall be effective only with respect to determinations of prevailing charge levels under the third and fourth sentences of section 1842(b)(3) of the Social Security Act for fiscal years beginning after June 30, 1976.

(d) The fourth sentence of section 1842 (b)(3) of the Social Security Act is amended—

(1) by striking out "fiscal" each place it appears therein, and

(2) by inserting immediately before the period at the end thereof the following: "(and, for purposes of this sentence, the term 'year' means a period which begins on July 1 of any calendar year and ends on June 30 of the succeeding calendar year)".

(e) Not later than 90 days after the date of the enactment of this Act, the Secretary of Health, Education, and Welfare shall submit to the Committee on Finance of the Senate and to the Committee on Ways and Means of the House of Representatives a report explaining the reasons why, in the administration of so much of the provisions of section 1842(b)(3) of the Social Security Act as relate to the establishment of indices to determine the prevailing charge level for physician's services, there was a failure to carry out the congressional intent that indices be established on a regional basis, and, instead, there was established a single national index applicable to physicians practicing in all areas of the Nation. Such report shall include any recommendations which the Secretary may have as to any legislative action which might be necessary to further implement the congressional intent with respect to the establishment of such indices.

EXTENSION OF AUTHORITY TO WAIVE 24-HOUR NURSING SERVICE REQUIREMENT FOR CERTAIN RURAL HOSPITALS

SEC. 102. Section 1861(e)(5) of the Social Security Act is amended by striking out "January 1, 1976" and inserting in lieu thereof "January 1, 1977".

COORDINATION BETWEEN MEDICARE AND FEDERAL EMPLOYEES' HEALTH BENEFITS PROGRAM

SEC. 103. Section 1862(c) of the Social Security Act is repealed.

TECHNICAL AMENDMENT RELATING TO PART B PREMIUM DETERMINATIONS

SEC. 104. (a) Section 1839(c)(3) of the Social Security Act is amended by striking out "June 1" each place it appears and inserting in lieu thereof "May 1".

(b) The amendments made by subsection (a) shall apply with respect to determinations made under section 1839(c)(3) of the Social Security Act after the date of the enactment of this Act.

PROFESSIONAL STANDARDS REVIEW AREAS

SEC. 105. Section 1152 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(g)(1) In any case in which the Secretary has established, within a State, two or more appropriate areas with respect to which Professional Standards Review Organizations may be designated, he shall, prior to designating a Professional Standards Review Organization for any such area, conduct in each area a poll in which the doctors of medicine and doctors of osteopathy engaged in active practice therein will be asked: 'Do you support a change from the present local and regional Professional Standards Review Organization area designations to a single statewide area designation?'. If, in each such area, more than 50 per centum of the doctors responding to such question respond in the affirmative, then the Secretary shall establish the entire State as a single Professional Standards Review Organization area.

"(2) The provisions of paragraph (1) shall not be applicable with respect to the designation of Professional Standards Review Organization areas in any State, if, prior to the date of enactment of this Act, the Secretary has entered into an agreement with an organization designating it as the Professional Standards Review Organization for any area in the State.".

UTILIZATION REVIEW ACTIVITIES

SEC. 106. (a)(1) Section 1861(w) of such Act is amended—

(A) by inserting "(1)" immediately after "(w)", and

(B) by adding at the end thereof the following new paragraph:

"(2) Utilization review activities conducted, in accordance with the requirements of the program established under part B of title XI of the Social Security Act with respect to services furnished by a hospital to patients insured under part A of this title or entitled to have payment made for such services under a State plan approved under title V or XIX, by a Professional Standards Review Organization designated for the area in which such hospital is located shall be deemed to have been conducted pursuant to arrangements between such hospital and such organization under which such hospital is obligated to pay to such organization, as a condition of receiving payment for hospital services so furnished under this part or under such a State plan, such amount as is reasonably incurred and requested (as determined under regulations of the Secretary) by such organization in conducting such review activities with respect to services furnished by such hospital to such patients.".

(2) Section 1815 of such Act is amended—

(A) by inserting "(a)" immediately after "SEC. 1815.", and

(B) by adding at the end thereof the following new subsection:

"(b) No payment shall be made to a provider of services which is a hospital for or with respect to services furnished by it for any period with respect to which it is deemed, under section 1861(w)(2), to have in effect an arrangement with a Professional Standards Review Organization for the conduct of utilization review activities by such organization unless such hospital has paid to such organization the amount due (as determined pursuant to such section) to such organization for the review activities conducted by it pursuant to such arrangements or such hospital has provided assurances satisfactory to the Secretary that such organization will promptly be paid the amount so due to it from the proceeds of the payment claimed by the hospital. Payment under this title for utilization review activities provided by a Professional Standards Review Organization pursuant to an arrangement or deemed arrangement with a hospital under section 1861(w)(2) shall be calculated without any requirement that the reasonable cost of such activities be apportioned among the patients of such hospital, if any, to whom such activities were not applicable.".

(c) Section 1168 of such Act is amended by adding at the end thereof the following new sentence: "The Secretary shall make such transfers of moneys between the funds, referred to in clauses (a), (b), and (c) of the preceding sentence, as may be appropriate to settle accounts between them in cases where expenses properly payable from the funds described in one such clause have been paid from funds described in another of such clauses.".

(d) The amendments made by this section shall be effective with respect to utilization review activities conducted on and after the first day of the first month which begins more than 30 days after the date of enactment of this Act.

CERTAIN EMERGENCY HOSPITAL SERVICES FURNISHED BY VETERANS' ADMINISTRATION HOSPITALS

SEC. 107. (a) Section 1814(c) of the Social Security Act is amended by inserting "or subsection (j)" immediately after "subsection (d)".

(b) Section 1814 of such Act is further amended by adding at the end thereof the following new subsection:

"Payment for Certain Hospital Services Provided in Veterans' Administration Hospitals

"(j)(1) Payments shall also be made to any hospital operated by the Veterans' Administration for inpatient hospital services furnished in a calendar year by the hospital or under arrangements (as defined in section

1861(w)) with it, to an individual entitled to hospital benefits under section 226 even though such hospital is a Federal provider of services if (A) such individual was not entitled to have such services furnished to him free of charge by such hospital, (B) such individual was admitted to such hospital in the reasonable belief on the part of the admitting authorities that such individual was a person who was entitled to have such services furnished to him free of charge, (C) the authorities of such hospital, in admitting such individual, and the individual, acted in good faith, and (D) such services were furnished during a period ending with the close of the day on which the authorities operating such hospital first became aware of the fact that such individual was not entitled to have such services furnished to him by such hospital free of charge, or (if later) ending with the first day on which it was medically feasible to remove such individual from such hospital by discharging him therefrom or transferring him to a hospital which has in effect an agreement under this title.

"(2) Payment for services described in paragraph (1) shall be in an amount equal to the charge imposed by the Veterans' Administration of such services, or (if less) the reasonable costs for such services (as estimated by the Secretary). Any such payment shall be made to the entity to which payment for the services involved would have been payable, if payment for such services had been made by the individual receiving the services involved (or by another private person acting on behalf of such individual).".

(c) The amendments made by this section shall be applicable in the case of inpatient hospital services furnished on and after July 1, 1974.

UPDATING OF THE LIFE SAFETY REQUIREMENTS APPLICABLE TO NURSING HOMES

SEC. 108. (a) Section 1861(j)(13) of the Social Security Act is amended by striking out "(21st edition, 1967)" and inserting in lieu thereof "(23d edition, 1973)".

(b) Subject to subsection (c), the amendment made by subsection (a) shall be effective on the first day of the sixth month which begins after the date of enactment of this Act.

(c) Any institution (or part of an institution) which complied with the requirements of section 1861(j)(13) of the Social Security Act on the day preceding the first day referred to in subsection (b) shall, so long as such compliance is maintained (either by meeting the applicable provisions of the Life Safety Code (21st edition, 1967), with or without waivers of specific provisions, or by meeting the applicable provisions of a fire and safety code imposed by State law as provided for in such section 1861(j)(13)), be considered (for purposes of titles XVIII and XIX of such Act) to be in compliance with the requirements of such section 1861(j)(13), as it is amended by subsection (a) of this section.

GRANTS FOR CERTAIN EXPERIMENTS AND DEMONSTRATION PROJECTS

SEC. 109. Nothing contained in section 222(a) of Public Law 92-603 shall be construed to preclude or prohibit the Secretary of Health, Education, and Welfare from including in any grant otherwise authorized to be made under such section moneys which are to be used for payments, to a participant in a demonstration or experiment with respect to which the grant is made, for or on account of costs incurred or services performed by such participant for a period prior to the date that the project of such participant is placed in operation, if—

(1) the applicant for such grant is a State or an agency thereof,

(2) such participant is an individual practice association which has been in existence for at least 3 years prior to the date of enactment of this section and which has in effect a contract with such State (or an agency thereof), entered into prior to the date on which the grant is approved by the Secretary, under which such association will, for a period which begins before and ends after the date such grant is so approved, provide health care services for individuals entitled to care and services under the State plan of such State which is approved under title XIX of the Social Security Act,

(3) the purpose of the inclusion of the project of such association is to test the utility of a particular rate-setting methodology, designed to be employed in prepaid health plans, in an individual practice association operation, and

(4) the applicant for such grant affirms that the use of moneys from such grant to make such payments to such individual practice association is necessary or useful in assuring that such association will be able to continue in operation and carry out the project described in clause (3)

OCCUPATIONAL THERAPY UNDER MEDICARE

SEC. 110. (a) Section 1814(a)(2)(D) of the Social Security Act is amended by inserting ", occupational," immediately after "physical".

(b) Section 1835(a)(2)(A)(i) of such Act is amended by inserting ", occupational," immediately after "physical".

(c) Section 1835(a)(2) of such Act is amended—

(1) by striking out the period at the end of clause (D) and inserting in lieu thereof "; and", and

(2) by adding after clause (D) the following new clause:

"(E) in the case of outpatient occupational therapy services, (i) such services are or were required because the individual needed occupational therapy services, (ii) a plan for furnishing such services has been established and is periodically reviewed by a physician, and (iii) such services are or were furnished while the individual is or was under the care of a physician.".

(d) The last sentence of section 1861(p) of such Act is amended by inserting "and occupational therapy services" after "speech pathology services".

(e) The amendment made by the preceding provisions of this section shall be applicable in the case of services furnished on and after the first day of the first month which begins not less than thirty days after the date of enactment of this Act.

PAYMENT TO PROVIDERS OF SERVICES

SEC. 111. Section 1815 of the Social Security Act is amended by deleting the parenthesis after "monthly" and inserting: "with no greater lag in payment to the provider than occurs in the providers' payments for the products and services it purchases."

PROFESSIONAL STANDARDS REVIEW ORGANIZATION STARTUP DEADLINE

SEC. 112. (a) Subsections (c)(1) and (f)(1) of Section 1152 of the Social Security Act are amended by changing the date "January 1, 1976," in each to "January 1, 1978,".

(b) The amendments made by the above subsection shall not be applicable in any area designated in accordance with Section 1152(a)(1) of the Act where—

(1) the membership association or organization representing the largest number of doctors of medicine in such area, or in the State in which such area is located, if different, has adopted by resolution or other official procedure a formal policy position of opposition to or non-cooperation with the established program of professional standards review; or

(2) the organization proposed to be designated by the Secretary under Section 1152 has been negatively voted upon in accordance with the provisions of Section 1152(f)(2).

PROFESSIONAL STANDARDS REVIEW ORGANIZATIONS

SEC. 113. (a) Section 1167(b) of the Social Security Act (42 U.S.C. 1320c-16(b) is amended to read as follows:

"(b) In any civil suit, action, or proceeding brought against a Professional Standards Review Organization, a member, director, trustee, employee, or official thereof, or a person who is requested by, and who furnishes professional counsel or services to, such organization—

"(1) such organization, individual, or person shall not be held liable for the negligent performance of any duty, function, or activity of Professional Standards Review Organizations authorized under this part, unless such organization, individual, or person was grossly negligent in such performance;

"(2) such organization, individual, or person shall not be held liable for defamation in connection with the performance of any duty, function, or activity of Professional Standards Review Organizations authorized under this part, unless such organization, individual, or person acted wth malice or with gross negiligence in connection wth such performance; and

"(3) the Secretary shall make payment to such organization, individual, or person equal to the reasonable amount of the expenses of legal counsel actually and necessarily incurred, as determined by the Secretary, in connection with the defense of the portion of such suit, action, or proceeding in connection with the performance of any duty, function, or activity of Professional Standards Review Organizations authorized under this part.".

(b) The amendments made by this Act shall take effect on the date of this Act, but shall not apply with respect to any civil action, suit, or proceeding brought prior to the date of enactment of this Act.

STUDY REGARDING COVERAGE UNDER PART B OF MEDICARE FOR CERTAIN SERVICES PROVIDED BY OPTOMETRISTS

SEC. 114. The Secretary of Health, Education, and Welfare shall conduct a study of, and submit to the Congress not later than 4 months after the date of enactment of this section a report containing his findings and recommendations with respect to, the appropriateness of reimbursement under the insurance program established by part B of title XVIII of the Social Security Act for services performed by doctors of optometry but not presently recognized for purposes of reimbursement with respect to the provision of prosthetic lenses for patients with aphakia.

UTILIZATION REVIEW UNDER MEDICAID

SEC. 115. (a) Section 1903(g)(1)(C) of the Social Security is amended to read as follows:

"(C) such State has in effect a continuous program of review of utilization pursuant to section 1902(a)(30) whereby each admission is reviewed or screened in accordance with criteria established by medical and other professional personnel and (i) the information developed from such review or screening, and (ii) the data obtained from prior reviews of the necessity for admission and continued stay of patients by such professional personnel shall be used as the basis for establishing the size and composition of the sample of admissions to be subject to review and evaluation by such personnel, who are not themselves directly responsible for the care of the patient involved and who do not have a significant financial interest in any such institution and who are not, except in the case of a hospital, employed by the institution providing the care involved; and, any such sample may be of any size up to 100 percent of all admissions and must be of sufficient size to serve the pur-

pose of (iii) identifying the patterns of care being provided and the changes occurring over time in such patterns so that the need for modification may be ascertained, and (iv) subjecting admissions to early or more extensive review where information indicated that such consideration is warranted; and".

(b) The amendment made by subsection (a) shall take effect the first day of the first calendar month which begins not less than 90 days after the date of enactment of this Act.

HEALTH INSURANCE BENEFITS UNDER SECTION 202

SEC. 116. (a) Title XVIII of the Social Security Act is amended by adding after section 1818 the following new section:

"HOSPITAL INSURANCE FOR INDIVIDUALS, AGE 60 THROUGH 64, WHO ARE ENTITLED TO BENEFITS UNDER SECTION 202 OR WHO ARE SPOUSES OF INDIVIDUALS ENTITLED TO HEALTH INSURANCE

"SEC. 1819. (a) Every individual who—

"(1) has attained the age of 60, but has not attained the age of 65; and

"(2) is either—

"(A) an individual entitled to monthly insurance benefits under section 202 or benefits under the Railroad Retirement Act of 1937, or

"(B) the wife or husband of a person entitled to benefits under this part, or

"(C) an individual entitled to benefits under—

"(i) section 223(a), or

"(ii) subsection (e), (f), (g), or (h), of section 202 based on disability.

but who has not met the conditions of section 226 (b)(2); and

"(3) is enrolled under part B of this title shall be eligible to enroll in the insurance program established by this part.

"(b)(1) An individual may enroll only once under this section and only in such manner and form as may be prescribed in regulations, and only during an enrollment period prescribed in or under this section.

"(2) In the case of an individual who satisfies paragraph (1) of subsection (a) of this section and either subparagraph (A) or (C) of paragraph (2) of such subsection, his enrollment period shall begin with whichever of the following is the latest:

"(A) April 1, 1976, or

"(B) the date such individual first meets the conditions in such paragraph (2), or

"(C) the date the Secretary sends notice to such individual that he is entitled to any monthly insurance benefits as specified in subparagraph (a) or (C) of such paragraph (2),

and shall end at the close of the—

"(D) 90th day thereafter, if such enrollment period begins on the date specified in subparagraph (B) or (C) of this paragraph, or

"(E) the 180th day thereafter, if such enrollment period begins on April 1, 1976.

"(3) In the case of an individual satisfying paragraph (1) and paragraph (2)(B) of subsection (a) of this section, his enrollment period shall begin on whichever of the following is the later: (A) April 1, 1976, or (B) the date such individual first meets the conditions specified in such paragraphs, and shall end at the close of the (C) 90th day thereafter, if such enrollment period begins on the date specified in clause (B) of this paragraph or (D) the 180th day thereafter, if such enrollment period begins on April 1, 1976.

"(c)(1) In the case of an individual who enrolls pursuant to the provisions of this section, the coverage period during which he is entitled to benefits under this part shall begin on the first day of the second month after the month in which he enrolls, or July 1, 1976, whichever is later.

"(2) An individual's coverage period shall terminate at the earlier of the following—

"(A) for failure to make timely premium payments, at such time as may be prescribed in regulations which may include a grace period in which overdue premiums may be paid and coverage continued, but such grace period shall not exceed 30 days; except that it may be extended to not to exceed 60 days in any case where the Secretary determines that there was good cause for failure to pay overdue premiums within such 30-day period; or

"(B) at the close of the month following the month in which an individual files a notice with the Secretary that he no longer desires to be enrolled under this section; or

"(C) with the month before the month he no longer meets the conditions specified in subsection (a).

Notwithstanding the preceding provisions of this paragraph, an individual's coverage period shall terminate at such time as such individual becomes eligible for hospital insurance benefits under section 226 of this Act or section 103 of the Social Security Amendments of 1965; and upon such termination such individual shall be deemed, solely for purposes of hospital insurance entitlement, to have filed in such month the application required to establish such entitlement.

"(d)(1) The monthly premium of each individual under this section for each month in his coverage period before July 1977 shall be $40.

"(2) The Secretary shall, during the last calendar quarter of each year beginning in 1976, determine and promulgate the dollar amount (whether or not such dollar amount was applicable for premiums for any prior month) which shall be applicable for premiums chargeable to individuals for months occurring in the 12-month period commencing July 1 of the next succeeding year. Such amount shall be actuarily adequate on a per capita basis to meet the estimated amounts of incurred claims and administrative expenses for individuals enrolled under this section during such period; and such amount shall take into consideration underwriting losses or gains incurred during prior years. Any amount determined under the preceding sentence which is not a multiple of $1 shall be rounded to the nearest $1, or if midway between multiples of $1, to the next higher multiple of $1.

"(e) Payment of the monthly premiums on behalf of any individual who meets the conditions of subsection (a) may be made by any public or private agency or organization under a contract or other arrangement entered into between it and the Secretary if the Secretary determines that payment of such premiums under such contract or other arrangement is administratively feasible.

"(f)(1) The provisions of section 1840 shall apply to individuals enrolled under this section if such individuals are entitled to monthly insurance benefits under section 202 or 223. The provisions of subsections (e), (f), (g), and (h) of such section 1840 shall apply to any other individual so enrolled.

"(2) Where an individual enrolled under this section meets the provisions of paragraph (2)(B) of subsection (a) (but does not meet the provisions of paragraph (2)(A) or (2)(C) of such subsection) and the person referred to in such paragraph (2)(B) is entitled to monthly insurance benefits under section 202 or section 223, the provisions of section 1840(a)(1) shall apply to such benefits as though such husband or wife were entitled to such benefits, unless such person files a notice with the Secretary that the deductions provisions of such section 1840 (a)(1) shall not apply.

"(g) The term 'wife', or 'husband' as used in this section shall have the meaning assigned to those terms by subsection (b) and subsection (f) of section 216, as the case may be, except that the provisions of clause (2) of such subsection (b) and clause (2) of such subsection (f) shall not apply.".

(b) Title XVIII of such Act is further amended by adding after section 1844 the following new section:

"ELIGIBILITY OF INDIVIDUALS, AGE 60 THROUGH 64, WHO ARE ENTITLED TO BENEFITS UNDER SECTION 202 OR WHO ARE SPOUSES OF INDIVIDUALS ENTITLED TO HOSPITAL INSURANCE

"SEC. 1845. (a) Any individual who meets the conditions of paragraph (1) and paragraph (2) of section 1819(a) shall be eligible to enroll in the insurance program established by this part. The provisions of subsections (b), (c), (e), (f), and (g) of section 1819 shall apply to individuals authorized to enroll under this section.

"(b) An individual's coverage period shall also terminate when (A) he no longer meets the conditions specified in paragraphs (1) and (2) of section 1819(a) or (B) his enrollment under section 1819 is terminated. Where termination occurs pursuant to this subsection, the coverage period shall terminate with the close of whichever of the following months is the earliest: (C) the month before the month the individual attains the age of 65 or (D) the month following the month in which such individual no longer meets the conditions of paragraph (2) of section 1819(a) or (E) the month in which his enrollment under section 1819 terminates.

"(c)(1) The monthly premium of each individual under this section for each month in his coverage period before July 1976 shall be 200 per centum of the premium payable by an individual who has attained age 65 for such month.

"(2) The Secretary shall, during December of each year beginning in 1976 determine and promulgate the dollar amount (whether or not such dollar amount was applicable for premiums for any prior month) which shall be applicable for premiums for months occurring in the 12-month period commencing July 1 of the next year. Such amount shall be actuarially adequate on a per capita basis to meet the estimated amounts of incurred claims and administrative expenses for individuals enrolled under this section during such period, and such amount shall take into consideration underwriting losses or gains incurred during prior years. Any amount determined under the preceding sentence which is not a multiple of $1 shall be rounded to the nearest $1 or if midway between multiples of $1, to the next higher multiple of $1.

"(d) All premiums collected from individuals enrolled pursuant to this section shall be deposited in the Federal Supplementary Medical Insurance Trust Fund.".

COVERING UNDER PART B OF MEDICARE OF DURABLE MEDICAL EQUIPMENT PROVIDED TO CERTAIN INSTITUTIONALIZED PATIENTS

SEC. 117. (a) Section 1861(s)(6) of the Social Security Act is amended by inserting "and which is used as the patient's home during a period for which the patient is entitled to have payment made under part A for the inpatient hospital or post-hospital extended care services furnished to him by such institution" immediately after "of this section".

(b) The amendment made by this section shall be effective only with respect to services furnished on and after the first day of the first calendar month which begins not less than thirty days after the date of enactment of this Act.

TECHNICAL AMENDMENT RELATING TO JUDICIAL REVIEW AVAILABLE TO PROVIDERS OF SERVICES

SEC. 118. Section 3 of Public Law 93-484 is amended by redesignating subsection (b) thereof as subsection (c), and inserting the following new subsection:

TITLE II—PROVISIONS RELATING TO FOOD STAMPS PROVIDED TO AFDC FAMILIES

FOOD STAMP DISTRIBUTION TO AFDC FAMILIES

SEC. 201. (a) Part A of title IV of the Social Security Act is amended by adding at the end thereof the following new section:

"FOOD STAMP DISTRIBUTION

"SEC. 410. (a) Any State plan for aid and services to needy families with children may (but is not required under this title or any other provision of Federal law to) provide for the institution of procedures, in any or all areas of the State, by the State agency administering or supervising the administration of such plan under which any household participating in the food stamp program established by the Food Stamp Act of 1964, as amended, will be entitled, if it so elects, to have the charges, if any, for its coupon allotment under such program deducted from any aid, in the form of money payments, which is (or, except for the deduction of such charge, would be) payable to or with respect to such household (or any member or members thereof) under such plan and have its coupon allotment distributed to it with such aid.

"(b) Any deduction made pursuant to an option provided in accordance with subsection (a) shall not be considered to be a payment described in section 406(b)(2).

"(c) Notwithstanding any other provision of law, no agency which is designated as a State agency for any State under or pursuant to the Food Stamp Act of 1964, as amended, shall be regarded as having failed to comply with any requirement imposed by or pursuant to such Act solely because of the failure, of the State agency administering or supervising the administration of the State plan (approved under this part) of such State, to institute or carry out a procedure, described in subsection (a).".

(b) Administrative costs incurred by a State plan for aid and services to needy families with children, approved under part A of title IV of the Social Security Act, in conducting procedures (described in section 410 of such Act, as added by subsection (a) of this section) in connection with the food stamp program shall be paid from funds appropriated to carry out the Food Stamp Act of 1964, as amended.

TITLE III—INTERNAL REVENUE CODE AMENDMENT

CERTAIN IRRIGATION DAMS

SEC. 301. Section 103 of the Internal Revenue Code of 1954 (relating to interest on certain governmental obligations) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) CERTAIN IRRIGATION DAMS.—A dam for the furnishing of water for irrigation purposes which has a subordinate use in connection with the generation of electric energy by water shall be treated as meeting the requirements of subsection (c)(4)(G) if—

"(1) substantially all of the stored water is contractually available for release from such dam for irrigation purposes, and

"(2) the water so released is available on reasonable demand to members of the general public.".

SEC. 302. The amendments made by section 301 of this Act shall apply to obligations issued after the date of the enactment of this Act.

Amend the title so as to read: "An Act to amend title XVIII of the Social Security Act, and for other purposes.".

The SPEAKER. The Clerk will report the House amendment to the Senate amendments.

The Clerk read the House amendment to the Senate amendments, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment to the text of the bill, insert the following:

TITLE I—PROVISIONS RELATING TO HEALTH SERVICES

PREVAILING CHARGE LEVEL FOR FISCAL YEAR 1976

SECTION 101. (a) Section 1842(b)(3) of the Social Security Act is amended by adding at the end thereof the following new sentence: "Notwithstanding the provisions of the third and fourth sentences preceding this sentence, the prevailing charge level in the case of a physician service in a particular locality determined pursuant to such third and fourth sentences for the fiscal year beginning July 1, 1975, shall, if lower than the prevailing charge level for the fiscal year ending June 30, 1975, in the case of a similar physician service in the same locality by reason of the application of economic index data, be raised to such prevailing charge level for the fiscal year ending June 30, 1975.".

(b) The amendment made by subsection (a) shall be applicable with respect to claims filed under part B of title XVIII of the Social Security Act with a carrier designated pursuant to section 1842 of such Act and processed by such carrier after the appropriate changes were made in the prevailing charge levels for the fiscal year beginning July 1, 1975, on the basis of economic index data under the third and fourth sentences of section 1842(b)(3) of such Act; except that (1) if less than the correct amount was paid (after the application of subsection (a) of this section) on any claim processed prior to the enactment of this section, the correct amount shall be paid by such carrier at such time (not exceeding 6 months after the date of the enactment of this section) as is administratively feasible, and (2) no such payment shall be made on any claim where the difference between the amount paid and the correct amount due is less than $1.

EXTENSION OF AUTHORITY TO WAIVE 24-HOUR NURSING SERVICE REQUIREMENT FOR CERTAIN RURAL HOSPITALS

SEC. 102. Section 1861(e)(5) of the Social Security Act is amended by striking out "January 1, 1976" and inserting in lieu thereof "January 1, 1979".

COORDINATION BETWEEN MEDICARE AND FEDERAL EMPLOYEES' HEALTH BENEFITS PROGRAM

SEC. 103. Section 1862(c) of the Social Security Act is repealed.

TECHNICAL AMENDMENT RELATING TO PART B PREMIUM DETERMINATIONS

SEC. 104. (a) Section 1839(c)(3) of the Social Security Act is amended by striking out "June 1" each place it appears and inserting in lieu thereof "May 1".

(b) The amendments made by subsection (a) shall apply with respect to determinations made under section 1839(c)(3) of the Social Security Act after the date of the enactment of this Act.

PROFESSIONAL STANDARDS REVIEW AREAS

SEC. 105. Section 1152 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(g)(1) In any case in which the Secretary has established, within a State, two or more appropriate areas with respect to which Professional Standards Review Organizations may be designated, he shall, prior to designating a Professional Standards Review Organization for any such area, conduct in each such area a poll in which the doctors of medicine and doctors of osteopathy engaged in active practice therein will be asked: 'Do you support a change from the present local and regional Professional Standards Review Organization area designations to a single statewide area designation?'. If, in each such area, more than 50 per centum of the doctors responding to such question respond in the affirmative, then the Secretary shall establish the entire State as a single Professional Standards Review Organization area.

"(2) The provisions of paragraph (1) shall not be applicable with respect to the designation of Professional Standards Review Organization areas in any State, if, prior to the date of enactment of this subsection, the Secretary has entered into an agreement (on a conditional basis or otherwise) with an organization designated it as the Professional Standards Review Organization for any area in the State.".

UPDATING OF THE LIFE SAFETY REQUIREMENTS APPLICABLE TO NURSING HOMES

SEC. 106. (a) Section 1861(j)(13) of the Social Security Act is amended by striking out "(21st edition, 1967)" and inserting in lieu thereof "(23d edition, 1973)".

(b) Subject to subsection (c), the amendment made by subsection (a) shall be effective on the first day of the sixth month which begins after the date of enactment of this Act.

(c) Any institution (or part of an institution) which complied with the requirements of section 1861(j)(13) of the Social Security Act on the day preceding the first day referred to in subsection (b) shall, so long as such compliance is maintained (either by meeting the applicable provisions of the Life Safety Code (21st edition, 1967), with or without waivers of specific provisions, or by meeting the applicable provisions of a fire and safety code imposed by State law as provided for in such section 1861(j)(13)), be considered (for purposes of titles XVIII and XIX of such Act) to be in compliance with the requirements of such section 1861(j)(13), as it is amended by subsection (a) of this section.

GRANTS FOR CERTAIN EXPERIMENTS AND DEMONSTRATION PROJECTS

SEC. 107. Nothing contained in section 222(a) of Public Law 92-603 shall be construed to preclude or prohibit the Secretary of Health, Education, and Welfare from including in any grant otherwise authorized to be made under such section moneys which are to be used for payments, to a participant in a demonstration or experiment with respect to which the grant is made, for or on account of costs incurred or services performed by such participant for a period prior to the date that the project of such participant is placed in operation, if—

(1) the applicant for such grant is a State or an agency thereof,

(2) such participant is an individual practice association which has been in existence for at least 3 years prior to the date of enactment of this section and which has in effect a contract with such State (or an agency thereof), entered into prior to the date on which the grant is approved by the Secretary, under which such association will, for a period which begins before and ends after the date such grant is so approved, provide health care services for individuals entitled to care and services under the State plan of such State which is approved under title XIX of the Social Security Act,

(3) the purpose of the inclusion of the project of such association is to test the utility of a particular rate-setting methodology, designed to be employed in prepaid health plans, in an individual practice association operation, and

(4) the applicant for such grant affirms that the use of moneys from such grant to make such payments to such individual practice association is necessary or useful in assuring that such association will be able

to continue in operation and carry out the project described in clause (3).

PROFESSIONAL STANDARDS REVIEW ORGANIZATION STARTUP DEADLINE

SEC. 108. (a) Subsections (c)(1) and (f)(1) of section 1152 of the Social Security Act are each amended by striking out "January 1, 1976" and inserting in lieu thereof "January 1, 1978".

(b) The amendments made by subsection (a) shall not apply in any area designated in accordance with section 1152(a)(1) of the Social Security Act where—

(1) the membership association or organization representing the largest number of doctors of medicine in such area, or in the State in which such area is located if different, has adopted by resolution or other official procedure a formal policy position of opposition to or non-cooperation with the established program of professional standards review; or

(2) the organization proposed to be designated by the Secretary under section 1152 of such Act has been negatively voted upon in accordance with the provisions of subsection (f)(2) thereof.

STUDY REGARDING COVERAGE UNDER PART B OF MEDICARE FOR CERTAIN SERVICES PROVIDED BY OPTOMETRISTS

SEC. 109. The Secretary of Health, Education, and Welfare shall conduct a study of, and submit to the Congress not later than 4 months after the date of enactment of this section a report containing his findings and recommendations with respect to, the appropriateness of reimbursement under the insurance program established by part B of title XVIII of the Social Security Act for services performed by doctors of optometry but not presently recognized for purposes of reimbursement with respect to the provision of prosthetic lenses for patients with aphakia.

UTILIZATION REVIEW UNDER MEDICAID

SEC. 110. (a) Section 1903(g)(1)(C) of the Social Security Act is amended to read as follows:

"(C) such State has in effect a continuous program of review of utilization pursuant to section 1902(a)(30) whereby each admission is reviewed or screened in accordance with criteria established by medical and other professional personnel who are not themselves directly responsible for the care of the patient involved, and who do not have a significant financial interest in any such institution and are not, except in the case of a hospital, employed by the institution providing the care involved; and the information developed from such review or screening, along with the data obtained from prior reviews of the necessity for admission and continued stay of patients by such professional personnel, shall be used as the basis for establishing the size and composition of the sample of admissions to be subject to review and evaluation by such personnel, and any such sample may be of any size up to 100 percent of all admissions and must be of sufficient size to serve the purpose of (i) identifying the patterns of care being provided and the changes occurring over time in such patterns so that the need for modification may be ascertained, and (ii) subjecting admissions to early or more extensive review where information indicates that such consideration is warranted; and".

(b) The amendment made by subsection (a) shall take effect on the first day of the first calendar month which begins not less than 90 days after the date of enactment of this Act.

CONSENT BY STATES TO CERTAIN SUITS

SEC. 111. (a) Section 1902 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(g) Notwithstanding any other provision of this title, a State plan for medical assistance must include a consent by the State to the exercise of the judicial power of the United States in any suit brought against the State or a State officer by or on behalf of any provider of services (as defined in section 1861(u)) with respect to the application of subsection (a)(13)(D) to services furnished under such plan after June 30, 1975, and a waiver by the State of any immunity from such a suit conferred by the Eleventh Amendment to the Constitution or otherwise."

(b) Section 1903 of such Act is amended by adding at the end thereof the following new subsection:

"(l) Notwithstanding any other provision of this section, the amount payable to any State under this section with respect to any quarter beginning after December 31, 1975, shall be reduced by 10 per centum of the amount determined with respect to such quarter under the preceding provisions of this section if such State is found by the Secretary not to be in compliance with section 1902(g)."

(c) The amendments made by this section shall (except as otherwise provided therein) become effective January 1, 1976.

UTILIZATION REVIEW ACTIVITIES

SEC. 112. (a)(1) Section 1861(w) of the Social Security Act is amended—

(A) by inserting "(1)" immediately after "(w)", and

(B) by adding at the end thereof the following new paragraph:

"(2) Utilization review activities conducted, in accordance with the requirements of the program established under part B of title XI of the Social Security Act with respect to services furnished by a hospital to patients insured under part A of this title or entitled to have payment made for such services under a State plan approved under title V or XIX, by a Professional Standards Review Organization designated for the area in which such hospital is located shall be deemed to have been conducted pursuant to arrangements between such hospital and such organization under which such hospital is obligated to pay to such organization, as a condition of receiving payment for hospital services so furnished under this part or under such a State plan, such amount as is reasonably incurred and requested (as determined under regulations of the Secretary) by such organization in conducting such review activities with respect to services furnished by such hospital to such patients.".

(2) Section 1815 of such Act is amended—

(A) by inserting "(a)" immediately after "SEC. 1815.", and

(B) by adding at the end thereof the following new subsection:

"(b) No payment shall be made to a provider of services which is a hospital for or with respect to services furnished by it for any period with respect to which it is deemed, under section 1861(w)(2), to have in effect an arrangement with a Professional Standards Review Organization for the conduct of utilization review activities by such organization unless such hospital has paid to such organization the amount due (as determined pursuant to such section) to such organization for the review activities conducted by it pursuant to such arrangements or such hospital has provided assurances satisfactory to the Secretary that such organization will promptly be paid the amount so due to it from the proceeds of the payment claimed by the hospital. Payment under this title for utilization review activities provided by a Professional Standards Review Organization pursuant to an arrangement or deemed arrangement with a hospital under section 1861(w)(2) shall be calculated without any requirement that the reasonable cost of such activities be apportioned among the patients of such hospital, if any, to whom such activities were not applicable.".

(c) Section 1168 of such Act is amended by adding at the end thereof the following new sentence: "The Secretary shall make such transfers of moneys between the funds, referred to in clauses (a), (b), and (c) of the preceding sentence, as may be appropriate to settle accounts between them in cases where expenses properly payable from the funds described in one such clause have been paid from funds described in another of such clauses.".

(d) The amendments made by this section shall be effective with respect to utilization review activities conducted on and after the first day of the first month which begins more than 30 days after the date of enactment of this Act.

TITLE II—PROVISIONS RELATING TO FOOD STAMPS PROVIDED TO AFDC FAMILIES

FOOD STAMP DISTRIBUTION TO AFDC FAMILIES

SEC. 201. Notwithstanding any other provision of law, the final date for compliance with regulations in implementation of section 10(a)(7) of the Food Stamp Act of 1964, as amended, may be extended until October 1, 1976.

TITLE III—INTERNAL REVENUE CODE AMENDMENT

CERTAIN IRRIGATION DAMS

SEC. 301. (a) Section 103 of the Internal Revenue Code of 1954 (relating to interest on certain governmental obligations) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) CERTAIN IRRIGATION DAMS.—A dam for the furnishing of water for irrigation purposes which has a subordinate use in connection with the generation of electric energy by water shall be treated as meeting the requirements of subsection (c)(4)(G) if—

"(1) substantially all of the stored water is contractually available for release from such dam for irrigation purposes, and

"(2) the water so released is available on reasonable demand to members of the general public.".

(b) The amendment made by subsection (a) shall apply to obligations issued after the date of the enactment of this Act.

Mr. ULLMAN (during the reading). Mr. Speaker, I ask unanimous consent that the House amendment to the Senate amendments be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Oregon that the House concur in the Senate amendments with a House amendment?

Mr. DUNCAN of Tennessee. Mr. Speaker, reserving the right to object—and I shall not object—I would like to ask the chairman of the committee to explain each of the amendments as they apply and tell us how they would be implemented.

I might also say that I do not like this procedure that was worked out this afternoon.

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

Mr. DUNCAN of Tennessee. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Speaker, I hope that the gentleman from Tennessee will yield to the chairman of the subcom-

mittee, the gentleman from Illinois (Mr. ROSTENKOWSKI), to explain the amendment in particular.

I may say to the gentleman that I do not like the procedure either, except that I can say that the amendments that are included here are soundly conceived amendments. We stripped off those that are controversial, and we think that this, all in all, is a very constructive package.

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

Mr. DUNCAN of Tennessee. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Speaker, I reserve my right to object.

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

Mr. DUNCAN of Tennessee. I am pleased to yield to the chairman of the subcommittee, the gentleman from Illinois.

Mr. ROSTENKOWSKI. Mr. Speaker, I would like to outline for my colleagues the rationale underlying my motion. On November 17, 1975, the House of Representatives passed H.R. 10284, a bill to make four changes in the medicare program. The four items included in this bill were singled out by the Committee on Ways and Means for prompt attention because they all involved deadline issues which required immediate congressional action before the end of this calendar year.

In considering this House-passed bill, the Finance Committee and last evening the full Senate added numerous amendments to it. In order to facilitate final enactment of the deadline amendments originally passed by the House, I have moved that the House accept only those Senate amendments that are either similarly affected by the constraints of time or those that are completely noncontroversial in nature and which do not affect the costs and savings under the House-passed bill.

In recommending that the House reject certain Senate amendments as either not critical at this time or as too controversial in nature, I would like to point out to my colleagues that this fall the Subcommittee on Health of the Committee on Ways and Means held hearings on many of the subjects addressed in the Senate amendments. It is my intention, early in the next session, to draft a medicare reform bill which would include many of the nondeadline issues and more controversial matters that were addressed by the Senate.

The motion that I have made would treat each of the Senate amendments as follows—

Prevailing charge levels for fiscal year 1976:

Section 101 of the Senate bill has the same intent as the House provision which provides that no prevailing charge for a physician's service in fiscal year 1976 will be less than it was in fiscal year 1975 due to application of the economic index required by the 1972 Social Security Amendments. A committee amendment requires that, in calculating the index by which prevailing charges may increase, the Department should include, to the extent feasible, factors related to any increase in malpractice premiums and that the index calculations should be on a regional basis rather than a national basis. The committee amendment also requires the Secretary of HEW to submit a report explaining why he failed to carry out congressional intent that the index be established on a regional basis and to recommend any additional legislation which may be necessary to assure that the index can be established as intended. An additional committee amendment provides that customary and prevailing charges will continue to be updated each July 1.

The Social Security Administration has made it clear that it cannot have available the types of data the Senate amendment would require to be used in the computation of the index by July 1, 1976. In view of the fact that the Subcommittee on Health has already held public hearings on the economic index provisions, including testimony from DHEW on why a national index was used, little would be gained by requiring a report. In addition, the subcommittee has already indicated that it will undertake a basic review of the physician payment provisions under medicare early next year.

I, therefore, recommend that the House retain the language in the House-passed bill. The subcommittee will continue to work early next year to make basic improvements in these provisions.

Waiver of 24-hour nursing service requirement in rural hospitals:

Section 102 of the Senate bill would extend for 1 year, rather than 3 years as contained in the House-passed bill, the Secretary of HEW's authority to waive the requirement for certain rural hospitals that a registered nurse be on duty at all times.

There has been a favorable trend during the operation of the existing waiver provision whereby most access hospitals have come into compliance with the statutory requirement. It is likely that this trend will continue. Extending the provision for an additional 3 years will provide the necessary time to consider in-depth not only a permanent solution to the nursing personnel issue but the problems posed for rural hospitals in meeting all of the conditions of participation. During the interim, medicare beneficiaries will be assured access to needed inpatient hospital care close to their homes. In view of these considerations, I recommend that the House language be retained.

Relationship between medicare and Federal employees health benefits program:

Section 103 of the Senate bill is identical to the House-approved provision that would continue the existing method for coordination between medicare and the Federal employees health benefits program in the case of persons who are entitled under both programs. There is no dispute between House and Senate regarding this provision.

Technical amendment to part B premiums determination:

Section 104 of the Senate bill is identical to the House-approved provision designed to correct a technical error in existing law that prevents medicare part B premiums from being increased annually in accordance with congressional intent. There is no dispute between House and Senate regarding this provision.

Professional Standards Review Organization, PSRO, area designation:

Section 105 of the Senate bill adds a provision to the House-passed bill that would require the Secretary to poll physicians in those States that have multiple PSRO areas and in which no PSRO currently exists on the question of whether they would prefer a statewide PSRO area. If a majority of the physicians in each PSRO area favor a statewide PSRO, the Secretary would redesignate that State as a PSRO area.

The development of PSRO's in several multiple area States has been inhibited because of physician sentiment in favor of a statewide PSRO area. By providing an opportunity for physicians to formally express their preference, this amendment would help to expedite the development of PSRO's in areas where they do not now exist before the time allotted for giving preference to physician organizations expires. Therefore, I recommend that the House accept this Senate amendment.

PSRO direct utilization review activities:

Section 106 of the Senate bill adds a provision to the House-passed bill that would provide for reimbursement of PSRO's through the medicare trust fund for costs they incur in performing utilization review on behalf of hospitals. The amendment provides for hospital payments to the PSRO with the hospital in turn receiving reimbursement for these payments from medicare.

It is recognized that the funds appropriated for the PSRO program may have been inadequate for the most rapid implementation of the program and that some assured source of funding on a continuing basis is necessary. I recommend that the House accept this Senate amendment.

Certain hospital services of VA hospitals:

Section 107 of the Senate bill would authorize the medicare program to pay for care rendered to a medicare eligible patient in a Veterans' Administration hospital if the patient had entered the hospital, and the hospital had accepted the patient, under the belief that he was eligible for veterans' benefits, but it turned out later that he was not eligible.

While a case can be made for affording relief in situations encompassed by the amendment, it is not clear why the medicare program should be used to do so. It might be appropriate to afford relief, as part of veterans' legislation, for all such persons found not to be VA eligible—not just those who are eligible for medicare. In addition, it would seem more appropriate for the VA to administer such a provision rather than complicating the medicare law and its administration. I therefore recommend that the House not accept that section of the Senate amendment.

Updating of the life safety requirements applicable to nursing homes:

Section 108 of the Senate bill is a committee amendment which would replace

the current medicare and medicaid requirement that skilled nursing facilities meet the provisions of the 1967 Life Safety Code with a requirement that they meet the provisions of the updated 1973 edition of the code. Facilities already in compliance with the 1967 Code could remain qualified on that basis. The updated 1973 code, reflecting improvements based on research and experience, has been adopted for use by many States and local governments. Failure to adopt it for medicare and medicaid would subject facilities to the necessity of complying with the differing requirements of the two code editions. Therefore, I recommend that the House accept this Senate amendment.

Grants to demonstrate appropriate mechanism for capitation payments:

Section 109 of the Senate bill adds a provision to the House-passed bill that would permit the Secretary to approve a grant designed to enable the Sacremento Medical Care Foundation—or an organization with similar characteristics—to participate in a demonstration project to obtain data on HMO reimbursement mechanisms. The amendment would permit the grant to reimburse the foundation for health services prior to the beginning of the project.

Providing authority for the payment of retroactive costs in this case is necessary to assure that the foundation, which is a unique and well established type of group practice plan, will be able to participate in an important project, scheduled for implementation early in January 1976, aimed at developing a ratesetting methodology of HMO's. Therefore, I recommend that the House accept this Senate amendment.

Occupational therapy under medicare:

Section 110 of the Senate bill is a committee amendment that would: First, add occupational therapy to the medicare outpatient physical therapy and speech pathology benefit; and second, provide that a need for occupational therapy alone can qualify a home-bound patient for home health services. Because no deadline situation is involved, and because careful consideration of this benefit expansion costing millions of dollars is merited, I recommend that the House not accept this Senate amendment at this time.

Avoidance of delay in medicare payment to hospitals:

Section 111 of the Senate bill would amend a provision of the medicare law that now requires that providers of services be paid "not less often than monthly" by further requiring that there be "no greater lag in payment to the provider than occurs in the providers' payments for the products and services it purchases." Because the Subcommittee on Health of the Ways and Means Committee intends in the next few months to consider carefully all aspects of hospital reimbursement under medicare, I recommend that this issue of promptness of medicare payment be deferred for consideration in that context and that the Senate amendment not be accepted at this time.

Change in termination of date giving absolute priority to physician groups as PSRO's:

Section 112 of the Senate bill adds a provision to the House-passed bill that would extend the limitation on the Secretary's authority to recognize any organization other than a physicians' association as a PSRO from January 1, 1976, to January 1, 1978. The limitation imposed by this amendment would not apply, however, in any area where the physicians have formally indicated that they will not establish a PSRO.

The purpose of this amendment is to allow additional time, beyond the time limit contained in present law, for PSRO development by physicians' organizations in view of the administrative delays that have occurred in implementing the program. Therefore, I recommend that the House accept this amendment.

Modification of Professional Standards Review Organization, PSRO, liability in conducting review:

Section 113 of the Senate bill adds a provision to the House-passed bill that would substitute a different test of liability for PSRO's—"gross negligence" instead of "due care"—and provide Federal payment for the costs of legal counsel in civil actions against PSRO's.

Many PSRO's have experienced difficulty in obtaining reasonably priced liability insurance. Some people believe that a way of stimulating the development of private liability insurance is to provide a greater degree of immunity for PSRO's from civil actions and to have the Government assume the costs of legal counsel in such actions. However, there is no evidence or assurance that this amendment will have the intended effect. Moreover, raising the standard of liability and thus impairing the ability to obtain judgments where actual negligence occurs may be too high a price to pay. The problem of protecting PSRO's against frivolous actions and potentially costly judgments is a serious one for which a more effective and reliable solution is required and the Committee on Ways and Means will be examining this issue in depth. Therefore, I recommend that the House not accept this amendment.

Coverage of diagnostic services by optometrists:

Section 114 of the Senate bill would direct the Secretary of HEW to conduct a 4-month study of the appropriateness of reimbursement under medicare for diagnostic professional services—other than refractive services—performed by optometrists on patients whose natural lenses of the eye have been removed. This question merits careful study, and I recommend that the House accept the Senate amendment providing for such study.

Medicaid 100-percent hospital review requirement:

Section 115 of the Senate bill adds a provision to the House-passed bill that would permit up to 100-percent review or review on an appropriately designed sample basis of medicaid hospital admissions in place of what has been interpreted at a present requirement of 100-percent review of all patients.

The provision in the medicaid law amended by the Senate bill is one that has been erroneously interpreted as requiring 100-percent review of admissions and has given rise to widespread professional complaint about its costly and unproductive effects. The intent of the original provision, as in the PSRO provision, was to permit utilization review to be carried out in such a manner as to permit identification of problem cases and patterns of care. The amendment would provide the flexibility that is urgently needed to produce an effective utilization review system. Therefore, I recommend that the House accept this amendment.

Medicare coverage for certain persons aged 60 to 64:

Section 116 of the Senate bill would provide optional coverage under medicare part A, which would be self-financed through premiums paid by enrollees, for spouses aged 60 to 64 of medicare beneficiaries and for other persons aged 60 to 64 who are entitled to social security cash benefits. Because the provision would tend to put medicare into competition with private health insurance carriers with respect to this group, because it raises the question of why social security beneficiaries below age 60 should not also be included, and because it is not a provision involving a time deadline, I recommend that the House not accept this Senate amendment.

Medicare coverage of durable equipment for residents of institutions:

Section 117 of the Senate bill would extend coverage of durable medical equipment to situations in which coverage is currently precluded because the patient is in an institution such as a hospital or skilled nursing facility rather than in a place of residence used as his home. Because this amendment does not involve a time deadline situation, I recommend that the House not accept the Senate amendment.

Technical amendment relating to judicial review available to providers of services:

Section 118 of the Senate bill modifies medicare provisions relating to the Provider Reimbursement Review Board—to which providers may appeal certain reimbursement determinations—to specify that the existing provisions establishing the Board shall not be construed as effecting any right to judicial review which may otherwise be available under law to providers with respect to cost reports for accounting periods ending prior to June 30, 1973. This is essentially an effective date provision which has previously been considered and rejected in the House as part of the consideration of the bill that became Public Law 93-484. Consistent with the previous rejection of this provision by the House, I recommend that the House not accept this Senate amendment.

Consent by States to certain suits:

In addition to the above-noted changes, the House amendment to the Senate amendment adds a section to the bill which would require that any State plan for medical assistance under title XIX of the Social Security Act include a consent by the State to suit in the Federal courts in actions brought against

the State by providers of certain medicaid services. This provision would insure that providers would have access to the Federal courts in certain suits relating to the payment of the reasonable cost of inpatient hospital services provided under the State plan. This provision would remedy the problem where providers find themselves unable to meet the conflicting time constraints required for admission to State proceedings and yet are unable to bring their dispute into the Federal court. It seems only proper that disputes with States over the operation of particular aspects of the federally initiated medicaid program should be allowed to be considered in Federal courts.

Food stamp provision for welfare recipients:

Section 201 of the Senate bill amends title IV of the Social Security Act to give States the option of withholding the food stamp purchase price from an AFDC grant for those recipients who wish to purchase food stamps. Under present regulations of the U.S. Department of Agriculture, States—under Public Law 93–86—are required to give all AFDC recipients the option effective January 1, 1976. Although many States do use the withholding method successfully, some States have found the mandatory provisions in present law extremely difficult to implement for a variety of administrative reasons. I recommend that the House adopt a provision extending the existing optional system until October 1, 1976. This will give the Congress ample time to review these provisions as well as more basic changes in the food stamp law.

Tax-exempt status of obligations used to provide certain irrigation facilities:

Section 301 of the Senate bill adds language identical to that contained in H.R. 9968, a bill to amend the Internal Revenue Code, which passed the House on October 6, 1975.

This amendment adds a new exception to industrial development bond treatment to specifically allow tax-exempt status for bonds issued for a dam which furnishes water for irrigation purposes which has a subordinate use in connection with the generation of electric energy by water.

Specifically, the Senate amendment deals with the tax-exempt status of obligations the proceeds of which are to be used to reconstruct the American Falls Dam in Idaho. Since this legislation has already been approved once by the House this year, I recommend that the House accept this amendment.

Mr. Speaker, without taking any more of my colleagues' valuable time on this matter, I would only reiterate that adoption of this motion will allow for speedy enactment of the deadline provisions that are so important. And in doing so, I want to point out the fine cooperation I have had from my colleague, the gentleman from Florida (Mr. ROGERS) on this matter. Since some of these issues relate to medicaid which in in his committee's jurisdiction, his assistance in developing this compromise has been essential. It demonstrates that we can work together to develop sound health legislation. I urge my colleagues to accept the Senate amendment to H.R. 10284 with an amendment as I have outlined it.

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

Mr. DUNCAN of Tennessee. I yield to the gentleman from Maryland.

Mr. BAUMAN. I would like to ask the gentleman from Illinois if the last provision regarding the American Falls Dam that he described in his long recitation of the various amendments was the original bill the House passed?

Mr. ROSTENKOWSKI. No.

Mr. BAUMAN. All of the other provisions that he has mentioned have been added by the other body; is that correct?

Mr. ROSTENKOWSKI. No. What the Senate did was they struck out all of our legislation and amended it with these provisions and others.

Mr. BAUMAN. But, in other words, the Christmas tree was the Americans Falls Dam bill and all the baubles that have been hung on it, completely extraneous and nongermane, many of them—are not within the jurisdiction of the gentleman's committee?

Mr. ROSTENKOWSKI. What they did really is they took our legislation, a medicare bill that was passed here about 2 months ago, and they in the Finance Committee amended it with several of these amendments.

Mr. BAUMAN. If the gentleman would yield further, is there any reason why the House could not consider these fundamental changes in various sections of law, for instance, regarding food stamps, on their own merits, in the rest of this session which I am now told is going to extend right to the end of the year?

Mr. ROSTENKOWSKI. It is my understanding that in the food stamp provisions which I recommended the House accept, I am in agreement with the chairman of the Committee on Agriculture. I consulted with him earlier with regard to this legislation. I think the chairman of the Committee on Agriculture would like to make an observation.

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

Mr. DUNCAN of Tennessee. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding.

If I can respond to the gentleman from Maryland, the distinguished chairman of the subcommittee consulted fully with me and with the gentleman from Virginia (Mr. WAMPLER) the ranking minority member of the committee, with respect to the food stamp changes. I will tell the gentleman I had some objection to the action of the Senate in repealing the section of law that has been on the books for 2½ years and has only recently been implemented by the Department. But the amendment suggested by the gentleman from Illinois will give the Congress the remainder of the fiscal year in the transition quarter to consider those changes and to act upon them.

I think it is just and probably will be acted upon in a way pretty similar to the Senate amendment but after an opportunity to have notice of hearing and judgment by the committee of jurisdiction.

I want to say the suggested amendment of the gentleman from Illinois has my full concurrence and the concurrence of the gentleman from Virginia (Mr. WAMPLER), the ranking minority member on the committee.

Mr. DUNCAN of Tennessee. What does it do?

Mr. FOLEY. In 1973, in amending the Food Stamp Act, the Congress mandated all States must permit public assistance recipients to have the purchase price of food stamps deducted from their public assistance checks. The Department has twice postponed during the past 2 years the final implementation of this regulation. There are 21 States which have fully implemented the law, eight States have partially implemented the law and 21 States have not. Because of a threat of lawsuit, the Department has set January 1, 1976, as the date when all States must come into compliance with respect to this act.

Many of the States suggest that the implementation of the act increases the likelihood of fraud since, under the act, in many cases where the welfare checks have been sent by mail and food stamps are included with the check in the mailing, they feel there is greater likelihood of mail theft. Also there are computer difficulties which are involved and expensive.

What the Senate is proposing in the amendment is to postpone until October 1, 1976, the implementation. This enables us in the Committee on Agriculture to consider a recommendation of the Department that there be a permanent repeal of this section as a mandatory requirement and a substitution therefore of an optional standard for the States to follow.

So the effect of adopting the suggested amendment mentioned by the gentleman from Illinois will be to prevent the mandatory requirement going into effect January 1, postponing until October 1, that requirement, and giving the Committee on Agriculture and the Committee on Ways and Means and other interested committees an opportunity to consider changes in the legislation.

I hope the amendment recommended by the gentleman from Illinois will be adopted. I think this would solve the problem of avoiding any disruption on January 1 by those States that feel it has been very difficult to carry out this mandatory requirement and at the same time it will preserve the appropriate legislative process so that the legislative committee of jurisdiction will have an opportunity to consider these proposed changes and not have them incorporated into the bill.

Mr. DUNCAN of Tennessee. I thank the gentleman.

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

Mr. DUNCAN of Tennessee. I yield to the gentleman from Illinois.

Mr. ROSTENKOWSKI. Mr. Speaker, I would like to clarify the questions the gentleman from Maryland (Mr. BAUMAN) raised. What the Senate did was take our medicare bill and amend all of our language out and put in amendments that included the American Falls Dam tax legislation. This is actually an amend-

ment to a medicare bill we sent to the other body.

Mr. BAUMAN. Mr. Speaker, if the gentleman will yield, is the gentleman saying the House considered these legislative matters in some omnibus bill that came before the gentleman's committee?

Mr. ROSTENKOWSKI. We have considered four of them: The part B premium, the rollback of the prevailing charge, the rural hospital provision, and the Federal employee health insurance issue. I am sure the ranking minority Member can attest to this. We based the basic bill unanimously on the Suspension Calendar.

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

Mr. DUNCAN of Tennessee. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Speaker, I thank the distinguished gentleman for yielding.

Mr. Speaker, I just want to say, first, that this has become the usual procedure at the end of the session. We are confronted with a Christmas tree bill which no one understands. Even after my good friend, the gentleman from Illinois (Mr. ROSTENKOWSKI) has explained it, how many people in this House know what is in this bill? If they do, would they please raise their hands? I see one hand.

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

Mr. DUNCAN of Tennessee. I yield to the gentleman from Illinois.

Mr. ROSTENKOWSKI. Mr. Speaker, this situation that we find ourselves in is not entirely of our doing, I might point out.

Mr. CARTER. I want to say, this is not a good way to legislate. We must find a better way. This is absolutely senseless.

Now, I have to take the word of my staff member and the majority staff member and that is about it. Then always in this legislation there is a little hooker in every one of them. They all have it and that is why they are brought up when we want to go back home every time. I regret that such actions are taken at this time.

I would ask my good friend, what are we giving money to the Sacramento Medical Care Foundation for? Why are we doing that? That is in this legislation. How much money are we giving them?

Mr. ROSTENKOWSKI. This is a demonstration project.

Mr. CARTER. It is?

Mr. ROSTENKOWSKI. Yes, sir. It is a demonstration project that is being done to explore HMO reimbursement mechanisms.

Mr. CARTER. How much are we including for this?

Mr. ROSTENKOWSKI. Whatever HEW allots to the project.

Mr. CARTER. Whatever they want to spend?

Mr. ROSTENKOWSKI. Not completely.

Mr. CARTER. The sky is the limit; is that right?

Mr. ROSTENKOWSKI. Under the demonstration projects provisions, the sky is not the limit.

Mr. CARTER. It could very well be.

Mr. ROSTENKOWSKI. I would like to reiterate to my friend, the gentleman from Kentucky, that I would have preferred to bring this legislation up in the regular time schedule.

Mr. CARTER. Such actions as this are usually brought up under the Hill-Burton Act. Grants and loans are given under that or under the present HMO Act; but here we have this Christmas tree effect. However, I am not going to object at this time.

Mr. ROSTENKOWSKI. I appreciate that.

Mr. CARTER. Because I feel we have gone over it and depending upon my good assistant, we can accept part of it; but there are so many things that are not right. I object to such procedure and next year, if the good Lord is willing, and such a Christmas tree is brought up before this House, I am going to object.

Mr. Speaker, I thank the distinguished gentleman for his patience.

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

Mr. DUNCAN of Tennessee. I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Chairman, I am not so sure that I can agree with my colleague, the gentleman from Kentucky.

I, for one, feel absolutely irresponsible voting for a complex bill of this nature, not knowing what is in it, other than what the gentleman says at this microphone.

As I understand, there are some must items that have to be dealt with before the first of the year; is that correct?

Mr. ROSTENKOWSKI. Mr. Chairman, if the gentleman will yield, that is correct.

Mr. MILFORD. I understand there are some other items that do not necessarily have to be dealt with before the first of the year.

Mr. ROSTENKOWSKI. That is correct; although what we tried to do was to delete those items that were budget-breaking and those things that were controversial. We tried to take all those things out.

Mr. MILFORD. What might be controversial with the gentleman might not be controversial with others, and vice versa.

Do I understand we are disagreeing with something the Senate is sending over; therefore, there still has to be Senate action?

Mr. ROSTENKOWSKI. Yes.

Mr. MILFORD. I would suggest we disagree only with those must items that have to be passed by the first of the year and send them back for action Then nobody is hurt and that allows us to act in a half-way responsible manner.

Mr. ROSTENKOWSKI. I do not agree with that, because I do not think I can hold the Senate hostage.

Mr. MILFORD. It appears to me they are holding us hostage.

Mr. ROSTENKOWSKI. I want to point out, this legislation was passed, at least our original bill was passed under the suspension calendar with no objection. In addition, I have tried to consult on the new medicaid provisions where the jurisdiction is no longer ours, with my good friend, the gentleman from Florida (Mr. ROGERS).

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

Mr. DUNCAN of Tennessee. I yield to the gentleman from Florida.

Mr. ROGERS. I thank the gentleman for yielding to me.

I want to say that I share some of the concerns expressed by my colleague on the Committee on Interstate and Foreign Commerce and the Subcommittee on Health and the Environment. I think we do need more notice. However, I must say that we have had cooperation from the Committee on Ways and Means.

We would have liked more time, as the gentleman from Kentucky has said, to go into these problems to be more fully conversant with them. However, I think that what has been agreed to is acceptable to us at this time.

Mr. Speaker, I rise in support of H.R. 10284, as amended in the second degree.

H.R. 10284 contains a number of much needed amendments which affect both the medicare and the medicaid programs. I share the objections of many of the Members to consideration of complex bills such as this on short notice under unanimous consent. It inhibits appropriate debate and consideration. When this bill was originally reported by the Ways and Means Committee, my own committee agreed to forgo hearings and formal consideration of the parts of the bill which affected programs in our jurisdiction—most particularly medicaid—because of the noncontroversial nature of the provisions and the urgent nature of several of them. I had hoped that after Senate consideration of the bill, we would have time for careful consideration of any amendments of theirs, and full discussion of them in conference. Again, I was disappointed. Nevertheless, working with the full cooperation of Mr. ROSTENKOWSKI and the Ways and Means Committee staff, I believe we have together called this bill down to one that is supportable and which we can pass under these unfortunate conditions with, in general, reasonable assurance that we have acted prudently and responsibly.

I would like to take a moment to describe the provisions of the bill which are either wholely or jointly in the jurisdiction of the Interstate and Foreign Commerce Committee.

We have agreed to the original House version of H.R. 10284 relating to the 3-year waiver of the round-the-clock nursing requirement in small rural hospitals under medicaid and medicare where a good faith effort is being made to comply with the nurse staffing requirements. Similarly, we support the original House provision assuring that the limitations on increases in prevailing charges under part B of medicare do not result in a decrease in fiscal year 1976 from what was paid in fiscal year 1975, and the technical amendment which allows the continuation of the tie between part B premium and social security benefit increases.

In addition, we have reviewed the Senate amendments which affect medicaid. We have found several that are acceptable and necessary. First, three amendments relating to PSRO's: First, a provision which allows a State to have a state-

wide PSRO, regardless of the size of the State and its physician population, if a majority of physicians in each designated local area indicates a preference for a statewide PSRO, and no local conditional PSRO has already been designated; second, a 2-year extension of the period in which HEW must give preference to physician groups in establishing PSRO's; and, third, a provision which is designed to equalize reimbursement for utilization review activities whether carried out directly by a PSRO or delegated by them to an effectively functioning hospital utilization review committee.

Second, we support revising the life safety code requirements for medicaid and medicare hospitals so that the applicable code is the 1973 Life Safety Code. Hospitals which are currently qualified under the 1967 code, or State codes approved by the Secretary, would not lose their eligibility under the two programs because of the code change.

Senator TALMADGE'S floor amendment clarifies original Congressional intent concerning utilization review activities under medicaid; 100 percent review by professional personnel is neither necessary nor cost effective; this was never the intent of the Congress. We agree to an amendment which specifies that. There is one amendment which is of real concern to me. The Senate added to the House bill a provision to allow retroactive payments for services delivered to medicaid patients by a well-known California medical care foundation.

In general, I do not approve of this. It is my understanding however that these funds, estimated not to exceed $700,000 are part of a study already initiated by HEW to determine how we can better set rates in HMO's serving high-risk medicaid populations. The need for this study is demonstrated by the very situation that necessitates using some of the grant funds to make up the losses already suffered by the Foundation in serving medicaid enrollees. The Foundation simply could not provide high-quality services needed by the ill population they enrolled within the rates established by the State before they had sufficient experience with the program. The HEW study could not proceed with this payment because the General Counsel ruled they could not subsidize the Foundation for the services already delivered without a clearer legislative authority. This amendment provides it. The Senate Finance Committee examined this carefully in their deliberations on the bill and they added it. We have accepted it, albeit reluctantly, and only on the assurance that this situation is unique and an isolated one, and in no way forms a precedent for similar action in the future.

My colleague, Mr. ROSTENKOWSKI, requested an addition to the Senate version of H.R. 10284 to provide hospitals with a recourse in cases where State medicaid programs adopt alternate payment systems to reasonable cost without receiving approval from the Secretary of HEW as is required by law. He recognizes this is in our committee's jurisdiction, and has discussed with me the urgent nature of the problem. I have, therefore, agreed to accept it.

Several other Senate amendments, which are worth serious consideration, were not included because adequate time was not available for their careful examination. I am particularly concerned, however, that in future legislation we find an adequate response to the problem faced by many PSRO's in securing adequate liability insurance. While I had serious misgivings about the approach and language of the amendment adopted by the Senate, I would hope that HEW would provide to the Congress within the next 3 months a careful analysis of the problem and possible solutions, and some recommendations for legislative action.

I have appreciated the cooperative spirit in which my colleagues on the Ways and Means Committee and on my own committee have been able to work to bring this bill before the House in workable form under these very difficult conditions. I join Mr. ROSTENKOWSKI in urging the Congress to accept H.R. 10284 as amended in the second degree.

Mr. ROSTENKOWSKI. Mr. Speaker, if the gentleman from Tennessee will yield further, I certainly appreciate the fact that my good friend from Florida has really done a service to the Subcommittee on Health of the Ways and Means Committee, and to the House in cooperating with us in this matter.

Mr. CARTER. If the distinguished gentleman from Tennessee will yield further, I would like to ask my good friend, the chairman of the Subcommittee on Health and Environment, a question. Do we know how much money is to be appropriated for the HMO in Sacramento, and in what form? Why is this?

Mr. ROGERS. I might say that that would be, I am sure, done under the medicaid on a strictly experimental one-time basis.

Mr. CARTER. Does the present bill have enough money in it for this? We have under construction some 100 of them, or have built that many.

Mr. ROGERS. The maximum which would be spent on this is $700,000. As the gentleman knows, here is an area over which we feel that we have jurisdiction.

Mr. CARTER. What good Senator is this for? Who is going to give the city of Sacramento this great gift?

Mr. ROGERS. This is for the Sacramento Medical Foundation. It should be checked into, and certainly in our hearings and oversight we will go into this.

Mr. CARTER. Of course, we have regular channels to help these people, and here we come with the traditional Christmas tree with trimmings for, as it happens, Sacramento, and I hope it is helpful.

Mr. ROGERS. I share the gentleman's concern.

Mr. YOUNG of FLORIDA. Mr. Speaker, will the gentleman yield?

Mr. DUNCAN of Tennessee. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman explain again very clearly why it is that we are using this procedure to bring important legislation to the floor?

Mr. ROSTENKOWSKI. Mr. Speaker, if the gentleman will yield further, it is because of the deadlines that are provided for in the bill. As I explained earlier, what the Senate did was to amend the legislation we sent over and send it back to us now at this late hour.

Mr. YOUNG of Florida. Will the gentleman tell us again what the deadlines are? I am just wondering whether it is a matter of days, a week, or two weeks?

Mr. ROSTENKOWSKI. The deadlines in these programs are January 1.

Mr. YOUNG of Florida. I find something difficult to believe. I do not think that the leadership would propose this type of solution to some political problems, but I have heard buzzing around on the floor all afternoon that the House is not going to adjourn anyway; that it is going to have a series of phony pro forma sessions every third day. I am wondering if that would leave us time in one of those sessions to handle this bill in the appropriate fashion.

Mr. ROSTENKOWSKI. I cannot personally explain what the situation in the House will be.

But pro forma sessions, or sessions without legislation, are not very well attended.

The gentleman has the understanding that we are somewhat the victims of circumstances. What we really tried to do was put together a package that would be acceptable to the Members of the House. As chairman of the Subcommittee on Health, I did try to check with everyone who would be affected by this legislation.

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

Mr. DUNCAN of Tennessee. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, the gentleman has raised a very important point and one that is of interest to all of the Members. It seems to me that without any explanation from the majority leadership as to exactly what the program is for the remainder of the session, and without any explanation as to whether we are to have legislation considered tomorrow or next week, or whether we are going to adjourn until the 19th of January, some of us might feel compelled to explore fully our rights as individual Members in every instance, in every request that is going to be made. Perhaps to forestall that possibility there might be some statement made now by the appropriate majority leadership on the other side as to exactly what the plans are. Otherwise, perhaps it would be better put off any of these legislative matters until we find out what the plans may be. Quite frankly, Mr. Speaker, the gentleman from Maryand is going to object to this request unless we have some guidance as to what the majority's plans are.

Mr. O'NEILL. Mr. Speaker, if the gentleman will yield, I will be happy to explain the schedule.

Mr. DUNCAN of Tennessee. Mr. Speaker, I yield to the distinguished ma-

jority leader, the gentleman from Massachusetts (Mr. O'NEILL).

Mr. O'NEILL. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, with the completion of the legislation that is pending, we have 11 deferrals that we intend to take up this evening. Following the 11 deferrals, we will take up the Airport and Airway Development Act. There is an open rule, with 2 hours of general debate. It is expected that we would run until about 10 o'clock, and then we would adjourn to meet at 10 'oclock tomorrow and possibly complete the airport bill tomorrow if we have not completed it today, and we would take up the rail bill conference report and perhaps some other matters.

I am sure that the gentleman is aware of the fact that there is pending on the President's desk the HEW appropriations bill and the rumor is that he is going to veto it. He has until midnight tomorrow night to veto that bill. Consequently, I talked to the leadership on the other side of the aisle, with the view in mind that the President send the veto down so that we would be able to consider it in the morning.

Mr. Speaker, it had been our plan that we will also have several unanimous-consent requests that would be brought up tonight. When the House adjourns to meet tomorrow, we would plan to adjourn to meet the Monday following, and every Tuesday and Friday until January 3.

I cannot say what the business will be then. There is no way or manner in which the leadership on either side of the aisle can protect the Members. I appreciate the fact that this will be in Christmas week and the week before New Year, and people have made plans. But there is no way the leadership can protect the Members. If the gentleman from Florida on Monday calls a quorum call, then every Member is subject to his own conscience as to whether he wants to be here or not.

We could very possibly have some vetoes that the President could send up and we would try to work out with the leadership on the other side a program by which we could transfer those or postpone those until January 3.

I mentioned the date of January 3 when we would be returning because under the Constitution we must return on January 3 or pass a resolution through the House, through the Senate, and signed by the President of the United States.

Although I do not see the minority leader, the gentleman from Arizona (Mr. RHODES) on the floor at this particular time, I talked to him about this: that instead of going into 3-day intervals until the date of January 3, we agree to a resolution saying that the House would be in session 2 days a week and that instead of coming back on January 3, we would come back on January 5. He said he was willing to talk with the White House to see if that was agreeable with the President, because we do not know whether the President intends to call the House back or not on account of the veto of the tax bill.

That is the situation as I see it at the present time. I am only trying to explain it for the Members. If the Members of the House want to go along with that, that is fine. On the other hand, if any of the Members want to cause havoc around here and embarrass his fellow Congressmen and Congresswomen by calling rollcalls on Monday or Tuesday, then those gentlemen can live with their own consciences.

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

Mr. DUNCAN of Tennessee. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I would say that the gentleman from Maryland is perfectly willing to live with his conscience. Can the gentleman from Massachusetts give us some reason for this fundamental change in the schedule? I ask that because the gentleman announced to the House a few days ago there would be an adjournment tomorrow until January 19, 1976.

Mr. O'NEILL. Yes, Mr. Speaker, the gentleman knows the veto of the President was not overridden. There is no action contemplated by the majority on this side of the aisle, so apparently the action that took place today, resulting from the President's vetoing the bill, sets up a new tax rise in the first week of the year.

We have had talks with the members of the leadership on the other side, some of whom have spoken with the President of the United States, and it is undetermined whether the President really wants a tax cut or whether he is satisfied with the conditions as they now stand, and we would go back to the old scale as of the first of the year.

I would have to say that it is the judgment of the majority and the leadership on both sides of the Capitol that there is a possibility that the President may call the House back in special session if we were out on recess because of this tax matter. We spoke to one of the Members who had been down to see the President. We do not know whether we are going to be called back or not.

I see that the minority leader is here at the present time, and may I just say for his benefit that I was mentioning the discussion the minority leader and I had as to whether we would come back on January 3 or January 5. I would hope, along with the minority leader, that we could agree to a resolution providing that we can meet 2 days a week and come back on January 5 rather than on January 3.

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I would like to ask a question.

Mr. O'NEILL. Mr. Speaker, I have not asked unanimous consent.

Mr. BAUMAN. There is a unanimous-consent request pending.

Mr. Speaker, reserving the right to object, the gentleman from Massachusetts (Mr. O'NEILL) still fails to present us with a reason for the extraordinary program that he has announced. The gentleman said there was a veto. We knew that.

What is the reason for the change in the month-long recess?

Mr. O'NEILL. Mr. Speaker, the reason for that is that the President could possibly call us back if we were on recess. That would mean calling all the House Members back, and the gentleman knows that if we called all the Members of the House back, that would mean an added expense at the time they were called back. We would have to pay the air fares of all the Members coming from all over the country. With that in mind, we thought it best to keep the House in session.

Mr. BAUMAN. Mr. Speaker, further reserving the right to object, I think the gentleman from Massachusetts (Mr. O'NEILL) has been affected by the Christmas spirit, since has never seemed to be concerned about Federal spending before, on any occasion. It will also cost the taxpayers plently to have these phony pro forma sessions.

Mr. O'NEILL. With me, it is a question of priorities.

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

Mr. DUNCAN of Tennessee. Mr. Speaker, I yield to the gentleman from Arizona, the distinguished minority leader.

Mr. RHODES. Mr. Speaker, surely the majority leader has just stated what I understand to be the agreement of the majority leadership. They have the votes, and I certainly have objection to what they decided to do.

There is a certain amount of peril in an adjournment sine die because there is some possibility that the President might then decide to call the House and Senate back into session.

I do not know that that would happen, but he has made it very clear that this is one alternative he has reserved.

Mr. Speaker, it would be my hope that before too many hours have elapsed, it would be possible for some agreement to be reached on some expenditure limitation.

Mr. O'NEILL. If the gentleman will yield further, we must face the facts as they are.

Mr. DUNCAN of Tennessee. Mr. Speaker, I have the floor. I have yielded to the distinguished minority leader.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield for a question?

Mr. RHODES. May I just finish. Then I will be glad to have the majority leader yielded to so as to resume his comment.

Mr. Speaker, it does seem to me that the best way for the House to work out the situation is to try to come to some agreement on some sort of expenditure limitation which would meet with the approval of the President of the United States and the majority Members of this body. I do not think that would be too difficult. I stand ready to help to do it and to pass this tax cut legislation which the people of the country want.

At that point, Mr. Speaker, I think that we could all go to our various homes with a clear conscience during this blessed Christmas season.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. DUNCAN of Tennessee. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. Mr. Speaker, I am not trying to get into any question of politics. The gentleman from Arizona (Mr.

RHODES) and I talked earlier about the program and about whether we would come back on January 3 or January 5.

In order not to come back on the 5th, we would have to have a resolution which would have to be signed by the President.

I do not want to go into the politics of the matter. We are not going to go into any ceiling until such time as our budget process works.

The fact remains that the gentleman from Arizona was going to find out whether the President would sign a resolution to bring us back the 5th or not. If not, we come back the 3d.

Otherwise, as I say, as it stands right now, when the House adjourns, it will adjourn until tomorrow, when it will adjourn to meet on Monday. If Members are not here, it will be at their own peril.

Mr. RHODES. If the gentleman will yield further, the majority leader and I have discussed the possibility of some sine die resolution. I have to say to the majority leader that I have not yet been able to make the necessary contact, but I still think it is possible that this might be accomplished.

I wonder why the majority leadership decided it was necessary to come back the 3d of January. Is it necessary? Under the Constitution, it would be necessary to do this, as I understand.

Mr. O'NEILL. Under the Constitution, we must be back on the 3d. The only way we can get around it is by a resolution that has to be signed by the President.

We had intended to make it until the 19th of January, but we understand from a conversation with certain Members of Congress that the President may possibly call us back into session.

For that reason, there is no sense in preparing and sending out a resolution.

Mr. Speaker, may I say this to the minority leader: I have already talked with the gentleman from Illinois (Mr. MICHEL), the minority whip. It is our understanding that the HEW appropriations bill will be vetoed. Tomorrow is the 10th day. Certainly, if it is going to be vetoed, it must be vetoed by now. The President has until midnight tomorrow night to send it in. If it would come in at a reasonable hour, we could vote on it or vote to postpone it.

If it does not come in at a reasonable hour, there would have to be a Monday session, and in the Monday session we would have to dispose of the veto one way or the other.

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

Mr. DUNCAN of Tennessee. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, I might say that I have just been advised that the bill that is expected to be vetoed went into the President's office about 5 or 10 minutes ago but that they do not know whether or not the veto message will be in such a shape as to be here the first thing in the morning. But there is a likelihood that it could come some time tomorrow, a reasonable time tomorrow.

Mr. O'NEILL. Mr. Speaker, if the gentleman will yield, if we could have an agreement from both sides of the aisle when it does come up that we could postpone it until January 3, say, or sometime in January then I am sure that those who are worried about their airplane reservations and their other communications would be able to feel a little easier.

Mr. MICHEL. Mr. Speaker, I certainly subscribe to that suggestion.

Mr. O'NEILL. If we can work it out I will be very grateful and thank the gentleman.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DUNCAN of Tennessee. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Speaker, I just want to say for the edification of the Members that I have been through the business of the 2-day week sessions, recessing for 3 days, and it all depends on who is in the chair whether or not anybody can be mean enough to call a quorum. I do not want to come back, but I will volunteer to come back for a couple of those times and sit in the chair. And it is easy, you know who is going to move to adjourn and if anyone tries to be mean as was suggested then that Member can move to adjourn and the one who is sitting in the chair can rap the gavel and that is all there is to it. The fact of the matter is, I will bet that I can beat the record of the Senate in getting out in 9 seconds, because, it can be done and nobody can call a quorum because if they start to do so, you just have your man move to adjourn, make that motion, bang the gavel, and that is the end of the ball game.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. DUNCAN of Tennessee. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman for yielding.

The reason I raised the issue in the first place is very simple. And that is that although what the distinguished gentleman from Ohio (Mr. HAYS) has said is fine, and everybody is so happy to hear it, and we can applaud and we can stand up here and make one liners all day long. But, while we can do that, and while some can go on junkets, and some can be relaxing or can be back home doing their work, the truth is this is nothing more than an attempt to fool the American people into believing that the House is in session through these phony 2-day-a-week pro forma sessions when in fact the House is not in session.

My position is simply this, that if we are going to tell the American people that we are working, then let us be at work. If we are going to meet here every third day, then let us have some work to do. I will volunteer with the gentleman from Ohio (Mr. HAYS) to be here. I'm willing to be here every third day and I would hope that we could get down to doing some legislative work that is still pending, and to do it through regular procedures rather than having pro forma sessions.

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

Mr. DUNCAN of Tennessee. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Speaker, after thinking over the various amendments agreed to in conference, I feel that they were reasonable. There were some that I wish we had had more time to discuss, but I will withdraw my objection to it.

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

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

Mr. BAUMAN. Mr. Speaker, reserving the right to object.

I can only comment in response to what the gentleman from Ohio (Mr. HAYS) had to say concerning the highly irregular procedure he would follow next week in the House for these phony sessions that I for one suggest that this is a fair example of the reason why the Congress of the United States is held in such low estate by the people of this country. I can assure the House we will have a chance to test our procedures next week.

It is the responsibility of the majority party to conduct the business of this House in an orderly manner. Right now we have a unanimous-consent request pending for a multifaceted piece of legislation dealing with everything from physicians' services to medicare payments to PSRO's, including benefits of the food stamp program. We are totally in the dark as to what this bill contains except for a brief explanation the gentleman from Illinois (Mr. ROSTENKOWSKI) has given us.

I for one value my oath of office too much to be a party to this irresponsible parliamentary procedure. I think if we are going to stay in session next week then we ought to proceed in an orderly manner. Therefore I object.

The SPEAKER. Objection is heard.

REQUEST TO CONSIDER HOUSE RESOLUTION 920, DISAPPROVING DEFERRAL OF BUDGET AUTHORITY

Mr. ROUSH. Mr. Speaker, I call up the resolution (H. Res. 920) to express the disapproval of the House of Representatives to the deferral of certain budget authority (D76–79) relating to the Environmental Protection Agency, and ask unanimous consent that the resolution be considered in the House as in the Committee of the Whole, and that House Resolutions 921, 922, 923, and 924, disapproving the deferrals of certain budget authority may also be considered in the House as in the Committee of the Whole.

The Clerk read the title of the resolution.

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

Mr. HAYS of Ohio. Reserving the right to object, Mr. Speaker, quite a few, including my distinguished friend, the gentleman from Maryland, have been playing this reserving-the-right-to-object game, and then when they have their say, they object, and that is the end of the ball game.

As far as the gentleman is concerned about the Congress being held in dis-

repute, that is what some of the press say. I think the Members on this side know what the score is. I got 70 percent of the vote the last time, although the poll takers in my district said only 23 percent approved of Congress. So I have to assume that it is people like the gentleman from Maryland they do not approve of, because I got enough votes to get me back here.

The President vetoed the bill. Now what the gentleman's dilemma is he does not want to let him hang. I want him to go skiing out in Colorado and worry about it. He wants to spoil everybody else's Christmas holiday, but he wants us to take him off the hook before he goes out to Colorado. As far as I am concerned, he put himself on the hook. I like him and all that, but he can stay on the hook. I did not put him there, and I do not really intend to spoil my Christmas holiday. I am going home for Christmas.

I understand the President does not have a home in Michigan any more. I do have one in Ohio. I have always had one in Ohio, and I am going home for Christmas, and not even the President of the United States is going to spoil my holiday.

I got fooled, and came back here once on Christmas Eve, by Lyndon Johnson and wound up driving in the snow and got home at midnight on the 25th.

I do not care how many sessions the President calls. He can call one on Christmas Day if he wants to, and I will send him a polite note and say, "I am not going to be there; just make the decisions yourself."

But for political reasons is the only thing that this game is being played—political reasons. The whole truth of the matter is the President, God bless him, vetoed the tax bill, because he is afraid of Ronald Reagan. I am not.

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

Mr. BAUMAN. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

PARLIAMENTARY INQUIRY

Mr. ROUSH. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. ROUSH. Was objection made to the consideration of the resolutions which I presented? I would hope that the gentleman might not object.

Mr. BAUMAN. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

RESOLUTIONS EXPRESSING DISAPPROVAL OF CERTAIN BUDGET AUTHORITY

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

Mr. WHITTEN. I had hoped, Mr. Speaker, to explain what is involved here so the Members would realize its importance. I think it is highly important, and I would hope they would not make the objection until after they understand what they will be objecting to.

We have pending at the present time a number of proposed deferral resolutions and our committee has acted in accordance with the Impoundment Control Act of 1974. The act was the result of actions by the Congress and was signed by the President. The act provides for handling those matters where rescissions and deferrals have been recommended by the President. The President sent down a message making these recommendations. The Appropriations Committee has acted. I have here the resolutions which are the result of the actions taken by our committee under the provisions of the act.

Mr. Speaker, as you know, our committee reduced the budget request of the Department of Agriculture by $2,085,375,000. Notwithstanding this reduction, the following programs were proposed for deferral:

Water and sewer grants, $50,000,000.

Agricultural conservation program, $90,000,000.

Watershed and flood prevention, $22,500,000.

Resource conservation and development, $4,960,000.

Appalachian Fruit Crop Laboratory, $7,570,000.

Fleming Key Animal Import Center, $6,314,000.

I would like to bring up the disapproval resolutions that would make funds immediately available for these important programs.

I respectfully suggest it would be in the interest of all those here who want to do business to get on with the consideration of these resolutions.

Mr. Speaker, I ask unanimous consent that there be considered at this time resolutions numbered House Resolution 911, House Resolution 912, House Resolution 913, House Resolution 914, House Resolution 915, and House Resolution 916, disapproving deferrals of certain budgetary authorities.

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

Mr. BAUMAN. Mr. Speaker, since we are going to be here the rest of the year, I object.

The SPEAKER. Objection is heard.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 815]

Addabbo	Conyers	Fraser
Anderson, Ill.	Coughlin	Gaydos
Ashley	Daniels, N.J.	Giaimo
Badillo	Dingell	Harrington
Bingham	Downing, Va.	Harsha
Brown, Mich.	Duncan, Oreg.	Hastings
Burke, Calif.	Eckhardt	Hébert
Burton, John	Esch	Hefner
Carney	Eshleman	Helstoski
Chappell	Evins, Tenn.	Hinshaw
Collins, Ill.	Ford, Mich.	Horton
Howard	Nolan	Sikes
Ichord	Patman, Tex.	Sisk
Jarman	Pike	Sullivan
Jones, N.C.	Pressler	Talcott
Karth	Randall	Teague
Landrum	Rangel	Thompson
Leggett	Rees	Udall
Macdonald	Riegle	Ullman
Moffett	Roe	Wiggins
Moorhead, Pa.	St Germain	Wilson, Tex.
Moss	Scheuer	Wright
Murphy, N.Y.	Shuster	

The SPEAKER. On this rollcall 366 Members have recorded their presence by electronic device, a quorum.

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

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO FILE REPORT ON S. 2718

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Intestate and Foreign Commerce may have until midnight tonight to file a report on S. 2718.

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

Mr. MICHEL. Mr. Speaker, reserving the right to object, and I shall not object, I wish to inquire of the distinguished chairman of the Committee on Interstate and Foreign Commerce whether or not that conference report will be in printed form sufficiently in advance of our considering it on the floor here, so that those who are not altogether familiar with the intricacies of it will have at least an hour or an hour and a half to read that report?

Mr. STAGGERS. If the gentleman will yield, in response to the gentleman from Illinois (Mr. MICHEL), I would say that that would be the intention of the chairman. I would hope that if there is other business to take up in the morning, perhaps it could be taken up before the conference report. But I am hoping the report will be in hand by 9 o'clock, or even 8 o'clock, to be available to the Members.

Mr. MICHEL. Mr. Speaker, I appreciate the gentleman's assurance, because I think, in the long run, we expedite the business of the House if we have 1 or 2 hours to become familiar with the report.

Mr. STAGGERS. If the gentleman will yield further, I can assure the gentleman that that would be my intent.

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

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

There was no objection.

AIRPORT AND AIRWAY DEVELOPMENT ACT AMENDMENTS OF 1975

Mr. JONES of Alabama. Mr Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9771) to amend the Airport and Airway Development Act of 1970.

The SPEAKER. The question is on the

motion offered by the gentleman from Alabama.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 9771, with Mr. BROWN of California in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Pursuant to the rule, the general debate will continue for not to exceed 2 hours, 1 hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works and Transportation, and 1 hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means.

Under the rule, the gentleman from California (Mr. ANDERSON) will be recognized for 30 minutes, the gentleman from Kentucky (Mr. SNYDER) will be recognized for 30 minutes, the gentleman from Oregon (Mr. ULLMAN) will be recognized for 30 minutes, and the gentleman from Pennsylvania (Mr. SCHNEEBELI) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Alabama (Mr. JONES).

Mr. JONES of Alabama. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the Airport and Airway Development Act which comes before the House today is a major legislative step toward modernizing our civil aviation services and making them safer, more efficient, and more convenient for the traveling public.

H.R. 9771 is a realistic and responsible effort by the Committee on Public Works and Transportation to correct serious deficiencies in existing law so that we can better meet the Nation's aviation needs, protect the Federal interest in the development of a national airport and airway system, and remove some of the barriers that have impeded progress in the past.

While safety remains our paramount objective, this legislation recognizes that Federal funding is sorely needed to modernize the terminals and terminal facilities where congestion, delays in baggage handling, and other unnecessary inconveniences are more the rule than the exception. All too often, the air traveler spends more time in the terminal than in the air, because of the antiquated condition of our ground facilities today.

Chairman GLENN M. ANDERSON of our Subcommittee on Aviation, ranking minority member GENE SNYDER, and all their subcommittee colleagues have worked long and hard to produce a bill that meets the pressing needs of our aviation system without breaching the budgetary restraints necessarily imposed upon us.

Mr. Chairman, I urge passage of this essential legislation.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky (Mr. SNYDER).

Mr. SNYDER. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I rise in support of the pending bill, H.R. 9771, the Airport and Airway Development Act Amendments of 1975. As ranking minority member of the Aviation Subcommittee, I wish to emphasize that this legislation is the product of close cooperation between the majority and minority sides of both the subcommittee and the full committee. We have worked long and hard on this bill. It represents our best considered judgment as to what is needed in the aviation arena.

H.R. 9771, as reported, does not satisfy everyone. But it does strike a balance among competing proposals which all of us can support. The bill provides for airport and airway development programs which all can live with—and which will engender substantial improvements in our national airport and airway systems. Well over $1.3 billion will become available for the development of air carrier airports during the next 3 fiscal years. In addition, over $225 million is earmarked for general aviation airport development during the same period—including at least $25 million each year for reliever and commuter airports. Also, some $800 million is authorized for air traffic control facilities during the 3 years.

All of the various aviation organizations—and there are many, I can tell you—provided their input during our deliberations. We believe we have developed a bill which will meet the requirements of aviation—while not "busting the budget." By every measure, this is the most thoroughly researched, the most carefully considered airport and airway bill in history. We have tried to make it the best bill which can be produced.

Mr. Chairman, I would like to take just a moment to recognize the fine spirit of cooperation which prevailed on our committee throughout the consideration of this legislation. Our chairman, BOB JONES, and the chairman of our Aviation Subcommittee, GLENN ANDERSON, were most considerate at all times of those of us on the minority side. Their positive approach in this regard is a major reason that we come before this House united on the merits of the bill. We trust and believe that this relationship can and will continue as we proceed on other legislative pursuits.

Mr. Chairman, in addition to H.R. 9771 being a bill which is supported on both sides of the aisle, it also is likely to prove acceptable to the administration. Rather than repeat Chairman ANDERSON's recitation of the provisions of the bill, I will concentrate on the major areas of compromise which involved the basic issues of authorization levels, as well as certain of the programs proposed to be authorized.

First, with respect to funding levels, it is no secret that the version marked up in subcommittee was excessive. It was well above the administration's request for the airport development assistance program. Moreover, it carried average annual authorizations well above the level contained in the Budget Committee's first budget resolution, a level also above a higher figure which we then were given to understand the Budget Committee would find acceptable for fiscal year 1976.

Therefore, I was gratified that the full committee accepted the amendment offered by the ranking minority member of the full committee, Hon. WILLIAM H. HARSHA, to reduce the ADAP program to $2,612,500,000 over the 5-year authorization, with a total of $450 million for fiscal year 1976. I also want to note that the Budget Committee, in its report to accompany House Concurrent Resolution 466, the second concurrent resolution on the budget, fiscal year 1976, increased its earlier figure of $350 million by an additional $100 million, so that the bill conforms to the budget process.

I want to emphasize here that this represented a substantial compromise on the part of the committee leadership, including Chairman BOB JONES, BILL HARSHA, and GLENN ANDERSON, as well as the membership of the committee at large. Equally entitled to credit is Secretary Coleman of the Department of Transportation who has indicated he will recommend to the President acceptance of a considerable increase over the budget request in terms of the ADAP authorizations for fiscal 1976.

Aside from funding levels, there was another essential element in reaching agreement on this legislation. I refer to a provision that would again make trust funds available—within strictly prescribed limits—for the servicing of navigation and landing aids essential to the safe and efficient functioning of the airport and airway system. This has proven a controversial issue with some, but I feel that some elaboration will amply justify this provision. For one thing, funds would be used only to pay for servicing of the electronics and communications systems, and such items as tower and other landing control systems. The systems being served are owned by the Federal Government, were paid for with airport and airway trust fund revenues, and are serviced by Federal employees. The activities funded are limited to servicing as distinct from operation of the system. Therefore, it is altogether logical to me that these activities be funded by the trust fund. While I personally do not favor this provision, I will support it as part of the compromise we have reached.

There are two basic areas of controversy here. One arises from the fact that the administration went overboard under previous legislation in tapping the trust fund for these and related purposes until the Congress called a halt. I am convinced that a fair reading of the restrictions built into this authorizing legislation makes it evident that these abuses can not recur.

Another source of objection has arisen among those who see a parallel between servicing in the ADAP program and maintenance in the highway program. I can assure you on a basis of considerable

familiarity with the highway program, and my consistent support for the integrity of the highway trust fund, that this parallel does not exist. And again, I think a fair reading of the bill before you in report language should dispel any concerns you may have in that regard.

If we are going to be realistic in talking about levels of authorization and use of trust fund revenues, we have to take a look at the needs we are trying to meet. Unquestionably, the needs are out there. Virtually every segment of the industry has argued for higher spending levels than provided in this bill. That's understandable. And although the administration's budget request was considerably lower, the Department of Transportation's own estimates identify greater needs for funding than provided in this bill.

Of paramount importance to me, and I suspect to others who share with me a vital concern for fiscal responsibility, is the fact that our authorizations under this bill are considerably less than the revenue generated into the trust fund.

Fiscal integrity—to me—means several things—and one of these is using trust funds for the purposes for which they are collected and not to finance other deficit spending for social experiments not related to the purpose for which the money was collected.

Based upon anticipated tax collections for the trust fund and the expenditure levels of this bill, the surplus will be—in total—as follows:

[In millions]

1976	$1,069.7
Interim	1,190.7
1977	1,446.6
1978	1,754.0
1979	2,099.7
1980	2,510.4

There is another problem and I refer to the present lack of data sufficiently refined and reliable to permit apportionments on the basis of need and cost such as we do in the interstate program. We have therefore directed the Secretary to secure that data. This is an additional reason for my feeling that we are justified in holding spending levels to modest increases, and at the same time mandating a significant upgrading of the national airport system plan—NASP—as a basis for future legislation.

I do not mean to suggest for a moment that we are legislating in the dark. As I said before, this is a good bill that strikes a balance between the needs of civil aviation and the overriding needs of the economy.

Mr. Chairman, I urge my colleagues to recognize the merits of this bill and to support its passage by an overwhelming vote.

Mr. JONES of Alabama. Mr. Chairman, I yield 10 minutes to the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. Chairman, the bill H.R. 9771, as reported, represents a constructive, progressive approach which is designed to first, continue the original act of 1970, and second, to meet those problem areas which have risen since its enactment.

After hearings and much study, we found that the Airport and Airway Development Act of 1970 was a sound measure, but that expansion, and refinement were necessary in order to more adequately meet the needs of the public.

We certainly recognize that safety is and will remain the top priority, but we also recognize that other factors must be given more consideration—factors such as delay and inconvenience, noise and its effect on both aviation and the communities adjacent to airports, a more efficient utilization of existing facilities, and a more systematic, assured method of financing necessary projects.

As a result, we have attempted to redirect the program in these directions, without sacrificing the paramount concern—the safety of the traveling public.

First: Effective utilization of facilities: As you know, under the 1970 act, Federal aid for airport development extends only to safety and security items and construction on the airfield—this means, taxiways, aprons, runways, runway extensions and the like. Federal airport aid does not extend to the terminal area, nor does it permit the purchase of land or easements to create noise buffer zones.

In our hearings we found that our country has developed outstanding airfields—but we found that the terminals at many of these fields could not accommodate the people. We found airports that could accommodate many more aircraft in a safe and efficient manner, but the terminal could not handle the people. As a result, airfield capacity is being wasted—not effectively utilized—because the terminal is too crowded, too congested to handle additional people.

Therefore, to more adequately and effectively utilize our existing airports—to get the most out of what we have—our committee agrees that the entire airport should be considered as a single entity, that each part of that airport could affect the other, and that coordinated development was necessary. Thus, H.R. 9771, as reported, approved Federal aid for the nonrevenue producing public use portions of the terminal—such as:

Baggage claim delivery areas; corridors, foyers, and entryways; central waiting rooms, customs clearing areas, restrooms, and holding areas; vehicles to move passengers between terminals or to the aircraft.

But, in keeping with our utmost concern for safety, the bill has the following restrictions:

It only applies to air carrier airports;

All safety and security requirements must have been met;

The Federal share of project costs is 50 percent, not 75 percent or 82 percent as are other eligible items;

None of the funds that are strictly at the Secretary's discretion may be used;

No more than 30 percent of the money that is apportioned by formula can be spent for this purpose—or a total of $439.8 million out of a total of $2.2 billion for air carrier airports over the 5-year period.

Under the current funding system, Mr. Chairman, assured Federal funding of a project is only on a year-by-year basis, and the level of Federal participation for those longtime projects is unknown from one year to the next. Thus, an airport sponsor cannot properly plan his financing of a project, and, all too often, the Federal grant is a "windfall," in that the sponsor did not really count on receiving the aid. This, obviously, has not resulted in the most effective use of limited local and Federal money.

H.R. 9771, as reported, addresses this problem first by permitting the Secretary to approve multiyear projects and to commit Federal funding for periods exceeding 1 year; and, second, by apportioning a larger percentage of the funds in order to give airport sponsors a more precise estimate of the aid they can expect to receive. In addition to more effectively using moneys available and, therefore, permitting better planning, this should also reduce some of the redtape that has tended to encumber the program; third, aircraft noise.

Mr. Chairman, noise emanating from operations around the airport is a serious problem that has led to an underutilization of existing facilities through curfews and the like; to law suits by residents surrounding the airports; and to operating procedures which some consider unsafe.

To combat this, H.R. 9771 would permit airport sponsors to use Federal airport development aid for the purchase of land or easements to insure that the property adjacent to the airport is used for purposes compatible with airport operations. In addition, acoustical devices—to muffle the noise on the airport—would become eligible for Federal aid.

In addition to these problem areas, Mr. Chairman, our committee addressed other parts of the program which were found to be less than satisfactory.

First, in 1970, the act required the Secretary to develop a national airport system plan in order to provide a planning tool for future development. This plan has not been satisfactory, largely because it has been encumbered with too much detail. For example, every project—whether it is a new runway, or simply a new fence—had to be included in the plan in order to qualify for Federal aid. This produced a document of such bulk—with unnecessary information—to be a useful tool for future planning. In addition, the national airport system plan became more of a catalog, a directory of airports, than a planning document.

H.R. 9771 addresses this problem by requiring the airport to be in the plan, and for the Secretary to determine the future role—in terms of number of passengers and flights, and types of aircraft, and the development necessary to meet that role—in order to qualify for aid. This should produce a meaningful plan that would give the Congress a more accurate estimate of needs and a more accurate assessment of future development necessary to meet the requirements of the traveling public.

Second, in recognition of the fact that commuter service and reliever airports are playing an ever-increasing and important role in the aviation system, H.R. 9771 gives these type airports a special priority in funding. There is a $25 million floor that is "earmarked" for these airports, and they are eligible for additional funding out of the general aviation category.

Third, to encourage greater State government participation in the program, grants could be made to the States to pay for 75 percent of the cost of a State developing construction standards for general aviation airports. These standards, if approved by the Secretary, would replace the Federal standards while by no means replacing the Federal Government's responsibility for safety.

In addition, a demonstration program is established to allow the Secretary to permit up to 11 States to handle the general aviation portion of the airport development program.

Fourth, to more evenly distribute the air carrier airport funds and to give sponsors a more accurate estimate of future funds to be apportioned to the airport, a new method of distributing funds is established under H.R. 9771.

In the past, one-third of the air carrier airport funds was "earmarked" based on the number of enplanements—passengers embarking from that airport—in relation to all enplanements in the country; one-third was "earmarked" based on the State's area and population in relation to the entire area and population in the country; and one-third was at the Secretary's discretion. This system was not adequate in that the first one-third—enplanements—was earmarked largely for the biggest airports. Some 68 percent of the one-third enplanement funds went to only 23 large hub areas. The remaining 32 percent of the enplanement fund was distributed among some 400 air carrier airports. The other two-thirds of the money was allocated almost entirely at the Secretary's discretion.

H.R. 9771 devises a new formula in which no more than 66 percent of the air carrier airport development funds are distributed based on a "weighted" enplanement formula—thus, shifting a larger percentage of the money to medium, small, and nonhub airports. Under this provision, no air carrier airport, receiving aircraft with a maximum certificated gross takeoff weight of 12,500 pounds or more, would receive less than $150,000 per year or more than $10 million per year. Airports could, however, receive more than the maximum $10 million from the Secretary's discretionary fund.

The act divides airports into two basic categories, air carrier airports and general aviation airports. Air carrier airports are those which are, or will be served by air carriers certified by the Civil Aeronautics Board. The term "air carrier airport" includes airports at which CAB has authorized a certificated carrier to suspend its service, so long as a commuter carrier provides replacement service. The legislative history of the 1970 act clearly established that airports serviced under these replacement arrangements were air carrier airports and the bill now before us is intended to continue this classification.

Under CAB-approved replacement arrangements, a city is guaranteed continuing air service, as would be the case if service was provided directly by a certificated carrier. The Board's orders on replacement arrangements provide that the certificated carrier retains responsibility for insuring that service is provided. If the replacement service by a commuter is terminated, the certificated carrier is obligated to resume service. Thus, there is no logical basis for distinguishing, for airport development purposes, between an airport at which a certificated carrier guarantees replacement service and an airport at which a certificated carrier provides service in its own behalf.

Fifth, the Federal share of project costs and of planning costs is increased to 75 percent. In the past, the Federal share for development at large hub airports was 50 percent, and the Federal share of planning costs was 66 percent.

Sixth, the authorization to use trust fund revenues for servicing the airway system is restored, but with a ceiling on the amount that could be used. In 1970, operating and maintaining the system was authorized, but it was abused by the administration. H.R. 9771 restores "servicing" the system but with a ceiling of no more than $512.5 million over the 5-year period.

Finally, Mr. Chairman, I would like to address the funding levels in H.R. 9771, as reported. These levels are acceptable to the Department of Transportation and are consistent with the most recent resolution from the Budget Committee.

Over the 5-year period, $4.76 billion is authorized, of which $4.688 would be from the trust fund. Of the total, $2.2 billion would be for air carrier airport development and $391 million for general aviation airport development. $1.36 billion is available for facilities and equipment; $78.5 million for the planning grant program; and $512.5 million for servicing the airway system. In addition, $9.75 million is authorized to reimburse our international carriers for security that they are required to provide, but cannot collect in additional fares to remain competitive with foreign carriers. It is our intent, also, that the $188 million which was authorized—but not obligated during the first 5 years of the program—remain available for obligation.

For research and development, which is under the jurisdiction of the Committee on Science and Technology, $85.4 million is authorized for fiscal year 1976, and $23.95 million for the interim period.

Mr. Chairman, overall, this proposal is a progressive proposal that enjoys broad support among the aviation community, except for some compromises that were necessary to gain the support of the administration. We recognize that some provisions are controversial and like all major bills, there is not universal support for every line.

As you will note in the committee report, there were additional views, but not minority views. This reflects, I believe, the agreement among the committee members that H.R. 9771 is a measure that is worthy of consideration and support.

Finally, Mr. Chairman, I would point out that a subparagraph in title III—added by the Ways and Means Committee—prohibits the use of trust funds for terminal development and, therefore, conflicts with title I which permits terminal development.

At the appropriate time, we will offer an amendment to strike section 301(b) and thereby permit the use of trust funds for terminal development.

Those who oppose terminal development allege that this would divert funds from safety. Actually, nothing could be further from the truth. Safety is and will remain the top priority. Safety will remain unaffected by terminal development. Under the bill H.R. 9771, safety cannot and will not be allowed to slip at the expense of terminal development. There are protections in the bill which require safety. First, the Secretary must certify that the airport is safe and that all safety requirements are met.

To repeat, before one dime can be spent for terminal development, the Secretary must certify that the airport is as safe as is humanly possible and that all safety requirements have been met—then, and only then, can he approve terminal development.

We feel that safety is the top priority and we feel that elimination of section 301(b) would continue that priority and allow us to more effectively utilize our Nation's airports.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chaiman, will the gentleman be willing to tell the committee what the Committee on Public Works expects will be spent for terminal development to pay for those terminals already constructed under the provisions of the public works bill that are retroactive?

Mr. ANDERSON of California. I do not believe we can. We are not sure how many airport sponsors will make application, if any. At the time the terminal development issue came up the need for this legislation was demonstrated. Many local areas had just completed their projects and it would have been unfair to exclude them after they had gone ahead and developed their terminals at great local cost. That was the reason behind it.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield further?

Mr. ANDERSON of California. Yes, I yield to the gentleman.

Mr. STEIGER of Wisconsin. I am surprised to see my neighbors across the way and other people in California that do not know they will be eligible.

Mr. ANDERSON of California. This question will be up to the airports' sponsors themselves and the Secretary.

The gentleman does not understand the program. This is a grant program—not revenue sharing.

Under a grant program, such as this, the sponsor must apply for funds from the Secretary. Some sponsors may elect not to request terminal development—some may not qualify—because their safety requirements have not been met—others may qualify, may request them,

but be denied by the Secretary because it is not a high priority item in the national interest.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SNYDER. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana (Mr. HILLIS).

Mr. HILLIS. Mr. Chairman, first, I would like to express my satisfaction to the gentleman in the well for the excellent job the gentleman has done on this piece of legislation. The gentleman's subcommittee has had this under consideration for many months.

I do have a couple of questions that I would like to ask and ask the gentleman's response and indulgence, so that the record can be cleared on one point, which concerns an airport in my district. In my hometown I happen to have an airport which has what is called substitute service, which is served by aircraft weighing less than 12,500 pounds.

The first question I would like to propose is how does this legislation affect such an airport which is receiving substitute service by an aircraft weighing less than 12,500 pounds?

Mr. ANDERSON of California. Could the gentleman give me the next question, too, because I would like to answer both at the same time.

Mr. HILLIS. Well, actually, the situation here does not only affect my own airport. I understand there are about 49 of them that are in the same situation and they have accepted replacement service. Certainly in the light of the energy crisis, I wonder if they will be subject to funding discrimination under the act?

Mr. ANDERSON of California. First, I am very happy to answer the gentleman's question that Kokomo, Ind., Airport has service on a commuter which has gone into that airport when the scheduled CAB carrier pulled out.

First, in those cases where the CAB has required adequate service by a replacement carrier as a condition for the CAB carrier to withdraw from that market, that airport is an air carrier airport, and would draw money from the air carrier category.

Second, for the airport to be eligible for the $150,000 minimum allocation, the airport must be served by aircraft with a maximum certificated gross takeoff weight in excess of 12,500 pounds. If the airport meets that criteria, it qualifies for the $150,000 minimum allocation.

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

Mr. SNYDER. Mr. Chairman, I yield 1 minute to the gentleman from California.

Mr. ANDERSON of California. To continue my answer to the gentleman from Indiana, if the airport does not meet the criteria, then the airport is eligible, like all other air carrier airports, to apply for funds, $128 million, which are at the Secretary's discretion. The question of whether to assure these airports with service by less than 12,500 pound aircraft will be addressed in conference, and I think I can assure the gentleman that it will be worked out in a fair manner which will recognize the situation of places such as Kokomo.

The Senate bill goes a little farther than we are going in our bill. This issue came before our committee, and we decided that the best way was to keep it as is. When we go into conference with the other body for a final version on this legislation, I want to assure the gentleman that we are going to work out some type of agreement which is satisfactory and fair to this type of airport.

Mr. HILLIS. As I understand it, the Senate version with respect to airports receiving this will be a part of this bill, so that it will be a topic that will be handled in conference, will it not?

Mr. ANDERSON of California. Yes, it will be one of the key items.

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

Mr. JONES of Alabama. Mr. Chairman, I yield 4 additional minutes to the gentleman from California.

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

Mr. ANDERSON of California. I yield to the gentleman from California.

Mr. GOLDWATER. Mr. Chairman, I would like to ask a question about this NAS plan. As I understand it, according to this bill, FAA is to present a revised plan by January 1, 1977.

Mr. ANDERSON of California. That is correct.

Mr. GOLDWATER. For the record, how does the gentleman envision this revised plan? Today's plan is a catalog. What is the format the gentleman sees this revised plan in?

Mr. ANDERSON of California. We have instructed the Secretary to go into this matter on a rather detailed basis and to come up with a plan of action for the airports throughout the country so that we will have a more complete analysis of the whole problem. He has 1 year to do that and report back to our committee.

Mr. GOLDWATER. Does the gentleman envision this also as a listing of specific airports?

Mr. ANDERSON of California. I would assume the list would be very similar, but hopefully smaller than it is at the present time. It is too long now. I would assume that he would eliminate some airports from the plan, but he would have to justify them and identify where they are needed in the national airport system plan.

Mr. GOLDWATER. For instance, there is now included in the NAS plan the Spirit of St. Louis Airport, which is a major privately owned but publicly used airport. Does this revised plan exclude the potential inclusion of privately owned airports that may be essential to the system?

Mr. ANDERSON of California. We have discussed this in committee. I would think that, when the secretary draws up his plan, he will obviously have to recognize the private airports as well as the public airports, but, as the gentleman is aware, under the present law and under this bill, we cannot make any funds available for a private airport. This is an issue that we are going to be confronted with one of these days, whether or not we do give any assistance to private airports. But, in the present law and in this bill, we do not, and I assume the Secretary has to follow those directions.

Mr. GOLDWATER. If the gentleman will yield further, would the fact that privately owned airports are not now eligible preclude them from being included?

Mr. ANDERSON of California. As I said earlier, I would assume the Secretary would recognize that in the overall airport system, but he would have to show they are separate from public airports.

Mr. GOLDWATER. If the gentleman will yield further, so they may be, if they are essential, included in an overall plan, recognizing they are not eligible today.

Mr. ANDERSON of California. I think in the gentleman's own area there is the Burbank Airport which is privately owned, and everybody knows it is one of the important airports in California; yet it is not eligible for any Federal airport development money, just money for airway facilities.

Mr. GOLDWATER. I thank the gentleman.

Mr. SNYDER. Mr. Chairman, I yield such time as he may consume to the gentleman from Arkansas (Mr. HAMMERSCHMIDT).

Mr. HAMMERSCHMIDT. Mr. Chairman, this is a good piece of legislation—one which gives us justification for saying we have done a good piece of work as we have moved into a new area of jurisdiction for the Committee on Public Works and Transportation.

I doubt that anybody is going to tell you it is perfect, or that everybody on the subcommittee or full committee is sailing his hat in the air over each and every provision. Not in 30 printed pages of legislative language that took a 93-page report to explain. But that is to be expected in a bill that took a fair amount of compromising to get one we can all support and one which we think is acceptable to the administration.

When I talk about compromise, I do not mean out-and-out horse trading, though that's an honorable enough pursuit in some parts of the country. I do mean that we have tried to recognize one overriding fact: aviation today is important to all of us in this country wherever we live or whatever we do. And just as there are great differences in the characteristics of the areas we represent and the interests of the people we serve, there are differences in the needs of aviation.

Those needs differ as between a rural area, a medium-size city, or a major metropolitan area. Their airports serve business and industry, agriculture, recreational travel, and personal needs. The needs may be on the airside capacity to handle more planes, or on the landside in terms of the ability to handle huge numbers of people. Needs vary among domestic and international commercial carriers, and between commercial and recreational use. Our communities and

the States also vary in size, population, density and degree to which they depend on civil aviation.

I do not want to overdo this compromise bit, because there is not all that much real controversy. At least a fair amount of the pulling and hauling over this bill is a result of the fact that we are winding up one 5-year authorization and legislating another. A lot of folks want to get their licks in.

Basically, we have built on the framework of the 1970 act, which was good as far at it went. We can say that now on the basis of 5 years of operating experience and our own hearings which we held with no preconceived notions or pride of authorship in the original basic legislation. It should be continued and expanded.

At the same time, we have found the need for changes which also go right to the basic objectives of the program, the safe and efficient operation of the airport and airway system. There is a consistent approach in this bill, and that is to recognize the need to add, expand, and improve airport facilities, while making the best use of what we have already got.

So in addition to expanded funding, we have made a number of changes. We adjust the allocation mechanism for air carrier airports by a weighted enplanement formula to shift emphasis away from the largest, high-volume facilities in the country and give a better break to intermediate-size airports. We also singled out commuter and reliever airports in the general aviation category with their own earmarked share of funding.

These are all consistent with the basic objectives of the program, the safe and efficient operation of the system. The same is true of the changes in eligibilities we have made. Congestion caused by inadequate terminal development represents an inconvenience to the public, a constraint on development of civil aviation, and the use of airside facilities. So we have made that eligible, within limits.

Noise is an increasing problem which can make it difficult to use existing runway capacity safely and effectively, much less expand that capacity because of development surrounding many of our airports. So we have increased eligibility in this area for acquisition of interests in land and for noise-suppression measures.

Redtape and leadtime in getting a project approved are continued problems for public works projects. We have therefore provided for multiyear funding in the bill. The State demonstration program for general aviation should help out with this problem and save a little money in the process.

Another problem we are trying to deal with is the lack of enough information to make us feel really comfortable with the knowledge that we are right on target when we legislate changes. This is why we have called for real refinements in the National Airport System plan. Personally, I would like to see the NASP refined to the point where it gives us information on the order of the highway needs studies, which are so useful in making a case for that program.

Mr. Chairman, I ask my colleagues to weigh the many benefits which this legislation offers—and to support its enactment.

Mr. SNYDER. Mr. Chairman, I yield such time as he may consume to the gentleman from South Dakota (Mr. ABDNOR).

Mr. ABDNOR. Mr. Chairman, I consider it especially important to emphasize that H.R. 9771, as reported, includes several provisions which are designed to increase the role of our States in the administration of the airport development aid program—ADAP. I hasten to add that I am speaking only of the general aviation airport portion of the ADAP program.

First, pursuant to section 4, the Secretary would be required to consult with the appropriate State officials in developing the national airport system plan.

Second, section 8 authorizes the Secretary to make grants not to exceed $25,000 per State for developing standards—other than standards for safety of approaches—for airport development at general aviation airports.

Third, section 13 authorizes the Secretary, upon determining that a State is capable of managing a demonstration program for general aviation airports in that State, to grant to such State funds apportioned to it under the State area and population formula contained in section 15(a)(4)(A) and any part of the discretionary funds available for general aviation airport development (section 15(a)(4)(c)).

The State officials, in turn, would then make grants to airport sponsors in the same manner, and subject to the same conditions applying to grants made by the Secretary. The Federal interest would be protected, since the conditions enumerated in sections such as sections 16 and 18 of the Airport and Airway Development Act of 1970 would have to be met by the airport sponsors.

The Secretary would select up to 11 States for the demonstration. He may not initiate any such program after January 1, 1977. The Secretary shall report the results of the demonstration program to Congress by March 31, 1978.

All funds received by a State under this section would go to general aviation airport development, and none of the money could be used to pay costs incurred by the State in administering the program.

Thank you, Mr. Chairman.

Mr. SNYDER. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Chairman, it is with considerable pride that I cite the care which has characterized our consideration of H.R. 9771 during the past several months. I believe that our report reflects the extent to which we explored the pros and cons of every provision.

H.R. 9771 includes the basic programs which were authorized by the 1970 Airport and Airway Development Act—with most authorizations established at somewhat higher levels in recognition of the impact of inflation on construction and other activities.

We also made some additional items eligible for Federal grants under the airport development aid program—ADAP—including snow removal equipment, noise suppressing equipment, physical barriers and landscaping to diminish aircraft noise, acquisition of land to insure uses compatible with airport noise levels, at the 75 percent funding ratio level and terminal development strictly limited to specified public use areas with a Federal matching share of 50 percent.

After careful study, the Committee concluded that it would be appropriate at this time to authorize funding of airway facility servicing costs at a modest level—$50 million for fiscal year 1976. The use of trust fund moneys for this purpose was permitted by the 1970 Act, but excessive administration emphasis on maintenance and operation of the system during fiscal years 1971 and 1972, at the expense of airport development, resulted in the enactment of legislation to prohibit the practice. However, the legislative history clearly indicates that the prohibition was never intended to be permanent.

So, Mr. Chairman, we believe we have drafted a well-considered bill, a sound bill. We hope that our House colleagues will concur.

Mr. Chairman, many of us consider the provision in H.R. 9771 requiring a revised national airport system plan—NASP—as perhaps potentially the most important provision of the bill. It was generally agreed during our hearings that the NASP mandated by the 1970 Airport and Airway Act is not as useful a document as it might be. It is unwieldly—comprising some 11 separate booklets which altogether are nearly 4 inches thick. In addition, the present NASP does not provide an adequate measure of airport system needs, nor does it set forth meaningful priorities for future airport development.

To give the Secretary better guidance in preparing the plan, section 8(a) of H.R. 9771, as reported, lists those types of airports which should be included. These types of airports are as follows: One, air carrier airports; two, commuter service airports; three, reliever airports; and four, general aviation airports, which are regularly served by aircraft transporting U.S. mail; or which are regularly used by aircraft of a unit of the Air National Guard or of a Reserve component of the Armed Forces; or which are regularly used by aircraft engaged in significant business operations; or which are of significant importance to the economic development of a State or region; or which the Secretary determines meet the needs of civil aeronautics.

To correct the problem of excessive detail, section 8 of H.R. 9771, as reported, would require that only the airport, not each specific project, be in the NASP to be eligible for Federal airport development grants.

However, the role of each airport, based upon the levels of public service and the uses made of such airport, would still

be identified in the NASP. Prior to approving airport development projects the Secretary would ascertain whether a proposed project is consistent with the airport's role as described in the NASP.

The revised NASP would contain estimated costs of needed development sufficiently accurate to be used as a basis for future year apportionments, and to identify the levels of public service and the uses to be made of each public airport in the plan.

Mr. Chairman, these three provisions are designed to produce a national airport system plan that would provide greater guidance and direction for future development at the Nation's airports.

Mr. SNYDER. Mr. Chairman, I yield 10 minutes to the gentleman from California (Mr. GOLDWATER).

Mr. GOLDWATER. Mr. Chairman, I rise to support this piece of legislation and, while I may have some basic differences with some of my committee colleagues on this bill, in the main I think we have fashioned a bill that will meet the future needs of civil aviation.

Mr. Chairman, this bill ventures into some new areas, some new problem areas, that warrant, I believe, some very close attention and scrutiny by both the aviation community and the Congress.

For instance, we have increased the Federal share of airport development project costs for the major airport sponsors to 75 percent, and we have increased the Federal share of planning grants to 75 percent. Aviation groups all over this country agreed that in order to properly plan for future aviation growth, these percentage increases are absolutely necessary.

We have also addressed a number of other critical areas, such as the purchase of land in order to establish buffer zones for airport noise, and a section that would allow for the purchase of noise suppression equipment within the confines of the airport.

It is also worthy of attention that for the first time commuter-service airports will be given a higher profile. Frankly, I am disappointed that the dollar figure for reliever and commuter-service airports is not higher. I am also concerned that the committee decided to transfer reliever airports from the air carrier to the general aviation apportionment. Most aviation groups feel that relievers and commuter-service airports should be in the air carrier funding class.

Mr. Chairman, one of the most controversial sections of this bill deals with ADAP funds to pay for the maintenance and operations of the FAA. I opposed this language in the committee markup, and I still oppose it. The Senate has also opposed this language, so I will not introduce an amendment to strike the language from the bill before us today. Nevertheless, I hope that if the House passes the bill, our conferees will see fit to accept the Senate's exclusion of FAA maintenance and operations moneys from the trust fund.

Mr. Chairman, our subcommittee and the full committee have worked long and hard on this bill. I believe it will improve the Nation's airport and airways system, and I, therefore, urge that it be passed.

Mr. Chairman, I would like for a moment to call the attention of the Members to a potentially disastrous situation. It is one that we in the Congress should address ourselves to, for it could jeopardize the future of aviation. This is the case of privately owned airports which are open to the public.

There are presently over 6,000 U.S. airports that are open to the public today. According to the FAA figures of January 1 last year, about 2,600 of these are privately owned airports. In 1974, according to FAA statistics, there were approximately 286 of these private airports that were abandoned. They were plowed under and no longer available for aviation, no matter for what purpose.

If this continues, we no longer will have the potential use of these privately owned airports. It is important to point out that once an airport is abandoned, it is impossible to ever resurrect. As aviation begins to play a greater role in today's transportation and the future transportation needs of the American people, we are going to be looking for those once-abandoned airports in and amongst the small communities and even large communities of this Nation. Once they are plowed under, we can no longer resurrect them.

I think therein lies the problem we must seriously address ourselves to. What is going to happen to these airports? Do we feel they are important to our system?

That is the reason I asked the chairman of our subcommittee whether these types of airports should be included and studied by the FAA and raised to a level of importance as airports in and of themselves. It seems to me we should start thinking about including some private airports in the ADAP program. The users of these airports pay users' taxes.

For instance, I have mentioned the Spirit of St. Louis Airport, which is a very important reliever airport in the St. Louis area. It is a privately owned airport, but it is open to the public. At that airport alone, users paid over $200,000 into the trust fund last year. It also pays property taxes and it pays sales taxes, but not one dime is ever returned to this privately owned airport to enhance the safety of the runways, the lighting systems, and other safety features.

So I think it is important, if we are concerned about safety and the flying public, that we must likewise be concerned about the safety element involved in these privately owned airports.

In the future we may look back when the need is the greatest, and obviously it is going to be great because of continued growth, only to find out that we no longer have the available runways that we once had.

Therefore, I would only hope, Mr. Chairman, that the FAA will heed these words, will begin to analyze, to make recommendations, and to work with the subcommittee.

I would say to the gentleman from California (Mr. ANDERSON), that the subcommittee should hold hearings in the near future to examine this whole question of the private airport and what its future may be.

Mr. Chairman, I know that under the leadership of the gentleman from California (Mr. ANDERSON) that the question of the private airport will be addressed, that we will examine very carefully whether it should be eligible or should not be eligible. This is the time to begin talking about it. It is the time to be concerned about it.

Mr. Chairman, I only bring this point up, because it was brought up in committee. I offered an amendment to this effect, but it was rejected. I think the point is still valid.

Unless we begin addressing ourselves to the fate of these privately owned, but publicly used, airports now, tomorrow may be too late.

Nevertheless, Mr. Chairman, I do support this bill. I think it represents a bipartisan effort on the part of the leadership on the minority side, as well as on the part of our chairman and the other members of the committee.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. GOLDWATER. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I thank the gentleman for yielding.

I have two questions.

One is that I noticed in earlier remarks and now that the gentleman from California (Mr. GOLDWATER) is very much against using the funds developed through the licenses and various other fees for the maintenance of airports.

Why does the gentleman oppose that?

Mr. GOLDWATER. As I pointed out in the committee report we are setting a dangerous precedent by opening up the trust fund moneys for what they call operation and maintenance of airway facilities.

Mrs. FENWICK. Is that not money necessarily spent?

Mr. GOLDWATER. I would have to say there is nothing basically wrong with it. In fact, in the original draft of the ADAP program, operation and maintenance were to be included only after—and it is essential that we underscore that "after"—we have increased, enhanced, and provided for the safety features of an airport. Up to this point we have not reached that level of safety where we can begin spending these moneys for operation and maintenance.

Mrs. FENWICK. If the gentleman will yield further, the thing that puzzles me is that we had a subcommittee hearing of the Committee on Small Business, and the FAA came before us. I was startled to discover that the trust fund income for 1973 was $831 million; for 1974, $868 million; for 1975, $1,034 million, of which $94 million alone came from interest on FAA investments.

It seems to me that we are building up a very large fund, over $1 billion. If they cannot find safety measures that need to be paid for, I see absolutely no reason for the taxpayers of this country to take money out of general funds while this is being built up.

The CHAIRMAN. The time of the gentleman from California (Mr. GOLDWATER) has expired.

Mr. SNYDER. I yield 2 additional minutes to the gentleman from California.

Mr. GOLDWATER. Mr. Chairman, let me respond to the gentlewoman from New Jersey (Mrs. FENWICK). I feel concern also. We should either use those moneys, or we should reduce the taxes or the moneys flowing in, it seems to me. However, because the trust fund moneys and our expenditures are included in part of the budget, the level of appropriations is important to notice. We can only authorize and appropriate at a certain level because it is included as part of the total budget within that appropriated amount.

What we have to decide is where we are going to split that money up and where we are going to spend it. It is important that until we provide for the safety features, in my opinion, we should not begin paying for maintenance and operation.

Mrs. FENWICK. Is the gentleman from California talking about the money that is being appropriated or is the gentleman talking about the money in this trust fund that is being built up? If they are not spending it for safety why are we then contemplating in this bill putting it into terminals? It does not seem to hang together as a logical explanation of what this money is all for.

If safety is the primary thing, are there not enough safety moneys in here to spend? We have $1 billion here, why do we have to appropriate from the general fund? Why if safety is the main point are we prepared to take terminal construction items out of this trust fund if safety is not yet taken care of?

Mr. GOLDWATER. Again I believe the gentlewoman has raised a good point, but there is a safety factor in the funding of terminals, because if we do not have proper facilities to handle aircraft that are coming in to land, then they will simply sit above the airport in a congested state and cause a potential safety problem. That is one reason it is used for terminals. But I think it is recognized by the committee that this question is a lower priority, because the bill only provides 50 percent and only after the safety features of the airport, such as runways, fire trucks, crash trucks, and so forth, have been taken care of.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. SNYDER. I yield 2 additional minutes to the gentleman from California.

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

Mr. SNYDER. I yield 2 additional minutes to the gentleman from California.

Mr. GOLDWATER. I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Chairman, I thank the gentleman for yielding me time.

The gentlewoman from New Jersey (Mrs. FENWICK) raises a good point but I do not really think that perhaps she may have read all of the bill.

Let us talk about safety. All safety investigation moneys come out of ADAP, whether they are investigating a new collision system, a new microwave landing system, that is all being paid for by ADAP.

Furthermore, as chairman of the Subcommittee on Aviation and Transportation R. & D., which has jurisdiction over this area, I can assure the gentlewoman that there are no aeronautic areas that we are not processing diligently and putting every dollar into that can reasonably be spent to find any new safety device. If it is not on landing safety, or on equipment, but a problem with navigation equipment, the funds are paid for out of ADAP.

Now in the area of operation and maintenance, we are trying to find a reasonable balance. Remember there are many millions of dollars that are paid for as a result of aviation that are paid for to protect the public. In other words, it does not make the airplane fly any better and it does not assist the owner of the aircraft, if he is a general aviation owner, we simply say that he or the factory must prove his product is safe, that the pilots are safe. These are public protective measures.

Mr. GOLDWATER. If the gentleman will yield, I would like to point out the reason I am opposed to operation and maintenance is that it has been estimated there are from $200 to $300 million worth of backlog of requests for ADAP that will improve and enhance safety in airports, and until we take care of those needs, we should not be spending this on operation and maintenance.

Mrs. FENWICK. If the gentleman will yield, it is building up such a big fund, $1 billion. You have $200 or $300 million for safety, that reduces it to $700 million, they still have $700 million.

Mr. GOLDWATER. But that amount is not appropriated, there is only so many million dollars appropriated.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MILFORD. Will the gentleman yield?

Mr. SNYDER. I yield 1 minute to the gentleman from Texas.

Mr. MILFORD. I thank the gentleman for yielding.

Mr. Chairman, one of the reasons that no more money is being spent is because we were held in hostage, believe me. I introduced a bill to try to do what the gentleman from California was talking about but I am afraid I have to say that the gentleman's administration says, "This is it." Otherwise we lose on this bill.

I agree with the gentlewoman. We have airports that still need to be built. We have money in the bank that was collected from taxes on the users of the airports. No general funds go into ADAP. It is charged against those who use the airways system.

Mrs. FENWICK. If the gentleman will yield, how much is being taken out of the general funds for the maintenance that the gentleman from California referred to?

Mr. MILFORD. I cannot answer the exact figure. I am saying that a reasonable formula has been established to where that part that simply protects the public, the public pays for. That comes out of general funds. The rest of it is paid for by the users, and that is the airports, the airway systems, and the like.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SNYDER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I would just like to respond a little further to the gentlewoman from New Jersey to say that back in the late sixties Lyndon Johnson—and this is no reflection on any administration because all Presidents like it—gave us what we know as a unified budget. Before that we had two budgets. We had one for general revenues, and we had one for trust funds. So now, of course, they have put all of the income, whether it be trust fund income or general revenue, on one side of the ledger, and all of the outgo over on the other side of the ledger. So this administration—and those before it—likes to keep that trust fund there so that they can finance some social experiments out of it without making the deficit look as bad as it is.

I personally think it is immoral, and when trust fund moneys are collected for trust fund purposes, be it airports or highways or whatever it is, we have a moral obligation to the people we collect it from to use it for that purpose. But unfortunately I am in the minority.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SNYDER. Mr. Chairman, I have no further requests for time. I reserve the balance of my time.

Mr. ANDERSON of California. Mr. Chairman, I yield such time as he may consume to the gentleman from Wyoming (Mr. RONCALIO).

Mr. RONCALIO. Mr. Chairman, may I add further to the remarks of the eminent gentleman from Kentucky. About 4 years ago funds from the trust fund—and this is for the benefit of the gentlewoman from New Jersey also—were taken after the first year of the establishment of the trust fund, in which users' fees were paid, and was used for the general administrative expenses of FAA. That was stopped by regulation and by action of Congress the next year, and it has not taken place since. These funds stay at least earmarked and used for the purposes for which they were intended. Safety, airport, and airways improvement and development.

Mr. Chairman, I rise in support of this bill, H.R. 9771, as reported by the Committee on Public Works and Transportation, which includes provision for the use of Federal assistance for terminal development.

This is the first year that this committee, on which I sit and have the honor to serve, is fulfilling its function as a transportation arm of the Congress regarding the air space over the United States of America, which is jointly used by the military and the civilian sector, under single FAA jurisdiction.

Mr. Chairman, as a pilot, and as a representative from a Western State with great distances to be traveled, I hope that H.R. 9771 meets the needs of areas, such as mine, where small air carrier airports and general aviation serve as the backbone of our transportation network.

Wyoming is a large, sparsely populated State, where aviation serves to connect the people with hospitals, schools, business, and industry—where often small aircraft is the only quick and convenient means of getting the businessman to his meetings, getting the sick to a hospital for emergency treatment, getting the

traveler to an airport for a connecting flight to a large urban center. It serves the rancher in tending his stock, the forest ranger in fighting fires, and the law enforcement official in his duties.

Thus, aviation—like no other form of transportation—serves our State in a unique, vital, and irreplaceable way. And H.R. 9771 is designed to accommodate our needs in developing a safe, efficient network, serving the explosive industrial growth of Casper, Douglas, Gillette, Rock Springs, and other cities, and linking the rancher, the contractor, the sportsman, and other varied and important segments of our area.

First, regarding air carrier airports, H.R. 9771 provides more money, with a greater assurance, for more varied and necessary items of eligibility than under the program initiated in 1970. For example, Casper—our most active airport—would be allocated $371,929 for fiscal year 1976—under the formula devised by H.R. 9771. This compares with an allocation of $30,600 in fiscal year 1975.

And, under H.R. 9771, the airport can apply for a portion of the fund which is at the Secretary's discretion that totals $128.3 million in fiscal year 1976. This compares to a discretionary amount totaling $91.6 million in fiscal year 1975, under the old program.

In addition to the uses to which these funds could be used in the past—runways, taxiings, land for clear zones, and the like—the term "airport development" has been expanded to include snow removal equipment and the public use, nonrevenue producing areas of the terminal. This gives the local airport officials more latitude in using Federal assistance to meet their particular needs. In Wyoming and other snowy climates this is vital.

Second, for general aviation, H.R. 9771 provides $422,669 for fiscal year 1976 for general aviation airport development in Wyoming. This compares to $362,439 in fiscal year 1975, under the old program. In addition to the amount which is allocated to Wyoming for this purpose, State and local officials can apply for a part of the $25 million that is made available for commuter service and reliever airports, and for a part of the $9.6 million that is at the Secretary's discretion for general aviation airport development throughout the Nation. This total of $34.6 million at the Secretary's discretion compares to $8.75 million that was available at his discretion in fiscal year 1975 under the law enacted in 1970.

All in all, H.R. 9771, as reported by the Public Works and Transportation Committee, is a progressive measure, designed to meet the needs of big and small States, urban and rural, air carriers and general aviation. I urge support for title I as reported, and to reject that part in title III—written by Ways and Means—which subverts the intent of title I.

Mr. Chairman, I am going to philosophize a little bit at this time. First, Newsweek and Time magazine this week each has an exclusive and serious article in depth upon the problems of midair collisions or near-miss incidents in the airspace over the United States today. I recommend those articles to any Member who has an interest in this legislation, which affects profoundly what we are talking about when we talk about airways, or third generation en route computerized radar-scope facilities, or sophisticated radar equipment, to monitor the movement of aircraft by air traffic controllers between terminals.

Second, it is my opinion that we are not best served in America when men of capability in the profession and of the dedication of Jim Dow, Acting Administrator of FAA for, lo, these many, many months, is passed over, and officers however worthy from the military are given charge of the FAA. I do not think that is in the best interests of general aviation. I dare to make that observation, perhaps unfair to the new Administrator who deserves to be given a fair opportunity, but, nevertheless, I think that professionalism ought to be rewarded. It is regrettable at this time of peace on Earth among men of good will that we quarrel over taxes, over vetoes, over partisan action, over glaringly transparent acts of politics; but I would imagine that most members of this committee, Democrats and Republicans, would like to see the FAA run by professionals. I think we have unanimous agreement on that.

I also believe that the FAA should be removed from the Department of Transportation, and perhaps those Members who are younger than I will be here long enough to do something about that goal when we come back in the new year.

We abhor bureaucratic proliferation, and I have on occasion seen as many as four FAA personnel at small fields around the country, with darn little to do.

Scottsbluff, Nebr., is a case in point when not too many years ago, four FAA officials spent hours there to see if a pilot was coming in without his flying credentials, or coming in in marginal weather, or to hassle him generally. We wondered if FAA could not get along with a third less office personnel and perhaps concentrate more on alleviating the midair collisions and doing something to assist the air traffic controller, and spare the fixed base operators and general aviation pilots.

The air traffic controller is a man who at 40 or 45 often is developing ulcers trying to control the traffic without suffering the pangs of error, and its horrifying consequences.

I think this is a good bill. This committee has about six members on it who do fly and who know something of the problems.

We have visited many large airfields in America. We have studied their terminal problems and tried to be of direct immediate response to problems. This may not be as good a bill to some people as the Senate is bringing out. Many fixed base operators would prefer the Senate version. I am sure we can work out something in conference tomorrow to meet the needs of the Nation and carry on the general aviation improvement program.

Mr. HOWE. Mr. Chairman, I rise in support of H.R. 9771, the Airport and Airway Development Act Amendments of 1975 and urge my colleagues in the House to join in passing this vital piece of legislation today. I have the privilege of serving on the Aviation Subcommittee which drafted this measure. We have a few real experts in the field of aviation on our subcommittee, but as you know, the subject was new to the subcommittee this year and most of us are new to the subject area. Consequently, we devoted a considerable amount of time to hearings and markup on the bill, and I am convinced we have come up with a sound framework for the continuation and expansion of our Nation's air transportation system.

H.R. 9771 as reported by the committee authorizes increased funding for airport development for the next 5 years, although it requires the committee to look at the program again in 3 years and make such changes as may be needed at that time. We will then have the results of a new and revised National Airport System Plan, which this bill requires the Secretary to compile in consultation with the States. The new plan will update our information on air transportation needs and enable us to determine whether the allocation formulas in the bill best respond to those needs. Although the $4.68 billion total contained in the bill represents an increase in airport and airway funding, the committee has held the spending levels to a bare minimum in the interests of fiscal restraint and the importance of avoiding a veto.

While H.R. 9771 represents a basic extension of the 1970 Airport and Airway Development Act, it includes some positive new reforms in response to concerns raised during the hearings and expands the categories of projects eligible for funding under the act. Perhaps the most significant improvements are in the areas of the application process and State involvement in general aviation.

In the application process, redtape and time lags have posed a problem for airport sponsors who are trying to complete urgently needed facilities for their community. H.R. 9771 simplifies the grant application process as far as practicable by allowing sponsors to combine a number of projects for which funds are being sought into one application. In addition, the committee notes FAA intentions to streamline the internal administration of ADAP and will follow this closely to determine whether future legislation can speed up our airport development.

Another sponsor complaint was the inability to undertake any long-term projects for airport improvements or construction because funding could not be guaranteed from year to year. H.R. 9771 removes this concern by authorizing the Secretary to approve multiyear projects for the first time. In other words, the Government will be committed to providing funds for subsequent years, subject to their availability, and sponsors can plan more effectively.

The committee recognizes that general aviation is most frequently utilized on an intrastate basis and makes a vital contribution to the economic development of a State. Moreover, testimony submitted to the subcommittee overwhelmingly supported the contention that States can achieve the same quality of general aviation development more quickly and at a lower cost than the federally-admin-

istered program. The bill therefore opens a new partnership role for the States and the Federal Government in the area of general aviation. It allows the States to set their own construction standards, subject to FAA approval, with the exception of standards for safety of approaches. In addition I had the pleasure to author an amendment in committee to H.R. 9771 which authorizes a demonstration program in 11 States, whereby they will receive their normal allocation for general aviation from the trust funds, but will then manage their own general aviation airport development and administer the grants. If the demonstration program proves successful, and we are convinced it will, State administration of general aviation will be extended to all capable States in the future.

In terms of eligibility, H.R. 9771 expands the definition of airport development to include two new areas. First, it will allow airport sponsors to purchase adjoining land for the purpose of minimizing the impact of takeoff and landing noise in the neighborhood of the airport. Second, it authorizes the expenditure of up to 30 percent of an air carrier airport's allocation for the improvement of the publicly used portions of terminal facilities. Opposition has been raised to the utilization of moneys from the trust fund for terminal development, but I would urge you to support the committee's decision that the relief of the terminal congestion confronting many air passengers and their airline employees attempting to serve them is a significant factor in upgrading the Nation's air transportation. Safety will in no way be jeopardized by this provision, since a sponsor must certify that the airport has met all safety and security equipment requirements before any funds can be spent on terminal improvements. There is clear need for funding in this area and I hope my colleagues will join us in support of it.

H.R. 9771 is a sound bill although not perfect. It represents a thoughtful compromise designed to meet the most urgent needs of our air transportation system and alleviate the most pressing concerns of many interest groups. But, it is a good compromise and will enable us to advance the safety and quality of air travel in America. I urge its passage.

Mr. ANDERSON of California. Mr. Chairman, I have no further request for time and I reserve the balance of my time.

The CHAIRMAN. Under the rule the gentleman from Oregon (Mr. ULLMAN) is entitled to 1 hour. The Chair recognizes the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, at the instruction of the Committee on Ways and Means, I am going to offer an amendment to add a new title—title III—to the bill now before us. That amendment will expand the purposes for which the airport and airway trust fund money may be used. In order to see what this amendment will do—and what it will not do—it is necessary to take a moment to examine the 1970 trust fund provisions.

Mr. Chairman, the Airport and Airway Revenue Act of 1970 imposed some new aviation user taxes and increased some existing user taxes, created the airport and airway trust fund, provided that the aviation user taxes are to be transferred into the trust fund, and made trust fund moneys available to meet specified obligations of the United States.

Title II of the 1970 act—the trust fund language under the jurisdiction of the Committee on Ways and Means—provided that trust fund moneys are to be available to meet obligations incurred under title I of that act—the Airport and Airway Development Act of 1970—as in effect on the date of the enactment of that act. Because of this limitation, the trust fund language would need amending in order to add new expenditure items out of the trust fund.

Mr. Chairman, H.R. 9771 as reported by the Committee on Public Works and Transportation, would modify the provisions of title I of the 1970 act to permit the Federal Government to incur certain obligations that are not permitted under present law. As the Committee on Ways and Means made clear in its report on the 1970 act, the 1970 act was so drafted as to assure that any additions to the categories of obligations funded out of trust fund revenues would be subject to review by those committees of Congress concerned with raising those trust fund revenues.

In conducting its review of the proposed new categories of trust fund expenditures, the Committee on Ways and Means divided the additional obligation categories into three types. The first of these categories relates to relatively minor expenditures for: First, developing State construction standards for general aviation airports—$1.275 million for fiscal 1976; second, certain international security charges—$3 million per year for fiscal years 1976, 1977, and 1978; third, national airport system plan—$2 million for 1976; and fourth, expansion of the definition of airport development to include snow removal equipment, noise suppression equipment, construction of physical barriers for noise control, and acquisition of land for noise control—expected to average $20 to $25 million per year for the remaining period of the trust fund. As to these items, which do not add major expenditure items to the trust fund, the committee concluded that it was appropriate to provide financing out of the trust fund.

The second category deals with the servicing of airway facilities, which includes: First, servicing of navigation aids, landing systems, towers, and radars, but excluding cost of engineering support and planning, direction and evaluation; second, airway facility leased communications; and third, supplies and parts related to facility maintenance. The amount authorized is initially set at $50 million for fiscal year 1976 and is to increase by $25 million a year for each subsequent fiscal year. It appears to the Committee on Ways and Means that these expenditures could have been financed from the trust fund as originally enacted in 1970; therefore this would not involve any further amendment to the trust fund provisions. Also, it was noted that these expenditures were already being made from Federal funds and that permission to make these expenditures out of the trust fund would not involve additional Federal expenditures and would not involve an additional category of Federal expenditures.

The major controversy relates to the proposal to permit expenditures for "public" portions of terminal buildings. This category could involve expenditures ranging from $77 million for fiscal year 1976 to $93 million for fiscal year 1980. Except to the extent that the 1970 act permits construction, alteration, or repair of buildings intended to house facilities or activities directly related to safety of persons at the airport, this represents a distinct departure from the standards set forth in the 1970 act. Permitting the use of trust fund moneys for this purpose would require an amendment to the trust fund provisions. The Committee on Ways and Means concluded that such an expansion of the trust fund provisions is not appropriate at this time. It is to be noted that, up to now, such construction has no been paid for out of Federal tax funds, as it has been paid for out of private funds or by local or State governments. If this new category of expenditures was going to be authorized, the Ways and Means Committee concluded that it should not be authorized out of trust fund moneys.

However, Mr. Chairman, since the Committee on Ways and Means recognized that in this one respect it departed from the requests of the Public Works Committee, we requested that the House be given the opportunity to work its will on the question of whether the Airport and Airway Trust Fund should be expanded so as to become available to fund obligations to construct public portions of new terminal buildings or to pay for such construction that has already taken place.

Mr. Chairman, I have no further request for time, and I reserve the balance of my time.

Mr. STEIGER of Wisconsin. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the gentleman from Wyoming (Mr. RONCALIO) who just left the well prior to the presentation of the distinguished chairman of the Committee on Ways and Means referred to the articles that had appeared both in Time and Newsweek. That perhaps more clearly brings home the issue that I think is involved in the disagreement between the distinguished Committee on Public Works and Transportation and the Committee on Ways and Means.

Mr. Chairman, I must say, it is not easy for me, at least, to find myself in this position. I recognize that the Committee on Public Works and Transportation has over the years in this House had a unique role as being perhaps more successful than any other committee in insuring that its way was gotten by spreading goodies around more successfully than any other committee can ever do.

I also find myself in a difficult position, because most of the airport people and most of the airline people—I do not know about the Machinists' Union and the United Airlines—seem to like the idea of expanding the Federal role in terminal

development; but I think this body ought to consider fairly prudently its judgment that it will make on the argument that will be offered as to whether or not we want to embark upon what is a wholly new program of Federal expenditures, albeit, the use of the trust fund, when there are pressing needs in so many other areas.

Mr. Chairman, I am delighted to see the gentlewoman from New Jersey back here, because I especially want to raise this issue with the gentlewoman.

Newsweek in its story said this:

Only 400 of the more than 1,800 runways in the U.S. handling commercial aviation are equipped with instrument-landing systems that tell pilots the correct angle at which to bring in their planes; among the uninstrumented runways is No. 12 at Dulles airport, the final destination of the TWA jet that crashed a year ago. The veteran pilots also charge that many of the runways that are instrumented are too short—including Runway 22–L at Kennedy International Airport which is 1,600 feet shy of the 10,000 foot minimum recommended by pilots for many planes.

Newsweek went to so say:

Though Dulles, Kennedy and O'Hare airports have been much in the headlines, they are not at the top of the airline pilots' list of the nation's most dangerous. As the pilots rate them, the five most dangerous airports—for a variety of local reasons—are Los Angeles; Charlotte, N.C.; Akron-Canton, Ohio; Washington National and San Diego. By far the safest, according to the pilots, is the new Dallas/Fort Worth airport.

Improvements are on the way. Under FAA order, airlines are equipping all their planes with an automatic-warning system that alerts pilots when their planes come dangerously close to the ground. Experts think that such a system, which has already been installed on 90 per cent of all U.S. airliners, could have prevented the Dulles airport disaster last year—although pilots complain that the system tends to produce false alarms. Following the epidemic of recent near misses, the FAA is speeding up a program to install "conflict alert systems" in the twenty air-traffic-control centers across the country. These systems, which are already operating in Memphis, Kansas City, Denver and Fort Worth, flash a warning on controllers' radar scopes and sound a buzzer when two planes fly into the same airspace; the system would probably have prevented two of the near collisions of the past month, but would not protect planes flying below 18,000 feet.

It seems to me, Mr. Chairman, when the Committee on Public Works makes the argument that it will and that it has, that, "Oh, please understand, safety is still our No. 1 priority," because they do not get any terminal development unless they have done all these things, and then they list them, including making sure we are all safe, well, that is a fallacy and the House ought to know it.

Dulles Airport, I suppose, is one of the most safe in this country. It clearly is the most palatial. It has every kind of equipment going.

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

Mr. STEIGER of Wisconsin. I yield to the gentleman from Wyoming.

Mr. RONCALIO. Mr. Chairman, all the terminal grant money in the world at Dulles would not have prevented the crash of the TWA plane on top of Little Bald Mountain about 23 miles from Dulles. It had nothing to do with terminal radar. It was clearly a case of one word "approach" had one meaning to the controller who transmitted the clearance, and meant something else to the pilot, who received the instruction, and acknowledged it.

Mr. STEIGER of Wisconsin. Mr. Chairman, I will say to my friend, the gentleman from Wyoming, it also has to do with the fact they do not have their full system yet developed, including Dulles.

Beyond that, the fundamental point is that whether or not we begin now to divert money, when we have all the unmet needs in safety, to build buildings, including going back to 1970, to pay for terminals that were built with State and local funds and suddenly we are opening up this bonanza that will provide money for—well, I will not name the fields; perhaps Whitman Field at Oshkosh is in there, I do not know; but going back and diverting money when we have all these other priorities, when we have not yet done everything that I think everybody recognizes we must do in developing the safest, most effective airports to bring people back to land safely.

Mr. STEIGER of Wisconsin. Mr. Chairman, I oppose further expansion of the uses of airport and airway trust fund revenues beyond those which would be permitted under title III as offered by Ways and Means.

The Committee on Public Works and Transportation would significantly expand the permissible uses for airport and airway trust fund moneys, to include among other things, non-revenue-producing terminal development. The Committee on Ways and Means agrees with all of the proposed expanded uses except for terminal development.

Recent news reports, unfortunately, are replete with accounts of near misses and severe accidents. Just this past weekend we learned of another near tragedy in our airways—an Eastern Airlines jet on the way to Florida and an Air Force fighter-bomber came within 20 to 50 feet of colliding in the sky near Richmond, Va. This was the fifth near miss involving commercial airliners since November 26. Two hundred seven near misses have been reported in the first 10 months of this year.

Less than 3 weeks ago, disaster was narrowly averted in the Detroit area when the pilot of a DC–10 with 190 passengers aboard was forced to dive 2,000 feet to avoid collision with another jetliner carrying 113 persons. More than 20 persons were injured.

A week ago two airliners came within 100 feet of a midair collision as they crossed Lake Michigan.

I have no objection to expanding the uses of these trust fund revenues and support the safety-related provisions of the Public Works and Transportation bill, but with airline safety at its present level, it seems preferable to avoid palatial terminals in favor of wider safety margins.

Let me emphasize that as written the Ways and Means amendment significantly expands the permissible uses of these trust fund revenues to permit:

Developing State construction standards for general aviation airports;

The purchase of snow removal equipment;

The purchase of noise suppression equipment;

Construction of physical barriers and land acquisition for noise control; and

Servicing of navigation aids, landing systems, towers and radars.

I support these additional expenditures. At the same time I am concerned about the safety of airline travelers and would not like to see us embark on an extravagant course of terminal construction.

Last year 467 passengers and crew members were killed in accidents involving U.S. airline planes, more than twice as many as the year before. The incident which took the largest toll occurred in December 1974, just outside of Dulles International Airport, just miles from the Capitol. That incident, adjacent to a fine, well-developed terminal facility, helped to push U.S. airline fatalities to a 14-year high and accident frequency to a 9-year high. Clearly, there is a need for improved safety.

In closing, let me stress that the Internal Revenue Code already provides a mechanism for governmental units desiring to construct or expand air terminal facilities. Section 103 of the Internal Revenue Code provides for the issuance of industrial revenue bonds to finance the construction of, among other things, airports. Interest on these obligations is excluded from gross income and therefore is not taxable. Utilizing this device, numerous localities have been able to finance the construction of adequate terminals. This successful approach to this public need should not be altered.

I urge your support in rejecting the amendment to overturn the Ways and Means Committee action. The flying public will appreciate your concern.

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

Mr. STEIGER of Wisconsin. Certainly, I yield to the gentleman.

Mr. RONCALIO. Mr. Chairman, we should also develop the proper use of the King's English. There is an example of the tyranny of words: When a word of art means one thing to a controller in the control tower and another to the pilot in the plane, then the cause of the crash is not the fault of facilities.

It is an inability to use the same language and have the precise meaning. These things will happen; they are inevitable. That is what caused the TWA crash at Dulles.

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

Mr. STEIGER of Wisconsin. Mr. Chairman, I yield myself 5 additional minutes.

Mr. HAYS of Ohio. Mr. Chairman, the gentleman states that he finds himself in a difficult position. I find myself in a difficult position, sitting here at 8 o'clock at night listening to this.

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

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The Chair recognizes the gentleman from Wisconsin (Mr. STEIGER).

Mr. ANDERSON of California. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from California, the chairman of the subcommittee.

Mr. ANDERSON of California. Mr. Chairman, I thank the gentleman for yielding.

The gentleman was talking about how concerned the pilots were and I want to read to him a portion of a letter and have him comment on it. This letter is from the Air Line Pilots Association; it is from Capt. J. J. O'Donnell, the president of that association. This association represents the vast majority of this Nation's air carrier pilots. He says as follows:

As President of the Air Line Pilots Association, I would like to assure you that we have no reservations about the provisions in H.R. 9771—the Airport and Airway Development Act—which authorize the use of aviation Trust Fund monies for airport terminal development.

The bill, as reported by the House Public Works and Transportation Committee, allows terminal development to be funded only if certain stringent conditions (Sec. 12) are met, i.e., the Secretary of Transportation must certify that the airport is safe and that all safety requirements have been met. While many argue that terminal development will serve to divert funds from air safety programs, we believe that the restrictions contained in H.R. 9771 will protect the American public, U.S. interests, and most especially the safety of our air transportation system.

The pilots of the nation have always considered air safety to be paramount; however, we believe that safety and terminal development can be compatible. We are confident that the limitations on terminal development provided in H.R. 9771 will ensure that air safety retains the highest priority.

Mr. STEIGER of Wisconsin. Mr. Chairman, may I say to my friend, the gentleman from California, that I am fascinated about that letter. It does not surprise me. Clearly we have a coalition developed around this bill.

There are many parts of this bill that are very good. I think the subcommittee of the Committee on Public Works and Transportation and the full committee have done by and large a good job on this one issue. We simply have a fundamental disagreement.

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

Mr. STEIGER of Wisconsin. I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Chairman, I thank the gentleman for yielding.

I would like very much once and for all to set this air safety business aside by stating that in no instance are we slighting air safety. For example, I challenge the gentleman from Wisconsin (Mr. STEIGER) or any other Member of this body to step up and mention a single project that we should be funding at this time that we are not already funding with maximum responsible spending.

Mr. STEIGER of Wisconsin. Mr Chairman, I appreciate the comments of the gentleman from Texas.

I do have a magazine now that was just returned to me by the gentleman from Louisiana (Mr. BREAUX), and I will refer to that.

There are two projects that have come along. I am not an expert on what they are called. One is the one that tells us how to keep apart that have already been placed in Memphis, Kansas City, Denver, and Fort Worth. There are three systems, and I believe this is the conflict alert system.

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

Mr. STEIGER of Wisconsin. I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Chairman, I believe the gentleman is perhaps referring to the collision avoidance system. I would inform the gentleman that we are right now, with the maximum effort that we can responsibly pursue, conducting experiments on not only an air collision avoidance system but also a ground proximity warning system.

At the very instant that one reliable system is developed, I can assure the gentleman from Wisconsin (Mr. STEIGER) that the FAA is prepared to order that on any commercial aircraft.

Mr. STEIGER of Wisconsin. I will say to my friend, the gentleman from Texas (Mr. MILFORD), that my problem with his answer and with this whole thing, frankly, is that we can say we are doing it. My judgment is that we are not going to continue the pressure if we begin to drain off the money, as this bill clearly is going to do, for terminal development.

The other one recommended, the airborne-collision avoidance system device, is being funded, but not on a priority basis, that is, the one in the plane, not on the ground.

Mr. Chairman, there is but one other thing that I will say, and then I will reserve the balance of my time.

One is the issue that is not dealt with in this whole bill, but, in my view, must be dealt with. That is the whole size of the trust fund.

We did not in the Committee on Ways and Means have an opportunity to deal with the issue of taxes that are imposed on airplane travelers and all of the other taxes that are used to finance the trust fund. The reason was because the chairman said this is not the time to do that, and he has promised that we will get to that issue. I hope we will soon.

However, let us understand one of the things that has happened, and the gentlewoman from New Jersey (Mrs. FENWICK) brought up the issue. We are getting more money in the trust fund now than we ever have before because we are getting the same tax on a higher-priced ticket.

Mr. Chairman, I think this issue has to be dealt with.

Mr. ULLMAN. Mr. Chairman, I yield 5 minutes to the gentleman from Florida (Mr. GIBBONS).

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

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

Mr. GOLDWATER. Mr. Chairman, I speak in support of the amendment. The Aviation Subcommittee, of which I am a member, has compiled an in-depth record on the question of adding terminal development to the list of eligible projects under the airport development aid program—ADAP. All aviation groups which testified before us favored the inclusion of this item.

Mr. Chairman, I am disturbed by the tone of this desire. I am hearing suggestions to the effect that our authorization of terminal development somehow compromises safety. This simply is not true.

One of the most safety-conscious groups in aviation is the Airline Pilots Association—ALPA. They support the terminal development provision in H.R. 9771. The pilots recognize that congestion in the terminal area can back up to the airside of the airport. If aircraft are stacked up over an airport waiting for gate positions, this can be a safety hazard. We say that terminal development will enhance safety in such circumstances.

Mr. Chairman, we are not proposing the use of airport and airway trust fund moneys for lavish terminal facilities. We are advocating a very limited program of development in the terminal area comprising specified non-revenue-producing public-use facilities. In addition, airport sponsors may not apply for terminal development grants totaling more than 30 percent of the funds to which they are entitled under the apportionment formula—and the Federal matching formula for terminal grants is 50 percent instead of 75 and 82 percent for other eligible airport development projects. And before any terminal development grant can be authorized, all safety requirements at the airport must have been met.

Mr. Chairman, our colleagues from the other committee have raised a false issue. There is no derogation of safety under our proposal.

On Tuesday of this week, Mr. Chairman, the FAA Administrator was testifying on the near-miss situation which our colleagues have mentioned. Among other things, Dr. McLucas stated that FAA is emphasizing four program areas in coping with the problem as follows:

First. Upgrading air traffic control facility equipment.

Second. Improving airspace management.

Third. Upgrading personnel education and training.

Fourth. Improving information gathering.

Mr. Chairman, I point out to my colleagues that only one of these program areas—air traffic control equipment—comes within the purview of the legislation we are considering—but it does

not fall within the category of airport development. Rather, the air traffic control equipment program is included in the facilities and equipment portion of the programs funded from the trust fund—and our colleagues are not challenging that part of the bill. In other words, Mr. Chairman, the ADAP program bears no relationship to current efforts designed to resolve the near-miss problem—so the argument advanced by our colleagues is not applicable to the matter we are considering.

Mr. Chairman, I urge my colleagues to support the amendment.

Mr. GIBBONS. Mr. Chairman, there are two major reasons I want to support the position of the gentleman from Wisconsin (Mr. STEIGER).

Let me say that the Committee on Ways and Means, put in this bill a prohibition against building terminals and that only a motion to strike will take it out. I understand the gentleman from Alabama (Mr. JONES), the chairman of the committee, is going to move to strike it out. Therefore, we would ask for a no vote.

There are two major reasons that the Members should vote no when the motion to strike is made.

The first major reason is addressed to the argument that the gentleman from Wisconsin (Mr. STEIGER) has just made. We are not doing enough about safety.

In 1974 there were 175 near-misses classified by the FAA. In the first 10 months of this year there were over 200 near-misses.

As we debated this last week in the Committee on Ways and Means, Eastern Airlines flight 185, going from Washington National Airport to Tampa, Fla.—it is a flight I am very familiar with because I often take it—was going along and an F–105 headed from Louisville to some place came within 50 feet of that plane carrying 110 people at 19,000 feet.

Mr. Chairman, I will challenge anybody in this room to say that we are doing enough about safety. We know we are not doing it when we have 175 near-misses last year and over 200 of them in the first 10 months of this year.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. Mr. Chairman, does not the gentleman see in the bill itself what we are trying to do about it? The gentleman is totally indifferent to the proposition. We are trying to accomplish something and he is finding fault with our efforts.

Mr. GIBBONS. Yes, sir, I do; very clearly I do find fault.

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

Mr. GIBBONS. I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Chairman, I thank the gentleman for yielding.

I think the challenge is fair, and I would like to answer it.

I would ask the gentleman whether he has heard of the discrete airborne beacon system? Has the gentleman heard of the next generation of air traffic control equipment, under research and development right now?

I would ask the gentleman to show me where we can responsibly spend one additional dollar to gain needed new technology and safety equipment we need, other than what we are doing right now.

Mr. GIBBONS. If we have 175 near-misses in transport aircraft in 1974 and in the first 10 months of this year we have had over 200 near-misses, we are not doing enough. That alone condemns what has been done so far.

It says that the FAA has done a sloppy job and they are not doing enough for safety. We are not doing enough about air safety.

Mr. HAYS of Ohio. Mr. Chairman, if the gentleman will yield, if you are wondering why the FAA is doing a sloppy job, just look at who the last administrator was.

Mr. GIBBONS. I agree with the gentleman.

Mr. HAYS of Ohio. I blew the whistle on him. He did not know enough to handle the police force over at the National Airport let alone the FAA.

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

Mr. GIBBONS. Please let me finish and then I will try to yield if I have time.

As I say, we are not doing enough about air safety and that is one reason why we should not strike the prohibition against air terminals. The other reason is what we have heard so much about on the floor of the House today, that the Federal Government is spending too much money. This is a brand new program, this is not a continuation of an old program, this is a brand new program. How many air terminals do you think we will build in these United States on a 50–50 matching basis?

We have heard all this talk about the economy today. Do the Members really want economy? Do the Members really want to hold down the lid, or do they want to start in on a brand new spending program?

Mr. RONCALIO. Mr. Chairman, if the gentleman will yield, is it not because of the proliferation of traffic around the airport areas and the congestion that is involved around places such as O'Hare Airport that mandates the need for three or four more terminals that would help alleviate the situation along with better ground control and so forth, does that not affect safety?

Mr. GIBBONS. But that is not the only way to solve the problem.

All we will have out of this terminal money is interminable building, erecting new buildings, erecting marble monuments around the country. That is what will happen.

If the Members are for economy, if they believe we ought to stop Federal spending, then we ought to cut off this program before it gets started.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ULLMAN. I yield 2 minutes to the gentleman from Florida.

Mr. GIBBONS. If the Members think we ought to save money, then we ought not to start any new federally funded programs on a 50–50 matching basis, because that will mean this will be an endless program, it will grow and grow.

This will not help us with air safety, it will take money out of the safety trust fund. There is no end to the amount of money the Government can spend on building air terminals in all of the places in the United States that want air terminals and can qualify under this bill.

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

Mr. GIBBONS. I yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Chairman, I want to make this point that much of what the gentleman from Florida has to say I agree with, but the ADAP proposition or program from which some limited terminal funding would be funded if we follow the recommendation of the Committee on Public Works and Transportation is a different program.

Mr. GIBBONS. I know, it starts out real small, only $440 million. Most new Federal programs start out as small—but grow.

Mr. SNYDER. It comes out of a different program.

Mr. GIBBONS. Listen, it all comes out of the tax that we levy for air safety.

Mr. SNYDER. That is right.

Mr. GIBBONS. It all comes out of that airways trust fund that we put on in 1971 when we were trying to do something about air safety. And in 1971 the Committee on Interstate and Foreign Commerce that decided then that they could not go into the airport terminal building program.

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

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

Mr. DEVINE. Mr. Chairman, I think I am in favor of the position of the gentleman in the well but I would like to clarify it.

The Committee on Interstate and Foreign Commerce had jurisdiction of this before congressional reform and we felt that terminal construction and terminal operation were matters for the local communities and that the funds for airports should be devoted to safety, aircraft, navigational devices and things of that nature and that the terminal construction money should come from some other source. Is that what the gentleman is referring to?

Mr. GIBBONS. The gentleman is exactly right. The committee report of the House and the Senate that year shows that, and it shows that this debate went on then. The trouble is that we have a new committee handling it.

Mr. ULLMAN. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. CORMAN).

Mr. CORMAN. Mr. Chairman, we have just heard what the issue really is. Are the people who fly in airplanes and use the airports going to pay for them, or are real-property taxpayers who live in cities going to pay for them? It is my own view that those of us who ride in airplanes and have to have terminals ought

to pay for them. Of course, we need them, and, of course, they are going to cost money. We are not going to take money away from safety. We are just going to make the decision that people who fly in airplanes have to pay for their own airports, and the people who have to pay ad valorem taxes in every city to finance schools, police departments, and fire departments, ought not to have to pay for those airports.

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

Mr. STEIGER of Wisconsin. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, the argument that has just been made, I think, fails to take cognizance of the fact that the Federal Government already makes it advantageous to build airport terminals. We did it in the airport terminal provisions of the Internal Revenue Code, and that is by and large how most of the terminals of the United States have been built. It has been exceedingly advantageous for the development of terminals at the local level.

One last point, Mr. Chairman: All of us remember when we debated the Tax Reform Act of 1975. There was a great hue and cry about a retroactive amendment that applied to certain individuals who had losses that they could carry back for previous years. I must say I find it difficult to understand how we can have yet another Perot amendment, only it does not affect Perot, to go retroactively back to pay for terminals that were built when there was no anticipation of Federal funds. That is yet another reason to vote "no" when the amendment is offered by the gentleman from California.

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

Mr. PRICE. Mr. Chairman, I rise in support of the amendment to strike section 21 of H.R. 9771.

Section 21 provides that an airport development project for a new air carrier airport to serve the greater St. Louis area cannot be approved by the Secretary of Transportation prior to September 30, 1978, unless the Governors of Missouri and Illinois certify that such project is reasonably consistent with local, regional, and statewide plans for the region surrounding the airport. This section would interfere with the existing administrative process.

Section 21 purports to assure that the airport development project is reasonably consistent with planning for the area. However, section 16(c) of the Airport and Airway Development Act already provides that no airport project can be approved unless the Secretary is satisfied that it is reasonably consistent with planning for the area. Nor by giving a Governor the power to veto an airport project involving two States does section 21 provide for means to arbitrate a potential disagreement as to the location of an airport. In contrast, the existing provisions of the original act—section 16f—already set forth a framework and procedure for resolving such disagreements.

To understand the real thrust of section 21, the facts regarding the St. Louis airport matter must be reviewed. An application for a new airport to serve the St. Louis region has been pending before the Department of Transportation since early 1971. The new airport is proposed to be located near Columbia/Waterloo, Ill. The Department has committed itself to deciding this difficult issue early next year.

Section 21 establishes a dangerous precedent for interfering with the administrative process in all types of Federal projects, whether they involve airports, schools or energy issues. Under this particular provision, the Secretary's hands are tied for at least 3 years, thus preserving the status quo if one Governor chooses to veto the project. It would establish a dangerous precedent for Congressional interference with all types of administrative actions.

Finally, section 21 raises serious constitutional questions. By providing the Governor of one State with a veto over Federal actions affecting citizens of another State, difficult issues involving due process and interstate relations are raised. Further, section 21 may also raise issues concerning Congress power to delegate to a State the power to interfere with interstate commerce.

In sum, section 21 unjustifiably interferes with existing legislative and administrative procedures.

I commend the committee for acting to remove section 21 in light of the fact that the Secretary of Transportation will be holding yet another hearing on this important matter in St. Louis on December 23, 1975, and will make his decision shortly thereafter.

I urge my colleagues to vote for the amendment to strike section 21.

Mr. RANDALL. Mr. Chairman, I make these comments today on a matter on which I have had some little experience in the past few months. As chairman of the Government Operations Subcommittee on Government Activities and Transportation, I have presided over several hearings which have delved into the procedures by which the Department of Transportation has evaluated the supersonic transport aircraft for purposes of permitting the operations of such aircraft into the United States.

At the outset I would like to make very clear upon the record that I am not an opponent of civil supersonic air travel—quite the contrary is true. I supported and voted for the building of such a plane in 1971. I am convinced that the day will come when supersonic travel is not a novelty but a fact of routine air travel.

I will support any supersonic transport built by any country at any time—provided that it does not visit unshirted pandemonium upon the communities surrounding our major airports. There are some such communities which are already so impacted by noise that the Department of Housing and Urban Development has designated such areas as unsuitable for new construction of homes.

Our hearings have developed facts which indicate that political and foreign policy considerations were, at one time, being given precedence over the expanding of noise corridors for several miles into areas not now presently impacted by subsonic airport clamor. Only last Friday we were able to produce letters and telegrams from former President Nixon to the Heads of State in other countries to the effect that their SST would be permitted to enter this country on a regular basis regardless of the noise levels generated by their operations.

It now comes down to the Secretary of Transportation to make a decision on this matter. Frankly, it should never have come to that. I do not doubt the integrity of Mr. Coleman. I am sure that he is in for a true test of his mettle. But, in my opinion, Mr. Coleman should not have to make such a decision—to me the issue is clear. Data submitted by the Environmental Protection Agency and culled from the files of the Department of Transportation show clearly that many hundreds of thousands of American citizens will be exposed to noise levels which exceed the levels determined to be acceptable for airports. Such a situation is not only unfair, it is in violation of our sense of decency and compassion.

Some of my colleagues will accuse me of being "against progress" or of being possessed of prejudice against one nation or another, this is not the case. I support this amendment because I am against the concept of "progress for progress' sake." In my 17 years of service here in the Congress I have never voted against safe and sane technological advances—rather, I have welcomed them and supported them. But to say that hundreds of thousands of citizens are going to have to learn to live with unacceptable noise because that's the price of progress, well that is going further than I can go.

I urge all my colleagues to support this amendment. It is not discriminatory against anyone. It is clearly an expression of our position vis-a-vis excessive noise. It simply provides that we are not going to permit excess noise levels for any reason that we can avoid. We can avoid the effect of extremely loud aircraft by denying them a permit to operate. The way to assure ourselves relief from noise in excess of our present subsonic aircraft is to support this amendment.

Mr. ULLMAN. Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. All time has expired.

Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute printed in the reported bill as an original bill for the purpose of amendment.

Under the rule, it shall be in order to consider without the intervention of any point of order an amendment inserted in the CONGRESSIONAL RECORD of December 15, 1975, by the chairman of the Committee on Ways and Means if offered as a new title 3 to the committee amendment in the nature of a substitute, and said amendment shall not be subject to amendment in the House or in the Committee of the Whole except, in the Committee of the Whole amendments offered by direction of the Committee on Ways and Means and an amendment inserted in the CONGRESSIONAL RECORD of December 15, 1975, by the chairman of the Committee on Ways and Means. If said amendment inserting a new title 3 is agreed to in Committee of the Whole, it

shall not then be in order in the House or in the Committee of the Whole to offer an amendment which would change title 3.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Airport and Airway Development Act Amendments of 1975".

DECLARATION OF POLICY

SEC. 2. Section 2 of the Airport and Airway Development Act of 1970 (49 U.S.C. 1701) is amended by striking out "June 30, 1980," the first place it appears and inserting in lieu thereof "September 30, 1980," and by striking out everything after "$250,000,000.".

DEFINITIONS

SEC. 3. (a) Section 11 of the Airport and Airway Development Act of 1970 (49 U.S.C. 1711) is amended as follows:

(1) Paragraph (2) is amended by—

(A) striking out "and (B)" and inserting in lieu thereof "and including snow removal equipment, and including the purchase of noise suppressing equipment, the construction of physical barriers, and landscaping for the purpose of diminishing the effect of aircraft noise on any area adjacent to a public airport, (B)";

(B) striking out the period at the end thereof and inserting in lieu thereof ", and (C) any acquisition of land or of any interest therein necessary to insure that such land is used only for purposes which are compatible with the noise levels of the operation of a public airport.".

(2) Paragraph (4) is amended by adding after "feasibility studies," the following: "including the potential use and development of land surrounding an actual or potential airport site,".

(3) Before paragraph (1), add the following new paragraph:

"(1) 'Air carrier airport' means an existing public airport regularly served, or a new public ariport which the Secretary determines will be regularly served by an air carrier certificated by the Civil Aeronautics Board under section 401 of the Federal Aviation Act of 1958 (other than a supplemental air carrier).".

(4) After paragraph (5), add the following new paragraphs:

"(6) 'Commuter service airport' means a general aviation airport which is served by one or more air carriers operating under exemption granted by the Civil Aeronautics Board from section 401(a) of the Federal Aviation Act of 1958 at which not less than one thousand five hundred passengers were enplaned in the aggregate by all such air carriers from such airport during the preceding calendar year.

"(7) 'General aviation airport' means a public airport which is not an air carrier airport.".

(5) After paragraph (12), add the following new paragraph.

"(13) 'Reliever airport' means a general aviation airport designated by the Secretary as having the primary function of relieving congestion at an air carrier airport by diverting from such airport general aviation traffic.".

(b) Section 11 of the Airport and Airway Development Act of 1970 is amended by renumbering the paragraphs of such section as paragraphs (1) through (21), respectively, and renumbering all references to such paragraphs accordingly.

REVISED NATIONAL AIRPORT SYSTEM PLAN

SEC. 4. Section 12 of the Airport and Airway Development Act of 1970 (49 U.S.C. 1712) is amended by adding at the end thereof the following new subsection:

"(1) REVISED SYSTEM PLAN AND REPORT.—

"(1) No later than January 1, 1977, the Secretary shall consult with each State and airport sponsor, and, in accordance with this section, prepare and publish a revised national airport system plan for the development of public airports in the United States. Estimated costs contained in such revised plan shall be sufficiently accurate so as to be capable of being used for future year apportionments. In addition to the information required by subsection (a), the revised plan shall include—

"(A) an identification of the levels of public service and the uses made of each public airport in the plan, and the projected airport development which the Secretary deems necessary to fulfill the levels of service and use of such airports during the succeeding ten-year period; and

"(B) a listing of the amount of funds expended in each of the fiscal years 1971 through 1975 for terminal area development at each air carrier, commuter, and reliever airport showing separately the amounts expended for nonrevenue producing public use areas of the types specified in section 20(b)(1) of this title, and for other areas.

"(2) There is authorized to be appropriated out of the Airport and Airway Trust Fund not to exceed $2,000,000 to carry out this subsection.".

PLANNING GRANTS

SEC. 5. Section 13(b) of the Airport and Airway Development Act of 1970 (49 U.S.C. 1713) is amended as follows:

(1) The side heading is amended by striking out "APPORTIONMENT" and inserting in lieu thereof "LIMITATION".

(2) Paragraph (1) is amended by—

(A) striking out "$75,000,000 and" and inserting in lieu thereof "$153,750,000,"; and

(B) striking out the period and inserting in lieu thereof ", and the amount obligated during the period July 1, 1976, through September 30, 1976, may not exceed $3,750,000.".

(3) Paragraph (2) is amended by striking out "two-thirds" and inserting in lieu thereof "75 per centum".

(4) Paragraph (3) is amended by striking out "7.5" and inserting in lieu thereof "10".

AIRPORT AND AIRWAY DEVELOPMENT PROGRAM

SEC. 6. (a) Section 14(a) of the Airport and Airway Development Act of 1970 (49 U.S.C. 1714) is amended by adding at the end thereof the following new paragraghs:

"(3) For the purpose of developing in the several States, the Commonwealth of Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands air carrier airports, $385,000,000 for fiscal year 1976, $96,250,000 for the period July 1, 1976, through September 30, 1976, $405,000,000 for fiscal year 1977, $425,000,000 for fiscal year 1978, $445,000,00 for fiscal year 1979, and $465,000,000 for fiscal year 1980.

"(4) For the purpose of developing in the several States, the Commonwealth of Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands general aviation airports, $65,000,000 for fiscal year 1976, $16,250,000 for the period July 1, 1976, through September 30, 1976, $70,000,000 for the fiscal year 1977, $75,000,000 for fiscal year 1978, $80,000,000 for fiscal year 1979 and $85,000,000 for fiscal year 1980.".

(b)(1) Section 14(b) of such Act is amended—

(A) by inserting "(1)" immediately before the first sentence; and

(B) in the second, third, and fourth sentences, by striking out "subsection" and inserting in lieu thereof "paragraph".

(2) Section 14(b) of such Act is further amended by adding at the end thereof the following new paragraph:

"(2) The Secretary is authorized to incur obligations to make grants for airport development from funds made available under paragraphs (3) and (4) of subsection (a) of this section, and such authority shall exist with respect to funds available for the making of grants for any fiscal year or part thereof pursuant to subsection (a) immediately after such funds are apportioned pursuant to section 15(a) of this title. No obligation shall be incurred under this paragraph after September 30, 1980. The Secretary shall not incur more than one obligation under this paragraph with respect to any single project for airport development.".

(c) Section 14(c) of such Act is amended by striking out "1975." and inserting in lieu thereof "1978, not less than $62,500,000 for the period July 1, 1976, through September 30, 1976, and not less than $275,000,000 for each of the fiscal years 1979 and 1980.".

(d) Section 14(e) of such Act is redesignated as section 14(f) and the following is inserted in section 14 as a new subsection (e):

"(e) OTHER EXPENSES.—The balance of the moneys available in the Airport and Airway Trust Fund may be appropriated for (1) the necessary administrative expenses of the Secretary incident to the administration of programs for which funds are authorized in subsections (a), (b), (c), and (d) of this section, (2) costs of services provided under international agreements relating to the joint financing of air navigation services which are assessed against the United States Government, and (3) the direct costs and administrative expenses of the Secretary incident to servicing airway facilities referred to in subsection (c) of this section, excluding the cost of engineering support and planning, direction, and evaluation activities. The amounts appropriated from the Airport and Airway Trust Fund for the purposes of clauses (2) and (3) may not exceed $50,000,000 for fiscal year 1976, $12,500,000 for the period July 1, 1976, through September 30, 1976, $75,000,000 for fiscal year 1977, $100,000,000 for fiscal year 1978, $125,000,000 for fiscal year 1979, and $150,000,000 for fiscal year 1980.".

(e) Paragraph (1) of subsection (f) (as redesignated by this section) of section 14 of the Airport and Airway Development Act of 1970 is amended by striking out "subsections (c) and (d) of this section, as amended" and by inserting in lieu thereof "this section".

(f) Paragraph (2) of subsection (f) (as redesignated by this section) of section 14 of the Airport and Airway Development Act of 1970 is amended by striking out "subsections (a) and (c)" and inserting in lieu thereof "subsections (a), (c), (d) and the second sentence of subsection (e)".

(g) Paragraph (3) of subsection (f) (as redesignated by this section) of section 14 of the Airport and Airway Development Act of 1970 is amended by striking out "subsection (d)." and inserting "subsection (e).".

DISTRIBUTION OF FUNDS

SEC. 7. (a) Section 15(a) of the Airport and Airway Development Act of 1970 (49 U.S.C. 1715) is amended by renumbering paragraphs (3) and (4) as (5) and (6), respectively, and by inserting immediately following paragraph (2) the following new paragraphs:

"(3) As soon as possible after July 1, 1975, and on or before July 1, 1976 (for the interim period), and on or before the first day of each fiscal year which begins on or after October 1, 1976, for which any amount is authorized to be obligated for the purposes of paragraph (3) of section 14(a) of this part, the amount made available for that period or year shall be apportioned by the Secretary as follows:

"(A) To each sponsor of an air carrier airport served by air carrier aircraft heavier than twelve thousand five hundred pounds

maximum certificated gross takeoff weights as follows:

"(i) $6.00 for each of the first fifty thousand passengers enplaned at that airport.

"(ii) $4.00 for each of the next fifty thousand passengers enplaned at that airport.

"(iii) $2.00 for each of the next four hundred thousand passengers enplaned at that airport.

"(iv) $0.50 for each passenger enplaned at that airport over five hundred thousand.

No air carrier airport shall receive less than $150,000 or more than $10,000,000 for any fiscal year, or less than $37,500 or more than $2,500,000 for the period July 1, 1976, through September 30, 1976, under this subparagraph (A). In no event shall the total amount of all apportionments under this subparagraph (A) for any fiscal year or period exceed two-thirds of the amount authorized to be obligated for the purposes of paragraph (3) of section 14(a) of this part for such fiscal year or period. In any case in which an apportionment would be reduced by the preceding sentence, the Secretary shall for such fiscal year or period reduce the apportionment to each sponsor of an air carrier airport proportionately so that such two-thirds amount is achieved.

"(B) Any such amount not apportioned under subparagraph (A) shall be distributed at the discretion of the Secretary.

"(4) As soon as possible after July 1, 1975, and on or before July 1, 1976 (for the interim period), and on or before the first day of each fiscal year which begins on or after October 1, 1976, for which any amount is authorized to be obligated for the purposes of paragraph (4) of section 14(a) of this part, the amount made available for that period or year minus in the case of that period $6,250,000, and minus in the case of that year $25,000,000, shall be apportioned by the Secretary as follows:

"(A) 75 per centum for the several States, one-half in the proportion which the population of each State bears to the total population of all the States, and one-half in the proportion which the area of each State bears to the total area of all the States.

"(B) 1 per centum for the Commonwealth of Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands to be distributed at the discretion of the Secretary.

"(C) 24 per centum to be distributed at the discretion of the Secretary to general aviation airports.

$6,250,000 of the amount made available for that period or $25,000,000 of the amount made available for that year, as the case may be, shall be distributed at the discretion of the Secretary to commuter service airports and to reliever airports.".

(b) Paragraph (5) of such section 15(a) (as renumbered by this section) is amended by inserting after "(2)(A)" the following "or (4)(A)", and by inserting after "(1)(B)" the following "or (3)(A)".

(c) Section 15(b)(2) of the Airport and Airway Development Act of 1970 is amended by striking out "(3)" and inserting in lieu thereof "(5)".

(d) The first sentence of subsection (c) of section 15 of the Airport and Airway Development Act of 1970 is amended to read as follows: "The Secretary shall inform each sponsor and the Governor of each State, or the chief executive officer of the equivalent jurisdiction, as the case may be, on or before April 1 of each year of the amount of the apportionment to be made on or before October 1 of that year.".

PROJECT APPROVAL

SEC. 8. (a) The first sentence of subsection (a) of section 16 of the Airport and Airway Development Act of 1970 (49 U.S.C. 1716) is amended by inserting after "project application" the following "for one or more projects". The second sentence of subsection (a) of section 16 of the Airport and Airway Development Act of 1970 is amended by striking out "No" and inserting in lieu thereof "Until July 1, 1975, no". Such section 16 (a) is further amended by adding at the end thereof the following new sentences: "After June 30, 1975, no project application shall propose airport development except in connection with the following airports included in the current revision of the national airport system plan formulated by the Secretary under section 12 of this Act: (1) air carrier airports, (2) commuter service airports, (3) reliever airports, and (4) general aviation airports (A) which are regularly served by aircraft transporting United States mail, or (B) which are regularly used by aircraft of a unit of the Air National Guard or of a Reserve component of the Armed Forces of the United States, or (C) which are regularly used by aircraft engaged in significant business operations, or (D) which are of significant importance to the economic development of a State or region, or (E) which the Secretary determines meet the needs of civil aeronautics. Except as provided in subsection (g), all such proposed development shall be in accordance with standards established by the Secretary, including standards for site location, airport layout, grading, drainage, seeding, paving, lighting, and safety of approaches.".

(b) Section 16 of the Airport and Airway Development Act of 1970 is amended by adding at the end thereof the following new subsection:

"(g) STATE STANDARDS.—

"(1) The Secretary is authorized to make grants to any State, upon application therefor, for not to exceed 75 per centum of the cost of developing standards for airport development at general aviation airports in such State, other than standards for safety of approaches. The aggregate of all grants made to any State under this paragraph shall not exceed $25,000.

"(2) The Secretary is authorized to approve standards established by a State for airport development at general aviation airports in such State, other than standards for safety of approaches, and upon such approval such State standards shall be the standards applicable to such general aviation airports in lieu of any comparable standard established under subsection (a) of this section. State standards approved under this subsection may be revised, from time to time, as the State or the Secretary determines necessary, subject to approval of such revisions by the Secretary.

"(3) There is authorized to be appropriated out of the Airport and Airway Trust Fund not to exceed $1,275,000 to carry out this subsection.".

(c) Section 12(a) of the Airport and Airway Development Act of 1970 is amended by adding at the end thereof the following new sentence: "After June 30, 1975, the Secretary shall not include in the national airport system plan any airport which is not eligible for airport development grants under the last two sentences of section 16(a) of this title, except that nothing in this sentence shall require the Secretary to remove from the national airport system plan any airport in such plan on June 30, 1975.".

FEDERAL SHARE

SEC. 9. (a) Section 17(a) of the Airport and Airway Development Act of 1970 (49 U.S.C. 1717) is amended by striking out everything after "section 16" and inserting in lieu thereof the following:

"of this part—

"(1) may not exceed 50 per centum of the allowable project costs in the case of grants made from funds for fiscal years 1971, 1972, and 1973, and may not exceed 50 per centum for sponsors whose airports enplane not less than 1 per centum of the total annual passengers enplaned by air carriers certificated by the Civil Aeronautics Board, and may not exceed 75 per centum for sponsors whose airports enplane less than 1 per centum of the total annual passengers enplaned by air carriers certificated by the Civil Aeronautics Board and for sponsors of general aviation or reliever airports, in the case of grants made from funds for fiscal years 1974 and 1975; and

"(2) shall be 75 per centum, in the case of grants made from funds for fiscal year 1976, the interim period, and subsequent fiscal years.".

(b) Section 17(c) is amended by striking out "The" and inserting in lieu thereof "For fiscal years 1971 through 1975, the".

(c) Section 17(d) of such Act is amended by striking out everything after "share" and inserting in lieu thereof "(A) shall be not to exceed 82 per centum of the allowable cost thereof with respect to airport development project grant agreements entered into before July 1, 1975, (B) shall be 82 per centum of the allowable cost thereof with respect to airport development project grant agreements entered into on or after July 1, 1975, and before October 1, 1977, and (C) shall be 75 per centum of the allowable cost thereof with respect to airport development project grant agreements entered into on or after October 1, 1977.".

(d) Section 17(e) of such Act is amended—

(1) in the first paragraph thereof, by striking out everything after "share" and inserting in lieu thereof "(A) may not exceed 82 per centum of the allowable cost thereof with respect to airport development project grant agreements entered into after May 10, 1971, and before July 1, 1975, (B) shall be 82 per centum of the allowable cost thereof with respect to airport development project grant agreements entered into on or after July 1, 1975, and before October 1, 1977, and (C) shall be 75 per centum of the allowable cost thereof with respect to airport development project grant agreements entered into on or after October 1, 1977."; and

(2) in the second paragraph thereof, by striking out everything after "share" and inserting in lieu thereof "(A) may not exceed 82 per centum of the allowable cost thereof with respect to airport development project grant agreements entered into after September 28, 1971, and before July 1, 1975, (B) shall be 82 per centum of the allowable cost thereof with respect to airport development project grant agreements entered into on or after July 1, 1975, and before October 1, 1977, and (C) shall be 75 per centum of the allowable cost thereof with respect to airport development project grant agreements entered into on or after October 1, 1977.".

PROJECT SPONSORSHIP

SEC. 10. (a) Section 18 of the Airport and Airway Development Act of 1970 (49 U.S.C. 1718) is amended by inserting "(a) SPONSORSHIP.—" immediately before "As a condition precedent", by striking out "section." at the end of such section and inserting in lieu thereof "subsection.", and by adding at the end thereof the following new subsection:

"(b) CONSULTATION.—In making decisions to undertake projects under this title, sponsors shall consult with air carriers and fixed-base operators using the airport at which such airport development projects are proposed.".

(b) Paragraph (8) of subsection (a) of section 18 of the Airport and Airway Development Act of 1970 (as redesignated by subsection (a) of this section) is amended by striking out the semicolon and inserting in lieu thereof the following: ", except that (A) no part of the Federal share of an airport development project for which a grant is made under this title or under the Federal Airport Act (49 U.S.C. 1101 et seq.) shall be included in the rate base in establishing fees, rates, and charges for users of that airport, and (B) each civil aeronautics enterprise using such airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other civil aeronautics enterprises which make the same

or similar uses of such airport utilizing the same or similar facilities;".

MULTIYEAR PROJECTS

SEC. 11. Section 19 of the Airport and Airway Development Act of 1970 (49 U.S.C. 1719) is amended by inserting immediately after the third sentence the following new sentence: "In any case where the Secretary approves an application for a project which will not be completed in one fiscal year, the offer shall, upon request of the sponsor, provide for the obligation of funds apportioned or to be apportioned to the sponsor pursuant to section 15(a)(3)(A) of this title for such fiscal years (including future fiscal years) as may be necessary to pay the United States share of the cost of such project.".

TERMINAL DEVELOPMENT PROJECT COSTS

SEC. 12. (a) Section 20 of the Airport and Airway Development Act of 1970 (49 U.S.C. 1720) is amended by redesignating subsection (b) as subsection (c) and inserting immediately after subsection (a) the following new subsection:

"(b) TERMINAL DEVELOPMENT.—

"(1) Notwithstanding any other provision of this title, upon certification by the sponsor of any air carrier airport that such airport has, on the date of submittal of the project application, all the safety and security equipment required for certification of such airport under section 612 of the Federal Aviation Act of 1958, the Secretary may approve as allowable project costs of a project for airport development at such airport, terminal development in the following nonrevenue producing public use areas:

"(A) Baggage claim delivery areas and automated baggage handling equipment

"(B) Corridors connecting boarding areas and vehicles for the movement of passengers between terminal buildings or between terminal buildings and aircraft

"(C) Central waiting rooms, restrooms, and holding areas.

"(D) Foyers and entryways.

"(2) Only sums apportioned under section 15(a)(3)(A) to the sponsor of an air carrier airport shall be obligated for project costs allowable under paragraph (1) of this subsection in connection with airport development at such airport, and no more than 30 per centum of such sums apportioned for any fiscal year shall be obligated for such costs.

"(3) If the sponsor of an air carrier airport at which terminal development was carried out on or after July 1, 1970, and before the date of enactment of this paragraph, submits the certification required under paragraph (1) of this subsection, sums apportioned under section 15(a)(3)(A) to the sponsor of such airport shall only be available, subject to the limitations contained in paragraph (2) of this subsection, for the immediate retirement of the principal of bonds or other evidences of indebtedness the proceeds of which were used for that part of the terminal development the cost of which is allowable under subsection (1) of this subsection.

"(4) Notwithstanding section 71, the United States share of project costs allowable under paragraph (1) of this subsection shall be 50 per centum.

"(5) The Secretary shall approve project costs allowable under paragraph (1) of this subsection under such terms and conditions as may be necessary to protect the interests of the United States.".

(b) Subsection (c) of such section 20 (as relettered by this section) is amended by striking out "The" and inserting in lieu thereof the following: "Except as provided in subsection (b) of this section, the".

STATE DEMONSTRATION PROGRAMS

SEC. 13. The Airport and Airway Development Act of 1970 (49 U.S.C. 1701 et seq.) is amended by inserting immediately after section 27 the following new section:

"SEC. 28. STATE DEMONSTRATION PROGRAMS.

"(a) DEMONSTRATION PROGRAMS.—If the Secretary determines that a State is capable of managing a demonstration program for general aviation airports in that State, he is authorized to grant to such State funds apportioned to it under section 15(a)(4)(A) and any part of the discretionary funds available under section 15(a)(4)(C). Such a grant shall be made on the condition that such State will grant such funds to airport sponsors in the same manner and subject to the same conditions as would grants made to such sponsors by the Secretary under this title.

"(b) RESTRICTIONS.—The Secretary shall not, pursuant to this section—

"(1) make grants to more than eleven States;

"(2) initiate any demonstration program after January 1, 1977; and

"(3) make a grant to any State after September 30, 1978.

"(c) REPORT.—The Secretary shall report to Congress the results of demonstration programs under this section not later than March 31, 1978.".

AIR CARRIER AIRPORT DESIGNATION AND FUTURE OBLIGATION RESTRICTION

SEC. 14. The Airport and Airway Development Act of 1970 (49 U.S.C. 1701 et seq.) is amended by inserting immediately after section 28 (as added by the preceding section of this Act) the following new sections:

'SEC. 29. AIR CARRIER AIRPORT DESIGNATION.

"Notwithstanding any other provision of this title, in the case of any airport at which (A) an air carrier is certificated by the Civil Aeronautics Board under section 401 of the Federal Aviation Act of 1958 (49 U.S.C. 1371) to serve a city served through such airport, and (B) service to such city by all such certificated air carriers has been suspended as authorized by the Civil Aeronautics Board, and (C) such airport is served by an intrastate air carrier operating in intrastate air transportation within the meaning of sections 101(22) and 101(23) of the Federal Aviation Act of 1958 (49 U.S.C. 1301), such airport shall be deemed to be an air carrier airport for the purposes of this title.

"SEC. 30. RESTRICTION ON FUTURE OBLIGATIONS.

"Notwithstanding any other provision of this title, no part of any of the funds authorized, or authorized to be obligated, for the fiscal years 1979 and 1980 shall be obligated or otherwise expended except in accordance with a statute enacted after the date of enactment of this section.".

PURCHASE REPORTS

SEC. 15. Section 303(e) of the Federal Aviation Act of 1958 (49 U.S.C. 1344) is amended by striking out "Interstate and Foreign Commerce" and inserting in lieu thereof "Public Works and Transportation".

AIRPORT STUDY

SEC. 16. The Secretary of Transportation shall conduct a study of airports in areas where land requirements, local taxes, or a low revenue return per acre may close such airports. This study, the results of which shall be reported to Congress by January 1, 1977, shall include the identification of those locations which may be converted to nonaviation uses and recommendations concerning methods for preserving those airports which in the Secretary's judgment should be preserved in the public interest.

CIVIL AVIATION INFORMATION DISTRIBUTION PROGRAM

SEC. 17. In furtherance of his mandate to promote civil aviation, the Secretary of Transportation acting through the Administrator of the Federal Aviation Administration shall take such action as he may deem necessary, within available resources, to establish a civil aviation information distribution program within each region of the Federal Aviation Administration. Such program shall be designed so as to provide State and local school administrators, college and university officials, and officers of civic and other interested organizations, upon request, with informational materials and expertise on various aspects of civil aviation.

PROHIBITION OF FLIGHT SERVICE STATION CLOSURES

SEC. 18. The Secretary of Transportation shall not close or operate by remote control any existing flight service station operated by the Federal Aviation Administration, except (A) for part-time operation by remote control during low-activity periods, and (B) in not more than one air route traffic control center area, at the discretion of the Secretary, not more than five flight service stations may be closed or operated by remote control from such air route traffic control center for the purpose of demonstrating the quality and effectiveness of service at a consolidated flight service station facility. Nothing in this section shall preclude the physical separation of a combined flight service station at another site within the same flight service area if such flight service station continues to provide the same service to airmen without interruption.

DEMONSTRATION PROJECT

SEC. 19. (a) The Secretary of Transportation is authorized to undertake a demonstration project related to ground transportation services to the Oakland International Airport, California, which he determines (1) will assist the improvement of the Nation's airport and airway system by improving ground access to such airport, and (2) will be consistent with the objectives of section 6 of the Urban Mass Transportation Act of 1964. The Secretary may undertake such project independently or by grant or contract (including working agreements with other Federal departments and agencies).

(b) The Federal share of any project under this section shall not exceed 80 per centum of the cost of such project.

(c) There is authorized to be appropriated not to exceed $72,000,000 to carry out this section.

LOGAN INTERNATIONAL AIRPORT

SEC. 20. (a) No airport layout plan or airport development project for Logan International Airport at Boston, Massachusetts, may be approved by the Secretary of Transportation under the Airport and Airway Development Act of 1970, on or before September 30, 1978, unless the Governor of the Commonwealth of Massachusetts has certified that such layout plan or development project is reasonably consistent with local, regional, and statewide planning for the area surrounding such airport.

(b) This section shall take effect as of January 1, 1975.

NEW AIRPORT DEVELOPMENT FOR THE GREATER ST. LOUIS, MISSOURI, AREA

SEC. 21. (a) No airport layout plan or airport development project for any new air carrier airport to serve the greater St. Louis, Missouri, area may be approved by the Secretary of Transportation under the Airport and Airway Development Act of 1970, on or before September 30, 1978, unless the Governors of the States of Illinois and Missouri have certified that such layout plan or development project is reasonably consistent with local, regional, and statewide planning for the area surrounding such airport.

(b) The terms used in this section which are defined in the Airport and Airway Development Act of 1970 (49 U.S.C. 1701 et seq.) shall have the same meaning as such terms have in such Act.

COMPENSATION FOR REQUIRED SECURITY MEASURES IN FOREIGN AIR TRANSPORTATION

SEC. 22. (a) The Secretary of Transportation shall compensate any air carrier certificated by the Board under section 401 of the Federal Aviation Act of 1958 (49 U.S.C. 1371) which requests such compensation for that portion of the amount expended by such air

carrier for security screening facilities and procedures as required by section 315(a) of such Act (49 U.S.C. 1356(a)), and any regulation issued pursuant thereto, which is attributable to the screening of passengers moving in foreign air transportation. An air carrier shall have any compensation authorized to be paid it under this section reduced by the amount (if any) by which the revenue of such carrier which is attributable to the cost of security screening facilities and procedures used in intrastate, interstate, and overseas air transportation exceeds the actual cost to such carrier of such facilities. The Secretary may issue such regulations as he deems necessary to carry out the purpose of this section.

(b) The terms used in this section which are defined in the Federal Aviation Act of 1958 shall have the same meaning as such terms have in such Act.

(c) There is authorized to be appropriated out of the Airport and Airway Trust Fund to carry out this section not to exceed $3,000,000 for fiscal year 1976, $750,000 for the period July 1, 1976, through September 30, 1976, and $3,000,000 per fiscal year for the fiscal years 1977 and 1978.

TITLE II—RESEARCH DEVELOPMENT AND DEMONSTRATION ACTIVITIES

AUTHORIZATION

SEC. 201. Subsection (d) of section 14 of the Airport and Airway Development Act of 1970 (49 U.S.C. 1714) is amended to read as follows:

"(d) RESEARCH, DEVELOPMENT, AND DEMONSTRATIONS.—The Secretary is authorized to carry out under section 312(c) of the Federal Aviation Act of 1958 such demonstration projects as he determines necessary in connection with research and development activities under such section 312(c). For research, development, and demonstration projects and activities under such section 312(c), there is authorized to be appropriated from the trust fund the amount of $85,400,000 for the fiscal year 1976 and the amount of $23,950,000 for the interim period beginning July 1, 1976, and ending September 30, 1976, to remain available until expended. The initial $50,000,000 of any sums appropriated to the trust fund pursuant to subsection (d) of section 208 of the Airport and Airway Revenue Act of 1970 shall be allocated to such research, development, and demonstration activities.".

Mr. ANDERSON of California (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. ULLMAN

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

The Clerk read as follows:

Amendment offered by Mr. ULLMAN: Page 49, after line 9, insert the following new title:

TITLE III—AIRPORT AND AIRWAY TRUST FUND

SEC. 301. AUTHORIZATION FOR EXPENDITURES FROM TRUST FUND.

(a) AMENDMENT OF 1970 ACT.—Subparagraph (A) of section 208(f)(1) of the Airport and Airway Revenue Act of 1970 (49 U.S.C. 1742(f)(1)(A)) is amended to read as follows:

"(A) incurred under title I of this Act or of the Airport and Airway Development Act Amendments of 1975 (as such Acts were in effect on the date of enactment of the Airport and Airway Development Act Amendments of 1975);".

(b) AMOUNTS NOT TO BE USED FOR TERMINAL DEVELOPMENT.—Section 208(f)(1) of such Act is amended by adding at the end thereof the following new sentence: "Nothing in this paragraph shall be deemed to authorize the making available of amounts to meet obligations incurred for terminal development other than terminal development authorized by subparagraph (A) as in effect on the day before the date of the enactment of this sentence."

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to obligations incurred on or after the date of the enactment of this Act.

Mr. ULLMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. ULLMAN. Mr. Chairman, I will not use my 5 minutes, but this amendment is the Committee on Ways and Means' part of the bill setting up title III which extends the trust fund to correspond with the additional types of expenditures in the bill of the Committee on Public Works and Transportation. As I indicated before, it does leave out one aspect that was recommended by the committee having to do with the terminal provision.

The Members have heard the arguments on that point. We think that title III should be adopted as it is. Unless it is adopted, of course, the rest of the bill will not be affected because there is no way to use trust fund moneys unless title III is adopted.

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

AMENDMENT OFFERED BY MR. ANDERSON OF CALIFORNIA TO THE AMENDMENT OFFERED BY ULLMAN

Mr. ANDERSON of California. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of California to the amendment offered by Mr. ULLMAN: In proposed section 301, strike out subsections (b) and (c) and insert in lieu thereof the following:

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to obligations incurred on or after the date of the enactment of this Act.

Mr. ANDERSON of California. Mr. Chairman, this amendment would eliminate the part in title III which prohibits the use of trust fund moneys for terminal development. This amendment—if adopted—would permit the use of these user taxes to be utilized for a limited terminal development program.

Currently, under present law, Federal airport development funds cannot be used for terminal development.

After conducting weeks of hearings, after listening to mayors, county officials, airport operators, and virtually every segment of the aviation community, our committee unanimously agreed that terminal development was necessary in order to efficiently utilize existing facilities, and to meet the needs of the traveling public. We found that because of inadequate, antiquated terminals, aircraft could not efficiently use the landing fields to their potential. And as a result, landing areas, which were funded by Federal moneys, were not being used to their fullest capacity.

In addition, we found that airport congestion was being caused—to a large degree—by the lack of terminal facilities adequate to handle the passengers. As a result, aircraft operations have been delayed—aircraft circle the field, aircraft are jammed into limited areas—all of which reduce the level of safety throughout the aviation system.

As a result of these findings, the Public Works and Transportation Committee agreed to fund terminal development, but only with the following conditions:

Only after the Secretary certified that the airport is safe and after all safety requirements have been met;

Only at air carrier airports;

Only the nonrevenue producing, public use areas could be funded;

Only with a limited amount of money. At the maximum, less than 10 percent—or $439 million—of the funds could be used for terminal development, and

No funds exclusively at the Secretary's discretion could be used for terminal development.

These limitations would protect the public, the interest of the United States, and the air passenger—and especially the safety of the system.

Let us talk for a moment about safety: Who would be for safety, above all other considerations? The pilots. And the pilots support H.R. 9771 and terminal development. The mayors, the county officials, the State officials, Governors, airport operators, the airlines, the list goes on and on—and these are the people who support terminal development and who support title I. Our committee studied this matter in great depth—we, too, believe that safety is paramount.

We, too, believe that safety and terminal development are compatible—that actually, crowded terminals can cause hazardous safety conditions.

We ask for an "aye" vote to knock out the provision in title III which prevents the use of trust fund moneys for terminal development. An "aye" vote would allow the development of needed terminal areas—but only after safety requirements were met.

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

Mr. ANDERSON of California. I yield to the gentleman from California (Mr. GOLDWATER).

Mr. GOLDWATER. Mr. Chairman, I was wondering, and probably I should ask the gentleman from Oregon (Mr. ULLMAN) this question, but what was the circumstance that brought about this objection to a Public Works Transportation bill which, after months and weeks and hours of work and development, was presented to the Congress? I mean, what form did this objection take? Were hearings held by the Ways and Means Committee?

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

Mr. ANDERSON of California. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, the matter is clearly under the jurisdiction of

the Ways and Means Committee as to whether the trust fund may be used in this matter. There is not any question about that.

The committee, no, did not hold extensive hearings on this matter but did have a very heated debate on the subject of expanding the trust fund for the use of building terminals. The committee was sharply divided on it. There was a record vote. It was a fairly close vote but by a close vote the committee voted to eliminate that provision as far as trust fund use is concerned.

We went to the Rules Committee however and asked that an amendment be in order, which now has been submitted by the chairman of the subcommittee, putting that back in.

Mr. GOLDWATER. Mr. Chairman, if the gentleman will yield further, I am wondering, did the Committee on Ways and Means have consultation? Did any of the staff have expertise in this area? Did the committee consult the FAA or terminal operators or get the opinion of other outside interested groups? Did the committee get their opinion in one way or another?

I am wondering what brought about, I would say, this knowledgeable position on the part of the Ways and Means Committee that would justify the overriding of hours and days of testimony and effort put in by this committee?

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

Mr. GOLDWATER. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, there is no question but what the Committee on Ways and Means has the responsibility for looking over these expenditures. We did not question most of the new expenditures that were recommended by the committee and that are in the first title of the bill; but we also have to look at the potential expenditures of large amounts of money.

I think the main objection on the part of the committee was that once we get into the business of building terminals, there could be an almost insatiable demand for funds and that before we entered into any major new expenditure programs that we should back up a bit and look at it.

I must say to the gentleman that I did not support the amendment that was voted out by the committee, so I did not take the majority position at that time; but I represent the committee and I am presenting the committee's point of view at this time. The House now has an opportunity to work its will on this matter.

Mr. GOLDWATER. Mr. Chairman, if the gentleman will yield further, I appreciate the candor on the part of the chairman of the Committee on Ways and Means that the gentleman, in fact, did not support the amendment. It becomes, I think, increasingly more apparent to the committee that there were no adequate hearings on this issue. Clearly, the Committee on Ways and Means does have authority to review this, but it is clear there were no hearings held.

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

Mr. Chairman, I will be brief. I have made my talk already.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

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

Mr. HAYS of Ohio. Mr. Chairman, it occurs to me from the statement of the gentleman from California (Mr. GOLDWATER) that maybe the Committee on Ways and Means heard the President's plea to cut down on expenditures.

Now, this is only half a million dollars for some more monstrosities, like those at the Dulles Airport. We ought to take a look at those $600,000 mobile lounges. People cannot walk anymore. They have to ride. It is just money.

Mr. Chairman, I thought the gentleman was a fiscal conservative, but there must be an airport in the gentleman's district in California that is prevailing upon the gentleman.

Mr. GIBBONS. Mr. Chairman, I appreciate the gentleman's remarks.

Mr. Chairman, I will yield later to the gentleman from Wisconsin (Mr. STEIGER). I commend the gentleman from Wisconsin for the gentleman's very vigorous and effective opposition to this amendment.

Mr. Chairman, the Committee on Ways and Means has had extensive hearings on this subject. We had them in 1971. The air safety situation has not gotten any better. We set up this trust fund for air safety, not to build terminals. We have not yet gotten the air safety we sought. There has been no adequate emphasis on air safety. What emphasis there has been has been ineffective. All we have to do is read about the near misses last week and a couple the week before in Detroit, a couple more in the Chicago area.

As I said in the direct debate, there were 175 near misses last year. In the first 10 months of this year, there have been over 200 near misses. We are just not doing enough. There is not enough money in the United States right now, considering the problems we have got, to build all the air terminals that will be started if we adopt this amendment. If we are going to cut off a program before it gets started and while we can still control it, we had better cut off this one now, because if we do not cut it off now, in the year 2000 we will still be building terminals and we will be building more Taj Mahals than terminals and many more than we can afford.

Mr. Chairman, I would urge us to vote no on the amendment of the gentleman from California.

Mr. STEIGER of Wisconsin. Mr. Chairman, I will simply say "amen." The gentleman is correct, and I hope the House will vote "no" on the Anderson amendment.

Mr. BELL. Mr. Chairman, I rise in support of the amendment offered by the gentleman from California.

Mr. CORMAN. Mr. Chairman, I reserve a point of order.

I will not make the objection, but I only reserve a point of order to get a ruling from the Chair, because I want some time also.

PARLIAMENTARY INQUIRY

Mr. GIBBONS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GIBBONS. Mr. Chairman, as I understood the rule granted by the Ways and Means Committee, there was only one amendment, and the time under the rule was limited to 5 minutes on each side, and that pro forma amendments or any other amendments are out of order. That is the way I understand the rule.

The CHAIRMAN. The rule is a rather complex rule, and if the gentleman will permit the Chair to review this matter, the Chair will respond.

Without objection, the gentleman from California (Mr. BELL) is recognized for 5 minutes.

There was no objection.

Mr. BELL. Mr. Chairman, I rise in support of the amendment to the amendment proposed by the gentleman from California (Mr. ANDERSON).

This amendment would strike that part of title III which prohibits the use of Federal assistance in developing the terminal areas of our Nation's air carrier airports.

This proposal which the amendment proposes to strike was brought forward without any hearings, testimony, or adequate study.

It nullifies the work of the Public Works Committee which—after in-depth study, after hearings from the public, from elected officials, and other interested parties—authorized the use of user taxes for terminal development.

And let me emphasize—these funds that would be used for terminal development come from those who use the aviation system, primarily the airline passengers.

The user taxes would pay for these projects, and rightly so, since the user—the airline passenger—would benefit.

We need to improve terminal areas in order to effectively utilize our existing facilities.

Right now, we have about 475 air carrier airports in this country.

At the larger airports—those in metropolitan areas, such as Atlanta, Boston, Chicago, Los Angeles, Denver, and Miami—many have landing areas which can accommodate the present and projected levels of aircraft traffic.

They can accommodate the planes—but they cannot accommodate the people.

The terminals do not have the gates, the baggage equipment, or the space to accommodate the people.

For example, Los Angeles International Airport can accommodate enough aircraft to handle almost 50 million persons per year—yet, in the terminal area, they can only accommodate 25 to 30 million passengers.

As a result, we are wasting the existing facilities, and these airports—because of a lack of terminal facilities—cannot meet the future needs of our aviation system.

In addition, because of the inadequacy of the airports' ability to handle

the passengers, aircraft become stacked up both on the ground and in the air—wasting energy, and causing unsafe conditions.

For the following three reasons, if for no other, we must authorize user taxes for needed terminal development:

First, waste of existing facilities, second, waste of energy, and third, safety hazards.

I urge a vote for the amendment which would strike that part of title III which bans the use of the trust fund for terminal development.

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

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

Mr. CORMAN. Mr. Chairman, I thank the gentleman for yielding to me. I want to commend him for his statement.

It is true that our committee spent very little time—we had very little time on either this or the Highway Trust Fund. The thing that confuses me about those who oppose this particular provision is that at one moment they say that we do not have enough money for safety, and the next moment they say that we ought to cut the air fare tax. They cannot have it both ways.

The truth of the matter is that there are more funds in the trust fund that are being used for safety. Everyone wants all the safety we can buy, but having adequate terminals is a part of that safety program. It ought to be paid for by those who use the airlines, not by those people who have homes around those airports.

Mr. BELL. I would say further that when we have airplanes stacked up circling outside an airport in bad weather, that is a hazard. That certainly is a safety factor in terminal use.

Mr. GIBBONS. Mr. Chairman, I insist on regular order.

The CHAIRMAN. Regular order is demanded.

The question is on the amendment offered by the gentleman from California (Mr. ANDERSON) to the amendment offered by the gentleman from Oregon (Mr. ULLMAN).

The question was taken; and on a division (demanded by Mr. GIBBONS) there were—ayes 41, noes 21.

Mr. STEIGER of Wisconsin. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Wisconsin (Mr. STEIGER) for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 246, noes 138, answered "present" 1, not voting 49, as follows:

[Roll No. 816]

AYES—246

Abdnor	Hanley	O'Brien
Adams	Hannaford	O'Neill
Allen	Harkin	Passman
Anderson, Calif.	Harsha	Patten, N.J.
Andrews, N.C.	Hawkins	Patterson, Calif.
Andrews, N. Dak.	Hechler, W. Va.	Pepper
Armstrong	Hefner	Perkins
Aspin	Heinz	Pettis
AuCoin	Henderson	Pickle
Bafalis	Hicks	Pressler
Barrett	Hightower	Preyer
Baucus	Holland	Price
Beard, R.I.	Holt	Pritchard
Beard, Tenn.	Howard	Quillen
Bell	Howe	Regula
Bergland	Hubbard	Reuss
Bevill	Hughes	Rhodes
Blouin	Hungate	Rinaldo
Boggs	Jeffords	Risenhoover
Bolling	Jenrette	Roberts
Bonker	Johnson, Calif.	Rodino
Bowen	Johnson, Colo.	Roncalio
Brademas	Johnson, Pa.	Rooney
Breaux	Jones, Ala.	Rose
Breckinridge	Jones, N.C.	Rostenkowski
Brinkley	Jones, Tenn.	Rousselot
Brown, Calif.	Jordan	Roybal
Burgener	Kastenmeier	Ruppe
Burke, Calif.	Kazen	Russo
Burke, Mass.	Kelly	Ryan
Burton, Phillip	Kemp	St Germain
Carney	Ketchum	Santini
Carter	Krebs	Sarasin
Casey	Krueger	Sarbanes
Cederberg	LaFalce	Schroeder
Chappell	Lagomarsino	Shipley
Clausen, Don H.	Latta	Shriver
Clawson, Del	Leggett	Shuster
Cleveland	Levitas	Sikes
Cochran	Litton	Simon
Collins, Ill.	Lloyd, Calif.	Slack
Collins, Tex.	Lloyd, Tenn.	Smith, Iowa
Conlan	Long, La.	Smith, Nebr.
Conte	Lott	Snyder
Corman	Lujan	Spence
D'Amours	McCloskey	Stanton, J. William
Danielson	McCollister	Stanton, James V.
Davis	McCormack	Steed
de la Garza	McDade	Steelman
Dellums	McFall	Steiger, Ariz.
Dent	McKay	Stephens
Derwinski	Madigan	Stratton
Downing, Va.	Martin	Stuckey
Drinan	Mathis	Studds
Duncan, Oreg.	Matsunaga	Symington
Duncan, Tenn.	Meeds	Taylor, Mo.
Eckhardt	Melcher	Taylor, N.C.
Edwards, Ala.	Metcalfe	Thompson
Edwards, Calif.	Mezvinsky	Traxler
Eilberg	Mikva	Tsongas
English	Milford	Udall
Evans, Ind.	Mineta	Van Deerlin
Fary	Minish	Vander Veen
Fascell	Mink	Vigorito
Fenwick	Mitchell, Md.	Waggonner
Fish	Mitchell, N.Y.	Walsh
Flood	Moakley	Waxman
Flowers	Moffett	Weaver
Ford, Tenn.	Moore	Whalen
Fountain	Moorhead, Calif.	White
Fraser	Moorhead, Pa.	Whitehurst
Fuqua	Morgan	Wiggins
Giaimo	Murphy, Ill.	Wilson, Bob
Ginn	Murtha	Wright
Goldwater	Myers, Pa.	Yates
Goodling	Natcher	Yatron
Grassley	Neal	Young, Alaska
Green	Nichols	Young, Ga.
Gude	Nix	Young, Tex.
Guyer	Nolan	Zablocki
Hall	Nowak	
Hammer-schmidt	Oberstar	
	Obey	

NOES—138

Abzug	Erlenborn	Miller, Ohio
Addabbo	Findley	Mollohan
Ambro	Fisher	Mottl
Anderson, Ill.	Fithian	Murphy, N.Y.
Archer	Florio	Myers, Ind.
Ashbrook	Forsythe	Nedzi
Baldus	Frenzel	O'Hara
Bauman	Frey	Ottinger
Bedell	Gibbons	Pattison, N.Y.
Bennett	Gilman	Peyser
Biaggi	Gradison	Pike
Biester	Hagedorn	Poage
Blanchard	Haley	Quie
Brodhead	Hamilton	Railsback
Brooks	Hansen	Rangel
Broomfield	Harris	Richmond
Brown, Mich.	Hayes, Ind.	Robinson
Brown, Ohio	Hays, Ohio	Rogers
Broyhill	Heckler, Mass.	Rosenthal
Buchanan	Helstoski	Roush
Burleson, Tex.	Hillis	Runnels
Burlison, Mo.	Holtzman	Satterfield
Butler	Hutchinson	Scheuer
Byron	Hyde	Schneebeli
Carr	Ichord	Schulze
Chisholm	Jacobs	Seiberling
Clancy	Jarman	Sharp
Clay	Jones, Okla.	Skubitz
Cohen	Kasten	Solarz
Conable	Keys	Spellman
Cornell	Kindness	Staggers
Cotter	Koch	Stark
Crane	Lehman	Steiger, Wis.
Daniel, Dan	Lent	Stokes
Daniel, R. W.	Long, Md.	Symms
Delaney	McDonald	Thone
Derrick	McEwen	Treen
Devine	McHugh	Ullman
Dickinson	McKinney	Vanik
Dingell	Madden	Wampler
Dodd	Maguire	Winn
Downey, N.Y.	Mahon	Wolff
du Pont	Mann	Wydler
Early	Mazzoli	Wylie
Edgar	Michel	Young, Fla.
Emery	Miller, Calif.	Zeferetti

ANSWERED "PRESENT"—1

Gonzalez

NOT VOTING—49

Alexander	Foley	Randall
Annunzio	Ford, Mich.	Rees
Ashley	Gaydos	Riegle
Badillo	Harrington	Roe
Bingham	Hastings	Sebelius
Boland	Hébert	Sisk
Burke, Fla.	Hinshaw	Sullivan
Burton, John	Horton	Talcott
Conyers	Karth	Teague
Coughlin	Landrum	Thornton
Daniels, N.J.	Macdonald	Vander Jagt
Diggs	Meyner	Whitten
Esch	Mills	Wilson, C. H.
Eshleman	Montgomery	Wilson, Tex.
Evans, Colo.	Mosher	Wirth
Evins, Tenn.	Moss	
Flynt	Patman, Tex.	

The Clerk announced the following pairs:

On this vote:

Mr. Annunzio for, with Mr. Ford of Michigan against.

Mr. Hébert for, with Mr. Badillo against.

Mr. Dominick V. Daniels for, with Mr. Bingham against.

Mr. Boland for, with Mr. Conyers against.

Mr. Teague for, with Mr. Diggs against.

Messrs. FARY, ROSTENKOWSKI, WIGGINS, BRADEMAS, MURPHY of Illinois, QUILLEN, PRESSLER, BREAUX, YATES, SARASIN, LOTT, GUDE, MOFFETT, HALL, and McCLORY changed their votes from "no" to "aye".

Messrs. RICHMOND, SCHULZE, Ms. HOLTZMAN, Messrs. BROWN of Ohio, SCHEUER, FORSYTHE, and FREY changed their votes from "aye" to "no".

So the amendment to the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on

the amendment offered by the gentleman from Oregon (Mr. ULLMAN), as amended.

The amendment, as amended, was agreed to.

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

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

Mr. ANDERSON of California. I yield to the gentleman from New Jersey (Mr. THOMPSON).

Mr. THOMPSON. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the Mercer County Airport in Trenton, N.J., is an airport operating under CAB certification. It does not now accommodate aircraft that weigh more than 12,500 pounds. However, it is my understanding that it is entitled to air carrier discretionary funding under this bill. On July 9, 1976, Allegheny Airlines will begin flying into the airport DC–9 aircraft which exceed 12,500 pounds.

Am I correct in concluding that the airport would be eligible for funding under the formula grant program after July 9; and further, am I correct in concluding that the grant would be no less than $150,000 a year?

Mr. ANDERSON of California. Mr. Chairman, the gentleman is correct. Any airport that is an air carrier airport that has aircraft flying to it that weighs more than 12,500 pounds would receive formula grant funds based upon enplanements; and that such an airport would receive no less than $150,000 a year. Any airport that becomes so qualified in the middle of the year would, upon qualification, become automatically eligible for formula grant funds upon notification to the Secretary.

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

AMENDMENT OFFERED BY MR. JAMES V. STANTON

Mr. JAMES V. STANTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JAMES V. STANTON:

Page 39, immediately after line 14, add the following:

GRANT AGREEMENT CONDITIONS

SEC. 12. Section 19 of the Airport and Airway Development Act of 1970 (49 U.S.C. 1719) is further amended by—

(1) inserting "(a) Offer and Acceptance.—" immediately before the first sentence;

(2) striking out the second sentence and inserting in lieu thereof the following: "An offer shall include a condition that the sponsor or sponsors of the airport at which such airport development is to be accomplished shall not permit the landing, except for emergency purposes, during the one-year period beginning on the date of enactment of the ADAA of 1975 of any civil supersonic aircraft engaged in commercial service which aircraft generates noise at a level in excess of the level prescribed for new subsonic aircraft in regulations issued by the Secretary acting through the Administrator of the Federal Aviation Administration (14 C.F.R., part 36), as such regulations are in effect on October 1, 1975. In addition to the condition set forth in the preceding sentence, an offer shall be made on such other terms and conditions as the Secretary considers necessary to meet the requirements of this part and the regulations prescribed thereunder,"; and

(3) adding at the end thereof the following new subsection:

"(b) VIOLATION OF GRANT AGREEMENT CONDITION.—If any sponsor permits any aircraft to land at any airport at which such sponsor has expended funds received pursuant to a grant agreement containing the condition set forth in the second sentence of subsection (a) of this section in violation of such condition, then (1) such sponsor shall immediately repay to the United States all funds received pursuant to such grant agreement, and (2) the Secretary shall not make any other grant to either (A) such sponsor for any project for airport development at the airport at which such aircraft landed or at any other airport, or (B) any other sponsor for any project for airport development at the airport at which such aircraft landed."

Renumber the succeeding sections of this Act and all references thereto accordingly.

Mr. JAMES V. STANTON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. JAMES V. STANTON. Mr. Chairman, we have had the question of the previously offered Yates amendment before this House. This is a compilation of the Yates amendment which would, in effect, indicate that supersonic aircraft engaged in commercial service which generate noise at a level in excess of the level prescribed by the new supersonic aircraft regulations issued by the Secretary acting through the Administrator for the Federal Aviation Administration be banned for a period of 1 year.

The import of it is to ban it until we have a final determination as to the question of health and safety.

Mr. Chairman, I think that the subcommittee chairman and the minority side have agreed to the amendment on the basis of 1 year.

I would appreciate acceptance of the amendment.

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

Mr. JAMES V. STANTON. I yield to the gentleman from Virginia.

Mr. FISHER. Mr. Chairman, I want to support the one-year ban that the gentleman is offering in his amendment. I would like to ask the gentleman a question. I understand that the two Federal airports, Dulles and Washington National, would not be included in this bill because, after careful study, the committee determined that a valid point of order could be raised against including them in this bill.

Mr. JAMES V. STANTON. That is correct.

Mr. FISHER. At the same time, I would think that it would be most unlikey and unwise for the administrator of this program to permit the Concorde to land and take-off at Dulles while at the same time to ban it from all other airports in the country.

Mr. JAMES V. STANTON. I would agree that such an action would be a lack of judgment if he were to allow that. I do not think he would under the circumstances where we are banning it for a year's period from the rest of the country.

Mr. FISHER. I gather further that the committee and its staff did look into this matter very closely, and would have liked to include Dulles and National airports in the bill.

Mr. JAMES V. STANTON. That is correct.

Mr. FISHER. I thank the gentleman.

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

Mr. JAMES V. STANTON. I yield to the gentleman from New York.

Mr. SCHEUER. Mr. Chairman, I rise in support of this amendment. I think that it is long overdue that we should take the steps that are necessary in order to protect the American people from the Concorde and keep it from landing in the United States, because actually our own aircraft are prohibited from engaging in the type of practices which the Concorde would engage in.

Therefore, I rise in enthusiastic support of the amendment offered by the gentleman.

As a Member who represents Kennedy Airport and its surrounding area, I want to congratulate the gentleman for his fine leadership in this matter.

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

Mr. JAMES V. STANTON. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I support the Stanton amendment to ban the Concorde from landing in American airports. I offered the same amendment when the Department of Transportation appropriations bill was on the floor some months ago. To my mind the reasons for my amendment at that time were most persuasive. Since that time the hearings before other congressional committees have disclosed additional information which to my mind makes incontrovertible the reasons for a ban on SST flights for the time being.

Mr. Chairman, I attach to my remarks the views I offered to the report on that appropriations bill:

The FAA is determined that supersonic jets shall operate in the United States. In March, 1971, the House killed the American SST program for many reasons. Now the FAA has given tentative approval for the operation of the British-French Concorde-SST into this country by allowing four flights daily from Paris and London into Kennedy International Airport in New York and two flights daily into Dulles.

We oppose that approval and offered an amendment in subcommittee which would preclude commercial regularly scheduled Concorde flights into the United States. We do so for two reasons: The outrageous noise generated by the Concorde at take-off—not the sonic boom because that is already prohibited, but the sideline noise.

Second, amazing as it seems, the most distinguished scientists in the field in this country have given validity to the contention which was asserted but unproven when the House acted in 1971, that flights of fleets of SSTs in the atmosphere would disturb and inpair the ozone, increasing the incidence of skin cancer on earth. (Department of Transportation—Climatic Impact Assessment Program.)

It will be argued that barring the Concorde will disrupt our agreements with France and Great Britain for our mutual use of each others' airports. We find this a cogent argument, but not persuasive because we cannot believe that agreements contemplated that any of the countries could employ aircraft that were unduly disturbing to the people of the other countries. We have already indicated we would not permit the aircraft to fly at speeds which would generate a sonic boom over land. The Concorde's sideline noise, if not as shocking as the boom, is almost equally disturbing and objectionable.

It will also be argued that we are unduly fearful of the effect of only a few flights on the people who live near Dulles and Kennedy Airports. Even the FAA conceded the Concorde's noise would invade the house near JFK "and rattle the windows and dishes." If six flights are authorized, why not 60? If Air France and British Airways are authorized to fly Concordes, why not the airlines of other countries?

By passage of Public Law 90–411 in 1968, Congress committed itself to the reduction of aircraft noise in this country. Pursuant to that direction, under FAR regulation 36 the FAA is requiring American subsonic aircraft to meet a noise standard of 108 PNdB. Most American aircraft are moving toward that standard. Should that standard be broken by supersonic aircraft noise? We don't think so.

The inadequacy of the FAA case is shown by the response to its Environmental Impact Statement as submitted to the Council on Environmental Quality. We are attaching that response. It speaks for itself.

EXECUTIVE OFFICE OF THE PRESIDENT,
COUNCIL OF ENVIRONMENTAL QUALITY,
Washington, D.C., May 22, 1975.

Hon. BENJAMIN O. DAVIS, JR.,
Assistant Secretary for Environment, Safety and Consumer Affairs, Department of Transportation, Washington, D.C.

DEAR GENERAL DAVIS: The Council has reviewed the draft environmental impact statement (EIS) prepared by the Federal Aviation Administration (FAA) for the proposed amendment to British Airways and Air France operations specifications to permit these carriers to conduct limited commercial service with the Concorde aircraft. As proposed, service would be limited to four daily flights to John F. Kennedy International Airport in New York and two to Dulles International in Virginia. The draft EIS focuses on the potential stratospheric and noise impacts of the Concorde. Our comments cover both of these issues; the noise comments are more detailed because of the more immediate and measurable impact.

Regarding the stratospheric impacts, it is clear that there would be a serious danger of increased incidence of skin cancer in humans if a large fleet of Concordes were to cause a depletion in the protective ozone layer. This potential risk has been the subject of a detailed report by the Climatic Impact Assessment. Program (CIAP) of the Department of Transportation. It should be noted that the Executive Summary of the CIAP report has been severely criticized by the academic community for not reflecting the text of the report. The final EIS, therefore, should cite the full text, not the Executive Summary, when relying upon the report.

Regarding the noise impacts of the Concorde, we believe that the final EIS should clearly state the relative and absolute increases in noise levels caused by the Concorde. This is not done to our satisfaction in the draft EIS, although it appears that the Concorde is at least twice as loud as most present subsonic aircraft. The final EIS must give more information on this point, as well as other issues involving the comparative noise impacts of other aircraft under various noise retrofit options, curfews and night noise, and alternate airport use. Detailed comments on each of these isues are attached.

Please let me know if you have questions regarding our comments. I also hope that you will feel free to consult with the Council on any procedural questions that might arise during the remainder of the environmental impact statement process.

Sincerely,

STEVEN D. JELLINEK,
Staff Director.

COMMENTS ON NOISE IMPACTS: FAA DRAFT EIS, CONCORDE SST

1. The Concorde is a very noisy airplane. We question whether the draft EIS is fully descriptive of the noise created. The following points are illustrative of this concern.

(*a*) Concorde low frequency noise will be five times greater than that produced by conventional airplanes (p. 41). Various charts, specifically those on pp. 38–40 and 106–108 of the draft EIS use EPNdB as a measurement of airport noise. The EIS should state the extent to which this scale is adequate to reflect the Concorde's low frequency noise; to the extent it does not, other impact estimates should be used.

(*b*) The draft EIS (p. 41) states that building vibration could occur as the result of Concorde's low frequency noise. It appears that this will be heard as a low rumble similar to distant thunder. It is, of course, relevant whether the vibrations will damage structures, but the statement should also address the extent to which the low frequency noise will cause indoor or outdoor discomfort and annoyance.

(c) On page 42, the draft EIS states that noise differences between the Concorde and subsonic aircraft measured indoors were as much as 4 dB greater than the difference measured outdoors. "However, this difference is barely discernable." What is not stated is that when the outdoor noise difference between Concorde and conventional airplanes is added to the indoor noise difference, the Concorde is approximately twice as noisy as a conventional airplane to the indoor listener For example, the EPA document "Recommended Notice of Proposed Rulemaking on Aircraft Noise Requirements: Civil Supersonic Airplanes", page 18 (February, 1975), states that the indoor noise levels for the Concorde were greater by more than 6 dB on landing and more than 11 dB on takeoff.

(d) The presentation on pages 34 through 39 of the draft EIS is confusing. On page 36 the Concorde is compared to the B/707–300, the DC–8–60 and the 747–100. It appears that the sideline noise of the Concorde is more than twice as loud as the other planes. But, on page 39, "Sideline Noise", the impression is given that the Concorde is not much louder than other aircraft. Of the airplanes listed on page 36 only the 747–100 is included on page 39. Further, the airplanes shown on page 39 as being nearly as noisy as the Concorde are planes which do not comply with FAR 36. The comparison is relevant if these models constitute a large part of the current jet fleet, but it should be carefully explained how many of each type are presently in operation, what percent of the existing fleet is of each type, and the frequency with which each type presently lands at JFK or Dulles. In addition, comparison should be in this section with those models listed on page 36.

(e) On page 35, Figure 10, there is a graph showing the effect of reduced engine thrust within the 3.5 nautical mile measurement zone. It is not clear from the draft EIS whether this is a voluntary operational procedure or one that is compulsory. If the thrust cutback is voluntary, the sound measurement at the 3.5 nautical mile station without engine thrust should be included.

(f) Illustrations on pp. 106–08 of the draft EIS compare Concorde noise levels to those required by FAR part 36, which will presumably be met by the existing jet fleet after 1980. This difference as perceived by a listener in terms of dB (a) should be specified; it appears that the Concorde will be perceived as being twice as noisy as a DC–10–30 with retrofit.

2. The draft EIS shows the projected noise impact of the Concorde on the population and the land adjacent to JFK and Dulles in terms of NEF (Noise Exposure Forecast) 30 and NEF 40. Although this standard of measurement is meaningful and necessary, it does not fully address the impact of the Concorde upon public health and welfare. EPA has developed various documents related to noise levels pursuant to the Congressional mandate of the Noise Control Act. Chief among these is "Information on Levels of Environmental Noise Requisite to Protect Public Health and Welfare with an Adequate Margin of Safety" (March, 1974). This document states noise exposure levels in terms of Leq and Ldn (equivalent sound level and day-night level) setting a level of Leq 70 as necessary to protect hearing and a level of Ldn 55 as a desirable outdoor residential level. To make meaningful comparisons between the EPA levels document and the Concorde draft EIS, one should know the relationship of NEF to Leq and Ldn, and how the NEF 30 and 40 areas shown in the EIS would overlay upon comparably constructed Ldn 55 areas. If the entire area is already impacted to this extent, then the amount of sound generated by the airport, independent of other sources, should be shown. To fully treat these concerns, similar diagrams to those presented on pages 109–13 should be presented showing Ldn or an equivalent NEF:

(*a*) With SAM (sound absorbing materials) retrofit and without Concorde;

(*b*) With SAM retrofit and with Concorde flights as proposed;

(c) With SAM retrofit and with expanded Concorde fleet;

(*d*) Without SAM retrofit and without Concorde;

(*e*) Without SAM retrofit and with Concorde flights as proposed;

(*f*) Without SAM retrofit and with expanded Concorde fleet.

Information should also be presented showing any population which is now exposed to Leq 70 dB or equivalent NEF that will be affected by Concorde flights. This information should be given to show the effect of the proposed Concorde flights and any enlarged Concorde fleet upon this population.

3. It is assumed that no curfew limitations need to be imposed on Concorde flights. There is no discussion to support this. If the airlines have tendered flight schedules they should be set forth in the EIS. Since nighttime noise is considered more bothersome than daytime noise there should be a complete discussion of nighttime noise effects if there are no curfew restrictions.

4. There is no discussion of the number of times per year the Concorde will have to land at alternate airports. The names of some proposed alternate landing sites are listed in the appendix. The EIS should discuss the contemplated frequency of use of each airport likely to be used as an alternate and the contemplated impact upon the population and land around each.

The amendment should be approved.

Mr. JAMES V. STANTON. Mr. Chairman, I would like to indicate that I have indicated to the minority side that I would accept the amendment cutting the period down to 6 months, because the Secretary of Transportation has indicated that within 6 months he will be able to issue his report for that purpose.

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

Mr. JAMES V. STANTON. I yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Chairman, when I get the floor I do intend to offer an amendment to the amendment cutting it to 6 months, and will speak to that amendment at that time.

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

Mr. JAMES V. STANTON. I yield to the gentleman from New York.

Mr. LENT. Mr. Chairman, I rise in support of the amendment offered by Representative STANTON to prohibit, for a 1-year period, all landings by SST's. We must erect a permanent legislative barrier against these monstrous aircraft and this amendment is a step in the right direction.

Congress slammed the front door on the American SST program in 1971, but events in the past few months indicate that the British-French Concorde is still trying to roar in through the back door.

When I testified at the FAA hearings at Flushing Meadow Park, N.Y., last April, I said that we did not know as much as we should about the SST, and that the unanswered questions about the Concorde were the same that went unanswered about the American SST program when Congress killed it in 1971.

With the release of the FAA's final environmental impact statement on the Concorde SST, we now have those answers. And they are frightening.

There is not very much I can add to those findings. I am not a scientist, but I am a reasonable man, and I do not believe that any reasonable person can read that environmental impact statement and not adjudge the Concorde to be a clear and active menace. The document is overwhelmingly persuasive; the phrase in the law is res ipsa loquitur: the thing speaks for itself, and what it tells us is clear. Keep the SST out.

If the damage to the environment and public health that will be caused by the Concorde SST were the probable result of some food or drug, the Federal Government would yank the product off the market and forbid its distribution. For the same reason, the Concorde SST must not be permitted to land in this Nation.

This final environmental impact statement ends a tortuous progression of conflicting positions on the SST by Government agencies. Additional hearings will be convened by the Secretary of Transportation on January 5, and I hope that the action of this Chamber will render those proceedings moot. The pusillanimous behavior of the FAA and EPA in this matter borders on anarchy.

For example, it was revealed earlier this fall that the Federal Aviation Administration's eastern regional office in New York admitted that the FAA was "not completely accurate" in claiming last March that the British-French Concorde needs no "unique air traffic procedures" to land at Dulles Airport and JFK Airport in New York. The truth is that the SST landings will require special procedures bordering on a constant state of emergency.

The Concorde takes off and lands at speeds much higher than conventional turbojets, making spacing between the SST and normal airliners more difficult. Still more critical, the SST will carry far less than the fuel reserves usually required, and delays of 30 minutes or more in landing would require additional "special procedures." It does not take much imagination to speculate on what happens when a plane with a range of 3,800 miles attempts to fly the 3,838 miles between Paris and Washington without additional fuel reserves. And what is there to be gained from all these "unique" and "special" procedures?

First, supersonic booms shattering and polluting the night along its approach and takeoff paths—for the FAA conceded last spring that the Concorde's emission levels are "significantly higher than the Environmental Protection Agency's proposed standards," and second, special air traffic control procedures to prevent this flying leviathan from dropping out of the sky when it runs out of fuel at 15,000 feet, or flying in a holding pattern waiting for clearance to land, or running into a plane ahead of it while taking off or landing.

I was delighted to learn that the Environmental Protection Agency—EPA—has reversed its previous stand and has announced that because of excessive noise, Concorde SST landings at Kennedy Airport would be "undesirable." Twice as noisy as the loudest conventional jet aircraft, the Concorde SST would assault the eardrums of human beings over an area of hundreds of square miles.

On top of this, deterioration of the ozone layer would have been accelerated by the Concorde's exhaust and the reduced protection of the Earth from deadly ultraviolet rays would result in at least 200 additional cases of skin cancer every year in the United States.

Mr. Chairman, forbidding the Concorde permission to land will breed a snake pit of diplomatic problems, and I recognize that the international repercussions will not be easily quieted. I am advised that such an act would run counter to several international agreements and conventions on exchanging air worthiness certifications with other nations. A nation like ours, from which one of the most important exports is aircraft, cannot approach the likelihood of foreign retaliation lightly. But, I do not believe that the environmental impact statement offers frivolous insights, and I believe that our foreign policy must reflect our national interest, and not vice-versa.

As we work against the SST, we are in large part redefining "progress." The American people are coming to grips with the realities of environmental rhetoric; no longer will bigger, better, faster, and taller be the comparatives of merit.

Recognition that planet Earth is, indeed, a fragile craft, to which nothing can be added nor from which anything can be taken away, is a sobering and revitalizing experience. Sobering, because it forces us to realize the finite nature of our world, that we cannot have everything, that we must choose what we need and know that something else must be sacrificed. Revitalizing, because it shows us the path of life, and the way to survival. For this reason, I regard it a duty to yet unborn generations to oppose the SST. This can now be done by supporting the Stanton amendment.

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

Mr. JAMES V. STANTON. I yield to my colleague from Ohio.

Mr. HARSHA. Mr. Chairman, I want to commend the gentleman for his position on this issue. I know of his very sincere position and the concern he has regarding this matter, along with many other Members of the House. I want to congratulate and commend him for his concern, and congratulate those on this side who have gone into this problem and have made considered judgments on the whole issue.

I support the gentleman's amendment.

Mr. JAMES V. STANTON. I thank the gentleman.

Mr. OTTINGER. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Ohio (Mr. STANTON). I have long been opposed to the use of any supersonic aircraft—American or foreign—in civilian aviation in the United States.

The noise levels of the supersonic transport exceed the limits we have established in this country for subsonic aircraft; I see no reason why the American public should be subjected to such colossal noise levels.

Coming from the greater New York metropolitan area as I do, I have long been concerned about noise pollution generally, and about aircraft noise specifically. Just as we have succeeded in the past few years to take noise pollution seriously, we find ourselves pressured to make a gigantic exception for the Anglo-French Concorde. I do sympathize with those two nations in their current plight resulting from their large investment in the Concorde project—an investment I feel was unfortunate—but I do not see why our citizens should be subjected to the resultant noise levels of the plane. Ozone depletion and related additional cancer cases, energy consumption and high cost are other reasons for my abhorrence of the supersonic transport.

By passing this amendment the Congress will be declaring its unwillingness to allow foreign aircraft to subject Americans to noise levels which we do not now allow for American aircraft. I am convinced that the French and British will come to understand that our decision was taken for the protection of the American people and not for any retaliatory reasons against their own nations.

AMENDMENT OFFERED BY MR. SNYDER TO THE AMENDMENT OFFERED BY MR. JAMES V. STANTON

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

The Clerk read as follows:

Amendment offered by Mr. SNYDER to the amendment offered by Mr. JAMES V. STANTON: In paragraph (1) strike out the words "one year period" and insert in lieu thereof "six months period".

Mr. ANDERSON of California. Mr. Chairman, I rise in support of this amendment which would prohibit the

landing of an SST at any airport which receives a Federal airport development grant under this program. This prohibition is for a 6-month period, beginning on the date of enactment of this act. It will provide a further period of time necessary to assure that the needs of the health and welfare of U.S. citizens come first.

Mr. Chairman, I support the amendment.

Mr. JAMES V. STANTON. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. I yield to the gentleman from Ohio (Mr. JAMES V. STANTON).

Mr. JAMES V. STANTON. I thank the gentleman for yielding.

I would like to explain to the other Members of the House, and for the purpose of explanation I would ask at this point that the gentleman yield to the gentleman from Washington (Mr. McCORMACK).

Mr. SNYDER. The gentleman is accepting the 6 months?

Mr. JAMES V. STANTON. If the gentleman will yield, yes.

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

Mr. SNYDER. I will yield to the gentleman from Washington (Mr. McCORMACK).

Mr. McCORMACK. I thank the gentleman for yielding.

Mr. Chairman, I want to clear up one point. The wording of the amendment is "* * * except for emergency purposes, of any civil supersonic aircraft engaged in commercial service. * * *"

There is a question about the test flights of supersonic airplanes. Most people do not know, for instance, that when the Concorde was doing icing tests, it flew out of Washington State. Concorde test pilots had to find a place to get icing conditions so they operated out of Grant County Air Base at Moses Lake in Washington State, which is a testing center for commercial jet airliners. Many commercial jets do their testing there, and many of the foreign airlines. The Grant County Airport is a former SAC base located in the desert in eastern Washington.

I would like to ask the gentleman this question: Would the gentleman interpret the wording of his amendment as preventing such tests from this base?

Mr. JAMES V. STANTON. If the gentleman will yield, I would say that because the limitation is only for 6 months it would ban such test flights in every appointed airport. I originally discussed it with the gentleman, answering the testing question. That was when there was a flat prohibition for an indefinite period of the whole bill, which is 5 years. I think the flat prohibition for 6 months is a reasonable position because the Department of Transportation would then report back to us on what their findings are.

Mr. McCORMACK. If the gentleman will yield further, the question I would ask the gentleman is: Is the gentleman saying the test flights will be commercial service, under the bill? This is a question of interpretation. If I may pursue this matter, icing and similar tests must be conducted some place. Do such test flights constitute commercial service? If we are considering test flights, do they fall within the category of commercial service, as provided in the amendment?

Mr. JAMES V. STANTON. If the gentleman will yield, the amendment applies to commercial service.

Mr. MILFORD. Mr. Chairman, I move to strike the requisite number of words, and I rise in strong opposition to the amendment offered by the gentleman from Ohio and to the amendment offered by the gentleman from Kentucky (Mr. SNYDER).

Mr. Chairman, these amendments are designed to protect two airports in this country. There are other airports that would welcome the Concorde flights and are actively trying to get these flights. For example, the Dallas-Fort Worth Regional Airport, in Texas, is actively seeking Concorde flights at this time. Why deprive all airports, simply because New York does not want the flights?

Furthermore, this issue was discussed in committee and was voted down. This agreement to the amendments, offered by the floor managers, does not represent the will of the Public Works and Transportation Committee.

When this issue was discussed in committee hearings and markup, it was voted down.

Over the past several months, the Concorde issue has become an emotional tidal wave, sweeping facts and reason before it. This is fine for those who do not wish to be bothered with the facts. However, we as responsible public officials, cannot afford such a luxury. We must carefully weigh facts, not hypotheses in the balance. We must consider the facts surrounding the advantages of progress and the facts surrounding the disadvantages. Almost any type of progress carries with it some type of environmental consideration. But we must guard against inflating these considerations through emotionalism.

Let me give you an example. Nearly 150 years ago, Martin Van Buren, then Governor of New York, wrote President Andrew Jackson, stating:

> As you may know, Mr. President, "railroad" carriages are pulled at the enormous speed of 15 miles per hour by "engines," which in addition to endangering life and limb of passengers, rear and snort their way through the countryside, setting fire to the crops, scaring the livestock and frightening women and children. The Almighty certainly never intended that people should travel at such breakneck speed.

I believe it is safe to say that Van Buren's emotional concept of progress has been proven to be in error.

Now we have a similar hysteria surrounding the whole concept of commercial supersonic flight. It is obscuring a rather narrow but very important issue—should we as lawmakers bypass the very regulatory process which we have legislated into existence? Should we in all fairness preempt the executive's right to proffer a decision on this matter? Unless there are very compelling reasons, I cannot imagine any legislator succumbing to such a temptation.

In the present instance there is absolutely no compelling reason to leapfrog the established administrative process. On January 5, the Secretary of Transportation will hold hearings concerning the Concorde and has announced an intent to submit a decision on this matter shortly thereafter. This is less than 3 weeks away. Where is the urgency for Congress to act? Our underlying constitutional process should be honored, and, until administrative remedies are exhausted, Congress should not intervene in this question.

For those who still feel that this is an issue that Congress presently has the right to address, let me state a few facts about the Concorde.

First the noise issue.

It is true that the Concorde does not meet the newly promulgated FAA noise standards, the so-called FAR 36. But these standards were intended for subsonic, not supersonic jets. This is true because U.S. law requires environmental regulations to be "technically feasible, economically reasonable and appropriate to the type." And in 1969, when FAR 36 was written, not enough was known about supersonic noise abatement to permit sensible rules to be written. So FAR 36 was put forward for subsonic aircraft only.

Since then the EPA has proposed noise regulations to the FAA for the supersonics as well. If approved, these could extend the FAR 36 noise requirements to future Concorde production runs. But the first 16 airplanes, now committed to manufacture, would not be required to comply retroactively with standards that did not exist when the plane first flew.

The Concorde has achieved, through a $100 million program, noise levels that are similar to those of the Boeing 707 and McDonnell-Douglas DC–8. In so doing, it met the only statement regarding noise that existed when the airplane was designed—the 1962 resolution of the International Civil Aviation Organization. In fairness, the British and French must be given the same considerations of technical feasibility and economic reasonableness, if tougher standards are imposed, just as the FAA is doing for the older American aircraft that do not meet the FAR 36.

As for the special noise requirements of the Port Authority at Kennedy, the Concorde has demonstrated repeatedly that it can comply with these regulations by employing noise abatement procedures similar to those used by all types of jet aircraft at JFK and other airports such as Washington National. Accordingly, no waivers have been requested by Air France or British Airways.

Depletion of the Earth's protective ozone layer by jets operating in the stratosphere is another issue. The Department of Transportation's climatic impact assessment, after a 3-year study, concluded that the presently planned SST fleet of 30 Concordes and Russian Tupolev 144's will produce no detectable changes in the ozone layer and that it would take a very large fleet to create and significant change.

In the future, if the large scale use of SST's becomes a reality, the study recommends regulatory measures to provide safeguards for preserving the natural ozone level. Among these would be more stringent emission standards to reduce nitrogen oxide and development of low-sulfur aviation fuels. For now, the dangers are so small as to be almost nonexistent. In any event, the same risks

will arise when the Concorde is flown elsewhere, whether or not it lands in this country.

For the near term, it is extremely important to gain a thorough understanding of the impact of aircraft emissions, as well as pollutants from other sources, on the upper atmosphere. By carrying appropriate instruments, the Concorde can provide much needed statistical data at the critical altitudes between 50,000 and 60,000 feet. It is the only free world airplane that can gather such data on a regular basis. With this in mind, NASA and British Aircraft Corp. have begun consideration of the technical feasibility of installing atmospheric sampling instruments aboard the Concorde. I am hopeful that this will lead to a significant expansion of NASA's effort to monitor on a day-by-day basis the local changes that are occurring in the atmosphere.

Furthermore, there has been substantial progress in solving the problems that were so prominent in the 1971 debate over the American SST. Recently I visited several of NASA's research centers and saw for myself the basic research work that is being done there on supersonic technology. Major breakthroughs have been achieved in jet nozzle design and variable-cycle engine technology, which will result in greatly reduced fuel consumption and environmental effects. These developments will assure that future SST's, if a market for them emerges, will be very good neighbors. Allowing limited Concorde landings is not tantamount, as some have suggested, to opening the floodgates.

Another issue recently, has been the question of fuel reserves. To me, it is absurd to think that the owner of an airplane would risk its loss and the lives of its passengers because of inadequate fuel reserves. The facts are that the Concorde has ample reserves to account for contingencies that may be encountered en route, plus the necessary fuel to divert to an alternate airport if that also becomes necessary.

My final point is related to the U.S. economic position. Although we are not now faced with the economic feasibility of building our own SST, we are faced with serious economic implications if Britain and France decide to boycott American aviation products. Such action could have disastrous consequences. U.S. manufacturers have been supplying approximately 90 percent of the free world's aircraft. This has created thousands of jobs for Americans and has been one of the very few positive items in our international balance of trade.

The British and French Governments have invested heavily in the Concorde project. To refuse to accept a plane that meets internationally agreed upon standards, would invite retaliation. For example, they might decide to bar U.S. airlines from landing DC–8's and 707's in their countries—an action which Pan American and Trans World Airlines can ill afford at this time.

The Concorde was built with the aid of $2.5 billion collected from taxpayers in Britain and France. It as been on the drawing board since the late 1950's. Careful investigation has shown that there are no serious environmental impacts associated with the proposed limited operations. And, now that it is about to enter commercial service, there is absolutely no reason for American politicians to undermine its chances for success. To the contrary, Congress should not even be acting at all on this question at this point in time. As I indicated previously, basic constitutional precepts should be respected and the administrative process should be allowed to run its course.

In closing, I would just like to note that the Russian SST, the TU–144, will begin commercial operations on Christmas Day. Its routes will eventually cover the Asian land mass and stretch down into the continent of Africa. At the same time, in spite of any action we take here today, Concorde will be flying in Europe, South America, and the Pacific. Only one pocket of the world will be without supersonic service—the United States of America.

But perhaps Martin Van Buren was right. Perhaps people never were intended to travel at such breakneck speed in a vehicle that snorts fire and frightens women and children. And if he had his way, we could all climb into our horse and buggies and head over the river and through the woods to our destinations in the North, South, Midwest, and west of the Rockies for Christmas recess.

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

Mr. Chairman, I oppose the amendment because I think it is going to result in our airlines being barred from landing in France and Great Britain and stir up a lot of trouble.

This business of not knowing whether this is a hazard to health or not is a bag of baloney, because I will give you my word that there are at least 500 supersonic flights in this country. It happens every day. They run them out of Lockbourne Air Force Base in Ohio, and in the summertime in my district you can hear a sonic boom every 5 minutes.

They are military craft. If a supersonic airplane is a hazard to health, it makes no difference whether it is commercial or whether it is military; it is still a health hazard.

The whole problem here is this: We are talking about four flights a day, if the Department of Transportation clears it, if they meet the requirements. We are talking about two at Dulles and two at Kennedy. I do not care anything about those at Kennedy. There is no way I am going to fly there anyway.

As far as Dulles is concerned, we are told we have got to protect those people out at Dulles. That was a cow pasture for 30 miles in every direction. That is why the airport went out there. Judge Smith would not let them put it in the place where they were going to put it. I was going to say that was Chantilly, but I believe that used to be the name of Dulles. It was some other town down there, probably Langley. They did not put it there because there were too many people out there, so they put it out at Dulles where there were not very many people.

But the minute they build the airport a lot of people went out there and developers built houses. A lot of people who work at Dulles live out there, and they say they do not want the noise. I think you make a choice of whether you want the noise or whether you want the job.

The whole thing is a can of worms. We are debating the point here tonight that it is a hazard to health. A hazard to health? Why, the whole flight is going to be over the Atlantic Ocean.

We have military flights by the hundreds over this country every day, and they fly at supersonic speeds.

Mr. Chairman, I think this is just crazy. I think it would be a slap in the face to the British and the French. I think they will bring retaliation. I know one thing, that if I were the Prime Minister of Great Britain and I had the power he does, I would issue an edict that Pan Am and TWA would not land there any more. That would be no great loss with Pan Am, considering my last experience with Pan Am, but it might be a financial loss.

I do not think we ought to buy this kind of an argument this late at night. I presume that is why it was brought up this late, hoping that a good many Members would go home and forget about it.

Mr. Chairman, I have listened to the debate all evening, and I say to the Members this is a real sack of baloney.

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

Mr. Chairman, I recognize, just as the gentleman from Ohio (Mr. HAYS) who preceded me, that this is probably not the best hour of the day for reasoned debate. I strongly oppose the amendment, and I think the gentleman from Ohio (Mr. HAYS) has expressed the precise reasons why this is a bad amendment.

There are 2 major arguments presumably against the Concorde. One is that it makes too much noise.

Mr. Chairman, I was at the Paris Air Show last July, and the Concorde flew about 200 feet off the ground right past the stands. It made hardly any noise at all. There was no smoke whatsoever, and it sounded completely like any other aircraft. It may make a little bit more noise when it takes off, but as the gentleman from Ohio (Mr. HAYS) has said, this is not going to be a serious cause of harm to our Nation if it takes place out in the cow pastures around Dulles Airport.

Maybe it will be an inconvenience, but there are only two flights a day. In fact the Concorde flight is probably going to be more of a matter of interest at Dulles and elsewhere than it is a matter of harm. In fact, we may not realize it, but this plane has already been flying in this country.

There were some press demonstration flights a few months ago. It flew in and out of Dulles a couple of times, and I do not recall that the heavens fell down or that anything serious happened.

Yet, now, suddenly, we are being told that this noise is going to destroy the ears of everybody within miles around.

The second argument has been that this plane is going to destroy the ozone because it is a supersonic transport, and we will all end up getting skin cancer.

But again, as the gentleman from Ohio (Mr. HAYS) has already indicated, we have had—I do not know whether it is 500 flights a day—but we have had a

lot of supersonic planes flying around this country and over the ocean for a long time.

The F–4's, the F–111's, the SR–71, the F–15 which Israel desperately wants to buy—they are apparently not worried about skin cancer; they want the F–15 in the worst possible way—we have had all these flying for a long time. Yet the ozone is still intact. As a matter of fact, scientists at the General Electric Co. research laboratory in Schenectady, which is in my district, were studying this whole question of the destruction of the ozone before we eliminated our own American SST. The fact is that the evidence suggests the ozone has the ability to reproduce itself. Why have the supersonic flights we have already had not destroyed the ozone? Because somehow it gets replaced, it reproduces itself apparently.

In any event, Mr. Chairman, we have been able to survive these flights these past few years without serious impairment. Certainly we ought to be able to survive a couple of flights a day out at Dulles Airport for the next few months. Why should we legislate the SST out of existence now? Let us leave it up to the Secretary of Transportation to hold his hearings. Let us let the Concorde operate in this country for a little while and see whether it is really going to be as destructive and as troublesome as we think. Isn't that sensible and fair?

Certainly, as the gentleman from Ohio (Mr. HAYS) pointed out, international air travel is an international thing. It takes two to tango; and if we zero in on the British-French Concorde plane, operated by our French and our British friends, then they are likely to retaliate against us. They are going to believe that our action is taken just because we were not the first to operate an SST.

Mr. Chairman, I think this amendment is a serious mistake. We ought to allow this new plane to operate here.

The hour may be late tonight, and maybe we do not want to think too deeply about the issues. Perhaps opposition to the Concorde is a popular stand back home. But I think if we allow this amendment to pass tonight, we are going to regret it in days to come.

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

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

Mr. HARKIN. Mr. Chairman, I heard the gentleman mention the F–4. I was one of the first people who ever flew the F–4, probably the only one that has ever flown the F–4.

Mr. STRATTON. There are many others here who have flown the F–4.

Mr. HARKIN. Not as much as this Member has.

Anyway the gentleman in the well and the gentleman from Ohio (Mr. HAYS), who preceded him—and I am not taking any position one way or the other—I think missed the question.

The CHAIRMAN. The time of the gentleman from New York (Mr. STRATTON) has expired.

Mr. HARKIN. Mr. Chairman, I ask unanimous consent that the gentleman from New York (Mr. STRATTON) be allowed to proceed for 2 additional minutes.

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

Mr. RHODES. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

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

Mr. Chairman, I recognize the probable futility of attempting to inject an element of calm, rationality and caution at this hour. I simply ask my colleagues to think seriously about what it is they are getting ready to do.

This amendment was offered in committee. It was carefully considered, and it was rejected.

Mr. Chairman, I do not see any reason that we have to take this action tonight. Sometimes we make serious mistakes by spontaneous, unreasoned reactions to emotional initiatives which we think might strike a popular chord with certain well-meaning groups back home. Occasionally, in the late hours of the evening, we may do something that we ourselves might question later on.

We do not need to pass this amendment tonight. There are adequate safeguards in existing law.

I believe we need to think very seriously about what might happen to our agreements with Great Britain or France. We need to consider quite carefully what retaliatory measures we might unthinkingly set in motion. Conceivably they could feel pressed to retaliate by banning the 747.

I do not know all of the finite capacities nor the precise decibel levels involved in this technology and I do not think any of the other Members of the House do either. Really, face it, we do not.

But I have seen this plane land and I have seen it take off, and I have heard it land and take off in the United States at the Dallas-Fort Worth Airport. It was not as noisy as some of the military jets that land on the other side of my district at the Carswell Air Force Base.

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

Mr. WRIGHT. Of course, I yield to the gentleman from New York.

Mr. WOLFF. Mr. Chairman, I wonder why the gentleman from Texas is pleading the cause of foreign air carriers when we in the United States cannot fly the same aircraft, when we in the United States must abide by certain regulations; when we in the United States must see to it that we do not disturb the people who are beneath the airplanes in a take-off pattern. Why is it that we plead the cause of the British and the French and, yes, the Soviet Union with their TU–144, who are about to land in this country? Why is it that there is such great clamor for the landing of this type of aircraft when our companies cannot fly this aircraft in this country?

Mr. WRIGHT. The gentleman from New York asks that as a serious question, I am sure, and I shall try to respond to it as a serious question. The answer is that I am not in any sense trying to plead the cause of any foreign producers of aircraft. I am trying to plead the cause of international comity and understanding.

I would further say to the gentleman from New York that if these planes are ultimately permitted to land by agreement, they will have to abide by all of the laws and rules and regulations that apply to local domestic carriers. There is absolutely nothing in this bill which would waive those laws with respect to this aircraft.

Mr. HAYS of Ohio. Mr. Chairman, if the gentleman will yield, let me say to the gentleman from Texas and to the gentleman from New York that there are some other things involved. Every country, including France and Britain, that flies the Atlantic route needs us and uses American-built aircraft. They have purchased literally billions of dollars worth of our airplanes, the 707 and 747's. And I presume if we do not alienate them too much, they will continue to do that.

They are not going to sell very many Concordes. This is a luxury aircraft for a certain class of people who are in a hurry.

I do not think that we are making a very sound judgment when we take the chance of losing this future business. They have been good customers for a long time.

Mr. WRIGHT. Mr. Chairman, I would just urge that we not be carried away on the spur of the moment by an emotional stampede. Let us be calm and reasoned. There is not any need for us to do this tonight. If there is any doubt in anyone's mind, then resolve it in behalf of permitting the authorities presently vested with this responsibility to make this judgment after they have made the applicable tests.

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

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

Mr. KEMP. Mr. Chairman, I oppose this amendment and associate myself with the remarks of my friend from Texas (Mr. WRIGHT).

In opposing it, I do not belittle the intentions of those who seek to limit supersonic aircraft in general and the Concorde in particular because of noise and pollution. Nor for a moment do I overlook the data on damage to the ozone and the possible injurious effects on the health of our people. While these are all valid considerations, in this case we should not make any decisions based on environmental factors alone, the decision should be made in a less emotional climate. After all the facts are in.

As Secretary Coleman pointed out in his comments on the environmental impact statement in November, we must reconcile environmental disadvantages with technological advances and not for a moment overlook international relationships. And I would go a step further by saying that to determine the destiny of this achievement for Great Britain and France on emotional or political issues would be doing our two allies an enormous wrong as well as to invite retaliation.

British Airways and Air France have requested approval for these few flights from the Federal Aviation Administration, as the law requires. They want to operate the Concorde on the transatlantic run from London and Paris to New York and Washington. These are routes

they presently service with subsonic jet aircraft. We are dealing, therefore, with only two cities in the entire United States. And, I emphasize, the number of flights per day is very limited; only up to four into JFK and up to two into Dulles.

There is data suggesting that a fleet of several hundred SST's flying 4 or more hours per day would deplete the protective ozone layer that surrounds the Earth's atmosphere. Such effect on the ozone, would, it is true, remove our only protection from ultra violet radiation. But the Concorde operation, as I just mentioned, is so very limited that any threat of this kind is virtually nonexistent. We are considering six flights per day, no more. There are indeed, literally hundreds of military supersonic flights every day as the gentleman from Ohio, Mr. HAYS pointed out.

Many will say, "six is only the beginning," and will emotionally argue that our skies will soon be filled with a fleet of SST's. But let's be reasonable. The Concorde costs $59 million to produce, as compared to about $22 million for a DC–10. Its seating capacity is only 100, as compared to the 275 maximum passenger load of a DC–10, and it uses two or three times as much fuel per passenger.

Practically speaking the chances of large scale production of such an airplane are nil. It simply is not economically viable. And, if any increase in the number of daily flights was proposed, such a proposal would again be subject to FAA approval. At present we must merely give Concorde the opportunity to go through the procedures.

In regard to the noise factor let us bear in mind that it is against the law for a plane to fly at supersonic speeds over the U.S. landmass. The sonic boom would be restricted to the Atlantic. The Concorde is not ever going to fly over us supersonically.

Bear in mind, further, that it is nothing less than discrimination against our foreign allies to make them meet a noise standard that was never intended to apply to supersonic aircraft. And it is especially discriminatory considering that most of our own subsonic planes do not meet this standard.

Remember that the Concorde was designed in the early 1960's and was manufactured and flying prior to the FAR 36 noise standard established by the FAA. Remember, also, that the standard is not a sacrosanct noise level. It is a level agreed upon by scientists, the aviation industry, and our Government after Congress mandated noise standards for subsonic airplane engines. When we issued the mandate we specifically told the FAA to set the lowest attainable noise level for subsonic aircraft. In other words, we did not want a standard that would prohibit jet airplane travel.

While I share the concern of my fellow Members who want the maximum reduction in airport noise, we must take an honest look at our own record. Seventy percent of all American-made subsonic jets now flying are noisier than the FAR 36 standard.

Although our new aircraft meet this standard, our older ones do not. But we still fly these older models and we still sell our used aircraft to many small countries. Our own noisy subsonic planes are polluting the skies by not meeting the test of FAR 36. Knowing this, how can we arbitrarily legislate the Concorde out of existence?

Is it right? Can Congress prohibit the granting of Federal airport development funds to any facility which permits the operation of foreign aircraft that exceeds the FAR 36 noise level, while allowing these same facilities to admit noisy domestic planes without loss of funds? Such an action would be a great affront to our major trading partners.

The United States has had a consistent policy of welcoming new technology. This new SST will transport people between distant cities at twice the speed possible by any subsonic aircraft. Just stop to think for a moment what enormous benefit it will be to commerce and how it will strengthen our international relations.

A ban on Concorde, on the other hand, would place a terrible burden on international relations. It would do enormous economic harm to Britain and France who between them have invested $3½ billion developing the plane. They would not take it lightly as I said earlier.

How can we afford to discriminate? And what barriers will the French and English set up in retaliation?

I oppose this amendment as an attack on the international aircraft industry and consumer.

Mr. ANDERSON of California. Mr. Chairman, I move that all debate on this amendment and all amendments thereto be limited to 5 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from California (Mr. ANDERSON).

The question was taken; and on a division (demanded by Mr. STRATTON) there were—ayes 157, noes 25.

So the motion was agreed to.

The CHAIRMAN. Members standing at the time the motion was agreed to will be recognized for 20 seconds each.

The Chair recognizes the gentleman from Kentucky (Mr. SNYDER).

Mr. SNYDER. Mr. Chairman, it seems to me that the 6-month limitation is reasonable. By the time the Secretary makes a determination 30 days after January 5, we will be well into conference, and if we have to make adjustments at that time, then we can do it. I think this is fair and reasonable.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Georgia (Mr. LEVITAS).

Mr. LEVITAS. Mr. Chairman, I think this is a compromise amendment. I think it should be adopted.

(By unanimous consent, Mr. LEVITAS yielded his time to Mr. HARKIN.)

Mr. HARKIN. Mr. Chairman, the only point I was trying to make earlier is that the compression wave laid down by an SST going at mach 1.5 is more than the compression wave laid down by an F–4 going at mach 1.1.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from California (Mr. GOLDWATER).

Mr. GOLDWATER. Mr. Chairman, the Congress has vested regulatory authority in the DOT and FAA, and that authority is being administered in accordance with the mandates of Congress. Accordingly, I think it would be premature for the Congress to take action at a time when the DOT is diligently performing a task assigned to it.

Mr. Chairman, I oppose this amendment. I oppose this kind of intervention by Congress in this very important decision.

Mr. Chairman, I rise in opposition to the amendment offered by Mr. STANTON.

In the first place, Congress has already rejected an attempt this year to ban the Concorde when we considered the Department of Transportation appropriations bill. Second, I fail to see where this amendment is germane to the bill before us.

We have plowed this ground before. The debate earlier this year, and the debate in 1972 during consideration of the Noise Control Act was quite lengthy, and all sides had ample opportunity to be heard. How many times are we going to beat this horse?

On January 5, 1976, the Secretary of Transportation will hold a public session on the Concorde matter here in Washington. Everyone, including Members of Congress, are invited to either testify or submit a statement.

In addition, the Federal Aviation Administration held 5 days of public hearings this spring on the environmental consequences of allowing the Concorde to land in the United States.

During committee markup on ADAP an amendment was offered to ban the Concorde, and it was soundly rejected. The majority of the committee felt—justifiably, I might add—that the ADAP bill was not the proper vehicle for such an amendment.

Mr. Chairman, there are some dire foreign policy considerations here also. The Concorde represents a $2 billion investment by two of our oldest and most trusted allies. About 13 years of research and development have gone into the Concorde program.

If we just arbitrarily cut off the U.S. market for the Concorde, we are in effect telling our European allies that the U.S. House of Representatives is reverting to the discredited idea of protectionism that existed in some of this Nation's darkest economic periods.

Too often we fail to remember that this country is the world's leader in aviation despite efforts by antiscience, antitechnology groups to make it otherwise. Our aircraft have enjoyed landing rights at foreign airports, and the United States was an original signatory to the Convention on International Civil Aviation of 1944.

If we get in the business of telling our allies that they can not land the Concorde at U.S. airports, our allies can reciprocate by not granting us landing rights or by not purchasing our jet transport aircraft, for that matter. I do not have to remind my colleagues what kind of effect this would have on American jobs and our balance of payments.

Mr. Chairman, since the Concorde controversy has centered around environmental questions, I think we should at-

tempt to briefly examine a few misconceptions in this regard.

It is said that transoceanic flights of the Concorde will severely damage marine life. I have seen no scientific evidence to back up such a charge.

On the question of noise, the FAA will not waive the restrictions that now exist on flights at speeds which create a sonic boom at the ground.

Already, the British and French have spent in excess of $100 million on noise reduction for the Concorde project, and significant progress has been made despite the fact that research and development of the Concorde preceded the public debate on noise by 8 or 9 years.

While it is debatable whether the Concorde would adversely affect the stratosphere, the Department of Transportation and the National Academy of Science have compiled research showing that the current fleet of 2,000 subsonic jets is already having a significantly greater impact on the ozone layer than the Concordes now flying or those being constructed for the fleet.

Mr. Chairman, our continued position of world leadership is contingent upon a policy of fostering aviation technology. We must not abandon this effort. The supersonic transport aircraft represents the very culmination of years and years of research both in this country and abroad. It is, indeed, unfortunate that Congress decided to abandon America's entry into supersonic aircraft development, but it would be another mistake of both technological and international implications if we turned our backs on the Concorde.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Chairman, our Subcommittee on Government Operations which the gentleman from Missouri (Mr. RANDALL) chairs, has been holding hearings on this matter, and we have already found that Russell Train and others in the Government recognize that there is a noise level not previously admitted to.

Mr. Chairman, I rise in support of this amendment which I am proud to coauthor. There has been much debate in the past concerning the possible harmful impact that the Concorde SST, the only aircraft now in existence which would be immediately affected by this amendment, could have upon the environment. Through the investigations of the Government Operations Subcommittee on Government Activities and Transportation, on which I serve, it has become clear that the situation is even more serious than originally anticipated and that Congress must take action now to protect the health of our citizens.

Now, we find that noise on takeoff and landings from only four SST flights flying into JFK Airport in New York City alone would place an additional 2,500 people under conditions which a Department of Housing and Urban Development report has described as unacceptable. What is contemplated however, are 25 daily flights. Although the draft environmental impact statement released in March 1975 by the Department of Transportation stated that—

> The resultant noice levels of the Concorde are not substantially higher than those of transoceanic subsonic aircraft such as the older Boeing 707 and McDonnell Douglas DC–8 types—

An information brief issued previously by the DOT on December 11, 1973, had previously concluded that—

> The Concorde and TU–144 aircraft are significantly noisier than civil subsonic aircraft now in commercial operation.

This 1973 report also showed that with the introduction of the Concorde at JFK, 525,000 people, or an increase of 275,000 over the present number, would be residing in areas of 100 decibel noise levels. A level of 90 is considered the maximum acceptable noise level.

The FAA has ignored these facts by not even promulgating noise standards for SST's. The Congress must therefore take action to protect our citizens from such environmental damage. Unfortunately, it appears that commitments previously made by the administration will prevent the executive branch from doing so. The wording of a January 1973, letter released on December 12, 1975, by Secretary Coleman to the House Committee on Government Operations, as a direct result of my revealing its existence at our subcommittee hearings, former President Nixon promised then French President Pompidou that his "administration will assure equitable treatment for the Concorde. In keeping with this policy, the Federal Aviation Administration will issue its proposed fleet noise rule in a form which will make it inapplicable to the Concorde." In making such promises, former President Nixon went beyond the powers granted to him. I am afraid that if we do not act by adding this amendment, the health and welfare of the American people will be jeopardized by this commitment. Making it clear that Congress will not allow Federal funds to be used at any airport which permits supersonic aircraft that exceed existing noise limits will overcome the negative impact of any such unauthorized commitment.

Noise pollution is not the only problem associated with this aircraft. The emissions from the planes themselves will have a deleterious effect on our atmosphere. The depletion of the ozone layer by the oxides of nitrogen from the planes would remove our only protection from ultraviolet radiation. According to the National Academy of Sciences report on the Environmental Impact of Stratospheric Flight, which was also discussed at the subcommittee hearings:

> The production of 16 Concorde supersonic airliners having present emission indices might lead in the long run to several thousand additional cases of skin cancer per year in the world, of which perhaps a thousand would be in the United States.

Not only is there the danger of producing cancer but climatic changes may also be brought about by the alteration of the ozone layer. The effects of these changes are still being studied and are only vaguely understood; yet with these threats to the environment, the FAA is apparently prepared to allow flights. It is therefore up to the Congress to prevent these damaging results.

Aside from these safety and environmental questions, energy considerations would also argue against permitting the operation of these aircraft. The Concorde SST, because of its small 100–125 seat capacity, would use two to three times as much fuel per passenger as the jumbo jet carrying 200 to 400 people. I hardly think that we should aggravate our energy shortage by allowing the use of this luxury aircraft.

We must seriously ask ourselves if the few hours gained in flight time by the few people who can afford supersonic travel are worth the harm to our atmosphere, the noise discomfort to thousands of our citizens, and the waste of energy caused by the SST. We now in Congress have a rare opportunity to put a halt to blind, senseless technology which is applied at the expense of the general public. It is for these reasons, I urge you to adopt this amendment.

The CHAIRMAN. The time of the gentlewoman has expired.

The Chair recognizes the gentleman from New York (Mr. WOLFF).

Mr. WOLFF. Mr. Chairman, I rise to support this amendment which rectifies the flaw in last summer's effort because it speaks to the heart of the matter in a straightforward manner. The local airport operators themselves are the ones liable under the noise laws of our Nation, and it is to Kennedy Airport that the British and French have applied for New York City rights—not to the FAA.

Therefore, it is only proper that this amendment should seek to place responsibility for accepting SST's which cannot meet Federal Aviation Regulation part 36, on noise. If they decide to ignore the rights and the peace and the welfare of their local citizens then they can opt to pay the penalty in the form of lost Federal expansion funds. I can see no reason why we should subsidize irresponsibility just because the State Department wants us to.

To those who object to the timing of this amendment, and this action by the House, I say that Secretary Coleman's scheduled January 5 hearing should never have been necessary in the first place. We now know via the Nixon letters of 1973 and this year's outstanding investigations by the Randall Subcommittee that my charges of a pattern of executive branch commitments for Concorde since 1971 are true.

We know the actual language President Nixon used in his vain effort to defy the will of Congress and the American people as expressed in the National Environmental Policy Act when he wrote the leaders of Britain and France, and I quote:

> The Federal Aviation Administration will issue its proposed noise rule in a form which will make it inapplicable to the Concorde.

Further, we now have the direct testimony of Secretary Coleman and Mr. Train of the EPA proving that Concorde is indeed, as I said months ago, at least twice as noisy as the Boeing 707.

To those who say we still need more facts I say nonsense, the final environmental impact statement has been filed, as required by act of Congress, and Secretary Coleman has publically stated his interpretation of it, and has been sec-

onded by Mr. Train. No more needs to be said.

Diplomatic considerations? Secretary Coleman as much as said these arguments are so much hot air when he repeatedly stated that so long as the French and British people have it clearly explained why we are saying "No," they will not feel as though we are acting either arbitrarily or discriminatorily.

Let me conclude by saying that the 6-month compromise now being debated will stand as a significant victory for those determined to place the House clearly on record against the Concorde because it cannot meet noise levels being applied to American aircraft to protect the American people.

A vote in favor of the amendment will put the British and French governments, and our State Department on notice, that the American people will not be pushed, shoved or otherwise cajoled into accepting an aircraft which will spread unacceptable noise levels into the homes of a half-million of my friends, neighbors, and constituents on Long Island. And, it will serve as a safeguard against getting Concorde's nose in the door in hopes of future landing sites in other American cities such as Boston, Orlando, Los Angeles, and San Francisco.

Thank you, Mr. Chairman, and I again urge adoption of the amendment.

Mr. JAMES V. STANTON. Mr. Chairman, I would like to point out that this amendment is a compromise for 6 months. It does not apply to Dulles.

(By unanimous consent, Mr. WOLFF yielded his time to Mr. JAMES V. STANTON).

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. RYAN).

Mr. RYAN. Mr. Chairman, I represent the San Francisco International Airport. If Members have followed the news regarding lawsuits brought in Los Angeles against the Los Angeles International Airport for noise abatement problems they will realize those suits are running into hundreds of millions of dollars spent by that airport in trying to get out of the mess it is in now and the Members will know that the SST will be too expensive no matter where it flies.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. YATES).

Mr. YATES. Mr. Chairman, I yield to the gentleman from Alabama (Mr. JONES).

Mr. JONES of Alabama. Mr. Chairman, I hope the amendment offered by the gentleman from Kentucky prevails and that we can carry the day.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. HARKIN).

Mr. HARKIN. Mr. Chairman, just to finish my point, if one was standing on the ground and a supersonic transport flew over at 60,000 feet altitude and at mach 1.5 and later an F–4 airplane flew over at mach 1.1, the one standing on the ground would surely know the difference.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. CONTE).

PREFERENTIAL MOTION OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. CONTE moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

The CHAIRMAN. The gentleman from Massachusetts (Mr. CONTE) is recognized for 5 minutes in support of his amendment.

Mr. CONTE. Mr. Chairman, I rise in opposition to the amendment to prevent the British-French Concorde SST from landing scheduled flights in the continental United States. Before I continue, I should like to qualify my position stating that I am not taking a position for or against the future of the service of this airplane to this country. Rather, I am basing my position on the statutory manner in which this issue must be handled. It was this Congress that created the Federal Aviation Administration to exercise a necessary expertise and to review a question such as this in a quasi-judicial manner under the authority of the Administrative Procedure Act. Only in that manner can all aspects of the issue be resolved. That proceeding is not yet final—there has been no report submitted to this Congress for our review of this matter.

This amendment is clearly in the nature of an ex parte proceeding. There are many persuasive statistics which have been enumerated in support of this amendment. However, we must realize that they are but one side of the story. The fact remains that an issue such as this is not properly handled with 30 minutes or an hour of debate on the floor and then a vote.

DOT has received comments from over 2,700 individuals. They have compiled over 1,000 pages of testimony. Extensive hearings were held in New York City and in the Washington metropolitan area.

An affirmative vote on this amendment would render all these review efforts useless.

We have too many conflicting factors before us today. On the one hand we learn of the danger caused by the SST minimizing the Earth's ozone layer resulting in a higher incidence of skin cancer. However, on the other hand, we learn that we would need 4,000 SST's flying above a particular area for 4 hours per day to have an effect on the ozone layer.

On the one hand, we hear that the plane has a deafening noise. On the other hand, we hear it can be retrofited and without retrofit is comparable to several American-made aircraft. We do not know what to be guided by. This is the very reason we must have a definitive judgment and evaluation by an agency who has the required expertise and the regulatory authority to handle such matters.

I received a communication from Secretary Coleman on July 7, 1975, regarding this very issue. I should like to read an excerpt of that letter which falls in line with my position on this matter:

The Congress has vested regulatory authority in the DOT/FAA. Accordingly, I think it would be premature for the Congress to take action prior to allowing the administrative process to run its course.

The Congress should permit the executive branch of the Government to follow the mandated environmental procedures, consider all other pertinent factors, and make its determination; the process leaves ample time for further legislation if Congress deems it necessary. I do not believe it would be in our best interest to arbitrarily shut off full consideration of this vital issue by the proposed amendment.

The SST is not in service at this time in the United States. There is no question of immediate or urgent action by this Congress to act.

I should like to point out the possible international ramifications from this unwise amendment by citing to you an excerpt from a letter by Deputy Secretary of State Robert Ingersoll:

British and French governments have on several occasions expressed to the United States Government their concern about possible discriminatory treatment of the Concorde. We have assured them at the highest levels that the Concorde would be treated fairly in all aspects of U.S. Government regulation. For the Congress to suspend existing procedures even now in progress without an administrative, judicial, or congressional hearing and to ban the Concorde summarily would certainly provoke claims on the part of the British and French governments that the Concorde, a project in which they have invested nearly $3 billion and which is of enormous significance to them, was being excluded discriminatorily and contrary to U.S. treaty obligations.

It is clear that there is a definite cause for alarm if we act in the ex parte manner and I emphasize ex parte. It seems clear that if the Congress moves in this "one-sided" manner, commerce and working relations between the United States and these countries will suffer. It is alarming to consider some possible retaliatory measures that might be thrust upon us. I should like to quote Secretary Ingersoll on this point as well:

From time to time, protectionist moves have been proposed in Britain and France to keep American aircraft out so that British and French aircraft industries could be maintained. The continued support of free trade elements in these countries would be threatened should the United States deny the Concorde access on a non-discriminatory basis.

Notice that I emphasize the point that Secretary Ingersoll, on behalf of the State Department advises against banning only in this ex parte manner. There is every reason to wait for an administrative ruling from the FAA before we consider such an amendment as we have here today. In the same manner there is every reason to believe that too much will be jeopardized should we adopt this premature and unwise amendment.

I strongly urge my colleagues to defeat this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. Chairman, I rise in opposition to the gentleman's motion and yield back the balance of my time.

The CHAIRMAN. The question is on the preferential motion offered by the

gentleman from Massachusetts (Mr. CONTE).

The preferential motion was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. WYDLER).

Mr. WYDLER. Mr. Chairman, I rise in support of this amendment. The time is long past when this Congress should act legislatively to help protect the people from noise that is controllable. I hope we will all vote for this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. ADDABBO).

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

Mr. Chairman, to my colleague, the gentleman from Massachusetts, I would say that all reports so far, and even without reports, have proved that the SST, the Concorde, cannot comply with the regulations. For the gentleman's information, all the New York Members are on the floor now.

Mr. Chairman, as I said, I rise in support of the Stanton amendment, which would ban the landing of the SST until further studies are completed that the SST can comply with existing noise level regulations.

The existing SST, or Concorde, have to date been proven not to comply with our regulations.

I believe it is time that we look to the protection of the people living in and around the airport, rather than the airline industry or manufacturers—especially foreign countries, where flying hours are limited to protect their people by night curfews.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. KOCH).

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

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. JAMES V. STANTON).

Mr. JAMES V. STANTON. Mr. Chairman, we have had enough debate. I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, not all the Members from New York come from New York City. I come from New York, and I am opposed to the amendment. I do hope we can act responsibly tonight and not be stampeded. Let us not damage our international aviation industry by voting to ground the Concorde.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I rise in opposition to the amendment. It is an antiprogress kind of amendment. If we had this kind of thing a few years ago, we would still be flying around in spruce propeller airplanes. I see no reason to oppose the SST, because we were stupid enough to get out of the business ourselves and it has cost ourselves some 16,000 jobs at a time we could ill-afford to lose them. The SST does have a future.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. SCHEUER).

Mr. SCHEUER. Mr. Chairman, when the British and the French were on the drawing boards in 1969 when the FAA published FAR standard 36 and set our maximum noise limits, they knew exactly what our limits were and figured that they could go ahead and stonewall us. I am sorry they did. Now it is time for them to go back to the drawing boards and produce a plane that will meet our standards.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. ANDERSON) to close debate.

Mr. ANDERSON of California. Mr. Chairman, I support the amendment, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky (Mr. SNYDER) to the amendment offered by the gentleman from Ohio (Mr. JAMES V. STANTON).

The question was taken; and the Chairman announced that the ayes appear to have it.

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

The CHAIRMAN. A recorded vote has been demanded.

Mr. STRATTON. Mr. Chairman, I ask unanimous consent to withdraw my demand for a recorded vote.

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

There was no objection.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. JAMES V. STANTON), as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 199, noes 188, not voting 47, as follows:

[Roll No. 817]

AYES—199

Abzug	Brown, Mich.	Fascell
Addabbo	Buchanan	Fenwick
Allen	Burke, Calif.	Fish
Ambro	Burke, Mass.	Fisher
Anderson, Calif.	Burlison, Mo.	Fithian
	Burton, Phillip	Florio
Anderson, Ill.	Carney	Ford, Tenn.
Andrews, N. Dak.	Carr	Forsythe
	Carter	Fraser
Archer	Chisholm	Fuqua
Aspin	Clay	Grassley
AuCoin	Collins, Ill.	Green
Baldus	Cornell	Gude
Baucus	Coughlin	Hall
Beard, R.I.	D'Amours	Hamilton
Bedell	Delaney	Hanley
Bennett	Dellums	Hannaford
Bergland	Derrick	Harkin
Bevill	Derwinski	Harris
Biaggi	Dingell	Harsha
Blanchard	Dodd	Hawkins
Blouin	Downey, N.Y.	Hayes, Ind.
Boggs	Drinan	Hechler, W. Va.
Bonker	Duncan, Tenn.	Heckler, Mass.
Brademas	Early	Heinz
Breaux	Edgar	Helstoski
Brodhead	Eilberg	Hillis
Brooks	Evans, Ind.	Holland
Brown, Calif.	Fary	Holtzman
Howard	Minish	Russo
Hubbard	Mink	Ryan
Hughes	Mitchell, Md.	St Germain
Hungate	Mitchell, N.Y.	Sarbanes
Hyde	Moakley	Scheuer
Jacobs	Moffett	Schroeder
Jeffords	Moorhead, Pa.	Seiberling
Johnson, Calif.	Motti	Sharp
Jones, Ala.	Murphy, Ill.	Simon
Jones, Tenn.	Myers, Pa.	Skubitz
Jordan	Natcher	Snyder
Karth	Nedzi	Solarz
Keys	Nolan	Spellman
Koch	Nowak	Staggers
Krebs	Oberstar	Stanton, James V.
LaFalce	Obey	
Lehman	O'Hara	Stark
Lent	O'Neill	Steelman
Levitas	Ottinger	Steiger, Wis.
Litton	Patten, N.J.	Stokes
Lloyd, Tenn.	Patterson, Calif.	Studds
Long, Md.		Thompson
Lujan	Pattison, N.Y.	Traxler
McCloskey	Pepper	Tsongas
McDade	Perkins	Udall
McHugh	Peyser	Vander Jagt
Madden	Pike	Vander Veen
Maguire	Pressler	Vanik
Mann	Reuss	Vigorito
Mathis	Richmond	Waxman
Matsunaga	Rinaldo	Weaver
Mazzoli	Rodino	Wolff
Melcher	Rogers	Wydler
Metcalfe	Roncalio	Yates
Mezvinsky	Rooney	Yatron
Mikva	Rosenthal	Young, Fla.
Miller, Calif.	Rostenkowski	Young, Ga.
Miller, Ohio	Roush	Zeferetti
Mineta	Roybal	

NOES—188

Abdnor	Giaimo	Neal
Adams	Gibbons	Nichols
Andrews, N.C.	Ginn	Nix
Armstrong	Goldwater	O'Brien
Ashbrook	Gonzalez	Passman
Ashley	Goodling	Pettis
Bafalis	Gradison	Pickle
Barrett	Guyer	Poage
Bauman	Hagedorn	Preyer
Bell	Haley	Price
Biester	Hammer-schmidt	Pritchard
Boland		Quie
Bolling	Hansen	Quillen
Bowen	Hays, Ohio	Railsback
Breckinridge	Hefner	Rees
Brinkley	Henderson	Regula
Broomfield	Hicks	Rhodes
Brown, Ohio	Hightower	Risenhoover
Broyhill	Holt	Roberts
Burgener	Howe	Robinson
Burleson, Tex.	Hutchinson	Rose
Butler	Ichord	Rousselot
Byron	Jarman	Runnels
Casey	Jenrette	Ruppe
Cederberg	Johnson, Colo.	Santini
Chappell	Johnson, Pa.	Sarasin
Clancy	Jones, N.C.	Satterfield
Clausen, Don H.	Jones, Okla.	Schneebeli
	Kasten	Schulze
Clawson, Del	Kastenmeier	Shipley
Cleveland	Kazen	Shriver
Cochran	Kelly	Shuster
Cohen	Kemp	Smith, Iowa
Collins, Tex.	Ketchum	Smith, Nebr.
Conable	Kindness	Spence
Conlan	Krueger	Stanton, J. William
Conte	Lagomarsino	
Corman	Latta	Steed
Cotter	Leggett	Steiger, Ariz.
Crane	Lloyd, Calif.	Stephens
Daniel, Dan	Long, La.	Stratton
Daniel, R. W.	Lott	Stuckey
Danielson	McClory	Symington
Davis	McCollister	Symms
de la Garza	McCormack	Taylor, Mo.
Dent	McDonald	Taylor, N.C.
Devine	McEwen	Thone
Dickinson	McFall	Treen
Downing, Va.	McKay	Ullman
Duncan, Oreg.	McKinney	Van Deerlin
du Pont	Madigan	Waggonner
Eckhardt	Mahon	Walsh
Edwards, Ala.	Martin	Wampler
Edwards, Calif.	Meeds	Whalen
Emery	Michel	White
English	Milford	Whitehurst
Erlenborn	Mollohan	Wiggins
Findley	Moore	Wilson, Bob
Flood	Moorhead, Calif.	Winn
Flowers		Wright
Foley	Morgan	Wylie
Fountain	Murphy, N.Y.	Young, Alaska
Frenzel	Murtha	Young, Tex.
Frey	Myers, Ind.	Zablocki

NOT VOTING—47

Alexander	Gaydos	Rangel
Annunzio	Gilman	Riegle
Badillo	Harrington	Roe
Beard, Tenn.	Hastings	Sebelius
Bingham	Hébert	Sikes
Burke, Fla.	Hinshaw	Sisk
Burton, John	Horton	Slack
Conyers	Landrum	Sullivan
Daniels, N.J.	Macdonald	Talcott
Diggs	Meyner	Teague
Esch	Mills	Thornton
Eshleman	Montgomery	Whitten
Evans, Colo.	Mosher	Wilson, C. H.
Evins, Tenn.	Moss	Wilson, Tex.
Flynt	Patman, Tex.	Wirth
Ford, Mich.	Randall	

The Clerk announced the following pairs:

On this vote:

Mr. Dominick V. Daniels for, with Mr. Hébert against.

Mr. Rangel for, with Mr. Annunzio against.

Mr. Bingham for, with Mr. Teague against.

Mr. Badillo for, with Mr. Sikes against.

Mr. Ford of Michigan for, with Mr. Landrum against.

Mr. Riegle for, with Mr. Flynt against.

Messrs. HUGHES, PRESSLER, McCLOSKEY, DERRICK, and PATTEN changed their votes from "no" to "aye."

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ANDERSON OF CALIFORNIA

Mr. ANDERSON of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of California: Page 46, strike out line 5 and all that follows down through and including line 6 on page 47.

Renumber succeeding sections accordingly.

Mr. ANDERSON of California. Mr. Chairman, I am offering an amendment which would delete section 20 and section 21 of the bill. Section 20 is the provision which affects the Logan Airport in Boston. Section 21 is the provision which deals with a new air carrier airport in the St. Louis area. It is my understanding that the authors and chief sponsors of these proposals agree to this amendment.

Mr. TAYLOR of Missouri. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I appreciate the opportunity to place on the record my views concerning the proposal to replace Lambert Field, St. Louis, Mo., with a remote airport located in the State of Illinois.

Despite the atmosphere of controversy which has arisen over the divergent efforts of Missouri and Illinois, this is not a matter of pitting the interests and equities of one State against those of another. On the contrary, the objective of both States must necessarily focus on the needs of the people of the St. Louis metropolitan area which translates into the fact that almost 80 percent of the people and 90 percent of the area's air travelers live on the Missouri side of the Mississippi River. Moreover, three-fourths of all area air travelers live in the suburban counties to the north and west of St. Louis where Lambert Field is located.

The ultimate question posed, therefore, is how these people, basically and substantially Missourians, can best be served. The answer, I believe, cannot be found in moving the site to a different State.

I would also like to add my opposition to what I consider to be the ill-advised proposal that land banking be authorized at the Illinois site. Should this plan be agreed to it would result in an almost immediate halt to the future development of Lambert Field. Let us not forget that Lambert has been deemed adequate for the foresseable future.

What airline, or other interest, would invest further in their facilities knowing that they would become useless within the next 10 or 15 years? How would it be possible to finance needed improvements to the airport proper if the facility was scheduled for abandonment within a few years?

Along the same line of thought I believe that it is very important to take note of the tremendous investment already made in Lambert Field with special notice going to the construction now underway.

Should we, at a time of high inflation, fuel shortages, and high energy costs, plan to invest in a new facility that may or may not live up to its promise, and in all probability have an eventual cost considerably above original estimates, when an airport, easily accessible to those who use it most and more than adequate for its requirements, already exists. I think not. I urge that the proposal be set aside.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ANDERSON).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HARSHA

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

The Clerk read as follows:

Amendment offered by Mr. HARSHA: Page 45, strike out lines 14 through 24, inclusive, and insert in lieu thereof the following:

SEC. 19. (a) The Secretary of Transportation is authorized to undertake demonstration projects related to ground transportation services to airports which he determines will assist the improvement of the Nation's airport and airway system, and consistent regional airport system plans funded pursuant to section 13(b) of the Airport and Airway Development Act of 1970, by improving ground access to air carrier airport terminals. He may undertake such projects independently or by grant or contract (including working agreements with other Federal departments and agencies).

(b) In determining projects to be undertaken under this section, the Secretary of Transportation shall give priority to those projects which (1) affect airports in areas with operating regional rapid transit systems with existing facilities within reasonable proximity to such airports, (2) include connection of the airport terminal facilities to such systems, (3) are consistent with and supportive of a regional airport system plan adopted by the palnning agency for the region and submitted to the Secretary, and (4) will improve access for all persons residing or working within the region to air transport through the encouragement of an optimum balance of use of airports in the region.

Reletter the succeeding subsections accordingly.

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

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

There was no objection.

Mr. HARSHA. Mr. Chairman, this is a very simple amendment. The provision in the bill on page 45 provides for a demonstration project. It provides for that project for a very specific area. My amendment changes that to make the language general to all areas in the country. Instead of being specific language to a specific project it makes the language in the amendment general to all areas and avoids a point of order and this is an amendment dealing with specific legislation. I would hope the majority of the Members would accept this amendment. It is a perfecting amendment, really.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

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

Mr. JOHNSON of California. Mr. Chairman, I rise in support of this amendment which make the provisions of section 19—a demonstration project linking ground transportation to the airport at Oakland, Calif.—applicable on a general basis. This amendment would permit the Secretary to undertake a demonstration of this purpose at any area which he finds meet the criteria spelled out in the amendment.

While I do not represent the Oakland area, I am familiar with it—as are other members of the committee—and I feel that such a demonstration in the Oakland area would prove the feasibility of linking ground transportation systems to airports in order to relieve congestion. However, I agree that the Secretary should have the flexibility to select another area—should he find that it would demonstrate this important concept. And, therefore, I support the amendment to make the demonstration at an area of his selection.

Presently, one of the greatest problems facing aviation is ground access to the airport. Because the access to the facility is limited, we are not utilizing our existing airport facilities to their fullest capacity; people are not able to get to the airport quickly and conveniently; energy is being wasted—both by automobiles chugging to the airport and by aircraft waiting for other aircraft to clear the area. Thus, traffic congestion—limited ground access—has a dampening effect on the entire aviation system.

Since this committee—Public Works and Transportation—has jurisdiction over both ground and air transportation, we felt that it would be in the national interest to coordinate these two important modes, to demonstrate the feasibility of funding the connection of both air and ground transportation. The committee, after investigating the situation in Oakland, found that this was an ideal location for such a demonstration. However, should the Secretary, in his wisdom, find a site which is even more suited for this project, he has that latitude under the amendment.

In determining the acceptability of a project to be undertaken under this section—as amended—the Secretary shall give priority to projects which meet the following criteria:

First, affect airports in areas with operating regional rapid transit systems with existing facilities within reasonable proximity to such airports;

Second, include connection of the airport terminal facilities to such systems;

Third, consistent with and supportive of a regional airport systems plan adopted by the planning agency for the region and submitted to the Secretary; and

Fourth, will improve access for all persons residing or working within the region to air transport through the encouragement of an optimum balance of use of airports in the region. Projects qualifying under this section are eligible for joint funding under section 6 of the Urban Mass Transportation Act of 1964.

We feel that this is a necessary demonstration, and I have no objections to allowing the Secretary to use his discretion in selecting a site for this project.

Mr. ANDERSON of California. Mr. Chairman, will the gentleman yield?

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

Mr. ANDERSON of California. Mr. Chairman, I am willing to accept the amendment.

PARLIAMENTARY INQUIRY

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

The CHAIRMAN. The gentleman will state it.

Mr. EDGAR. Mr. Chairman, if we accept this amendment to delete from the bill the specific language relating to the Oakland International Airport, would a subsequent amendment be in order to delete on page 46, lines 1 through 4, which provide for an authorization of $72 million, which is a duplication of existing law?

The CHAIRMAN. A subsequent amendment to that portion of the bill would still be in order.

The question is on the amendment offered by the gentleman from Ohio (Mr. HARSHA).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DELLUMS

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

The Clerk read as follows:

Amendment offered by Mr. DELLUMS: Page 43, line 17, strike out the final quotation mark and the final period.

Page 43, immediately after line 17, insert the following new section:

"SEC. 31. CIVIL RIGHTS.

"The Secretary shall take affirmative action to assure that no person shall, on the grounds of race, creed, color, national origin, or sex, be excluded from participating in any activity conducted with funds received from any grant made under this title. The Secretary shall promulgate such rules as he deems necessary to carry out the purposes of this section and may enforce this section, and any rules promulgated under this section, through agency and department provisions and rules which shall be similar to those established and in effect under title VI of the Civil Rights Act of 1964. The provisions of this section shall be considered to be in addition to and not in lieu of the provisions of title VI of the Civil Rights Act of 1964."

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

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

There was no objection.

Mr. DELLUMS. Mr. Chairman, this is a technical amendment designed to assure minority participation in program activities under this act. The language of the amendment is similar to—and based upon—comparable provisions enacted by Congress for other major programs, such as the Trans-Alaska Pipeline.

The need for this amendment came to my attention through a series of meetings held within the last 45 days and conducted by my colleague from Maryland (Mr. MITCHELL) and myself with representatives of the Federal Aviation Administration, the Office of Minority Business Enterprise, the Small Business Administration and minority businessmen. Those meetings centered on existing ADAP regulations, agreements and effectiveness, and it became apparent to me in those discussions that minority entrepreneurs had had little share in projects funded under ADAP. This amendment stipulates that the Secretary of Transportation develop regulations to provide the affirmative action needed to remedy that problem.

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

Mr. DELLUMS. I yield to the distinguished ranking minority member.

Mr. SNYDER. I thank the gentleman for yielding.

Mr. Chairman, I have looked over the amendment, and I have no objection to the gentleman's amendment. I think that it is a situation which already exists with the Department of Transportation, but to put it into law would not bother me at all. I am willing to accept it, as are the Members with whom I have discussed it.

Mr. ANDERSON of California. Mr. Chairman, will the gentleman yield?

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

Mr. ANDERSON of California. I thank the gentleman for yielding.

Mr. Chairman, I accept the gentleman's amendment, and I feel it is a useful addition to the program.

Mr. DELLUMS. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. DELLUMS).

The amendment was agreed to.

The CHAIRMAN. Are there additional amendments.

AMENDMENT OFFERED BY MR. EDGAR

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

The Clerk read as follows:

Amendment offered by Mr. EDGAR: On page 46, strike out lines 1 through 4.

Mr. EDGAR. Mr. Chairman, I hastily offer the amendment to delete that part of section 19 of the bill which allocates a $72 million figure for demonstration projects to demonstrate whether we can move people and goods efficiently and effectively from urban areas to the airport. I do not rise to oppose that as a national transportation policy, but I do rise to oppose in a general authorization bill for airport development something that already exists under existing law.

I wrote a letter to Secretary Coleman asking him the question of whether section 19 should remain in the bill. The Members will remember that before we accepted one of the last amendments which deleted the specific reference to Oakland International Airport, that the demonstration project was for a specific demonstration project.

Although the language has become general, many Members would assume that this is something that is not covered in existing law. I received a letter from the Secretary which indicates that not only is the specific project unnecessary but also it is inappropriate in that under existing law projects similar to that proposed at Oakland can be and have been funded under section 3 of the Urban Mass Transportation Act of 1964.

A project undertaken several years ago leading to the Cleveland Airport of the local mass transportation system was financed by one-third local funding and two-thirds Federal under UMTA, the section 3 program.

It is my feeling there should not be any funds in this airport development bill that are earmarked as they were before we accepted an amendment, to a specific airport or offering moneys for something already covered under the Urban Mass Transportation Act of 1964.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from California (Mr. MILLER).

Mr. MILLER of California. Mr. Chairman, I rise in support of the gentleman's amendment.

Is it not correct that this amendment which was put in for $72 million was in the bill and was justified by a demonstration project at the Oakland International Airport?

Mr. EDGAR. That is correct.

Mr. MILLER of California. Now we have $72 million in the bill without a project.

Mr. EDGAR. That is correct.

Mr. MILLER of California. And there is no legislative history to tell why we should spend this $72 million or what project it might be deemed useful for.

Mr. EDGAR. That is correct.

Mr. MILLER of California. I rise in support of the gentleman's amendment. I think it makes very good fiscal sense.

What we have now told people is the Federal Government was going to put out $72 million and anybody who wants to come hunting for it can do so. As a matter of fact in the committee hearings there was talk about a hunting license worth $72 million. That is what this bill does. It was originally to fund a project at the Oakland International Airport for $94 million to move people 3.5 miles so they would not have to change their luggage from one means of conveyance to another.

The legislative analyst in the State of California is opposed to this project. Some of the board of directors are opposed to it. They have never discussed this matter in an open hearing. The

Metropolitan Transit Commission of the nine Bay area counties are opposed to the project on the basis it will be detrimental to BART. It will wreck the computer capacity and it cannot be justified.

Now we have accepted an amendment to take Oakland out, so we have $72 million remaining in the bill and anybody who wants to demonstrate anything can try to get this money.

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

(On request of Mr. ROUSSELOT, and by unanimous consent, Mr. EDGAR was allowed to proceed for 2 additional minutes.)

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

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

Mr. ROUSSELOT. Mr. Chairman, can the gentleman state that Allen Post, who is the financial officer of the State of California, has said this was unnecessary?

Mr. MILLER of California. Mr. Chairman, he has said for several reasons this project should not be funded. It has not been subjected to any of the regional planning operations in the San Francisco Bay area and the computer capacity of the BART system, which Members may or may not know, has problems of breaking down every so often. As far as the hardware problems, BART now has those problems and the system is not adequate to satisfy the manner in which it is running now. It is his suggestion BART get the existing system on line before they talk about fixed rail extension.

Mr. ROUSSELOT. I thank the gentleman. This sounds like the old eucalyptus bill we had some time ago.

Mr. EDGAR. I thank the gentleman. This does not say Oakland International Airport cannot receive funding.

The Secretary goes on to say that we are not in a position to say what priority Oakland would be, but considering the much greater volume of passengers in some other airports, some of those airports get priority, but it says Oakland can so far receive funds under section 3.

Mr. JOHNSON of California. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, our Committeee on Public Works, who has jurisdiction of overall transportation at the airports or urban mass transit or highways have made studies throughouut the United States and held field hearings. We have met with people all over the United States. There is a definite need for this type of operation on the part of the Secretary. The legislation has been amended.

Out at the Oakland International Airport it is a general approach, as far as the legislation is concerned. There are many of these projects underway at the present time. They are being funded out of general funds. They have to be studied and put together.

There is one here in Philadelphia. There is one at O'Hare Airport in Chicago and the gentleman from Pennsylvania (Mr. EDGAR) mentioned another one here. There is a need for this type of project around all of our airports. There is hardly one that does not have a bottleneck. It is a problem getting people to and from the airport and when we are building these mass transit projects I think this has a very important part to play.

Mr. Chairman, I just hope the House will vote down the amendment offered by the gentleman from Pennsylvania. We discussed this in the committee—in the subcommittee and in the full committee.

I believe there is a need for this type of activity. I am merely asking to allow the Secretary to make his finding and go to work on the problems of mass transportation in the overall. That is what this Congress is trying to do, handle our mass transportation problems on an overall basis.

Again, this money would have to come from the general fund. They would have to seek their appropriations from the Committee on Appropriations.

Mr. MYERS of Pennsylvania. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the question has been clearly answered by the gentleman who spoke previous to me, that we are not speaking about significantly demonstration projects. The gentleman indicated there are a number of projects. I think we should wait until the chickens come home to roost before we pass anything here.

Mr. Chairman, we are talking about $72 million. By striking out this one authorization of a very special project we will save the tax bill for approximately 36,000 American families next year. I think it is significant to think of it in that respect. We should not have these isolated demonstration projects when they do not, in fact, have any track record of coming back and offering any new or innovative methods to attack the long-range problems we face in transportation.

Mr. Chairman, I think the amendment should be adopted.

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

Mr. Chairman, I just wish to point out that my district includes this Oakland International Airport. If I thought the extension would bring ten more passengers to the Oakland Airport, I would say do it, because we have too many people coming in to the San Francisco Airport.

Mr. Chairman, does anybody know of any international flights that land at Oakland? They do land at the San Francisco Airport, not at Oakland. That is our problem. They are trying to get people to go to an airport that nobody wants to use and here we are trying to spend $72 million just to get an easier ride maybe. It will not happen. If we want the BART extension, we ought to put it at San Francisco, 20 miles away. There is no reason on earth to put $72 million into this airport when it will not be convenient to anybody, except for the Port of Oakland that runs the International Airport.

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

Mr. Chairman, I rise in opposition to the amendment. The amendment that is now before us does not mention Oakland. Oakland is not mentioned. It is no longer binding. It is a nationwide demonstration project. It must go through the appropriation process. It does not come from the airport fund. It is a general fund operation. Presently ground access to the airport is a serious problem.

This is a general authorization designed to find a solution. I urge a no vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. EDGAR).

The amendment was agreed to.

The CHAIRMAN. Are there any further amendments?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment, in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the committee rose; and the Speaker having resumed the Chair, Mr. BROWN of California, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 9771) to amend the Airport and Airway Development Act of 1970, pursuant to House Resolution 930, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

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

The SPEAKER. The question is on the passage of the bill.

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

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

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 368, nays 16, not voting 50, as follows:

[Roll No. 818]

YEAS—368

Abdnor	Bennett	Burke, Mass.
Abzug	Bergland	Burleson, Tex.
Addabbo	Bevill	Burlison, Mo.
Allen	Biaggi	Burton, Phillip
Ambro	Biester	Butler
Anderson, Calif.	Blanchard	Byron
	Blouin	Carney
Anderson, Ill.	Boggs	Carr
Andrews, N.C.	Boland	Carter
Andrews, N. Dak.	Bolling	Casey
	Bonker	Cederberg
Archer	Bowen	Chappell
Armstrong	Brademas	Chisholm
Ashbrook	Breaux	Clancy
Ashley	Breckinridge	Clausen, Don H.
Aspin	Brinkley	
AuCoin	Brooks	Clawson, Del
Bafalis	Broomfield	Clay
Baldus	Brown, Calif.	Cleveland
Barrett	Brown, Mich.	Cochran
Baucus	Brown, Ohio	Cohen
Bauman	Broyhill	Collins, Ill.
Beard, R.I.	Buchanan	Collins, Tex.
Bedell	Burgener	Conlan
Bell	Burke, Calif.	Conte

Corman	Johnson, Calif.	Price
Cornell	Johnson, Colo.	Pritchard
Cotter	Johnson, Pa.	Quie
Coughlin	Jones, Ala.	Quillen
Crane	Jones, N.C.	Railsback
D'Amours	Jones, Okla.	Rees
Daniel, Dan	Jones, Tenn.	Regula
Daniel, R. W.	Jordan	Reuss
Danielson	Karth	Rhodes
Davis	Kasten	Richmond
de la Garza	Kastenmeier	Rinaldo
Delaney	Kazen	Risenhoover
Dellums	Kemp	Roberts
Dent	Ketchum	Robinson
Derrick	Keys	Rodino
Derwinski	Kindness	Rogers
Devine	Koch	Roncalio
Dickinson	Krebs	Rooney
Dingell	Krueger	Rose
Dodd	LaFalce	Rosenthal
Downey, N.Y.	Lagomarsino	Rostenkowski
Downing, Va.	Latta	Roush
Drinan	Leggett	Rousselot
Duncan, Oreg.	Lehman	Roybal
Duncan, Tenn.	Lent	Runnels
du Pont	Levitas	Ruppe
Early	Litton	Ryan
Eckhardt	Lloyd, Calif.	St Germain
Edgar	Lloyd, Tenn.	Santini
Edwards, Ala.	Long, La.	Sarasin
Edwards, Calif.	Lott	Satterfield
Eilberg	Lujan	Scheuer
Emery	McClory	Schroeder
English	McCollister	Schulze
Evans, Ind.	McCormack	Seiberling
Fary	McDade	Sharp
Fascell	McEwen	Shipley
Fenwick	McFall	Shriver
Findley	McHugh	Shuster
Fish	McKay	Simon
Fisher	McKinney	Skubitz
Fithian	Madden	Smith, Iowa
Flood	Madigan	Smith, Nebr.
Florio	Maguire	Snyder
Flowers	Mahon	Solarz
Foley	Mann	Spellman
Ford, Tenn.	Martin	Spence
Forsythe	Mathis	Staggers
Fountain	Matsunaga	Stanton, J. William
Fraser	Mazzoli	Stanton, James V.
Frenzel	Meeds	Stark
Frey	Melcher	Steed
Fuqua	Metcalfe	Steelman
Giaimo	Mezvinsky	Steiger, Ariz.
Ginn	Michel	Stephens
Goldwater	Milford	Stokes
Gonzalez	Miller, Calif.	Stratton
Goodling	Miller, Ohio	Stuckey
Gradison	Mineta	Studds
Grassley	Minish	Symington
Green	Mink	Symms
Gude	Mitchell, Md.	Taylor, Mo.
Guyer	Mitchell, N.Y.	Taylor, N.C.
Hagedorn	Moakley	Thompson
Haley	Moffett	Thone
Hall	Mollohan	Traxler
Hamilton	Moore	Treen
Hammer-schmidt	Moorhead, Calif.	Tsongas
Hanley	Moorhead, Pa.	Udall
Hannaford	Morgan	Ullman
Hansen	Murphy, Ill.	Van Deerlin
Harkin	Murphy, N.Y.	Vander Jagt
Harris	Murtha	Vander Veen
Harsha	Myers, Pa.	Vanik
Hastings	Natcher	Vigorito
Hawkins	Neal	Waggonner
Hayes, Ind.	Nedzi	Walsh
Hechler, W. Va.	Nichols	Wampler
Heckler, Mass.	Nix	Waxman
Hefner	Nolan	Weaver
Heinz	Nowak	Whalen
Helstoski	Oberstar	White
Henderson	Obey	Whitehurst
Hightower	O'Brien	Wiggins
Hillis	O'Hara	Wilson, Bob
Holland	O'Neill	Winn
Holt	Passman	Wolff
Holtzman	Patten, N.J.	Wright
Howard	Patterson, Calif.	Wydler
Howe	Pattison, N.Y.	Wylie
Hubbard	Pepper	Yates
Hughes	Perkins	Yatron
Hungate	Pettis	Young, Alaska
Hutchinson	Peyser	Young, Ga.
Hyde	Pickle	Young, Tex.
Ichord	Pike	Zablocki
Jacobs	Poage	Zeferetti
Jarman	Pressler	
Jeffords	Preyer	
Jenrette		

NAYS—16

Brodhead	Kelly	Russo
Conable	Long, Md.	Schneebeli
Erlenborn	McDonald	Steiger, Wis.
Gibbons	Mikva	Young, Fla.
Hays, Ohio	Mottl	
Hicks	Myers, Ind.	

NOT VOTING—50

Adams	Gaydos	Rangel
Alexander	Gilman	Riegle
Annunzio	Harrington	Roe
Badillo	Hébert	Sarbanes
Beard, Tenn.	Hinshaw	Sebelius
Bingham	Horton	Sikes
Burke, Fla.	Landrum	Sisk
Burton, John	McCloskey	Slack
Conyers	Macdonald	Sullivan
Daniels, N.J.	Meyner	Talcott
Diggs	Mills	Teague
Esch	Montgomery	Thornton
Eshleman	Mosher	Whitten
Evans, Colo.	Moss	Wilson, C. H.
Evins, Tenn.	Ottinger	Wilson, Tex.
Flynt	Patman, Tex.	Wirth
Ford, Mich.	Randall	

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Montgomery.
Mr. Hébert with Mr. Beard of Tennessee.
Mr. Bingham with Mr. Eshleman.
Mr. Badillo with Mr. Whitten.
Mr. Ford of Michigan with Mr. Ottinger.
Mr. Rangel with Mr. Burke of Florida.
Mr. Riegle with Mr. Horton.
Mr. Teague with Mr. Charles H. Wilson of California.
Mr. Sikes with Mr. Esch.
Mr. Landrum with Mr. Wirth.
Mr. Flynt with Mr. Evins of Tennessee.
Mr. Alexander with Mr. Charles Wilson of Texas.
Mr. Conyers with Mr. Evans of Colorado.
Mr. Patman with Mr. Gilman.
Mr. Macdonald of Massachusetts with Mr. McCloskey.
Mr. Diggs with Mr. Randall.
Mr. Mills with Mr. Sisk.
Mr. Moss with Mr. Harrington.
Mr. Dominick V. Daniels with Mr. Talcott.
Mrs. Sullivan with Mr. Sebelius.
Mr. Adams with Mr. Slack.
Mr. Thornton with Mr. Roe.
Mr. Sarbanes with Mrs. Meyner.

Messrs. CLEVELAND and DEVINE changed their votes from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

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

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

There was no objection.

PRIVILEGES OF THE HOUSE—SUBPENA TO TESTIFY BEFORE A GRAND JURY

The SPEAKER. The Chair recognizes the gentleman from New Jersey (Mr. HELSTOSKI).

Mr. HELSTOSKI. Mr. Speaker, I rise to a question of the privileges of the House.

Mr. Speaker, on the 13th of October, 1975 I was subpenaed to appear and testify before a grand jury of the U.S. District Court for the District of New Jersey. I have responded to that subpena but an additional appearance on Friday, December 19, 1975, a day on which the House will be in session, is now required.

Under the precedents of the House, I am unable to comply with this subpena without the consent of the House, the privileges of the House being involved. I therefore, submit the matter for the consideration of this body.

Mr. Speaker, I send the subpena to the desk.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

SUBPENA TO TESTIFY BEFORE GRAND JURY

[In the U.S. District Court for the District of New Jersey]

To Congressman Henry Helstoski, 666 Paterson Avenue, East Rutherford, New Jersey

You are hereby commanded to appear in the United States District Court for the District of New Jersey at the United States Post Office & Courthouse Building, in the city of Newark on the 14th day of October 1975 at 9:30 o'clock A.M. to testify before the Grand Jury and bring with you any and all books, records, documents and memorandum listed on the attached Schedule A for the period stated therein.

SCHEDULE A

1. Any and all memoranda, reports, correspondence and documents relating to the introduction of private immigration bills by Congressman Helstoski on behalf of individuals seeking permanent residence in the United States, including:

a. Any and all memoranda, reports, correspondence and documents between the House Judiciary Committee and Congressman Helstoski in support of or in connection with the submission of the aforesaid bills;

b. Any and all memoranda, reports, correspondence and documents between Congressman Helstoski, applicants for permanent resident status and sponsors of said applicants, and persons interested in the aforesaid applicants for permanent residence applications;

c. Any and all memoranda, reports, correspondence and documents between Congressman Helstoski and the Immigration and Naturalization Service relating to the aforesaid individuals who sought permanent residence in the United States through the submission of private bills;

d. Any and all memoranda, reports, correspondence and documents relating to the subject matter of private Congressional legislation on behalf of individuals seeking permanent residence in the United States.

2. Any and all lists of individuals provided by and/or created as a result of information furnished to Congressman Helstoski by Asvaldo Aguirre, Albert DeFalco and any other sponsors acting on behalf of individuals who sought the introduction of private immigration bills.

3. Bank statements, cancelled checks, and deposit items relating to Congressman Helstoski's Sergeant-at-Arms account for the period January 1, 1969 through December 31, 1970, including cashiers' check issued March 5, 1973 in the amount of $5,550.00 drawn on the Sergeant-at-Arms account.

4. A chronological statement of all loans made to Congressman Helstoski during the period January 1, 1969 to date, including the name and address of the lender, the date

and amount of the loan, whether the loan was made by check or by cash and the date and means by which the loan was repaid, including any and all records, notations, memoranda and correspondence relating to the aforesaid loans.

5. Any and all accountings of congressional allowances received by Congressman Helstoski during the period January 1, 1969 to date including allowances for travel, stationery, district office telephones and office expenses.

6. Any and all documentation relating to the source of funds used to purchase a 1969 Chrysler and a 1970 Cadillac.

7. A list of all campaign accounts held for Congressman Helstoski's benefit during the period January 1, 1968 through December 31, 1971, including, but not limited to all Legislative Dinner Accounts, Legislative Luncheon Accounts, and Legislative Ad Journals; and a list of all Citizen's Committee Accounts supporting Helstoski for Congress and/or Helstoski for Governor during the period January 1, 1969 to date.

Mr. O'NEILL. Mr. Speaker, I offer a privileged resolution (H. Res. 940) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 940

Whereas, Representative Henry Helstoski, a Member of this House, has been served with a subpena duces tecum to appear as a witness before the Grand Jury of the United States District Court for the District of New Jersey, to testify on the 14th day of October, which date has been continued and his further appearance is now requested on the 19th of December, 1975, and to bring with him certain and sundry papers in the possession and under the control of the House of Representatives; and

Whereas, by the privileges of the House no Member is authorized to appear and testify, but by order of the House: Therefore be it

Resolved, That Representative Henry Helstoski is authorized to appear in response to the subpena duces tecum of the United States District Court for the District of New Jersey at such time when the House is not sitting in session, but he shall not take with him any of the papers and documents requested in said subpena which are under the possession and in the control of this House; be it further

Resolved, That as a respectful answer to the subpena a copy of these resolutions be submitted to the said court.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FURTHER LEGISLATIVE PROGRAM

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I take this time to ask of the distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL) if the gentleman is in position to inform the House as to the program for tomorrow?

Mr. O'NEILL. Mr. Speaker, if the minority leader will be kind enough to yield, I will be happy to respond.

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

Mr. O'NEILL. Mr. Speaker, when we adjourn tonight we will adjourn to meet at 10 o'clock tomorrow morning.

There will be consideration of two suspensions: H.R. 10284, medicare amendments, and H.R. 10727, social security hearings.

There will be 11 deferrals.

There is the railroad revitalization and regulatory reform conference report.

Then there is possible consideration of H.R. 8069, the Labor-HEW appropriations for fiscal year 1976 because of a veto. I understand that the chairman of the committee would ask that that be put over until January 27, 1976.

Any further program would be announced on tomorrow. The only thing we could think of that could possibly come up would be a conference report or if some bill were attached to something that would be sent over from the Senate.

Mr. RHODES. May I ask of the majority leader if it is his intention on tomorrow to ask to adjourn until Monday next?

Mr. O'NEILL. It is our present plan that when we adjourn on tomorrow, we will adjourn until Monday.

Mr. RHODES. But there will be no Saturday session?

Mr. O'NEILL. There will be no Saturday session.

Mr. RHODES. I thank the gentleman.

REQUEST FOR IMMEDIATE CONSIDERATION OF H.R. 11227, MAINTAINING EXISTING WITHHOLDING TAX RATES UNTIL MARCH 15, 1976

Mr. MILLER of Ohio. Mr. Speaker, I ask unanimous consent to bring before the House the bill H.R. 11227 to amend the Internal Revenue Code of 1954 to provide that current withholding tables will remain in effect until March 15 of 1976.

The SPEAKER pro tempore (Mr. MCFALL). The Chair will state to the gentleman from Ohio that we cannot entertain that request at this time.

LEGISLATION TO ESTABLISH POSITION OF ASSISTANT SECRETARY OF INTERIOR FOR INDIAN AFFAIRS

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

Mr. DON H. CLAUSEN. Mr. Speaker, I am introducing today a bill to establish within the Department of the Interior the position of Assistant Secretary of Interior for Indian Affairs.

The purpose of this proposal is to upgrade the position of the Commissioner of Indian Affairs to that of an Assistant Secretary, and to eliminate the position of Commissioner.

It is my belief that the Commissioner should enjoy a status commensurate with his duties and responsibility. The Bureau of Indian Affairs which he heads has an annual budget in excess of $500 million and more than 12,000 employees. They administer a wide range of programs which vitally affect the lives of more than 550,000 American Indians and Alaska Natives. In addition to his administrative tasks, the Commissioner serves as chief policy spokesman and advocate within the Department for Indian interests. As such, he should occupy a policy level status equal to the six other Assistant Secretaries in the Department.

This is not a new proposal, nor is it to my knowledge controversial. It was first proposed by the administration in 1970 as part of a legislative program designed to implement a policy of self-determination for American Native people. The 91st and 92d Congresses did not act on the measure. In the 93d Congress, the House passed an Assistant Secretary bill by a wide margin. Unfortunately, the Senate saddled it with a nongermane amendment that eventually led to its death when the House rejected the conference report.

Congress has tarried far too long in enacting this legislation. The 94th Congress should take the opportunity to give special recognition to our first citizens by upgrading the official status of their chief spokesman in the Federal Government. I think it would be only fitting to do so during our Nation's Bicentennial.

GEORGE W. FOWLER, A BORN TEACHER

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

Mr. HANLEY. Mr. Speaker, it has been said that the influence of good teachers is limitless. Like pebbles dropped into a still pond causing ripples to go out on all sides touch every every shore, such teachers stir the interest and curiosity of students who thence expand their inquiry and development for the rest of their lives. What a great opportunity and challenge for the lively mind of an educator.

George W. Fowler, a man, a teacher, and an administrator is to be honored by his community and his friends for 40 years of dedicated service to the young people of the city of Syracuse. Appropriately, the city's newest and most modern school complex will be dedicated in his honor on January 9, coincidentally his 95th birthday.

A recent feature article in the Syracuse Herald-Journal by reporter Dale Rice, caught much of the flavor of this remarkable man. It showed him to be a man of compassion and good humor; a man who knew that discipline was the key to any success that a student would earn in the classroom or in the world beyond the schoolyard. It showed him to have a keen appreciation for the written word, for books as the basic tools of knowledge and eventual wisdom.

George Fowler went beyond himself and shared his special spark of enlightment with eager young people and probably even with a few less enthusiastic students of chemistry and physics. He also wrote textbooks and New York State regents exams and thereby spread his knowledge and exacting standards for quality and excellence even further.

Born in the last century, George Fowler brings to us the perspective of another time and temperament. Coming from the farm life of rural Wayne County to the campus of Syracuse University

and then onto the hustings of academe, he exhibits a simplicity and self-consciousness about him which one cannot help admire in a world where self-promotion excuses so much that is crass.

There is a motto inscribed in the front of the Supreme Court in Washington which reads "What Is Past Is Prologue." I think this typifies the outlook of most educators when they sense that the future is the reward for the past.

The structure of the new school reflects in a material way the thanks which is extended to all teachers and educators in the person of George Fowler. But it must be felt by them and by all who serve our community in education that the true monument and best remembrance is the quality of the students produced by the institution.

The best physical plant and equipment cannot substitute for the dynamics of competent training and evocative instruction. This is the role of the creative teacher; this is the example which we hope is remembered when the ceremonials of the dedication are forgotten. For only as long as there is growth of the mind and the spirit of our youth can we have hope that the future will be safe, sure and ascendant.

A newspaper article follows:

GEORGE W. FOWLER A BORN TEACHER

(By Dale Rice)

George W. Fowler was born in 1881 in a little house on a drumlin in Wayne County.

"By the way," he asked, "do you know what a drumlin is? There are over 7,000 in Wayne County."

George Fowler is still a teacher. Drumlins, he explained, are small hills left by the glaciers. Although he's almost 95 and has been retired nearly 30 years, the science teacher in George Fowler still shines through.

On Jan. 9—Fowler's 95th birthday—the City School District will recognize his 40 years of outstanding service to the district with the official dedication of the district's newest high school, the George W. Fowler Senior High School.

Fowler grew up in Wayne County. "I lived there until I was 20," he said recently, relaxing in his room at the Plaza Extended Care Facility. He worked on the farm, he said, until he went to college.

In 1904, Fowler graduated from Syracuse University. He went to Little Falls, where he taught for nearly three years. In 1907, he began teaching in the City School District.

Fowler taught physics and chemistry for 18 years at Central High School. After teaching for 18 years, he was made head of the science department at Central High. "I got quite a thrill out of that," he said.

He recalled that then-Principal G. Carl Alverson called him down to his office one day. "Fowler," Alverson said, "I don't want you to do any more teaching. I want you to spend your time supervising."

When Alverson became superintendent of schools in 1928, he took Fowler with him to supervise all sciences in the city.

Fowler said there was no science in the elementary classrooms when he came into the system. And there was just one movie projector in the district then, he noted. There was much opposition to putting science in the elementary schools, he said.

Principals and teachers insisted they had no business teaching about volts and molecules, Fowler said. But he succeeded in convincing them that science had a place in the elementary school and he worked with teachers who were not equipped at all to teach science. Most of the teachers were sure they'd get a shock if they hooked a wire to a small battery, he said with a laugh.

Discussing the changes in education over the last 50 years, Fowler said, "There's no similarity at all. Everything's different, the attitude of the kids, the attitude of the teachers. It's not the same.

"I came up under a regime where you respected supervisors in every way. I really stood in awe of the superintendent and the Board of Education," he said.

Disciplining the pupils has changed, too, Fowler said. "If I could handle him, I did," he declared. If not, he said he sent the child to the office until he could go down and deal with him there.

"I remember one boy I sent to the office," he recalled. "I took my time about getting there to give him a chance to sit and worry about the consequences. When I did go into the office, I went in good naturedly and talked to him," he said.

The next day, Fowler said, the boy walked into his classroom and the teacher called him over and asked him to sit down for a minute. "I can't," the child replied. When asked why, the kid responded that his father had "licked" him so hard when he found out he had been sent to the office that he couldn't sit down.

"That was characteristic of discipline in those days," Fowler said. "In fact, parents backed you up in whatever you did."

Most of the emphasis in teaching during the first part of the century, Fowler said, was placed on the textbooks. "It was strictly textbooks in my day," he said, noting that teachers worked to have their children pass the Regents exams.

Fowler, who co-authored science textbooks and helped write several Regents exams, said he had a technique for children to pass the Regents. He told them to go through the test and pick out what they were sure they knew. The children then concentrated on their areas of knowledge.

"I tried to get everyone through, regardless," he said. "I had a record of no failures, because they knew how to take examinations."

Fowler is looking forward to the dedication of the new high school named after him. "It's an honor. There's no question about that. A great honor," he said. He modestly added, "And yet there were others more capable than I."

The dedication of Fowler Senior High School will be at 8 p.m. Jan. 9. Board President Constance Timberlake will preside at the ceremonies and Mayor Lee Alexander will present the keys of the school to the district.

WIDOWS CAN COPE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts, Mrs. HECKLER, is recognized for 10 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, I have the pleasure of bringing to the attention of my colleagues a handbook entitled "Widows Can Cope," published earlier this month by Edna Dube of Fall River, Mass., an outstanding constituent of mine.

Mrs. Dube, herself a widow, has developed a very practical guide for those women who suddenly find themselves without their husbands and unable to cope with the hundreds of small things which had been done for them.

While there is no adequate remedy for the loss of a loved one, such as a husband, and time serves only to heal the hurt, women must prepare to carry on their day-to-day lives and continue to function as vital members of the society.

Additionally, Mrs. Dube has been the moving force and founder of the Widows Exchange, a group which seeks to ease the burdens inflicted on women following the deaths of their husbands. A vital and understanding person, Mrs. Dube recognizes the need to expand her local group and establish a counterpart for widowers.

Reporter Pat McGowan of the Sunday Standard-Times of New Bedford, Mass., recently wrote an excellent article describing the events which led to Mrs. Dube's publishing the handbook and outling its contents.

I commend the article to my colleagues and insert it here in my remarks:

SHE TELLS WIDOWS THEY CAN COPE

(By Pat McGowan)

Edna Dube is not a lady who sits around and waits for things to happen.

When she thought Notre Dame parish in Fall River needed a women's guild, she organized one. When she joined the Fall River Catholic Nurses' Guild, she promptly became its president. And when, with devastating suddenness she became a widow, it did not take her long to realize that for many women widowhood was a truly terrifying state, not only because of the loss of a spouse but because of its unfamiliar decisions and responsibilities.

Typically, having assessed the situation and taken some time to recover from her private grief, she began wondering what she could do about it. On a trip to Florida she had heard of a widow and widowers' group. When she returned home, she spoke to Roberta Kevelson of the Women's Center of Bristol Community College about the possibility of such an organization in Fall River.

"Why don't you start one?" was Mrs. Kevelson's response, and thus the Widows' Exchange, which now has a flourishing membership of over 150 women, was born.

Through meetings and individual discussions with widows, Mrs. Dube realized that just-bereaved often need a handbook of practical information, and last week she published a 42-page, soft-bound handbook entitled, "Widows Can Cope."

It discusses such nitty-gritties as veterans' benefits, insurance, investments and bank accounts, but only after a no-nonsense introduction designed to pull a window out of despondency and point her towards an active life.

"You no longer have a breadwinner or someone who will take the car for repairs, or tell you that the house needs a new roof, or that a faucet needs to be fixed. Automatically if you say to yourself, 'I'll think about the future tomorrow.' Well today is that tomorrow, and now you must decide where you go from here."

The book is long on practical suggestions, such as keeping a notebook to record transactions and putting oneself on a schedule to avoid lapsing into apathy on days when there is nothing that needs to be done.

"I reasoned," writes Mrs. Dube, "that if I had to go to work each day, it would be necessary for me to get up, dress at once, and leave the house, I did just that and instead of going to work, I attended Mass every day at 8 a.m. . . . It seemed to me that my despair would lighten and I would come away feeling a little better after spending the time in church."

The last chapter of her book is devoted to the Widows' Exchange and she notes that after 1½ years of existence, more people are aware of it, and some widows are joining within one month of bereavement. "These widows adjust at a much more rapid rate than the one who comes in later," she said.

Although statistically there are more widows than widowers, Mrs. Dube feels there's need for a men's group, "but it's much harder to organize men." She cited the case of one widower, however, who had

been limiting himself to TV dinners simply because he didn't know that he could also get a wide variety of separately frozen vegetables and meats.

"He was also having trouble doing his laundry. He didn't know how to iron and didn't know about wash-and-wear clothes."

Mrs. Dube said this widower's chief sorrow was that his family "never asked how he was doing. Their attitude was 'if you have trouble, call on us,' but many men are too proud to ask for help."

The new author will appear on television later this month to promote her book. It is available at area bookstores and by mail order from her.

THE GROWING DANGERS OF FOOD POWER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. McKINNEY) is recognized for 5 minutes.

Mr. McKINNEY. Mr. Speaker, I was recently invited to deliver my view of the present world food situation and its impending developments before the Greater Bridgeport Hunger Action Committee of Bridgeport, Conn. At this time I would again like to address this issue for the benefit and general consideration of my colleagues.

Mr. Speaker, there is a new prefix in today's world that is gaining unmatched significance in the areas of international finance and politics and which will undoubtedly levy more influence on the course of international affairs than the prefix "petro" has in recent years. The prefix I refer to is "agri". It is becoming more obvious to anyone with even a limited preception of future international developments that the terms "petro-dollar" and "petro-power" are rapidly becoming overshadowed by the significance of the terms "agri-dollar" and "agri-power."

The essential characteristics of a full blown world food crisis exists today in increasing measure. The food deficit regions of Africa, Latin America and Eastern Europe are already dominated by North America's monopolistic control of exportable grain. If this situation is allowed to continue to grow, strengthen, and spread to other regions throughout the world; the U.S. and Canada will find themselves in the unenviable position of operating a global food rationing program. The moral complications arising from this circumstance will be devastating; however, a more immediate consideration is the capability of North America to feed the world.

The United States, which already supplies nearly three-fourths of the world's net grain exports, has the largest continuous mass of fertile land, good growing climate and adequate rainfall of any place on Earth. After the American farmers finish feeding their own countrymen, they have remaining exportable supplies of nearly 60 percent of their wheat and rice, nearly half of their soybeans, one-fourth of their grain sorghum, and more than one-fourth of their corn. When you consider these statistics along with the continuing advances in agricultural technology and the favorable size of Canadian food production capabilities, the prospects of North American supplies balancing the world food needs appears very possible. However, Mr. Speaker, when considering the severe decline in food production in the rest of the world, coupled with an increase in affluence of the Western nations and the exponential growth in world population, particularly in the undeveloped countries, the scale of supply and demand takes an unfavorable dip.

Consider, Mr. Speaker, that the Soviet Union has turned, in the span of one decade, from a major grain exporting nation to a major importer of grain, that the Peoples Republic of China has, in the same time span, entered the world market as a major importer of grain, that the increased affluence of Western nations has placed an unprecedented demand for meat products which in turn has greatly increased the need for livestock feed, and that there is an annual 2 percent increase in the world population, four-fifths of which can be found in undeveloped nations. Notwithstanding the astronomical costs of grain storage, estimated by one source at $10 per ton, the probability of one or a few countries providing the grain for the entire world is extremely dim.

Further complications, of a political nature, arise from the shortage and make more obvious the need for the United States to expedite the resolution of this crisis. Mr. Speaker, the controversy has already begun as to whether the U.S. control over the world food needs should be used to gain various concessions from recipient nations. If future U.S. foreign policy were to include the potential of a food embargo such a move would make agri-power the ultimate political weapon and far more deadly than a potential oil embargo. At first glance the possibilities are limitless. However, the wielding of food as a political tool should not be too closely compared to the use of other resources, such as oil, for the same purpose. For instance, while an oil embargo can shut down a nation's entire industry, people in developed countries, whose diets generally range from adequate to more than adequate, can always tighten their belts a few notches if necessary. It has been done before. In the developing countries where people's diet are inadequate at best, the application of political pressure with the implicit threat of withholding food would be counter-productive. It would certainly lead to severe criticism of the United States on moral grounds, thereby extinguishing any possibility of political gain. Moreover, sporadic curtailment of food resources, to foreign nations would seriously disrupt our own domestic market.

Should this entire scenario fail to convince any one of us as to the need to reach a well designed and stable resolution to this crisis in the near future, then perhaps consideration of the serious moral implications involved can serve that purpose. If allowed to continue, the world food crisis will place upon the United States the inescapable burden of deciding which nations shall eat and which shall starve. I submit, Mr. Speaker, that no nation has or ever will be qualified to undertake the divine task of determining who shall live and who shall die.

In recognition of the responsibility of the United States to lead the fight against famine, I have co-sponsored House Concurrent Resolution 393 as a first step toward this purpose. Only a multi-national effort to establish international grain reserves, agricultural independence for developing nations and to educate those nations as to the most advanced means of population planning, will ward off the most devastating crisis of our time. The right to food resolution dedicates the United States to this fight and an attack on hunger everywhere. It is my hope, Mr. Speaker, that all of my colleagues will soon recognize both the full impact and the immediacy of the danger we face and will join me in supporting measures which will assist in the recognition and solution of this crisis.

NEW YORK CITY INVESTIGATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. ROUSSELOT) is recognized for 5 minutes.

Mr. ROUSSELOT. Mr. Speaker, some individuals in the news media have suggested that there is not much difference between the eight officials of Franklin National Bank who now face charges in Federal court for fraud and the actions of the public officials of the city of New York who have engaged in most questionable practices.

A recent editorial in the Wall Street Journal suggests that the city fathers of New York perhaps should not be let off the hook so easily; that their inept handling of city budget and fiscal matters amounted to more than just poor judgment and irresponsibility, but rather evidence suggests that their actions and decisions as they related to budget matters raise serious questions about possible fraudulent action on their part.

While the editorial questions the propriety of actually bringing charges of fraud against present and past elected officials of the city, it does strongly recommend that a thorough investigation be made into New York City fiscal matters to adequately assess responsibility for any flagrant wrongdoing on the part of city officials.

Such an audit of New York City's books is, in my estimation, necessary in order to set the record straight concerning their financial fiasco as well as to learn from their mistakes.

The Wall Street Journal editorial appeared in the December 18 edition of the paper and follows in its entirety:

A CASE OF FRAUD?

"Should these men go to jail?" New York magazine recently asked about Abraham Beame, John Lindsay, David Rockefeller, Nelson Rockefeller and quite a few others. Its question was not entirely frivolous. The magazine's specialist in city politics, Ken Auletta, presents a damaging case to the effect that what went on in each year's round of budget-making was not far different from the activities that have landed eight officials of the Franklin National Bank, for instance, in federal court on fraud charges.

The Franklin National officials were charged, among other things, with issuing false financial statements to obtain a $35 million extension of credit. But New York City, according to a state audit, has issued

$1.15 billion in short-term notes ostensibly backed by future revenues which were in fact uncollectible. It counted untaxable publicly owned property, including a park and a high school, as part of the backing for its tax anticipation notes.

There's even been an element of coercion. One of Mayor Beame's main concerns when he was City Comptroller two years ago was the low credit rating that Standard & Poor's and Moody's were giving the city. He attempted to upgrade it by brow-beating the bond rating agencies with a vociferous public campaign, including the threat of federal regulation and supervision contained in legislation introduced by New York Democratic Congressmen Bertram Podell and John Murphy.

Even so, a criminal proceeding is unlikely, and probably unwise. Any such action would contain a disturbingly large element of *ex post facto* morality. It would be hard to say who was truly culpable. Yet some effort should be made to assign blame, if only to clarify how the New York budget got so out of hand.

Fortunately, New York State does have a legal device uniquely suited for this task, the so-called Moreland Act Commission. This temporary investigating body was pioneered in 1907 under Governor Charles Evans Hughes and his State Senate floor leader Sherman Moreland. The more than 50 commissions which have come into being since have compiled an impressive record of nonpartisan fact-finding on complicated and technical subjects. Their recommendations have helped shape the present systems of banking and insurance, and the excellent work of a current commission on the Urban Development Corporation may well do the same for the widely-used "moral make-up" bond.

New York City's fiscal affairs practically cry out for this sort of scrutiny. This realization appears to underlie Senator Proxmire's request that the General Accounting Office audit New York's books. If this gargantuan task were done well, it would save other investigators an immense amount of time. But the real need is for the impartial review of past mistakes that can best be done by a well-led Moreland Act Commission.

It may be that the present law must be amended to bring municipal finance within this sort of jurisdiction. (There have been several attempts in the past to do just that usually because of New York City problems.) But Governor Carey would do a great service for municipal finance and not incidentally, the New York City atmosphere if he set such a commission in motion. It might not satisfy New York magazine's instinct for retribution, but it would help to illuminate what went wrong.

JOE BARTLETT—FEDERAL EXECUTIVE INSTITUTE FIRST LEGISLATIVE BRANCH PARTICIPANT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER), is recognized for 10 minutes.

Mr. MILLER of Ohio. Mr. Speaker, conspicuously absent from the House Chamber for the last 7 weeks has been our Minority Clerk, Joe Bartlett.

Joe has been down in Charlottesville attending the Federal Executive Institute. Nominated by the Speaker and our distinguished minority leader, Mr. RHODES, Joe Bartlett is the first person from the legislative branch to ever participate in the FEI. This is a great tribute to Joe and a wise choice by the leadership. Joe's service and dedication to the House have earned him its confidence to represent the legislative branch and contribute to the FEI's proceedings.

The Federal Executive Institute created in 1968 as an interagency facility of the Civil Service Commission serves the training and development requirements of high-level Federal executives, primarily at the grade levels of GS–16 and above. The Institute works primarily with the individual executives who number only one-half of 1 percent of civil servants at the top of a civilian work force of 2.7 million. As the "admirals" and "generals" of the civil service, these executives fill responsible leadership positions in a multitude of specialized and general fields of governmental activity.

Most have been promoted to high leadership positions after successful service in highly specialized career fields, and over 80 percent are responsible for program management. All are successful individuals, faced with heavy responsibilities for the future of effective, democratic government in an age of high technology, rapid change, and social complexity.

Certainly, no "back to the drawing board" concept is permissible here. These men and women are highly competent, well informed, and responsible; they are people with flexible, active minds. They do not require training in the ordinary sense.

During the institute's first 5 years, it met much of the difficult challenge of executive education through an 8-week residential program that focused attention on national needs and priorities, the totality of the governmental system, and managerial processes. This experience provided opportunities for some breadth and depth in study by executives.

Joe has attended a 7-week senior executive program which is specially designed to meet varied educational development needs of senior Federal executives. The program provides an outstanding forum for exchange of ideas and diverse experiences, an opportunity for individual self assessment, and study of specific concerns of Government operation such as management systems, processes, and skills.

Indicative of the high esteem and respect those attending this current session have had for Joe, he was elected by them to give the graduation address yesterday. Truly this is yet another accolade for Joe—one which the Congress should also be proud. Nice going, Joe. We look forward to your return.

NATURAL GAS SUPPLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. RUPPE) is recognized for 10 minutes.

Mr. RUPPE. Mr. Speaker, natural gas supply continues to be a source of special concern to the Members of Congress and to the American people. The FPC has recently estimated that, given current conditions, large shortfalls of natural gas supply can be expected in various regions of the country during the coming years.

This situation simply cannot be tolerated. Natural gas, which has now become our largest single source of domestically produced energy, must be made available in sufficient quantities to provide for the comfort of our citizens and the critical needs of American industry.

Fortunately, a large new supply of natural gas does exist in the Prudhoe Bay area. Approximately 26 trillion cubic feet of natural gas is known to exist in this region with the possibility that the actual reserve may be even higher. This reserve alone, however, will double our existing supply of domestic natural gas.

The question then becomes one of how best to retrieve, transport, and market this known reserve in a manner which is speedy, efficient, economical, and environmentally sound. Provided Congress does not intervene, regulatory proceedings in this regard will take several years. This is precious time we simply cannot afford to lose in meeting the Nation's energy commitment.

Presently, two competing proposals are before the Federal Power Commission and the Department of the Interior, seeking the proper authority, permits, and licenses to transport the Prudhoe Bay gas. One proposal, by the El Paso Natural Gas Co., is to build a pipeline through Alaska, liquefy the gas, and transport the gas by LNG tanker to the west coast of the United States. The gas would then be regasified and transported through new and existing pipelines to Western and Southwestern States.

The second proposal, the Arctic Gas project, consists of a buried pipeline across Canada to the lower 48 States. Beginning at Prudhoe Bay the pipeline will connect with producing areas in the Mackenzie Delta and run southward to Caroline, Alberta. There the line will divide with one branch entering the United States in Idaho and the other in Montana. From these points the gas will be carried by pipeline directly to markets in the West, Midwest, and eastern regions of the United States.

Mr. Speaker, I firmly believe that it is in the national interest to construct the Arctic Gas Pipeline as soon as possible. I am, therefore, today introducing legislation, known as the Alaskan Natural Gas Pipeline Authorization Act of 1976, to speed up the regulatory process and mandate the issuance of the proper permits and licenses.

I include for the RECORD a brief section-by-section analysis of the bill I am introducing:

SECTION-BY-SECTION ANALYSIS

Section 1 cites the Act as the "Alaskan Natural Gas Pipeline Authorization Act of 1976."

Section 2 contains Congressional findings which stress the need for the gas and the desirability of the proposed pipeline system.

Section 3 declares that the purpose of the Act is to insure that the Alaskan Natural Gas Pipeline be constructed promptly without further administrative or judicial delay.

Section 4 defines the Alaskan Natural Gas Pipeline system.

Section 5 directs the Secretary of the Interior and other Federal authorities to issue a right-of-way permit over Federal land.

Section 6 directs the Federal Power Com-

mission to issue necessary authorizations within 60 days after the date of enactment.

Section 7 mandates that all authorizations issued by Federal agencies pursuant to the Act shall include the terms and conditions required by law and may include those terms and conditions permitted by law which are consistent with the purposes of the Act.

Section 8 shortens the period for, and grounds for, judicial review of the Act and authorizations issued pursuant to the Act, using the basic language enacted as part of the Trans-Alaska Oil Pipeline Authorization Act.

Section 9 states that authorization grants pursuant to the Act shall grant no immunity from the Federal antitrust laws.

Section 10 is a standard separability clause.

The Arctic gas pipeline has several advantages which I believe mandates its selection by the Congress as the more appropriate method of providing the Nation with critical natural gas supplies. In my view, the overland pipeline system is more energy efficient in comparison to the other proposal. The pipeline, in eventually providing 4.5 billion cubic feet per day upon completion, will consume 78 percent less energy in transporting the gas when compared to the LNG tanker system proposed by El Paso.

Furthermore, the Arctic gas pipeline is environmentally sound. The Arctic Gas Consortium has already spent over $13 million for direct biological research, $10 million in geotechnical and engineering research, and several million additional dollars in socioeconomic research in an effort to assess the environmental impact of the project. Also, the Department of the Interior has prepared and received public comment on a 17-volume draft environmental impact statement addressing all of the important features of the proposal. I am confident that, as a result of this extensive effort, the project can be operated without significant adverse environmental impact.

In addition, the Arctic Gas proposal offers the possibility of a significant cost advantage to the consumer. Because the Arctic Gas approach is more energy efficient than its competitor, and at the same time will deliver supplies directly to market without the use of a circuitous sea route, significant savings in terms of transportation costs can be passed on to the consumer. For example, private studies have indicated that over a 10-year period, the Arctic Gas project could very well result in an annual savings in excess of $600 million.

Mr. Speaker, much has been made by those advocating a sea route—LNG system—about the role of Canada in this matter. Statements have been made intimating lack of faith in the Canadians in regard to such a proposal. Such comments are totally without foundation and run completely contrary to the history of our relations with Canada.

Furthermore, it is clear to me that, in an effort to deal with growing natural gas supply problems, it is in the mutual interest of both the United States and Canada to construct the pipeline. I would also add that negotiations between the State Department and the Canadian Government are progressing toward the signing of an agreement in the near future which will guarantee the security of such a pipeline.

I have also read comments recently that a Canadian decision on such a pipeline proposal is more than 3 years away. This, of course, is nonsense and simply another example of efforts to exploit public fears in an effort to push a particular project. Actually, the Canadians have indicated that a preliminary decision can be made by the National Energy Board and the appropriate Federal Ministries by next fall.

Based upon all of these considerations, it is apparent that the national interest is best served by rapid approval and construction of the Arctic gas pipeline.

I would ask that the Congress give this matter its most serious attention, and I would hope that we can move ahead with this legislation as soon as possible.

WORLD COUNCIL OF CHURCHES—A CASE OF PINKEYE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 15 minutes.

Mr. ASHBROOK. Mr. Speaker, on December 10 of this month the World Council of Churches—WCC—ended its 18-day assembly in Nairobi, Kenya, adopting a diluted verision of a resolution which originally called for the Council to register concern over "restrictions to religious freedom, especially in the U.S.S.R." As if to signal the Soviets that they did not mean to be offensive and divisive, the Council elected as one of its six presidents the Soviets' celebrated ecclesiastical marionette, Russian Orthodox Metropolitan Nikodim, archbishop of Leningrad. Not that anybody who has had knowledge of the organization gives it any credibility or prestige anyway, but there are still a few people in the country who think that the WCC stands for something and perhaps will finally be touched by reality. We do not have to go over the whole distressing history of the WCC to appreciate how morally bankrupt this international interdenominational organization has degenerated on a top-priority moral issue, religious freedom, especially as it pertains to Communist-dominated lands.

Cynicism with the WCC is understandable when when one considers their manipulation of the human rights issue on a double-standard basis. The long silence by the WCC on the religious freedom aspect of human rights as violated by Communist regimes is but another explanation for the increasing spread of Communist tyranny among the forces of freedom in our time.

The WCC does, however, attack other current policies and issues, as noted by the Wall Street Journal of December 16. The Journal stated that—

The recent council assembly "also had the usual denunciations of "white racism" and Western colonialism, multinational corporations, educational systems which in the rich nations supposedly breed anti-Christian competitiveness and selfishness, and of Argentina, Brazil and Chile for violating human rights.

It is a case of pinkeye, literally and figuratively. Back in 1938 one international religious leader called atheistic communism a "satanic scourge." To judge from the actions of the WCC and some other religious leaders and congregations today, the devil has been exorcised from communism and its philosophy is no longer evil.

If the WCC wants to be sincere in its defense of religious freedom, it might pattern its future policies on the example of the American Federation of Labor which, since the late 1940's has denounced the slave labor conditions in the Soviet Union and its satellites at the United Nations.

The Soviets entered the WCC in 1961, and now, after 14 years, have one of their religious puppets as a WCC president. With such progress between the WCC and the U.S.S.R., it might not be a bad idea if the WCC moves its headquarters to Moscow, thereby placing the WCC operation under the religious liberty provisions of the Soviet Constitution. The implementation of Soviet religious liberties as practiced on a day-by-day basis might be the only means of bringing the World Council of Churches back to reality. But then, they probably would not notice it. Their eyes would still be only on South Africa and the terrible excesses practiced in the United States.

THOSE WHO WOULD REPEAL THE ROBINSON-PATMAN ACT IN EFFECT CLAIM THAT CONGRESS DID NOT KNOW WHAT IT WAS DOING IN ENACTING THAT LAW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, on December 4, 1975, I addressed the House—see RECORD, page 38738—and accused certain Justice Department officials of trying to repeal antitrust laws under a coverup described as deregulation.

Since that time, some of those officials have held a "hearing" which was said to be a hearing to determine the need for "regulatory reform." The panel holding the hearing was composed of attorneys from the Antitrust Division of the Department of Justice and some staff members of the Domestic Council and covered the period from December 8 through December 10, 1975.

Throughout the testimony of the witnesses who had been selected by that panel to appear and testify against the Robinson-Patman Act, one finds the claim that the Robinson-Patman Act was rushed through the Congress in the winter of 1935–36 without adequate hearings or consideration. One witness contended that the law itself, therefore, rests on false premises. One official from the Antitrust Division of the Department of Justice has stated that:

Very few public officials, particularly Members of Congress, have had any incentive to inquire into the actual economic impact of the Act on both large and small businesses and upon the consumer in today's economy.

Mr. Speaker, in other words, that attorney from the Antitrust Division of the U.S. Department of Justice is accusing the Congress of having had no incentive to inquire into the actual economic impact of the Robinson-Patman Act upon business and upon the consumer in today's economy. Also, that official has said:

> The Robinson-Patnam Act was based on a highly erroneous assumption about the process by which businesses set their prices.

Mr. Speaker, those who contend that the Congress has not carefully considered the economic significance of price discriminations and the possible impact upon such practices resulting from the enactment of the Robinson-Patman Act and, in turn, the impact of that law upon the economy of this country apparently are woefully uninformed. Numerous investigations, studies, hearings and reports have been conducted and made by both the Congress and the Federal Trade Commission over the years regarding those matters.

For example, pursuant to Senate Resolution 224 of the 70th Congress, the Federal Trade Commission on December 14, 1934, in Senate Document No. 4 of the 74th Congress reported on an intensive and exhaustive investigation regarding the economic significance of acts and practices of price discrimination and the effects of such acts and practices on the economy and our free and competitive enterprise system.

In that connection, the Federal Trade Commission concluded that the then existing section 2 of the Clayton Act was insufficient to deal with such acts and practices, and recommended the strengthening of the anti-price-discrimination law. Thereafter, the Congress, through a special investigating committee of the House of Representatives made an extensive investigation of price-discrimination acts and practices, following which extensive hearings were held by the Committees on the Judiciary of the House of Representatives and of the U.S. Senate on proposals on the Robinson and the Patman bills proposing to strengthen the laws against destructive price discriminations. Out of those proposals, the Congress enacted the Robinson-Patman Act.

Since that time, committees of both the House and the Senate have held hearings and made prolonged studies of the economic significance of price discrimination and of the impact of the Robinson-Patman Act and the proposals for amendments of that law.

For example, the House Small Business Committee in 1955, 1956, 1958, and 1959 directly and through a number of its subcommittees held many hearings dealing with these matters and made reports to the House of Representatives about them. These were followed by numerous hearings during 1969 and 1970 by further hearings on the Robinson-Patman Act by a special subcommittee of the House Small Business Committee on the basis of which a report was made to the House of Representatives.

Currently, as I have said, a special Ad Hoc Subcommittee on Antitrust, the Robinson-Patman Act, and Related Matters, is holding hearings and making a thorough study anew of these matters.

Mr. Speaker, in view of all these circumstances, it is clear that those who are criticizing Congress of not having studied these matters, either are uninformed or are deliberately undertaking to mislead the public concerning our antitrust laws and the Robinson-Patman Act in particular.

STOP BANK CONCENTRATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 15 minutes.

Mr. PATMAN. Mr. Speaker, it is with a great feeling of unease that I note changes in the banking laws of the State of New York will allow statewide bank branching as of January 1, 1976.

Surely our Nation deserves a better 200th birthday present than the inevitable further concentration of money and power that will result from this change.

It means that the large banks in Manhattan—Citibank, Chase, Morgan Guaranty, Chemical, Irving, Manufacturers Hanover, and Marine Midland—can inundate the State of New York with branches from Niagara Falls to Montauk Point, Long Island. What chance does a small bank in Niagara Falls or Montauk have to compete with these giants? The local bankers in these towns who own small banks will shortly be liquidated as the owners of small corner grocery stores were by the A. & P., Safeway, Acme, and Kroger.

The most recent figures on bank concentration are now nearly 1 year old and they present a very grim picture. Nationally, this concentration is demonstrated by the fact that 47.95 percent of the country's total bank deposits, or nearly $1 out of every $2, is deposited in 1 of 5 States, specifically, New York, California, Illinois, Pennsylvania, and Texas.

The 10 largest banks in New York now control 87.7 percent of the deposits in the State. What will they control tomorrow? Inasmuch as deposits in New York total 17.87 percent of the national total, these 10 banks control over 15 percent of the deposits in the Nation's 12,410 banks.

Moreover, as of December 31, 1974, the largest bank organization in each of the following States controls over 20 percent of the deposits:

State:	*Percent of deposits held*
Nevada	56.6
Rhode Island	44.0
Arizona	42.2
Oregon	39.0
California	38.7
Hawaii	35.9
Idaho	35.7
Washington	35.4
District of Columbia	34.4
Alaska	33.4
Delaware	32.2
Utah	28.5
Minnesota	28.2
Massachusetts	28.0
Montana	26.8
New Mexico	25.2
South Dakota	23.1
Connecticut	22.2
North Carolina	20.9
South Carolina	20.8

At the beginning of this year 10 largest banks in each State held deposits of $478 billion—64.5 percent of the Nation's total. In Illinois, which has 1,180 banking organizations, the 10 largest hold 49.7 percent of deposits. In Minnesota the four largest of 616 banking organizations control 56.6 percent of the State's $13.4 billion deposits.

Far from being alarmed by this increase in bank concentration, the Comptroller of the Currency is asking Congress to permit interstate banking. This would permit Bank of America, Citibank, Chase, Morgan Guaranty, so forth, to branch from Manhattan to San Francisco, and from St. Paul to New Orleans.

As Ralph Nader points out, major bank holding companies already have a network of nonbanking offices:

Bank:	*In billions*	offices	States
Bank of America	$62.4	336	32
Citicorp	56.9	284	34
Manufacturers Hanover	28.3	151	15
Chemical	24.1	121	15
First National of Boston	8.1	33	12

Moreover, the Comptroller recently ruled that a bank can use Customer Bank Communication Terminals—CBCTS—free from the McFadden Act, both intrastate and interstate. To date four U.S. district courts have ruled that the Comptroller is wrong, but he persists in his opinion, and it will take a decision by the Supreme Court of the United States to stop him.

Were the Comptroller to have his way by turning a switch these big banks could sweep the country, in the words of Ralph Nader, "like McDonald's golden arches."

About the only small business we have left in this country is the small independent bank. The rest of the economy has gone the way of the roses—three companies make our cars, two our cans, one our computers, and one our copying machines.

Mr. Speaker, let us keep our small independent locally owned banks and not allow chain banks to liquidate them in the same way chain stores did yesterday.

REVENUE SHARING REFORM ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. METCALFE) is recognized for 15 minutes.

Mr. METCALFE. Mr. Speaker, in 1972, I supported legislation creating the general revenue sharing program. At that time, high hopes were held for the principles of "new federalism" which was to return the power of community improvement allocation to the communities themselves. At that time, we hoped that local officials, acting in close coordination with the citizens of their communities, would use the more than $30 billion available through the 5-year program for innovative and relevant programs which would help solve those problems unique to their cities, States, and counties.

We have seen, in the 4 years since the creation of the revenue sharing program, far less than we had hoped for.

Instead of being given back to the people, government was taken away from the bureaucrats in Washington and giv-

en to local bureaucrats, many of whom were as indifferent to the real needs of the people as those in Washington.

Indeed, on a number of occasions, local governments have used revenue sharing funds to pay for projects which were previously voted down in bond referendums.

In many parts of the country, meaningful community input was slim or nonexistent. Public officials too often used these funds to satisfy an "edifice complex" by building new city halls or hiring new bureaucrats without any consideration for improving the quality of life in their communities.

It has been clear to me that the major deficiency in the program was its lack of guarantees for community participation. As a result, the largest domestic money bill in history failed to live up to its potential.

A General Accounting Office survey, issued earlier this year, noted that:

With few exceptions, the revenue sharing program did not measurably increase the amount of public participation in the budgetary process.

In fact, some studies have indicated that revenue sharing has actually decreased citizen participation in local government.

In Chicago, where my district is located, we have seen perhaps the Nation's most dismal failure in the revenue sharing program.

Funds that were to be used to improve the quality of life in Chicago were misused on ill-conceived and possibly illegal programs.

While our neighborhoods have continued to deteriorate, while our elderly have struggled for survival, and while our unemployed have vainly sought work, over 99 percent of Chicago revenue sharing funds for fiscal year 1975 were allocated for the police and fire departments.

It was this same police department whose hiring and promotion practices have been declared discriminatory by the Federal Courts. As a result, most of this money was prohibited from being spent at all.

A General Accounting Office report which I initiated earlier this year showed that more than $500,000 of Chicago's revenue sharing funds were used to pay salaries of the infamous police department intelligence division—that same division which, according to a Cook County Grand Jury, perpetuated "outrageous violations of individual rights guaranteed by our Constitution" on the citizens of Chicago.

Citizen participation was practically nonexistent in Chicago's revenue sharing program. Notices of the use of revenue sharing funds, which were required by law, were limited to notices in the classified ad sections of the daily newspapers. No effort was ever made to fully and accurately inform the people of Chicago of their right to meaningful input into the decisionmaking processes of the revenue sharing program.

The goal of revenue sharing was to improve the quality of life in our communities. However, in Chicago, it has been little more than a vehicle to perpetuate racism, police brutality, and political patronage.

As a result, a program that could have brought more than $260 million in Federal assistance to Chicago was wasted.

While improper and inefficient use of these funds was carried to its extreme in Chicago, many other cities, counties, and States suffered similar problems.

It is clear, then, that revenue sharing has a number of deficiencies and that these deficiencies are working to the advantage of local bureaucrats and against the people.

Nonetheless, the underlying principles behind the program are good ones. If proper guarantees for community participation are written into the bill and if these guarantees are enforced, revenue sharing can become an important vehicle for improving the quality of life in this country.

Next year, we in Congress will have to decide whether or not to renew the general revenue sharing program.

I instructed my staff earlier this year to research the problems which I have outlined and, as a result of that work, I have introduced legislation, H.R. 11167, the Revenue Sharing Reform Act of 1975, designed to eliminate many of the abuses which have occurred in this program in the past.

Most importantly, H.R. 11167 would require that local public hearings be held each year before that year's use of revenue sharing funds is decided upon. In addition, it would establish local citizens' advisory committees and local citizens' advocates to monitor the planning and use of revenue sharing funds on a continuing basis.

To prevent the overuse of these funds on one program to the detriment of all others, H.R. 11167 would limit the amount of revenue sharing funds that could be spent on any one general category to 45 percent. It would guarantee that no longer would over 99 percent of all revenue sharing funds be spent on only one category, as it was by Chicago on its police department.

H.R. 11167 would also establish strong guidelines against discriminatory usage of these funds. It would prohibit the kind of discriminatory hiring practices that have been practiced by the Chicago Police Department by requiring that the Office of Revenue Sharing automatically withhold funds in cases where discrimination is found.

Finally, H.R. 11167 would reserve 5 percent of total revenue sharing funds appropriated each entitlement period in order to make supplemental entitlements to low-income communities. Units of local government in which 15 percent of the population is at or below the poverty level would be eligible for these supplemental entitlements.

I believe that H.R. 11167 will greatly strengthen the general revenue-sharing program. It will guarantee the principles and goals which were originally enacted in this program. It will guarantee that those people who are to be served by this program have the direct access to it that they deserve.

Mr. Speaker, the following is a section-by-section analysis of H.R. 11167:

Section 2—Priority Expenditure Categories. Section 2(a)(2) stipulates that no more than 45 percent of General Revenue Sharing (GRS) funds for an entitlement period can be used in any one of the priority expenditure categories by any unit of local government. This is in response to the trend of recipients to use most of their funds in one category.

Section 3—Allocations to Recipients. Under this section, 5% of total GRS funds appropriated for each entitlement period would be reserved and used to make a special allocation to units of local government, excluding countries, in which 15% of the population is at or below the poverty level, as determined by the Bureau of the Census. Such units' allocations would be proportionate to the ratio of the number of persons over 15% who are at or below the poverty level to the total number of persons in such units.

Section 4—Actual Use and Planned Use Reports. Section 4(1) stipulates that the actual use reports constitute a complete line-itemized accounting of the ways and programs in which GRS funds were put to use. This would insure the complete traceability of GRS funds, the non-traceable nature of which being one of the major flaws of the program.

Section 4(2) provides that the planned use reports contain nondiscrimination compliance assurances for each use of GRS funds. The Secretary of the Treasury (Secretary) is directed to determine whether such assurances are acceptable. In cases where the Secretary finds that such assurances are unacceptable, he is required to withhold funds for that entitlement period until such time as acceptable assurances are submitted by the recipient and approved by the Secretary. All funds for that entitlement period would be restored to the recipient upon approval of the assurances by the Secretary.

Section 5—Citizen Participation and Non-Discrimination Procedures. Creates a new section 121A regarding citizen participation and extensively revises section 122 regarding nondiscrimination procedures. Section 121A(a)(2) provides for the holding of public hearings by units of local government at least 30 days prior to the adoption of a planned use report each entitlement period. In units of local government with populations over 50,000, public hearings would be required to be held at various locations. Section 121(a)(3) would establish local citizens' advisory committees in units of local government. These committees would represent a broad cross-section of the population and oversee the expenditure of GRS funds and formulate proposals for the spending of such funds. Also, it would provide for the appointment of local citizens' advocates in units of local government which receive more than $1 million per entitlement period. This person would be responsible to the citizens' advisory committee and would collect and analyze data, conduct investigations and audits, and formulate proposals for the expenditure of GRS funds, among other duties. It would also establish a State Office of Citizen Advocacy, which would perform the functions of the local citizens' advocates for units of local government which receive less than $1 million per entitlement period. Such an office would perform its functions at the request and direction of the various citizens' advisory committees.

Section 122 delineates procedures to be followed in cases of discrimination in the use of GRS funds. It stipulates that recipients shall not discriminate in any program or activity which receives, or which during the current or immediately preceding entitlement period received, GRS funds. This change from the

current law would insure that the transference of GRS funds from a program or activity under investigation would not cause the halt of a civil rights compliance investigation and resultant possible sanctions. It also stipulates that in cases where the Secretary believes that there has been civil rights non-compliance, the Secretary is required to notify such recipient that it has 60 days in which to submit and have approved a written compliance agreement. If after this 60 day grace period to allow for voluntary compliance such agreement has not been secured, the Secretary is required to withhold all GRS funds until the recipient has complied. The Secretary is required to hold hearings within 30 days of a hearing request from the recipient. If after a hearing the Secretary still finds discrimination or if the recipient refuses to comply, or if a hearing is not requested within 120 days of the initial withholding of payments, the Secretary is required to withhold funds indefinitely, refer the matter to the Attorney General with a recommendation for appropriate civil action, may request repayment of funds, and should take any other action available to him to achieve compliance.

Section 6—Receipt of GRS Funds. This section stipulates that recipients will not commingle funds from any other source with those in the GRS trust fund.

CURB PLUTONIUM SALES, U.S. STUDY RECOMMENDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. HARKIN) is recognized for 10 minutes.

Mr. HARKIN. Mr. Speaker, on August 6, 1975, the 30th anniversary of Hiroshima, 2,300 members of the American technical community submitted a declaration to the President and to the Members of Congress, calling for a "drastic reduction" in the number of new nuclear powerplant construction starts. Their reasons included the failure of industry and Government to solve the problems of radioactive waste disposal, the special health and national security hazards of a plutonium economy, and the many questions remaining about nuclear safety.

Their concerns appear to have received some unexpected support from the Energy Research and Development Administration—ERDA—which has recently published a study, "LDC [less developed countries], Nuclear Power Prospects, 1975–1990: Commercial, Economic, and Security Implications," ERDA–52, that recommends against the continued sales of American reactors to the less developed countries. The recommendations of ERDA–52 were made because of the potential dangers of plutonium and because the international controls governing the security, operation, and construction of reactors are inadequate. The report also stated that it would be economically detrimental to the LDC's to purchase available reactors from the United States because of their unreliability, inappropriate size, capital costs, and other reasons.

Although the report discussed the implications of nuclear power programs for LDC's, much of the data used in the discussion was based on American experience. In many ways, therefore, the conclusions of the ERDA report are applicable to our own programs.

The study was done for ERDA by an independent consulting firm and completed in February 1975. According to an Associated Press news article on August 20, 1975, ERDA omitted any reference to the report during testimony before the Senate Government Operations Committee in April. The reason:

The study's conclusions in February that international controls were weak differed sharply from that offered by ERDA.

In fact, ERDA did not make the report available to the public for almost 6 months after its completion until a specific request was made and until its existence was made known by the press. Perhaps ERDA chose to ignore the findings of the report because it did not agree with ERDA's own policies concerning export of reactor technology or because of the striking parallels between the economic burdens that the LDC's and the United States would have to maintain with massive investments in nuclear powerplants.

Regardless of reason, the failure to release this information, whether it was due to oversight or whether it was the intent of ERDA to keep the report on a low profile, its delay in publication and availability to Congress and the public suggests that officials in ERDA may be so committed to promoting nuclear development that they fail to recognize that problems do exist with fission technology and that these concerns are not simply being raised by a small minority of nervous nellies or obstructionists, but by an increasing number of persons who have expertise and who understand the complexities of nuclear technology such as the 2,300 scientists that I previously mentioned.

I encourage my colleagues to study this matter in detail. I think you will find the conclusions of this independent analysis of nuclear powerplant proliferation in the LDC's to be insightful and will find its conclusions to be disturbing regarding our own nuclear power program.

Mr. Speaker, for the benefit of my colleagues and members of the public, I insert the text of the August 20, 1975, newsstory concerning the release of the ERDA–52 and excerpts from the report itself after my remarks:

CURB PLUTONIUM SALES, U.S. STUDY RECOMMENDS

The widespread use of nuclear reactors in the world's less developed countries would lead to the production of enough plutonium for these countries to make 3,000 small atomic bombs each year, according to a study done for the Energy Research and Development Administration.

Because of the great potential dangers of plutonium, and because of a second finding that existing international controls are inadequate and unlikely to grow stronger, the study recommended that the federal government not encourage the sale of American reactors to the less developed countries.

The study also concluded that it would not be in the economic self-interest of many of the less developed nations to buy the presently available reactors from vendors in the United States because of the reactors' unreliability, inappropriate size and other reasons.

The question of what steps the United States should take in attempting to impose safeguards on the exported nuclear equipment has become a subject of debate in Congress and the Ford administration. On the basis of the reactors now operating or on order, four United States companies now have 70 percent of the world market, with Westinghouse and General Electric heavily dominant.

But American industry and its supporters are worried that if the United States adopts too tough a stance on what steps have to be taken to make sure reactor plutonium is not turned into bombs, companies in Europe, Japan and Canada will start winning a larger share of the market.

The $96,000, 350-page study on the commercial, economic and security implications of selling reactors to approximately 100 less developed nations in South America, Africa, the Middle East and Asia, was made by Richard J. Barber Associates, Inc., a Washington consulting firm.

The study was completed six months ago but not made public at that time by ERDA, a new federal agency formed this year after the breakup of the Atomic Energy Commission. In response to a request, however, the agency made the report available.

The study's conclusion in February that international controls were weak differed sharply from that offered by the research administration's officials during hearings held by the Senate Government Operations Committee in April.

Abraham Friedman, the agency's director of international participation, testified that the International Atomic Energy Agency—a United Nations-affiliated agency with over 100 members—had "a large well-trained staff and we have no reason to feel they are not doing an effective job on safeguarding from the point of view of identifying possibilities for national diversion."

Later testimony showed that the international agency had a staff of 69 inspectors responsible for reactors in 30 countries.

The study done for ERDA said that based on the output from just half the reactors that the International Atomic Energy Agency had projected would be sold to the less developed nations in the next 15 years, "the annual production of plutonimum in terms of minimum bomb equivalents is truly staggering."

EXCERPTS FROM THE SUMMARY OF ERDA–52 LDC NUCLEAR POWER PROSPECTS, 1975–1990: COMMERCIAL, ECONOMIC AND SECURITY IMPLICATIONS

(A report prepared for ERDA by Richard J. Barber Associates)

Page v—Energy Projections and Economic Change.

Published assessments of the size of the nuclear power market in less developed countries are suspect because they are usually contingent on overly-simplistic assumptions regarding the statistical relationship between the behavior of aggregate economic indicators and overall demand for electric power. Inter-country comparisons are especially vulnerable and even single country analysis must be done with great care. It can be shown empirically that in the past the alleged "correlation" between electricity consumption and gross national product has been tenuous at best, especially for LDC's.

Page vii—The commitment to new development strategies is beginning to take place against the somewhat traumatic realization by scholars, planners and governments alike that the "trickle down" development theories of the 1950's and 1960 have failed. One obvious antidote—pursuit of fuller employment goals—usually means a shift away from capital intensiveness to labor intensiveness. While emphasis on full employment and agricultural production need not cause a decline

in overall economic output, these trends do support reduced rates of growth in electrical power demand.

Page viii—The spectacular growth in LDC electrical consumption over the last decade occurred during a time when the price of electricity was falling, in both current and real terms. Almost no serious attention has been given to the price factor in energy forecasting; however, new research in the U.S. suggests strongly that as the price of energy increases, consumption levels decline, though not necessarily to the detriment of economic growth. Given the rapid and major increases in actual energy costs since late 1973, it is reasonable to anticipate a definite restraining effect on energy consumption in LDC's.

Page ix—The Comparative Costs of Nuclear and Conventional Power.

Publicly available information on the costs of nuclear power vs. other alternatives tends strongly to overstate the case for nuclear power and understate the case for the alternatives.

Page x—In particular nuclear capital costs have been increasing incessantly due to inflation and escalation in the cost of capital, a fact that IAEA tends to ignore and AEC has only recently begun to acknowledge. The AEC WASH–1345 (October 1974) estimates show a constantly increasing gap between nuclear and fossil station capital costs. If these trends materialize, then time is actually working against the competitive position of nuclear power.

Page xiii—The Broader Policy Environment.

Prestige and the desire to get on the nuclear "learning curve" will continue to prompt some LDC's to select nuclear power despite negative (or marginal) cost comparisons, although these factors appear to be less forceful than in the past. The desire to obtain plutonium for national security purposes is related to prestige and may serve in some countries as sufficient reason to select nuclear power units over conventional competitors; however, patient countries apparently can obtain plutonium from research reactors or a single nuclear power station. In any event, sales motivated by such considerations are not a strong base from which to forecast a commercial "market."

Page xiv—Food shortages are serious, given exhaustion of world food reserves and little prospect for recreating them quickly; hence a substantial amount of the energies, capital and foreign exchange of the LDC's will be devoted to coping with this problem over the next two decades. Huge capital intensive investments such as nuclear power stations will not thrive in this environment.

Page xvi—The continuing inability to operate commercial reprocessing facilities, settle on a technically convincing approach to waste management issues, and establish a policy on plutonium (recycle, handling and transport, etc.) will all contribute to LDC doubts about the wisdom of investing in nuclear power.

Page xvii—International and Domestic Implications of Expanding U.S. Nuclear Exports to LDC's.

Page xviii—For illustrative purposes, a conservative adaptation of IAEA's expansive projection of the LDC nuclear power market would, if it materialized, result in an annual output from power stations in 46 LDC's of 15,010 kg of unreprocessed plutonium by 1990, or enough plutonium to produce about 3,000 small nuclear explosive devices. The necessary steps that must be taken to transform plutonium in spent fuel rods into explosives are admittedly quite difficult. Nonetheless, they are not impossible, and the principal point in the above hypothetical calculation is that diversion or theft of enough plutonium to produce one bomb would require only .033 percent of the annual production of this group of LDC's, i.e., 33/100,000 of a year's output.

Credible LDC national government diversion and terrorist theft scenarios exist. Both must be addressed in deciding whether to export nuclear products to LDC's. Such possibilities, with particular reference to terrorist threats, are not limited to construction of explosive devices, but include such scenarios as scattering of plutonium dust and power plant seizure and sabotage.

Page xix—Neither the structure of international safeguards nor the general organization of the worldwide nuclear industry are well suited to the management of a greatly expanded LDC nuclear market. The IAEA/NPT structure is of recent origin, has numerous weaknesses, has thus far dealt with a relatively small total nuclear market, and has very little experience vis-a-vis safeguarding LDC nuclear power systems. It appears doubtful that this international structure would be supported, financially and politically, at a level sufficient to provide full safeguards for LDC nuclear programs even approaching the scope of those commonly projected.

Neither responsible governments nor the nuclear industry in general have fully addressed many of the critical issues of industrial organization that are directly related to future safeguards adequacy, particularly with reference to potential impact on a diverse LDC market. These issues include the "hows," "wheres" and "under what conditions" parameters of enrichment, plutonium recycle, transport and handling, reprocessing, fuel element storage, and waste management.

Page xx—Given the immense energy-related problems faced by LDC's, the Energy Research and Development Administration and the Agency for International Development could perform an invaluable service by jointly developing techniques for conducting truly comprehensive energy sector analyses—for use within individual countries—stressing careful examination of both internal supply and demand conditions—and promoting the notion of finding solutions not necessarily tied to any single energy technology. This service is not now being provided by any international organization nor should it be left to them by default.

CONGRESSMAN MIKE McCORMACK ELECTED TO BOARD OF DIRECTORS OF AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'NEILL) is recognized for 5 minutes.

Mr. O'NEILL. Mr. Speaker, the American Association for the Advancement of Science, the largest, and one of the most prestigious scientific organizations in the world, has just announced that Congressman MIKE MCCORMACK has been elected to its national board of directors. This honor for Congressman MCCORMACK is of special significance:

The election was conducted among 120,000 scientists of every discipline from all across the country.

MCCORMACK was one of two candidates elected from a field of four.

All of the other candidates are scientists of national or world renown.

The other person elected to the board of directors, in addition to MCCORMACK, was Prof. Chen Ning Yang, Albert Einstein professor of physics at the State University of New York at Stony Brook, a recipient of the Nobel Prize for physics.

Congressman MCCORMACK replaces Dr. Edward E. David, Jr., former Presidential Science Adviser, on the board. Other members of the board include former Congressman Emilio Mim Daddario, president of the association; Dr. Richard Bolt of Cambridge, Mass.; Dr. Chauncey Starr of the Electric Power Research Institute; Dr. Margaret Mead, world famous anthropologist; and Dr. William McElroy of the University of California.

We in the House know Congressman MCCORMACK as an expert on all forms of energy conservation and production, but we may not be aware of his continued efforts to involve the expertise of the vast scientific community more fully in the world of politics and government, to provide those of us here in Congress with a fuller understanding of the technical, scientific, and engineering aspects of the many issues with which we deal.

Along with being a member of the American Association for the Advancement of Science, MCCORMACK is a member of the American Nuclear Society, the American Chemical Society, the New York Academy of Science's Committee on Public Understanding of Science, and the Energy Council of the American Energy Standards Institute. This summer he was named "Solar Energy Man of the Year" by the Solar Energy Industries Association. MCCORMACK has delivered almost 100 major addresses this year in the United States, Canada, Europe, and Japan on energy and science and on the need for the scientific community to participate more fully in the political decisions involving technical problems.

I know my colleagues join me in congratulating MIKE MCCORMACK on being elected to this prestigious position by the members of such a distinguished organization.

THE ECONOMIC WAR POWERS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 10 minutes.

Mr. BINGHAM. Mr. Speaker, the Subcommittee on International Trade and Commerce, which I have the honor to chair, has devoted considerable time and effort in the past year to examining and reviewing the use by the United States of total economic embargoes. The subcommittee conducted the first comprehensive hearings on the U.S. embargo of Cuba since that embargo was instituted more than two decades ago. Similarly, the subcommittee held hearings and acted favorably on legislation concerning the U.S. embargo of Vietnam which has existed for years with respect to North Vietnam, but which was extended to South Vietnam and Cambodia earlier this year when the Saigon government fell and the war in Vietnam ended.

As I have noted in previous statements, embargoes are one of the least understood of American foreign policy options.

The basis for embargoes and the means by which they are carried out are not widely known even in the Congress.

The executive branch generally cites the Trading With the Enemy Act and the Export Administration Act of 1969 as the statutory authority for embargoes. Controls on assets of foreign nations and foreign nationals are based upon the Trading With the Enemy Act, while controls on exports of goods and services from the United States are based upon the Export Administration Act of 1969. The executive branch, however, has indicated it considers each of these statutes to provide sufficient authority to impose total trade embargoes.

There is reason to doubt that claim. The Trading With the Enemy Act was passed in 1917 for purposes quite different from its present uses, and it has not been reviewed since. In the case of the Export Administration Act of 1969, the legislative history suggests that it was not Congress intent in enacting that statute to authorize total embargoes. Quite to the contrary, floor managers of the bill described it as an effort to liberalize controls on trade.

In the next session of the 94th Congress, the Subcommittee on International Trade and Commerce hopes to review the Trading With the Enemy Act and to examine possible changes in the Export Administration Act in preparation for consideration by the International Relations Committee of the Export Administration Act's extension. In both cases, greater congressional participation in the making of decisions to impose total trade embargoes on particular foreign nations is likely to be a major consideration.

With that in mind, I am today introducing the Economic War Powers Act—a bill that would provide clear opportunity for congressional approval or disapproval of any boycott against another nation except boycotts to which we might become a party by virtue of action by an international organization in which we participate with congressional authorization, such as the United Nations.

I have called this bill the Economic War Powers Act because embargoes constitute economic warfare and the procedures spelled out in the bill for congressional approval or disapproval of embargoes parallel the procedures set down in the War Powers Act. Any embargo implemented by the executive branch would terminate after 60 days unless approved within that period by concurrent resolution of the Congress. At any time within or after the 60 days the Congress could, by concurrent resolution, disapprove an embargo, whereupon it would be terminated.

Neither the Trading with the Enemy Act nor the Export Administration Act provide opportunity for Congressional review or participation in embargo decisions. It seems surprising and unlikely that the Congress would intentionally turn over authority completely to the executive branch to take such serious actions. Yet that is exactly the case if the executive branch contention is accepted that these statutes give it complete embargo authority without congressional involvement.

Mr. Speaker, imposition of a total embargo on a foreign nation borders on war. Many nations and international legal experts regard embargoes as acts of war. Historically, most embargoes have been imposed in conjunction with warfare. Like the commitment of troops into hostilities, embargoes place hardship both upon the embargoed nation and the nation imposing the embargo.

Mr. Speaker, I believe on the basis of the International Trade and Commerce Subcommittee's examination of existing U.S. embargoes that legislation of this kind is both appropriate and necessary. The Congress in recent years has reasserted its rightful role in the making of major foreign and national security policy decisions. It has established procedures for congressional approval or disapproval of nuclear agreements, major arms sales, and introduction of American troops into situations of hostility abroad. Certainly the Congress should extend its procedures for approval or disapproval to total trade embargoes against foreign nations in view of the serious implications of such actions both for the foreign nations that might be the target of embargoes and for American workers and American businesses that are directly affected by the closing off of foreign markets.

One criticism that has been made of efforts in the Congress to adopt measures to counter the Arab embargo of Israel is that the United States itself engages in boycotts. The Arab boycott, of course, is a secondary boycott as it applies to the United States, and we engage in no secondary trade boycotts. In any case, however, the Economic War Powers Act would give the Congress an opportunity and a clear mandate to restrict and oppose the use of boycotts in U.S. foreign policy if that is Congress view, just as we oppose the use of boycotts by other countries that impinge upon us.

I urge my colleagues to give this proposal their serious consideration and support.

CHRISTMAS LAMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, upon completion of today's action on President Ford's veto of the tax cut continuation, I was moved to utter the following rhymed lamnent, with apologies to the author of the original "Night Before Christmas":

CHRISTMAS LAMENT

Twas the week before Christmas
When all through the House
All the Members were stirring
A tax hike to douse.

Taxpayers stockings awaited their share
In hopes that Old Jerry just would not dare.
The taxpayers were snuggled all safe in their beds
While visions of tax cuts danced in their heads.
But Tip in his kerchief and Rhodes in his cap
Had not settled in, awaiting the flap.

For from the White House there arose such a clatter
We knew that something must be the matter.
Away to the aisles we flew in a dash
To open the fight for our constituent's cash.

For what to our wondering eyes should appear
But an eight percent tax hike for all near and dear.
With a near-sighted driver neither lively nor quick,
We thought for a moment 'twas the ghost of Old Dick.

More rapid than eagles his veto it came,
And he whistled and shouted and called out some names.
"Now Albert, now Rhodes, now O'Neill and Ullman,
On Rodino, on Chisholm, on Abzug and Holtzman."

"From the twisting of arms to the pork barrel roll,
You'll cut away, cut away, cut away all.
The Navy needs carriers, Airmen the B–1,
But relief for taxpayers just can't be done."

So up to the House the leaders they flew,
On their backs a tax hike and Old Jerry too.
Then in a twinkling we heard from across the land
The anguished cries of the Forgotten Man.

But as we drew in our heads and were turning around
Down the chimney Old Jerry came with a bound.
He was dressed all in ski clothes from his head to his toe,
Saying "You stay and explain, to Vail I must go."

A bundle of vetoes he had flung from his pack,
In fear that Old Ronnie was close to his back.
His eyes how they shifted, his nose how it scrunched,
As Reagan and Callaway met with a crunch.

His ink-dripping pen had just finished its work,
And a tax hike for all brought us up with a jerk.
The stump of a pipe he held tight in his teeth,
And the smoke of it blinded his eyes to our grief.

He had on his face a self-conscious grin
As he said to us all "To overspend is to sin."
And we were dour and grim as his budgetary whim
Meant that our tax cut would not begin.

The glare of his eye, the tilt of his head,
Soon gave us to know we had plenty to dread.
He spoke not a word but went straight to his work,
Approved the tax hike, then turned with a jerk.

And, laying his thumb aside of his nose,
He waved five fingers at the taxpayers woes.
He sprang to his jet, to his team gave a whistle,
And flew on to Vail like a misguided missile.

But I heard him exclaim on this day in December,
"Happy Christmas to all, and good luck next November!"

(Final apologies.)

PEACE HAWK V REPRESENTS SERIOUS THREAT TO BALANCE OF POWER IN MIDDLE EAST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ROSENTHAL) is recognized for 10 minutes.

Mr. ROSENTHAL. Mr. Speaker, the administration has notified the Congress of its plans to sign contracts for the $1.8 billion latest phase of a multibillion-dollar program to moderinze the Saudi Arabian Air Force.

This project, known as Peace Hawk V, will provide for maintenance and logistics support, including support facility construction and training for the Royal Saudi Air Force—RSAF. It covers 79 major construction programs at three major air bases, one near the Persian Gulf and two in the west and southwest, near the Red Sea.

It is part of a program to build an infrastructure for the RSAF, covering every facet from the ground up, including mechanical and technical skills, English language training, photo labs, firing ranges, supply facilities, support and logistic operations, refueling tanks, an aircraft hangar, flight simulators, missile buildup and checkout facilities, crash-rescue facilities, and administration buildings—as an example of the extent of U.S. involvement in development of the RSAF, the Congress was notified at the same time of a $52.6 billion contract for the Department of Defense to design, produce and deliver RSAF uniforms, right down to the insignia.

Under the Peace Hawk program, but not included in this phase, is the purchase by RSAF of 110 F–5 fighter-interceptors. Nearly half of these planes already are in Saudi Arabia and the remainder, with their support equipment, will be delivered by January 1978. Northrop is the prime contractor for the entire Peace Hawk program.

This sale brings to nearly $3.5 billion the military purchases by the Saudis from the United States over an 82-day period this fall. At that rate, this could well be another record year. The State Department projects at least another billion, but if experience is any indication, that is a conservative estimate.

Total U.S. foreign military sales in fiscal year 1975 were $9 billion, half of that going to the oil-rich States of the Persian Gulf. Of that latter portion, one out of every $3, or $1.4 billion, was spent by the Saudis.

Mr. Speaker, this administration appears to be trying to pump arms into the Persian Gulf about as quickly as its inhabitants can pump their oil out of the ground. Now some may say that is good for our balance of payments, but I would caution that there are more important considerations than petrodollars.

Although Saudi Arabia has not been technically considered a "confrontation state" in the Arab-Israeli conflict, it may well be moving in that direction, thanks to programs like Peace Hawk V. Moreover, the Saudis are bankrolling the armed forces of the confrontation states, Egypt, Syria, Jordan, and Lebanon.

Members will recall that it was Saudi Arabia that just deposited $350 million to buy King Hussein a highly-sophisticated U.S.-built missile air defense system, including 14 batteries of Hawk anti-aircraft missiles. The Saudis also just purchased 38 advanced Mirage 3 fighters plus 200 new British Jaguar fighters for Egypt. Aviation Week reports Saudi Arabia is providing Egypt with about $2.4 billion to purchase arms this year.

Since 1973, Saudi Arabia reportedly has contributed between $4 and $8 billion to the purchase of war materials for other Arab states.

Saudi Arabia sent one of its Army brigades to Syria during the Yom Kippur war of 1973 and it has remained there ever since. Another Saudi brigade is stationed in Jordan. Just last month, the Saudis sent at least 15 of their F–5s to participate in joint military exercises in Syria; the planes were based in Jordan during the maneuvers.

The Saudi Defense Minister recently indicated his country would use the sophisticated armaments it is purchasing from the United States, Britain, and France for any new Arab war with Israel.

Already this year, Saudi purchases from the United States under the Foreign Military Sales Act have reached nearly $3.5 billion:

September 18, ammunition	$26,500,000
September 19, Al Batain cantonment	1,450,000,000
October 23, National Guard Headquarters	158,700,000
December 9, RSAF uniforms	52,600,000
December 9, Peace Hawk V	1,800,000,000
Total	3,487,800,000

This does not include sales under $25 million each, which are not required to be reported to the Congress under section 36(b) of the Foreign Military Sales Act.

I am deeply concerned about the vast expansion of the Saudi armed forces and the threat they pose to peace and stability in the Middle East. This threat must be viewed in light of Saudi Arabia's role as a major source of funding for the major Arab military forces.

While Israel, whose economic situation stands in sad contrast to the wealth of its Arab neighbors, is seeking to modernize its vastly outnumbered and outgunned defense forces, the Arab States have undertaken a vast military expansion program.

The 11 Arab States that have been most directly involved in fighting or providing the material for war against Israel currently enjoy a balance of power advantage over Israel of at least 3 to 1. Here is how it breaks down:

Combat aircraft	3:1
Tanks	9:1
Artillery	9:1
Armed forces (divisions)	5:1
SAM batteries (surface-to-air missiles)	12:1

And the gap is widening. Even if the United States continues to provide military assistance at the level called for in the Security Assistance Act now before the International Relation Committee, Israel will continue falling farther and farther behind. Intelligence estimates say that by 1980 the balance of power will look like this:

Combat aircraft	38:1
Tanks	36:1
Artillery	9:1
Armed forces (divisions)	6:1
SAM batteries	20:1

Mr. Speaker, let us not forget that these Arab States enjoy unlimited financial resources—if they need more money to buy more arms, they will simply raise oil prices again, and again and again—and they have unlimited access to the world's arms markets. There is not a weapons-producing country in the world that is not selling its wares to one or more of the Arab States.

And let us not also forget that there is effectively unlimited transfer of these arms among all the Arab States, regardless of where they came from or of restrictions in purchase contracts.

Just a few months ago, Libya violated the no-transfer clause in its contracts with the United States and sent its U.S.-built F–5 fighters to Turkey. Our State Department's response was to "make a formal complaint" and Libya continues to purchase spare parts in this country for its U.S.-made Lockheed C–130 aircraft. If the State Department is unwilling to do anything about transfers by a regime with which we have admittedly poor relations, it would be ludicrous to expect it to act on transfers by a regime like Saudi Arabia with which the administration claims a "mutuality of interest."

On the other side stands Israel. Alone. Only the United States among the major nations is willing to sell Israel weapons for her defense. An ally since her creation 27 years ago, Israel has been a close and true friend of the United States. As part of the modernization of her air force, Israel is now seeking to purchase F–15 advanced fighters to replace her aging F–4s.

My colleague on the International Relations Committee, Mr. ZABLOCKI, has introduced a resolution to disapprove this sale to Israel; he ties his move to my resolution to disapprove the $1.8 billion Peace Hawk V sale to Saudi Arabia.

My colleague's logic escapes me. Each sale must stand on its own. To oppose a multibillion-dollar deal for the vast expansion of military forces of Saudi Arabia is not by any stretch of the imagination comparable to helping Israel modernize its defense forces.

Israel is surrounded by a dozen nations of virtually unlimited financial and military resources who have threatened her extinction from 1948 to this very date. The rhetoric may have changed, but the goal has not.

At this moment, the U.S. Army Corps of Engineers is working on the construction of a Saudi Air Base near Tabuk about 150 miles from the Israeli port city of Eilat. There can be only one reason for the Saudis to construct an air base so close to Israel. It will put not only Eilat but nearly all of Israel within range of the F–5s the United States is now supplying the Saudis—the F–5 has a combat radius in excess of 700 miles plus a refueling capacity with KC–130s which we are also supplying the Saudis.

In light of its extensive military construction and supply programs, Mr. Speaker, it appears that Saudi Arabia is moving into the category of confrontation state.

There is another aspect to this Saudi deal that deeply concerns me. Nations which seek our technical assistance should not be permitted to force us to tolerate discrimination against our own citizens. Yet that is exactly what is happening today.

Saudi Arabia has a long-standing, oft-repeated policy of denying visas to anyone it considers "Zionist." In practice that means all Jews. That country also

historically has discriminated against blacks and women, although recently it has been allowing in token numbers of both groups in an attempt to isolate its critics.

It is certainly immoral and probably illegal for our own Government to acquiesce in such discrimination against our own citizens. Objection to Saudi policy is not a question of the United States attempting to extend its sovereignty over Saudi Arabia but of the incompatibility of Saudi practice with U.S. laws prohibiting discrimination. For any U.S. Government agency or firm to cooperate in this repugnant policy is, in effect, to violate U.S. antidiscrimination laws.

On November 20, President Ford signed Executive Order 11478 in an effort to protect U.S. citizens and businesses against discrimination resulting from foreign boycott practices.

Unfortunately, this action does not prohibit any American firm from complying with the Arab boycott against Israel; but it does forbid taking into account any exclusivity policy by a host country based on religion, race or other personal factors when making overseas assignments. This covers commercial and government-to-government military sales, including Peace Hawk V.

A deputy White House counsel, in publicly explaining the President's action, said the new rules would prohibit any Federal agency from complying with a request from Saudi Arabia not to assign Jewish personnel there. The rules would also apply to requests that there be no Jewish bidders or employees on contracts for Saudi Arabia.

The Senate has approved the Case amendment prohibiting aid under the military assistance program to countries which discriminate against Americans working on contracts there. I would hope that the House will follow this example.

The Defense Department has apparently adopted an ostrich-like policy. It claims that—

> Obtaining guarantees from the Saudi Arabian Government for nondiscriminatory treatment of American companies lies beyond the authority and influence of the Department of Defense.

That is absurd. The Department of Defense has immense influence in Saudi Arabia and its failure to exercise that influence to combat discrimination against American citizens is unconscionable.

Mr. Speaker, I do not believe that nations which actively discriminate against American citizens and seek to force others, including our own Government and businesses, to act in that manner should be permitted to obtain American technology, regardless of their wealth. Accordingly, I will continue to oppose all such sales under the Foreign Military Sales Act until these discriminatory policies are changed.

This alone would be sufficient reason to oppose the $1.8-billion Peace Hawk V. But there is more. Much more. This program represents a serious threat to the balance of power in the Middle East as it moves Saudi Arabia from its role as a rear lines antagonist to that of front line confrontation state.

THE RECORD OF THE FIRST SESSION OF THE 94TH CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, as we approach the end of the first session of the 94th Congress, we of the majority can point to a solid record of accomplishments this year. I would like to take this time to make a few observations about that record.

Mr. Speaker, this first session was distinguished by an assertiveness that went a long way toward restoring the legislative branch of Government to its constitutional position of equality with the executive.

After decades in which it occupied a subordinate role to the executive and approved Presidential proposals with only relatively minor modifications, Congress in 1975 showed a dynamism that reflected the election results of 1974.

An analysis of activity in the House of Representatives shows that virtually every major piece of legislation approved was opposed initially by the President and was accepted by him only after his strenuous efforts against the proposals were rejected by Congress.

Another significant aspect of 1975 was the impressive number and breadth of nonlegislative hearings that fulfilled the oversight functions of the House. A preliminary count, as of December 1, indicates that some 235 series of hearings were held which focused on program administration by the various departments and agencies of the executive branch.

While these facets of the legislative year have not been recognized generally, they are drawing the attention of political scientists. Walter Dean Burnham, professor of political science at the Massachusetts Institute of Technology, points to "a swing in the institutional balance between President and Congress toward the latter, the first such swing in many decades."

"For some time to come," Professor Burnham writes in the fall 1975 "Political Science Quarterly," "the autonomous policy importance of the legislative branch will probably be enhanced to a degree scarcely imagined by political analysts of even a few years ago."

Mr. Speaker, a look at some of the major activities of the year bears out Professor Burnham's perceptive comments.

TAX CUTS

The year began with President Ford belatedly agreeing with congressional Democrats that the distressing economic picture required an attack on recession and thus a tax reduction. House Democrats voted a temporary tax reduction in February that provided benefits for taxpayers then filing their 1974 returns as well as reduced taxes for 1975.

While House passage came with a majority of both parties, it is worth noting that a majority of Republicans twice voted to kill the bill when it came to the floor on February 27. In signing the bill on March 29, President Ford told a national television audience that he was doing so reluctantly. That tax bill generally is conceded to have been the major reason the recession did not become a full scale depression.

By late summer, as the beneficial effects of the tax cut became apparent, it became equally clear to the House majority and to an array of economists that these tax reductions would have to be extended into 1976 if recovery from the recession was not to be aborted. The President took the opposite view until early October when, in one of the sudden about faces that have characterized his administration, he announced his proposal for a deeper tax cut to be effective January 1 and an equivalent reduction in Federal spending to take effect after the election.

This hastily conceived plan was almost universally condemned by economists, editorial writers, political leaders and the public as a politically motivated move that would tend to inflate the economy during the Presidential election campaign and sharply depress it immediately following the election. Our Republican colleague from Arizona, Mr. STEIGER, expressed the sentiments of many with his comment that it "has the awful ring of a used car merchandising program."

Mr. Speaker, despite the President's threats to veto any tax bill that did not include his ceiling on Federal spending for the fiscal year beginning in October 1976, House Democrats on December 4 approved a bill extending those 1975 tax reductions into 1976.

A second part of the tax cut bill would inaugurate what House Democrats plan as a three-stage program of tax reform. A majority of House Republicans voted, as they also voted against reform amendments that would raise close to a billion dollars in revenue by closing tax loopholes that benefit the wealthy.

A decision by the Senate to postpone the reform provisions until 1976 coupled with an effort to meet President Ford's objections caused both chambers to vote to extend the tax cut provisions for only 6 months, and the measure was sent to the President for his signature on December 17. Mr. Ford, however, vetoed the tax reduction bill. The attempt to override the veto the next day failed when 125 Members of the President's party voted against the tax cut. A total of 125 Democrats and only 19 Republicans voted to override, 17 votes short of the necessary number.

ENERGY POLICY

Mr. Speaker, a somewhat similar, but longer lasting, conflict between the opposing philosophies of the executive and legislative branches characterized the shaping of energy policy in 1975.

The Presidential response to higher prices by overseas petroleum suppliers was to remove price controls on domestic supplies so that consumers would be forced to pay more for all petroleum products and their derivatives. This approach, he maintained, would decrease consumption—never mind the effect it would have on the individual pocketbook or the national economy. The Democratic response was to maintain price controls on oil and pursue a policy of decreased consumption through conservation efforts abetted by legislation.

Two Ford proposals that would have

decontrolled oil prices were rejected by the House Democratic majority and twice Congress extended oil price controls. Now, apparently recognizing that Congress will not allow his program to take effect, the President has indicated he will sign, albeit reluctantly, the omnibus energy legislation developed by Congress. And again, a majority of House Republicans opposed the legislation.

The President also ran into the new mood of congressional assertiveness in his unsuccessful fight against legislation to help create jobs. Congress refused as well to accept his attempt to decrease and delay benefits for social security recipients, retired veterans and their survivors, disabled veterans, and food stamp recipients.

The President's vetoes of funds for health revenue sharing, nurses' training, education and the school lunch program were overridden. His veto of housing legislation was negated by congressional Democrats when legislation was passed offering mortgage assistance to out-of-work homeowners and continuing the home purchase program. His opposition to legislation establishing a Federal program to provide for the education of handicapped children was rejected when Congress passed, by an overwhelming margin, a landmark measure to provide Federal funds to States and local school districts to help them pay for educating handicapped children.

The intensity of the struggle between Congress and Mr. Ford over the collapse of South Vietnam earlier this year seems like a page from ancient history, but it is another instance of congressional refusal to accept a Presidential policy. The President sought funds and authority to continue the war, only reluctantly accepting the refusal of Congress to allow more men and money to be sacrificed there.

On no issue was Gerald Ford more adamant than in his oppositon to any form of assistance to prevent the bankruptcy of New York City. His change of mind was accompanied by his proposal for direct loans from the U.S. Treasury to the city, instead of the loan guarantees approved by House and Senate committees. Although their own would not have required any Federal funds, House Republicans continued to vote no. In the interests of speeding action before the bankruptcy deadline, House Democrats accepted his proposal.

BUDGET CEILING

Mr. Speaker, the refusal of Congress during a recession to commit itself to a spending ceiling for a fiscal year that does not begin until October 1976 led to some bizarre actions on the part of the President and his advisers in the House. Congressional attempts, for example, to get some idea from the administration on the kind of program cuts it had in mind were met with silence. The budget for fiscal 1977, the President's spokesmen said, would not be ready until January and they could provide no guidance. You just do it, they said to Congress, and do not worry about the consequences.

A majority of the President's advocates in the House, meanwhile, irresponsibly voted against the budget resolution, which sets limits on spending in this fiscal year, and against legislation to increase the debt limit temporarily. The temporary debt limit increase, requested by Mr. Ford, was necessary to enable the Government to meet obligations previously entered into. The debt limit has nothing to do with spending ceilings or current expenditures. Its rejection, which House Republicans twice sought, would have meant, for example, that the Government would not have been able to send checks to social security recipients.

The budget resolution, which in time may be looked upon as the single most significant act of the 94th Congress, was a successful first test of the new procedures for handling the Federal budget. The procedures, approved with bipartisan support in 1974, established House and Senate Budget Committees and a Congressional Budget Office. Their aim is the development of a process enabling Congress to exercise greater fiscal responsibility by providing it with the means to measure the cost of programs both individually and as part of a comprehensive framework. The effort by the President to tie a tax extension to a budget ceiling at this time would have subverted this process.

The committees and the Budget Office were given until 1976 before they would have to function. Instead they began to operate immediately and this year are estimated to have saved the taxpayer about $10 billion at the same time that Congress was able to provide more money for Presidentially opposed domestic programs that brought the Nation from the deepest recession since the Great Depression to the brink of recovery.

OVERSIGHT HEARINGS

Mr. Speaker, of unusual interest and importance in 1975 in the House were hearings by committees and subcommittees carrying out oversight responsibilities—evaluating programs and practices of various executive branch agencies and individuals. This function of Congress first took statutory form in 1946. Subsequent statutes in 1968, 1970, 1972, and 1974 strengthened this aspect of congressional activity.

This year, mindful of the excesses of the executive branch uncovered in 1973 and 1974 and desirous of seeing that the bureaucracy is accountable to the people it is supposed to serve, House committees vigorously set out to ascertain and evaluate what was, is, and will be going on in the rest of the Government.

Most of the 235 hearings identified as oversight and not legislative or financial were not limited to one session of a committee. Many stretched over 3 or 4 days and a few occupied as many as 9 or 10 sessions.

Two of these hearings led two House panels to vote contempt citations against two Cabinet officers, the first time this ever has occurred. The actions by the Select Committee on Intelligence against Secretary of State Henry A. Kissinger and the Interstate and Foreign Commerce Subcommittee on Oversight and Investigations against Secretary of Commerce Rogers C. B. Morton for their refusal to cooperate with the committees were clear examples of congressional refusal to allow the executive branch to dictate what the public should be told. Before the House would have had to act on the citations, Secretary Morton provided the information the subcommittee sought and a similar resolution of the dispute with Secretary Kissinger followed.

Oversight hearings in 1975 ranged widely from Agriculture's hearings on beef grading standards to the Ways and Means Committee's hearings on Internal Revenue Service regulations. They included hearings on CIA domestic activities, financial support for military commissaries, national growth, general revenue sharing, Government data banks, ingredient labeling on alcoholic beverages, reading achievement, sex discrimination, child labor, nuclear energy, arms sales in the Persian Gulf, children's health programs, marine mammal protection, the FBI, civil service retirement, water pollution control, solar energy, minority enterprise, veterans' hospital care, programs for the elderly, and the operation of the intelligent establishment.

MAJOR ACTIONS

Mr. Speaker, the following compilation of major congressional actions this year is grouped in seven categories—economy, general welfare, energy and environment, law and justice, international affairs, other activity, and oversight.

ECONOMY

Contrary to a Presidential policy that sought to meet the problems of the economic recession primarily through exhortation and cutbacks in Federal programs, the House mounted what essentially became a two-pronged attack—tax cuts of general applicability but concentrated among lower income people hardest hit by the recession and a series of measures targeted to encourage employment and relieve hardship.

The Tax Reduction Act of 1975, approved March 29, reduced taxes by $22.8 billion, the largest net reduction in the Nation's history. It reduced individual income taxes by about $18 billion through a rebate on 1974 taxes, an increase in the standard deduction and new credits against taxes owed in 1975 income. While repealing the depletion allowance for the oil industry, it raised the investment tax credit for most businesses, sought to stimulate home buying by allowing a tax credit for the purchase of new homes, extended emergency unemployment benefits and granted bonus payments to railroad retirees and social security recipients.

The Tax Reform Act, passed on December 4 by the House, would have made permanent the individual tax reductions approved in the spring and would have extended the 10-percent investment tax credit through 1980. The House measure also would have revised many sections of the Tax Code to close loopholes and bring in about $1.5 billion in additional revenue in 1976, rising to about $2.5 billion by 1981. The reform sections of the bill tightened tax shelter opportunities and otherwise limited deductions available for high-income taxpayers. Child care deductions were revised to enable poor and low-income persons to take advantage of the provision. Individual tax cuts included in the bill would have amounted to $13.4 billion; business tax cuts to about $2 billion.

In direct action aimed at putting people to work, Congress approved an Emergency Employment Appropriations Act of $5.3 billion to create 900,000 more public service jobs and to fund public works construction. After it was vetoed, Congress passed a smaller bill extending the existing public service job program for about 310,000 persons and earmarking $375 million to accelerate public works programs already authorized.

Later Congress provided $473.4 million for summer youth employment. This legislation, allowing about 840,000 jobs, was identical to a provision in the vetoed jobs bill.

Mr. Speaker, as this session neared an end, House and Senate conferees agreed on the provisions of a major package of antirecession aid to local governments combined with public works projects designed to create more jobs and alleviate an unemployment rate that hovered at 8.3 percent in November. The new measure provides special countercyclical grants to local governments according to a formula that takes into account the unemployment rate. The bill also authorizes $2.5 billion for such projects as new schools, courthouses, and streets, and $125 million for loans to medium-sized businesses facing the prospects of discharging workers.

A temporary increase in the Federal share of matching funds for highway and mass transit projects to accelerate construction also was designed by Congress to increase jobs.

To alleviate the hardships of the unemployed while they sought new jobs, Congress expanded and extended unemployment compensation benefits, approved a temporary loan program to assist jobless workers to meet home mortgage payments and voted a program for mortgage interest rate subsidies for 400,000 middle-income families. This last legislation, which also was an effort to revive the lagging housing industry and provide more jobs, was vetoed.

A program of emergency loans to cattlemen and other livestock producers facing economic hardship was enacted, but a congressional attempt to increase farm price supports for 1 year to offset rising production costs and declining income was vetoed. Congress refused to allow the President to put into effect a program that would have raised the price of food stamps in 1975.

A resolution was adopted calling on the Federal Reserve Board to increase the money supply and lower interest rates and the House blocked an attempt to allow Federal savings and loan associations to make mortage loans at rates that would float with the market over the life of the loan.

Mr. Speaker, even as tax cuts and expanded programs mitigated the effects of recession, House and Senate put into effect new budgetary control procedures that were approved in 1974, but not made wholly effective until 1976. Both House and Senate Budget Committees proposed spending ceilings that were adopted by the respective chambers to serve as initial guidelines for the year. Later, in accord with the procedure contemplated by the law establishing it, the committees revised these figures to provide for a spending ceiling of $374.9 billion and a revenue floor of $300.8 billion. In its initial year of operation, the two Budget Committees are estimated to have saved the taxpayers some $10 billion by monitoring legislation and evaluating its impact on the entire fiscal framework of the Government.

As of December 10, 14 appropriations bills considered by the House this year for fiscal 1976 resulted in budget authority of about $5.3 billion below the amounts requested by President Ford. The House voted budget authority in excess of Presidential requests for six bills—Education; Interior and related agencies; Labor, Health, Education and Welfare and related agencies; State, Justice, Commerce, Judiciary and related agencies; Public Works, Energy; and a continuing resolution. Decreases in Presidential requests were voted by the House for eight bills—Housing, Urban Development, Space, Science and Veterans; legislative branch; Agriculture and related agencies; Transportation and related agencies; Defense Department; military construction; Treasury, Postal Service, and General Government; and a supplemental bill.

GENERAL WELFARE

Mr. Speaker, actions by Congress in 1975 in the broad category of welfare affected many specific groups of citizens as well as the public as a whole. Despite the opposition of a President who announced at the beginning of the year that he would veto any new programs, House Democrats adopted a wide array of beneficial legislation and prevented the diminution of many Federal programs that came under attack from the executive.

The President's attempt to limit previously enacted cost-of-living raises for social security recipients, civil service annuitants, and retired military personnel and their survivors to 5 percent instead of 8 percent was rejected. Later the House approved a bill to do away with a backlog of 100,000 cases by expediting the holding of hearings for social security claimants whose applications for benefits have been denied.

Legislation extending major health services and nurse training programs and authorizing funds for various State public health programs and community mental health centers was adopted over a veto. Both Chambers also approved an expanded Federal program to assist the mentally retarded and other persons suffering from such disabling health problems as cerebral palsy and epilepsy. The House voted to extend the programs of assistance for the training of health care professional persons, but added provisions designed to require persons accepting such aid to practice for a time in areas that have a short supply of physicians, including rural and inner city areas. Another House bill authorized $1.2 billion to extend the program of biomedical research into genetic disorders and diseases of the heart, lung, and blood.

Faced with a finding that more than half the Nation's estimated 8 million handicapped children are denied an equal educational opportunity, Congress adopted legislation, opposed by the President, that will help make public education available within 5 years to all handicapped children between the ages of 3 and 21. Two vetoes by Mr. Ford of legislation expanding school lunch and child nutrition programs and providing educational funds were overridden. Expanded work and educational grant opportunities for college students were advanced. The House approved a bill to improve protection for children in summer camps by establishing camp safety standards.

Congress also sent to the President legislation, initiated in the House, to provide Federal indemnification of the cost of insuring exhibitions of art and other artifacts from foreign countries, a measure that will help museums, large and small, throughout the country.

Mr. Speaker, new Federal help for the elderly would result from a House initiated bill to authorize $2.6 billion for fiscal 1976–79 for programs under the Older Americans Act and for senior volunteer programs under ACTION. New programs under the legislation would offer home, counseling, housing, transportation, and employment assistance. The comprehensive older Americans services amendments also provide, starting in 1979, protections against discrimination on account of age in federally assisted programs or activities.

On the other end of the age scale, another House bill would help states comply with a 1974 law designed to speed the collection of child support payments from a parent who deserts a family.

Both the House and Senate voted to modify the emergency disaster loan program for farmers and ranchers to make them eligible for loans up to the amount of an actual loss, at a maximum interest rate of 5 percent, when the Secretary of Agriculture designates an emergency area.

Construction workers won congressional approval of a bill affording equal picketing rights at a common building site. A companion proposal designed to facilitate collective bargaining and bring about more communication between labor and management in the industry in order to reduce the number of strikes also was approved.

An 8-percent cost-of-living adjustment was voted by the House in the pensions received by needy veterans, widows of veterans and children who survive them. Compensation increases of 10 to 12 percent for veterans with service-connected disabilities and for their widows and surviving children were enacted. The House voted to terminate veterans' education benefits for persons entering the Armed Forces after December 31, 1975, an action that could save up to $1.6 billion a year between fiscal 1976 and fiscal 1980. Congress approved special pay and incentives for physicians and dentists working in veterans' hospitals to assist in the recruitment and retention of qualified personnel.

Presidential opposition to an Agency for Consumer Advocacy did not prevent action by both House and Senate as they approved different versions of legislation that would establish an independent, nonregulatory agency to advocate the interests of the consumer before Federal

departments and agencies. The Consumer Product Safety Commission, meanwhile, would receive, by legislation now in conference, enhanced authority against hazardous products. A Truth in Leasing Act that has passed the House would provide consumers the same kind of protection from misleading statements as does the Truth in Lending Act. Also approved by Congress was a bill to repeal State fair trade laws that prevent price competition.

ENERGY AND ENVIRONMENT

Mr. Speaker, the yearlong dispute between congressional Democrats and President Ford over energy policy appeared near an end in the last days of 1975 as House and Senate conferees agreed on an omnibus bill that administration spokesmen indicated would be signed. The lengthy struggle clearly brought a major victory for a Congress that twice saw legislation to extend price controls vetoed, but yet kept those controls in force during the year and included them in the final legislation.

The argument between President and Congress was essentially over what consumers would be required to pay for gasoline, fuel oil, natural gas and, by extension, the wide array of products either manufactured from petroleum derivatives or dependent upon them. Both sides agreed that petroleum consumption had to be reduced. The President sought that reduction through price hikes that would discourage consumption. Congress, while recognizing that prices would rise eventually, favored efforts to restrict the price rise of a commodity as basic to the economy as petroleum during a time of both recession and inflation. Consumption should be reduced, said Congress, by an array of conservation measures it voted to encourage.

Mr. Speaker, let me here summarize the major provisions of the Energy Conservation and Oil Policy Act:

Establish a domestic composite price of $7.66 a barrel for domestic crude oil—a reduction of $1.09 from the current price—and provide guidelines that permit this price to be raised gradually by the President over a period of 40 months if he finds it necessary to meet increased supplier costs or encourage production;

Extend the authority of the executive to direct major fuel burning installations to convert to the use of domestic coal;

Authorize Government guaranteed loans to increase coal production;

Limit joint venture bidding by major oil companies in Outer Continental Shelf development as part of an effort to increase competition within the petroleum industry;

Authorize the President to restrict exports of energy supplies and related materials;

Authorize the President to require oil and natural gas production from designated fields at a maximum efficient rate or a temporary emergency rate;

Establish a $3.3 billion strategic national petroleum reserve of 500 million to 1 billion barrels over 7 years;

Establish mandatory average fuel economy performance standards for new passenger cars and light duty trucks;

Require energy labeling of major home appliances and other consumer products and authorize energy efficiency standards for appliances;

Authorize grants to States to assist them to develop and implement energy conservation programs;

Require all Federal agencies to develop a 10-year plan for energy conservation;

Set energy efficiency targets for the 10 most energy-intensive industries and require annual reports on progress toward the goals;

Provide the President with standby energy authority, subject to congressional approval in some instances, to develop and implement energy conservation programs, including rationing;

Require the disclosure of financial interest in oil, natural gas, or coal by all employees of the Federal Energy Administration and the Interior Department involved in regulatory or policymaking functions under the legislation;

Authorize the Comptroller General to examine energy and financial reports filed with Federal agencies to insure their accuracy;

Limit the passing on of refinery costs to reduce the potential for price gouging of the consumer.

OTHER ENERGY MEASURES

Mr. Speaker, other energy measures approved by the House this year include a conservation act that would offer excise tax exemptions and personal tax credits to encourage the purchase of energy efficient products, a bill to assist low income home owners to insulate their homes and to require the Government to establish insulation efficiency standards for commercial and residential buildings, a bill permitting production from Naval petroleum reserves, legislation authorizing $5.9 billion for research into other sources of energy and a bill for research on electric powered vehicles.

The House voted to extend for another 10 years a Nuclear Indemnity Act to encourage development of the private nuclear energy industry. Remaining to be considered is legislation designed to ease a threatened shortage of natural gas by temporarily lifting Federal price controls on the fuel.

The major environmental legislation approved this year was the bill to establish Federal regulations over strip mining. For the second time in 2 years, the bill was vetoed. The effort to override in the House failed by three votes, and attempts are being made to revive the legislation in 1976.

Congress also extended the saline water conservation program. The House has authorized $356 million for research and development programs of the Environmental Protection Agency and passed a comprehensive fishing conservation management program to regulate fishing within an area 200 miles offshore. In response to concern over the long-term effects of pesticides on health, legislation was enacted requiring the Environmental Protection Agency to seek the views of a scientific advisory board and the Department of Agriculture during a 60-day period before issuing regulations governing the use of a pesticide.

LAW AND JUSTICE

Mr. Speaker, action in the general area of law, justice and constitutional rights included enactment of legislation extending for another 7 years and broadening the protections afforded voters by the Voting Rights Act. Among added protections were those for citizens of minority groups who may not be fluent in the English language.

The House approved a bill permitting Federal employees to engage in political activity and strengthening their protection against coercion by any official authority that might attempt to influence the political activity of an employee.

The House also voted to authorize a program of aid to State and local agencies to assist them in developing drug abuse prevention programs and to establish a White House Office of Drug Abuse Policy. It sought to help paroled convicts return to a productive role in society by legislation to establish an independent Parole Commission within the Justice Department and to set equitable standards for parole procedures. Another bill enacted at the behest of the U.S. Judicial Conference was designed to speed trials and set standards applicable to pretrial, trial, and post-trial situations.

Amendments to the 1974 Equal Credit Opportunity Act approved by the House this year would prohibit credit discrimination on the basis of race, color, religion, national origin, and age. Last year's law prohibited credit discrimination on the basis of sex or marital status.

INTERNATIONAL AFFAIRS

Mr. Speaker, the spring collapse of anti-Communist forces in Indochina brought calls from President Ford for Congress to approve major additional financial aid programs and the use of American troops. Congressional Democrats, refusing to allow the reentry of American men or the squandering of more money, agreed only to provide some $400 million to help South Vietnamese and Cambodian refugees to relocate in the United States.

After twice rejecting Presidential requests for the lifting of the embargo placed against the shipment of arms to Turkey, the House agreed with the Senate on a resumption of shipments for arms contracted for by Turkey before the effective date, February 5, 1975, of the embargo.

Congress approved the stationing of 200 American civilians in the Sinai Peninsula between the forces of Israel and Egypt after receiving executive branch assurances that this would not lead to the involvement of U.S. Forces in the Middle East dispute. The American civilian volunteers, Congress said, must be removed immediately in the event of hostilities or if Congress decided their safety was in jeopardy. The House, within 24 hours after a United Nations vote equating Zionism with racism, approved a resolution condemning the U.N. vote.

The House, considering the economic aspects of foreign aid separately from military aid for the first time, voted a 2-year authorization of $2.9 billion in economic aid. Emphasizing self-help programs and food for the poor rather than construction and industrial development, Congress barred aid to any nation engaging in a consistent pattern of human rights violations. Peace Corps programs were continued, with the renewed con-

gressional authorization including a ban on sex discrimination in the selection, training, and placement of volunteers.

OTHER ACTIVITY

Mr. Speaker, a variety of other legislative measures acted upon by the House and Senate this year would affect New York City, Federal pay, the stock exchanges, the railroads and the safety of workers.

Congressional approval of the President's proposal for direct loans from the Treasury for New York City came after months of White House intransigence toward any legislation that would forestall bankruptcy by the city. House Democratic leaders supported a plan developed by the Banking, Currency and Housing Committee that would have guaranteed non-Government loans to the city under stringent restrictions and requirements. The sudden switch in policy by the President, virtually on the eve of the deadline for the city's default, led Democrats to accept the Ford loan proposal in the interest of expediting the legislation and of removing the chance that uncertainty surrounding the city's finances might bring national fiscal turmoil.

Following a 4-year study of competitive and economic issues affecting the securities markets, Congress enacted legislation strengthening the oversight powers of the Securities and Exchange Commission over stock exchanges and brokers and revising rules and practices that restricted investor access to the securities markets.

Salaries of upper level Federal employees, including Members of Congress, were raised after having been frozen since 1969. Although a Presidential pay board recommended an 8-percent increase, Congress agreed with a Ford recommendation to hold the raise to 5 percent. It was the first raise for Congress since 1969.

Emergency grants and loans were approved early in the year to keep the bankrupt Northeast rail lines functioning, $1 billion was authorized for Amtrak for improved railroad passenger service and legislation was enacted to assure greater compliance with Federal railroad safety regulations. Comprehensive legislation to carry out a major restructuring of the Northeast railroads and other troubled lines also was approved.

To assist businessmen and their employees, the House approved a procedure enabling employers to receive advice from the Labor Department as to whether they are in violation of safety standards before an order might be issued forcing the firm to shut down if it could not comply immediately with required changes.

A long-range program of funding for public broadcasting was approved by the House. It voted to establish an independent board to devise and implement a program for conversion to the metric system. In authorizing funds for the National Science Foundation, Congress devised a plan to strengthen training and research programs for student scientists.

In response to a congressional finding that $17 million in public funds were spent on President Nixon's three private properties, the House voted to limit the amount and nature of future such expenditures.

OVERSIGHT

Mr. SPEAKER, oversight hearings of unusual number and significance were held by Congress this year. Covering a broad spectrum of subjects these hearings provided invaluable information to Congress, the Executive and the public on both successes and problems in program administration. As of November 21, 235 series of oversight hearings had been held. Following, grouped by committee are listed briefly the major topics under study in some of those sessions:

MAJOR TOPICS UNDER STUDY

Agriculture.—9 hearings. Emergency livestock credit, beef grading standards, rural development, perishable commodities, dairy products, disaster aid.

Appropriations.—6 hearings. CIA domestic activities, consumer product safety, reprogramming proposals, onshore mineral leasing management, concessions in National Parks.

Armed Services.—4 hearings. Financial support for military commissaries, problems in Reserve training programs, thefts of military weapons.

Banking, Currency and Housing.—11 hearings. Consumer information, Federal Reserve, Renegotiation Board, housing assistance payments, national growth, new communities, real estate procedures, flood insurance, community block grants.

Budget.—4 hearings. Budget and the economy, Congressional Budget Office, Air Force structure and projection, general revenue sharing.

District of Columbia.—5 hearings. St. Elizabeth's Hospital, criminal justice administration, Bicentennial planning, Metro police and operations.

Education and Labor.—25 hearings. Impact aid, elementary and secondary education, Indian education, reading achievement, NLRB, child labor, employee retirement, emergency jobs, occupational safety and health, mine safety, youth conservation corps, sex discrimination regulations, federal contract compliance, ACTION, Community Services, enforcement of equal employment opportunities, job discrimination, child labor, farm labor contractors, migrant education.

Government Operations.—36 hearings. Privacy act exemptions, FAA procedures, federal agency environmental activities, HEW fraud detection and prevention procedures, computer procurement, motor carrier regulation, IRS operations, government data banks, personnel abuses, National Park concession management, service secretaries access to military information, federal agency interception of nonverbal communications, use of advisory committees, ingredient labeling on alcohol beverages, enforcement of policy opposing restrictive trade practices.

House Administration.—1 hearing. GSA regulations on public access to Nixon Presidential materials.

Interior and Insular Affairs.—10 hearings. Outdoor recreation, Bureau of Mines, Geological Survey, Trans-Alaska pipeline, nuclear energy, public land withdrawal, railroad leasing of federal coal lands, access to minerals on federal lands.

International Relations.—8 hearings. U.S. position in U.N., U.S. buildings abroad, compliance with war powers, arms sales in Persian Gulf, Panama Canal negotiations, U.S.-Soviet oil and grain agreements, Corps of Engineers contracts in Saudi Arabia.

Interstate and Foreign Commerce.—16 hearings. Office of Telecommunications, FCC, public broadcasting, domestic common carrier regulation, President's energy policies, NIH, implementation of railroad reorganization, U.S. Railway Association final system plan, FEA enforcement policies, electric utility problems, natural gas deliverability, effects and availability to Congress of information about the Arab boycott, adequacy of HEW children's health programs.

Judiciary.—14 hearings. Watergate special prosecutor's report, FBI, Indochina refugees, Criminal Justice Division of the Department of Justice, federal charters, immigration waivers, foreign student problems, Bureau of Prisons, general revenue sharing civil rights aspects, delay in the administrative process.

Merchant Marine and Fisheries.—6 hearings. Coast Guard organization, Canal Zone personnel policies, defense aspects of U.S. flag merchant marine, National Environmental Policy Act of 1969, endangered species, marine mammal protection.

Post Office and Civil Service.—9 hearings. Merit principle abuses, employees' group life insurance, U.S. Postal Inspection Service, federal employees' health benefits, Bicentennial celebration, closing of small post offices, civil service retirement, health insurance rate increase and level of services.

Public Works and Transportation.—6 hearings. Implementation of the Water Pollution Control Act, implementation of job opportunities program, Corps of Engineer regulations for dredge material disposal, implementation of laws to make public buildings accessible to physically handicapped, aviation safety.

Science and Technology.—21 hearings. NSF, nonnuclear energy, coal combustion, future space program, science education, agricultural research, NSF peer review system, federal research and development programs, information dissemination, U.S.-U.S.S.R. cooperative agreements, solar heating and cooling, Solar Energy Research Institute, environmental research and development, NOAA, ocean dumping, meteorological research facilities.

Small Business.—12 hearings. National Park service planning and concession operation, SBA certificate of competency, minority enterprise, disaster relief to victims of Hurricane Eloise, surety bonds, FAA, CAB, Antitrust Division, FTC, ICC.

Veterans' Affairs.—5 hearings. Hospital care and professional medical personnel, National Cemetery system, service-connected compensation, dependency and indemnity compensation, housing, quality care study.

Ways and Means.—10 hearings. IRS, supplemental security income, renal disease, administration of tax laws, delay in social security appeals, aid for dependent children quality control, customs administration, IRS report form 5500 required under pension act, IRS regulations for individual retirement accounts.

Select Committee on Aging.—7 hearings. HUD's response to elderly housing needs, HEW proposed regulations on participation of for-profit home health agencies in Medicaid, government programs for the elderly, railroad retirement, implementation of White House Conference on Aging, adequacy of social security benefits.

Select Committee on Intelligence.—10 hearings. Intelligence agencies budget, Middle East war, failure to foresee Cyprus invasion, extension of non-compliance to unclassified information, illegal electronic surveillance, National Security Council and the 40 Committee, CIA involvement with the media, drug enforcement, FBI surveillance.

Mr. Speaker, 1975 has been a constructive and productive year for Congress.

Clearly, important work remains to be done in the second session. But a careful examination of the record of the House and Senate in the year now drawing to a close will show the great diligence and the many achievements of the Congress in the session now concluding.

THE 7-YEAR ECONOMIC DISASTER: NEED FOR WAGE-PRICE CONTROLS NOW, DECEMBER 18, 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. LEGGETT) is recognized for 30 minutes.

Mr. LEGGETT. Mr. Speaker, today I am going to take a bit of time for a rather broad review of the state of our national economy: Where we are, where we are going, what are the major problems facing us, and what we can do about them.

Where we are can be stated simply: We are weathering the worst recession since the Great Depression, and prospects for full recovery are not good.

This statement may startle some of us who have been reading news reports that the recession is over. While I am not particularly interested in semantic quibbling, I think it is important that we define a recession as what it really is: A trough in our gross national product, involving at least two consecutive declining quarters. In my view, recession can be compared to a cancer: If treatment causes the cancer to shrink, that is most salutary, and is certainly to be preferred to allowing the cancer to grow. But the patient is not cured until the cancer is gone—all gone. Similarly, it is good that we have experienced two expanding quarters—but we are not yet back to our 1973 economic peak of $839 billion in 1958 dollars annual GNP. With GNP currently running at $810 billion, we are not out of the woods.

GROSS NATIONAL PRODUCT OR EXPENDITURE

Billions of dollars; quarterly data at seasonally adjusted annual rates

Period	Total gross national product in 1958 dollars	Total gross national product	Personal consumption expenditures	Gross private domestic investment	Net exports of goods and services	Government purchases of goods and services: Total	Federal: Total	Federal: National defense [1]	Federal: Other	State and local	Implicit price deflator for total GNP 1958=100 [2]
1965	617.8	684.9	432.8	108.1	6.9	137.0	66.9	50.1	16.8	70.1	110.86
1966	658.1	749.9	466.3	121.4	5.3	156.8	77.8	60.7	17.1	79.0	113.94
1967	675.2	793.9	492.1	116.6	5.2	180.1	90.7	72.4	18.4	89.4	117.59
1968	706.6	864.2	536.2	126.0	2.5	199.6	98.8	78.3	20.5	100.8	122.30
1969	725.6	930.3	579.5	139.0	1.9	210.0	98.8	78.4	20.4	111.2	128.20
1970	722.5	977.1	617.6	136.3	3.6	219.5	96.2	74.6	21.6	123.3	135.24
1971	746.3	1,054.9	667.1	153.7	−.2	234.2	97.6	71.2	26.5	136.6	141.35
1972	792.5	1,158.0	729.0	179.3	−6.0	255.7	104.9	74.8	30.1	150.8	146.12
1973	839.2	1,294.9	805.2	209.4	3.9	276.4	106.6	74.4	32.2	169.8	154.31
1974	821.2	1,397.4	876.7	209.4	2.1	309.2	116.9	78.7	38.2	192.3	170.18
1974:											
I	830.5	1,358.8	840.6	210.5	11.3	296.3	111.5	75.8	35.7	184.8	163.61
II	827.1	1,383.8	869.1	211.8	−1.5	304.4	114.3	76.6	37.7	190.1	167.31
III	823.1	1,416.3	901.3	205.8	−3.1	312.3	117.2	78.4	38.8	195.1	172.07
IV	804.0	1,430.9	895.8	209.4	1.9	323.8	124.5	84.0	40.6	199.3	177.97
1975:											
I	780.0	1,416.6	913.2	163.1	8.8	331.6	126.5	84.7	41.8	205.1	181.62
II	783.6	1,440.9	938.6	148.1	16.2	338.1	128.4	84.8	43.6	209.7	183.88
III	808.3	1,503.6	968.8	179.1	12.2	343.5	130.5	86.1	44.4	233.0	186.02

[1] This category corresponds closely with budget outlays for national defense, shown on p. 36.
[2] Gross national product in current dollars divided by gross national product in 1958 dollars.
Source: Department of Commerce, Bureau of Economic Analysis.

Where are we going? The prognoses are mixed, but on balance our present course gives more cause for gloom than joy.

We have, to be sure, just enjoyed a spectacularly good third quarter, with adjusted annualized real growth of 13.2 percent. But this apparent growth resulted in large extent from liquidation of inventories accumulated during the recession. Now that liquidation is completed, we can expect a much slower fourth quarter, and by the first quarter of next year I believe we may well be heading downward once more.

Already we have seen shades of a downturn. In September, the Commerce Department's Composite Index of Leading Indicators declined 0.9 percent, which is an annualized rate of 10.8 percent. October saw a further decline of 0.5 percent, as 6 percent annualized. It is particularly disturbing to note the decline in new orders for consumer products and materials. In addition, the 1.8-percent increase in wholesale prices for October—equivalent to a 21.6-percent annualized inflation rate—suggests that the economic storm over the horizon may be closer to a hurricane than a squall. While the fact that wholesale prices remained stable in November is encouraging, it is also deceptive. It stems from a 2.6-percent decline in farm prices, and farm prices are the least stable and least trendsetting of all wholesale prices. Industrial commodities, which are far more significant predictors of future economic behavior, rose 0.6 percent which is 7.2 percent on an annualized basis. Here is the zoom-to-the-moon saga of our wholesale price structure.

WHOLESALE PRICES

[1967=100]

Period	All commodities	Farm products and processed foods and feeds: Total	Farm products	Processed foods and feeds	Industrial commodities	Special groupings: Crude materials [1]	Intermediate materials [2]	Producer finished goods	Consumer finished goods excluding foods: Durable	Consumer finished goods excluding foods: Nondurable
1966	99.8	103.5	105.9	101.2	98.5	104.5	98.9	96.8	98.5	97.8
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	102.5	102.4	102.5	102.2	102.5	102.0	102.6	103.5	102.2	102.2
1969	106.5	108.0	109.1	107.3	106.0	110.6	106.1	106.9	104.0	105.0
1970	110.4	111.7	111.0	112.1	110.0	118.8	110.0	111.9	107.0	108.3
1971	113.9	113.8	112.9	114.3	114.0	122.7	114.3	116.6	110.9	111.3
1972	119.1	122.4	125.0	120.8	117.9	131.1	118.9	119.5	113.2	113.6
1973	134.7	159.1	176.3	148.1	125.9	155.2	128.1	123.5	115.8	120.5
1974	160.1	177.4	187.7	170.9	153.8	219.1	159.5	141.0	126.3	146.8
1974:										
September	167.2	179.1	182.7	176.8	162.9	229.8	170.6	148.0	128.4	154.2
October	170.2	185.1	187.5	183.5	164.8	229.0	172.1	151.9	133.1	155.7
November	171.9	189.0	187.8	189.7	165.8	228.7	173.0	154.1	133.8	156.2
December	171.5	186.5	183.7	188.2	166.1	221.2	173.2	155.3	135.3	156.9
1975:										
January	171.8	183.8	179.7	186.4	167.5	219.4	175.0	157.4	135.9	158.2
February	171.3	179.5	174.6	182.6	168.4	221.0	175.9	158.3	136.3	158.8
March	170.4	174.9	171.1	177.3	168.9	218.4	176.4	159.7	136.9	158.9
April	172.1	178.8	177.7	179.4	169.7	222.7	177.3	160.7	137.0	159.5
May	173.2	181.2	184.5	179.0	170.3	225.8	177.7	161.2	137.0	160.4
June	173.7	182.3	186.2	179.7	170.7	226.3	177.8	161.7	137.3	161.6
July	175.7	188.2	193.7	184.6	171.2	223.4	178.3	162.4	137.4	163.2
August	176.7	189.0	193.2	186.3	172.2	225.8	179.3	163.0	137.4	165.1
September	177.7	190.4	197.1	186.1	173.1	231.5	179.9	164.0	137.7	166.1
October	178.9	190.5	197.3	186.2	174.7	228.6	181.4	166.5	141.1	167.2

[1] Excludes crude foodstuffs and feedstuffs, plant and animal fibers, oilseeds, and leaf tobacco.
[2] Excludes intermediate materials for food manufacturing and manufactured animal feeds.
Source: Department of Labor, Bureau of Labor Statistics.

The hurricane is still on its way.

This grim forecast is emphasized by Thomas J. Holt, the phenomenally successful Wall Street investment counselor whose portfolio has risen 173 percent since December 1971, while the New York Stock Exchange composite index fell 15 percent. As Mr. Holt sees it, the brief upturn we have recently enjoyed was created by Government pump-priming earlier in the year. But that is now exhausted, consumer demand is drying up, and Holt predicts manufacturers will start cutting output. Cutbacks in State and local government spending, demanded by the voters around the country in the November elections, will accelerate the new downturn. Housing starts will remain low, due to high long-term mortgage interest rates. As a result, Holt predicts a market slide down to the 450 Dow-Jones region. Extreme? Yes. Unwarranted? Maybe. Everybody is wrong sooner or later. But Holt they say has not been wrong on a single major market turn since he set up shop in 1967. Adjusted for C.P.I. over the past 20 years the Dow-Jones today is no more than 450.

But even if we focus on the brighter side of the current predictions—a practice which appears rather unsound in light of recent economic history—the picture is still dismal. Say we enjoy steady recovery at an annual rate of 7 percent. Where will we be in a year? Unemployment will still be near 8 percent, which is worse than the worst level at the bottom of the worst recession since the Great Depression. Excess capacity will still be at levels comparable to those of our previous recessions: Perhaps unused manufacturing capacity will fall all the way to 25 percent. Having become accustomed to the economic lake of fire and brimstone, purgatory may feel pleasant to us; but we should not forget that there are better ways of life, and that in fact we enjoyed 8 recession-free years under the present administration's predecessor.

I recall writing an economic analysis on Nixon's 22-month economic disaster in 1970. Unemployment had escalated from 2½ million to 4¼ million unemployed; today well over 8 million persons cannot find work.

Even comparison with the Eisenhower and Truman administrations provides dramatic illustration of how far we have deteriorated. For example, until recently, the worst inflation year in our history was 1951, in which year the dollar inflated 5.9 percent—a dismally high rate, although well under the 8.2 percent sustained over the past year and the 21.6 percent sustained over the past month. But while 1951 saw high inflation, it also saw very low unemployment: About 3.3 percent compared with 8.6 percent for this October. And despite inflation, workers' real earnings rose 1 percent, whereas over the past 2½ years real earnings have fallen 4.6 percent.

Until recently, the worst post-depression unemployment years were 1958 and 1961, in which we averaged 6.8 percent and 6.7 percent respectively. These were bad figures—but nothing like the 8.6 percent currently unemployed. But during those previous periods, inflation was minimal: 1.8 percent in 1958 and 0.7 percent in 1961, and in 1961, real earnings actually outstripped inflation by 1.1 percent. This is not the case today when worker real wages are little better than a decade ago, as indicated below.

AVERAGE HOURLY AND WEEKLY EARNINGS—SELECTED INDUSTRIES

[For production workers or nonsupervisory employees]

Period	Average hourly earnings—current dollars				Average weekly earnings—current dollars				Manufacturing industries	
	Total nonagricultural private [1]	Manufacturing	Contract construction	Retail trade [2]	Total nonagricultural private [1]	Manufacturing	Contract construction	Retail trade [2]	Adjusted hourly earnings, 1967=100 [3]	Average weekly earnings, 1967 dollars [4]
1966	$2.56	$2.72	$3.89	$1.91	$98.82	$112.34	$146.26	$68.57	95.6	$115.58
1967	2.68	2.83	4.11	2.01	101.84	114.90	154.95	70.95	100.0	114.90
1968	2.85	3.01	4.41	2.16	107.73	122.51	164.49	74.95	106.1	117.57
1969	3.04	3.19	4.79	2.30	114.61	129.51	181.54	78.66	112.4	117.95
1970	3.22	3.36	5.24	2.44	119.46	133.73	195.45	82.47	119.4	114.99
1971	3.44	3.57	5.69	2.57	127.28	142.44	211.67	86.61	127.3	117.43
1972	3.67	3.81	6.03	2.70	136.16	154.69	222.51	90.99	135.1	123.46
1973	3.92	4.08	6.37	2.87	145.43	166.06	235.69	95.57	143.6	124.76
1974	4.22	4.41	6.75	3.09	154.45	176.40	249.08	101.04	156.0	119.43
1974:										
September	4.35	4.54	7.01	3.16	159.65	182.96	263.58	103.02	159.7	120.61
October	4.37	4.57	6.99	3.18	159.51	183.26	265.62	102.40	161.0	119.78
November	4.36	4.59	7.00	3.18	157.40	182.22	255.50	102.08	162.3	118.09
December	4.38	4.66	7.05	3.18	159.43	185.93	259.44	104.30	164.3	119.65
1975:										
January	4.40	4.67	7.07	3.24	157.08	180.73	250.99	103.03	165.5	115.78
February	4.42	4.68	6.99	3.27	157.79	180.18	247.45	103.99	166.5	114.62
March	4.44	4.72	7.14	3.27	158.06	182.66	247.76	104.64	167.9	115.75
April	4.46	4.73	7.12	3.29	159.22	184.00	259.17	104.95	168.7	116.02
May	4.48	4.75	7.12	3.31	160.38	185.25	262.73	106.25	169.7	116.29
June	4.51	4.78	7.18	3.33	163.71	188.81	262.07	109.22	170.7	117.57
July	4.53	4.81	7.24	3.33	164.89	188.55	270.05	110.89	171.7	116.17
August	4.56	4.82	7.27	3.35	166.90	191.35	274.81	111.89	172.8	117.54
September	4.64	4.89	7.39	3.39	168.43	196.58	277.13	109.16	174.5	120.16
October	4.65	4.91	7.48	3.41	168.33	195.91	279.75	109.12	176.0	119.02

[1] Also includes other private industry groups shown on p. 13.
[2] Includes eating and drinking places.
[3] Adjusted to exclude the effects of overtime and interindustry shifts.
[4] Earnings in current dollars divided by the consumer price index.
Source: Department of Labor, Bureau of Labor Statistics.

This maze of numbers presents a stunningly dismal picture. In the past, we have had occasional high unemployment—but always accompanied by economic stability. We have had occasional periods of high inflation—but always accompanied by low unemployment and real growth. But in the current period we have higher unemployment than in any post-Depression year, and higher inflation than in any post-Depression year at the same time. Moreover, these dismal numbers are combined with the longest and deepest trough in our GNP since the Great Depression.

As a further indicator of our deteriorated state, consider that it took the Nation 191 years to reach a total national debt of $323 billion, but in the past 11 years we have virtually doubled that debt, adding another $294 billion for a total of $617 billion expected by the end of the current fiscal year. The debt is now increasing at about $74 billion per year, which means it will double yet again in about 8 years if present performance continues. While I have never been among those who have regarded a balanced national budget as one of the primary virtues, there must be a limit to all things. If a small deficit will encourage expansion, promote employment, and generally keep the economy on an even keel, I along with almost all contemporary economists am for it. But current debt explosion figures are even more nightmarish than the population explosion figures emanating from the underdeveloped countries.

[Billions of dollars]

Period	Receipts	Outlays	Surplus or deficit (—)	Federal debt (end of period) Total[1]	Federal debt (end of period) Held by the public
Fiscal year:					
1965	116.8	118.4	—1.6	323.2	261.6
1966	130.9	134.7	—3.8	329.5	264.7
1967	149.6	158.3	—8.7	341.3	267.5
1968	153.7	178.8	—25.2	369.8	290.6
1969	187.8	184.5	3.2	367.1	279.5
1970	193.7	196.6	—2.8	382.6	284.9
1971	188.4	211.4	—23.0	409.5	304.3
1972	208.6	231.9	—23.2	437.3	323.8
1973	232.2	246.5	—14.3	468.4	343.0
1974	264.9	268.4	—3.5	486.2	346.1
1975	281.0	324.6	—43.6	544.1	396.9
1976[2]	299.0	358.9	—59.9	617.5	470.9
Cumulative totals for 1st 3 mos: Fiscal year:					
1975	72.8	74.4	—1.6	493.1	350.5
1976	72.3	90.8	—18.5	564.6	420.4

[1] Excludes non-interest-bearing public debt securities held by IMF.
[2] Estimates as of May 30, 1975.

Sources: Department of the Treasury and Office of Management and Budget.

To reiterate: If we allow ourselves to be satisfied to bring inflation or unemployment or economic growth to so-called acceptable levels, we will merely be tolerating an economic state of health which in any previous time would have been called disastrous. Our objective must be to bring the Nation's economy back to its ideal state of low unemployment and modest inflation well exceeded by solid growth. Given the advanced state of our technology, the immense resources of our agriculture, and the ability of our people, there is no rational reason why this should not be possible.

What are the major problems facing us? In a word, our most basic and far-reaching problem is the total lack of constructive economic leadership on the part of the executive branch.

That fact is, we are in effect operating without a President for domestic affairs. In some other respects, we have developed a reasonably coherent national policy nevertheless. While I do not agree with many of the policies established by Secretary Kissinger and former Secretary Schlesinger, it is nevertheless undeniable that they have had, acting in effect as special-purpose Presidents, reasonably clear ideas of what our foreign policy and military policy should be, and they have acted efficiently to mobilize the executive branch behind these policies. In contrast, in the absence of a strong-willed and knowledgeable economic chief, the conduct of economic policy appears to have fallen back on President Ford, with the result that we have no economic national plan.

This is not just the carping of a liberal Democrat over the conduct of a conservative Republican President. Consider the following statement:

> The old four C's—communication, conciliation, compromise and cooperation are replaced by a new set: confusion, contradiction, confrontation and can't do. Press Secretary Nessen's frequent attempts to harmonize all this (economic) cacophony only contribute to the impression that the orchestra is out of control and the maestro can't find the baton. This confusing pattern has undermined the credibility of Mr. Ford's economic advisers and spokesmen, and has cast doubt on the President's consistency and control. It is worth nothing that, since the beginning of his administration, Mr. Ford has displayed a curious penchant for proposing economic programs with fanfare, and then abandoning them. In the past few weeks, the development and articulation of White House policy on basic economic matters appear to have grown unusually confused and contentious, if not downright chaotic. The White House is emitting such conflicting signals that even some administration economists are baffled, Congress is suspicious, and the public must wonder if anyone is in charge.

This is not John Kenneth Galbraith talking. It is James P. Gannon, economic correspondent for that well-known radiclib rag, the Wall Street Journal.

Consider, for example, the primary budget controversy in the headlines at the present time: President Ford has proposed a $28 billion cut in taxes for 1976 and he has correspondingly proposed a cut in Federal expenditures in the same amount.

How do we approach an economic plan of recovery? We must abandon the simplistic notion that unemployment will curb inflation. True, this sometimes happens but it is equally true that unemployment and recession in themselves lead to inflation because they decrease tax revenues which exacerbates deficit spending. Alternatively stated, pump priming, then jobs and public works may not be inflationary.

Now let us consider the President's proposal.

There are three legitimate methods of arriving at a tax cut:

First, you can remove or reduce a specific tax because you feel it is unjust, and replace it with another tax considered more just. This is not claimed to be the purpose of the Ford proposal.

Second, you can effect a tax cut, unaccompanied by a spending cut, for anti-recessionary or countercyclical purposes. This was the rationale of the tax cut this year and we have had some success. But it is not part of the current proposal, which calls for equal reduction of taxation and spending.

Third, you can decide that government is too big, and that certain programs can and should be eliminated and reduce taxes accordingly.

Mr. Ford has not followed this course either. Instead, he has proposed a massive tax cut with the rigid requirement that it must be matched by a spending cut, but he admits he has made no attempt to determine what should be cut.

Economically, this is nonsense but it provides good political mileage.

If Congress does as he asks, the President gets credit for the idea: The tax cut will come in early 1976, well before the election, giving everyone more money in his pocket and a rosy outlook on the economy before the spending cuts hit after the election. If Congress refuses and passes a smaller antirecessionary tax cut unaccompanied by a spending cut, he can veto it, blame congressional spendthrifts and then blame Congress for the increased tax levels when the 1975 temporary cut expires.

In any case, the economy would be a disaster and we would plunge headlong into another recession in 1977—but Mr. Ford would claim a political plus for Election Day.

Fortunately for the medium-term future of the Nation, the tactic has not worked. You cannot fool all of the people all of the time, and one of the benefits of the Watergate experience is that the American people have received a massive inoculation against gullibility. Moreover, the American people realize there is no such thing as a nonspecific spending cut, and that you cannot take $28 billion out of the Government budget without hurting a lot of people very seriously.

My mail in favor of the Ford proposal has been essentially nonexistent. Moreover, even card-carrying members of the conservative wing of Mr. Ford's own party have denounced the proposal as dishonest politics when the Nation needs honest economics.

The denouncers have included Senator BOB DOLE, Congressman SAM STEIGER and Senator HENRY BELLMON—the senior Republican on the Senate Budget Committee. It appears clear that the tax and spending cut, like the WIN program and other nonpolicies, will shortly fall by the wayside never to be heard from again.

So, what is the problem?

The classic supply-and-demand free market is not working any more. With demand low, with unused capacity high, we would expect prices to fall as manufacturers sought to stimulate demand. As we all know, this has not happened. Almost without exception, basic industries from automobiles to zinc have raised prices at a pace which would have seemed incredible 10 years ago even during a period of expansion.

Wholesale prices of producer finished goods have risen 10.8 percent during the last year, which in turn built upon a 14.2 percent increase the previous year. Most remarkably, these price increases occurred while total industrial production was falling 7.5 percent during the past year and 0.6 percent the previous year. Automobile sales are up over the past few weeks as is the stock market, but this progress is clearly short term.

It is clear that we do not have a free market economy, and that our concentrated major industries can and do use their massive power to maintain and even raise prices in the face of market down-pressures theoretically arising from weak demand. According to a study by former OMB Director Charles Schultze, over the past 2 years the rise in wholesale prices has been about 2½ percent more than can be accounted for by increases in labor, fuel, and farm prices. So it is not simply a case of business responding to increased costs; on the contrary, there is a substantial element of active price administration.

Labor is guilty of similar sins. In the face of monumental unemployment, which has exceeded 8 percent every month of 1975 on both adjusted and unadjusted bases, wage rates have moved steadily upward. The annual rise of 6.2 percent we have just sustained for all nonagricultural private wages seems modest, and indeed it is in comparison with the 7.9 percent increase of the previous year. But if market mechanisms

were operating properly, wages would be falling as unemployment was rising.

It is not my purpose here today to place blame on labor, business, or any other sector of society. Rather, it seems clear to me that no sector can be held responsible because nobody is in control. Moreover, it is obvious that all sectors are being hurt, and being hurt badly. Despite wage increases, real average weekly earnings have fallen 4.6 percent over the past 2 years. And real after-tax corporate profits have fallen 24 percent in the last year.

A major future problem is the mushrooming nature of Federal income support payments. Here is a summary of these, prepared by "Nation's Business" magazine:

INCOME-SUPPORT PROGRAMS

	Cost	
	Fiscal 1954–55	Fiscal 1975–76
Social security retirement	$4,400,000,000	$65,500,000,000
Unemployment compensation	2,300,000,000	18,000,000,000
Medicare		16,300,000,000
Veterans' benefits	3,600,000,000	15,600,000,000
Civil service pensions	430,000,000	10,000,000,000
Welfare (cash payments)	1,400,000,000	10,600,000,000
Welfare (medical care)		7,800,000,000
Social security disability		9,200,000,000
Military pensions	440,000,000	6,900,000,000
Food stamps		5,800,000,000
Railroad workers' pensions	585,000,000	3,400,000,000
Public housing	68,000,000	2,600,000,000
Total	13,200,000,000	172,000,000,000

A small portion of these expenditures stems from the depressed state of the economy: In a prosperous economy we could reduce substantially the $18 billion unemployment compensation and the $10.6 billion welfare. But this still leaves $144 billion: 11 times the total of all income support payments 20 years ago.

Let us face the facts about these payments. Many of them serve worthwhile humanitarian and moral purposes. A small proportion—the unemployment compensation, food stamps, and public housing—in the long run help people to survive in a better America. But the majority of these payments are money given in return for no goods or services.

The strain is severe enough when we consider the demographic changes we will undergo as our population gets older. But if we add to this a prediction of inflation continuing at the current rate, we are setting the stage for a banana-republic economy—in other words, for the end of the United States as a major power and as an effectively functioning society.

Most disturbing of all, economic defeatism appears to be creeping like strontium-90 into the bones of the American people, where it will have equally disastrous effects. A recent survey by the New York Times shows that for the first time since the survey began 16 years ago, the economic expectations of the American people are declining rather than rising. It shows, for the first time, the average American rating himself as lower on the economic ladder today than the previous year. It shows a majority not expecting the quality of their lives to improve over the next 5 years.

In short, we are in a very bad way, with no improvement in sight. So much for the problem. Now what can we do about it?

There are a number of significant and obvious steps we should have taken long ago, and which we should take today to improve the general health of our economy.

We can eliminate the idiotic regulatory fetters which bind our productivity for no defensible reason. For example, when more than one out of four trucks on the highways is running empty because ICC regulations will not allow it to carry cargo from point A to point B, we can hardly expect to have an efficient economy or an effective energy conservation program. Similar abuses exist in numerous other aspects of our commercial life.

We can establish a Federal yardstick energy corporation.

We can enforce the antitrust laws to break up the excessive concentrations of economic power which now exist.

We can have Government play an aggressive role in helping to match labor supply with labor demand. We can convert the Department of Labor from a Department of Unemployment to a Department of Employment.

All these steps will help; they should be taken. They can help a healthy economy become healthier.

But they will not cure our present crisis. They will not cure an inflationary psychology in which interest rates are raised to the sky in anticipation of inflation, whereupon interest rates become self-fulfilling prophecies by creating inflation. These steps alone will not cure the inflationary psychology which led New York to its present sad state, and which psychology leads the Federal Government to spend more than $6 for every $5 it takes in because to do less would accelerate the economic disaster.

Today it is as if we are encased in a huge bubble of gum; we can push in one direction and the bubble will yield, but it will only close up tighter behind us from the other directions. We can, for example, cut government spending and reduce inflation, but only at the expense of increased unemployment, and ultimately of lower revenues and renewed inflation. What we need is a sword, a veritable Excalibur, to slice through the bubble so that we can climb out and return to the economic path we need never have left.

That sword, colleagues, is full-fledged Federal control of wages, prices, rents, and interest.

We have been there before, you say, and it has not worked? On the contrary, an econometric analysis presented to the 1973 meeting of the American Economic Association by Robert F. Lanzillotti and Blaine Roberts demonstrates that phase II controls in 1972 had reduced overall inflation about 2 percent, thus contributing $15 to $22 billion to the real GNP. I concede, however, that the present situation is significantly different from that which we faced 4 years ago.

An effective wage-price control system must have the following characteristics:

First. While it is not necessary to control every price and wage, controls must be reasonably comprehensive, relate to rational obtainable targets. It would be a U.S. disaster to adopt an incomes policy and simultaneously allow a 10 to 12 percent escalation as is provided in the current Canadian plan.

Second. The controls must be fair to labor and management. There is no question that phase II controlled wages more effectively than prices. During phase II, wholesale prices rose 6.9 percent while the cost of services rose only 3.5 percent. Clearly, this was not fair.

Third. Controls must be long term. We will not break the inflationary psychology with a control system everyone regards as a temporary phenomenon; wages and prices would be simply pawing at the gate waiting to take off the minute barriers were lifted. Once the inflationary psychology has drained out of our system, which may take years, we can then consider lifting controls.

Fourth. Profits should be reasonably controlled also to create capital and jobs on the one hand or be subjected to an excess profits tax.

Fifth. Controls should not be equated with an absolute freeze, except possibly during a short initial period. A small amount of inflation is probably indispensable for pump-priming, and should be permitted as required by economic—as opposed to psychological—factors.

What positive accomplishments can be expected from controls? There is little controversy on this point. By applying a brake on inflation, controls will enable us to concentrate on economic recovery and expansion and break the stagflation stronghold that has gripped the country for 7 years.

Problems will be created by controls:

Problem 1: With interest rates lowered by fiat, profit on lending will be too low, and loans will not be available.

Solution: I can recall Arthur Burns sitting before the Democratic Study Group just a few months ago, puffing on his pipe as he explained this objection to interest controls.

Dr. Burns is correct—but only as long as we remain inextricably mired in the conventional.

If low interest rates discourage loans, how is it that, throughout our Nation's history, loans have been plentifully available at 3 percent or 4 percent, and bankers have been as prosperous as they are today? How is it that, when I came to Washington less than 15 years ago, I had no trouble obtaining a home mortgage at 5½ percent?

The value of the use of money has a certain intrinsic worth that I would place closer to 5 percent than 10 percent per annum.

Once we lock on a tough and enduring system of controls, it will become evident that future inflation is going to be closer to our traditional levels than to the catastrophes we have sustained over the past few years, and low-interest loans will once again have obvious profit potential.

It is true that lending institutions tend to be notoriously unimaginative and conservative; their realization of and acceptance of the new economic order will probably lag several months behind the reality—perhaps even longer. In order to bridge this gap, the Government must be prepared to offer loans perhaps in the 6 percent range and through planning and regulation, the money changers must be brought back under control.

Problem 2: Decreased production due to noninflating prices.

Solution: We should be careful that this problem is not exaggerated. We have decreased production today because of inflation-recession stagflation. Better than 30 percent of our industrial capacity is idle. Moreover, according to the old school of economics, decreased production and low prices are supposed to accompany each other. Today we have the worst of both worlds, with low production and high prices. Production should not be hampered by price restrictions. Adjustments should be allowed for recovery of costs but there should be plenty of incentive to bargain for lower costs.

Finally, much of the noise about potential production cutbacks is based on the assumption that controls would soon expire and prices would rise. Once this expectation is eliminated, manufacturers and labor will adjust to profits and productivity within the framework of stability.

Problem 3: Farmers holding livestock off the market, thus creating meat shortages.

Solution: Prices on the farm should not be controlled because this is one area where supply and demand works.

Problem 4: Quality decreased at fixed prices having essentially the same effect as price increased at fixed quality.

Solution: This is a serious problem, which plagues us already in a wide range of products from candy bars to house framing. The truth in packaging and other consumer legislation passed by Congress will then be of assistance.

Problem 5: American goods will tend to flow to foreign markets where prices are uncontrolled, thus creating shortages at home.

Solution: In many cases, increased exports would not be such a bad thing; we could benefit from the increased balance of payments. But it is true that we cannot allow serious or crippling shortages to develop at home. In order to prevent these shortages, the executive branch would need the power to add and remove export taxes with a high degree of flexibility. An allocation program between foreign and domestic markets would be essential.

Those who have a particular interest in defense spending, as I do, should also have a particular interest in applying wage price controls to the military budget. When Gordon Rule, the Navy's chief of procurement, said defense contractors "laugh" at attempts to hold down cost, and when he said defense industries are in a state of perpetual double digit inflation, he was not kidding. In fact, he was understating. Consider the following table of unit costs. If it does not shock you, it should.

EXAMPLES OF UNIT COST INCREASES

[In millions of dollars]

Item	Unit cost in fiscal year 1975 budget	Unit cost in fiscal year 1976 budget	Percent increase
A-6E Intruder	$10.78	$13.17	22
UH-1N Iroquois	.80	1.22	52
SSN-688 Nuclear Submarine	193.50	245.50	27
PF Patrol Frigate	62.36	95.55	53
M60 Tank	.35	.59	69
F-15 Eagle	10.09	13.25	31
E-3A	41.83	72.97	74
Minuteman II	4.79	5.51	15
SLBM phased array radar	37.90	42.90	13
Hawk	.08	.10	25
M113 armored personnel carrier	.05	.08	60

This is not double digit inflation; it is double-double digit inflation, averaging 22 percent over the whole procurement budget. How long can we afford to have fighter aircraft inflating 31 percent per year? At this rate an F-15 will cost $145 million per copy in 10 years.

It is true that the defense industry has some unique problems: the Government permits practices among its suppliers which a cost-conscious commercial buyer would never tolerate. Many of us have fought these practices, and shall continue to do so. But we know from experience that our success will be limited. The only way to control defense costs on a comprehensive basis is to establish a clear-cut system of wage and price controls in defense industries, and the only political feasible way to do this is to impose controls on our entire economy.

Mr. Speaker, the sword in the stone is standing there before us. I do not say its golden handle glints in the morning sun; on the contrary, the handle is covered with thorns. But it is there, and it can be drawn and used to slay the dragons of recession and inflation by a Congress and a President willing to grasp it.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. MAGUIRE) is recognized for 5 minutes.

Mr. MAGUIRE. Mr. Speaker, because of commitments in my district yesterday evening I missed roll call votes 802 through 806. Had I been present I would have voted "no" on roll calls 802, 803, and 804 during the consideration of H.R. 10979, the Railroad Revitalization and Regulatory Reform Act of 1975. I fully supported the bill, opposed weakening amendments, and voted for the final version of the bill when it was favorably reported out by the full Interstate and Foreign Commerce Committee on which I serve.

To protect consumers from higher prices, I would have voted "no" on Senate Joint Resolution 121, Quarterly Adjustments in the Support Price of Milk, which included an increase in milk price support levels.

Although I fully support public broadcasting and voted for the bill when it left the House, I would have voted "no" on H.R. 6461, the Public Broadcasting and Financing Act of 1975, because the important civil rights provision of the House bill was deleted in conference.

THE NEED TO REDUCE EXCESSIVE EXPOSURE TO MEDICAL X-RADIATION

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD, and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, today the Subcommittee on Public Health and the Environment is having hearings on H.R. 559, legislation which I introduced in 1972 as the House sponsor of legislation authored in the other Chamber by Senator JENNINGS RANDOLPH.

This legislation provides that the Secretary of HEW develop and issue to the States criteria and minimum standards for the accrediation of educational institutions conducting programs for the training of radiologic technologists and develop and issue to the States criteria and minimum standards for the licensure of radiologic technologists.

These standards would be the national minimums required in these fields. The bill would make it unlawful for an educational institution not accredited to conduct such training and would make it unlawful for an individual to apply radiation to a patient for diagnosis or treatment unless he or she is a licensed medical practitioner, a licensed dentist, a licensed dental hygienist, or a licensed radiologic technologist or technologist-in-training. State standards consistent with the Federal criteria and minimum standards under this act will be the standards that will apply in that State.

The New York City Bureau for Radiation Control estimated that New York City usually has about 10 percent of any national radiation problem. And, I feel that the State of New York has come closest of any State to finding a solution. To my knowledge, New York State is one of only three States in the Nation that license radiologic technologists. The other States are California and New Jersey. Puerto Rico also has a licensing requirement. The following nine States have enabling legislation or an attorney general's opinion to initiate standards for licensure of X-ray technologists: Hawaii, Kentucky, Vermont, Montana, Michigan, Minnesota, Oregon, Delaware, and Georgia. However, the standards of the States are not uniform. The New York State licensing requirement was established in 1964. The State now has almost 12,000 licensed technologists. There is no shortage of qualified radiologic technologists in the State.

Saul J. Harris, former director of the Bureau of Radiation Control of the New York City Department of Health stated in congressional testimony last year that:

> It is our experience that the State radiologic technologist licensing program has been producing technologists who are more career oriented, who remain in the field longer, who are increasingly interested in patient care and radiation safety, and who are providing higher quality radiographs.

There are probably up to 160,000 X-ray technologists in the United States. The

American Registry of Radiologic Technologists has certified 91,000 of them. Most of the rest have no formal training. Obviously, there is a need to insure that radiologic technologists have reached a degree of proficiency and thus can perform competently. However, in my judgment a voluntary certification program is not sufficient and will not work. It is only voluntary and cannot require more than the most minimum standards. At the present time, no more than half of the radiologic technologists in the Nation have registered with the voluntary certification program.

Of course, there are safeguards that should be included in any licensing program. Such safeguards have been spelled out by Dr. Claire Nader. She said in congressional testimony last year:

At least six goals of an effective licensing system should be stated:

1. Competence in treating patients;
2. Care in not exposing the practitioner or operator;
3. Openness and recurrent evaluation and consumer representation of state licensing boards . . .
4. Licensing should also, when possible, stimulate not diminish competition;
5. Licensing should provide a stimulus for better machinery, prudent use of X-rays, and a record system for patients . . .
6. Licensing should provide standards of responsibility and accountability.

The problem of not having competent personnel operating X-ray equipment is most serious to the patient. So often, the operator of X-ray equipment is not qualified to handle the equipment. Sometimes a physician will train his receptionist, secretary, medical assistant, part-time student, or person with no professional background to operate the X-ray equipment. Yet, as Dr. Richard Chamberlain of the American College of Radiology stated at the 1966 congressional hearings, that every physician has, on an average, only 4.4 hours of his entire medical training devoted to lectures on radiological protection and techniques. He has probably relied on the salesman for basic knowledge about the working of the X-ray equipment. Often, too, the physician will not supervise the number of X-rays the incompetent operator might be giving the patient in order to get a better quality image, thus exposing the patient to unnecessary X-radiation. It is also true that the physician is interested in the immediate results of the X-ray—not so much in the long-term somatic and genetic effects of continued exposure to X-radiation which is cumulative in its effect to the patient as well as to generations yet unborn.

A safe level of X-radiation has not been established and people are being subjected to unnecessary radiation exposure. The U.S. Public Health Service found that X-radiation levels lower than previously realized can cause genetic damage. X-rays do harm to a fetus in early pregnancy. Small amounts of radiation can also cause birth defects, damage to the reproductive organs, and cell damage to adults.

A study undertaken by the Committee on the Biological Effects of Ionizing Radiation—BEIR Committee—of the National Academy of Sciences/National Research Council, was released in November 1972, entitled "The Effects on Populations of Exposure to Low Levels of Ionizing Radiation." The conclusions reached in this study were that 1,300 to 6,000 cancer deaths annually are caused by exposure of the American public to present levels of diagnostic X-rays. In addition, ill health results from genetic damage caused by the exposure. The NAS–NRC study further shows that present exposure of the population to X-rays and the associated toll in lives can be significantly reduced, through simple improvements in X-ray techniques.

For example, the BEIR Committee concluded that present genetic damage from X-rays can be reduced by up to 50 percent through educational methods and improved techniques—as restricting the size of the X-ray beam to the area of clinical interest. This is especially important during those X-ray procedures in which the reproductive organs are in the direct X-ray beam, as during examinations of the lower back, lower abdomen, and hip.

In view of the known leukemogenic effect of X-rays, avoiding needless exposure of the bone marrow is also of special significance. Because of the increased radiosensitivity of embryonic tissue, special prudence should be exercised in prescribing X-ray examinations for pregant or potentially pregnant women.

I was pleased to see that the Food and Drug Administration this fall proposed guidelines for the use of specific area gonad shielding on patients during medical diagnostic X-ray procedures. Such shielding will reduce the patients exposure to unnecessary ionizing radiation which, studies have indicated, can cause mutations in germinal tissue possibly affecting future generations. Since 1971 I have sponsored legislation providing for the establishment of procedures for shielding of patients (H.R. 558). I am pleased to see the FDA propose by regulation what I have been urging be adopted. I wonder, however, what took them so long. I hope that recommendations regarding the shielding of other radiation-sensitive tissues and organs as thyroid, bone marrow, and developing fetus will be quickly forthcoming. In the Federal Register of December 15, the FDA announced that guidelines are to be developed for medical radiation exposure of women of childbearing age. Comments are to be submitted by February 13, 1976.

Joel Griffiths and Richard Ballantine state in their book "Silent Slaughter," that a child exposed to X-rays during the first 3 months of pregnancy is 10 times more likely to develop cancer than a child not exposed. One study conducted by Dr. Brian MacMahon of the Harvard School of Public Health in 1962 indicated that there is a 40 percent higher cancer mortality rate among children X-rayed in the womb. A study published in May 1973 in the American Journal of Epidemiology found that the total mortality experience of the white children during the first 10 years of life who had been exposed to intrauterine X-rays was almost twice that of children not exposed. The death rate from leukemia was about three times higher for the exposed population than for the controls. The International Commission on Radiological Protection has indicated that present medical X-ray exposure is causing 3,000 deaths per year in the United States from various forms of cancer and genetic damage and may be introducing each year into future generations approximately 30,000 deaths from malignancies, stillbirths, and spontaneous abortions because of genetic damage. Thus, it has been found that exposure to varying amounts of X-radiation can statistically increase the likelihood of cancer, leukemia, cataracts and damage to reproductive cells.

Untrained, unqualified personnel cannot be permitted to handle X-ray procedures that have the potential for inflicting harm on so many people. We must assure that the personnel be trained as well as possible, and that only those licensed to practice be permitted to practice. Dr. John Cameron has recently found that a person could receive as much as 100 times more radiation during a particular diagnostic X-ray procedure in one medical facility as compared to another.

The most sophisticated and modern of X-ray systems cannot protect the health and safety of patients unless the technicians operating the equipment are adequately trained and licensed. In some States, we license car mechanics and TV repairmen. Does it not make sense that we license X-ray technologists who handle the most sophisticated of equipment—equipment which can provide extended life if properly used or shorten life when improperly used.

It is a fact that 95 percent of the radiation to which the American public is exposed comes from medical X-ray exposure. Only 2 percent of man's exposure comes from the nuclear power industry which is stringently regulated, while strangely medical and dental X-ray usage is not, in most cases, subject to control.

The HEW Bureau of Radiological Health stated in their January 1975 staff report that 130 million people received in 1970 212 million medical and dental diagnostic radiological examinations. Of course, some medical X-rays are unavoidable. Medical X-rays are often necessary and have been responsible for the successful diagnostic and treatment of many ailments. However, unnecessary X-radiation is causing death and suffering to untold numbers of unsuspecting persons, as reported by the International Commission on Radiological Protection. We must do what we can now to control the X-ray machine and license the persons who use them.

Last year the Senate passed legislation calling for the licensure of radiologic technologists, but the provision was dropped in conference by the House. The need for this legislation is still as great.

Enactment of H.R. 559 will not serve to create a situation resulting in economic gain to a few by limiting the number of technologists in the field. Rather, it will encourage and attract competent personnel who can be confi-

dent in the integrity and responsible outlook of the profession. It certainly will encourage radiation safety for the protection of both the patient and the user of the equipment.

FEDERAL ELECTION COMMISSION OPINION UNDERMINES SPIRIT OF CAMPAIGN FINANCING REFORM

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, one of the primary objectives underlying the efforts to achieve meaningful campaign financing reform over the years has been to remove the excessive influence of money on the electoral process and the significant degree to which monied special interests expect and receive special treatment as a result. For far too long candidates have had to depend upon certain special interests and persons of wealth in order to finance their campaigns and inevitably they are beholden to those interests thereafter. Thus, the new limitations on amounts, sources, and forms of contributions imposed by the Federal Election Campaign Act Amendments of 1974 were hailed as a major development in ending abuses in campaign financing.

Unfortunately, the Federal Election Commission, which this measure created, has recently undermined the very spirit of this law and the movement to reform campaign financing. In an advisory opinion involving the Sun Oil Co.—No. 1975–23—the FEC cleared the way for corporations to invest millions of dollars in contributions from their stockholders and employees in the political campaigns of candidates who they regard as friendly.

This opinion held that—

It is lawful for Sun Oil to expend general treasury funds to defray expenses incurred in establishing, administering, and soliciting contributions to SUN PAC so long as it is maintained as a separate segregated fund and it is lawful for Sun Oil to control and direct the disbursements and expenditures from SUN PAC.

Although this advisory opinion pertained only to Sun Oil, it has the effect of enabling hundreds of other corporations and business associations to collect "voluntary" contributions from their shareholders and employees and distribute the money among candidates as they see fit.

More importantly, however, this ill-conceived opinion virtually hands the political process to the major corporations of this country. Instead of relieving the electoral process of the overwhelming influence of money and well-financed individuals and groups, the Federal Election Commission has virtually abrogated the campaign spending laws by permitting an even greater flow of special interest money into campaign coffers. This is certainly not reform and represents not only an affront to those of us who have endeavored to remove the influence of money from elections but, I am afraid, will also be interpreted as a major setback to the cause of campaign financing reform. There is little question that this decision will have far-reaching ramifications on the entire electoral process.

Furthermore, contributions can now be made by firms which have government contracts and while they are to be filtered through supposedly nonpartisan committees, I fear that a very unhealthy relationship could develop between contractors and candidates whom they view with favor.

Finally, there is the very important question of the manner in which stockholders and corporate employees will be solicited for campaign funds. A very timely article on this particular issue and the FEC's ruling appeared in last Sunday's New York Times. This piece describes the manner in which corporations will employ various loopholes to "encourage" employees to make political contributions—presumably, in some cases, on a sliding scale according to their status in the corporate structure—and notes that the possibility of coercion was not really dealt with by the Commission. The author, Michael Jensen, also raises the question as to where corporate committee money will actually be going. The far-reaching effects of the FEC's opinion are outlined in this well-written article and I commend it to our colleagues' attention.

Also, Mr. Speaker, there is the very troublesome fact that there is no provision for any congressional review of FEC advisory opinions. It would appear that the most practical manner of rejecting the thrust of their poorly considered determination would be legislation amending section 610 of title 18, United States Code. This view is supported by a legal memorandum, prepared at my request, by the Library of Congress. I present a copy of this memorandum herewith for inclusion in the RECORD.

We cannot stand idly by and permit the FEC to destroy the effort to achieve substantive reforms in the financing of House and Senate election—as well as those for President. The Sun Oil opinion strikes at the very heart of these reform efforts and must not be allowed to stand. The Commission has noted that the ruling is interim in nature and I would respectfully suggest that those who share my concerns make their views known to that body as well as to the appropriate congressional committees.

The material follows:

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OVERTURNING THE FEDERAL ELECTION COMMISSION'S ADVISORY OPINION WITH RESPECT TO SUN OIL CO. (AO 1975–23)

This memorandum concerns the most practical way of overturning the Federal Election Commission's advisory opinion with respect to Sun Oil Co. (AO 1975–23). The opinion was published in *Federal Register*, Vol. 40, No. 233 (December 3, 1975), beginning at page 56584. The text of the opinion, including a dissent, is appended to this memorandum. Under AO 1975–23, the Commission held, as follows:

(1) ". . . it is lawful for Sun Oil to expend general treasury funds to defray expenses incurred in establishing, administering, and soliciting contributions to SUN PAC so long as it is maintained as a separate segregated fund."

(2) ". . . it is lawful for Sun Oil to make any political contributions and expenditures it sees fit in connection with any Federal election so long as the moneys used for such purposes are expended from SUN PAC and the fund consists of voluntary contributions."

(3) ". . . it is lawful for Sun Oil to control and direct the disbursement of contributions and expenditures from SUN PAC."

(4) "It is the opinion of the Commission that Sun Oil may spend general treasury funds for the solicitation of contributions to SUN PAC from stockholders and employees of the corporation."

(5) "It is the opinion of the Commission that SUN PAC generally can accept any contribution from any donor, whether or not it is lawful for Sun Oil to solicit a contribution from that donor."

(6) ". . . under 2 U.S.C. 432, SUN PAC, just as any other political committee, would be required to have a chairman and treasurer in order to accept or make any political contributions. Beyond these requirements, there are no other formal organization requirements applicable to SUN PAC under Federal law."

(7) "It is the opinion of the Commission that the expenditure of general treasury funds by Sun Oil for the ordinary and necessary administrative costs of implementing SUN EPA is not prohibited by section 610."

This memorandum discusses the most practical way a Member of Congress who disagrees with all or part of AO 1975–23 might seek to overturn the same.

The statutory provision which authorizes the Federal Election Commission to render advisory opinions in response to specific written requests is codified as 2 U.S.C. Sec. 437f. No provision is made for congressional review of advisory opinions rendered by the Commission. [Note: in the case of rules and regulations, proposals of the Commission are subject to congressional disapproval.] Furthermore, since advisory opinions are rendered only in response to specific written requests, a particular advisory opinon presumably only applies directly to the particular party who requested it. Advisory Opinion 1975–23 reflects such a premise when it provides, as follows:

"This advisory opinion is issued on an interim basis only, pending the promulgation by the Commission of rules and regulations or policy statements of general applicability." [Emphasis added.]

Consequently, it may be difficult for a Member of Congress not directly affected by AO 1975–23 to establish the "standing" necessary to bring a court challenge to the opinion. Hence, it would appear that the most practical way of overturning the substance of AO 1975–23 would be the introduction, and ultimate enactment, of legislation appropriately amending 18 U.S.C. 610.

ROBERT B. BURDETTE,
Legislative Attorney.

THE NEW CORPORATE PRESENCE IN POLITICS—THE RUSH IS ON TO DEVELOP IN-HOUSE SOLICITING UNITS

(By Michael C. Jensen)

The Sun Oil Company is putting up $100,000 for political purposes—not for contributions, let it be hastily noted, but rather as expense money for its "responsible citizenship program" an in-house committee set up to solicit contributions from Sun's employees and shareholders.

At the Dow Chemical Corporation, seven such political action committees have been set up, which could conceivably provide a total of $70,000 in contributions to a single Presidential candidate next year.

Deere & Company has collected more than $18,000 from its executives since March, all earmarked for political distribution.

For those three companies—and for the more than 300 political action committees

that had been established at the end of October by both corporations and business associations—last month was a major turning point.

It was then that the Federal Election Commission—set up in the wake of the Watergate scandals with a mandate to rationalize election law—ruled that Sun Oil could pay the expenses incurred by its political action committee in soliciting political contributions. And it was then that the commission advised Sun Oil that corporate management could decide which candidates would receive financial support.

The ruling, by extension, significantly increased the legal authority for all companies and industry associations to use their own funds and resources to influence the elective process.

For many, it signified the extension to the executive suite of political rights long enjoyed by labor in soliciting member funds and leaving the choice of recipient to union leadership.

At the same time, the ruling set off a sometimes bitter debate on the wisdom of allowing such activity, and of the possibilities of abuse in the form of either coercion on the part of the employer or weighting the contributory balance toward conservative candidates.

"Your decision subjects thousands [of company employees] to the pressures of corporate managers to contribute to the party or causes that management deems important," wrote Raymond C. Christie, a middle management executive with Baker Perkins Inc., in Saginaw, Mich. "An employee is expected to go along with management decisions. To refuse means that one is not part of the team, and this is a major factor when the company considers salary increases and promotions."

In another letter to the commission, Anthony Arcomone, president of Local 8–901 of the Oil, Chemical and Atomic Workers International Union at Sun Oil's Marcus Hook, Pa., refinery, wrote:

"Sun Oil has offered to provide money to pay for all operating expenses [of the political action committee]. In doing this, the company takes financial control of the independent committee."

Furthermore, he said, the company financing means a "violation of the company claim that the committee is independent of all political parties, candidates or organizations. The company pursues a political line."

Some companies argue back that the destination of the collected money will be decided by an independent committee, but at various meetings of businessmen it appeared that "independence" can mean various things.

For example, an attorney at a recent seminar on the funding programs—one of many sprouting up across the nation—was asked by an executive whether it wouldn't be a problem if a committee gave money to candidates not sympathetic to the company's problems. "Management," was the reply, "appoints the committee."

In general, enthusiasm for the Sun Oil ruling is strong on the management side.

Among the comments received by the commission was one from William E. Duke, the Atlantic Richfield Company's director of Federal Governmental affairs, who, in a "Dear Tom" letter to Thomas Curtis, chairman of the commission, said, "It seems that you and I are always on the same side fighting uphill battles."

He was "heartened" to learn of Mr. Curtis' "support of the proposition that corporations should be allowed to provide their employees with an opportunity to contribute to political campaigns," Mr. Duke wrote.

Richard D. Godown, general counsel of the National Association of Manufacturers recently praised the commission as laying the groundwork for a "quiet revolution."

It is now possible, he said, "to recite a litany of permissible activity on the part of corporations in the political arena, which would not have been possible only four years ago."

Perhaps, but in several important areas the Federal Election Commission has either left things unclear, or attempted to build safeguards into the plan that apparently will not be generally observed.

For example, the commission in the Sun Oil ruling also approved a trusteeship method of collecting and distributing money called the "employee political account." Under this system, employees wishing to designate their own recipients put money into an individual company-sponsored bank account, to be withdrawn at the employee's initiative.

Concern about the potential for coercion caused the commission to rule that, while Sun could receive reports on the totals of employees with such accounts, of funds in the accounts and of contributions to candidates, the "receipt and publication of any report" on the individual sources or recipients of funds "may constitute the exercise of direction and control over future contributions"—and as such be a violation of the law.

Nevertheless, Kenneth R. Burton Jr., a senior attorney for Sun Oil and architect of the company plan, said recently that Sun did indeed intend to obtain a list of the recipients of employee funds.

"Many times I've gone into their [Congressmen's and Senators'] Offices and met a hostile reception," he explained at a recent seminar sponsored by the Chamber of Commerce of the United States on Long Island. "I'd like to be able to go in and say, 'In your district, you have 50 Sun employees who contributed to your campaign.' He may kick you out, but he'll be a little nicer about it."

In another, particularly sensitive, area, the Federal Election Commission has not ruled out the setting of quotas or guidelines by management for employee contribution levels.

Some companies, Sun Oil among them, say they intend to avoid setting either, for fear it might be considered coercion. Others, however, the guideline approach.

Deere & Company records filed with the Federal Election Commission, for example, indicate that the size of individual executive's contribution in the company's $18,000 total so far was roughly proportionate to his position with the company.

William A. Hewitt, the chairman, donated $1,000. Ellwood Curtis, the president, gave $750, Robert A. Hanson, the executive vice president, gave $700. Three senior vice presidents gave $650 each, and 10 vice presidents, $400 each.

R. W. Weeks, Deere's general counsel, said the company indicated to its executives "a level that they might consider," but that "some do and some don't." Some, he said, don't contribute at all.

Mr. Weeks added that his secretary served as treasurer of the company's political fund, and sent out notices to the executives which said essentially, "we'd appreciate it if you'd make your contributions now—if you're going to make one."

The commission has "recommended" that solicitation by superiors be avoided. And attorneys well versed in the new election law suggest that to be on the safe side, soliciting should be done either "laterally" or from below—not, in other words, by an employee's supervisor or by executives.

But here again, critics say the possibility of coercion has not been really dealt with. Soliciting by a superior has not been ruled out, and in any case, is an employee being solicited by a superior if the request comes from the boss's secretary?

Still another point at issue is where the corporate committee money will actually be going. It will be months before there is a clear indication, but some liberals and Democrats argue that much of it will be given to conservatives and Republicans—and there is scattered evidence that they may be right.

Of the money distributed by the Deere committee since last February, for instance, $6,150 went to Republican candidates and groups while $1,050 went to Democrats.

On the other hand, labor money has always tended to go to liberals and Democrats.

In addition to keeping an eye out for evidence of coercion, the Government also is watching to see whether multiple funds organized by a single company or association appear to be centrally controlled.

Although the Federal Election Commission has not yet ruled on the legality of multiple funds, it appears that they will be allowed as long as they operate independently.

Dow Chemical's seven funds were set up on a geographic basis. Still, conceivably, if each of Dow's regional committees decided to support one of the 1976 Presidential candidates, that candidate could receive the legal maximum of $5,000 for a Federal candidate from each committee before the convention and another $5,000 after the convention, for a total of $70,000.

Furthermore, an unlimited amount of money may be funneled from a company's political action committee into collection campaigns in general.

A company committee may contribute as much as it wants, for example, to other committees—such as those maintained by associations that serve the company's industry. Such contributions may not be earmarked for a specific recipient.

In addition, a political committee may contribute an unlimited amount of money to party organizations supporting Federal candidates. However, the party organizations are limited by a variety of regulations in the amounts they may then pass on to individual candidates.

Despite the existence of heavy criticism, the employment of political action committees by companies as a means of exerting political influence appears to be the wave of the future.

"It's just starting, but I think it's going to grow by leaps and bounds," Thomas W. Wallace, executive director of New York State's Board of Elections, says.

Even before the landmark ruling on Sun Oil, corporate political action committees had been proliferating, and in the last month, Government officials say, the pace has accelerated.

Special teams from the Chamber of Commerce of the United States have fanned out across the country from Nashua, N.H., to Seattle, Wash., to advise businessmen on political committees. And corporate executives have stepped up their requests for political fund-raising information from such organizations as the N.A.M., as well as the Federal Election Commission itself.

Among the numerous other companies that have formed political action committees and registered them with the commission are Coors, Crocker National Bank, American Express, Metropolitan Life Insurance, R. J. Reynolds Industries, Anaconda, General Electric, Lockheed Aircraft, Pullman and United States Steel.

Others include Merrill Lynch, Pierce, Fenner & Smith; Citicorp; Harrah's Club and Hughes Aircraft.

Altogether, more than 200 such committees have been formed by business, financial and professional associations, and another 120 have been initiated by corporations. About 50 inquiries for information and Gov-

ernment forms have arrived at the Federal Election Commission since the Sun Oil ruling, officials estimate.

Although some programs—like Sun Oil's—are just getting started, others are in full swing. The LTV Corporation, for example, has a comprehensive Active Citizenship Program which sponsors political activities ranging from rallies and fund-raising to "getting out the vote."

Like many other companies, LTV clearly is sensitive about the use of cash for political purposes. In a tabloid newspaper produced for LTV's program, a story is headlined "No Cash—Please."

"Neither the company nor the ACC [Active Citizenship Campaign] solicitors want to handle any bundles of cash donated by employees for political purposes. No way!" the story says.

Much of the enthusiasm for the new method of employing corporate funds to generate political activity seems to come from a feeling among businessmen that they need to match union activity. Federal Election Commissioner Joan D. Aikens clearly shares that feeling.

"We did a great deal of work on the Sun Oil request to make sure that corporations would have the same advantage unions have," she told an audience of businessmen recently. "At this point, it's smooth sailing for political action committee plans."

Two other members of the commission were not so sure that a balance had been struck. Robert O. Tiernan and Thomas E. Harris, both Democrats, said in a dissenting opinion in the Sun Oil ruling that they thought the commission's decision "destroys" the balance between union and corporate political power.

"Unions are presumably limited to communicating with and soliciting their members," they said, "while corporations may solicit not only their stockholders, but all employees, whether union members or not."

Campaign experts say the dispute will not be resolved until contribution totals are finally listed. The proof, they say, will be in the dollar totals.

THE PROPOSED KALAUPAPA NATIONAL HISTORIC PARK IN HAWAII

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, as you know, I have for many years favored establishment of a national historic park in a portion of my State of Hawaii especially worthy of such a designation. The area is Kalaupapa on the northern shore of the island of Molokai which was set aside in the last century as a settlement for persons suffering from leprosy. It is my strong feeling that this peninsula should be protected and preserved as a national park, and my legislation, House Joint Resolution 220 and H.R. 11180 would accomplish this purpose.

Recently a reporter for the Greensboro, N.C., Daily News, Mr. Joe Knox, visited Kalaupapa. His report on what he learned of this historic area was published in the November 30, 1975, edition of the Daily News, and I commend his observations to the attention of my colleagues.

I ask that the article appear in the RECORD at this point so that Members of the House may be fully acquainted with the significance of the Kalaupapa area and the people who have lived and worked there, and who remain there today:

ONCE A HORROR SCENE, NOW TROPICAL PARADISE

Island of Molokai, Hawaii—As the small commuter airplane of Royal Hawaiian Air Service flew along the north coast of Molokai, sheer walls of volcanic rock rising nearly 2,000 feet straight up from the Pacific Ocean, the pilot turned and banked the machine a number of times to point out to his passengers, of whom I was one, various sights of particular scenic and historic interest.

At intervals, deep valleys, lush with vegetation, split the mountains open, and into the depths splashed waterfalls from spectacular heights, making for scenes of incredible wild beauty, breathtaking grandeur.

Later, I was to visit Halawa Valley on the far northeastern corner of Molokai, a veritable Garden Of Eden now discovered and inhabited by a number of young people, bearded, barefooted and bikinied, who seemingly have gone back to nature in a most literal way.

You can drive to the mouth of Halawa Valley, but the other valleys are accessible only by hiking down from the mountain tops or by small boat through the high pounding surf.

For a country boy from the hills of Western North Carolina, all of this was pretty heady stuff, as though I had been transported to another world. Before this memorable day of adventuring was done, I was to find that to be quite true.

Somewhere deep in memory I knew Molokai was the island where a colony of lepers had been established in the 19th Century, and suddenly, it seemed, the pilot was talking about that very colony, banking the airplane to the left so we could have a good view of the Kalaupapa Peninsula, abruptly jutting out into the sea from the precipitous cliffs.

He pointed out the village where victims of the dread disease now live, and the airstrip which serves as their principal lifeline to the outside world. Later I was to learn that a barge brings heavy supplies to the peninsula once a year. The isolation of the colony was starkly revealed by the view from the airplane.

In the beginning, many victims of what is now called Hansen's Disease were thrown overboard from ships standing offshore. Those who made it to land with bare necessities for survival, became the first to inhabit the peninsula in modern times. It is roughly squared-shaped and about two miles on edge.

During his commentary, the pilot mentioned one other access—a narrow path carved out of the face of the mountain. Gazing on that imposing volcanic formation overshadowing the peninsula, I thought any such trail was just impossible, and I leaned over to say this in the pilot's ear.

He insisted the path was there, and said it had originally, perhaps 100 years ago, been formed by wild goats which abound on Molokai. In more recent years, it had been improved for hiking adventurers, and just in the past year, a passenger-carrying mule train had been using the path.

It suddenly dawned on me that this was the very mule train I and several companions had been programmed to join. From there on to the Molokai Airport just beyond the mountain, I kept thinking there was no way a mule could get up and down the face of that 2,000-foot cliff.

But within an hour—and this still seems pretty wild—I was mounted on a mule named Tyrone at a point called Kalaupapa Lookout, just at the edge of the escarpment from where the view was at once beautiful, thrilling and just a bit terrifying. Looking straight down for nearly a half-mile, you could see the sea boiling up on the rocky shoreline.

Off to the right was the peninsula and the leprosy settlement in bold view.

The chief mule skinner and leader of the train was a big native Hawaiian, Clarence, who personally saw each of us—there were three men and four women in the party—properly mounted with stirrups adjusted.

He told us not to worry if we had never before ridden a mule: We would, after a few hairpin hair-raising switchback turns, learn how, In practical terms, this meant we should leave the mules alone to pick their own ways along the path, ranging roughly between one and two feet wide, and enjoy the ride and scenery, if possible.

My own experience was that after several of the initial turns where I looked over Tyrone's head and saw absolutely nothing but vast void, I began to appreciate Clarence's advice. Tyrone was phenomenally sure-footed, even though his feet were frequently only inches from the precipice and a calamitous spill.

Part of the trail near the top had a flimsy fence staked along the outer edge, and in other places there appeared to be enough scrub growth to stop a fall or slow it down. But small comfort these were. Simply getting used to hanging in space on the back of a mule, in my mind's eye a flirtation with eternity, was the secret of relaxing and enjoying the adventure.

I was to learn later that not everyone in the party thought this was the kind of adventure that could be enjoyed, though I personally got a charge out of it. You should know that before we mounted the mules, each of us had to sign a waiver relating to death or injury on the trip.

Lei, our hostess for the day, a husky and handsome woman born to parents who migrated to Molokai from the continental United States in the 1930s, assured me this was only a formality. Her company, Tropical Rent-A-Mule, had never lost a customer. The goat trail, she related, had been used as early as 1887.

It took us well over an hour to ride the three miles down to the sea, and I think each of us must have gained a full appreciation of just how remote and inaccessible the leper colony was in earlier times. There was no escape, certainly for crippled victims of the disease. It was the perfect natural prison.

As we moved out from the face of the mountain and looked back up to the spot from where we started, it all seemed wildly impossible. One of our group said it for all: "I don't believe it!"

Bringing up the rear, leading two spare mules was Buzzy, Clarence's first lieutenant, also a native of this beautiful lonely island. He assured me several times that going back up was a lot easier and more fun.

Buzzy was much delighted to learn that I hailed from North Carolina, because when he served in the Army, he was stationed for a while at Fort Bragg.

Our guide on the peninsula was Richard Marks, a highly articulate and informed member of the colony. His vehicle was a pick-up with a wooden bench built around the edge of the body, shielded from the hot Hawaiian sun by a canvas top. He called it a sampan bus. It somewhat resembled the mules in terms of comfort.

Richard was not as severely afflicted by Hansen's Disease as others in the settlement. His face was slightly disfigured, his eyes had been affected, and he had lost feeling in some parts of his body. His feet were the worst problem, he said. He wore conventional shoes and seemed to get around all right.

As we neared the end of the peninsula tour, we were to see one man so grotesquely mutilated it was painful to look on him.

There were members of the party who turned away in horror.

Oddly, the village, where 138 victims of leprosy and 38 members of the state-operated hospital medical staff, appeared deserted.

People could have been peeping at us from behind shades and around corners, though Richard said they were not afraid of tourists.

In fact, he related, if a tourist ventured into the bar where beer is served and consumed in immense quantities, was hard to break away from gregarious, if tipsy, residents.

But I caught sight of no one around the bar—we didn't go in—at the post office, general store or around the hospital. Kalaupapa was like a ghost town.

The simple frame houses, neatly kept and set in well-groomed yards, appeared large enough for two or possibly three bedrooms. There was an old automobile parked at most of the houses. Richard said they were essential because many of the residents were unable to walk to the store for supplies or to the hospital for the daily dose of medicine which keeps Hansen's Disease in abeyance.

Sulfone drugs, discovered in the 1940s and since improved, are the controlling agent, killing leprosy bacteria and preventing it from spreading. These days there is no reason to fear contagion from those undergoing treatment, and for the past six years, many Kalaupapa patients have been free to leave their isolated community and go live where they choose.

As it has turned out, all of them choose to live among their own kind where they are accepted as human beings. Richard talked about his own experience.

He is now 46 and has been in the colony for all of his adult life. Several years ago, after the liberalized rule went into effect, he tried life on the outside—I believe he said in the Honolulu area where his two children live—and found it unbearably cruel. He was shunned in the same way lepers were in earlier times, and he came back home to Kalaupapa.

Richard said this had essentially been the experience of others who tried to leave. They found out they were different, terribly different, and they soon returned.

Their fondest hope is that they will be allowed to live out their lives at Kalaupapa. If they do, it is estimated the colony will be all but extinguished in 10 to 15 years. The average age is 59. The youngest is 30. No new patients have been accepted since 1970. Hawaii's Rep. Patsy T. Mink has introduced a bill in the Congress which would turn the peninsula into a National Historic Park. Her bill is strongly endorsed by residents of the village who have some very real fears that their peaceful hideaway will be taken over by builders of hotels and resorts, and they will be forced to leave.

Babies born to couples with leprosy have little chance of contracting the disease if they are taken away at birth. This has historically been the practice at Kalaupapa. Infants are commonly sent to live and grow up with relatives on the outside.

The State of Hawaii provides each of the leprosy victims with a cash allowance of $12 a week, and also housing, utilities and medical services.

What interests the people? Television and twice-a-week movies at an assembly hall keep their minds occupied. Richard said the most popular shows were "Kojak," "Mannix," and "Hawaii Five-O." All kinds of sports events are eagerly followed.

The present village is on the west side of the peninsula, but the original colony was established—euphemism for throwing people overboard—on the east shore in 1866 by Hawaii's King Kamekameha IV when the disease was raging throughout the Islands.

Richard drove us to the site where we brought out a picnic lunch at a comfort station of sorts built by the state. I wandered down to the high shoreline to munch my sandwich, and I thought this surely was one of the most peaceful picturesque idyllic places I had ever seen.

Mountains rise sharply from the sea and high waves crash incessantly on the rocky coast. Two huge sentinal rocks, one a mound and the other a pyramid, stand several hundred yards offshore.

It was a fairyland forlorn, and I felt a strangeness at being on the spot once considered the most dread place on earth. I remembered, as a boy, reading horror stories about the leper colony in Hawaii, and I tried to visualize how it was 100 years ago when as many as 1,100 helpless and deformed victims of the disease lived and died here.

There was little evidence of the community of 300 buildings eventually built. At one time, just when I'm not sure, the Hawaiian government undertook to erase all evidence of this shameful chapter in the island's history, and brought in bulldozers to reduce all buildings and installations to rubble. Lush vegetation now covers most of the area of the original settlement.

The only building left is the little church, St. Philomena, built by Father Damien de Veuster, a Belgian priest, with his own hands. Father Damien left his parish on the "Big Island," Hawaii, in 1873, and came to Kalaupapa where, until he died 16 years later, he worked tirelessly among these mutilated foresaken people, not only as priest, but as physician, friend, carpenter and builder of churches.

Eventually he fell victim to the disease and was buried in the churchyard on Kalaupapa. His body was removed to Antwerp, Belgium, in 1936. For many years, the work Father Damien started was carried on by Mother Marianne, a nun to whom a monument was erected on the peninsula.

The mule ride up the mountain served to jolt me back into the role of bug-eyed tourist, and as Buzzy had predicted, it was easier going. As we mounted higher and higher through 26 switchback turns, the views became increasingly more spectacular and breathtaking.

At the top, each of us was presented with a certificate testifying to the "obstacles, precipices and hazards of this treacherous trail," and acknowledging our membership in the renowned "Order Of The Alii Mule Skinners Of Molokai." It was signed by Clarence and Buzzy.

And Lei gave each of us a bumper sticker that says, "Wouldn't You Rather Be Riding A Mule On Molokai?"

THE SCHOOL LUNCH PROGRAM

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PERKINS. Mr. Speaker, obviously there is enormous congressional interest in a strong school lunch program, as evidenced by the overwhelming support of the override of the President's veto, 397 to 18, in the House of Representatives on October 7. Because of this widespread interest and support, I must advise my colleagues of a problem that is developing in the State administration of the program.

The bill, H.R. 4222, now Public Law 94–105, tremendously increased the scope of the child nutrition programs. The benefits of the school lunch program will be extended to thousands of residential type nonprofit child care institutions. In like manner, residential summer camps, as well as a number of new categories of child day care and preschool centers will be eligible to participate in the child nutrition programs. Other provisions of the bill make mandatory the offering of reduced-price lunches in all schools, and require many changes in program administration.

As a result, Congress, in approving this legislation, has placed very great additional administrative burdens on State educational agencies which administer and supervise program operations under the School Lunch and Child Nutrition Acts. If these new provisions of law are to be effectively implemented, the State agencies must have an increase in Federal funds to hire and train additional personnel.

However, the Congress has not recognized this vital need. The agriculture appropriations bill provides $4.6 million for State administrative expenses for the period July through January, and the Congress has added only $2.05 million in the recently passed supplemental appropriation bill. These two amounts total slightly less than the $6.7 million provided to the States for administrative purposes in the fiscal year 1975.

Thus far, the administration has not seen fit to ask the Congress for additional State administrative expense funds for this fiscal year. Accordingly, I have written to the chairman of the Committee on Appropriations, requesting that the next supplemental appropriation bill contain additional funds for State administrative expenses in order to carry out the additional obligations under the recently enacted School Lunch and Child Nutrition Act amendments. As a bare minimum figure, I recommend that the presently available amount be increased to $11 million. Such amount would include funds for the interim July to September 1976 period before the start of the new fiscal year.

CAREER EDUCATION

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, on December 4, I introduced for discussion purposes the Elementary and Secondary Career Education Act of 1976, H.R. 11023.

The prime reason I introduced that bill is to encourage greater Federal assistance for States and local school districts in implementing career education programs. I believe that enough research has been done on career education to prove its value and now is the time to make career education part of the regular education program in every school in the country.

Since 1972, $190 million of Federal funds has been provided for research and demonstration programs in career education under the Vocational Education Act, the Education Professions Development Act, the Experimental and Demonstration Career Education Act and several other laws. No funds, however,

have ever been provided for a broad scale implementation of career education in the schools.

The bill I introduced would provide those funds, and it would provide them through State educational agencies which can give the leadership necessary to make career education an intrinsic part of elementary and secondary education.

My second reason in introducing the bill is to help clarify the distinction between career education and vocational education. Vocational education, as we all know, is specific job training provided through our schools. Career education, on the other hand, is a comprehensive approach to education from the early elementary grades into the adult years, providing people with an idea of the types of jobs available in society, with guidance and counseling to determine what jobs they are most suited for, with assistance in securing these jobs, as well as with specific job training.

Unfortunately though, in the public's mind, these two ideas often become confused. Furthermore, the Federal Government has helped to foster that confusion by providing most of the funding for career education since 1972 through the Vocational Education Act. Now, for the sake of both ideas, it is best to divide the two by providing separate implementing legislation for career education. The bill I introduced seeks to achieve that objective.

My third reason in introducing the bill is to make clear my belief that the Federal commitment to assisting in the implementation of career education ought to be of a limited nature and ought to decline over time. To achieve that end, my bill proposes that $100 million be made available for program grants in fiscal 1978, $75 million in fiscal 1979, $50 million in fiscal 1980, and $25 million in fiscal 1981. It also provides that States and local school districts must increase their matching funds for this program over those 4 years.

If the concept of career education has any validity—and I believe it does, it ought to be adopted as part of the regular curriculum by school districts within that period of time. The Federal Government does not have the resources to continue to fund those programs endlessly.

I would like to acknowledge at this time the usefulness of the report recently submitted to Congress by the National Advisory Council on Career Education. That report, which urged the creation of a career education program somewhat similar to the one my bill proposes, served to provide me with many sound recommendations and worthwhile ideas while I was preparing this bill. The Advisory Council's work has been very helpful; and I would like to thank the members of the Council and especially its chairman, former U.S. Commissioner of Education, Sidney Marland, for their work.

I would now like to mention several other features of the Elementary and Secondary Career Education Act. A more detailed section-by-section description of the bill follows my prepared remarks.

The bill provides for programs only in elementary and secondary schools. No funds are provided for programs in community colleges or 4-year colleges or for programs for adults out of school.

The reason for this focus on elementary and secondary school education is that the bulk of the Federal funds spent since 1972 on career education have been concentrated on developing means to bring career education into elementary and secondary education. Little has been done in other areas.

Now, I believe it is time to implement these experiments in elementary and secondary education. It is not time, however, to shut off experimentation in these other areas. Therefore, my bill provides that funds under the experimental and demonstration Career Education Act can continue to be used for research and demonstration programs in postsecondary education and for adults.

The bill requires that at least 15 percent of the funds under the act must be used for guidance and counseling activities in local school districts. Presently, a good guidance and counseling program is sadly lacking in many of our schools; but its presence is absolutely essential to a successful career education program.

Another feature of the bill is that these funds must be provided in set amounts. In other words, if this bill is to be implemented, the Congress must appropriate the exact authorizations provided. Otherwise, there will be no broad program to implement career education in elementary and secondary schools; and, instead, experimentation will continue under the Career Education Act. These funds must also be provided 1 year in advance of actual obligation in order to allow States and school districts sufficient time to properly implement the programs.

I have included these two features, because I believe that certainty in funding is essential to operating a good education program. Administrators and school boards must know that the funds are going to be there if they are to be expected to make real changes in the schools dependent on this funding. Too often, the results of Federal education programs are minimal due to uncertainty of funding.

The bill also requires States to hire State coordinators of career education and permits States to provide for properly staffed offices to assist these coordinators. The use of these funds for the hiring of local coordinators of career education is also permitted. I have included these provisions, because I have come to believe that there must be people working on a daily basis to achieve a particular goal if real change is to be implemented in education.

The last major feature of the bill is that the States are given the responsibility to develop what they perceive to be the proper objectives in implementing career education in the States. However, once the States have developed these objectives, they will be held accountable to them by the Federal Government. In other words, Federal administrators will not tell States what they must do to implement career education; but the States will be held accountable to what they themselves say they are going to do.

I introduced this bill in order to put on public record my thoughts on where the Federal Government ought to go with career education. I hope that the introduction of this bill will further stimulate the national discussion on the value of career education and will also serve to focus attention on finding the best means to advance the adoption of career education by States and school districts.

I would be most appreciative of receiving comments from individuals and organizations throughout the country on the ideas contained in my bill. I want to make it clear at the beginning that I am open to suggestions on better ways to achieve the furtherance of career education. I am not wedded to every feature of this bill.

I do want to reaffirm my belief, however, that we, on the Federal level, must encourage States and local school districts to adopt career education much more vigorously than we have in the past. Youths and adults throughout the country must be given the opportunity to learn about the jobs available in our society and must be given professional help in choosing their occupations and in finding the best training available. Otherwise, I believe that we will continue to have an enormous waste of human talent which we can ill afford.

Mr. Speaker, I would like to insert at this point in the RECORD a section-by-section description of the bill:

SECTION-BY-SECTION DESCRIPTION OF H.R. 11023

Section 1. The bill is cited as the "Elementary and Secondary Career Education Act of 1976".

Section 2. The purpose of the bill is to assist States and local educational agencies in increasing job awareness, exploration, decisionmaking, and planning activities in elementary and secondary schools.

Section 3. For fiscal year 1977, no more and no less than $5 million is authorized for the purpose of planning. For fiscal year 1978, no more and no less than $100 million; for fiscal year 1979, $75 million; for fiscal year 1980, $50 million; and for fiscal year 1981, $25 million, is authorized for carrying out career education programs.

None of the program funds, however, are authorized unless the $5 million for planning has been appropriated for fiscal year 1977. Furthermore, no funds are authorized for either planning during fiscal 1977 or for programs in the other fiscal years unless these funds are appropriated a year ahead of time.

If funds are appropriated for programs in fiscal years 1978 through 1981, no grants can be made with local educational agencies under the experimental and demonstration Career Education Act.

Section 4. The funds appropriated under the Act are distributed among the States on the basis of school age population.

Section 5. Every State desiring planning funds during fiscal year 1977 must submit an application assuring that these funds will be administered by the State educational agency, that the State board of education has adopted or will adopt a statement of policy concerning the importance of career education, and that the State legislature and the governor have been notified of the State's application.

The State's funds during fiscal 1977 can

only be used for the employment of a State coordinator of career education and staff to assist such coordinator, including at least one professional trained in guidance and counseling, for the preparation of a State career education plan, and for local planning.

Section 6. Every State which desires to receive program money for fiscal years 1978–1981 must submit to the Commissioner of Education by September 30, 1977 a State plan assuring that the State educational agency will operate the program and that the State coordinator of career education will be directly responsible to the chief State school officer and will be the chief administering officer for the program.

This State plan must also set out explicitly the objectives the State will seek to achieve in career education by September 30, 1981, and must set out how the funds under the Act will be used to achieve those objectives. These funds may only be used for the employment of a State coordinator of career education and for the coordinator's staff, for providing services to local educational agencies, and for providing grants to local educational agencies for career education programs.

At least 15 percent of each State's grant must be used for guidance and counseling and for job placement in local educational agencies.

Grants to local educational agencies must be made in proportion to the enrollments of these agencies, with allowance being made for greater tax effort and for large numbers of poor children. Services must be provided to children in private non-profit schools.

Section 7. For fiscal years 1977, 1978, and 1979, the Commissioner must pay the States their entitlements if they comply with the assurances of the Act. For fiscal years 1980 and 1981, the Commissioner must pay the States their entitlements only if they have achieved the objectives of their State plans.

Any State may reserve 5 percent of its grant for State administration and an additional 5 percent for services for local educational agencies.

For fiscal year 1977, the entire cost of employing the State coordinator and staff may be paid for from Federal funds. For fiscal year 1978, only 75 percent of such costs may be paid; and in the succeeding fiscal years, only 50 percent of such costs may be paid.

Section 8. The Office of Career Education must be the administering agency within the Office of Education for this program, and this office must provide technical assistance to the States. Career education curriculum materials and projects funded under other Federal laws must be used in the programs under this act, to the extent practicable.

The National Advisory Council on Career Education must evaluate the programs under this Act, and the National Institute of Education must continue its complimentary efforts in career education.

Section 9. No later than December 30, each State must submit a report to the Commissioner evaluating its career education program. The Commissioner must analyze these reports and submit these analyses to the States within three months.

The National Advisory Council on Career Education must submit a report to the Congress by April 30 of each year evaluating the program. The Commissioner must conduct a comprehensive review of the programs and submit a report to the Congress by no later than September 30, 1980.

Section 10. For purposes of the Act, "career education" is limited to those activities carried out by State and local educational agencies involving job awareness, exploration, decisionmaking and planning. "States" are defined as being the 50 States, the District of Columbia, and Puerto Rico.

OIL SHALE

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, the recent debate over H.R. 3474 and the conference report thereon brought up a number of issues relating to oil shale development. A brilliant and perceptive analysis of these issues was presented during the field hearings of the Subcommittee on Energy Research, Development and Demonstration—fossil fuels—of the House Committee on Science and Technology, held at Boulder, Colo., on October 27, 1975, by Dr. Michael S. March. Dr. March served for 33 years with eight different Federal agencies, including approximately 28 years with the U.S. Bureau of the Budget and Office of Management and Budget.

His excellent testimony follows:

STATEMENT OF MICHAEL S. MARCH REGARDING OIL SHALE DEVELOPMENT AND MANAGEMENT ISSUES BEFORE THE HOUSE SUBCOMMITTEE ON FOSSIL FUELS OF THE COMMITTEE ON SCIENCE AND TECHNOLOGY AT BOULDER, COLO., OCTOBER 27, 1975

I wish to thank you for giving the people of this area an opportunity to testify on the immensely important issues relating to the impending development of oil shale as a source of energy for our country. As an economist and public administrator who has previously spent some twenty eight years struggling with public policy issues in the U.S. Bureau of the Budget and Office of Management and Budget, I welcome the opportunity to testify briefly on three major public policy issues that are raised by the Federal government's handling of oil shale. My statements are strictly my own and do not in any way reflect the views of any organization for which I now work or for which I have worked.

My testimony deals with issues which overshadow the question of oil shale industry development. I have come to urge a major Congressional investigation of the Department of Interior's mishandling of oil shale lands. Huge blocks of oil shale lands or rights to land have been literally given by the Department to private individuals and oil companies under very loose procedures and on the basis of questionable premises and administrative or legal determinations. Even larger acreages are threatened with reckless outright disposal at an 1872 price of $2.50 an acre or leasing for bonuses of 3 cents or so a barrel equivalent.

I urge that the Congress immediately ask the Executive Branch to embargo such disposals or leasing of oil shale lands until the Congress can review the past record and report to the American people on what has happened to *their* oil shale lands. As part of this, I especially urge that the Congress lay out remedies on behalf of the people with regard to oil shale lands disposed of for $2.50 an acre illegally or erroneously without the authority of law in the years 1920–1960.

I am prepared to tell where the Congress can find the records which illuminate these problems. One place to start is the 5-volume "post-hearing brief" in 1968 by the Department of Interior in Colorado Contests No. 359 and No. 360 in *U.S. v. Winegar* (Shell Oil) and *U.S. v. D. A. Shale, Inc.* The Department made a fine start in these papers, but has not applied the resources in manpower and money to follow through in cleaning up the mess.

My analysis of oil shale issues is heavily colored by six points:

(1) The oil shale lands of Colorado, Utah, and Wyoming contain immense amounts of energy. Published figures indicate potential recoverable shale oil totaling between 1 trillion and 2.0 *trillion* barrels—compared to some 30 *billion* barrels of presently proved crude petroleum reserves in the U.S.

(2) These vast oil shale riches are still predominantly a national government resource. An estimated 85% of the shale oil is still in federal domain holdings. However, private holdings, largely by major oil companies, contain somewhere between 100 and 300 billion barrels of potential oil.

(3) Published reports suggest that if oil shale were properly developed as a public resource, over the years it could pay off our national debt and in addition leave many thousands of dollars of proceeds for each person in the United States.

(4) As my testimony will show, the United States government, particularly the Department of Interior, has grossly mismanaged development of oil production from shale. Worse yet, it has grievously failed in discharging its public trusteeship of the oil shale lands and has recklessly permitted the so-called "user" interests to enrich themselves to the detriment of the public interest. This failure has involved both Republican and Democratic administrations during the last fifty years. The Congress has also neglected to get on top of this mess.

(5) The focus of oil shale land activity through the years has been almost entirely *speculative*—to get rich quickly by euchering the land out of the public domain or by trading in the raw land or getting suckers to "invest" in it. The multinational oil corporations have also worked through their front organizations to "lock up" the oil shale lands—before the people appreciated the true value of the riches buried in the oil shale. It is significant that despite all the hullabaloo and the several hundreds of billions of barrels of oil in oil shale already owned by major oil companies, there is still no economically producing oil shale industry in the U.S. Yet the big oil companies are still pressing hard to get more of the oil shale away from the Federal government and under their own control.

(6) The U.S. people need oil from oil shale and it is inevitable that an oil shale industry will come in Colorado. However, past policies followed by the Federal establishment, and those proposed now by the Ford Administration, simply play into the hands of the oil monopolies. We need a new set of rules which will put the peoples' interests first—policies which will demand performance in development of an oil shale industry without giving valuable public rights away blindly and prematurely.

I should like to qualify the foregoing generalization in two respects: First, any figures in my testimony must be treated as approximations, and even guesses, because it is impossible to get any firm, documented figures from the U.S. government. The Department of Interior's figures are notoriously unfirm. Second, I wish to indicate that my generalizations are grounded on some years of rather significant professional experience in public program analysis. I do not hold myself out as an expert on mining laws and/or on the technical or legal aspects of oil shale, but I have confidence in my ability to diagnose a gross failure in public policy.

In the light of the foregoing points I would like to give your Subcommittee and the Congress of the United States my views on three major points with respect to national policy with respect to oil shale lands and their development as a producing source of oil:

First, I conclude that the Congress would be on sound ground if it rejected——or very drastically tightened up—certain pending

proposals for multi-billion dollar loan guarantees or loan assistance to the oil companies for the development of oil shale and other synthetic fuels. I have reference here to the $6 billion loan guarantee proposal included in the Senate ERDA authorization now pending in the Congress and the $100 billion Energy Independence Authority proposed by the Ford administration.

These proposals would make the taxpayers bear the risks and give the profits to the oil industry. They appear to be a "no-win" proposition for taxpayers. As these proposals are now drawn, the taxpayers could be hooked for billions and end up without a producing, economically-viable oil shale industry.

The need for public financing of oil shale development has not been established, because the oil companies are reaping multi-billion dollar profits from oil each year and are still benefiting from special tax provisions. The oil business is not a depressed industry. There is no assurance that the ladling out of additional huge public handouts to the oil companies would indeed create a properly developed oil shale industry. Further, I do not believe that the fragile Western environment should be entrusted to the administration of the oil industry with its record of oil spills and environmental destruction. The West cannot afford to turn its water over to the oil companies for oil-shale development and dry up its agriculture and its cities.

As a budget and fiscal analyst with many years of experience, I urge the Congress to turn down any proposal for "back door" or "off budget" financing of assistance for oil shale and energy development of the sort that is now being proposed by the administration and the oil interests. I am concerned about the runaway federal budget. One of the more serious aspects of this problem is in the present huge "off budget" credit programs which are running between $25–30 billion per year and have, according to Secretary Simon of the Treasury, amounted to $150 billion in the last decade. These programs almost invariably represent poor priorities and are a source of inflation because they sidestep proper budget scrutiny by the OMB and by the Congress. The OMB seems to have lost its senses in supporting such "off budget gimmicks" for oil shale.

I urge that every dollar for energy development be authorized through the substantive committees and in addition be subject to the regular appropriations process of the Congress. This is especially important when the proposed beneficiaries represent the powerful oil companies which have enormous lobbying capabilities. The resort to "back door" budgeting, such as the Ford administration proposes for energy programs, raises a major risk of wrecking the financial base of the American economy because ordinary rules of budgetary prudence and normal procedures of budgetary review will be disregarded. Look at what happened to New York City because it gimmicked its budgets.

I do not believe that public funds or public guarantees should be provided to oil companies for development of an oil shale industry without bearing any risks. How can anyone justify turning over shale oil in publicly-owned land for pennies per barrel, then providing government capital for development at public risk, and then letting the oil companies sell any oil which may be produced to the taxpayers at a profit to the oil companies? This must indeed be a form of socialism for the benefit of corporations.

If the United States government is really serious about oil shale development, it should create a Federal Oil Shale Corporation so that public risk-taking will be accompanied by public profit-making if the enterprise is successful. We need a properly-planned regional undertaking, not hit-or-miss checkerboarding of public lands by various corporations whose principal objective is to preempt. Permit me to point out that when it came to development of a new atomic technology, the United States launched the Manhattan District project and got the job done expeditiously. The oil companies do not really want to mine oil shale, they want to milk the treasury.

If the Federal government is to subsidize private oil shale industry development, the subsidies should be completely out in the open, their purpose should be set out fully and explicitly to the Congress, the oil companies should by contract stipulate what they are going to invest and achieve, and the subsidies should be included in the Federal budget and be reviewed regularly by the Congress and the OMB. The oil companies should bear the top part of the risk if they are to get the profits.

Second, I wish respectfully to suggest that the development and management of oil shale as a major energy resource requires the adoption in the Executive Branch of a completely new attitude toward management and utilization of public oil shale lands. The Department of Interior has mismanaged these lands for fifty years or more to the detriment of the public interest. The mismanagement is still continuing at the top levels even though drastic changes in the nation's energy situation call for complete reversals of policies toward public oil shale lands. The Congress must lead in the direction of better policies.

Permit me to sketch the problem in a few words.

From a superficial viewpoint, it would seem that pubic ownership of the oil shale lands now in the federal domain is firmly established. The Mineral Leasing Act of 1920 established the fundamental national policy that public lands containing oil, oil shale, and certain other minerals should not be disposed of outright, but should be leased. The Act withdrew oil shale lands from location of new mining claims—and permitted only leasing, subject to payment of bonuses and royalties. Moreover, in 1930, when the Oklahoma and Texas oil fields flooded the country with cheap oil, the oil shale lands were even withdrawn from leasing by a Presidential Executive Order (although it is being set aside for the recent "prototype" leases).

But, notwithstanding the 1920 law and the 1930 Executive Order, a large part of the oil shale lands in the public domain is still in danger of being "sold" to the oil companies and to speculators for $2.50 per acre, when such land is probably selling for $2,000-$10,000 per acre in the private market. The risk arises because a high proportion of oil shale lands in the Green River Formation in Colorado and in other states was plastered with so called "placer" mining claims in the years before 1920—and many of these claims are still being pressed by oil interests to get the oil shale lands away from the American people.

Fifty-five years after they were filed, these claims are only pretexts. Department of Interior files will show that many of these claims were filed solely for speculative purposes; many were not properly located and perfected to meet the discovery and other requirements of the mining law which obtain before 1920; practically all of them were probably abandoned in the 1930's and 1940's; necessary annual assessment work was not done; or they did not conform to the prudent man rule relating to mining claims in which the mining claimant is expected to be motivated by the prospect of a reasonable profit from mineral production. There was no *bona fide* oil shale producing industry. There still is no producing oil shale industry in the economic sense of being profitable. Only the gross failure of the Department of Interior to do its assigned job of serving as the steward of the public domain has kept these phony claims alive for 55 years—and they now still loom as a major threat to the public ownership of immensely large stores of energy.

The explanation of this riddle is that the Mineral Leasing Act of 1920 included a "savings clause" which reserved whatever valid rights there were in the preexisting oil shale mining claims.

When interest in oil shale claims dropped to a very low ebb with the discovery of the large petroleum producing fields in Oklahoma and Texas in the 1920's and the 1930's, many of the pre-1920 mining claims were simply abandoned. Rights to them could be bought in the 1930's and into the 1950's for a few cents an acre—because most of them really were simply "paper" claims initially and they became even more phony through abandonment in the years that followed.

As the energy picture started to tighten up after World War II many speculators and oil company "front men" acquired many of these "paper" claims. They began to breathe propaganda life into dead oil shale claims. The Department of Interior in those years did not care about oil shale land administration in accordance with law. The prevailing philosophy, promoted actively by certain members of Congress and their special interest supporters, was "to get the lands out into private ownership." Large blocks of oil shale lands were patented—that is title passed from the government to private ownership based on essentially fictitious mining claims—some of which were not only phony from the standpoint of a proper application of the mining laws but also may have involved fraud in location of the claims or in subsequent manipulations. Old General Land Office records will confirm what I am saying.

During the late 1920's and early 1930's the Interior Department staff had investigated many of the claims, contested them, and decisions were rendered declaring them "null and void" in whole or in part. However in the 1940's and 1950's the Department of Interior disregarded these earlier decisions—which should have been treated as final decisions—and actually patented tens of thousands of acres of such lands for $2.50 per acre. The giveaway forces triumphed in the Hoover administration when investigator Kelly was run out of the Interior Department, and they scored considerably throughout the 1940's and 1950's.

In the 1960's a major battle raged in the Interior Department, the Justice Department, and the Bureau of the Budget, and the White House on whether the pre-1920 claims were valid, and over whether erroneously disposed lands should be recovered. At stake were not only the recovery of past erroneous disposals of oil shale lands, but the potential disposal of many hundreds of thousands of additional acres of oil shale lands at the giveaway price of $2.50 per acre.

The outcome has never been firmly resolved, leaving a major blot on the record of the Federal government's handling of natural resources. Officials in those years behaved, in my opinion, as if they were hired by the oil companies rather than by the people of the U.S. My conclusion is that several Secretaries of Interior and their principal assistants failed to discharge their sworn obligations as public trustees of the public domain—in this case perhaps the richest domain that the United States has ever owned. Today this failure of administration still threatens large blocks of federal oil shale domain in Colorado which has a market value of up to $10,000 per acre or more with disposal at $2.50 per acre—and the creation of many instant millionaires.

Land giveaways are particularly hurtful to the citizens of Colorado because under proper Federal leasing or development programs the State of Colorado would receive 37½% of the proceeds and an additional 52½% would go into the Reclamation Fund, a part of which would also redound to the benefit of

Colorado. If the land is disposed to private oil companies at $2.50 per acre they will be the beneficiaries of all the profits, and the citizens of Colorado will hold a largely empty bag—and maybe even have to pay taxes to subsidize the development of the oil shale industry.

I have come here today to urge that the Congress of the United States forthwith launch a *thorough oversight investigation* of the Federal government's stewardship of the oil shale lands during the period 1920 to 1975. The purpose of this investigation would be to lay out the true story of what happened and to develop recommendations for a new national oil shale land policy which would be in consonance with the protection of the public interest. I believe the time is long past when the function of the Department of the Interior should be to shovel out public lands to private ownership. In an energy-short world the citizens of Colorado and the people of the United States as a whole should retain ownership and be the beneficiaries of whatever oil shale lands still remain in the public domain. The Department of Interior should honor valid rights in oil shale claims but it should be stopped from giving away any more oil shale lands based on phony pre-1920 claims and the Department of Justice should be ordered to recover oil shale lands erroneously disposed in the past.

This is a complex matter with a long history and big financial stakes, so the facts are not easy to nail down. I believe that a thorough, well-staffed investigation by the Congress would find that:

1. Pre-1920 mining claims, many of which were phony or even fraudulent, and a large part of which would be questioned if proper interpretation were placed on the pre-1920 mining laws, threaten a very large part of the rich oil shale lands in Colorado which remain in the public domain. Such claims could lead to the disposal of oil shale lands for a meager $2.50 per acre when such lands would sell for $10,000 per acre or more once patented. In short, of the 600–700 thousand acres of rich oil shale land in Colorado still owned by the Federal government, 300–400 thousand acres remain subject to this threat because claims filed 55 years ago have not been contested and declared invalid.

2. Some 300–400 thousand acres of rich oil shale land in Colorado have been converted to private or State ownership, including an estimated 264 thousand acres which were patented on the basis of mining claims. Of this latter total, somewhere between 30–100 thousand acres were patented in disregard of earlier Department of Interior decisions declaring the mining claims "null and void" in whole or in part. It should be noted that where fraud is involved and the statute of limitations does not run until the discovery of the fraud, and the government may yet have legal remedies to recover the lands or their values. In any event, the Congress needs to hold hearings to spur action on clearing up the clouds on oil shale titles and to determine what remedies should be sought by Justice and Interior on behalf of the people of the U.S. where lands were improperly disposed.

Let me make it clear that I do not recommend a governmental waiver of the rights to recover, because the interests which received the patents were unlikely, given the history of oil shale claims, to have clean hands.

Neither should the Federal government overlook the possibility of bringing action against Interior Department officials who failed to live up to their public trusteeship responsibilities. I think such action would instill a much higher sense of ethics in future servants of the people. The simple test is this: what right did these officials have to give away public property without the authority of law? I believe an investigating Committee will find that high officials were clearly warned about the existence of improper disposals.

3. The Department of Interior, particularly starting in the 1930's and up to the present time, has seriously mismanaged the public oil shale domain. It has failed to establish proper procedures for review of oil shale mining claims on which patent applications are filed; failed to check into the investigation reports and decisions of the 1920's and 1930's which were available in the Department and which showed that many mining claims were located for speculative reasons or even fraudulently and had been declared "null and void"; has written bad administrative and legal decisions which were politically pressured by the "user" interests or their representatives.

4. Department of Interior employees and officials in the Rocky Mountain region and in Washington, D.C., clear up to Secretaries of Interior, tended to disregard their clear statutory duties as stewards of the public domain and instead repeatedly approved specific mining claims, or established procedures for approval of such claims, or made legal decisions relating to such claims, which favored the claimants and hurt the general public interest.

5. Some Department of Interior officials and employees, soon after leaving Federal employment, were employed by oil companies or law firms which were engaged in sneaking the oil shale lands out of the public domain—and that some such employees or officials themselves entered into the business of buying the "paper" claims and attempting to convert them into patents at $2.50 per acre—actions which at a minimum had the appearance of conflict of interest.

6. Officials of the government, in the field and even in the Secretarial suites or in the Executive Office of the President, took actions and adopted policies which thwarted efforts by other government employees to stop the disposal of oil shale lands or to initiate recoveries of prior erroneous or illegal disposals—and that such actions were taken by means that were punitive and very likely fraudulent in some instances. A strong odor of coverup permeated the whole situation.

7. The Department of Interior, the Department of Justice, and the Executive Office of the President are still giving a very low priority to defending the public domain against oil shale mining claims which are more than fifty-five years old and in reality are only pretexts for getting the land out of the public domain. Multi-billion dollar issues and contests are being handled part time by a few people, with inadequate top level support. The public interest still has no real champion in the upper echelons of the Department of Interior on oil shale.

The foregoing points have been made in a spirit of public conscience in the hope that the Congress will mount a thorough investigation despite the almost certain violent pressures against it from the oil industry, the claimants, and the Federal agencies which have never revealed the scope of their default to the public. It should be noted that the files of the government in the Department of Interior (BLM and Solicitor), the Department of Justice (Division of Lands and Natural Resources), and the Executive Office of the President (OMB) contain much information on this seamy chapter in the mismanagement of this vital natural resource.

Third, I wish quickly to touch on a more recent stage in the disposal of rights to public oil shale lands. This is the so called "prototype oil shale leasing program" initiated by former Secretary Stewart Udall and being run by the Nixon-Ford administrations.

Under this program four very rich 5,000 acre tracts of oil shale land, two in Colorado and two in Utah, have been put out on long term leases. Additional tracts for "in situ" extraction have been "nominated" by private oil companies and are currently in process of being processed for "leasing."

Inasmuch as the first lease in Colorado brought more than $210 million or $41,320 per acre in possible future bonus payments, the people of Colorado may think that this was a "good deal."

I question the wisdom of the new "leases." The Colorado tract C–a contains between 4 billion and 6 billion barrels of potential shale oil, depending on how the calculation is made. This means that the seemingly enormous bid by Standard Oil and Gulf Oil amounts to only 3½ cents to 5¼ cents per barrel for potential oil which would be worth $11.00 or so a barrel if it could be gotten out of the ground at the present time—and which is certainly likely to increase in value as the years go by.

Tract C-a contains potential oil which would have a gross value of as much as $44 billion or even $66 billion. Against these figures the possible bonus payment of $210 million is picayunish—between 3/10 and 5/10 of one percent. It is no wonder that Congressman John Dingell in 1974 circulated estimates that the rights to this tract might already be worth $1.5 billion. The Department of Interior had originally estimated $9 million—a horrible underestimate.

The "prototype leasing program" is questionable from several standpoints:

1. The government is "leasing" rights to many 5,000 acre tracts of its very rich oil shale land before a commercial and economic process has been developed and before the true value of the oil is known. Every oil company will demand a tract the way things are going.

2. The 300–400 thousand acres of oil shale land now in private ownership probably contain somewhere between 100–300 billion barrels of potential oil—equal to from three to nine times all the oil in known U.S. liquid petroleum reserves. While I can understand the desire of the major oil companies to hog the richest oil shale reserves in the public domain, from a public point of view it would seem that the 214,000 acres which they already own, even assuming 100,000 acres might be recovered by the U.S., should provide them enough opportunity for developing extractive processes and demonstrating the viability of the oil shale industry.

3. There is the shocking example of an Occidental Oil Company lobbyist pressuring President Ford last summer at Vail to visit the Company's diggings in the area and then coming out of the meeting with the President at the site with word that the President was going to expedite leasing of additional tracts of oil shale lands, according to reports in Colorado newspapers. Inasmuch as Occidental's bids in earlier competitions had been only a fraction of the winners' bids on the two tracts on which the company had competed, this suggests a corporate request for a government "handout" of oil shale land. It is shocking to consider that the President engaged in "instant decision making" and went along with such a request—which the Department of Interior is now processing. Nominations were closed in September.

In the context of this situation I strongly urge that the Congress, at the earliest time, investigate the "prototype leasing program" as well as the earlier "sodium" leasing program that covers oil shale lands. Otherwise, the people of the United States will find that for a billion dollars or so the oil companies will have locked up the richest oil shale lands in the U.S. containing oil potentially worth trillions of dollars with the full cooperation of an Executive Branch which does not seem to know what it is doing. Clearly, it cares not for the next generation.

Fragmentation of the Federal government's organizational responsibility for oil shale lands and their development has become a real problem in the last four years. It affects

all three issues discussed above. In the Executive Branch the Federal Energy Administration and the Energy Research and Development Administration (neither of which existed a few years ago), push for development, probably without knowing the oil shale lands mess created earlier by the Department of Interior. The OMB is also involved. In the Congress there is even greater fragmentation. Effective protection of the public interest becomes a challenge, since the oil companies came close to ranking as the fourth branch of the government.

In closing let me again thank you for creating an opportunity for citizens of Colorado to express their views on vital energy matters which will affect Colorado and this whole nation for decades. You have taken a good step in bringing government closer to the people in the best sense.

I hope, also, that environmental and public interest research groups will follow the leads I have given. Under the Freedom of Information Act they can search the files of the agencies and uncover additional facets of this story of incredible mismanagement.

MICHAEL S. MARCH

Vitae

Michael S. March was born in 1916 and reared on his father's homestead in Kiowa County, Colorado.

His higher education includes a B.A. degree in Economics from the University of Colorado; study at the University of Illinois and at American University in Washington, D.C.; and a Ph.D. in Political Economy and Government from Harvard University. From 1969–70 he was a Federal Executive Fellow at the Brookings Institution, doing research on national priorities and the Federal budget.

Dr. March served for 33 years with 8 different Federal agencies, including approximately 28 years with the U.S. Bureau of the Budget and the Office of Management and Budget in the Executive Office of the President. In 1967 he was awarded the Bureau of the Budget's Award for Exceptional Service, its highest distinction for professional service. He retired from Federal service in 1973.

Dr. March has engaged in legislative and program analysis in a wide range of fields, including national defense, international aid, education, labor and manpower, science, and income maintenance and retirement programs. He is the author of numerous articles in professional journals on subjects such as budgeting, poverty, human resources development, and service delivery systems. He has contributed to more than 20 Presidential Budget Messages and directed or written many other governmental reports and publications.

During 1973–74 he was Assistant Vice President (Budget and Planning) at the University of Colorado Medical Center. Since September 1974 he has served full-time as Professor of Public Affairs in the Graduate School of Public Affairs of the University of Colorado at Boulder.

His address is 2605 Stanford Avenue, Boulder, Colorado 80303. His telephone is 303–494–4871.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. OTTINGER, for December 19 and 20, 1975, on account of official trip of Select Committee on Missing Persons in Southeast Asia to pick up three MIA remains and negotiate with the Vietnamese.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. ABDNOR) to revise and extend their remarks and include extraneous material:)

Mr. KEMP, for 1 hour, today.

Mrs. HECKLER of Massachusetts, for 10 minutes, today.

Mr. MCKINNEY, for 5 minutes, today.

Mr. ROUSSELOT, for 5 minutes, today.

Mr. MILLER of Ohio, for 10 minutes, today.

Mr. RUPPE, for 10 minutes, today.

Mr. ASHBROOK, for 15 minutes, today.

(The following Members (at the request of Mr. LEVITAS) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 5 minutes, today.

Mr. PATMAN, for 15 minutes, today.

Mr. METCALFE, for 15 minutes, today.

Mr. HARKIN, for 10 minutes, today.

Mr. O'NEILL, for 5 minutes, today.

Mr. SMITH of Iowa, for 5 minutes, today.

Mr. BINGHAM, for 10 minutes, today.

Mr. WOLFF, for 10 minutes, today.

Mr. ROSENTHAL, for 10 minutes, today.

Mr. BRADEMAS, for 5 minutes, today.

Mr. LEGGETT, for 30 minutes, today.

Mr. MAGUIRE, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. HECHLER of West Virginia and to include extraneous matter notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $786.50.

Mr. THORNTON immediately following the remarks of Mr. HAMMERSCHMIDT on the highway aid bill in the Committee of the Whole today.

Mr. ANDERSON of Illinois, extended his remarks following the colloquy between the gentleman from Illinois (Mr. ROSTENKOWSKI) and the gentleman from New Jersey (Mr. HOWARD) on H.R. 8235.

Mr. JONES of Alabama, and to include extraneous matter in his remarks in the Committee of the Whole today.

Mr. SEIBERLING, on the Myers of Pennsylvania amendment on H.R. 8235 today.

Mr. GUDE, to revise and extend prior to the vote today on the amendment of Mr. MYERS of Pennsylvania in the Committee of the Whole today on H.R. 9771.

(The following Members (at the request of Mr. ABDNOR) and to include extraneous matter:)

Mr. BELL.

Mr. CRANE.

Mr. KEMP in five instances.

Mr. YOUNG of Alaska.

Mrs. HECKLER of Massachusetts in two instances.

Mrs. HOLT.

Mr. BROOMFIELD in two instances.

Mr. SARASIN.

Mr. FORSYTHE in two instances.

Mr. ROUSSELOT in two instances.

Mr. HAGEDORN.

Mr. GUDE.

Mr. COHEN in two instances.

Mr. DERWINSKI.

Mr. FINDLEY.

Mr. BURGENER.

Mr. WHALEN.

Mr. ARCHER.

Mr. MICHEL in two instances.

Mr. ANDERSON of Illinois in five instances.

Mr. PRESSLER.

(The following Members (at the request of Mr. LEVITAS) and to include extraneous matter:)

Mr. ANDERSON of California in three instances.

Mr. GONZALEZ in three instances.

Mr. ROSENTHAL.

Mr. HARRIS.

Mr. TEAGUE.

Mr. STEPHENS.

Mr. DOWNEY of New York.

Mr. DE LUGO in two instances.

Mrs. BURKE of California in two instances.

Mr. FORD of Michigan in two instances.

Mr. BOWEN in two instances.

Mrs. MINK.

Mr. PICKLE in 10 instances.

Mr. MIKVA.

Mr. MOFFETT.

Mrs. CHISHOLM.

Mr. MOTTL.

Mr. MCDONALD of Georgia in five instances.

Mr. WOLFF.

Mr. WON PAT in three instances.

Mr. SOLARZ in two instances.

Mr. REUSS in two instances.

Mr. BLANCHARD in three instances.

Mr. FARY.

Mr. BYRON.

Mr. NIX.

Mr. CARNEY.

Mr. DODD.

Mr. TRAXLER.

Mr. WAXMAN in two instances.

Mr. MCFALL.

Mr. ROYBAL.

Mr. MOORHEAD of Pennsylvania.

Mr. ALEXANDER in 10 instances.

Mr. BADILLO.

Mr. GINN.

Mr. ROGERS in five instances.

Mr. HARKIN in four instances.

Ms. HOLTZMAN.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 209. An act for the relief of Willard H. Allen, Jr., and Nicole J. Allen; to the Committee on the Judiciary.

S. 392. An act to study certain lands in the Flathead and Lewis and Clark National Forests, Montana, for possible inclusion in the National Wilderness Preservation System; to the Committee on Interior and Insular Affairs.

S. 642. An act to amend the Federal Trade Commission Act, and for other purposes; to the Committees on Interstate and Foreign Commerce and the Judiciary.

S. 2090. An act to make the provisions of section 1331(e) of title 10, United States Code, retroactive to November 1, 1953; to the Committee on Armed Services.

S. 2117. An act to amend section 5202 of title 10, United States Code, relating to the detail, pay, and succession to duties of the Assistant Commandant of the Marine Corps; to the Committee on Armed Services.

S.J. Res. 154. Joint resolution to extend the time period during which the President is authorized to call a White House Conference on Handicapped Individuals, and to extend the time period during which appropriated funds may be expended; to the Committee on Eucation and Labor.

SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 313. An act to authorize an exchange of lands for an entrance road at Guadalupe Mountains National Park, Tex., and for other purposes;

S. 622. An act to increase domestic energy supplies and availability; to restrain energy demand; to prepare for energy emergencies; and for other purposes;

S. 1281. An act to extend the authority for the flexible regulation of interest rates on deposits and share accounts in depository institutions, to extend the National Commission on Electronic Fund Transfers, and to provide for home mortgage disclosure.

S. 2350. An act to amend the National Security Act of 1947, as amended, to include the Secretary of the Treasury as a member of the National Security Council; and

S.J. Res. 121. A joint resolution to provide for quarterly adjustments in the support price for milk, and for other purposes.

ENROLLED BILLS SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3474. An act to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes;

H.R. 4073. An act to extend the Appalachian Regional Development Act of 1965, to increase the authorizations for the title V Action Planning Commission, and for other purposes;

H.R. 5541. An act to provide for emergency relief for small business concerns in connection with fixed-price Government contracts;

H.R. 6461. An act to amend certain provisions of the Communications Act of 1934 to provide long-term financing for the Corporation for Public Broadcasting, and for other purposes;

H.R. 7862. An act to amend the Farm Credit Act of 1971 relating to credit eligibility for cooperatives serving agricultural producers, and to enlarge the access of production credit associations to Federal district courts;

H.R. 8631. An act to amend the Atomic Energy Act of 1954, as amended, to provide for the phaseout of governmental indemnity as a source of funds for public remuneration in the event of a nuclear incident, and for other purposes;

H.R. 10555. An act for the relief of Mrika Mrnacaj; and

H.R. 11172. An act to insure that the compensation and other emoluments for any person filling the vacancy on the Federal Maritime Commission caused by the resignation of Commissioner George Henry Hearn shall be those which were in effect on January 1, 1975, and for other purposes.

ADJOURNMENT

Mr. LEVITAS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 13 minutes p.m.), under its previous order, the House adjourned until tomorrow, Friday, December 19, 1975 at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2218. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council act No. 1–75, "To revise the rates of insurance on motor vehicles for hire in the District of Columbia," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2219. A letter from the Chairman, Equal Employment Opportunity Commission, transmitting the ninth annual report of the Commission, covering fiscal year 1974, pursuant to section 705(d) of the Civil Rights Act of 1964 (H. Doc. No. 94–287); to the Committee on Education and Labor and ordered to be printed with illustrations.

2220. A letter from the Chairman, National Commission for Manpower Policy, transmitting the first annual report of the Commission, entitled "Toward a National Manpower Policy," pursuant to section 505 of Public Law 93–203; to the Committee on Education and Labor.

2221. A letter from the Secretary of Housing and Urban Development, transmitting notice of a proposed change in the Department's system of personal records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2222. A letter from the Chairman, Little League Baseball, transmitting the annual report and audit of the organization for the fiscal year ended September 30, 1975, pursuant to section 14(b) of Public Law 88–378, as amended; to the Committee on the Judiciary.

2223. A letter from the Secretary of Transportation, transmitting the fifth annual report on the special bridge replacement program, pursuant to 23 U.S.C. 144; to the Committee on Public Works and Transportation.

2224. A letter from the Chairman, U.S. International Trade Commission, transmitting a draft of proposed legislation to amend section 608(e) of the Trade Act of 1974; to the Committee on Ways and Means.

RECEIVED FROM THE COMPTROLLER GENERAL

2225. A letter from the Comptroller General of the United States, transmitting a list of reports issued or released by the General Accounting Office during November 1975, pursuant to section 234 of the Legislative Reorganization Act of 1970; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAYS of Ohio: Committee on House Administration. House Resolution 894. Resolution relating to an election contest in the 10th Congressional District of the State of Illinois (Rept. No. 94–759). Referred to the House Calendar.

Mr. HAYS of Ohio: Committee on House Administration. House Resolution 895. Resolution relating to an election contest in the First Congressional District of the State of Maine (Rept. No. 94–760). Referred to the House Calendar.

Mr. HAYS of Ohio: Committee on House Administration. House Resolution 896. Resolution relating to an election contest in the 40th Congressional District of the State of California (Rept. No. 94–761). Referred to the House Calendar.

Mr. HAYS of Ohio: Committee on House Administration. House Resolution 897. Resolution relating to an election contest in the 21st Congressional District of the State of Ohio (Rept. No. 94–762). Referred to the House Calendar.

Mr. HAYS of Ohio: Committee on House Administration. House Resolution 898. Resolution relating to an election contest in the Third Congressional District of the State of Nebraska (Rept. No. 94–763). Referred to the House Calendar.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 10807. A bill to amend the Motor Vehicle Information and Cost Savings Act to authorize appropriations, to provide authority for enforcing prohibitions against motor vehicle odometer tampering, and for other purposes (Rept. No. 94–764). Referred to the Committee of the Whole House on the State of the Union.

Mr. MADDEN: Committee on Rules. House Resolution 939. Resolution providing for the consideration of reports from the Committee on Rules (Rept. 94–765). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 868. Resolution to amend the Rules of the House of Representatives to provide that the House may not consider any report of a committee, bill, resolution, or a report of a committee of conference unless copies or reproductions have been available to Members on the floor at least 2 hours before such consideration; with amendment (Rept. No. 94–766). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SCHNEEBELI (for himself, Mr. CONABLE, Mr. DUNCAN of Tennessee, Mr. VANDER JAGT, Mr. STEIGER of Wisconsin, Mr. FRENZEL, and Mr. MARTIN):

H.R. 11231. A bill to provide for an extension of the existing withholding rates to adjust the revenues, and to impose an expenditure ceiling; jointly to the Committees on Ways and Means, and the Budget.

By Mr. BENITEZ:

H.R. 11232. A bill to authorize the payment of oil import license fees collected for imports into Puerto Rico; to the Committee on Appropriations.

By Mr. BRADEMAS (for himself, Mr. PERKINS, Mr. QUIE, Ms. MINK, Mr. BELL, Mr. MEEDS, Mr. PEYSER, Mrs. CHISHOLM, Mr. JEFFORDS, Mr. LEHMAN, Mr. PRESSLER, Mr. CORNELL, Mr. SARASIN, Mr. BEARD of Rhode Island, Mr. BUCHANAN, Mr. ZEFERETTI, Mr. MILLER of California, Mr. HALL, Mr. THOMPSON, Mr. DENT, Mr. DOMINICK V. DANIELS, Mr. O'HARA, Mr. HAWKINS, Mr. FORD of Michigan, and Mr. BIAGGI):

H.R. 11233. A bill to amend the Library Services and Construction Act to extend the authorizations of appropriations contained in such act, and for other purposes; to the Committee on Education and Labor.

By Mr. BRADEMAS (for himself, Mr. PERKINS, Mr. QUIE, Mr. BELL, Mr. ANDREWS of North Carolina, Mr. BLOUIN, Mr. RISENHOOVER, Mr. SIMON, and Mr. MOTTL):

H.R. 11234. A bill to amend the Library Services and Construction Act to extend the

authorizations of appropriations contained in such act, and for other purposes; to the Committee on Education and Labor.

By Mr. BRINKLEY:

H.R. 11235. A bill to require the provision of certain commissary, post exchange, and medical care privileges to veterans having service-connected disabilities rated at 30 percent or more; to the Committee on Veterans' Affairs.

By Mr. CARR (for himself, Ms. ABZUG, Mr. BLANCHARD, Mrs. BURKE of California, Mr. CONYERS, Mr. DOWNEY of New York, Mr. EDGAR, Mr. HARKIN, Mr. HARRINGTON, Mr. HAWKINS, Mr. HECHLER of West Virginia, Mr. MOTTL, Mr. OTTINGER, Mr. STUDDS, Mr. WAXMAN, and Mr. WIRTH):

H.R. 11236. A bill to amend the Internal Revenue Code of 1954 to deny the business deduction for amounts paid or incurred for lobbying before Congress or other legislative bodies; to the Committee on Ways and Means.

By Mr. FOLEY:

H.R. 11237. A bill to designate certain lands for inclusion in the National Wilderness Preservation System; to the Committee on Interior and Insular Affairs.

By Mr. HUBBARD:

H.R. 11238. A bill to amend title 38 of the United States Code in order to eliminate the time limitation on the provision of educational assistance to veterans who served on active duty at any time during the Vietnam era or thereafter; to the Committee on Veterans' Affairs.

By Mr. MEEDS:

H.R. 11239. A bill to provide for increases in appropriation ceilings in certain units of the National Park System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. NIX:

H.R. 11240. A bill to terminate age discrimination in employment; to the Committee on Education and Labor.

By Mr. PATTERSON of California:

H.R. 11241. A bill to amend the Land and Water Conservation Fund Act of 1965, as amended, and to amend the act of October 15, 1966, to establish a program for the preservation of additional historic properties throughout the Nation, as amended, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 11242. A bill to amend the Motor Vehicle Information and Cost Savings Act to provide authority for enforcing prohibitions against motor vehicle odometer tampering, to authorize appropriations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 11243. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. STEELMAN (for himself and Mr. MATSUNAGA):

H.R. 11244. A bill to amend section 552 of title 5 of the United States Code to clarify certain exemptions from its disclosure requirements to provide guidelines and limitations for classifying official information; to the Committee on Government Operations.

By Mr. TAYLOR of Missouri (for himself, Mr. MCFALL, and Mr. WHITE):

H.R. 11245. A bill to amend title 5, United States Code, to provide for the payment of overtime to certain personnel employed in the Department of Agriculture, Animal and Plant Health Inspection Service; to the Committee on Post Office and Civil Service.

By Mr. TREEN (for himself, Mr. VANDER JAGT, Mr. GRASSLEY, Mr. MCDONALD of Georgia, Mr. CRANE, Mr. WAGGONNER, Mr. FRENZEL, Mr. FLORIO, Mr. DUNCAN of Tennessee, Mr. SPENCE, and Mr. HÉBERT):

H.R. 11246. A bill to extend from February 1, 1976, to October 1, 1977, the period during which payment may be made for certain new staffing standards imposed by or under such title XX; to the Committee on Ways and Means.

By Mr. ARCHER:

H.R. 11247. A bill to amend the Internal Revenue Code of 1954 to allow a credit for the amount of certain employment placement fees paid or incurred to an employment agency; to the Committee on Ways and Means.

By Mr. BAFALIS:

H.R. 11248. A bill to amend the act entitled "An act to establish the Big Cypress National Preserve in the State of Florida," and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BINGHAM:

H.R. 11249. A bill to limit the imposition of trade embargoes; jointly to the Committees on International Relations, and Ways and Means.

By Mr. BLANCHARD:

H.R. 11250. A bill to amend the Controlled Substances Act and the Controlled Substances Import and Export Act to provide for mandatory minimum sentences for persons convicted of certain offenses involving narcotic drugs, for postconviction release of such persons under certain conditions, for forfeiture of moneys used for trafficking in narcotic drugs, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 11251. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide grants to States and major units of general local government to accelerate the disposition of criminal cases in such jurisdictions, and for other purposes; to the Committee on the Judiciary.

H.R. 11252. A bill to strengthen the penalty provisions of the Gun Control Act of 1968; to the Committee on the Judiciary.

H.R. 11253. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to require as a condition of assistance under such act that law enforcement agencies have in effect a binding law enforcement officer's bill of rights; to the Committee on the Judiciary.

H.R. 11254. A bill to amend title 18, United States Code, to provide that persons convicted of certain violent crimes shall, except in limited circumstances, be denied postconviction bail while awaiting sentencing or disposition of appeals; to the Committee on the Judiciary.

H.R. 11255. A bill to provide for the compensation of persons injured by certain criminal acts, to make grants to States for payment of such compensation, and for other purposes; to the Committee on the Judiciary.

By Mr. BLANCHARD (for himself, Mr. DINGELL, and Mr. PATTERSON of California):

H.R. 11256. A bill to prohibit the sale of "Saturday night special" handguns in the United States; to the Committee on the Judiciary.

By Mr. PHILLIP BURTON:

H.R. 11257. A bill to amend the Service Contract Act of 1965 to prohibit contractors from replacing certain employees participating in a strike, and for other purposes; to the Committee on Education and Labor.

By Mr. DON H. CLAUSEN:

H.R. 11258. A bill to establish within the Department of the Interior the position of an additional Assistant Secretary of the Interior, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CORMAN (for himself and Mr. STARK):

H.R. 11259. A bill to lower the duty on levulose until the close of December 31, 1977; to the Committee on Ways and Means.

By Mr. DU PONT (for himself, Mr. STEIGER of Wisconsin, Mr. WINN, Mr. RODINO, Mr. STARK, Mr. OTTINGER, Mr. DOWNEY of New York, Mr. BOLAND, Mr. TREEN, Mr. DOMINICK V. DANIELS, Mr. BAUCUS, Mr. PATTISON of New York, Mr. PREYER, Mr. COCHRAN, Mr. RIEGLE, Mr. COUGHLIN, Mr. BADILLO, Mr. EDGAR, and Mr. ROE):

H.R. 11260. A bill to establish a commission to develop measures for improving the method of collecting and analyzing national employment and unemployment information and statistics; to the Committee on Education and Labor.

By Mr. EILBERG:

H.R. 11261. A bill to establish procedures for the granting of permanent residence to certain nonimmigrant aliens in the Virgin Islands of the United States; to the Committee on the Judiciary.

By Mr. GUDE (for himself, Mr. AUCOIN, Mr. BOWEN, Mr. BAUCUS, Mr. CHAPPELL, Mr. PATTISON of New York, Mr. HELSTOSKI, and Mr. SCHEUER):

H.R. 11262. A bill to require the payment of interest by Federal agencies on overdue contract payments, to amend the Office of Federal Procurement Policy Act, and for other purposes; to the Committee on Government Operations.

By Mr. KEMP:

H.R. 11263. A bill to reform programs administered under the Comprehensive Employment and Training Act; to the Committee on Education and Labor.

H.R. 11264. A bill to amend the Comprehensive Employment and Training Act of 1973 to provide that certain private employers participating in manpower programs may be reimbursed in amounts not exceeding 50 percent of the salaries paid to low-income persons by such employers, and for other purposes; to the Committee on Education and Labor.

By Mr. KRUEGER (for himself, Mr. ANDERSON of Illinois, Mr. ABDNOR, Mr. BURLESON of Texas, Mr. CASEY, Mr. CHAPPELL, Mr. DICKINSON, Mr. DUNCAN of Tennessee, Mr. FORSYTHE, Mr. GUYER, Mr. HIGHTOWER, Mr. HYDE, Mr. JONES, of Oklahoma, M.r KETCHUM, Mr. MCCLORY, Mr. MCCOLLISTER, Mr. MARTIN, Mr. MOLLOHAN, Mr. MOORHEAD of California, Mrs. PETTIS, Mr. PICKLE, Mr. ROBERTS, Mr. ROBINSON, Mr. SCHNEEBELI, and Mr. J. WILLIAM STANTON):

H.R. 11265. A bill to provide authority to institute emergency measures to minimize the adverse effects of natural gas shortages, to provide authority to allocate propane, to regulate commerce to assure increased supplies of natural gas at reasonable prices for consumers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LENT:

H.R. 11266. A bill to amend the Internal Revenue Code of 1954 to provide that the current withholding tables will remain in effect until March 15, 1976; to the Committee on Ways and Means.

By Mr. LONG of Maryland (for himself, Mr. KOCH, Mr. MOAKLEY, Mr. SCHEUER, Mrs. MEYNER, Mr. FOUNTAIN, and Mr. ALLEN):

H.R. 11267. A bill to amend the Internal Revenue Code of 1954 to provide for the payment of interest at a rate of 5 percent on excess amounts withheld from individuals' wages; to the Committee on Ways and Means.

By Mr. MATSUNAGA (for himself, Mr. CONTE, and Mr. BARRETT):

H.R. 11268. A bill to authorize grants and loans for the development, construction, and operation of an exhibition of Polynesian culture as part of the commemoration of the American Revolution Bicentennial in the city of Philadelphia; jointly, to the Committees on Interior and Insular Affairs, and Post Office and Civil Service.

By Mr. MOORHEAD of Pennsylvania:

H.R. 11269. A bill to regulate commerce and protect health and the environment by requiring testing and necessary restrictions on certain chemical substances and mixtures, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. NOLAN (for himself, Mr. HECHLER of West Virginia, Mr. STUCKEY, Mr. MADIGAN, Mr. DOWNEY of New York, Mr. STEIGER of Wisconsin, Mr. PRESSLER, Mr. BLOUIN, Mr. SANTINI, Mr. MANN, Mr. LONG of Maryland, Mr. HUGHES, Mr. ABDNOR, Mr. DERWINSKI, Mr. BADILLO, Mr. KINDNESS, Mr. DU PONT, Mr. LAGOMARSINO, Mr. CLEVELAND, Mr. CHARLES WILSON of Texas, Mr. PATMAN, Mr. BEDELL, Mr. EVANS of Colorado, Mr. HENDERSON, and Mr. BERGLAND):

H.R. 11270. A bill to amend title 13, United States Code, to require the Secretary of Commerce to use sampling methods in taking agricultural censuses; to the Committee on Post Office and Civil Service.

By Mr. NOLAN (for himself, Mr. KASTEN, Mr. FOUNTAIN, Mr. MCCOLLISTER, Mr. BROWN of Ohio, and Mr. AU COIN):

H.R. 11271. A bill to amend title 13, United States Code, to require the Secretary of Commerce to use sampling methods in taking agricultural censuses; to the Committee on Post Office and Civil Service.

By Mr. RINALDO:

H.R. 11272. A bill to require the Director of the Office of Management and Budget to certify each expenditure for film making by Federal agencies and for other purposes; to the Committee on Government Operations.

By Mr. RUPPE (for himself and Mr. BERGLAND):

H.R. 11273. A bill to authorize the construction and operation of a natural gas pipeline from the North Slope of Alaska across Canada to domestic markets, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Interior and Insular Affairs, and Public Works and Transportation.

By Mr. SOLARZ:

H.R. 11274. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to add a requirement that the comprehensive State plan include provisions for the prevention of crimes against the elderly; to the Committee on the Judiciary.

By Mr. FRASER:

H.R. 11275. A bill to amend the State and Local Fiscal Assistance Act of 1972; to the Committee on Government Operations.

By Mr. LEGGETT:

H.R. 11276. A bill to amend the Foreign Assistance Act of 1961 to prohibit all direct and indirect assistance for Angola; to the Committee on International Relations.

By Mr. LITTON (for himself, Mr. EILBERG, Mr. BEDELL, Mr. PATTISON of New York, and Mr. MATSUNAGA):

H.R. 11277. A bill to require the President to transmit to Congress copies of each Presidential proclamation and Executive order; to the Committee on Government Operations.

By Mr. MIKVA (for himself, Mr. BAUCUS, Mr. BEDELL, Mr. BERGLAND, Ms. CHISHOLM, Ms. COLLINS of Illinois, Mr. DERWINSKI, Mr. EDGAR, Mr. EVANS of Indiana, Ms. FENWICK, Mr. FITHIAN, Mr. HARRINGTON, Mr. HECHLER of West Virginia, Mr. LEHMAN, Mr. MAZZOLI, Mr. METCALFE, Mr. MILLER of California, Mr. NEAL, Mr. PATTISON of New York, Mr. SANTINI, Mr. SCHEUER, Mr. STARK, Mr. SYMINGTON, Mr. WHITEHURST, and Mr. CHARLES WILSON of Texas):

H.R. 11278. A bill to abolish certain Federal regulatory agencies and to cause the self-destruct of certain Federal regulatory agencies or their successor agencies after a specified period of time, and for other purposes; to the Committee on Government Operations, and Rules.

By Mr. MIKVA (for himself, Mr. BAUCUS, Mr. BEDELL, Ms. CHISHOLM, Ms. COLLINS of Illinois, Mr. EDGAR, Mr. EVANS of Indiana, Mr. FITHIAN, Mr. HARRINGTON, Mr. METCALFE, Mr. OTTINGER, Mr. PATTISON of New York, Mr. SCHEUER, Mr. STARK, Mr. SYMINGTON, and Mr. CHARLES WILSON of Texas).

H.R. 11279. A bill to reform the appointment process by which commissioners of Federal regulatory agencies are selected, to establish a bipartisan nominating board composed of distinguished individuals which will recommend to the President persons well qualified to be appointed as regulatory agency commissioners, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce; Public Works and Transportation; Agriculture; Banking, Currency and Housing; Merchant Marine and Fisheries; and the Joint Committee on Atomic Energy.

By Mr. MIKVA (for himself, Mr. ANDERSON of Illinois, Mr. BAUCUS, Mr. CORNELL, Mr. MORGAN, Mr. MURPHY of Illinois, Mr. REES, Mr. RIEGLE, Mr. ST GERMAIN, Mr. SYMINGTON, Mr. UDALL, Mr. HALL, Mr. NIX, Mr. MILLER of California, Mr. SARBANES, Mr. MCKAY, and Mr. EVANS of Colorado):

H.R. 11280. A bill to correct inequities in certain franchise practices, to provide franchisors and franchisees with even-handed protection from unfair practices, to provide consumers with the benefits which accrue from a competitive and open-market economy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PRESSLER (for himself, Mr. BADILLO, Mr. BAUCUS, Mr. BROWN of California, Mr. MAZZOLI, Mr. NOLAN, Mr. OTTINGER, Mr. PATTISON of New York, Mrs. PETTIS, and Mr. WIRTH):

H.R. 11281. A bill to provide primarily for the reduction of soil blowing; and to control snow deposition and conserve moisture; to protect crops, orchards, and livestock; to provide food and cover for wildlife; to conserve energy; to increase the natural beauty of the landscape; and for other purposes; to the Committee on Agriculture.

By Mr. FOUNTAIN:

H.J. Res. 756. Joint resolution to clarify and reaffirm Government purchasing policies; to the Committee on Government Operations.

By Mr. GUDE (for himself, Mr. RINALDO, Mr. WALSH, and Mr. YATRON):

H.J. Res. 757. Joint resolution to amend the Constitution to provide for representation of the District of Columbia in the Congress; to the Committee on the Judiciary.

By Mr. KEMP (for himself, Mr. BURGENER, Mr. CRANE, Mr. GOLDWATER, Mr. GRASSLEY, Mr. GUYER, Mr. KASTEN, Mr. KINDNESS, Mr. KETCHUM, Mr. MANN, Mr. NOWAK, Mr. SARASIN, Mr. SATTERFIELD, Mr. TREEN, and Mr. CHARLES WILSON of Texas):

H.J. Res. 758. Joint resolution to clarify and reaffirm Government purchasing policies; to the Committee on Government Operations.

By Mr. TSONGAS (by request):

H.J. Res. 759. Joint resolution to designate a National Day of Atonement; to the Committee on Post Office and Civil Service.

By Mr. WINN (for himself, Mr. BREAUX, Mr. MARTIN, and Mr. CONTE):

H.J. Res. 760. Joint resolution authorizing and requesting the President to issue a proclamation designating the 7 calendar days commencing on April 30 of each year as National Beta Sigma Phi Week; to the Committee on Post Office and Civil Service.

By Mr. JONES of Oklahoma:

H. Res. 941. Resolution to protect the ability of the United States to trade abroad; to the Committee on Ways and Means.

By Mr. WOLFF (for himself, Mr. MONTGOMERY, Ms. ABZUG, Mrs. CHISHOLM, Mr. EDGAR, Mr. FISH, Mr. HAWKINS, Mr. HILLIS, Ms. HOLTZMAN, Mr. MURPHY of New York, and Mr. STARK):

H. Res. 942. Resolution to establish the Vietnam veteran congressional intern program in the House of Representatives; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DAN DANIEL:

H.R. 11282. A bill for the relief of John W. Wilson; to the Committee on the Judicairy.

By Mr. UDALL:

H.R. 11283. A bill for the relief of Ernest L. Green; to the Committee on the Judiciary.

By Mr. VAN DEERLIN:

H.R. 11284. A bill for the relief of James Anthony O'Shea; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

350. The SPEAKER presented a petition of James C. Wells, Mexico City, Mexico, and others, relative to voting rights of American citizens abroad; to the Committee on House Administration.

EXTENSIONS OF REMARKS

MOELLER HIGH SCHOOL AND URSULINE ACADEMY: STATE CHAMPIONS

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 16, 1975

Mr. GRADISON. Mr. Speaker, I would like to recognize the accomplishments of two groups of high school athletes from the First Congressional District of Ohio who have achieved excellence in their respective sports. Both the Moeller Crusader football team and the Ursuline Academy women's volleyball team brought back State championships to Cincinnati for the first time in those sports.

Moeller High School's Crusaders capped an undefeated season by defeating Lakewood St. Edwards in the championship game November 21, after defeating Findlay 28–16 in the semifinals. The final game was truly for the State championship as St. Edwards and Moeller had been ranked 1–2 in the State polls before the tournament. It was a hard fought game, with Moeller stopping St. Edwards on their 20 yard line with only a minute to play. After two previous efforts in the State tournament, Moeller

found the third time to be a charm in winning its first State football title.

Led by Coach Gerry Faust, who had directed Moeller to six consecutive city titles, and his veteran coaching staff, the Crusader players are:

Kevin McCormick, Ken Naber, Tim Tepe, Bill Long, Mark Dinkel, Dave Orth, Tim Koegel, Mike Staun.

Steve Behm, Don Rohlfs, Terry Elmlinger, Bob Massong, Jim Riesenberg, Pat White, John Cianciola, Byron Patterson,

Win Giancols, Kirby Clark, Rick Hubbard, Steve Puthoff, Gary Curry, Tom Quick, Bill Fitspatrick, Bob Crable.

Dave MacArthur, Steve Givens, Tom Hulet, John Williams, Karl Woods, Kevin Yoad, Tom McManus, Jim Wagner, Jim Gross, Jim Schipper, Rob Wirthlin, Chip Fry, Gary Cooper, John Tappal.

Bob Lockwood, Jim Cunningham, Dave Naber, Herb Behm, Bob Cavellier, Ralph Perdrix, John Bauer.

John Crone, Joe Humphrey, Mike Helgeson, Dan Donnelly, John Budde, Jim Brown, Matt Walchle, Gary Cornett.

Terry Brenner, Carl Rahe, Jim Pierce, Dave Condeni, Dave Burns, Ric Flauding, Ron Klein, Mike Holtman, Ric Oaks, George Willis, John Davis, Joe Jogoditz.

Head Coach: Gerry Faust.

Assistant Coaches: Mike Cameron, Jim Doherty, Phil Gigliotti, Ted Hall, Jim Higgins, Tom Hummel, Ted Bacigalupo, Jeff Liebert, John Parker, Paul Smith, Bill Straub.

Head Statistician: Bill Clark.

Managers: Dick Pohlman, Tim Zimmer, Jim Lotz, Paul Sayer, Mike Owerber, Ron Russell, Dan Imbronyev, Brian Barnhorn, Mike Buenger, Bob Berlier, Tom Selzer, Matt Luchaupt, Paul Luehrmen.

Ursuline Academy was a surprise victor in Ohio's first women's high school state volleyball tournament. Taking a 12–4 record into the State competition, Ursuline upset the favorites in district and regional finals to earn a birth in the championship bracket. "The Big Green Machine" defeated Akron St. Vincent-St. Mary November 21 by a score of 15–4, in an exciting tournament finale.

Linda Nienhaus in her first year is coach at Ursuline and did a tremendous job in leading her team to a State title. Members of the team include:

Sue Adrian, Barb Browe, Molly Cronin, Julie Garbin, Marianne Hess, Sue Mackey, Barb Massa, Tracy McCafferty, Marianne Pater, Pat Reno, Betsy Shadley, Janet Staun.

Athletic Director: Mrs. Mary Ellen Francis.

Ursuline has been a leader in high school athletics for women. Their Girls Athletic Association, organized in 1967 was one of the first in the city. Many of its graduates have gone on to distinguish themselves in college athletics and as coaches and physical educators in their own right.

Our community is proud of the accomplishments of these two groups of young people, their coaches, athletic directors and supporting school personnel.

FUTURE PARTICIPATION IN THE U.N.

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 16, 1975

Mr. BELL. Mr. Speaker, the recent U.N. General Assembly vote equating Zionism with racism has caused many Americans to very legitimately question the future role of the United States in that world body.

An interesting editorial on the subject, which I call to the attention of my colleagues, was recently broadcast by KNXT in Los Angeles.

The text of that broadcast follows:

THE UNITED NATIONS GENERAL ASSEMBLY VOTE ON ZIONISM

The uproar over the United Nations General Assembly vote which called Zionism a form of racism was fully justified.

The resolution made no sense. Zionism is not racism. In the simplest terms, it is a claim to a place which Jews can call home. It could probably be compared with nationalism on the part of any people. It is no more racist than love of home and country.

The resolution was part of the Arab nations' campaign to deny Israel the right to exist. It also caused real fears among Jews in many countries that persecution would follow, with world opinion behind it.

After President Ford and Congress and many others blasted the Arab resolution, some people began to ask whether we would just talk, or would we DO something?

Secretary of State Kissinger urged caution, and rightly so. We won't drop out of the U.N. to express anger over the resolution. The United Nations is an important tool in the continuing effort to promote peace in the Middle East—something which is still a long way off.

The United Nations was formed to bring countries together in a search for peace. If the U.N. did not exist, the nations of the world would be looking to form another organization for the same reason.

The General Assembly vote was not a sign of total failure, but merely proof that in 30 years of existence the United Nations has not yet achieved its high purpose. Someday we hope it will, but this is no time to pull out.

HOW TO OVERCOME CONGRESS FAILURE TO REFORM

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 16, 1975

Mr. JEFFORDS. Mr. Speaker, I have just come across a very interesting article written by our distinguished colleague from South Dakota (Mr. PRESSLER). It appeared in the Los Angeles Times on December 16, 1975.

I would recommend its reading to all Members, especially to those who are concerned, as I am, over the need for reform in Congress. Although we may not agree with all of his suggestions, it is a well-thought-out article and worthy of attention.

For these reasons I am setting forth the article in full:

[From the Los Angeles Times, Dec. 16, 1975]

HOW TO OVERCOME CONGRESS' FAILURE TO REFORM

(By LARRY PRESSLER)

The most painful and significant conflict of the 94th Congress has not come over energy, executive privilege or tax policy. Rather, it emerged when the reform impulses of the present "freshman class"—to which I belong—confronted those vested interests which oppose change within Congress.

We frosh have learned that even the most progressive of our senior colleagues will sometimes vote against fundamental reforms because "the system," flawed as it may be, works to their benefit. No better example of this is available than the total disregard for the excellent reform suggestions produced by the Select Committee on Committees, chaired by Rep. Richard Bolling (D-Mo.). As a result, many reform-minded freshmen have simply given up and fallen into step with the status quo.

But what are the characteristics of the legislative system to which they have accommodated themselves? These hard realities include:

A wasteful labyrinth of overlapping committee and subcommittee fiefdoms.

A propensity for calling the same witness, often a federal department head, 12 times in a single month to give the same testimony on the same subjects.

An inability to implement even the most elementary principles of planning, programming and budgeting.

And, most recently, a refusal to approve the first regulations issued by the new Federal Election Commission, thus insuring that the agency will be little more than a clerk's office, subject to congressional whims.

It is particularly useful to consider the willful inefficiency of Congress in the context of the growing malaise which seems to grip nations of the free world, including the United States. In the last few years, we have witnessed a perceptible erosion in both the authority of democratic governments and the confidence of their citizens.

Indeed, it has been suggested that, except when confronting a war crisis, an opportunity for national expansion or some other overwhelming obstacle, a democratic society slips inevitably into decline. In other words, democracies require a sense of purpose that derives from facing challenge.

If, then, one accepts the obvious conclusions that Congress will not reform itself and that the American people need a visible challenge to which they can rise, a way out becomes apparent: calling a constitutional convention on congressional reform.

Such a convention need not even be approved by Congress. The Constitution provides for amendment by a convention called "on the application of the legislatures of two-thirds of the several states." Any amendments drafted by that convention, of course, would be subject to the same process of ratification as those offered by Congress itself.

What sort of amendments might such a convention propose? Let me suggest a few:

Limiting terms for congressmen and senators. No one should be able to serve more than eight consecutive years in the House or 12 in the Senate—nothing would do more to refresh the spirit of Congress. Limits on service would effectively end the seniority system, bring a greater number of women and men into public service and, most important, break up the self-serving Washington power establishment.

Reducing and streamlining congressional committees. Congress will never undertake this particular reform on its own because too many committee and subcommittee chairmanships—and the power and staffs that go along with them—are at stake. The Hoover commissions on reform of the federal bureaucracy were most helpful in improving executive branch efficiency, but Congress has never submitted to such outside scrutiny.

Requiring full financial disclosure by members of both houses. More than any other, this move would restore confidence in government and respect for Congress, and make possible genuine tax reform. While the right of privacy for private citizens is sacrosanct, those public officials who make tax law for their fellow citizens should be willing to forgo it—at least in their financial affairs. Full disclosure of personal interests is the key to a representative's credibility in tax matters.

Permitting congressional debates to be televised. This would do more to improve the quality of debate and level of attendance than any other reform. The conduct of members was never higher than during the televised hearings on impeachment by the House Judiciary Committee.

Authorizing and appropriating monies for domestic expenditures two or three years in advance. A planning, programming and budgeting system will be needed to achieve this goal—a system that state and local officials could adapt to plan wisely and thriftily.

These and other amendments might be proposed, or the convention might decide to leave things pretty much as they are. Whatever the outcome, congressional reform would, at the very least, have been given a fighting chance, which is not the case now.

After 200 years this republic is clearly in need of recharging. The sluggish performance of the 94th Congress and the declining confidence of citizens in our government demonstrate how great the need is. It is hard to imagine a better bicentennial bonus than a constitutional convention, called to examine the basic institutions of our representative system.

The effect of such a convention would not be merely cosmetic. Restructuring and modernizing Congress would initiate a new era of reform-minded government and renewed commitment to public service. The concept of a constitutional convention on congressional reform deserves serious consideration for the fate of that body is simply too important to be left to its own members.

ENERGY POLICY ACT CONFERENCE REPORT, S. 622

HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 16, 1975

Mr. CLEVELAND. Mr. Speaker, yesterday, December 15, the House of Representatives voted on the conference report on the Energy Conservation and Policy Act, S. 622. As one who voted against this legislation on initial passage, I would like to take this opportunity to explain my reasons for casting my vote—albeit reluctantly—for passage of the conference report.

My primary reason for doing so is that in the 2 years in which Congress has been attempting to deal with the energy dilemma, there have been so many false starts and contradictory, confusing, emotionally charged, and meaningless attempts to legislate in this area that I have come to the conclusion that the bill before us late last night represented the best that this Congress can come up with. It is my belief that President Ford may draw the same conclusion about this legislation and thus reluctantly permit its enactment into law.

While the conference report does contain improvements over the energy bill, H.R. 7014, passed by the House in September and which I voted against, it is still not a particularly good measure. Indeed, many segments of the media agree and have editorialized on its weaknesses, referring to the bill as "slippery," "a step backward," "flawed," and so forth.

Major problems with the policies established in this bill include a blatantly political gimmick, that is, a temporary rollback of oil and gasoline prices—until after the 1976 election. After this provision has outlived its political usefulness, a program of gradual decontrol could be implemented with higher prices beginning to take effect.

The continuation of a tiered pricing structure for domestic oil mandated by the bill will not only be needlessly complex and difficult to administer but also maintains the disparity between regions of the country, such as New England, which are heavily dependent on higher priced imported oil products and those areas of the country with local supplies of lower priced energy.

While it was generally agreed, and I concurred in this opinion, that immediate and full decontrol of oil prices could have had severe economic repercussions, the pricing mechanism in S. 622 could result in slowing down domestic production of energy and lead to increased dependence upon foreign sources of oil. At the same time, this Congress has been pursuing a contrary goal of stimulating domestic development of alternative resources in other legislation.

In addition, S. 622 is primarily an "oil" bill, not a comprehensive energy program aimed at encouraging full development and use of U.S. resources. Our long-range energy needs will be met primarily by resources other than oil, a problem which is not adequately addressed in this legislation.

True, there are positive aspects of the bill. My reasons for discussing its negative provisions at greater length stem from my frustration that the Congress has so repeatedly exhibited its failure to work out a cohesive and comprehensive solution to a problem which has been prominently evident for several years now.

However, as I said earlier, the conference report is an improvement over the earlier version. And the legislation does include such worthwhile provisions as coal conversion, which I strongly support; strategic petroleum reserves; conservation goals; auditing powers; standby authorities; and international energy efforts. It also recognizes, in a reluctant fashion, the need for upward adjustment in the pricing of domestic crude oil to stimulate future resource development and allow market conditions to work.

In conclusion, Mr. Speaker, my vote in favor of this conference report reflects my grudging acceptance of the fact that it is indeed time to compromise and accept what appears to be the best first step toward meeting Congress responsibilities in building a national energy policy.

UNICEF: ACTIONS CONTRADICT GOALS—SO WHAT IS NEW?

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 16, 1975

Mr. ASHBROOK. Mr. Speaker, on a number of occasions I have discussed the great division between the lofty goals of UNICEF and the actual expenditure of UNICEF funds that are supposedly raised to further those lofty goals.

I have pointed out how India, which has been a major recipient of U.S. aid and also UNICEF money, has seen fit to develop an atomic bomb instead of feeding its starving millions. Other highly questionable gifts from UNICEF abound. Both North Vietnam and Cuba continue to receive UNICEF funds.

The people of this country have awakened to the many injustices and hypocrisies committed by the U.N. and its agencies. This Congress should also come to its senses in this area. At the minimum, U.S. contributions to the United Nations and its agencies should be severely reduced. With this in mind I have introduced legislation, H.R. 10667, to do just that.

At this point I would like to include in the RECORD a recent letter that appeared in the New York Times of November 27, 1975:

ON AIDING UNICEF

To the Editor: Helenka Pantaleoni, president of the U.S. Committee for UNICEF, wrote in her Nov. 22 letter that a decrease in contributions to UNICEF will harm only "the children."

India has been one of the chief beneficiaries of UNICEF funds. While the children of that country continue to starve in the streets of their cities and villages, India uses its meager resources to develop and build an atomic arsenal. Another nation receiving UNICEF funds, Cuba, prefers to use its resources to export revolution to Angola, where it has sent a 3,000-man force in support of a Soviet-backed army. This was reported in The Times of Nov. 21. North Vietnam continues to be one of the chief beneficiaries of UNICEF funds. However, that nation has always put such restrictions on the monitoring of how the funds are spent that no one outside of that country really knows if the children there benefit at all. Mrs. Pantaleoni says in her letter that Arab countries also receive UNICEF funds. It seems somewhat strange to ask Americans to contribute their money to a group of nations that are extorting billions of dollars from America each year for oil.

From the evidence it would seem that those who contribute to UNICEF actually allow many of the receiving states to divert their resources from helping their own children to military and aggressive ends.

HARRIET B. RUBIN.

AMERICAN AIRLINES—10 YEARS OF SAFETY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 16, 1975

Mr. ANDERSON of California. Mr. Speaker, the aviation industry has long been justly proud of the safety record it has achieved since its inception. Recently, American Airlines completed one of the most remarkable records in aviation safety history. In the past 10 years, American has logged 6 million hours of safe flying without losing either a life or an aircraft.

This is truly one of the outstanding achievements in the history of commercial aviation. During that 10-year period, American has carried more than 190 million passengers on 4 million departures. That covers a distance of 177 billion reve-

nue passenger miles—a total almost beyond conception.

A safety record as outstanding as American's is obviously the result of hard work and extra effort in safety research and planning, areas in which the airline has long been considered a leader, so important in maintaining a high standard of performance, which have obviously been hallmarks of American Airlines' operations.

Maintaining a standard of safety as high as that achieved by American is the result of teamwork—it just does not happen. Each of the airline's more than 35,000 employees—management, flight crews, ground support, and maintenance—are justly proud of the part they played in establishing this remarkable safety record.

The cooperation of the various labor organizations also played an important role in establishing this safe performance record. The Allied Pilots' Association, the Flight Engineers International Association—AFL-CIO—and the Air Transport Workers Union—AFL-CIO—all deserve praise for their part in this outstanding accomplishment.

Hopefully, American Airlines' long record of accident-free flights will continue indefinitely, and provide a standard of excellence throughout the world to make commercial aviation an even safer method of transportation.

It is a pleasure for me to congratulate American Airlines on their excellent record.

OPPOSING FOREIGN BOYCOTTS

HON. WILLIAM PROXMIRE

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, December 17, 1975

Mr. PROXMIRE. Mr. President, all Americans are deeply concerned about foreign boycott practices which discriminate against American citizens and businesses on the basis of race, color, religion, sex, or national origin either directly or through boycotts of foreign nationals and business firms trading with them. The President recently—November 20—announced several actions in response to foreign boycotts. Today the Board of Governors of the Federal Reserve System released a letter expressing its support of actions against the involvement of American banks in foreign boycotts. The Board stated that letters of credit, even though originated at the direction of foreign importers, which require exporters to attest that they do not do business with boycotted countries, firms or persons, cannot be justified and "may constitute a direct violation of the Federal antitrust laws." The Board is to be commended for its stand. I ask unanimous consent to have the Board's letter printed in the RECORD.

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

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
Washington, D.C., December 12, 1975.

On November 20, 1975, the President announced a number of actions intended to provide a comprehensive response on the part of the Federal Government to any discrimination against American citizens or firms that might arise from foreign boycott practices. Two elements of the President's announcement relate to the possible involvement of commercial banks in such practices:

First, the President has directed the Secretary of Commerce to amend regulations under the Export Administration Act to prohibit U. S. exporters and "related service organizations" from answering or complying in any way with boycott requests that would cause discrimination against U. S. citizens or firms on the basis of race, color, religion, sex or national origin. The term "related service organizations" is defined to include banks. Accordingly, banks that become involved in a boycott request related to an export transaction from the U.S. will be required to report any such involvement directly to the Department of Commerce.

Second, the President has encouraged the Board of Governors and the other Federal financial regulatory agencies to issue statements to financial institutions within their respective jurisdictions emphasizing that discriminatory banking practices or policies based upon race or religious belief of any customer, stockholder, employee, officer or director are incompatible with the public service function of banking institutions in this country.

The Board of Governors strongly supports the President's statement in this regard. Banking is clearly a business affected with a public interest. Banking institutions operate under public franchises, they enjoy a measure of governmental protection from competition, and they are the recipients of important Government benefits. The participation of a U.S. bank, even passively, in efforts by foreign nationals to effect boycotts against other foreign countries friendly to the United States—particularly where such boycott efforts may cause discrimination against United States citizens or businesses—is, in the Board's view, a misuse of the privileges and benefits conferred upon banking institutions.

One specific abuse that has been called to the attention of the Board of Governors is the practice of certain U.S. banks of participating in the issuance of letters of credit containing provisions intended to further a boycott against a foreign country friendly to the U.S. The practice appears to have arisen in commercial transactions between U.S. exporters and foreign importers, in which the importer has arranged for the issuance of a bank letter of credit as a means of making payment to the exporter for the goods he has shipped. In some cases the importer has required, as one of the conditions that must be satisfied before payment can be made by the U.S. bank to the exporter, that the exporter provide a certificate attesting that it is not connected in any way with a country or firm being boycotted by the importer's home country, or is otherwise in compliance with the terms of such a boycott. Such provisions go well beyond the normal commercial conditions of letters of credit, and cannot be justified as a means of protecting the exported goods from seizure by a belligerent country. Moreover, by creating a discriminatory impact upon U.S. citizens or firms who are not themselves the object of the boycott such provisions may be highly objectionable as a "secondary" boycott.

While such discriminatory conditions originate with and are imposed at the direction of the foreign importer who arranges for the letter of credit, U.S. banks that agree to honor such conditions may be viewed as giving effect to, and thereby becoming participants in, the boycott. The Board believes that even this limited participation by U.S. banks in a boycott contravenes the policy of the United States, as announced by the President and as set forth by Congress in the following declaration in the Export Administration Act of 1969 (50 U.S.C. App. § 2402 (5)):

"It is the policy of the United States (A) to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States, and (B) to encourage and request domestic concerns engaged in the export of articles, materials, supplies, or information, to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting the restrictive trade practices or boycotts fostered or imposed by any foreign country against another country friendly to the United States."

The Board also notes that the agreement by a U.S. bank to observe such discriminatory conditions in a letter of credit may constitute a direct violation of the Federal antitrust laws or of applicable State anti-boycott laws.

You are requested to inform member banks in your District of the Board's views on this matter, and, in particular, to encourage them to refuse participation in letters of credit that embody conditions the enforcement of which may give effect to a boycott against a friendly foreign nation or may cause discrimination against U.S. citizens or firms.

Very truly yours,

THEODORE E. ALLISON,
Secretary.

DR. HUGO WALL, POLITICAL SCIENTIST

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. SHRIVER. Mr. Speaker, on December 7, 1975, Dr. Hugo Wall, a friend and former college professor of mine, passed away in Wichita, Kans. Dr. Wall was a nationally recognized political scientist. He was 74. He guided and inspired many of his students into successful careers ranging from politics to public administration to teaching.

In his service to Wichita State University, he also held the positions of summer school director, dean of the graduate school, vice president, and director of the university's center for urban studies.

Even though we were on different sides of the political fence, I held Hugo Wall in high esteem. He contributed significantly to my interest in government.

He will be sorely missed. But he has left a heavy imprint on local, State, and national governments which will serve as a lasting memorial to him.

Mrs. Shriver and I extend our heartfelt sympathy to Mrs. Wall and to his two children.

Under leave to extend my remarks in the RECORD, I include the following editorial tribute from the Wichita, Kans., Eagle-Beacon:

DR. HUGO WALL

Dr. Hugo Wall, who died Sunday, left an imprint upon Wichita that is rarely equalled by a single individual.

Dr. Wall, professor of political science at Wichita State University and once vice president of that school, believed in practicing what he preached. And so, in a consulting capacity, he helped Wichita to create what he believed to be the best form of government it could have.

Particularly in the purchasing, personnel and public works departments are his influence to be seen. But in many other places and in many ways his wise advice was accepted and put to use.

Nor was his activity restricted to the campus and to this city. He was active in many ways throughout the state and his reputation as a political scientist was national.

He wrote a widely accepted textbook in political science and put together many manuals for the city of Wichita. Apart from his expertise, he was widely liked for his kindliness and his sense of humor and his unfailing willingness to give help wherever it was needed.

Few persons combine the academic and practical as successfully as did Hugo Wall. And many monuments to his memory will endure in Wichita and elsewhere in the daily activities of municipal governments.

CONGRESSMAN O'HARA SALUTES NORTHERN MICHIGAN UNIVERSITY ON CAMELLIA BOWL VICTORY

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. O'HARA. Mr. Speaker, last Saturday, while the eyes of million of sporting fans were focused on the cities of Dallas, Tex., and Pittsburgh, Pa., a much-less-heralded sporting event was taking place in Sacramento, Calif.

It is understandable that football fans from Dallas and Pittsburgh, and from Washington, D.C., and Cincinnati, Ohio, were emotionally involved in the professional football contests which saw the Dallas Cowboys clinch the wildcard spot in the National Football Conference, and Pittsburgh clinch the Central Division title in the American Conference.

It should also be understandable to the fans in those four great American cities if the attention of many Michigan sports fans was centered on Sacramento, scene of the annual Camellia Bowl—where the Wildcats of Northern Michigan University managed a come-from-behind victory over the Hilltoppers of Western Kentucky to win the NCAA Division II football championship.

There is something particularly exciting in a closely fought contest, Mr. Speaker, and Northern Michigan and Western Kentucky provided that kind of excitement in the Camellia Bowl. And there is something particularly gratifying to a team's supporters when it can rally in the late going and snatch victory from the jaws of defeat. This is what the Northern Michigan Wildcats did on Saturday.

As a resident of the State of Michigan, Mr. Speaker, I am proud that Northern Michigan has won this title. It would have been a significant victory under any circumstances; it becomes all the more remarkable when one considers that a year ago, the Wildcats had a winless season—and now they are the champions of their NCAA division.

I want all of my colleagues in the House to know the enormous pride that we, in the State of Michigan, have in the knowledge that, in the ranks of the smaller universities in our State, we have the same winning spirit that year after year marks the athletic endeavors of our two great State universities—the University of Michigan, which is my alma mater and from which my oldest son will graduate next May, and Michigan State University, where two other sons of mine are undergraduates.

Mr. Speaker, I extend my heartiest congratulations to the Wildcats of Northern Michigan.

PUBLIC VICTIMIZED WHEN MD'S STRIKE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. DERWINSKI. Mr. Speaker, the Chicago area recently suffered through a strike of doctors at the Cook County Hospital. There have been other isolated cases of that kind in the country as well as doctors' strikes abroad where medicine is far more socialized. A very pertinent commentary on the economics of medicine and the major issues involved therein is given by columnist Jack Mabley in the Chicago Tribune of December 16:

PUBLIC VICTIMIZED WHEN MD'S STRIKE

(By Jack Mabley)

The public is the victim when doctors strike.

You'll find this phrase increasingly in commentaries about the chaotic economic conditions in medicine.

A baby died in Britain because of curtailed emergency care during a doctors' slowdown.

Our County Hospital still is racked by the consequences of a strike of residents and interns.

California is on the brink of a walkout of 18,000 physicians who are unwilling to pay a 500 per cent boost in malpractice premiums.

Almost every week I hear of another doctor, usually in his late 50s or 60s, who is quitting practice because he is unwilling to face the cost and the mental strain of the threat of malpractice suits. We're talking about premiums of $20,000 to $40,000 a year.

Little attention is given outside the profession to a factor that troubles doctors probably more than the financial cost. That is the stigma of being sued. It can't be sloughed off.

Unless he is mentally tougher than most I know—and than I am—the suit preys relentlessly on his mind, and certainly affects his work. [I was proud that I was never sued for libel—until I was sued for libel. The suit was thrown out of court, but it still hurt. And was very expensive to defend.]

The senior editor of Medical Economics tells of the case of Dr. R. Pierce Foster, an Alexandria, La., surgeon described by colleagues as "a fellow who takes on the tough ones—the procedures that other surgeons shy away from." Dr. Foster was a navigator in the 8th Air Force in World War II. He was shot down over Berlin and was a prisoner of war.

He was sued for malpractice. "That got to me more than anything I've ever endured," Dr. Foster said. "I suffered, my wife suffered, our children suffered."

Dr. Foster was walking out of surgery one morning and was stopped in the hospital corridor by another doctor, who said, "Well, I see you made the papers." That's how he learned he was being sued.

The article, picked up by newspapers around the state, told of the charge that he had left a sponge in the abdomen of a patient, who asked $172,000 damages.

He didn't even remember the patient. He went into his records, and found she had had a routine gall bladder removal. She had returned to his office complaining of a "burning, sort of an aching hurt." The doctor found a nodule in the scar. With a local anesthetic he removed it. He recalls telling the patient, "Well I'll be durned. It's a suture, a cotton stitch. That's what caused the trouble."

The lady's lawyer wrote into her suit the charge that "a sponge" was left in her. "Everywhere I went," Dr. Foster said, "people came up to me and stuck that damned story under my nose.

"Some folks seemed to enjoy it. In the hospital one day a doctor called out to me, 'I see where they're going to sue the hell out of you!' I kept trying to explain that it was all a mistake, that I hadn't done anything wrong, that I'd removed only a cotton suture, not a sponge. But I just couldn't seem to get through to some folks. I felt frustrated and angry and embarrassed beyond words."

His income also dropped as surgery referrals dwindled.

The trial lasted one day. The judge remarked that he couldn't understand why the case had ever been brought to trial, and he dismissed the claim.

Now for the kicker. Honor is a big thing in Louisiana. Dr. Foster didn't drop the matter. He sued the woman and her lawyers for libel. It took seven years in the courts before he won his case and $33,000 in damages. The case went to appeal and I don't know the final outcome. In any event, Dr. Foster was vindicated.

But at what a price.

With malpractice suits proliferating, more doctors are going into retirement, or industrial medicine, or teaching, or the military, rather than grapple with this kind of agony.

It's true the public pays when doctors strike. It might also be noted that it's the public that is bringing the malpractice suits.

The newest problem may come in the Chicago area hospital emergency rooms. Most of them are staffed partly by residents. Until recently these young doctors could get malpractice protection for several hundred dollars. Now their premium cost is going over $2,000. Their incomes run $10,000 to $12,000, and most have families to support.

There is danger that emergency rooms will have to curtail services because of inability to get sufficient staff because of the malpractice chaos. And the public will suffer—until the state wakes up and takes action to alleviate this growing crisis.

ANNOUNCEMENT OF HEARINGS ON PROPOSED CONSTITUTIONAL AMENDMENTS ON ABORTION

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. EDWARDS of California. Mr. Speaker, because the House will not be returning from its Christmas recess until mid-January, the hearings on the proposed constitutional amendments on

abortion, originally scheduled by the Subcommittee on Civil and Constitutional Rights of the House Committee on the Judiciary for the 7th and 8th of January 1976, have been rescheduled. The hearings will now be held on the 4th and 5th of February 1976.

B'NAI B'RITH WOMEN RESOLUTIONS

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. KOCH. Mr. Speaker, B'nai B'rith Women, in their national executive board meeting in November, passed resolutions on several important current issues which I believe merit the consideration of my colleagues. B'nai B'rith Women maintain an active interest and role in public affairs, and support a number of social and humanitarian programs each year. I commend the positions adopted on these issues by B'nai B'rith Women to my colleagues which I am appending, for their consideration.

RESOLUTIONS PASSED BY EXECUTIVE BOARD

U.N. RESOLUTION

B'nai B'rith Women's membership throughout the world deplores the shocking action taken by the United Nations General Assembly on November 10, 1975 in voting to approve a resolution classifying Zionism with racism and racial discrimination.

In light of our affiliation as a nongovernmental organization with the United Nations, we are incredulous that such an abhorrent statement could be approved by that body, thus giving implicit sanction to international immorality and barbaric motives. We shudder at its potential consequences in invoking the hateful spectre of anti-Semitism.

We urge the General Assembly of the United Nations, therefore, to take such steps as may be necessary to obtain reconsideration of this resolution, in order to remove this shameful action from its record.

We commend the government of the United States for refusing to recognize this abominable resolution and for declining to participate in the United Nations Decade for Action to Combat Racism and Racial Discrimination, which has now become a mockery. We also commend the Congress of the United States for its forthright denouncement of this infamous act, and support Congressional efforts to re-assess United States participation in the United Nations General Assembly.

POLITICAL PRISONER AMNESTY

B'nai B'rith Women commends the United States delegation to the United Nations for its introduction of a draft resolution on November 12, 1975 in the General Assembly regarding unconditional amnesty for political prisoners.

We have for long years been sorrowed and distressed by the treatment certain governments have accorded those who disagree with their political views—noting, in particular, our Jewish brethren in the Soviet Union, Syria and Iraq—and publicly voicing our protests as individuals and as an organization.

A number of governments have detained or imprisoned—indeed, in many cases, tortured—members of national parliaments, writers and publishers, and persons who have sought through peaceful means to express views at variance with those held by their governments or to oppose racial discrimination. Arbitrary arrests, detentions, secret trials and unfair procedures which have been conducted are flagrant violations of the Universal Declaration of Human Rights.

We support, therefore, this resolution by the United States Delegation which appeals to all governments to proclaim an unconditional amnesty by releasing all political prisoners who have sought peaceful expression of beliefs and held opinions at variance with their governments—or who have sought to provide legal or other forms of nonviolent assistance to such persons.

We urge the United Nations Subcommittee on Human Rights and the Subcommission on Prevention of Discrimination and Protection of Minorities to strengthen their efforts on behalf of political prisoners; including the establishment of working groups to conduct studies and visits to determine the facts relevant to the rights of political prisoners and evaluate the response of the government of the nation involved. We also urge all governments to cooperate with the Commission on Human Rights in its efforts on behalf of political prisoners.

We take note, ironically, that some of those very nations which recently voted in support of the outrageous resolution passed by the United Nations General Assembly equating Zionism with "racism and racial discrimination" have been among the most blatant violators in this area. Their demonstrated insensitivity to human and civil rights and their inexcusable encroachments on individual liberties of their citizens have shocked the world community for too many years.

HELVI SEPILA

B'nai B'rith Women wishes to extend its commendations and gratitude to the Honorable Helvi Sepila of Finland, Assistant Secretary-General of the United Nations for Social Development and Humanitarian Affairs, for the outstanding role she has played as Secretary-General for the United Nations' historic International Women's Year 1975.

As the preamble of the United Nations Declaration on the Elimination of Discrimination Against Women states, "discrimination against women is incompatible with human dignity and with the welfare . . . of society . . . The full and complete development of a country, the welfare of the world, and the cause of peace require the maximum participation of women as well as men in all fields."

As a non-governmental organization affiliated with the United Nations and as a long-standing proponent of human rights, B'nai B'rith Women applauded the inception of International Women's Year; and our membership has participated throughout the United States in observances to commemorate the event and to raise the consciousness of local communities to the needs and rights of women.

Ms. Sepila, through her position as leader of the United Nations' observance of International Women's Year has made a memorable contribution to women in nations throughout the world. The stated objectives of International Women's Year—peace, equality and development—have been advanced significantly under her excellent and far-sighted direction. We congratulate her for her creative and inspiring leadership in awakening the governments of the world to the basic rights of all women; thus setting processes into motion which should ultimately further enhance their status, participation and roles in their respective societies.

U.S. CENTER FOR IWY

B'nai B'rith Women has traditionally been associated with equality for women and enhancement of their status and role in society throughout the world. In keeping with these positions, our membership has this year been observing the historic International Women's Year 1975 as decreed by the United Nations.

We have been pleased to have been associated, on the national level, with the United States Center for International Women's Year. Under the able and creative direction of Dr. Ruth Bacon, this organization has directed its efforts to promulgate the observance of International Women's Year by organizations throughout the United States—through educational and programmatic materials, suggestions for action and organized efforts. As a resource and informational center and as a guide for programming its work has been most valuable to all organizations concerned in promoting the concepts of expanding women's roles and rights in the United States.

We wish to commend Dr. Bacon, in particular, for her talent and inspiration in directing the work of the Center, which will conclude its activities at the end of this year.

We further urge, since the Decade for Women and Development as adopted in the World Plan of Action in Mexico City will still be in effect, that provisions may be made for another such agency or organization to continue the important role of the United States Center in furthering the stated goals of equality, peace and development as they relate to women in the United States, and that such group maintain its function throughout said Decade.

JUSTICE DOUGLAS

Throughout his thirty-six and one-half years of distinguished service on the bench of the Supreme Court of the United States, William O. Douglas devoted himself to the ideals of basic humanity—fearlessly dissenting for causes involving individual rights which he held sacred, and for the integrity of the Constitution of the United States.

Mr. Dougles has now, because of failing health, found it necessary to resign from his seat. But he will be remembered in the pages of American judicial history as a giant figure, not only for his adamant convictions, but for the impact of his far-reaching views on our nation's body of law.

B'nai B'rith Women will miss Mr. Douglas on the Supreme Court. His concerns were human concerns, as are B'nai B'rith Women's. We are grateful that he so frequently defended and fought for issues with which we, as an organization, agreed.

We wish Mr. Douglas peace, contentment and improved health in his retirement, and express our gratitude for his priceless contributions to the citizens of this nation.

PERINATAL CARE

B'nai B'rith Women has consistently supported efforts to provide better services for perinatal (prenatal and postnatal) and infant care through our Operation Stork program, our endorsement of federal food programs for women, infants and children and other efforts directed toward the betterment of conditions for mothers and children in our society.

Recently, we presented testimony to a subcommittee of the U.S. House of Representatives in support of the need for inclusion of maternal and newborn care in any national health insurance program which the Congress may adopt.

We are acutely aware that the United States ranks high on the list of nations with substantial infant mortality rates—which seems paradoxical for a nation as advanced as ours. We are also aware of the shocking statistic that over half of the women who die in childbirth are between the ages of thirteen and nineteen. At the same time, we know that the provision of quality medical care throughout pregnancy and thereafter could reduce this rate enormously.

Many health insurance plans have been

inadequate, because they fail to provide maternity coverage. Some do not cover female dependents, and discriminate against single women. Also, benefits rarely cover fully the high costs of hospitalization and physician care.

In the care of the newborn, some private companies have been reluctant to provide coverage for the early weeks of an infant's life, which could have tragic results even later when problems arise which are considered previous conditions.

It has been documented that maternity care represents the largest category of inpatient hospitalization in hospitals today. Studies also show that infant mortality and premature births are significantly reduced by early and proper care—and that premature births often produce retarded or otherwise chronically handicapped children, resulting in treatments which may cover a lifetime—far exceeding the costs of preventative treatment. A recent study in a metropolitan city indicated that early delivery of health services and care could have reduced infant mortality by one-third. Such an opportunity should not be neglected or dismissed.

We urge the Congress of the United States, therefore, in considering the various proposals for national health insurance, to include provisions for full prenatal and newborn infant care—of the mother and fetus during pregnancy and of the newborn during delivery and thereafter in infancy—without deductibles or co-insurance.

We further urge that the individual states, in their jurisdictions, enact legislation for comprehensive maternal and child health insurance, including provisions for newborn infant care for the first thirty days of life.

HATCH ACT REVISION

Although B'nai B'rith Women has been sympathetic to the original intent of the Hatch Act of 1939, which restricts participation by governmental workers, as private citizens, in political activities, we recognize that this legislation today places an unfair burden on millions of citizens who wish to participate in their government.

Although many local and state employees were recently freed from Hatch Act restrictions, for thirty-five years, 2.8 million federal civilian and postal workers have been prohibited from speaking out and fully participating in the democratic process. Their rights of free speech and association, therefore, have been restricted. We feel that with the proper safeguards, these rights should be restored—particularly in light of the forthcoming Bicentennial celebration, which will underscore the value of our participatory system.

We urge the United States Congress to restore these voluntary rights to our federal workers, through passage of pending legislation which would amend Title V of the U.S. Code so as to permit federal employees and officers to participate in politics, thus replacing the Hatch Act with legislation that contains adequate safeguards for abuses while granting federal employees their rights to participate as private citizens in American political life.

With the important proviso that federal employees would continue to be carefully protected from political coercion and influence by their supervisors (which was the original intent of the legislation), we now support the active efforts in the United States Congress to permit these citizens to voluntarily participate in partisan political meetings, to belong to political organizations, to run for office, volunteer for political campaigns and to engage in other specified activities—so long as they are not held during normal working hours and do not involve the employee's official job-related authority or influence.

TAX CREDITS FOR CHILD CARE

B'nai B'rith Women has long been identified with proposals to reform the income tax system in the United States, to rectify inconsistencies and ease the burdens on those deserving segments of our society who are unduly restricted by various aspects of the present system.

Under Title V of the pending tax reform proposal currently in the U.S. House of Representatives (H.R. 10612), provision has been made for credits of up to $800 against the income taxes of a single parent or married couple for child care (or incapacitated adult care), including full or part-time employment of the parents as eligibility for such credits.

We strongly endorse this long-overdue reform of our tax system, which would answer a very real problem besetting working parents and assist them to participate in the work force and earn their livelihoods. We urge the inclusion of the provision in the final tax reform legislation which will emerge from the Congress.

SINGLE TAX

B'nai B'rith Women, as a consistent proponent of equal rights for all segments of our society, urges the adoption by the United States Congress of a long-needed proposal which seeks to remove the tax inequities between single and married persons.

Approximately fifty-four million Americans are discriminated against when they pay their taxes solely on the basis of their marital status. Tax inequities for unmarried persons and married persons where both the husband and wife work are unfair, and create unnecessary economic hardships on these groups by taxing them more heavily.

We urge adoption of legislation to correct this inequity and relieve the burdens from these groups of our citizens.

CLEVELAND PLAIN DEALER CITED FOR EDITORIAL EXCELLENCE

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. STOKES. Mr. Speaker, as many of my colleagues may well know, the city of Cleveland is currently in the midst of court procedures on public school desegregation. The outcome of the NAACP against The City of Cleveland may well render that city's school system in violation of the Supreme Court ruling on segregated education facilities.

In other cities, such as Boston and Louisville, a paucity of leadership has caused confusion, violence and disrespect for the law when faced with court order busing to achieve racial balance in the schools.

Mr. Speaker, I am very pleased to report to my colleagues that one of Cleveland's largest and most influential newspapers has courageously taken a leadership role in urging calm and compliance with the impending Federal court decision. The Cleveland Plain Dealer, in a Sunday, December 14th editorial, has taken a clear and concise position on public school desegregation.

Soon, the eyes of the Nation will be riveted on Cleveland. Where others have resorted to negativism and sickening violence, we have the opportunity to comply with the decision of the courts in a thoughtful and peaceful manner.

I laud the Cleveland Plain Dealer for taking this responsible and enlightened editorial policy and would like to take this opportunity to bring this excellent editorial to the attention of my colleagues:

THE BUSING CONTROVERSY

A major purpose of the Louisville (Ky.) conference on alternatives to busing for school desegregation was to give legitimacy and respectability to opponents of busing.

Much of that opposition has been expressed in the streets in protests that have been ugly and violent.

However, very few alternatives were presented in Louisville, and many of those who supported them seemed prepared to dismiss the constitutional questions that are raised by the existence of racially segregated schools.

Some speakers argued that desegregation is achieved simply by forbidding the practices that created past segregation, the most blatant being the dual school system, and that attempts to remedy past injustices are unnecessary or even harmful.

Louisville and Boston are undergoing community traumas over busing. In Cleveland, the NAACP and the Cleveland Board of Education are in federal court over charges that the board (and other government agencies) by official acts created a school system that both sides agree is racially segregated.

If the Cleveland school system is found to have committed those acts, Judge Frank J. Battisti is expected to require a remedy. That remedy most likely would be busing to balance school racial enrollments to reflect the composition of the whole student population.

Because of the prevalence of disruption and violence that has accompanied the start of busing in most cities where it has been ordered, The Plain Dealer has reservations about a remedy that requires busing. If the court sees no other remedy, however, we say that the court's order should be carried out, and we do not believe that violence must be regarded as inevitable.

Those who would dismiss the responsibility to right the constitutional wrong are, in effect, saying that the cure is worse than the disease. We cannot accept that viewpoint.

Busing involves a dislocation from familiar surroundings for students, and some tension usually accompanies any such dislocation for a child or parents of either race. But it must be noted that busing for school desegregation is working in some places, including Pontiac, Mich., where five years ago school buses were burned.

A more constructive approach to the busing controversy than the attempt to legitimize opposition would be a thoughtful study of the reasons for the opposition. Getting to school by bus, after all, is a common experience all over the country.

If the white opposition is based on fears that the quality of education is inferior in black inner city schools, then the problem is to improve the quality. If opposition is based on racism, then the problem is to change those attitudes. If opposition is based on fears for children's physical safety, protection must be assured.

Overcoming the isolation of whites and blacks from each other, and the suspicion and fear that isolation engenders, is among the most important items on this country's domestic agenda.

If there is an alternative to busing that is fair and comprehensive, it would be welcomed by those on both sides of the busing issue. Such an immediate alternative has not been suggested.

The moving van, not the bus, ultimately is the best vehicle for achieving racial integration. Discrimination against blacks in housing has been a major factor in creating the segregated school systems of the North.

Desegregation of the schools is a step toward breaking down those barriers, and it would be wrong to allow mob rule to force a step backward from the goal of integration.

PENTAGON REFUSES TO RELEASE NEW DATA ON THE WEAKNESSES OF THE AWACS RADAR PLANE

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. DOWNEY of New York. Mr. Speaker, the Pentagon is refusing to release a recently completed study which reportedly shows that the Grumman E–2C surveillance plane does the same radar job as the Air Force AWACS plane—but at about one-fifth of the price. Both planes are designed to track hostile targets and direct friendly aircraft over a large area. The Air Force wants Congress to provide about $4 billion for the purchase of 34 AWACS—at a cose of about $118 million per plane. This makes the AWACS the most expensive aircraft ever constructed.

By comparison the E–2C, which has been in use since the early 1960's, costs about $25 million each—about one-fifth the cost of AWACS.

This refusal comes on top of reports about a GAO study of the plane which raises new questions about the AWACS' performance. The results of the GAO study were confirmed in a staff memorandum on the House Committee on Armed Services made public this month by Representative PATRICIA SCHROEDER.

As a result of the field tests conducted last May, the Department of Defense has confirmed some "limitations" in the performance of AWACS, such as susceptibility to jamming by enemy aircraft and inability to prevent detection by the enemy when the plane's surveillance equipment is operating.

At the same time, the Pentagon has not yet given up trying to push its $120 million radar plane on our European allies. Earlier this year, the Pentagon offered to sell AWACS to NATO at a price roughly half of what it costs the American taxpayer to build. Now it appears that the Pentagon is willing to further sweeten the deal by offering to purchase a British-developed vertical take-off fighter if our European allies will help them out.

If I were a European defense minister, however, I would be quite concerned about these recent tests that show that the AWACS does not work quite as well in combat situations as the Pentagon has been claiming.

Moreover, I would also like to take a look at this new data comparing the AWACS and the E–2C before I spent my money on AWACS.

And yesterday, it was reported that the Pentagon has offered to sell the AWACS to Iran at a price of $178 million per plane. This price, however, includes such additional items as training and support equipment. At this price, the Pentagon will recoup about half of the research and development costs of the AWACS.

At this time, Mr. Speaker, I include several recent newspaper articles from Newsday, the New York Times and Aerospace Daily in the RECORD:

[From the New York Times, Dec. 4, 1975]

U.S. STUDIES DEAL FOR BRITISH PLANE

Plans Sale of Radar Aircraft and Purchase of a Fighter

(By John W. Finney)

WASHINGTON, Dec. 3—Pentagon officials are working on a multibillion-dollar British-American aircraft deal in which the United States would buy a British-developed fighter in return for a British purchase of some American radar-surveillance planes.

At least outwardly, the project is a productive example of the "two-way street" in arms purchases that British officials have been demanding and American defense officials have been promising.

To some high-ranking Pentagon officials the transaction is becoming of critical importance in sustaining the Air Force's controversial and expensive program for the production of a radar plane that would serve as an airborne command post, tracking enemy aircraft and directing fighter planes on defensive missions.

The Air Force had planned to build 34 of the aircraft at a cost of about $4 billion. About 20 of them were earmarked for use in Western Europe, and there is growing sentiment in Congress favoring the idea that the European allies bear the cost of those planes.

Defense officials acknowledge that without some definite Western European expression of interest in the radar plane, it will become increasingly difficult to keep the production line open and to convince Congress to provide more funds for it.

Thus far, European members of the North Atlantic Treaty Organization, including Britain, have endorsed the conceptual need for such a plane, but they have been reluctant to make an immediate commitment to buy it, partly because of its cost and partly because of the continuing debate in the United States about whether it could function effectively in a hostile environment.

New questions about the plane's performance were raised in a staff memorandum of the House Armed Services Committee made public this week by Representative Patricia Schroeder, Democrat of Colorado.

As a result of field tests last May, the memorandum said, the Defense Department had "confirmed" some "limitations in the performance of the radar planes, such as difficulties, when subjected to jamming, in precisely determining the range and altitude of enemy aircraft. The memorandum also said the radar planes would be unable to prevent enemy detection when their surveillance equipment was operating.

During the secret tests, according to military sources, some Air Force F–106 interceptors, screened by Navy jamming planes, were able to penetrate to within shooting distance of the radar planes without being detected.

In recent weeks, high-ranking Defense officials, including Malcolm R. Currie, the Director of Defense Research and Engineering, have been suggesting that the United States offer to buy an advanced version of the British v/stol (vertical or short take-off and landing) fighter known as Harrier as a means of winning a British commitment to buy some of the radar planes.

The suggestion, according to Pentagon sources, was that with such a commitment the Defense Department would be prepared to buy up to 350 Harriers costing $3.5 billion.

One difficulty, however, was that no official military requirement has been established for the advanced version of the Harrier, which has the designation of AV–8B.

The Marine Corps, which has had an unsatisfactory experience with the 110 earlier versions of the Harrier purchased from Britain, was prevailed upon late in October to establish such a requirement.

The Harriers would be used by the Marines, either aboard small carriers or from landing strips, to provide air support for amphibious landings.

The Navy then determined that the British AV–8B would meet the Marine Corps requirement. The Defense Department is expected to confirm the Navy's decision this month or in January.

[From the Aerospace Daily, Dec. 8, 1975]

DOD CONFIRMS SOME GAO FINDINGS OF AWACS LIMITATIONS

A congressional staff committee report on the Air Force Airborne Warning and Control System (AWACS) made public last week shows that the Defense Department has confirmed some system limitations cited by General Accounting Office but contends that they can be overcome.

A summary report by staff members of the House Armed Services Committee, released by committee member Rep. Patricia Schroeder (D-Colo.), discusses results of further DOD tests of the AWACS Systems Integration Demonstration (SID) conducted in May at the committee's request.

DOD had considered the SID flight testing to be complete as of last December, but carried out the further flights after Armed Services Chairman Melvin Price (D-Ill.) informed then Defense Secretary James R. Schlesinger of committee concerns as to whether AWACS could perform its intended mission.

Although the facts developed were kept classified until last week, they were presented to the cognizant congressional committees prior to action on the military authorization and appropriations bills. Eventually, the House appropriations bill cut AWACS funding back to provide only two of the six Boeing E–3A aircraft requested. The Senate bill would restore money for all six, and the difference is a major issue to be resolved in the House-Senate DOD appropriations conference.

As a result of the additional tests, according to the staff report, DOD confirmed that there were "limitations" in AWACS "precise determination of target altitude; range resolution of jamming targets under certain conditions; automatic accurate tracking data of targets under certain conditions; and prevention of enemy detection and location of AWACS when the AWACS radar is transmitting."

DOD said, however, that it believed that the shortcomings could be solved through various revisions or techniques—for example, that the automatic accurate tracking limitation could be overcome through operator intervention as well as by revising the AWACS hardware package.

Both Defense Research and Engineering Director Malcolm R. Currie and GAO provided the committee with comments on the test results, and the committee staff noted that their respective views "are not in full agreement with regard to AWACS capabilities-limitations and their impact upon the final outcome of an air battle."

For example, the report said, GAO doubted that the tracking problem could be met "simply by operator intervention . . . They believe that the NATO scenario will consist of hundreds of sorties per hour and that operator intervention is not practical or possible in such a dense environment." Further, it continued, GAO believes that AWACS "susceptibility to jamming presents a more serious limitation" than DOD claims.

"Finally, GAO questions the DOD contention that AWACS is survivable because it can operate in a passive mode, because it can maneuver at jet speeds and because it can provide the position of would-be attackers to friendly interceptors and missile systems. GAO contends that AWACS operation in a passive mode is of little, if any, utility. They further contend that it is difficult, at best,

to provide the position of would-be attackers to friendly interceptors in the absence of data that provides altitude, size of raid, etc."

DOWNEY SEES "COVER-UP" ON PLANE

(By Charles Rabb)

Rep. Thomas J. Downey (D-West Islip) is trying to pry loose from the Pentagon a report that shows, according to a source there, that the Grumman E-2C does the same radar warning job as the Air Force AWACS plane—but at about one-fifth the price.

The chances are, an aide to the congressman acknowledged, that Downey won't get it—at least in the complete version that he is requesting. The aide also said he doubted that Downey would get even an incomplete version before President Ford sends his budget to Congress, which he is expected to do next month.

A Pentagon source in the Office of Defense Research and Engineering said that the information is in "some staff papers" that won't be put in report form for about a month. And, even then, the source said, the data probably would be classified. Downey made his request Friday under the federal Freedom of Information Act.

The Air Force disagrees with the Pentagon report and says that AWACS is better than the E-2C. It also would be reluctant to see funding for the aircraft diverted to the E-2C, a plane developed for another branch of the service, the Navy, even if the E-2C can do the job more cheaply.

The Navy probably would like to see the Pentagon report made public because the White House Office of Management and Budget has proposed to President Ford that E-2C money be eliminated from the next defense budget. The recommendation was made despite the fact that the sum spent in the E-2C program is much less than the amount that is being sought for AWACS.

An AWACS (Airborne Warning and Control System) plane is basically a Boeing 707 equipped with complex radar, computer and communications equipment. According to the Air Force, such aircraft can track hostile targets and direct friendly aircraft over a large area. The Air Force wants Congress to provide about $4 billion for the purchase of 34 planes. Each AWACS will cost about $118 million.

The E-2C has been in use since the early 1960s. The current defense budget requested $154 million to buy six of the aircraft, each of which costs about $25 million.

The Pentagon documents comparing the two reportedly conclude that the E-2C is a better buy for the United States and for North Atlantic Treaty Organization nations because it can provide the same airborne early warning services at a much lower price than could AWACS.

The study reportedly says the Grumman system has only one third the range of the AWACS, although air-to-air refueling could make up the difference.

Downey called the Pentagon's refusal to release the information a "cover-up" and said "it's obviously an embarrassment to them." Downey said the release of the report would damage the case for AWACS because it would show the great difference in cost, probably discourage NATO nations from purchasing it and make clear that money spent on AWACS research and development had been wasted. A major selling point for AWACS is the prospect of sales to NATO nations, but so far none has been made. Boeing Aircraft of Seattle is the AWACS prime contractor. Hazeltine of Greenlawn is a subcontractor.

[From the New York Times, Dec. 16, 1975]

U.S. OFFERS IRAN 10 OF ITS COSTLIEST RADAR PLANES

(By John W. Finney)

WASHINGTON, Dec. 15.—The United States has offered to sell 10 of its most sophisticated radar-surveillance planes to Iran at a price of $178 million each, Pentagon officials said today.

The sales argument being advanced by the Pentagon is that the plane—known as AWACS for Airborne Warning and Control System—would greatly enhance the ability of the Iranian Air Force to track intruding aircraft and to control the movement of defending planes.

One reason the Pentagon is interested in making the sale to Iran is to keep the aircraft's production line open until the European members of the North Atlantic Treaty Organization can decide whether to purchase the plane. To the disappointment of the Defense Department, the NATO defense ministers, at a recent meeting in Brussels, declined to make an immediate commitment to purchase the surveillance plane, which is one of the more controversial and most expensive ever developed by the Air Force.

The plane is basically a Boeing 707 transport equipped with an elaborate package of radar and communications equipment that permits it to monitor and control an air battle over a wide area. Without the assurance of new orders, Boeing plans to shut down the 707 production line.

PRICE IS HIGHER

The price being quoted to Iran is much higher than that to allies if they purchase the plane. The Air Force estimates that each plane costs $118 million, but the Defense Department has offered to sell the plane to the NATO allies for about $60 million.

The $187 million price being quoted to the Iranians, according to Pentagon officials, included such additional items as training and support equipment. In addition, on each plane, the Defense Department is proposing to recoup about $20 million of the research costs involved in their development.

In aerospace industry circles, there is speculation that the high price may induce Iran to look for a less expensive radar control plane, such as the E-2C Hawkeye produced for the Navy by Grumman. In its carrier version, the E-2C costs the Navy about $26 million per plane.

The Grumman plane has basically the same purpose as the Boeing plane, but has a smaller flying range and radar capacity. Thus far, the Defense Department has discouraged Grumman from trying to sell its plane to Iran or to the European allies in an attempt to protect those potential markets for the Boeing plane.

Grumman has been relatively successful in selling its plane in other markets that it was permitted to enter by the Defense Department.

Israel is expected to purchase four of the Grumman planes, with a contract option to buy two more. Japan, in its defense budget, has earmarked funds to purchase 15 of them over a three-year period.

The foreign sales of the Grumman planes, whose production now accounts for 2,000 jobs on Long Island, probably depend upon continuing purchase of the plane by the United States Navy.

THE 33d BIRTHDAY OF CAPT. THOMAS WARING BENNETT, JR.

HON. THAD COCHRAN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. COCHRAN. Mr. Speaker, December 22 will mark the 33d birthday of Capt. Thomas Waring Bennett, Jr., of Natchez, Miss. December 22d will also mark the third anniversary of Captain Bennett's disappearance over North Vietnam, and his listing as missing in action.

Captain Bennett's family, friends and I hope all Americans will be praying that Captain Bennett is alive and well on his birthday. I also hope that all Americans will join together to push for an accounting of Captain Bennett and the more than 800 other Americans who are still unaccounted for in Southeast Asia, so that Captain Bennett's next birthday will not pass without our knowing the true fate of all our missing in action.

INSULTS TO OUR VETERANS

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. DOWNEY of New York. Mr. Speaker, the December 1975 edition of the Veterans of Foreign Wars magazine carries a truly astounding declaration written by Thomas C. Walker, VFW Commander in Chief, entitled simply, "President Versus Veterans." The article lists example after example of this administration's less-than-sympathetic attitude toward our Nation's veterans and the issues of importance to the Veterans of Foreign Wars. While I do not agree with the VFW on every item of criticism, I surely believe that these things are important views which must receive the attention of public officials in the administration as well as the Congress. No matter how little an administration intends to do for those who served their country, it surely has an obligation to listen and hear them out. Therefore, Mr. Speaker, I ask that Commander Walker's statement be printed for the RECORD, and I urge the President to treat the issues concerning our organized veterans seriously:

PRESIDENT VERSUS VETERANS

(The V.F.W. has requested an audience with President Ford to discuss the issues cited here and others equally important. The V.F.W. has been refused the courtesty of presenting the mandates of the delegates to the National Convention. The President's aides have either ignored or failed to be receptive to the V.F.W.'s efforts. Recently, the V.F.W. declined an invitation issued on two days' notice to 16 other veterans' organizations to meet with the President. Participating in such a mass gathering would have been a disservice to the 1.8 million members of the V.F.W. President Ford is the first Chief Executive in more than 40 years who has not met on a one-to-one basis with the V.F.W. Commander-in-Chief to discuss veterans' problems. He also has failed to invite the Buddy Poppy girl to the White House. We believe we speak for not only our membership, but also the great majority of the 29 million living veterans, their widows and orphans.)

(By Thomas C. Walker)

Recently, it has become evident that advice given the President of the United States has been causing the loss of veterans programs and rights.

It is time each veteran knows what is happending. To do less—to sit quietly by and watch our programs be eroded, cut and lost would be an injustice to the veteran and his widow.

Item: The President requested that compensation payments for service-connected disabilities be held to 5%. In view of the

increase in the cost-of-living, this was a slap in the face to the man who fought for his country, was wounded and disabled.

Item: The President is attempting to hold proposals to increase a veterans pension to 5%. The 8% Social Security increase of July would cut or eliminate hundreds of thousands of veterans and widows from the rolls if this proposal is passed.

Item: A recent survey showed that pensioners over age 72 were not getting along on their present pension. The President's Veterans Administration attempted to "whitewash" this report by saying that the program was in good shape.

Item: There is a crying need for a revision in the present pension program. Veterans need an income that will allow them to live above the poverty level and with dignity. The President's Director of the Office of Management and Budget tells us there will be a cut in veterans programs next year.

Item: Veterans need a place for an honorable burial in a National Cemetery if they so desire. The President's Veterans Administration has had the cemetery program for two years and has not opened one new gravesite during that time.

Item: It took this President months to read and act on the Survey of VA hospitals. An attempt to patch up the flaws is being made. Pray it is not too late.

Item: The 76th National V.F.W. Convention was the first in many years at which neither the President nor Vice President appeared to address the delegates.

Item: The President vetoed the GI Bill education assistance increase which would primarily benefit Vietnam veterans. It brings much more back to the country in taxes alone than it costs.

Item: The President vetoed an increase in travel payments for disabled veterans. He approved the increase for other government people. Apparently, it costs them more to travel than a wounded veteran.

Item: The President expresses concern for the unemployed and handicapped veteran, yet many of the federal agencies have not implemented regulations to employ these veterans.

Item: The President established a "clemency board." Four members of that board charge that full Presidential "pardons" were given. This makes a deserter or repeated AWOL offender eligible to buy a gun, hold political office or be a member of the V.F.W.

Item: Detente has been a policy disaster for America, confusing and dividing our allies and our own people. We have traded U.S. technology and agricultural products for televised news pictures of the President and his Secretary of State toasting "peace." We, today, are the second strongest power in the world in a contest where our very survival is at stake.

Item: The United States Canal, located on the Isthmus of Panama, is being recklessly offered up to a leftwing dictatorship incapable of either protecting or operating our strategic jugular vein in the Western Hemisphere. A part of America, as American as Alaska, Hawaii, or Grand Rapids, Mich., is being put on the block simply because an authoritarian Panamanian brigadier general seeks to hold power by grasping something he never created or owned. And the national Administration is the giveaway artists. The Soviets haven't even asked us to do this.

Item: An Administration that apparently knows the price of everything and the value of nothing is seeking to end the armed forces' commissary stores, the Defense Department-funded GI educational benefits as a recruiting inducement and the civilian medical program, but still unrealistically hopes to assure the success of an all volunteer military force. The draft has ended, but now the Administration will not give our armed forces the tools needed to succeed.

Item: Equipment badly needed by our own forces soon will be furnished to both sides of the Arab-Israeli dispute. This is cynical blank check payouts in the foolish hope of buying peace.

Item: "Normalization" of relations with Communist China and Castro's Cuba takes clear policy precedence over a sturdy assertion of American interests and unapologetic support for allies who have stood with us in the past.

The Soviet Union respects only power. The Soviets call it "objective correlation of forces." Before this global challenge, this Administration offers only transparent words and business-as-usual.

In short, it appears not only is our beloved country being hurt, but so is the man who answered its call.

These and other matters are the things we had hoped to discuss with the President. We feel that they are sufficiently important to the nation and those who fought for their beloved country.

There is a move to cut and eliminate veterans programs and rights.

The V.F.W. is mandated to fight these injustices. Let no one—President or veteran—fail us in our time of need.

As a former President said, "The nation which forgets its veterans, will itself be forgotten."

CONSUMER COOPERATIVE BANK

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. KASTENMEIER. Mr. Speaker, producer cooperatives have existed for quite some time in this country but the idea of consumer cooperatives has never gained equal recognition. Recently, H.R. 10873 was introduced to establish a national consumer cooperative bank to help finance consumer cooperatives.

I would like to call to the attention of my colleagues, the following commentary from the Madison Wisconsin Capital Times, supporting this bill:

HELLO WISCONSIN

(By Miles McMillin)

Marshall Erdman recently returned from Europe with a report that inflation has ravaged the economy of most countries there. Sweden, he reports, is the best off of any of them. I have made subsequent inquiries of returning travelers who confirm Marshall's finding. I have asked some of my friends who know more about economics than I do why Sweden would be so much better off. I am told that it is due to its strong Swedish consumer cooperative movement, which has softened the impact of the inflationary spiral.

I have often wondered what the American economy would be like if its consumer cooperative movement had the economic clout the production cooperatives have. Perhaps some of the peaks and valleys in our economy would be lessened and perhaps we could do a lot more toward parrying the savage blows we have been taking from inflation. But for some reason this country has done little to encourage consumer coperatives—far less than it has done for production coops.

Some consumer coops have prospered and demonstrate what they can do for consumers. One of the most successful is right here in Wisconsin—the coop at Eau Claire. It provides far-ranging services to its members, including a supermarket where virtually anything can be purchased that can be purchased these days in major shopping centers. There are around 200 consumer coops operating in this country, but their membership falls short of ¼ of 1% of the U.S. population. One of the big problems of getting a cooperative underway is financing, of course. And many of those that are in existence can't get the financing to expand their benefits so that they can be of greater service to their members.

The farmers' production coops faced similar problems years ago when they were being established and were seeking to enlarge their enterprise. The federal government intervened and came to their assistance, establishing a network of farm credit agencies which is known today as the Farmers' Credit System. Federal money provided the original capital, but as time went on the public money was replaced by the capital generated by the enterprise itself. Today the system is owned by nearly one million American farmers and by the thousands of their supply, marketing and service coops.

Some of the people in the Cooperative League of the USA, which is a national federation of cooperatives, have hit upon the idea of doing for the consumer cooperatives what was done for the farm cooperatives to help finance cooperative enterprises for the millions of urban area residents being strangled by inflation. A bill has been introduced in Congress to provide a national consumer cooperative bank. Its purpose would be to obtain loan funds from private investors to encourage coops not eligible for aid from other government sources. It would be supervised by an independent government agency, which would lay down firm guidelines for the intelligent use of credit by the coop borrowers. It would have supervisory authority over a self-help loan fund designed to help small coops serving low income groups.

Ralph Nader has written a letter to the members of Congress in which he makes this statement in support of the legislation:

"What makes consumer cooperatives so attractive is that, without costing the taxpayer, they recycle the consumers' money in a framework of self-determination and self-help. When you consider economics policy and consumer interests, give consumer cooperatives some thought."

The Capital Times, of course, will do what it can to get favorable consideration for this legislation. This paper has long supported the cooperative movement as a very effective protective device against the kind of tremors that are upsetting our economy at the present time. We will urge the members of Congress from Wisconsin to support the bill and will do our best to inform the public about its merits.

BILL HUNGATE RECEIVES AWARD

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. RUSSO. Mr. Speaker, on Monday, December 15, BILL HUNGATE's Subcommittee on Criminal Justice conducted hearings in Chicago on legislation to provide compensation for victims of crime. At the end of the morning session, while I had the privilege of presiding, Melvin Lewis rose and addressed the subcommittee. Mr. Lewis is a professor of law at the John Marshall Law School, and this year is serving as associate dean of the National College of Criminal Defense Lawyers and Public Defenders in Houston, Tex. He is also the legislative chair-

man of the National Association of Criminal Defense Lawyers, and it was in this capacity that he addressed the subcommittee.

Mr. Lewis asked permission to present an award to BILL HUNGATE, Mr. Lewis' remarks were very stirring and generous in their praise of our esteemed colleague, BILL HUNGATE. I am having Mr. Lewis' remarks printed here so that BILL's friends and colleagues can read them.

Mr. CHAIRMAN. This nation has entered into a year-long celebration of honor to those men and women who 200 years ago embarked on History's most meaningful political experiment: The institution of a form of government whose central concern was the preservation of individual freedom.

Even as we honor them, we frequently hear suggestions that their principles, while worthy of historical veneration, must be relaxed as a concession to the problems of modern society.

We believe that the opposite is true, in several very insightful works, the recently deceased writer Hannah Arendt makes the compelling point that it is only the modern techniques of communication, control and systemic development within government which make possible a fully-developed autocracy. It is possible, therefore, that men such as those who formed our nation, and the principles embraced by such men, are immensely more important today than was the case in 1776.

On behalf of the National Association of Criminal Defense Lawyers, I rise to honor one such man today. We have observed with admiration his insightful approach to such legislative challenges as the Federal Rules of Evidence and the proposed Amendments to the Federal Rules of Criminal Procedure. We do not suggest that he acted alone, but he was a leader, and his announced and imminent departure from government leaves a painful void. It also provides an occasion to formally announce our respect and our pride that such persons still exist.

Mr. Chairman, may I have the honor of being joined here by the Honorable WILLIAM HUNGATE, U.S. Congressman from the State of Missouri.

At the conclusion of these remarks, Mr. Lewis presented BILL with a handsomely engraved plaque. The plaque is inscribed as follows:

The Board of Directors of the National Association of Criminal Defense Lawyers on the recommendation of its Committee on Legislation, and having reviewed with respect and admiration the uniquely distinguished career of Honorable William L. Hungate, United States Congressman from Missouri and Chairman of the Subcommittee on Criminal Justice of the House of Representatives Judiciary Committee, is honored to salute his achievements in the defense of individual liberties through the presentation of this Certificate of Appreciation and Recognition of Merit.

The Association celebrates the approaching bicentennial of history's most meaningful affirmation of human dignity by expressing its profound gratitude for the decade of brilliant public service contributed by this worthy inheritor of the spirit of the authors of our Constitution. His scholarly insight, dedication, courage and leadership in the service of the principles of freedom will continue to serve as an inspiration to those of us engaged in the unending struggle, in which he has played so magnificent a part, for the defense of those principles.

JAMES M. SHELLOW,
President.
MELVIN B. LEWIS,
Legislative Chairman.

DECEMBER 15, 1975.

SECRETARY SIMON'S SIMPLIFICATION SPEECH

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. STEIGER of Wisconsin. Mr. Speaker, on December 3, Secretary of the Treasury, Bill Simon, gave a provocative and insightful speech to the Tax Foundation in New York City.

Because the Secretary's remarks are worth our fullest consideration I am including them with my remarks with the hope they will be read carefully:

STATEMENT BY THE HONORABLE WILLIAM E. SIMON

Since history has a habit of repeating itself, I'm sure I'm not the first Secretary of the Treasury who has reached the conclusions I want to discuss with you tonight. And no doubt, I will not be the last. But the time has come for a little plain talk about a subject that is important to all of us: our taxes.

The system of Federal taxation which has evolved since the early days of the Republic is in trouble today.

And after several years of seeking to reform the system, I am increasingly persuaded that tinkering may no longer be the answer.

Let me elaborate for a moment about the difficulties of the tax system.

First, it is readily apparent that the Federal tax system is poorly structured for a period of rampant inflation. Millions of taxpayers now legitimately complain that the extraordinary high rates of inflation we have experienced recently have hit them with a double whammy: at the same time that inflation is eroding their real purchasing power, it is also pushing them into higher tax brackets.

Secondly, because of the rapid growth in the size of government at all levels since the early 1960's, the portion of personal income that must be paid into Federal, state, and local tax coffers is rising steadily. Many of you are familiar with the Conference Board study published this spring showing that the item which rose the fastest in the American family budget during the last six years was taxes. While the general cost of living climbed about 40 percent during that period, the total bill for taxes—Federal, state, and local—jumped by 65 percent.

Thirdly, it is becoming more widely recognized now that the Federal tax system is discouraging savings and investment when we need three times as much investment in the next decade as the last decade. By taxing corporate profits twice—once at the corporate level and then at the level of the shareholder—the United States is imposing a heavier tax burden on its business enterprises than in most other major industrialized nations of the Free World. And by allowing corporations to deduct interest payments on their debt but refusing to allow deductions for their dividends, the tax system is encouraging businesses to rely too heavily upon the debt markets, so that the corporate financial structure is increasingly unbalanced. Economists are properly cautious in saying that the way we collect taxes may not totally determine how much we save and invest. But the fact is that the share of our GNP devoted to capital investment over the last 15 years has been lower than in the economies of any of our major competitors. We have also had one of the poorest records in terms of productivity gains and in terms of real income growth. Furthermore, our recent unhappy experience in terms of high inflation is in part attributable to past inadequate capital formation. The Federal tax system has been a major influence on all of these developments.

Finally, it has become painfully obvious to most taxpayers that the present tax system is so riddled with exceptions and complexities that it almost defies human understanding. No one can adequately assess its basic fairness. The complexities have reached a point where I'm not even sure the IRS experts fully understand the system anymore. How can they when they are dealing with a tax code and regulations that now exceeds 6,000 pages of fine print? You may remember the informal survey conducted a few years ago by an executive in Atlanta, working in conjunction with *The Wall Street Journal*. This executive visited five different IRS centers around the country, presenting to each of them the same set of facts about his income and possible deductions and then asking how much tax he should pay. The result? Five different answers, varying by as much as $300 in how much he owed. The offices could not even agree on how many forms he should fill out.

In these circumstances, it is hardly surprising that two taxpayers out of every five now seek outside assistance, usually at some expense, to complete their tax forms. It is even less surprising that more than three quarters of the American people now want the tax code changed, and some 50 percent want major changes. There is a widespread feeling that the system favors the rich at the expense of working families.

As everyone in this chamber knows, the success of our tax system rests upon the voluntary compliance of our taxpayers. If there were widespread abuses of the system, we could not possibly police them. Yet, when people lose faith in the basic fairness of the system, it almost inevitably follows that the system itself will falter. In fact, the rate of compliance has begun to drop in recent years. We are faced, as former Treasury Secretary Joseph Barr first observed almost 10 years ago, with an incipient taxpayers revolt.

The fear of a revolt has not been lost upon Washington, but so far, I'm afraid, attempts to reform the tax system have fallen far short of the mark. I say this with full appreciation of the herculean labors performed by the House Ways and Means Committee under Wilbur Mills and by the Administration in securing passage of the 1969 Tax Reform Act. That act did help to simplify the tax system: some 8 million low-income taxpayers (poverty level or below) were removed from the tax rolls altogether, and another 11 million taxpayers were offered greater incentives to use the standard deduction, avoiding the time and trouble of itemizing their deductions. Nonetheless, considering all the labors that went into that bill, it was a great disappointment to those who were seriously interested in tax reform. If anything, the 1969 act, like the Revenue Act of 1971, was really more of a lawyers' and accountants' relief bill. There is still a decisive need to overhaul the code. I speak with some feeling on this because nearly three years have passed since the Executive Branch proposed a comprehensive series of changes, and most of them are still awaiting final Congressional action. I know that many Members of the Congress have shared my frustrations this year as they have watched the House Ways and Means Committee spend literally thousands of man-hours on a complex series of changes in the code, only to have their efforts watered down at the last minute. As of tonight, there is a strong possibility that serious attempts to change the system will be put off until 1976, and possibly until after the election.

Given these circumstances, I would suggest three major steps must be considered.

First and foremost, it is now incumbent upon elected leaders at every level of government to halt the relentless upward spiral in public spending. By cutting back on the growth in spending, we can also cut back

on the growth in taxes and thus do as much to alleviate the distress of the taxpayer as any single reform could ever accomplish. We do not have financial resources to afford all of the bold new programs that have traditionally gotten people elected, and a large portion of our body politic now believes that government has already assumed too much responsibility within our society. Clearly, as the government has become more pervasive, the vitality of the private sector has diminished. In an illuminating article published this fall, the President of Stanford University argues that the Government has pre-empted so many responsibilities in education that it is now forcing many private universities and colleges to the wall. That same trend prevails elsewhere, and it is the taxpayer—victimized by the very system that supposedly represents him—who is forced to pay the bill, either through higher taxes, higher inflation, or both.

Restraining the growth of public spending is essential if we are to defuse the taxpayers discontent. Equally important, by holding down spending, we will begin to return to the taxpayer the ability to control more of the economic decisions that affects his life. The choice about how to spend his earnings will not be made so often in Washington but in his own home. That is the essence of economic freedom, and in a very real sense it is also at the heart of our political and social freedom.

The proposal that President Ford has made to the Congress to cut projected spending for next year's budget by $28 billion and to return the savings dollar-for-dollar to the American taxpayer is a clear recognition of the linkage between spending and taxes. We have tried every other techniques to restrain spending, and the Congress has turned a deaf ear. This one, the President believes, may be our last best hope. Moreover, by lowering taxes, it would help most taxpayers overcome the effects of past inflation on their tax liability.

Some economists are arguing that the President should sign tax cut legislation regardless of what the Congress does about spending. I am not persuaded by their argument. Whether or not we enact another tax cut immediately may not have a significant impact upon our immediate economic hopes; however, whether or not we bring spending under control and work our way out of horrendous budget deficits will most assuredly have a significant impact upon our hopes for the future. We must finally say no to the apologists for big spending, rejecting their misguided notions that the Government can identify, analyze and solve every problem by throwing more money at it.

A second step that I believe essential is to achieve fundamental reforms in the way we tax business profits—reforms that will provide a stronger bulwark against future economic contractions; reforms that will help to redress the imbalances in corporate balance sheets and broaden equity ownership; and reforms that will encourage the levels of savings and capital investment that are so vitally needed for our future.

Toward these ends, the Administration this summer proposed to the Congress a "Tax Program for Increased National Saving." This proposal would eliminate the double taxation of corporate earnings which I mentioned earlier. I strongly believe that this proposal—which has already been adopted in one form or another in most of the other major industrialized countries—would make a significant contribution toward financing our capital investment needs of the future. Moreover, it is the only major tax proposal of which I am aware that comes to grips with the growing imbalance between corporate debt and equity.

Some observers have asked whether the President's subsequent request for a cut in taxes, linked to a cut in projected spending, means that the Administration has shelved its tax integration proposal. Let me set the record straight: the Administration stands four-square behind both measures. We regard the tax cut/spending cut as an item on the immediate agenda, and we remain hopeful that the Congress will act favorably on it this year. The tax integration measure is much more complicated and will require extensive hearings and debates so that, while we would like to have it passed quickly, we recognize that in reality it will require more time to enact. But both proposals still have our whole-hearted support.

Let me turn now to the third and final step that I personally believe we should begin considering with regard to our tax system. This is a concept that has been suggested from time to time but it has rarely been given serious consideration. It is simply this: to wipe the slate clean of personal tax preferences, special deductions and credits, exclusions from income, and the like, imposing instead a single, progressive tax on all individuals.

I am increasingly attracted to the idea because of its simple elegance and its basic equity toward all taxpayers.

For years, politicians have been telling us that the tax system should be used to promote certain economic and social goals. But should it really? Isn't this precisely the kind of social engineering that lies behind so many of our troubles today? What has caused more disillusionment with government than the failure of government to deliver on so many of its promises? What has caused more bewilderment and distrust among taxpayers than the myriad of so-called loopholes which now litter our tax code?

There has been many studies by responsible organizations which indicate that if the special deductions and credits, exclusions from income, etc. are eliminated or drastically curtailed, we could revise the individual tax rates substantially downwards and keep our total income tax revenue at present levels. Generally, it is suggested that rates could be set at 10-12 percent at the low end and 35–40 percent at the high end. Thus a family of four with income of $15,000 might have an annual Federal tax bill of $1,200; the lowest income families would continue to pay no Federal income taxes at all; and wealthier individuals would pay a tax of 35 percent on their income over $50,000—no ifs, ands, or buts. Everyone would pay his or her fair share.

Looking at it another way, if every taxpayer was allowed the standard deductions under the 1975 law but all other deductions were disallowed and capital gains and tax preferences were taxed as ordinary income, revenues from the personal income tax would increase by about $50 billion. Thus, even under this partial step, personal income tax rates could be cut across the board by about 30 percent without any loss of revenue.

Obviously, the wealthy taxpayer with income of $100,000 or more who is presently able to "shelter" his income will stand to lose from this proposal. As noted before, *all* of this income would be subjected to taxation at some significant rate rising to 35-40 percent. On the other hand, the working men and women of the country—families who earn $10,000 and $20,000 per year—should benefit through reduced tax burdens. And let us not overlook the fact that all citizens will benefit through increased public confidence in the tax system.

Developing the precise details of such a program would clearly involve hard work. Significant political decisions would also have to be made in establishing the tax rate schedules which would be applied to the broadened tax base. But innovation should be encouraged. For example, the idea of a consumption-type income tax discussed by Assistant Secretary Walker here today clearly merits further examination.

If we imposed a single, progressive tax on individual taxpayers, what should be done with corporate taxes? There are, of course, several alternatives that could be considered. My own predilection would be to press forward with the tax integration plan I mentioned earlier, and then to simplify the corporate tax itself in much the same way as we would the individual tax. By eliminating preferences and closing loopholes—that is, by broadening the corporate tax base—we should be able to effect a meaningful cut in corporate income tax rates without any loss in post-integration revenues from this source. Regardless of what form the corporate tax may take, we must bear in mind that ultimately corporations do not pay taxes: people do. It is axiomatic that corporations are simply legal entities. The revenues they turn over to the IRS come either from their customers in the form of higher prices or from their employees and shareholders in the form of lower salaries and lower dividends. In the end, the corporate tax always comes out of somebody's personal pocket. It never ceases to surprise me how often that point is misunderstood.

For years we have been talking about tax reform, and the Executive Branch continually sends up ad hoc measures that predictably draw the fire of special interest groups and are eventually overrun or changed beyond recognition by political opponents. If we truly want tax reform, I say that here's a place to start.

Let me emphasize that I am not trying to float a trial balloon for the Administration. I am speaking here tonight strictly as a Secretary of the Treasury who shares the frustrations of so many Americans who want to bring greater equity and rationality to our tax system and who believe that we must now begin giving much more serious consideration to a tax system that rests upon the twin pillars of fairness and simplicity.

And I must say that I think I am also speaking for millions of Americans who are fed up with the current tax system and want it replaced by one that they can both understand and trust. Indeed, I doubt there is anyone in this audience who believes that if we could start over again, we would build a tax structure similar to the one we have today. As they say, if we didn't have it already, nobody would ever invent it.

Americans have habitually complained about taxes. Tax rebellions extend far back in our history. But during most of our history, the majority of our people have agreed with Justice Holmes that "Taxes are what we pay for civilized society."

Let me reemphasize: The success of the American tax system—and we should always remember that it has been one of the most successful in the world—is that our citizens voluntarily comply with its requirements. They pay their taxes because they believe that others are also paying their worth.

Over the years, as one new wrinkle has been placed on top of another, the Federal tax system has come under increasing jeopardy.

We are threatening to erode basic faith in the fairness of the system because many people feel that taxes are being imposed upon them without their consent, that too many of their fellow-taxpayers are escaping their responsibilities through dozens of loopholes, and that the code itself has become a labyrinth of legal double-talk. In short, for the average taxpayers, the New Deal has given way to the Raw Deal, and they don't like it one bit.

I think the time has come for some fundamental changes and far more imagination about what we can accomplish as a nation if we only overcome our hesitations and fears. Some critics will tell you that what I am suggesting should be dismissed as pure politics. The charge of politics is a poor substitute for thinking. We have been talking and

talking about tax reform for years, but we have yet to act in a comprehensive way. The question I leave with you tonight is this: Do we or do we not have the courage to act on our convictions? It's that simple.

Thank you.

COOKING WITH GAS

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. OTTINGER. Mr. Speaker, I would like to call to the attention of my colleagues the splendid editorial appearing in today's New York Times. This editorial argues that the Congress should not act hastily on permanent deregulation of natural gas.

As the editorial points out, "it is precisely because the arguments—(on this question)—have been so intense and contradictory over the years that this is legislation which should not be passed in a hurry."

And yet that is what the Rules Committee did yesterday in permitting House consideration of the Krueger amendment on which no hearings have been held and on which there has been no opportunity for consideration of alternatives or amendments.

We are faced again, by virtue of the rule granted, with a situation similar to that we faced last week on the $6 billion synthetic fuels loan guarantee program: with considering substitute amendments—for deregulation—which have never been considered in the standard legislative fashion of the House. No legislation comparable to the Krueger or (Clarence) Brown amendments has ever been heard, considered, marked up, or voted on by any committee of this House.

I ask that the New York Times editorial appear at this point in the RECORD, for the benefit of my colleagues:

COOKING WITH GAS

Without fully realizing what is happening, the House of Representatives is in danger of plunging headlong into the long-term deregulation of natural gas.

A short-term emergency bill to secure more plentiful natural gas supplies for New England and the Middle Atlantic states this winter has been duly reported out of committee; when it reaches the House floor this week an attempt is expected to tack on an over-all deregulation measure—just the tactic that succeeded so cleverly in the Senate last October.

To hear the gas industry lobbyists talk, it is not necessary to hold hearings or follow the usual parliamentary procedures for a policy change of this magnitude, since all the arguments have been hashed over many times before. It is precisely because the arguments have been so intense and contradictory over the years that this is legislation which should not be passed in a hurry.

An unlikely coalition of Congressional liberals and conservatives managed to shoot down last week an Administration program to give the synthetic fuel industry $6 billion in loan guarantees, when all the lobbyists thought they had it in the bag. Instead of caving in to contrived momentum on the natural gas issue, the House can show itself capable of straight-thinking; the natural gas deregulation proposal deserves far closer scrutiny than it has been given up to now.

UNEMPLOYMENT AND THE TRADE REFORM ACT

HON. JOHN M. SLACK

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. SLACK. Mr. Speaker, December is the first anniversary month of congressional action on the 1974 Trade Reform Act. President Ford signed it into law in January 1975. It was passed with high expectations. It has been a disappointment.

The Department of State and the Department of Commerce each has a measure of responsibility in the formation and execution of American foreign trade policy. Their efforts to date have not generated the new vigor in trade policy for which the new law was designed. Two particular areas of inadequacy are noticeable. One is tardiness in emphasizing through GATT negotiations with countries the necessity of eliminating invisible barriers to trade. The other is extreme reluctance to safeguard American workmen in American industries from unemployment due to an excess of imports.

Like the United States, many foreign countries have been experiencing a recession that causes loss of jobs. Unlike the United States, those countries—particularly well-developed European countries and Japan—have been easing their recession and creating jobs by accelerating the flow of exports to the United States. I favor a liberal policy in trade, but liberalism should include fairness, and it is not fair to win jobs overseas at the cost of jobs in America.

It is regrettable that the executive branch seems not to understand the usefulness of the new trade law as a tool to slow the rate of job-loss. I wish it would use the tool. I am sensitive to the failure to use it because of economic conditions in West Virginia. My State has carbon steel mills, and one of the encouraging features of the trade reform law is that it could ease tensions in worldwide steel trade if the executive branch pressed the matter with GATT. And my State is the residence of many workers in specialty steel plants in Pennsylvania, across the Ohio River. I regret that an increasing number of those workers are on layoff. They are losing their jobs to specialty steel workers in Europe and Japan as a result of imports.

There is a remedy for preventing that unemployment in section 201 of the Trade Reform Act, which empowers the Government to limit imports that are injuring an industry. The International Trade Commission has considered section 201 petitions from three import-injured industries and rejected them all. In the most recent case, that of the fastener industry, the commissioners opposed to the kind of relief provided by the law contended that the injury to American makers of steel and iron nuts, bolts and screws is due to recession, not to imports—ITC case TA201021 decision November 24, 1975.

Such logic is an invitation to foreign producers of all kinds of goods to take advantage of the American recession and ship the unemployment from France and Britain and Japan to West Virginia and Maryland, Ohio, Pennsylvania, Connecticut and other States. That kind of unexpected distortion of the principles of fair trade only prolongs the recession in our country.

One import-injured industry I have in mind—stainless steel—is one of the specialty steels which is considered essential to the national defense, as determined by the Senate Armed Services Committee after hearings involving Defense Department witnesses. West Virginians work in stainless plants. West Virginians are on layoff because of stainless imports. The labor force of the stainless industry is very highly trained, and if it is riddled by unemployment, America is weakened in consequence.

On a national basis, layoffs have reduced employment by 25 percent in two of the most important of the specialty steel industries—tool steel and stainless steel. That 25 percent is three times the national average of all unemployment. Only excessive imports can explain the high percentage. The specialty makers can survive an economic recession and hold job-loss to a minimum; but they cannot function at much over 50 percent of capacity when imports are seizing their American market, and at that level the jobs become layoffs. A Pennsylvania firm has 1,100 persons on adjustment assistance because they were laid off. A Maryland company has 1,200 on adjustment assistance.

More jobless workers are certified for adjustment assistance in New York State. This assistance is authorized in the trade law for persons who lose jobs due to imports. Why do not we save the jobs by limiting the imports? The trade law permits us to save those jobs, and our adjustment assistance program was conceived as a temporary cushion for conditions which might develop at intervals, not as a permanent form of internationalized unemployment compensation.

The specialty steel plants are mostly in small communities where the banks and the bakers and the department stores and the auto dealers and everybody else in the economic network of the communities depend in good measure on the employees of those specialty steel plants to provide the financial lubrication for the area. It is a problem for communities all over the Nation, from New Britain, Connecticut, to Fullerton, Calif.

Look at the effects beyond the statistics. In layoffs, it is last in, first out. The brunt of unemployment is on the men and women who have been on the job 4 or 5 years, low on the seniority list. They are probably 22 to 25 years old. They have a baby or two. They probably have a house with a mortgage. They married and set up housekeeping because they have faith in the American system

and the alertness of the Government to protect the system. Many of them were on the job too short a time to draw adequate layoff benefits; so they are scrimping on their unemployment compensation, going on short rations so the babies can eat, wondering desperately how to keep up the mortgage payments. They are the victims of the imports. They are the victims the executive branch ignores in rejecting petition after petition for protection that the law was enacted to provide.

The stainless steel industry and the tool steel industry and the United Steelworkers of America AFL–CIO have joined together in petitioning the International Trade Commission for relief under section 201. At a Commission hearing in October, the spokesmen for the foreign countries exporting to the United States argued that the troubles of the American specialty steel companies are wholly attributable to recession and not to imports.

But the distinction between imported unemployment and recession unemployment is not hard to make. The jobless man or woman knows the difference. In finding that the laid-off employees of two firms—Latrobe Steel and Armco Steel—are eligible for adjustment assistance, the Labor Department, putting into effect a provision of the Trade Reform Act, readily made the distinction. Other evidence that the specialty steel layoffs are due to imports is provided by the scope of the imports, particularly in these three respects:

First. The imports of essential stainless steel and tool steel in 1975 have taken a larger share of the American market than ever in history—for many of the products which provide the largest share of employment in specialty steel, imports are exceeding 25 percent of the market.

Second. The absolute quantities of imports as well as the market-share are at a record high. In 1975 they exceed the imports in the boom year of 1974.

Third. Studies of individual countries by the Organization for Economic Cooperation and Development show that the rate of specialty steel export to the United States is increasing while the overall rate of export is decreasing.

The foregoing add up to concerted effort to take advantage of the United States in its weakened economic position.

Obviously the executive branch, aside from the Department of Labor, must be urged to a clearer understanding that it has the power to halt growing import-induced unemployment. If the executive branch doubts that imports cause unemployment, I recommend that a special census of unemployment be taken in 1976, with specific provision for enumeration of the unemployed who attribute job loss to imports. Meanwhile it should halt the job-loss by safeguarding our essential industries.

In this connection, Chairman Will E. Leonard of the United States International Trade Commission has made cogent remarks. In an address on December 8 to the annual United States-Mexico conference, he said:

If the United States is to be what we so often proclaim, a nation of laws, each of those laws must be administered promptly and impartially.

The impartial administration of the Trade Reform Act requires understanding that the trade law is a tool for safeguarding jobs and the industries which provide jobs.

"COP HAS PROBLEMS, TOO"

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. WIGGINS. Mr. Speaker, the Honorable William Martin, of West Covina, Calif., sits as a judge of the municipal court serving that area. In California, municipal court judges are on the front line of our criminal justice system. They have an opportunity, unshared by the rest of us, to observe on a daily basis police conduct.

Judge Martin has written in the San Gabriel Valley Tribune an article entitled "Cop Has Problems, Too." His understanding of the difficult task which we commit to our law enforcement officers, is worthy of the attention of all Members of the House.

I insert the text of his article in the RECORD at this point:

COP HAS PROBLEMS, TOO

(By Judge William Martin)

A football referee is a policeman, prosecutor, and sentencing judge. He accuses a player, finds him guilty, and penalizes him, all at the same time. There is no right of appeal.

A regular policeman has no such extraordinary powers. We hire him to point out to the district attorney, or the courts, those instances where he believes a crime may have been committed.

All he can do is accuse and arrest; and he usually must make a spot decision in doing so.

A judge or a jury has the advantage of many hours or days of evidence carefully prepared by attorneys on both sides. They usually have seen and heard all the witnesses practically available, and the case argued by both parties in the calm, detached atmosphere of the courtroom. The danger, disorder, emotion, and confusion with which the cop was confronted has long disappeared.

Unlike a trial, however, where proof must be beyond a reasonable doubt, the policeman has the duty to make an arrest whenever there is only reasonable grounds to believe the accused may have violated a particular law.

From the very fact that the arrest is made upon contemporaneous appearances, the case is frequently dismissed or reduced after further investigation by the police detective division, the District Attorney, or in pre-trial proceedings in court.

The fact that it was dismissed, however, does not usually mean that the officer made an error. It only means what, at first, seemed to be an offense, turned out, upon further look, not to be.

When this, the true role of a policeman, is explained, most people readily understand that such innocent error is built into the system, and accept it. What they cannot understand or agree with, however, is the intentional error (abuse of authority) made by a small percentage of policemen.

I am convinced, from long observation, that those policemen who take advantage of, or abuse, their authority are no more proportionately prevalent than those who do so amongst lawyers, doctors, dentists, real estate brokers, auto salesmen, TV repairmen, plumbers, and so on.

One difference, that makes the abusive policeman more unpalatable than the others, is that we don't usually seek him;—he seeks us, uninvited, because of our suspicious behavior (abusive judges fall in this same class). Also his abuse, is from the nature of his job, usually more physical or traumatic (doctors excepted).

The basic explanation, of course, is that we cannot fill any of these positions with any other species than human beings. We should know that all men are "rotten" in some things at some times; some more so and in more things than others.

We must undergo with our policemen, judges, lawyers, doctors, and all other positions of responsibility, a continuous scrutiny, and a continuous corrective re-selection, pruning and remodeling.

It is a problem that is as perennial as our lawngrass. We will continue to mow it, and to weed it forever.

Beware, however, if you do recognize that there are a given number in blue or brown uniforms that are throwing their weight around. For you must, then, also recognize that for every one of these, there are scores of us not in such uniforms, who are throwing our weight around daily, in the form of murders, rapes, robberies, burglaries, aggravated and violent assaults, and many other crimes.

The police officer is in the front-line, home army against those of us engaged in such growing criminal violence.

Coping with these criminals is not a game that can always be played with the white glove treatment of a fencing match in a college gymnasium.

Do we really, then, considering the nature and importance of what he is doing, have grounds to like or dislike policemen any more than a football player does his referees?

SYMPOSIUM ON THE WORLD FOOD CRISIS, XV—FINAL STATEMENT

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. BRECKINRIDGE. Mr. Speaker, the problem of world hunger has been with us for so long that it makes only sporadic headlines. Most often, starvation occurs either far away or out of sight, making it all too easy for well-fed Americans to put it out of their minds.

However, we understate this problem at our peril, because our survival is at stake—not just survival for the poor, the hungry and the starving—but survival for ourselves and our civilization. The hunger pangs of 1 billion undernourished people in the world today could lead to desperate action, even to nuclear holocaust.

Therefore, we must elevate the problem of world hunger to a higher level of appreciation in the United States and throughout the developed world. We made an effort to do this April 1 and 2 at the World Food Crisis Symposium at the University of Kentucky when we brought together under one roof more nationally renowned authorities to focus

on a broad problem than I am generally privileged to witness; they placed perspective and balance into the many-faceted problem of world hunger. At the conclusion of the symposium, I resolved that their knowledge and insights should reach beyond the confines of the University of Kentucky campus. Over the past 5 months I have placed the symposium's penetrating discussions in the CONGRESSIONAL RECORD for the benefit of my colleagues, our libraries' readers throughout the Nation and other professionals who receive the publication.

A number of symposium participants clarified the problems of world hunger and population explosion. Other participants suggested approaches that could contribute to solutions.

A startling fact to me that emerged from the discussions is that the worldwide margin of subsistence is so thin that a 3 percent downward shift in food production in the United States can result in the death of 10 million people plus untold additional millions who would be permanently stunted, both mentally and physically. This situation places a tremendous responsibility on our Nation's farmers, now constituting only 5 percent of our population; on research people in our departments of agriculture and universities and on their extension services.

The great land grant universities, including the University of Kentucky, do research that helps improve U.S. food productivity, but they also offer technical assistance to farmers in developing nations. The efforts of the University of Kentucky in Thailand were explored at the symposium. These activities were carried out under the leadership of Dr. Charles Barnhart, dean of the College of Agriculture and director of extension at the University of Kentucky, whose active cooperation helped make the symposium so successful.

Our Nation's Land Grant College system, which was established under President Abraham Lincoln, deserves much of the credit for the highly developed agricultural science and technology of the United States. The system is probably the best example of Federal, State and local cooperation anywhere in government. The experiment stations that are part of the system have led the way in increasing corn yields per acre from 21.9 bushels in 1887 to 87.4 bushels in 1975, and in increasing the wheat yield per acre from 13.3 bushels in 1887 to 31.1 bushels in 1975. The experiment stations have developed hybrid corn, introduced and improved the soybean and increased use of fertilizer and farm mechanization among other accomplishments.

The basic work that gave rise to the phrase "green revolution," which describes the results of new high-yielding varieties of rice, wheat and feed grains, was performed by international research centers, drawing on the sources both of governments and private foundations. The "green revolution" in the past few years has significantly helped the world's food supply to keep pace with population growth, but it should be emphasized that it represents progress, not a panacea, for the world food problem.

Advance in agricultural productivity must continue in view of projections that show the world's population will almost double by the end of the century from 4 billion to 7 to 8 billion. To meet that challenge, the world requires more science and education—more agricultural colleges and experiment stations and extensions services, here and abroad.

It is heartening that Congress this year has taken action to strengthen the role of the Nation's land grant and similar universities in the effort to increase agricultural production in the developing countries. Congress incorporated the provisions of Congressman PAUL FINDLEY's bill, the Famine Prevention Act of which I am a cosponsor, into H.R. 9005, the International Development and Food Assistance Act of 1975, which passed the House September 10 and is now in conference.

Increasing food production is just one prong in the effort to prevent hunger in the world and the hazards it poses for international stability and peace. The second prong is to abate the population explosion, a subject that I have already alluded to. Unless the present rate of population growth can be slowed down, the starvation "solution" is inevitable.

Although world population is increasing at the seemingly modest rate of 2 percent annually, the results of such growth are staggering. The world contained 250 million people at the time of Christ. World population had increased to 1 billion by 1830. It took only 100 years until 1930 to add a second billion—30 years, 1960, to add a third billion—and only 15 more, according to 1975 estimates, to add a fourth billion. If this trend continues, the world's population will be 7 to 8 billion in 2000.

The population problem is compounded, because the growth—far from being spread evenly over the Earth—is most rapid in those areas which have the least food and other economic resources. While the world population is doubling every 35 years, the population of some of the less developed countries is doubling in 18 years or less. Almost invariably, the poorer the Nation the higher the birth rate.

The outlook is, therefore, for dangerous extremes between the well-fed and the hungry in the world. The fabric of society cannot survive the starvation that would result in the poorer nations from a continuation of present trends.

The solution lies in development and production of more food, on the one hand, and in achieving a more representative balance between productive and procreative capacity, on the other hand.

In 1798, the noted English economist, Thomas Malthus, predicted that starvation was the only way to achieve balance between burgeoning population and inadequate food supplies:

> Famine seems to be the last, the most dreadful resource of nature. The power of population is so superior to the power of the earth to provide subsistence . . . that premature death must in some shape or other visit the human race.

On September 1, 1975, Secretary of State Henry Kissinger controverted Malthus in an address prepared for the United Nations General Assembly, saying:

> For some time the technical capacity has existed to provide a tolerable standard of life for the world's four billion people . . . we—the world community—must shape the political will to do so.

Earlier, in November 1974, Secretary Kissinger at the World Food Conference in Rome, committed all nations to the proposition that:

> No child will go to bed hungry, that no family will fear for its next day's bread, and that no human being's future and capacities will be stunted by malnutrition.

Malthus was also refuted this year by former Secretary of Agriculture Clifford M. Hardin, who, as chairman of the National Commission for the Observance of World Population Year, reported to the President:

> As the Commission concludes its work, it is my personal conviction that there are sufficient food-producing resources and technology in the world today to provide for the feeding of whatever number of people may live in the world in the year 2000 better than mankind has ever been fed.

Refuting Malthus, however, will take more than words. It will require cooperation by the industrialized nations, with a focus on those less developed nations that are willing to take actions to help themselves raise food production and execute family planning programs.

The United States must continue to provide food aid when needed, without making the recipient nations dependent on us. During the past 10 years, the United States supplied 80 percent of the world's food aid.

This Nation must continue our programs of technical assistance to the developing nations on agricultural production, administered through the Agency for International Development, as well as programs of research and education, better crop and livestock reporting and an early warning system to identify upcoming food problems.

Implicit in these endeavors is greater cooperation among the industrialized nations in helping the developing countries build their economies, closing the gap between the rich and the poor.

The World Food Conference in Rome in 1974, which was attended by the representatives of 130 nations, produced many promising initiatives and some significant new institutional arrangements. A World Food Council, charged with overall followup in all food policy areas, was established. A Committee on World Food Security was set up to review supply, demand, and stock data, as well as steps taken by governments to implement the proposed international undertaking on world food security. And an Agricultural Development Fund, proposed originally by the Organization of Petroleum Exporting, OPEC, countries and later sponsored by several industrialized countries, was organized to receive voluntary contributions and resources to be dispensed through existing international and regional lending institutions.

Besides these accomplishments, the World Food Conference greatly increased

public awareness of the precarious food-population balance. However, because of recent improvements in the world food picture, public interest has waned.

Sustained attention and action are necessary if the world is to cope with these enormous problems. We cannot afford to move in fits and starts.

At the World Food Crisis Symposium at the University of Kentucky we gave these problems the attention they must have if we are to avoid Malthus's starvation "solution."

The dialog must continue throughout the United States and the world so that the gravity of the problems will take a firm hold on people. The problems must be comprehended and pursued and resolved.

The stakes are as high as they could possibly be; civilization as we know it.

VETO THE ENERGY BILL

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. SHRIVER. Mr. Speaker, once again the Congress has passed a so-called energy policy and conservation bill and sent it to the President. In my opinion, we have failed to produce legislation which will lessen our reliance on foreign oil. Instead, this bill will discourage domestic exploration and production by the small independents who are the backbone of our domestic industry. And, it provides for more bureaucratic control and regulation which can only lead to confusion and chaos.

The difficult decision whether or not to make such legislation law now rests with the President. An excellent editorial which appeared in The Wichita Eagle on December 12 points up the strengths and weaknesses of this energy legislation. The editorial concludes:

But we believe the bad outweighs the good in this bill. President Ford should veto it and send it back to Congress with the admonition to try again.

Under leave to extend my remarks in the RECORD, I include the full text of the Eagle editorial:

VETO THE ENERGY BILL

We are no more enthusiastic than anyone else at the prospect that the price of gasoline may increase at the pumps. But we believe it is in the best long-range interests of the nation that President Ford veto the omnibus energy bill.

The energy bill appears to have only one real advantage for anyone—it is politically attractive at a time when many members of Congress already are anticipating their next campaign.

Otherwise, it is full of defects.

Many of its provisions are complex and difficult for the individual who is unversed in the mechanics of oil production to grasp. But a look at some of the provisions of the bill suggests that some of the results of it would be:

To reduce domestic exploration and production of oil because prices on either old or new oil would have to come down, thus decreasing incentive among the independents, who do most of the exploration and production from the small wells, which in sum account for a great deal of the oil produced,

To increase our dependence upon foreign oil, thus adversely affecting our balance of payments and increasing our reliance upon suppliers who would more and more be in a position to dictate foreign policy to us;

To provide no long-term energy policy for the nation. It is based on the faulty premise that the problem is high energy costs and that the solution lies in price controls. The emphasis should be on inciting increased domestic production of oil and gas, and promoting the development of alternate sources of energy.

To create a wilderness of regulations and controls that would be costly, confusing, difficult to administer and might quite possibly become political in their application.

There are, to be sure, good provisions of the energy bill, requiring the more efficient use of energy, promoting conservation, providing for petroleum reserves, and imposing certain limits upon export of domestic oil or gas.

But we believe the bad outweighs the good in this bill. President Ford should veto it and send it back to Congress with the admonition to try again. It would be helpful, too, if in the meantime he and his administration could arrive at some clearer idea of what is desirable in a comprehensive energy policy.

AURORA BEACON NEWS ON FOOD STAMP REFORM

HON. TIM L. HALL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. HALL. Mr. Speaker, food stamp reform is one of the most important issues facing the second session of this Congress. There are a number of bills now before us and hearings are underway. I have introduced a measure identical to the Dole-McGovern bill since I believe that represents the best starting place to reform the present program.

The food stamp program remains a very important means of assisting families who otherwise could not obtain nutritious meals. Much of the recent large increases in cost and participation in the program could be eliminated by reducing unemployment and returning our economy to a healthy state.

Mr. Speaker, there are inequities in this program, a program which has had serious problems in administration. Taking the best features of the various proposals now being considered, I think we can improve upon the food stamp program.

Mr. Speaker, the Aurora Beacon News ran an excellent editorial on this subject. The paper has performed a notable public service in placing this issue into proper perspective and I commend the editorial to the attention of our colleagues:

PROGRAMS NEED MORE BALANCE

There is an appealing symmetry about the food stamp reform plan sent to Congress by President Ford.

By revising eligibility standards and formulas, about one-million families whose income exceeds a reasonable definition of poverty would be trimmed from the food stamp lists. As a result, about 1. million families—"The poorest of the poor," in the words of Agriculture Secretary Butz—would have their food stamp benefits increased.

Benefits would remain substantially the same for about half of the individuals and families receiving the food subsidy. The net result would be to reduce the annual cost, now heading toward $6 billion a year, by $1.2 billion.

Cutting away at abuse and excesses at the high end of the spectrum, and applying part of the savings at the lower end, is the kind of balancing that the food stamp program and other welfare programs need. The principle that taxpayers will help support the genuinely needy in their communities is not at issue, nor should it be, what has gone wrong is that the intricacies of defining need and eligibility for assistance programs like food stamps have overcome the concept of charity that brought them into being.

Agriculture Department studies have shown that six per cent of the households receiving food stamps have incomes above $9,000. Another 11 per cent have incomes between $6,200 and $9,000. It is this 17 per cent that would forego food stamps under the administration proposals. Those in Congress who would defend the present eligibility requirements have the burden of justifying a government food subsidy to Americans in those income brackets.

Congress should find it hard to argue with Mr. Ford's proposal that college students be ineligible for food stamps unless their families meet the eligibility requirements, or that food stamps be provided to strikers only if they are seeking other jobs. Those changes would strike at two of the most visible food stamp abuses.

Waste and abuse in the food stamp program have become so notorious it is hard to see how Congress can face the voters next year without some offering of reform. At the same time, however, it is hardly cynical to admit that the 18.8 million Americans relying to a major or minor degree on food stamp benefits represent a constituency whose interests Congress will heed.

How far Congress will go in curtailing the food stamp program may be a primary question for 1976, but a more basic question apparently must wait for 1977. That is the issue of the existence of the program itself, which has grown up outside the framework of the welfare system where it obviously belongs. Food stamps cannot be separated from the bigger picture of welfare reform, which Congress and the administration are still keeping on the back-burner.

EBONY MAGAZINE PRAISED ON THEIR 30TH ANNIVERSARY ISSUE

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. STOKES. Mr. Speaker, for 30 years, Ebony magazine has been at the forefront of the black man's struggle for political and social equality in this great Nation.

Under the able pen of Mr. John H. Johnson, publisher of Ebony and president of Johnson Publishing Co., this magazine has provided a window into the experiences of black America, a close-up view of our triumphs and tragedies.

When our black soldiers came home battle-worn from World War II to a hos-

tile America, Ebony was there. When Rosa Parks stood up to the racist southern establishment and refused to move from her bus seat, Ebony was there. When the Supreme Court blasted the doctrine of "separate but equal" and allowed Linda Brown to enter the school door, Ebony walked with her. Ebony followed the steps of our great leaders, Martin Luther King and Malcolm X, both on the road to freedom and the road to the grave.

Ebony stood in the riot torn streets in the line of the tear gas canisters and armed troops when black America's discontent overflowed into a towering rage at the injustices heaped upon their heads. And when the rage subsided and reformed itself into a viable political and economic movement, Ebony was there all the way.

Mr. Speaker, I would like to call to the attention of my colleagues in the House the merits of this pioneering publication and the exemplary contributions of its publisher. I am submitting Mr. Johnson's 30th anniversary editorial which appeared in the commemorative issue this November and which was reprinted in the Washington Post on Friday, Nov. 21, 1975.

Let us joint in honoring Ebony's first 30 years by offering our thanks, best wishes, and sincere hope that this outstanding magazine will have many more years of meritorious service.

The article follows:

EBONY MAGAZINE: ON TURNING 30

By John H. Johnson

When the first issue of Ebony Magazine appeared in November, 1945, there were no blacks in organized baseball and football and "colored" and "white" signs blanketed the South. There were no signs then in the North, but there were unwritten rules and blacks were not welcome in many restaurants and hotels in downtown areas. Nor were they welcome in the halls and columns of mass media. In that month, in that year, which is so far away and yet so near, blacks were objects of scorn and ridicule in movies and mass media. Few magazines dealt with blacks as human beings with human needs. Fewer magazines dealt with the whole spectrum of black life. It was, for example, rare for radio, newspapers or magazines to take note of the fact that blacks fell in love, got married and participated in organized community activities.

We mention these facts, not to gloat or to cast stones, but to remind ourselves of the climate and the mandate of our birth. Ebony was founded to provide positive images for blacks in a world of negative images and non-images. It was founded to project all dimensions of the black personality in a world saturated with stereotypes. We wanted to give blacks a new sense of somebodiness, a new sense of self-respect. We wanted to tell them who they were and what they could do. We believed then—and we believe now—that blacks needed positive images to fulfill their potentialities. We believed then—and we believe now—that image power is a prerequisite of economic and political power.

Since that time, the world has changed and black people have changed. Some people have been kind enough to say that Ebony played some small part in that change. However that might be, it is gratifying to note that so many of the issues we raised are now part of the image landscape. There are black faces in advertisements and on the covers of magazines. From time to time, we read human interest stories on black families; and there are occasional stories which recognize that we are people, and not "problems"...

It is encouraging to note that so many things have changed. But it is alarming to note that so many things remain the same. (The first editorial in our first issue called for full employment, and full employment is still the No. 1 issue in the black community.) Largely because of the work of black activists and the persistent hammering of the black press and black civil rights organizations, the boundaries of the black world have widened. Despite that fact, or perhaps because of it, the black image is threatened today almost everywhere. There is an increasing tendency in white media to identify blackness with crime, disorder, and dependency. There is an increasing tendency in academic circles to identify blacks as cultural and biological inferiors. To make matters worse, the economic situation has created a climate which intensifies the difficult identity problems of black youths. For all these reasons, and for others as well, there has never been a greater need for black-oriented media dedicated to a continuous and accurate projection of all facets of the black experience. We felt in 1945—and we feel now—that our story, the story of our hopes and hurts, the story of our dreams and triumphs, is one of the most eloquent and important stories in the world. We felt in 1945—and we feel now—that that story is central to the meaning and the redemption of America. Our mission today, as in 1945, is to tell that story. Our mission is to tell black America, and the world, what black America is thinking, doing, saying, feeling, and demanding. Our mission is to tell it not only like it is but also like it was and like it must be.

Some magazines have different missions and different formats. Some magazines speak primarily to women; some speak primarily to businessmen; some speak primarily to teen-agers. We have the difficult task, and the high honor, of speaking to, for, and about all. This is by no means an easy task. Black America is a many-splendored panorama of swirling and sometimes contradictory forces. It is composed of laborers, professionals, militants, moderates, merchants and street people. And we speak to, for, and about all of them. For all of them are part of that great and pulsating nation within a nation that we call the black community.

Some people and some media tell part of the story of that community some of the time. We are committed to telling all of the story—the good and the bad, the trials and the triumphs—all of the time. We are a magazine of record and a magazine of the whole. If it happens in the black community, if it happens to the black community, it happens to us and it matters to us.

For 30 years, for 360 months, for 10,950 days, we have been a part of that community. And we believe that despite the adversities of the moment the next 30 years will carry that community to new and unparalleled heights. We face the future with hope. We believe today, as we believed 30 years ago, that truth and freedom are mighty above all things and will prevail.

"911" HOTLINE FOR EMERGENCIES

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. ROUSH. Mr. Speaker, two more States are today added to the list of those with communities which have adopted the "911" emergency telephone number or which plan to do so in the near future:

Systems location	Date: In service	Date: Scheduled	Population served (thousands)
AMERICAN TELEPHONE & TELEGRAPH			
Kansas:			
Colby		August 1975	6.4
Dodge City	March 1971		15.0
El Dorado	April 1971		13.0
Elwood	July 1972		1.3
Garden City		January 1976	30.0
Independence		February 1975	11.8
Herington		March 1975	4.5
Lawrence	November 1969		34.0
Manhattan		November 1975	30.1
Neodesha	February 1972		4.0
Salina	August 1973		42.0
Kentucky:			
Danville	March 1974		18.0
Frankfort	March 1970		21.0
Hopkinsville	October 1973		24.0
Mayfield	April 1970		11.0
Paris	June 1970		17.0
INDEPENDENT TELEPHONE COMPANIES			
Kentucky:			
Lexington		December 1975	180.0

SECRETARY WILLIAM E. SIMON ON REAL TAX REFORM

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. KEMP. Mr. Speaker, on December 3, our very outstanding Secretary of the Treasury, William E. Simon, addressed the Tax Foundation's 27th national conference in New York City. His subject was tax reform, real tax reform.

The Secretary's remarks could not have been better timed. What he proposed ought to be the guiding principles for reform of our tax laws.

Mr. Simon talked about the difficulties of the present tax system—its built-in inequities—especially during periods of inflation, its inability to keep pace with government expenditures—which produces more of that inflation, its bias against savings and investment—which thereby robs us of our potential for increasing both productivity and jobs, and also its rigid complexities.

The Secretary's remarks are "must" reading for everyone in this Chamber, and I commend those remarks to my Colleagues:

STATEMENT BY THE HONORABLE WILLIAM E. SIMON

Since history has a habit of repeating itself, I'm sure I'm not the first Secretary of the Treasury who has reached the conclusions I want to discuss with you tonight. And no doubt, I will not be the last. But the time has come for a little plain talk about a subject that is important to all of us: our taxes.

The system of Federal taxation which has evolved since the early days of the Republic is in trouble today.

And after several years of seeking to reform the system, I am increasingly persuaded that tinkering may no longer be the answer.

Let me elaborate for a moment about the difficulties of the tax system.

First, it is readily apparent that the Federal tax system is poorly structured for a period of rampant inflation. Millions of taxpayers now legitimately complain that the extraordinarily high rates of inflation we have

experienced recently have hit them with a double whammy: at the same time that inflation is eroding their real purchasing power, it is also pushing them into higher tax brackets.

Secondly, because of the rapid growth in the size of government at all levels since the early 1960's, the portion of personal income that must be paid into Federal, state, and local tax coffers is rising steadily. Many of you are familiar with the Conference Board study published this spring showing that the item which rose the fastest in the American family budget during the last six years was taxes. While the general cost of living climbed about 40 percent during that period, the total bill for taxes—Federal, state, and local—jumped by 65 percent.

Thirdly, it is becoming more widely recognized now that the Federal tax system is discouraging savings and investment when we need three times as much investment in the next decade as the last decade. By taxing corporate profits twice—once at the corporate level and then at the level of the shareholder—the United States is imposing a heavier tax burden on its business enterprises than in most other major industrialized nations of the Free World. And by allowing corporations to deduct interest payments on their debt but refusing to allow deductions for their dividends, the tax system is encouraging businesses to rely too heavily upon the debt markets, so that the corporate financial structure is increasingly unbalanced. Economists are properly cautious in saying that the way we collect taxes may not totally determine how much we save and invest. But the fact is that the share of our GNP devoted to capital investment over the last 15 years has been lower than in the economies of any of our major competitors. We have also had one of the poorest records in terms of productivity gains and in terms of real income growth. Furthermore, our recent unhappy experience in terms of high inflation is in part attributable to past inadequate capital formation. The Federal tax system has been a major influence on all of these developments.

Finally, it has become painfully obvious to most taxpayers that the present tax system is so riddled with exceptions and complexities that it almost defies human understanding. No one can adequately assess its basic fairness. The complexities have reached a point where I'm not even sure the IRS experts fully understand the system anymore. How can they when they are dealing with a tax code and regulations that now exceeds 6,000 pages of fine print? You may remember the informal survey conducted a few years ago by an executive in Atlanta, working in conjunction with *The Wall Street Journal*. This executive visited five different IRS centers around the country, presenting to each of them the same set of facts about his income and possible deductions and then asking how much tax he should pay. The result? Five different answers, varying by as much as $300 in how much he owed. The offices could not even agree on how many forms he should fill out.

In these circumstances, it is hardly surprising that two taxpayers out of every five now seek outside assistance, usually at some expense, to complete their tax forms. It is even less surprising that more than three quarters of the American people now want the tax code changed, and some 50 percent want major changes. There is a widespread feeling that the system favors the rich at the expense of working families.

As everyone in this chamber knows, the success of our tax system rests upon the voluntary compliance of our taxpayers. If there were widespread abuses of the system, we could not possibly police them. Yet, when people lose faith in the basic fairness of the system, it almost inevitably follows that the system itself will falter. In fact, the rate of compliance has begun to drop in recent years. We are faced, as former Treasury Secretary Joseph Barr first observed almost 10 years ago, with an incipient taxpayers revolt.

The fear of a revolt has not been lost upon Washington, but so far, I'm afraid, attempts to reform the tax system have fallen far short of the mark. I say this with full appreciation of the herculean labors performed by the House Ways and Means Committee under Wilbur Mills and by the Administration in securing passage of the 1969 Tax Reform Act. That act did help to simplify the tax system: some 8 million low-income taxpayers (poverty level or below) were removed from the tax rolls altogether, and another 11 million taxpayers were offered greater incentives to use the standard deduction, avoiding the time and trouble of itemizing their deductions. Nonetheless, considering all the labors that went into that bill, it was a great disappointment to those who were seriously interested in tax reform. If anything, the 1969 act, like the Revenue Act of 1971, was really more of a lawyers' and accountants' relief bill. There is still a decisive need to overhaul the code. I speak with some feeling on this because nearly three years have passed since the Executive Branch proposed a comprehensive series of changes, and most of them are still awaiting final Congressional action. I know that many Members of the Congress have shared my frustrations this year as they have watched the House Ways and Means Committee spend literally thousands of man-hours on a complex series of changes in the Code, only to have their efforts watered down at the last minute. As of tonight, there is a strong possibility that serious attempts to change the system will be put off until 1976, and possibly until after the election.

Given these circumstances, I would suggest three major steps must be considered.

First and foremost, it is now incumbent upon elected leaders at every level of government to halt the relentless upward spiral in public spending. By cutting back on the growth in spending, we can also cut back on the growth in taxes and thus do as much to alleviate the distress of the taxpayer as any single reform could ever accomplish. We do not have financial resources to afford all of the bold new programs that have traditionally gotton people elected, and a large portion of our body politic now believes that government has already assumed too much responsibility within our society. Clearly, as the government has become more pervasive, the vitality of the private sector has diminished. In an illuminating article published this fall, the President of Stanford University argues that the Government has preempted so many responsibilities in education that it is now forcing many private universities and colleges to the wall. That same trend prevails elsewhere, and it is the taxpayer—victimized by the very system that supposedly represents him—who is forced to pay the bill, either through higher taxes, higher inflation, or both.

Restraining the growth of public spending is essential if we are to defuse the taxpayers' discontent. Equally important, by holding down spending, we will begin to return to the taxpayer the ability to control more of the economic decisions that affect his life. The choice about how to spend his earnings will not be made so often in Washington but in his own home. That is the essence of economic freedom, and in a very real sense it is also at the heart of our political and social freedom.

The proposal that President Ford has made to the Congress to cut projected spending for next year's budget by $28 billion and to return the savings dollar-for-dollar to the American taxpayer is a clear recognition of the linkage between spending and taxes. We have tried every other technique to restrain spending, and the Congress has turned a deaf ear. This one, the President believes, may be our last best hope. Moreover, by lowering taxes, it would help most taxpayers overcome the effects of past inflation on their tax liability.

Some economists are arguing that the President should sign tax cut legislation regardless of what the Congress does about spending. I am not persuaded by their argument. Whether or not we enact another tax cut immediately may not have a significant impact upon our immediate economic hopes; however, whether or not we bring spending under control and work our way out of horrendous budget deficits will most assuredly have a significant impact upon our hopes for the future. We must finally say no to the apologists for big spending, rejecting their misguided notions that the Government can identify, analyze and solve every problem by throwing more money at it.

A second step that I believe essential is to achieve fundamental reforms in the way we tax business profits—reforms that will provide a stronger bulwark against future economic contractions; reforms that will help to redress the imbalances in corporate balance sheets and broaden equity ownership; and reforms that will encourage the levels of savings and capital investment that are so vitally needed for our future.

Toward these ends, the Administration this summer proposed to the Congress a "Tax Program for Increased National Saving." This proposal would eliminate the double taxation of corporate earnings which I mentioned earlier. I strongly believe that this proposal—which has already been adopted in one form or another in most of the other major industrialized countries—would make a significant contribution toward financing our capital investment needs of the future. Moreover, it is the only major tax proposal of which I am aware that comes to grips with the growing imbalance between corporate debt and equity.

Some observers have asked whether the President's subsequent request for a cut in taxes, linked to a cut in projected spending, means that the Administration has shelved its tax integration proposal. Let me set the record straight: the Administration stands four-square behind both measures. We regard the tax cut/spending cut as an item on the immediate agenda, and we remain hopeful that the Congress will act favorably on it this year. The tax integration measure is much more complicated and will require extensive hearings and debates so that, while we would like to have it passed quickly, we recognize that in reality it will require more time to enact. But both proposals still have our whole-hearted support.

Let me turn now to the third and final step that I personally believe we should begin considering with regard to our tax system. This is a concept that has been suggested from time to time but it has rarely been given serious consideration. It is simply this: to wipe the slate clean of personal tax preferences, special deductions and credits, exclusions from income, and the like, imposing instead a single, progressive tax on all individuals.

I am increasingly attracted to the idea because of its simple elegance and its basic equity toward all taxpayers.

For years, politicians have been telling us that the tax system should be used to promote certain economic and social goals. But should it really? Isn't this precisely the kind of social engineering that lies behind so many of our troubles today? What has caused more disillusionment with government than the failure of government to deliver on so many of its promises? What has caused more bewilderment and distrust among taxpayers than the myriad of so-called loopholes which now litter our tax code?

There have been many studies by responsible organizations which indicate that if the

special deductions and credits, exclusions from income, etc. are eliminated or drastically curtailed, we could revise the individual tax rates substantially downwards and keep our total income tax revenues at present levels. Generally, it is suggested that rates could be set at 10–12 percent at the low end and 35–40 percent at the high end. Thus a family of four with income of $15,000 might have an annual Federal tax bill of $1,200; the lowest income families would continue to pay no Federal income taxes at all; and wealthier individuals would pay a tax of 35 percent on their income over $50,000—no ifs, ands, or buts. Everyone would pay his or her fair share.

Looking at it another way, if every taxpayer was allowed the standard deduction under the 1975 law but all other deductions were disallowed and capital gains and tax preferences were taxed as ordinary income, revenues from the personal income tax would increase by about $50 billion. Thus, even under this partial step, personal income tax rates could be cut across the board by about 30 percent without any loss of revenue.

Obviously, the wealthy taxpayer with income of $100,000 or more who is presently able to "shelter" his income will stand to lose from this proposal. As noted before, *all* of this income would be subjected to taxation at some significant rate rising to 35–40 percent. On the other hand, the working men and women of the country—families who earn $10,000 and $20,000 per year—should benefit through reduced tax burdens. And let us not overlook the fact that all citizens will benefit through increased public confidence in the tax system.

Developing the precise details of such a program would clearly involve hard work. Significant political decisions would also have to be made in establishing the tax rate schedules which would be applied to the broadened tax base. But innovation should be encouraged. For example, the idea of a consumption-type income tax discussed by Assistant Secretary Walker here today clearly merits further examination.

If we imposed a single, progressive tax on individual taxpayers, what should be done with corporate taxes? There are, of course, several alternatives that could be considered. My own predilection would be to press forward with the tax integration plan I mentioned earlier, and then to simplify the corporate tax itself in much the same way as we would the individual tax. By eliminating preferences and closing loopholes—that is, by broadening the corporate tax base—we should be able to effect a meaningful cut in corporate income tax rates without any loss in post-integration revenues from this source. Regardless of what form the corporate tax may take, we must bear in mind that ultimately corporations do not pay taxes: people do. It is axiomatic that corporations are simply legal entities. The revenues they turn over to the IRS come either from their customers in the form of higher prices or from their employees and shareholders in the form of lower salaries and lower dividends. In the end, the corporate tax always comes out of somebody's personal pocket. It never ceases to surprise me how often that point is misunderstood.

For years we have been talking about tax reform, and the Executive Branch continually sends up ad hoc measures that predictably draw the fire of special interest groups and are eventually overrun or changed beyond recognition by political opponents. If we truly want tax reform, I say that here's a place to start.

Let me emphasize that I am not trying to float a trial balloon for the Administration. I am speaking here tonight strictly as a Secretary of the Treasury who shares the frustrations of so many Americans who want to bring greater equity and rationality to our tax system and who believe that we must now begin giving much more serious consideration to a tax system that rests upon the twin pillars of fairness and simplicity.

And I must say that I think I am also speaking for millions of Americans who are fed up with the current tax system and want it replaced by one that they can both understand and trust. Indeed, I doubt there is anyone in this audience who believes that if we could start over again, we would build a tax structure similar to the one we have today. As they say, if we didn't have it already, nobody would ever invent it.

Americans have habitually complained about taxes. Tax rebellions extend far back in our history. But during most of our history, the majority of our people have agreed with Justice Holmes that "Taxes are what we pay for civilized society."

Let me reemphasize: The success of the American tax system—and we should always remember that it has been one of the most successful in the world—is that our citizens voluntarily comply with its requirements. They pay their taxes because they believe that others are also paying their fair share, and because they are getting their money's worth.

Over the years, as one new wrinkle has been placed on top of another, the Federal tax system has come under increasing jeopardy.

We are threatening to erode basic faith in the fairness of the system because many people feel that taxes are being imposed upon them without their consent, that too many of their fellow-taxpayers are escaping their responsibilities through dozens of loopholes, and that the code itself has become a labyrinth of legal double-talk. In short, for the average taxpayers, the New Deal has given way to the Raw Deal, and they don't like it one bit.

I think the time has come for some fundamental changes and far more imagination about what we can accomplish as a nation if we only overcome our hesitations and fears. Some critics will tell you that what I am suggesting should be dismissed as pure politics. The charge of politics is a poor substitute for thinking. We have been talking and talking about tax reform for years, but we have yet to act in a comprehensive way. The question I leave with you tonight is this: Do we or do we not have the courage to act on our convictions? It's that simple.

Thank you.

SALUTE TO PAUL GILBERT

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. BRADEMAS. Mr. Speaker, I take this time to pay tribute to one of the outstanding citizens of my home community of South Bend, Ind., Paul D. Gilbert.

Paul Gilbert has been selling clothes in South Bend for 57 years and has been very successful at it.

But Paul Gilbert is known in South Bend not only for his success as a businessman but also for the leading role he has played in community affairs.

I recall the bleak days of 1963 and 1964 in South Bend after the Studebaker Corp. shut down its automotive plant there and when many citizens were predicting that our community would become a ghost town.

Paul Gilbert's optimism and energy and leadership played an important role in the comeback South Bend made from those difficult times, and our city now enjoys economic health and an unemployment rate well below the national average.

Mr. Speaker, Paul Gilbert has been a leader in an extraordinary number of civic endeavors at the local and national level. He has for many years been the national chairman of the National Father's Day Council, and his close association with the University of Notre Dame is symbolized by the establishment of the Paul D. Gilbert Marketing Lecture Series at the College of Business Administration at Notre Dame.

Paul Gilbert is a model of a businessman with a keen sense of responsibility for the well-being of his community. I am proud to call him my friend and I insert at this point in the record excerpts from an article by Phil Ault, "Paul D. Gilbert, of South Bend (Not Studebaker), Indiana, U.S.A.!", published in the South Bend (Indiana) Tribune of December 7, 1975.

The excerpt follows:

PAUL D. GILBERT, OF SOUTH BEND (NOT STUDEBAKER), INDIANA, U.S.A.!

(By Phil Ault)

When Paul D. Gilbert began selling clothing to South Bend residents, spats still were defined as little button-on garments to keep men's ankles warm, not as husbands' quarrels with their wives.

Men's shirts came without collars. Separate collars of cloth or celluloid were attached to the collarband of a shirt by a brass button. When the collar became dirty, the man replaced it with a clean one and kept on wearing the shirt. The degree of his sensitivity to the laundering process determined whether he was a two-collar-per-shirt or a three-collar man.

Nobody had yet conceived those obnoxious "ring-around-the-collar" detergent commercials on television. In fact, television itself hadn't been developed. Neither had detergents.

All this seems a long time ago, and indeed it is. Gilbert has been selling clothing to South Bend for 57 years, since 1918, and he has been selling South Bend to the world for a large portion of that remarkable career.

More than that, he has been selling South Bend on itself—not merely with pep talks, but with the hard, those are the things of which civic leadership is made. They are the things that take time, too. If Gilbert could add up the hours he has spent on voluntary efforts for his city during the last half century, they would represent a substantial chunk of his life.

The spectacular growth of his business and the growth of his city have been so intermingled during the five decades, plus, that Gilbert himself would have trouble separating them.

* * * * *

Things were not always easy. At the height of the Depression, when trade was badly hurt, the store found itself $5,000 in debt to The Tribune for unpaid advertising bills. Paul considered continuation of his advertising program essential to the store's recovery. He remembers with deep gratitude that Franklin D. Schurz Sr. worked out an arrangement under which the store paid off the debt at the rate of $100 a month, plus its current month's bill. This enabled Gilbert's to maintain its advertising campaign and to bring about a steady improvement in its trade.

Gilbert and Schurz have been thrown together in numerous civic enterprises as well

as in their business relationship. They are close friends.

Another crisis in the store's growth, this one more evident to the public, occurred in 1937 when fire swept through the S. Michigan building and almost wiped the store out of business. The staff moved everything that could be salvaged into a former bird store next door. An emergency supply of clothing was ordered. Business went on under severe handicaps until a new building could be constructed on the burned-out site.

Residents turned out in such throngs for the reopening ceremonies in the new building in September, 1938, that police were brought in to help maintain control.

The Gilbert family always has been a close one. Their business remained a family enterprise as it flourished. Sam, the original "Son" in M. Gilbert and Son, concentrated his efforts in the Mishawaka store until his death at 72 in 1954. Another brother, Oscar, worked with Paul as vice-president at the South Bend store until his death in 1968. Sam's son Stanley, who was educated as an attorney and practiced law in South Bend, joined the family business after World War II and became a familiar figure to thousands of customers whom he greeted as they entered the store.

That was another part of the store's personal touch: having a host say hello to the customer when he stepped through the front door and directing him to the department he sought.

Busy as he was in building the business as a youthful store manager back in the 1920s, Paul quickly became involved in local affairs. He credits two business leaders of the time, L. O. Gates and Joseph Donahue, with getting him started and pushing him into civic participation.

In 1927 The Tribune published a series of sketches about "Dynamic Men of South Bend." Although he was only 26 at the time, with shiny dark hair and a dapper moustache, Paul was included in the series. The sketch about him began, "When it comes to boosting South Bend there is one man who bats 1,000 percent. Loyalty to his city is his keynote."

Nearly 50 years later, that description still is apt.

Half a century of participation in civic work is difficult to capsule without producing a dull list of statistics, but for a sample, here are some examples of Paul's involvement:

At various times he has been president of the South Bend Community Chest, the Committee of 100, the Better Business Bureau and Sinai Synagogue; a director of the Indiana State Chamber of Commerce, a lay trustee of St. Mary's College, a director of Memorial Hospital, cochairman of a hospital drive that raised $5.5 million, and a member of the Morris Civic Auditorium board.

Paralleling all this, he became involved in national clothing trade organizations, serving as president of the National Association of Retail Clothiers and Furnishers and national chairman of the Father's Day Council.

He has won national recognition, too, as a guest lecturer at the New York University School of Business.

When it appeared that South Bend needed a special organization to attract new businesses to the city, a number of businessmen including Gilbert and Schurz went to Birmingham, Ala., to see how that city organized its Committee of 100. On the way back, they elected Schurz the first president of South Bend's Committee of 100.

One of their first objectives was to sell Indiana University President Herman B. Wells on the idea of building an Indiana University campus at South Bend, to replace the limited number of I. U. extension classes then being taught at Central High School. On his desk Gilbert still has as a memento a miniature gold shovel recalling the groundbreaking for the first IUSB building in June, 1959.

Perhaps the peak of Gilbert's civic service—certainly his most crucial role in the well-being of South Bend—came in the crisis atmosphere that surrounded the shutdown of the studebaker automobile plant in December, 1963.

Mayor Frank Bruggner appointed an emergency civic committee to find ways for dealing with the mass unemployment, economic upset and general despair that resulted from the shutdown. He invited the two longtime friends and civic leaders, Gilbert and Schurz, to serve as cochairmen.

At a public meeting called to discuss the situation, the atmosphere was so gloomy and negative that Gilbert became irritated.

He took the microphone and told the crowd, "This is not Studebaker, Indiana, this is South Bend, Indiana." The comment became a widely quoted slogan during the ensuing recovery period. The NBC Huntley-Brinkley evening television news show sent a team to interview him about his comment and the committee's efforts.

As Gilbert looks back now, his outward show of confidence was considerably stronger than the way he felt. "I talked bravely, but I felt terrible here while I was doing it," he said, rubbing his stomach.

Well he might have felt worried. Gilbert's had just completed a $500,000 expansion project based on the assumption that its booming business would continue to grow. Much of that trade came from the nearby Studebaker administration building and factory. Hundreds of Studebaker employes, suddenly out of work, had charge accounts at Gilbert's.

As part of his contribution to helping South Bend's economy during the crisis, Gilbert pledged that every Studebaker worker with a charge account at Gilbert's would be permitted to keep it.

The charge account holders responded in a gratifying manner. Over a 25-year period Gilbert's had a record of charging off as bad debt less than 1 per cent of their sales volume, an excellent performance. During the Studebaker crisis, that figure rose to only 2 per cent. Gilbert's trade that distressing Christmas was up 1 per cent from the previous year, encouraging under the circumstances but not precisely what a store should anticipate just after committing itself to a half-million dollar expansion.

Paul the busy merchant didn't marry until 1946, when he was 45, and then not to a local girl. Ina Brenner of Portland, Ore., came to South Bend to visit friends and happened to meet Paul. That was it, in a hurry. The long-time bachelor soon was happily saying the marriage vows.

Mr. and Mrs. Gilbert have two children. Neil, a graduate of George Washington University with a master's degree in psychology from Notre Dame, is a counselor at the Family and Children's Center. Their daughter Roslyn Sue, whom the family calls R. Sue, teaches at Cambridge, Mass.

In 1969, Gilbert's Men's Store was sold by the family owners to Genesco, Inc. of Nashville, Tenn., a large national manufacturer and retailer in the apparel field.

Paul still serves as chairman of the board of Gilbert's and is at his desk in the store virtually every day. He no longer concerns himself with the details of daily store operation, however. His concern with civic affairs remains strong.

His particular interest is the Paul D. Gilbert Lecture Series at Notre Dame and IUSB. These series bring nationally prominent business leaders to the campuses to speak to members of the schools' marketing clubs.

In his own talks to students, Gilbert emphasizes the fact that a businessman has an obligation to get involved in his community's affairs, that a business cannot thrive if its owner doesn't do his part. He estimates that on occasion he has spent half his time outside the business, getting involved.

"This may sound a little corny," he said recently, "but you not only take, you also put back in. That should be part of every businessman's life."

Paul Gilbert will go down in South Bend history as a man who practiced what he preached, to the benefit of a city for which he has fought proudly for nearly three quarters of a century.

EDITORIALS OPPOSE U.S. INVOLVEMENT IN ANGOLA

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. BONKER. Mr. Speaker, the Angolan situation is finally getting the attention it deserves. In an unprecedented action, the Senate is demanding to know what CIA aid it is being asked to approve. CBS has pledged to devote enough coverage to Angola that the media will not again be accused of defaulting to a semi-secret executive policy that eventuates in another catastrophe like Vietnam. And, fortunately, our major newspapers are not only digging into the story, but also taking informed editorial positions on it. It is impressive that the Washington Post, The Washington Star, and the New York Times all seem to be of one mind that American involvement in Angola is, at the least, dangerously precipitous—and most probably just plain wrong.

I want to commend these editorials to my colleagues and ask that they be reprinted.

Also, I want to remind my colleagues that for the last month I have been sponsoring legislation to prevent our growing involvement in Angola. This takes the form of an amendment to the security assistance package currently in markup in the House International Relations Committee. The amendment has two parts: one would end our direct aid through covert CIA channels to factions engaged in the fighting; the other would prohibit aid to Zaire insofar as it may be passed along to Angola. The second part should be emphasized. I do not think it's as clear as it should be that the danger of American involvement in Angola lies not only in the CIA aid everyone's talking about, but also in the misuse of regularly authorized military aid that theoretically we're extending just to Zaire.

The editorials follow:

[From the Washington Post, Dec. 15, 1975]

FIFTY MILLION DOLLARS

The Soviet Union's intervention in Angola is reprehensible and alarming and bound to erode further the crumbling ground of "detente." But is the proper American response to sponsor a counter-intervention? A counter-intervention, moreover, which—far from being a lame response to an admittedly greater Soviet effort—has already reportedly cost $50 million, with no end yet in sight? The answer is, No. The foreseeable costs in dollars and in political credit abroad are simply too large for the benefits likely to be gained. If the Russians are so perverse as to proceed, let them then harvest the scorn of

much of the international community, the burden of carrying Angola if their client prevails, and the embarrassment of "losing" Angola if their client's gratitude subsequently falters, as usually happens in these situations.

Zaire, the administration's favorite black African state, is the channel for most of the American aid going to Angola. The president of Zaire is directing the aid to the Angolan faction led by his brother-in-law, himself long known for his CIA associations. But what does this have to do with the welfare of the people of Angola or of the people of Zaire? It is a tribal power struggle, which probably will end in partition. Washington could live with that. The real reason the United States is playing the game is because the Russians are backing another horse and the administration, viewing Africa as usual through its great-power lens, does not wish the contest to be lost to Moscow by default. We would have thought the United States had learned from Vietnam that it is not wise or necessary to match the Communist competition everywhere—least of all by an automatic military response. If Zaire and its implicit partner in this struggle, South Africa, feel otherwise, that is their business. They live there. Americans don't. Americans should not be panicked by talk of a Soviet "foothold" in Angola (we've been around that track with Fidel Castro) or by the specter of the Soviet navy "commanding" the sea lanes off the African coast.

It is indeed disturbing that the Soviet Union, manipulating Cuba, is taking a plunge into Angola. The enterprise bespeaks a policy fundamentally inconsistent with a stable and improving Soviet-American relationship. But there are other ways for that point to be registered. In the United Nations the other day, for instance, the Russians suffered a smart setback—one of their first of this sort in years—when the bottom fell out from under a proposed amendment that would have ignored Soviet intervention and condemned only the Angolan role of South Africa, whose intervention is at once much smaller than Moscow's and more justified. Also, as we mentioned in a recent editorial, Soviet access to extra American grain might well be conditioned on Soviet performance in Angola and other political trouble spots. In any event, secret or semi-secret sponsorship of one side's fight in a savage and prolonged civil war is wrong and should be halted now. That will be the outcome, we confidently predict, if the question is opened up to close scrutiny and thoughtful public debate.

[From the Washington Star, Dec. 15, 1975]

ANGOLA—CAN OF WORMS

It is time to blow the whistle on the growing American involvement in the civil war in Angola. There is no conceivable American interest that would justify a commitment to one or another of the contending nationalist factions in the former Portuguese colony. There is every reason to limit the scope of an international intervention that threatens to reach the proportions of the Spanish Civil War of the 1930s.

The American involvement so far has been discreetly limited. The well-publicized "covert" operation of the Central Intelligence Agency appears to have been confined to the shipment of some $25 million in small arms for the more pro-Western (or more anti-Russian) of the three nationalist factions, with another $25 million worth supposedly on the way. This American aid, sent indirectly through Zaire, is small potatoes compared to the massive shipments of heavy armaments and rockets supplied by the Soviet Union to its proteges in the Popular Movement for the Liberation of Angola (MPLA) and the presence in the country of some 200 Soviet advisers and more than 4,000 Cuban combat troops.

But this is only the beginning of foreign involvement in the civil conflict in Angola. In one way or another, China, Western Europe, South Africa, former Portuguese colonists and troops from Zaire are lined up in support of the anti-Russian elements, represented by the National Front for the Liberation of Angola (FNLA) and the National Union for the Total Independence of Angola (UNITA). Most recently, there have been reports that the Congress of Racial Equality is recruiting black American volunteer Vietnam veterans for service in Angola as a neutral "police force" under the direction of the Organization of African Unity, which has been trying to mediate the conflict.

Meanwhile, Secretary of State Henry Kissinger has been making ominous pronouncements about the situation. The Soviet intervention in the war in Angola, he told the NATO meeting in Brussels, represents a potential shift in the world balance of power to which the United States cannot remain indifferent. The possibility of the Soviet Union's establishing a foothold in southern Africa, he says, is "inadmissible" so far as the United States is concerned. Other officials have said that the Russians are out to "win all of Angola," suggesting that this amounts to a challenge to the United States on a global scale.

For our part, the situation in Angola strikes us as a classic can of worms that the United States would do well to steer clear of. We do not see what American interests are served by any of the factions contending for power there. We are doubtful that, even if it should "win" there, the Soviet Union would find Angola much of a long-range asset. A modest contribution of money and arms in the hope of achieving a stalemate in the civil war and a negotiated solution of the conflict may still be justified. Anything more than that, in our view, would not.

[From the New York Times, Dec. 16, 1975]

COMING CLEAN ON ANGOLA

One thing ought to be beyond debate about United States policy toward the catastrophic civil war in Angola: If there is a case for American help for the forces resisting the Soviet-aided Popular Movement for the Liberation of Angola (MPLA), it should be made openly before the Congress and the country.

With the Indochina disaster still fresh in American consciousness, it should hardly be necessary to cite the perils of intervention in an African civil war at least as complicated as the ones that despoiled Vietnam, Laos and Cambodia. Yet, without public debate or Congressional sanction, the Administration has undertaken a program of indirect military aid to two Angolan factions that could easily slide into open American involvement.

Secretary of State Kissinger has pledged that the United States will "not intervene militarily" in Angola; but it was evidently on his insistence—and against other State Department advice—that President Ford last summer authorized the start of substantial arms shipments via Zaire to the National Front for the Liberation of Angola (FNLA) and the National Union for the Total Independence of Angola (UNITA), which are fighting against the MPLA and have teamed up to form a rival Government.

American arms, along with arrival of some white mercenaries from Portugal and South Africa, undoubtedly helped the recipients stabilize their fronts and recover important territory. Yet, instead of bringing an enduring stalemate that might have given diplomacy a chance, these successes simply provoked a massive escalation of Soviet arms shipments and arrival at the fronts of Cuban combat soldiers, now believed to number about 4,000.

In light of recent tragic experience, Americans are entitled to ask: Where will Washington's side of the escalation end and what will happen to Mr. Kissinger's pledge if—in spite of American aid to its rivals—MPLA begins to advance toward total victory in Angola? Mr. Kissinger was reported yesterday by a "senior United States official" in Paris to believe American support for FNLA and UNITA will eventually persuade the Soviet Union to back off in Angola, provided the Administration's policy gains public support.

But the policy will have no chance to gain that support unless the Administration promptly goes public with a clearer explanation than any offered thus far about what American interests are at stake in Angola. In any case, the President and Mr. Kissinger have a clear obligation to seek the approval of Congress for the actions they propose to take in defense of this country's interests.

Moscow's evident determination to bring about a complete MPLA victory in Angola is indeed cause for concern, even as the establishment on the other side of Africa of Soviet bases in Somalia presents a worry for the West. But the Kremlin has fallen on its face more than once in efforts to penetrate Africa; and many African Governments have no relish for its effort in Angola.

In that connection, two of Africa's leading statesmen—Presidents Kaunda of Zambia and Kenyatta of Kenya—provided a smidgin of hope in a statement issued yesterday after talks in Nairobi. They appealed again for a cease-fire in Angola and a fresh effort by the leaders of the three movements to come together in a government of national unity.

It would take a near-miracle to bring this about; but it is encouraging that Messrs. Kaunda and Kenyatta have not given up. Their statement also serves notice that, despite Nigeria's untimely decision to recognize only the MPLA regime, other moderate African Governments are not yet ready to join the bandwagon which the Soviet Union has tried so desperately to get rolling.

SANTA'S LAST JOURNEY

HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. CONLAN. Mr Speaker, from the Americanism Educational League, I am enclosing in the CONGRESSIONAL RECORD "Santa's Last Journey" which was submitted by my distinguished colleague from Idaho, the Honorable STEVEN D. SYMMS.

Congressman SYMMS put this in the CONGRESSIONAL RECORD last year and it was picked up by the Americanism Educational League—Freedom Center, P.O. Box 5986, Buena Park, Calif.

Since it seems that the only thing that has happened in the last year with respect to Government and business is that the Government has gotten bigger and bigger making it even more difficult for small buisness to operate, I find this humorous commentary more appropos this year than when it was commended to the RECORD last year:

SANTA'S LAST JOURNEY

(By the Honorable STEVEN D. SYMMS)

(Congressman Steve Symms has represented Idaho's 1st District since January, 1973. Previously, he graduated from the University of Idaho, and served in the U.S. Marine Corps for 3 years. He was a rancher and small businessman in Idaho for some 10 years before his election to Congress.)

Rumors are flying around Washington to the effect that this may be Santa Claus' last year of operation. Sources within the Federal bureaucracy are privately indicating that the jolly old man is in big, big trouble!

Apparently, from the Federal government's point of view, Santa has been "getting away with murder" for years now, "breaking every law in the book," as they put it. And indeed, the time has come to crack down on this "unconscionable situation."

Here is the inside scoop on Santa's long list of infractions:

1. Operating a flying sleigh in absence of certification by the CAB, a clear violation of the Civil Aeronautics Act of 1938.

2. Unlawfully competing with the U.S. Postal Service on air mail deliveries.

3. Violating EPA requirements for emissions control devices on his reindeer.

4. Defying the Sherman Anti-Trust Act by maintaining a strict monopoly in his profession.

5. Violating the Fair Labor Standards Act by failing to pay his elves the minimum wage or proper overtime benefits.

6. Engaging in unfair promotional advertising, designed to prey on the defenseless minds of children, a violation of Federal Trade Commission regulations.

7. Failing to secure an ICC permit and an assignment of certified routes by the Interstate Commerce Commission.

8. Violating numerous Occupational Safety and Health Administration (OSHA) regulations by operating an "unsafe workplace."

9. Passing out candy canes and goodies not approved by the Food and Drug Administration.

10. Ignoring the edicts of the Equal Employment Opportunity Commission and the Civil Rights Act of 1964 by failing to institute a quota system in his workshop based on race, religion, sex and size (too many elves, not enough giants).

11. Making toys which have not been approved by the Consumer Product Safety Commission.

12. Failing to declare the cookies and milk that are put out for him as taxable income with the IRS.

13. Transporting firearms across state lines as Christmas presents.

14. Avoiding state and federal taxes on his sleigh, not to mention licensing, registration, and having an operator's permit.

15. Violating various National Labor Relations Board regulations, including the maintenance of a non-union shop and unfairly competing with the chimney sweeps' union.

It is said that these are but a sampling of Santa's more serious Federal offenses, which taken in total will almost certainly put the man in red out of business for good. At present, we are told Saint Nick is frantically searching for a lawyer, but that no one as yet is willing to come to his defense. Apparently, it is an open and shut case!

Meanwhile, there is another Santa Claus of sorts in this country which operates the whole year 'round. It has served us all well for many, many years but is presently in the same predicament as Saint Nick. As a result, it is being pushed to the brink of extinction. It's called the American Free Enterprise system. Will anyone come to its defense?

ACTS ADOPTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA AND TRANSMITTED TO THE SPEAKER—SEPTEMBER 6 TO DECEMBER 1

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. DIGGS. Mr. Speaker, the Council of the District of Columbia has adopted a number of acts since last I reported to the House in the CONGRESSIONAL RECORD of September 9, 1975.

The House Committee on the District of Columbia has in its files Council committee reports and copies of acts, if Members desire further information.

The Council acts are listed below:

ACTS ADOPTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, AND WHERE NECESSARY, TRANSMITTED TO THE SPEAKER OF THE HOUSE OF REPRESENTATIVES BETWEEN SEPTEMBER 6 AND DECEMBER 1, 1975

ACT 1–51

The Voter Registration Act of 1975 amending the D.C. election law (D.C. Code Title 1, Chapter 11) to permit voter registration by post-card. Adopted by the Council on September 9, 1975. Signed by the Mayor, October 6, 1975. Bill 1–69. Transmitted to the Speaker October 14, 1975.

ACT 1–52

Changes the Boundary of service areas to conform with the boundaries of the eight wards. Adopted by the Council September 9, 1975. Signed by the Mayor, October 6, 1975. Bill 1–78. Transmitted to the Speaker, October 14, 1975.

ACT 1–53

Emergency Act in effect for 90 days to establish the date February 3, 1976 as the date for Advisory Neighborhood Commission Elections. Adopted by the Council September 23, 1975. Signed by the Mayor, October 8, 1975.

ACT 1–54

D.C. Community Development Act of 1975. Adopted the request of the Mayor to provide statutory authority to enable the District of Columbia to participate fully in a community development program under the Housing and Community Development act of 1974 (PL 93–383). Adopted by the Council September 9, 1975, signed by the Mayor October 9, 1975. Bill 1–135. Transmitted to the Speaker October 17, 1975.

ACT 1–55

Emergency 90-day Act to extend for five and a half months the time for appeal from real property tax assessments to the Superior Court of the District of Columbia. Amends D.C. Code 47–646(i), Supp. II, 1973 addition. Adopted by the Council October 7, 1975. Signed by the Mayor, October 10, 1975.

ACT 1–56

Extends moratorium on conversions to condominiums until April 30, 1976. Adopted by the Council October 21, 1975. Signed by the Mayor October 22, 1975. Bill 1–191. Transmitted to the Speaker, October 23, 1975.

ACT 1–57

To authorize the issuance of $50,000,000.00 general obligation bonds of the District of Columbia to refinance certain loans made to the District from the United States Treasury. Adopted by the Council on October 21, 1975. Signed by the Mayor October 22, 1975. Bill 1–162. Transmitted to the Speaker, October 24, 1975.

ACT 1–58

Emergency 90 day Act to keep rent control in effect until Act 1–46, the Rent Stabilization Act, became effective about October 30, 1975. Adopted by the Council October 21, 1975. Signed by the Mayor October 24, 1975.

ACT 1–59

"The Revenue Funds Availability Act of 1975" amends several sections of the D.C. Code in order to abolish the Highway Fund, the Sanitary Sewage Works Fund and several other special funds. Adopted by the Council on October 7, 1975. Signed by the Mayor October 24, 1975. Bill 1–161. Transmitted to the Speaker, October 31, 1975.

ACT 1–60

Emergency Act in effect for 90 days to implement the District of Columbia flood insurance program in a timely manner in order to assure city's eligibility for participation in the Federal assistance program for flood insurance. Adopted by the City Council October 28, 1975. Signed by the Mayor October 29, 1975.

ACT 1–61

Amends the D.C. Professional Corporation Act of 1971 (D.C. Code, Section 29–1101 et seq) to make unincorporated business tax apply to professional corporation. Adopted by the Council October 7, 1975, signed by the Mayor October 29, 1975. Bill 1–170. Transmitted to the Speaker November 3, 1975.

ACT 1–62

Second amendment to the District of Columbia unincorporated business tax. Increases the maximum that may be deducted for services rendered by the individual owners or members actively engaged in the business to 70% of the net income. Adopted by the Council, October 21, 1975, signed by the Mayor November 5, 1975. Bill 1–188. Transmitted to the Speaker November 12, 1975.

ACT 1–63

Emergency 90 day Act to facilitate reporting suspected cases of Child Abuse. Adopted by the Council November 4, 1975. Signed by the Mayor November 7, 1975.

ACT 1–64

The "access to psychologists and optometrists act". Amends D.C. Code 35–712 to remove requirement of referral by a medical practitioner. Adopted by Council October 21, 1975. Signed by the Mayor November 7, 1975. Bill 1–86. Transmitted to the Speaker November 20, 1975.

ACT 1–65

Removes the requirement of publication of a sample ballot in the case of Advisory Neighborhood Commission Elections. Adopted by the Council October 21, 1975. Signed by the Mayor November 7, 1975. Bill 1–184. Transmitted to the Speaker November 17, 1975.

ACT 1–66

Emergency 90 day act postponing the effectiveness of a provision of Act 1–31 which will be repealed when Act 1–70 takes effect. A rider on undertakers licenses had been included in Act 1–31 and will be repealed in Act 1–70. Passed by the Council on October 21, 1975. Signed by the Mayor on November 10, 1075.

ACT 1–67

Authorizes advanced emergency leave for certain teachers. Amends D.C. Code Section 31–694. Passed by the Council October 21, 1975. Signed by the Mayor November 13, 1975. Bill 1–50. Transmitted to the Speaker November 20, 1975.

ACT 1–68

Regulates security deposits collected from tenants for rentals in the District of Columbia. Adopted by the Council October 21, 1975. Signed by the Mayor November 14, 1975. Bill

1–100. Transmitted to the Speaker November 20, 1975.

JUSTICE DEPARTMENT HONOR FOR HENRY DOGIN

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. RANGEL. Mr. Speaker, as you know, the Drug Enforcement Administration has been without a Director since the head of that Agency was removed from the position some 6 months ago for reasons yet to be substantiated. Be that as it may, Henry S. Dogin, the person selected to lead the Agency in an acting capacity has done so in a highly satisfactory manner and has earned the respect of the Agency's work force for his demonstrated leadership and ability. Mr. Dogin was just recently recognized for his contribution by being selected to receive the highest award of the Department of Justice, the Attorney General's Award for Exceptional Service. It is an honor well deserved and it is with a good deal of pleasure that I provide for the RECORD a statement which cites Mr. Dogin's accomplishments along with other Justice Department honorees:

PRESS RELEASE OF DEPARTMENT OF JUSTICE

Henry S. Dogin, the Acting Administrator of the Drug Enforcement Administration, will receive the highest award of the Department of Justice, Attorney General Edward H. Levi announced today.

The Attorney General's Award for Exceptional Service will be presented to Mr. Dogin tomorrow when some 140 employees are honored at the Department's 26th annual awards ceremony. It will begin at 3 p.m. in the Great Hall.

Mr. Dogin was selected for the Award, according to the citation, for "outstanding contributions to the Department's objectives and to the interests of the public. . . ."

It added: "Mr. Dogin assumed the leadership of DEA and reestablished public confidence and trust during a period of great crisis and controversy. Through his example and ability, he restored confidence and pride of accomplishment to an agency troubled by internal conflict."

The Department's second highest honor, the Attorney General's Award for Distinguished Service, will go to eight persons:

Kenneth V. Cayce, a Border Patrol Agent, who displayed "extraordinary courage and judgment" in assisting victims of a gas explosion in Eagle Pass, Texas, last April despite his own serious burns.

Michael A. DeFeo, Attorney-in-Charge of the Kansas City Strike Force, who was cited for excellence in development of evidence and imaginative prosecutions of organized crime leaders.

Richard G. Held, Special Agent-in-Charge of the Chicago Field Office of the Federal Bureau of Investigation, honored for "selfless and devoted service to the FBI, Department of Justice, and the American people."

Melvin L. Jeter, Special Agent, FBI, of Philadelphia, who was cited for his "dedicated service and significant contributions to the American people . . . ."

Robert G. Lisenbee, Supervisory Deputy U.S. Marshal, District of Kansas, who was cited for "selfless acts of personal bravery" that resulted in the recapture of armed, dangerous convicts on two occasions and the release of a wounded hostage.

Jeffrey M. Miller, Assistant U.S. Attorney, Philadelphia, honored for being "an inspirational and dedicated leader, an incisive and skilled administrator, and a trial lawyer of exceptional ability and judgment."

Hugh P. Morrison, Jr., Chief of the Special Trial Section, Antitrust Division. "His analytical skills, his fairmindedness, and his ability to encourage the best efforts from others have set a high standard for younger lawyers and have contributed significantly to the overall performance of the Antitrust Division."

Andrew P. Vance, Chief of the Customs Section, Civil Division, cited for his general efforts in his Section "and for his singular contributions in the development and enactment of the landmark legislation known as the Customs Court Act of 1970."

Another major honor, the John Marshall Award, went to five attorneys in these categories:

Trial of Litigation—Charles J. Muller, Trial Attorney, Tax Division, for excellence in "litigation involving lengthy and complex criminal tax prosecutions."

Preparation of Litigation—Victor C. Woerheide, Staff Assistant, Criminal Division, for "unsurpassed performance" in career dedicated to major criminal cases.

Support of Litigation—A. Donald Mileur, Chief, Indian Claims Section, Land and Natural Resources Division, for "constant attention to the defense of the public interest in novel and difficult legal areas while ensuring fairness to the Indian claimants."

Handling of Appeals—Andrew L. Frey, Deputy Solicitor General, for his major role and great skill in "a substantial number of major criminal cases in the Supreme Court involving significant constitutional, statutory, and evidentiary issues."

Providing Legal Advice or Preparing Legislation—Russell Chapin, Chief, General Claims Section, Civil Division, for outstanding leadership as chief of the section and "excellence in the preparation of legislation for the government."

Mr. Dogin, 41, is only the eighth person to receive the Exceptional Service Award, which carries a cash stipend of $1,500. He was named Acting Administrator of DEA last May 30 after serving since November, 1973, as a Deputy Assistant Attorney General in the Criminal Division. Prior to that, he was a Deputy Regional Administrator in New York City for the Law Enforcement Assistance Administration. He has resigned his DEA post effective December 31.

Each recipient of the Distinguished Service Award will receive $750.

WIPING OUT REGULATION RESTRAINTS ON FREIGHT FORWARDERS IS NOT THE ANSWER

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. SANTINI. Mr. Speaker, today I spoke on the House floor in support of the Collins amendment to delete section 309 of H.R. 10979. The following statement is offered in the Extension of Remarks and in further support of my opposition to section 309. In my judgment, the House acted in a well-considered manner in its adoption of the Collins amendment.

I am a cosponsor of H.R. 10979 and privileged to serve on the subcommittee and full committee which handled this important legislation. It was a complicated bill and one which I believe should be passed.

Nevertheless, I am troubled by section 309 in the bill. I doubt that as much discussion at the committee level existed for those who may have wished to testify for or against this section of the bill.

As to the legislative history of the language which will benefit freight forwarders, bills have been introduced for many years with similar language as exists in section 309 of the bill before us. However, up to now, the Congress has not enacted the legislation into law.

In the 90th Congress, H.R. 10831 and S. 3714 were introduced and hearings were held. Again in the 92d Congress, S. 1816 and three bills in the House, H.R. 7986, H.R. 6242 and H.R. 3822 were introduced with hearings again being held. None of these measures were adopted.

This year, the Interstate Commerce Commission recommended several pieces of legislation. Among these recommendations was S. 2083, legislation to amend section 409 of the Interstate Commerce Act to authorize contracts between freight forwarders and railroads on an experimental basis and for other purposes. This bill went through 2 days of hearings in the Senate Commerce Committee. No similar bill was introduced in the House.

In the opening hearing statement made by Senator VANCE HARTKE, chairman of the subcommittee, he stated:

First, the bills raise issues about the basic nature of the common carrier system. Is the system designed to benefit individual carriers and individual modes, or is it designed to provide the best possible transportation service to all shippers in like circumstances? I think the answer is the latter.

The Senate full Committee on Commerce did not act upon S. 2083. It is not a part of the comparable bill, the Rail Services Act of 1975—S. 2718. It is my understanding the subcommittee in the Senate did not take action as the need for the legislation was inconclusive. It is also my understanding the Interstate Commerce Commission could take action upon its own to consider such recommendations if it so desired.

As I stated earlier, although this proposal has been around for many years, Congress has not yet acted. I fully support my distinguished colleague, the gentleman from Texas, and his amendment to strike the language.

I do so with full respect to the distinguished chairman of the House Interstate and Foreign Commerce Committee, Congressman HARLEY STAGGERS and the distinguished chairman of the Subcommittee on Transportation and Commerce, Congressman FRED ROONEY. Both of these gentlemen, as you know, serve their Nation and its highest ideals.

Nevertheless, I believe this section de-

serves several days hearings before the subcommittee with proper notice given to all shippers, some of who I believe will be put to a disadvantage should section 309 remain in the bill.

When the Senate subcommittee held hearings in July of this year on similar legislation, small independent shippers from all over the Nation opposed the legislation. Many large shippers believe they will also be put to a disadvantage. Shipper associations or so-called co-ops will suffer a disadvantage.

The section 309, as I understand the language, will give the freight forwarders an opportunity to solicit and contract for lower rates with the rail industry. What that rate will be is anyone's guess; but we all know, when large amounts of freight tonnage is involved, the rate will be downward and lower than rates available to other shippers. If we had assurance the freight forwarding industry would pass this savings along to the individual shipper, this section might have merit; but we do not have this assurance.

Section 309 is discriminatory. It does not belong in this bill. We are already authorizing enormous sums of money to assist the beleaguered rail industry.

If the freight forwarder is permitted to contract with the railroads for lower rates, where will the railroad industry make up its losses or concessions. The industry, I believe, will have to request higher rates from other shippers.

No longer would all shippers be accorded equal treatment—from a practical standpoint the forwarders are shippers with respect to rail transportation regardless of any legal argument which may be made to the contrary.

The freight forwarders compete with other shippers for the same traffic.

Section 309, in my opinion, will undermine the basic concept by according preferential treatment to a special interest group—the freight forwarders.

If section 309 is left in the bill, the results would have to be a reduction to the railroads in freight revenues. We all know the financial problems of the railroads, so we must assume volume rates to independent merchant associations would have to be increased considerably.

Finally, if the regulated freight forwarders get this special consideration or privilege, I firmly believe an already troubled and financially depressed rail industry will have to turn to higher rates for other shippers or continue to request subsidies from the Federal Government in one form or another.

One witness before the Senate subcommittee testified aptly when he stated:

> If this bill were passed, there is nothing stated that would guarantee that the freight forwarders would reduce their rates to the American public. In essence, this bill is nothing more than a glorified rate increase on the already financially troubled American public.

Language in section 309 can be related to Senate bill 2083. The section should be removed from H.R. 10979.

OBJECTION TO CROSS WABASH VALLEY WATERWAY APPROPRIATION

HON. PHILIP H. HAYES

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. HAYES of Indiana. Mr. Speaker, I wish to express to my colleagues and to constituents in the Eighth District of Indiana the issues which were involved in my vote in favor of the conference report making appropriations for public works fiscal year 1976.

While it is true that I cast my vote in favor of the conference report making appropriations for public works, I would like to make public my strong objections to a specific item in that bill.

There is included in the appropriations for fiscal year 1976 funding for a study to be conducted by the Corps of Engineers concerning the proposed Cross Wabash Valley Waterway. The purpose of this study in previous years has been directed toward reviewing reports to determine the feasibility of constructing a waterway for barge traffic from the Ohio River to Lakes Erie and Michigan via the Wabash River and adjacent streams, with consideration of various routes.

In fiscal year 1968 a phase I study was initiated to identify waterway routes having potential for economic justification sufficient to warrant detailed survey scope study.

An interim reconnaissance report on the lower Wabash River in 1971 recommended further studies on the lower segment from the Ohio River to Mt. Carmel, Ill. In addition, a negative reconnaissance report on the upper Wabash River—all routes—was completed in August of 1972.

Thus, when the President's budget itemized a study by the Corps of Engineers on the navigability of the Wabash River at a cost of $225,000 for fiscal year 1976 and $40,000 for the transition quarter, the Corps was undertaking further study of the channel from the Ohio River to Mt. Carmel, for which possible economic justification had been suggested.

I would like to make it clear for the record and for the residents of the Eighth District of Indiana that while I support the President in his decision that this project may hold potential which bears further investigation, the appropriation of the amount he and the Corps agreed upon for the purpose of further exploring the development of that particular section of waterway does not now seem sufficiently justified.

It was, therefore, a matter of even greater concern to me when I learned that the House Appropriations Committee had voted to add $100,000 to the budget request for fiscal year 1976 and $35,000 to the request for the transition period for the continuation of the study which the Corps had initiated. In light of the shortened section of waterway on which the study had focused, this seemed to be an unwarranted expenditure.

This expanded budget item was then "justified" when the Senate Public Works Committee approved a resolution to increase the study to include that portion of the waterway which would extend to Terre Haute, Ind. However, the Senate committee did not follow the example of the House and increase the budget request figures.

The final conference report—upon which we voted Friday, December 12—resolved these differences by settling on the higher House figures and accepting the Senate's decision to study a route all the way to Terre Haute.

The conference report also included $19,150,000 for other work by the Corps of Engineers in the Eighth District of Indiana, such as the work which is so urgently needed to restore the stability of the banks of the Ohio River in the community of Newburgh. Because of these provisions, I could not vote against the conference report as a whole.

It seems most unfortunate to me that at a time when it is incumbent upon each and every one of us to examine all Federal expenditures with the most critical of questions, we did not have a chance to analyze this item.

I intend to ask them to do so in the future.

FRED H. HILTON, JR., RETIRES FROM TEACHING AT THE CAPITOL PAGE SCHOOL

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. BAUMAN. Mr. Speaker, I have learned that within the next few days Fred H. Hilton, Jr., will retire from the teaching staff of the Capitol Page School at the Library of Congress. After 27 years of unselfish giving of himself to thousands of young people, "Mr. Hilton" as his students call him, will step down.

I have been asked by a group of present pages to insert as part of my remarks today a statement they have prepared regarding Mr. Hilton's retirement. But before I do that, I want to add my own congratulations and appreciation for a remarkable man who has inspired many young people, including myself, to go beyond the simple requirements of books and homework and learn to love knowledge and its pursuit.

When I became a House page in 1953, I found it a difficult chore to get out of bed at 5 in the morning, as I still do. But one of the pleasures of those early morning school hours, even before the sun rose over the Capitol Dome, was the stimulating teaching of Fred Hilton. As often as not I would be arguing the opposite viewpoint from my teacher, but Mr. Hilton always seemed to take the Devil's advocate position in order to bring out the best in a student. For those few pages foolish enough to fall asleep in his

classes he had a simple but effective expedient—a heavy book slammed on the desk adjacent to a sleeping page's head does wonders for producing wakefulness.

As editor of the 1955 Congressional, the yearbook of the pages, I had the honor of dubbing one of our student activities groups "The Hiltonian Society." I did so without Mr. Hilton's knowledge until he read it upon publication. It seemed an appropriate title for a stimulating group which met to play chess, talk politics and philosophies about our young world under the tutelage of a good friend and a stern but fair educational taskmaster.

Mr. Speaker, in an age when the teaching profession has become to many not a profession but a job, I am pleased to join in saluting a great professional teacher in every sense—Fred Hilton. We all wish him well.

At this point, I include a statement drafted by current pages who, I am glad to know, share my respect and affection for our Mr. Hilton:

STATEMENT BY PAGES

We would like to review the career and share the dedication of a teacher who has shared so much of himself with House and Senate pages over the years. Mr. Fred H. Hilton, Jr. announced his retirement as a teacher at the Capitol Page School on December 12, 1975 effective at the start of the Christmas recess. Mr. Hilton's story is worth telling as a tribute to his service in the field of education.

Mr. Hilton attended the University of Pittsburgh, where he received his Bachelor of Arts and Master of Arts degrees. In 1960, he served a one year fellowship with Yale University. He began his teaching career in 1936 and for the past 27 years has been a member of the faculty of the Capitol Page School. He has taught American history, medieval history, economics, government, business law and music appreciation. He was an informal guidance counselor in helping seniors through the hectic process of applying to colleges and seeking financial aid. In addition, he found time to be the financial adviser for the school yearbook and organized the graduation exercises for many years.

However, it was perhaps what he has done beyond his assigned duties which makes him a special brand of educator. With a few rare exceptions, Mr. Hilton arrived at school at 4:30 a.m., well before school starts at 6:15 a.m. He was always available to talk to students, loan personal books, teach golf, instruct individuals on the piano and even how to master the stock market. As a measure of the high regard in which he is held, the 1975–76 Congressional, the school yearbook, is dedicated to Fred H. Hilton, Jr. in appreciation for what he has done for us.

His enthusiasm, dedication and ability to teach well will be sorely missed. We wish him the best in the years to come and close by simply saying "Thank you!"

HENRY KISSINGER IN THE EYES OF CONGRESS

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. SYMMS. Mr. Speaker, after several years the magic of Henry Kissinger in the eyes of the Congress and most Americans is finally giving way to reality. It is finally becoming apparent to many that the Kissinger policies have, on many instances, not been in the best interest of the security and sovereignty of the United States. I would like to read a column by Allan Brownfeld which discussed Kissinger's loss of credibility:

[From the Phoenix Gazette, Dec. 10, 1975]

CONGRESS, KISSINGER EYEBALL-TO-EYEBALL

(By Allan C. Brownfeld)

After the removal of Secretary of Defense James Schlesinger, a hard-line critic of the Kissinger-Nixon-Ford policy of "detente" and accommodation with the Soviet Union, it was widely believed that Secretary Kissinger's power would be virtually total. This view was held in spite of the fact that Dr. Kissinger was forced to give up his role as national security adviser to the President. Sen. Henry Jackson, D-Wash., for example, declared that "The last vestige of dissent may be wiped out. Dissent to Dr. Kissinger, I mean."

Yet, Kissinger's current position is neither as safe nor as secure—nor as dominant—as many believe. The secretary is in real trouble with both the Congress and much of the press, and many believe that in the long run it will lead to his undoing.

Early in November, the House Intelligence Committee voted to cite Kissinger for "contempt of Congress" because three subpoenas for executive department papers were not acted upon to its satisfaction. The House committee is charged with reviewing America's past and present intelligence apparatus, and with recommending changes it believes may be needed. For this, Chairman Otis Pike, D-N.Y., says he needs State Department documents from 1961 to the present in which the department asked that covert operations be inflated. Rep. Pike says that this may prove that other departments, rather than the CIA, are to blame for some controversial actions that have damaged the reputation of the CIA.

Kissinger, at the direction of the White House, refused to surrender the requested material on the grounds of "executive privilege." The fact is, however, that his trouble with the Congress is far more complex than the contempt citation, which relates to a specific refusal to provide information. Sen. Jesse Helms, R-N.C., contends that the secretary of state's "ability to cope with reality has run its course . . . his usefulness as a negotiator is ended . . . It is clear that a fresh start must be made by someone who can have the confidence of all sides. . ." Similarly, Sen. Adlai Stevenson, D-Ill., claims that the country needs a senior diplomat who "could restore confidence at home, and abroad in the conduct of the nation's most vital affairs—its foreign affairs." He doubts Henry Kissinger is up to the task.

Senators Helms and Stevenson are rarely in agreement. Their agreement on this subject is indicative of the fact that Kissinger's star is falling—with liberals and conservatives equally, although for different reasons. Important lawmakers contend that Kissinger has deceived them on such diverse matters as military aid for Turkey, Jewish emigration from the Soviet Union, and nuclear arms control.

The erosion of Kissinger's standing on Capitol Hill has been gradual—but cumulative. Among the major elements: the National Security Council wiretapping controversy, the "destabilization" of the Allende regime in Chile, disputes over U.S. arms aid to Turkey in the wake of the Cyprus crisis, the foreign trade bill and influence upon free emigration from the Soviet Union, the refusal to meet with Soviet author Alexander Solzhenitsyn, and the avoidance of any discussion of possible Soviet violations of the SALT agreement—the list is a long one.

Perhaps the harshest criticisms have come from conservatives. The American Enterprise Institute, a highly regarded conservative think-tank in Washington, D.C., recently published a study, "Kissinger's Grand Design," by Warren G. Nutter, formerly assistant secretary of defense for international security affairs. Of Kissinger's policy, Dr. Nutter states: ". . . the West has been resisting Soviet expansion, not just to preserve the legitimacy of international relations, but to save Western civilization. The Soviet system menaces a cherished way of life, and the problem has been to find a course of resistance that works—that preserves Western civilization—while avoiding catastrophic war. Kissinger's grand design, by ignoring this moral dilemma, cannot provide a relevant solution to the problem."

Conservatives and liberals surprisingly seem to agree on one thing: Secretary Kissinger's "realpolitik" is without principle—a dramatic departure from the traditional moralism of American foreign policy. Richard Holbrooke, managing editor of Foreign Policy, writes that the secretary of state operates without the limits of principle or conviction. In the Vietnam negotiations, Holbrooke notes, he was "wholly free of any constraint based on a set of moral beliefs."

The ascendancy of U.S. Ambassador to the U.N. Daniel Moynihan, a hardliner who harks back to something of a Wilsonian moralism in his approach to foreign policy, may be of particular interest. His popularity on Capitol Hill far exceeds that of Dr. Kissinger, and his recent endorsement by the President is widely viewed as a lessening of Kissinger's authority in foreign policy matters.

The American people do not seem to want a policy that mandates their silence in the face of human suffering and persecution in the name of what is politically appropriate. Kissinger has said that any criticism of Soviet inhumanity, for example, is not in the "spirit of detente." Perhaps the Congress and the American people wish to replace that spirit with an older American spirit.

GOOD ADVICE FOR SPENDERS

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. SHRIVER. Mr. Speaker, in the closing days of this first session of the 94th Congress I want to bring to the attention of my colleagues in the House a thought-provoking editorial from the Newton Kansan which discusses a subject that should be close to the heart of many in the Congress—deficit spending. I personally believe it is essential that we put an end to the record red-ink deficits which have become the rule. That is why it is so important to equate spending with tax actions if we are to end the inflationary spiral which threatens every family pocketbook.

The editorial from the Newton Kansan follows:

GOOD ADVICE FOR SPENDERS

"The credit of the family depends chiefly on whether that family is living within its income. And that is equally true of the nation. If the nation is living within its income, its credit is good.

"If, in some crises, it lives beyond its income for a year or two, it can usually borrow temporarily at reasonable rates.

"But if, like a spendthrift, it throws discretion to the winds and is willing to make no sacrifice at all in spending; if it ex-

tends its taxing to the limit of people's power to pay and continues to pile up deficits, then it is on the road to bankruptcy."

Members of Congress should take to heart this advice when they are considering the budget of the United States government. So should state and local government officials.

And so should the federal, state and local administrations.

At the present time government spending at all levels amounts to a third of the Gross National Product. A quarter of a century from now, if present trends continue, it could raise to 60 per cent of the GNP.

Oh, yes, who did that advice come from?

It came from Franklin Delano Roosevelt when he was campaigning for president against Herbert Hoover in 1932. He was deploring the fact that the Hoover administration had let the national debt increase by more than $3 billion.

THE GHOST OF FREEDOMS PAST

HON. JOHN JARMAN

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. JARMAN. Mr. Speaker, Dr. Rex Kenyon is an outstanding leader in Oklahoma City. He is concerned about our Government and he backs his concern with action. He has written the following poem, which expresses the sentiments of the great majority of us in this country, and which deserves being read and considered by everyone:

THE GHOST OF FREEDOMS PAST

As a first class citizen, I'd rate
I've paid my taxes, pulled my weight,
Kept my conscience free from sin
Gone to church . . . least now and then.
With little leagues, I've learned to play
I've suffered hours of PTA,
I've paid my bills, observed the laws
And given to many a deserving cause.
But politics was not my dish
I'd rather golf, or hunt, or fish,
When I was asked by Mr. Pate
Would I support his candidate?
I said I'd sent a prior check
'Twas all a lie . . . but what the heck,
When called to work for Senator White
I said my schedule was too tight.
When precinct meetings rolled around
I said that I was leaving town,
When Party help was needed now
I said, "They're all crooks, anyhow".
Then when it came the time to vote
I spent the day out in my boat,
And life rolled on, day in day out
About my future, I'd no doubt.
Then one night while dreaming fast
I met the Ghost of Freedoms Past,
He led me from my snug, warm bed
To show me things that lay ahead.
He showed me faces, thin and bleak
On folk who toiled through endless week,
Meetings quotas, reaching goals
Living under strict controls.
He showed me children reared by State
Whose aim was to indoctrinate,
Empty churches stood forlorn
Worship outlawed, buildings torn.
The Halls of Congress sealed by rust
Ballot boxes collecting dust,
He showed me life where fear was norm
And all were clad in uniform.
He said when scientific tests were made
My kids had been assigned a trade,
Their lives a drudge, a menial chore
They could aspire to nothing more.
I'd been assigned . . . he then decreed
To clinics where there was a need,
I'd have a bed and board and clothes
With coupons to exchange for those.
For such I'd file a six-part claim
But sign my number, not my name,
And serve each day without complaint
The State had now become my Saint.
I pleaded then, "It can't be true
There must be something I can do,"
He sadly paused, and then he said
"My friend, Democracy is dead.
There's just no way for legal fights
The Courts are closed, and you've no rights,
You had a chance in seventy-five
To keep that marvelous thing alive.
You simply said 'The job's not mine'
Now this is nineteen-eighty-nine,
For all the world, you didn't care
While there were others waiting there.
To call your life style to a halt
You lost your freedoms by default,
You gave it up just inch by inch
Those activists . . . they had a cinch.
So here it is, no hope no joy
Don't cry on me . . . you blew it, boy!"
And just then, I awoke in sweat
But I recall that nightmare yet.
Of life, with which I could not cope
Devoid of dreams, devoid of hope,
Devoid of warmth, devoid of love,
Devoid of guidance from above.
I saw the error of my ways
And I will spend my lasting days,
Preserving all that we can be
A nation proud and strong and free.
And like my forbears in the strife
I'll pledge my honor, fortune, life,
I'll pledge my right to vote most dear
And with it, keep your future clear.
I'll work and give . . . support, oppose
This land won't fall to some of those,
Who want the things I saw that night
Who feel that socialism's right.
This was my lesson. It will last.
Learned from the Ghost of Freedoms Past.

REX KENYON, M.D.,
AMPAC Board of Directors.

INDEPENDENT COMMISSION NEEDED TO IMPROVE STATISTICS USED FOR MEASURING EMPLOYMENT

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. COUGHLIN. Mr. Speaker, the inaccurate and misleading figures used as the basis for determining employment and unemployment in the Nation do a disservice to millions of Americans and thousands of our communities.

The need for an independent, national commission to improve the methods for gathering these statistics and for interpreting the figures correctly is obvious. As presently compiled, the Bureau of Labor Statistics' measurements add to the confusion rather than contributing to a realistic assessment of our employment picture.

I am a sponsor of a bill introduced by the distinguished Representative from Delaware, PIERRE S. "PETE" DU PONT, which would provide for a competent commission to reform and improve these statistics. The case for such a commission is clearly made by Congressman DU PONT in an article which appeared in the Philadelphia Inquirer on December 7, 1975. I insert it in the CONGRESSIONAL RECORD and hope my colleagues find it as compelling as I did:

MISLEADING MEASUREMENTS: UNEMPLOYMENT STATISTICS GIVE A DISTORTED PICTURE

(By Representative PIERRE S. DU PONT)

Last Friday, at 10 a.m., the Bureau of Labor Statistics (BLS) in the Department of Labor held its monthly press conference to release the figures explaining what is happening in the working lives of 94 million Americans.

News stories filed minutes later by the wire services summarized the briefing in a few lines saying the national unemployment rate had gone down .5 percent from the previous month.

It has happened this way, usually on the first Friday of each month, for years and few would question the integrity of the BLS officials or the accuracy of the reporters. Yet the facts they bring forward each time are sufficiently inadequate to be, in the words of Don Quixote. the enemy of truth.

This is a frightening proposition. As former Secretary of Labor Willard Wirtz and manpower statistician Harold Goldstein point out in their recently published study of employment and unemployment statistics, "What we do is significantly affected by what we measure."

And, as they show in their report, A Critical Look at the Measuring of Work, what we do is based on misleading, often over-simplified, sometimes inaccurate, and always incomplete data—deficiencies all worth closer examination.

To begin with, jobless statistics—which are thought to mirror the health of the economy—do not reflect employment in unemployment as they really are. For example, it has happened that as many as one-fifth of those Americans listed as "unemployed" have been seeking only part-time work. Conversely "employed" people have included those who hold part-time positions but are unsuccessfully looking for full-time work.

These same compilations also give a false picture of the well-being of Americans. A parent of three children, constantly looking for work but managing to find only one day of it during the entire month, will (if that day falls in the measurement week) be included in the count of the "employed." By any reasonable scale however, such people are not enjoying the security and standard of living of those "employed" each day, every week.

The press contributes to our hazy impressions of unemployment too—but in a different way. In an effort to simplify, their news stories are usually too brief to relate all the dimensions of the monthly BLS report's 20-result, the details of the labor force mosaic—the relatively good circumstances for white adult males, 6½ percent of whom were jobless in October, and the contrasting bad ones for teenage black families, roughly 40 percent of whom are out of work—are blurred for the average newspaper reader.

In addition to being misleading and oversimplified, the accuracy of the BLS figures is open to profound questioning.

Until very recently, a direct measurement of unemployment in 193 of the 223 standard metropolitan statistical areas and 31 of the 50 states (including my state, Delaware) have been available only once every 10 years when the population census was taken. This, in turn, has necessitated estimating unemployment in these areas by constructing rates from, among other incomplete lists, the count of people receiving unemployment insurance benefits.

These indirect tabulations can be seriously in error. In fact, the 1970 census showed that unemployment estimates had been off by 20 percent or more in 13 states and even more in counties and cities.

The BLS, to its credit, has recently tapped special funds so that it could begin to make direct measurements in all 50 states. But this is only a beginning. For until the Congress and the President act, the funds needed to underwrite these improved measurements will not be available on a regular basis.

Since monthly unemployment figures are the basis for so many government programs, it is certainly important that we consider ways to improve them. Indeed, a fraction of a percent in an area's unemployment rate can determine whether a city:

Gets federal funds to retain or employ its jobless citizens,

Is eligible for moneys to improve its sewers or access roads,

Gets preferential treatment for its local vendors bidding on government contracts, or,

Is entitled to special loans to create private employment.

From another point of view, BLS accounting is faulty for what it doesn't measure. As it is practiced, the record keeping concentrates on the current condition of the work place without paying much attention to its future.

Take the nation's training force—the roughly 20 million people undergoing some schooling—which is treated as if education has nothing to do with work. The truth is that it does. But by not thinking of learning and earning as interrelated, the BLS contributes to the problem that occurs each year at graduation time: young people find themselves trained for jobs that do not exist.

Our children should receive much better career guidance and our tax dollars should be spent much more wisely on educational facilities. And, this would be possible if the BLS compiled comprehensive annual reports on who is being trained for what and kept statistics on employment by occupation so that future manpower needs could be forecast.

One way to begin improving the clarity, accuracy and completeness of the unemployment figures and at the same time draw the press' attention to their more subtle aspects; undertake a full scale reevaluation of the methods for establishing and reporting unemployment rates. Consequently, I have recently submitted a bill calling for a presidentially appointed commission of experts to independently study jobless record keeping in the BLS.

Clearly, this is something that must begin soon. For until we know exactly what is meant and where we are headed when the BLS and the press reports that 8 million Americans are unemployed, monthly jobless reports will affect what we do in ways that can only delude us.

THE BELL MOVES AT MIDNIGHT

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. EILBERG. Mr. Speaker, with prayers, fireworks, martial music, and the tolling of bells, America's most hallowed patriotic symbol, the Liberty Bell, will inaugurate the Bicentennial year at midnight on January 1 by being moved to a new home where it will greet millions of visitors during 1976 and beyond.

Thousands of New Year's Eve spectators are expected to view the ceremony, which was planned jointly by the city of Philadelphia, the National Park Service's Independence National Historical Park, and Philadelphia '76, Inc., the city's official Bicentennial agency.

The move itself will be simple. The Bell, presently housed within Independence Hall, will be placed upon a steel cart sheathed in plastic and secured in a bed of cement to keep the crack from spreading.

It will be carefully wheeled down a ramp leading down the six steps on the Chestnut Street entrance of Independence Hall, where it has hung except for brief periods ever since it was brought from England in 1752.

A procession will form behind the venerable Bell as it moves slowly across Chestnut Street to the permanent new glass and steel structure which has been erected one block to the north on Independence Mall. Here, millions will be able to see and touch the historic Bell and its famous crack during 1976 and for many years to come.

Colonial churches in the Independence Hall area are planning special evening services to mark the opening of the Bicentennial year. A concert will be held beginning at 11 p.m. with the All Philadelphia Boys Choir, U.S. Army Chorus from Washington, D.C., and the Orange Glen High School Band of Escondido, Calif.

The Liberty Bell ceremony will begin a minute before 12 o'clock when the ringing of bells and fireworks usher in the new year. Just after midnight the Bell, with an official escort by the 3d U.S. Infantry Old Guard Fife and Drum Corps, of Fort Myers, Va., will be moved to its newly constructed pavalion north of Chestnut Street. The ceremony is expected to last about a half hour.

A two-part fireworks display is planned. The first, at exactly midnight from the roof of the Penn Mutual Building will herald in the new year, and signal the start of the Bicentennial observance. The second phase will conclude the official ceremony and will be from the roof of the Philadelphia National Bank.

Moving the Bell is the first of more than 200 wide-ranging special programs and projects that will make Philadelphia the focal point of the Nation's Bicentennial Celebration.

Designed by the Philadelphia architectural firm of Mitchell and Giurgola, and built by the Philadelphia firm of J. J. White the new structure on Independence Mall will allow visitors to see the Liberty Bell at any time of the day or night. During normal daytime visiting hours, the story of the Bell will be related by National Park Service guides. After normal hours visitors will be able to push a button on the outside of the structure and hear a taped version of its fascinating history in several languages.

Enormous crowds expected for the Bicentennial Celebration—estimated at between 14 and 20 million—necessitate the move. The Bell's present display area, on the ground floor of Independence Hall, has proved inadequate for the past several years as greater and greater numbers of people have sought to view it. The reopening in 1972 of the second floor of Independence Hall has added to the congestion.

The ceremony will mark the first time the Bell has been removed from Independence Hall in 56 years. It left the hall on 10 other occasions between July 8, 1776, when it rang to announce the first reading of the Declaration of Independence and the day it was placed in front of the hall for the parade welcoming the 28th Infantry Division home from World War I in 1919.

The history of the Liberty Bell is as follows:

HISTORY OF THE LIBERTY BELL

The Liberty Bell was ordered Nov. 1, 1751, to mark the 50th year of the founding of Pennsylvania under the Charter of Privileges of 1701. It was cast by Thomas Lester, of Whitechapel, London, and arrived here in Aug., 1752. Cracked during its testing, it was recast by Pass & Stow of Philadelphia, who added a considerable amount of copper to remedy the brittleness. This bell was hung in April, 1753, but was found to contain too much copper, which injured the tone. Pass & Stow again recast the bell, adding silver, and it was finally hung in the State House tower in June of the same year.

Throughout these operations, the original inscription from Leviticus XXV, 10: "Proclaim liberty throughout all the land unto all the inhabitants thereof"—afterward to achieve so great significance—was retained.

On July 8, 1776, the Bell (which was then hanging on the third story of the brick tower) was rung at the first public reading of the Declaration of Independence in Independence Square.

In 1777, when the American forces were about to leave Philadelphia, the bell was taken to Allentown to prevent its falling into the hands of the British, then at the city's gate. After the departure of the enemy, it was brought back. On July 8, 1835, according to tradition, exactly 59 years after it had pealed forth glad tidings of independence, it was cracked while tolling for the funeral procession of Chief Justice John Marshall, who had died in Philadelphia two days before.

The bell was permitted to remain in dignified retirement in the tower of the State House until 1846 when an attempt was made to restore the sound. The crack was widened to prevent its faces from rubbing together, and bolts and washers were inserted at each end of the crack. On Feb. 23, 1846, it was rung to celebrate the anniversary of the birth of Washington, but an extension of the old crack appeared, and the bell was silenced forever.

The bell has been accorded chief place among the historic relics of America. As such it was featured during the Centennial Exposition, and since that time it has inspired patriotic fervor at the World's Industrial and Cotton Exposition in New Orleans in 1885; at the World's Columbian Exposition, Chicago, 1893; the Cotton States Exposition, Atlanta, 1895; the Interstate and West India Exposition, Charleston, S.C., 1902; the Bunker Hill celebration at Boston, June 15, 1903; the Louisiana Purchase Exposition, St. Louis, 1904; and the Panama-Pacific Exposition, San Francisco, 1915. On two other occasions it has been drawn through the streets of Philadelphia—Oct. 9, 1908 (Founder's Week Historical Parade) and Oct. 25, 1917, in the Second Liberty Loan Parade.

WHEN THE BELL TOLLED

1755—Meeting of Provincial Assembly in State House.
1764—Protest against Sugar Act.
1765—Resolutions against Stamp Act.
1766—Repeal of Stamp Act.
1773—Resolutions against landing tea.
1774—Closing of port of Boston.
1775—First hostilities of Revolution.
1776—Public reading of Declaration (July 8).

—End of Proprietary Government in Pennsylvania.
1781—Surrender of Cornwallis.
1783—Proclamation of Peace.
1788—Establishment of Constitution.
1799—Death of Washington.
1824—Visit of Lafayette to Philadelphia.
1826—Deaths of Jefferson and John Adams.
1834—Death of Lafayette.
1835—Death of Chief Justice Marshall. Bell cracked.
1846—Birthday anniversary of Washington. Bell rung for last time. Crack extended.

GOVERNMENT REGULATION

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. DON H. CLAUSEN. Mr. Speaker, we have all become increasingly concerned about the role of Government with respect to regulation of private industry. Do we have too much or too little? Listening to the critics, one surmises we have too much of the wrong kind and too little of the right.

Mr. Edward E. Carlson, chairman of the Board of United Airlines has made some very interesting observations concerning regulation, deregulation, and the airline industry. All of us interested in providing the American people with an integrated, coordinated, and balanced transportation system will find his remarks instructive, perceptive, and rewarding:

REMARKS BY EDWARD E. CARLSON

I'm going to talk about a topic that is vital to all of us—as businessmen and women and as users of the air transport system. That is the critical issue of the future of government economic regulation.

Let's go back to September a year ago when the summit conference on inflation was held in Washington. As one who attended the conference, I heard much that was self-serving along with many worthwhile proposals. Almost everyone was impressed by economists who said that the government regulatory agencies held down productivity, increased the consumer's cost and contributed to inflation.

Subsequently, there were reports from Washington that the regulatory agencies would be thoroughly overhauled. Surface transportation was to be given top priority because of the desperate condition of the Penn Central and other railroads.

And then we began to hear that deregulation was in store for the civil aeronautics board, the agency that exercises economic control over the air transportation industry. Critics of economic regulation of all kinds of almost all Federal agencies ran from the Wall Street Journal to the Washington Post, from conservative economists to liberal economists, from Senator Kennedy to President Ford. The suggestions for change were completely nonpartisan and almost completely self-serving.

The first reaction of the airline industry was defensive, which is quite understandable. Cab regulation began in 1938 and over the years the world's finest air transportation system developed in the United States. The U.S. airlines led all others in service innovations and the introduction of new technology. Fares were lower than those paid for flying comparable distances in other countries, where in most cases the carriers were part or wholly owned by their respective governments. In short, the U.S. air system stands out as a prime example of what private enterprise could accomplish within a regulatory framework.

Many in the airline industry were concerned with changes which could adversely affect a complex system. That system—and we are talking about an airline transportation system—had been carefully built, segment by segment, to the point of providing 13,000 daily flights, serving 58,000 pairs of cities and accounting for 77 per cent of all intercity traffic by public carriers. It is an excellent system, involving 300,000 employees and more than 2,000 jet aircraft—An airline transportation system that binds the Nation together as no other form of transport can. It is the best system in the world.

Most critics argue for so-called reform in the name of lower prices. This is strange because we cannot see how a change in the law will produce lower fuel costs, material costs or even labor costs. United Airlines agrees that change is necessary. But it must benefit efficient carriers, allow for proper and prompt pricing and insure the exercise of managerial freedom.

The administration recently proposed a bill which it calls legislation on regulatory reform, which would make sweeping changes in the system and alter economic regulation as we know it. Unfortunately, in our view, the bill would produce *more* rather than less regulation.

The argument for change in economic regulation of air transportation has a basis in fact. Cab proceedings are long and often unnecessary. Political influences bear on economic decisions. Managerial prerogatives are often pre-empted by individuals who have no management responsibility and no financial accountability to customers, employees or shareholders.

That responsibility must rest with management and ultimately the boards of directors of all airlines which have a stewardship for all shareholders. Shareholders are composed of individuals, pension funds, mutual funds and insurance companies which have a concerned and vital interest in the financial well-being of these companies.

I sympathize with members of the CAB. They've been unjustly accused of being overly protective of airline interests, while ignoring consumer interests. They've been sharply criticized by other government agencies. In recent months, I think it's fair to say that the CAB has been the subject of more attacks than any other regulatory group. And that's rather strange, considering that its actions affect a smaller portion of the population than some of the other agencies. But whatever the problems or pressures applied, the CAB does have to recognize its responsibility in maintaining the economic vitality of a national asset—the U.S. Air Transport System.

Yet, the sad truth is that the airlines have not done well as a group in terms of profits. With a handful—or less—of exceptions, the airlines have gone from cycle to cycle of boom or bust. And the booms have been more like puffs, while the busts have been more like calamities. The airline system has not produced sustained, reasonable earnings. As a result, the airlines are poor market buys and poor credit risks. Last year, a "boom" year, the carriers had their best year in history—profits of $350 million. But, well over half was earned by just three carriers (United, Delta, and Northwest). This year will be disappointing, and the Air Transport Association has predicted an industry loss of $250 million. Only once in the last 20 years has the industry reached the rate of return of 12 percent set as a target for it by the CAB. In these circumstances, we think there's obviously something wrong! We think part of what's wrong is economic regulation.

The industry has about run out the technological string that has allowed the airlines to lower costs, keep service levels high and keep prices reasonable. We're now beginning to suffer financially from sharply increased fuel and labor costs, without any fare relief to pass these horrendous increases on to the consumer. The critics argue that a change is necessary—United agrees. Regulation as interpreted currently has not kept up with the times.

In truth, United would welcome complete deregulation. We would do well in a free market. We believe in competition. United is not a blind, stubborn defender of the status quo. We welcome the current debate and recognize the need to improve what we have. But very few critics are really talking about economic freedom. They're arguing for a different *kind* of regulation.

We are opposed to ill-advised programs that increasingly constrict economic freedom. When we set out to reform the regulatory apparatus, we have to be certain that we're not going to do irreparable injury to the system and the public.

The possibilities range from no change to total deregulation. Also, there's some danger we could end up half free and half regulated, lacking the advantages of either and with the disadvantages of both. We could, for example, be saddled with a zone-of-reasonableness pricing concept that would have a tight ceiling for increases, but no floor. In fact, Senator Kennedy's subcommittee has recommended just that—a free market with price controls!

Let's briefly examine the administration's bill. First, the question of free entry into markets and free exit. In the first five years, the bill would eliminate restrictions on carrier certificates and allow airlines to provide direct service between any two cities on their systems. After five years, there would be discretionary entry into markets of the carriers' choosing, within limited degrees, without CAB approval.

Exit provisions of the administration's bill would allow carriers to leave competitive markets at will, but if there were no other service, there would be strict standards for exit under CAB control. The CAB would require service to continue if the state or particular community agreed to provide financial support for the carrier's service.

Second, the all-important question of pricing. The bill would prohibit carriers from raising fares more than 10 per cent during any 12-month period. However, fares could be lowered 20 per cent during the first 12 months, and another 20 per cent in the second 12-month period. In the third year, an airline—if it chose to do so—could drop its fares down to the level of direct costs. What we have here, then, is price control.

Third, the bill would drastically change the CAB's power over mergers and agreements, while increasing the powers of two other branches of government—the Department of Justice and the Department of Transportation.

These are some of the key provisions. The end result would seem to be more, rather than less, regulation. United's belief is that those who drafted the legislation were well motivated, but we think they have produced a bill that will benefit neither the public nor the airlines. In short, it's a move in the right direction, but it falls because it doesn't go far enough. For example, with the kind of new entry which the bill provides, it should also allow for free exit. With virtual free entry, there should be free pricing. If the economists and drafters mean what they say, they should provide for economic freedom. unfortunately, the bill doesn't do that.

The debate will continue for many months. We think it's necessary to search for better answers. The air transportation industry is

simply too close to going the way of the railroad passenger system. Better answers have got to be developed or the Nation will find itself with financially distressed airlines and deteriorating service to its cities. The railroad situation in the northeast is a sobering thought that must be kept in mind.

The main issue gets down to this: Are airlines doing to move from crisis to crisis year after year because of regulatory policies designed to appease those who want fares held at levels that don't adequately cover costs or compensate the carriers? That road could lead to nationalization, and it should be avoided. Parenthetically, we must say that every spokesman for every group has indicated a strong desire to have the airline industry remain in the private sector. We applaud that position, but together all who support this philosophy must make certain that changes in the system enhance that position. Candidly, some carriers are having serious trouble.

To sum up, United thinks that the current debate should examine these possibilities:

1. Total economic deregulation should be studied carefully and completely.

2. Short of total deregulation, everyone agrees that procedural reforms are needed. These may include specific deadlines for the CAB in the handling of rate, route and other procedural matters. A special advisory group is currently exploring these points, and we support the project.

3. Beyond procedural change, substantive changes should be considered. Entry could be eased provided exit also is eased. Procedures could be devised which will permit carriers to modify their route systems on an expedited basis. The administration proposal has too many restrictions and does not go far enough.

4. Free pricing—upward and downward—should be allowed. We're certain that there are many other actions which will be identified providing for necessary and constructive reform however, it is our view that the reforms should be approached with caution and that evolution makes much more sense than revolution. Constructive moves are far more likely to be achieved gradually with due emphasis on needs of customers, employees and shareholders. Finally, and most important, maps of uncharted territory can never be very exact. In this context, we are concerned that hasty action will generate new problems and that the perceived "solutions" will really be more regulation. That would benefit no one.

When we consider the alternatives, there's no question which course to take. We want free enterprise. It's the system I've known all my working life. In the last five years with united, I've practiced its principles as far as possible in a regulated industry. I know its opportunities, risks and rewards. And I'm still awed by its ability to produce—to provide the most for the greatest number—as our history testifies.

Insofar as the proper blend between government regulation and free enterprise and the necessity in the national interest of maintaining a strong air transportation system, I think Harding Lawrence, chairman and chief executive officer of Braniff, said it well at the National Aviation Club in Washington recently. "I think knowledge, experience and common sense will prevail in Washington, and what will result is what most airlines, airports, lenders, suppliers and, most importantly, air travelers want and need—change, which will mean less regulation and better regulation, greater competition—not monopoly—and a constantly improving system of air service." And to that I would add an awareness by decision makers in Washington that it is essential that well managed companies be allowed the opportunity to make an adequate, continuous return on their investments.

DR. MAYNARD M. MILLER LEAVES FACULTY OF MICHIGAN STATE

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 17, 1975

Mr. O'HARA. Mr. Speaker, one of the outstanding educators in the State of Michigan recently was chosen to be dean of the College of Mines and Geology, and chief of the Bureau of Mines and Geology, at the University of Idaho. This deserved advancement in his profession has gone to Dr. Maynard M. Miller, who has distinguished himself as a professor of geology at Michigan State University.

Dr. Miller has had a most illustrious career, and he came to that career after receiving his B.S. degree in geological sciences from Harvard University, his M.A. degree in geology from Columbia University, and his Ph. D. in geomorphology and geophysics from Cambridge University. He began his career as an assistant professor of naval science and tactics at Princeton University at the end of World War II, and in the years that followed he was associated with the American Geographical Society, the Swiss Federal Institute for Snow and Avalanche Research, the Lamont Geological Observatory, and the staff of Columbia University.

Between 1968 and 1970, Dr. Miller served as chairman of the World Center for Exploration Foundation in New York City—a foundation supported by some 100 major corporations in the United States—where he developed national programs to stimulate and direct young people into careers in the field and exploration sciences. It was in 1970, that Dr. Miller joined the faculty of Michigan State University, a position which he has just left to take up his challenging new duties with the University of Idaho.

Over the years, Mr. Speaker, Dr. Miller has been director of the Glaciological and Arctic Sciences Institute; president of the Foundation for Glacier and Environmental Research, Pacific Science Center, Seattle, Wash.; was geologist on the American Mount Everest expedition in 1963; leader of a 23-man team of scientists on the Mount Kennedy-Yukon photogrammetric and geological expedition in 1965; a geological consultant for the U.S. Forest Service, the National Park Service, the State of Alaska, the U.S. Navy Oceanographic Office, the Army Quartermaster Corps, the National Aeronautics and Space Agency, the National Geographic Society, and the Federal Office of Water Resources; and a hydrological adviser to the Museo Argentino de Ciencias Naturales and to the Instituto Geologico del Peru.

Dr. Miller's honors, fellowships and awards would fill a page, Mr. Speaker—honors from academia, from the U.S. Navy for his service in World War II, from foundations and societies, and from civic clubs which have recognized the unique character of his work.

I know that Dr. Miller will be missed by his many friends and associates at Michigan State University, and I join his good friends in wishing him continued success in his new assignment.

HOUSE OF REPRESENTATIVES—*Friday, December 19, 1975*

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

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

Glory to God in the highest and on Earth peace, good will among men.—Luke 2: 14.

O God, to whom glory is sung in the highest, while on Earth peace is proclaimed to men of good will; grant that good will to us, Thy children, cleansing us from our sins and leading us to a new life in Thee. May Thy spirit be born anew in us reminding us to live by love, to forget failures, to forgive wrongs done, and to face the future with faith and hope assured that Thou art with us always and all the way.

Before the altar of Thy presence we pray for a greatness of spirit, a purity of heart, and a will to serve Thee and our country with all our being.

May the Lord bless us and keep us; the Lord make His face to shine upon us and be gracious unto us; the Lord lift up the light of His countenance upon us and give us peace. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 10792. An act for the relief of Jana Hlavaty; and

H.R. 11184. An act to amend title 3, United States Code, to provide for foreign diplomatic missions, to increase the size of the Executive Protective Service, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 95. An act to guarantee the constitutional right to vote and to provide uniform procedures for absentee voting in Federal elections in the case of citizens outside the United States.

The message also announced that the Senate agrees to the amendments of the